S S KOTHARI MEHTA
& COMPANY
CHARTERED ACCOUNTANTS

Independent Auditor's Report

To the Members of Semac Consultants Private Limited

Report on the Standalone Financial Statements

Opinion

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

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

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 in 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 Auditors' 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 and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

S.S. KOTHARI MEHTA & COMPANY
NEW DELHI

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 accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with relevant Rules issued thereunder.

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

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

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

Auditor's Responsibilities for the audit of the Standalone 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 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.

S.S. KOTHARI MEHTA & COMPANY
NEW DELHI
CHARTERED ACCOUNTANTS

- 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.

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.

Other Matters

We did not audit the financial statements and other financial information, in respect of Dubai branch of the Company whose financial statements reflect total assets of Rs. 9,409 thousands as at March 31, 2019, total revenue of Rs. 32,486 thousands and net cash inflows amounting to Rs. 25 thousands for the year ended on that date. These financial statements and other information have been audited by other auditor duly qualified to act as auditor in the country of incorporation of the said branch, whose financial statements, other financial information and auditor's reports have been furnished to us by the management and our opinion in so far it relates to that branch is based solely on the report of branch auditors.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
   a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
   c) The balance sheet, the statement of profit and loss (including other comprehensive income),

S.S. KOTHARI MEHTA & COMPANY NEW DELHI CHARTERED ACCOUNTANTS

the cash flows statement and the statement of changes in equity dealt with by this Report are in agreement with the books of account;

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

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

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

g) In our opinion, and according to the information and explanations given to us, the provisions of section 197 of the Act are not applicable to the Company; and

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

   i. The Company has disclosed the impact of pending litigation on its financial position in its standalone financial statements-Refer note 29 of the standalone Financial statements;

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

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

For S. S. Kothari Mehta & Company
Chartered Accountants
Firm's Registration No. 000756N

S.S. KOTHARI MEHTA & COMPANY * NEW DELHI * CHARTERED ACCOUNTANTS

Amit Goel

Amit Goel
Partner
Membership No. 500607

Place: New Delhi
Date: May 29, 2019

Annexure A to the Independent Auditor's Report to the members of Semac Consultants Private Limited dated May 29, 2019.

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

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

(b) The fixed assets are physically verified by the management according to a regular phased 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. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us, the title deeds of all immovable properties are held in the name of the Company.

(ii) According to the information and explanations given to us, the Company does not hold any inventory. Accordingly, provisions of clauses 3 (ii) of the Order are not applicable to the Company.

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

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

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

(vi) According to the information and explanations given to us, the Central Government has not specified maintenance of cost records under sub-section (1) of section 148 of the Act, in respect of Company's products/services. Accordingly, provisions of clauses 3 (vi) of the Order are not applicable.

(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 employees' provident fund, employees' state insurance, income tax, goods & services tax, customs duty, cess and other material statutory dues as applicable with the appropriate authorities during the year. Further, there were no undisputed amounts outstanding as at March 31, 2019 for a period of more than six months from the date they became payable.

(b) According to the records of the Company, the details of dues of Income-tax, Customs Duty, and cess which have not been deposited on account of any dispute and the forum where the dispute is pending, are in respect of Service tax (The Finance Act, 1994) pertaining to Karnataka state

S.S. KOTHARI MEHTA & COMPANY NEW DELHI CHARTERED ACCOUNTANTS

amounting to 5,899.42 (Rs in '000') for the period FY 2005-2009 at the forum of CESTAT (Appellate tribunal). No amounts have been deposited against the above mentioned dues.

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

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

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

(xi) In our opinion and according to the information and explanations given to us, the provisions of section 197 of the Act is not applicable to the Company. Accordingly, provisions of clauses 3 (xi) of the Order are not applicable.

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

(xiii) In our opinion and according to the information and explanations given to us, the transactions with the related parties are in compliance with section 188 of the Act, where applicable, and the requisite details have been disclosed in the standalone financial statements, as required by the applicable Indian Accounting Standards. The provisions of section 177 of the Act are not applicable to the Company and hence not commented upon.

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

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

For S. S. Kothari Mehta & Company
Chartered Accountants
Firm's Registration No. 000756N

S.S. KOTHARI MEHTA & COMPANY
NEW DELHI
CHARTERED ACCOUNTANTS

Amit Goel

Amit Goel
Partner
Membership No: 500607

Place: New Delhi
Date: May 29, 2019

Annexure B to the Independent Auditor's Report to the members of Semac Consultants Private Limited dated May 29, 2019

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

We have audited the internal financial controls over financial reporting of **Semac Consultants Private Limited** (the **"Company"**) as of March 31, 2019 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 management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the "Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit.

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

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

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

S.S. KOTHARI MEHTA & COMPANY NEW DELHI CHARTERED ACCOUNTANTS

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

For S. S. Kothari Mehta & Company
Chartered Accountants
Firm's Registration No. 000756N

S.S. KOTHARI MEHTA & COMPANY
NEW DELHI
CHARTERED ACCOUNTANTS

Amit Goel

Amit Goel
Partner
Membership No: 500607

Place: New Delhi
Date: May 29, 2019

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SEMAC

Semac Consultants Private Limited

Standalone Financial Statements for FY2018-19

Statutory Auditors

S. S. Kothari Mehta & Co.

SEMAC CONSULTANTS PRIVATE LIMITED

Balance Sheet As At March 31, 2019

₹ in '000

	Note No.	As at March 31, 2019	As at March 31, 2018
ASSETS			
(1) **Non - current assets**			
Property, plant and equipment	3	13,427	12,031
Other intangible assets	3	2,141	2,768
Financial assets	4		
(i) Investments	4.1	1,368	1,368
(ii) Loans	4.2	5,045	5,142
Deffered tax asset	5	47,915	48,409
Other non current assets	6	1,623	60
		71,519	**69,778**
(2) **Current assets**			
Financial assets	7		
(i) Trade receivables	7.1	-	1,89,165
(ii) Cash and cash equivalents	7.2	1,29,880	1,24,976
(iii) Bank balances	7.3	77,131	47,231
(iv) Loans	7.4	4,441	29,041
(v) Other financial assets	7.5	28,992	88,471
Current tax assets (net)	8	1,31,951	77,673
Contract assets	9	3,41,823	-
Other current assets	10	54,627	85,855
		7,68,845	**6,42,412**
Total assets		**8,40,364**	**7,12,190**
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	11	18,209	18,209
Other equity	12	4,26,353	4,16,372
		4,44,562	**4,34,581**
LIABILITIES			
(1) **Non - current liabilities**			
Financial liabilities	13		
(i) Borrowings	13.1	38	353
(ii) Other financial liability	13.2	60,395	8,390
Provisions	14	29,827	28,120
		90,260	**36,863**
(2) **Current liabilities**			
Financial liabilities	15		
(i) Borrowings	15.1	32,311	27,155
(ii) Trade payables	15.2		
- Due to Micro, Small and Medium Enterprises		-	-
- Due to other than Micro, Small and Medium Enterprises		1,11,512	1,01,986
(iii) Other financial liabilities	15.3	19,236	43,390
Contract Liability	16	92,469	-
Provisions	17	18,310	17,330
Other current liabilities	18	31,704	50,885
		3,05,542	**2,40,746**
Total Equity & Liabilities		**8,40,364**	**7,12,190**
Significant Accounting Policies	1 & 2		

The accompanying notes form an integral part of these financial statements
As per our report of even date

For S.S. Kothari Mehta & Company
Chartered Accountants
FRN - 000756N

Amit Goel

Amit Goel
Partner
Membership No: 500607

Place : Bengaluru
Date: May 29, 2019

S.S. KOTHARI MEHTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors of
Semac Consultants Private Limited

Abhishek Dalmia
DIN : 00011958

Deepali Dalmia

Deepali Dalmia
DIN : 00017415

Place : Bengaluru
Date: May 29, 2019

SEMAC CONSULTANTS PRIVATE LIMITED

Statement Of Profit And Loss For The Year Ended March 31, 2019

₹ in '000

		Note No.	For the year ended March 31, 2019	For the year ended March 31, 2018
I	Revenue from operations	19	10,76,806	9,60,422
II	Other income	20	19,989	65,560
III	Total income (I + II)		10,96,795	10,25,982
IV	Expenses			
	Cost of services	21	6,51,944	5,35,084
	Employee benefits expenses	22	2,36,978	3,09,451
	Finance costs	23	3,003	3,373
	Depreciation and amortization expenses	24	6,079	6,055
	Other expenses	25	1,79,617	1,81,929
	Total expenses		10,77,621	10,35,892
V	Profit / (loss) before exceptional items and tax (I - III)		19,174	(9,910)
VI	Exceptional items		-	-
VII	**Profit / (loss) before tax (V + VI)**		19,174	(9,910)
VIII	**Tax expense**			
	(1) Current tax	26	3,947	-
	(2) MAT Credit entitlement		(3,947)	-
	(3) Deferred tax	26	903	(7,986)
	(4) Tax related to earlier year		7,259	-
	Total Tax Expense		8,162	(7,986)
IX	Profit / (loss) from continuing operations (VII - VIII)		11,012	(1,924)
X	Profit / (loss) from discontinued operations (VII - VIII)		-	-
XI	Tax expense of discontinued operations		-	-
XII	Profit / (loss) from discontinued operations (after tax) (X - XI)		-	-
XIII	Profit/(loss) for the period (IX+XII)		11,012	(1,924)
XIV	Other comprehensive income	27		
A	(i) Items that will be reclassified to profit or loss		(3,442)	(1,815)
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
B	(i) Items that will not be reclassified to profit or loss		2,002	3,576
	(ii) Income tax relating to items that will not be reclassified to profit or loss		409	(930)
	Total		(1,031)	831
XV	**Total comprehensive income for the period (XIII + XIV)**		9,981	(1,093)
XVI	Earnings per equity share (basic& diluted)	28		
	For continuing operations			
	(Face value of ₹ 10 each)		6.05	(1.06)
	For discontinued operations			
	(Face value of ₹ 10 each)		-	-
	For continued & discontinued operations			
	(Face value of ₹ 10 each)		6.05	(1.06)
	Significant accounting policies	1 & 2		

The accompanying notes form an integral part of these financial statements
As per our report of even date

For S.S. Kothari Mehta & Company
Chartered Accountants
FRN - 000756N

Amit Goel

Amit Goel
Partner
Membership No: 500607

Place : Bengaluru
Date: May 29, 2019

S.S. KOTHARI MEHTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors of
Semac Consultants Private Limited

Abhishek Dalmia
DIN : 00011958

Deepali Dalmia
DIN : 00017415

Place : Bengaluru
Date: May 29, 2019

SEMAC CONSULTANTS PRIVATE LIMITED
Cash Flow Statement For The Year Ended March 31, 2019

₹ in '000

		2018-19	2017-18
A.	**Cash Flow from Operating Activities**		
	Net Profit before tax	**19,174**	**(9,910)**
	Adjustments:		
	Depreciation and amortization	6,079	6,055
	Sundry balances written off	839	7,433
	Bad debts/ advances written off	22,309	8,803
	Finance cost	3,003	3,373
	Interest income	(8,543)	(16,419)
	Sundry balances/provision no longer required written back	(2,686)	(3,337)
	(Profit)/loss on sale of investment	-	301
	(Profit)/loss on sale of fixed assets	966	(157)
	Operating profit before working capital changes	**41,141**	**(3,858)**
	Adjustments for working capital changes :		
	Increase/ (decrease) in trade payables	12,212	(10,118)
	(Increase)/ decrease in trade receivables	(1,75,806)	48,139
	(Increase)/ decrease in other financial assets	16,638	34,550
	(Increase)/ decrease in loans and other current assets	54,363	(76,021)
	Increase/ (decrease) in provisions	1,247	(10,586)
	Increase/ (decrease) in other current liabilities	1,01,112	35,409
	Cash Generated from Operations	**50,907**	**17,515**
	Direct taxes paid net of refund	(61,537)	(5,763)
	Net Cash from Operating activities	**(10,630)**	**11,752**
B	**Cash Flow from Investing Activities**		
	Purchase of fixed assets	(9,937)	(3,471)
	Proceeds from sale of fixed assets	2,122	(157)
	Fixed deposits made	(29,900)	-
	Dividend received	43,912	-
	(Purchase)/ sale of investments (net)	-	29,397
	(Profit)/ loss on sale of investments	-	301
	Interest Received	7,472	15,309
	Net Cash (used in)/generated from Investing Activities	**13,669**	**41,380**
C	**Cash Flow from Financing Activities**		
	Proceeds from Short term Borrowings	5,156	(12,740)
	Repayment of Long term Borrowings	(288)	(345)
	Finance Cost	(3,003)	(3,373)
	Net cash from / (used in) financing activities	**1,865**	**(16,459)**
	Net increase in cash and cash equivalents (A+B+C)	**4,904**	**36,674**
	Cash and cash equivalents (Opening Balance)	**1,24,976**	**88,302**
	Cash and cash equivalents (Closing Balance)*	**1,29,880**	**1,24,976**

S.S. KOTHARI MEHTA & CO.
NEW DELHI
CHARTERED ACCOUNTANTS

SEMAC CONSULTANTS PRIVATE LIMITED
Cash Flow Statement for the year ended March 31, 2019

₹ in '000

Components of Cash & Cash Equivalents	2018-19	2017-18
Balances with banks		
- in Current Accounts	99,710	82,068
- On cash credit accounts		
- Deposits with original maturity of less than 3 months	30,000	42,817
Cash on hand	170	91
Cheques in hand		
Net Cash & Cash Equivalents	1,29,880	1,24,976

Note:
1) Cash & cash equivalents components are as per note 7.2
2) Previous year figures have been regrouped/restated wherever considered necessary

As per our report of even date

For S.S. Kothari Mehta & Company
Chartered Accountants
FRN - 000756N

Amit Goel

Amit Goel
Partner
Membership No: 500607

Place : Bengaluru
Date: May 29, 2019

S.S. KOTHARI MEHTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors of
Semac Consultants Private Limited

Abhishek Dalmia
DIN : 00011958

Deepali Dalmia
DIN : 00017415

Place : Bengaluru
Date: May 29, 2019

SEMAC CONSULTANTS PRIVATE LIMITED
Statement Of Changes In Equity For The Year Ended March 31, 2019

A. Equity Share Capital ₹ in '000

Particulars	As at March 31, 2017	Changes during the year	As at March 31, 2018	Changes during the year	As at March 31, 2019
18,20,892 (previous year 18,20,892) equity shares of ₹10/- each	18,209	-	18,209	-	18,209

B. Other Equity ₹ in '000

Particulars	Reserves and Surplus		Items of Other Comprehensive Income		Total
	General Reserve	Retained earnings	Foreign Curreny Translation	Acturial Gain / Loss	
As at March 31, 2017	**1,64,127**	**2,48,651**	**2,819**	**1,868**	**4,17,465**
Additions during the year	-	(1,924)	(1,815)	2,646	**(1,093)**
As at March 31, 2018	**1,64,127**	**2,46,727**	**1,004**	**4,514**	**4,16,372**
Additions during the year	-	11,012	(3,442)	2,411	9,981
As at March 31, 2019	**1,64,127**	**2,57,739**	**(2,438)**	**6,925**	**4,26,353**

Nature of reserves

i 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 ("the Act"), transfer of any amount to general reserve is at the discretion of the Company.

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

iii 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.

The accompanying notes form an integral part of these financial statements
As per our report of even date

For S.S. Kothari Mehta & Company
Chartered Accountants
FRN - 000756N

Amit Goel
Partner
Membership No: 500607

Place : Bengaluru
Date: May 29, 2019

S.S. KOTHARI MEHTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors of
Semac Consultants Private Limited

Abhishek Dalmia
DIN : 00011958

Deepali Dalmia
Deepali Dalmia
DIN : 00017415

Place : Bengaluru
Date: May 29, 2019

Semac Consultants Private Limited

Notes to financial statements for the year ended March 31, 2019

Basis of accounting and preparation of Financial Statements

1.1 Corporate overview

Semac Consultants Private Limited ("the Company") was incorporated as a private company and registered on Jan 16, 1987 under the Companies Act 1956 (super ceded by Companies, Act 2013). The Company is a subsidiary of Revathi Equipment Limited which is currently listed on Bombay Stock Exchange and National Stock Exchange. The Company is engaged in design engineering consulting, with the end-to-end capabilities across architecture, structural, electrical, public health engineering (PHE), fire protection, heating ventilation and air conditioning (HVAC), lead certifications and energy audit domains.

These financial statements were approved and adopted by board of directors of the Company in their meeting held on May 29, 2019.

1.2 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.

1.3 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."

1.4 Operating cycle

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

1.5 Functional and presentation currency

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

1.6 Use of judgement, 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.

S.S. KOTHARI MEHTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

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 is 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.

1.7 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.

1.8 Standards issued but not yet effective

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

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

S.S. KOTHARI MEHTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

interest component. Management is currently reviewing the operating lease contracts in place to determine the impact of this standard.

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

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

Significant Accounting Policies

2.1 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. 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/intangible assets under installation/development as at the balance sheet date are carried at cost, comprising direct cost, related incidental expenses and attributable borrowing cost and are transferred to respective capital asset when they are available for use.

Property, plant and equipment are derecognised from the financial statement, either on disposal or when no economic benefits are expected from its use or disposal. Losses arising in the case of retirement of property, plant and equipment and gain or losses arising from disposal of property, plant and equipment are a recognized in the statement of profit and loss in the year of occurrence."

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.

S.S. KOTHARI MEHTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

2.2 Intangible assets

Capital expenditure on purchase and development of identifiable assets without physical substance is recognized as intangible assets in accordance with principles given under Ind AS-38 – Intangible Assets.

The amortization period and the amortization method for an intangible asset with a finite useful life 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. Expenses incurred during construction period, preliminary project expenditure, capital expenditure, indirect expenditure incidental and related to construction / implementation, interest on borrowings to finance fixed assets and expenditure on start-up / commissioning of assets forming part of a composite project are capitalized up to the date of commissioning of the project as the cost of respective assets.

2.3 Depreciation and amortization

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

The useful lives of intangible asset are assessed 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.

2.4 Impairment of Non-financial assets

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

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

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

S.S. KOTHARI MEHTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

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

2.5 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.

For arrangements entered into prior to 1 April 2015, the company has determined whether the arrangement contain lease on the basis of facts and circumstances existing on the date of transition.

Where the Company is the lessee

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

Operating lease payments are recognized as an operating expense in the statement of profit and loss on a straight-line basis over the lease term.

Where the Company is the lessor

Rental Income from operating leases is recognized on a straight-line basis over the term of the relevant lease, costs including depreciation are recognized as an expense in the statement of profit and loss. Initial direct costs incurred in negotiating and arranging an operating lease are recognized immediately in the statement of profit and loss.

2.6 Borrowing cost

"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. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use.

2.7 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.

S.S. KOTHARI MEHTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

The Operating Segments have been identified on the basis of the nature of products/ services.

i. Segment Revenue includes sales and other income directly identifiable with/ allocable to the segment including inter- segment revenue.

ii. Expenses that are directly identifiable with/ allocable to the segments are considered for determining the segment result. Expenses not allocable to segments are included under unallocable expenditure.

iii. Income not allocable to the segments is included in unallocable income

iv. Segment results includes margin on inter segment and sales which are reduced in arriving at the profit before tax of the company.

v. Segment assets and Liabilities include those directly identifiable with the respective segments. Assets and liabilities not allocable to any segment are classified under unallocable category.

2.8 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 scheme and superannuation scheme and ESI are a defined contribution plan 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.

c. Defined benefit plan

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 Company's Employee Gratuity Fund is managed by Life Insurance Corporation. 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.

S.S. KOTHARI MEHTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

2.9 Financial instruments

(a) Financial assets

Classification

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

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.

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

Debt instrument at amortised cost

A "debts instrument" is measured at the amortised cost if both the following condition are met.

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flow, 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.

After initial measurement, such financial assets are subsequently measurement at amortised cost using the effective interest rate (EIR) method. Amortised 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 amortisation is included in finance income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss.

Debt instrument 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

(c) Impairment losses and gains

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.

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.

Derecognition

A financial asset (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.

Impairment of financial assets

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

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

• Trade receivables

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

(b) **Financial liabilities & equity**

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

Initial recognition and measurement

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

Subsequent measurement of financial liability

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

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.

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"

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."

S.S. KOTHARI MEHTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

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 are recognised in the Statement of Profit and loss.

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.

2.10 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.

2.11 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 services

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

Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Dividends

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

S.S. KOTHARI MEHTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

Insurance claim

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

2.12 Foreign currency transactions

Standalone financial statements have been presented in Indian Rupees (₹ '000'), which is the Company's functional and presentation currency.

- **Initial recognition**

Foreign currency transactions are recorded on initial recognition in the functional currency, using the exchange rate at the date of the transaction.

- **Conversion**

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

- **Exchange differences**

The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in OCI or profit or loss are also recognized in OCI or profit or loss, respectively).

- **Foreign operations**

In respect of overseas branch operation, the financial of branch are converted in functional currency using the following procedures.

a) Assets and liabilities for each balance sheet presented (ie including comparatives) shall be translated at the closing rate at the date of that balance sheet;

b) Income and expenses for each statement of profit and loss presented (ie including comparatives) shall be translated at exchange rates at the dates of the transactions or a rate that approximates the exchange rates at the dates of the transactions; and

c) All resulting exchange differences shall be recognised in other comprehensive income

2.13 Taxes

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

Current income tax

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

Minimum alternate tax

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

Deferred tax

Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purpose at reporting date. Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized.

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

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

2.14 Provisions, contingent liabilities and contingent assets

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.

S.S. KOTHARI MEHTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

• A present obligation arising from past event, when it is not probable that as outflow of resources will be required to settle the obligation

• A present obligation arises from the past event, when no reliable estimate is possible

• A present obligation arises from the past event, unless the probability of outflow are remote

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets.
Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

2.15 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.

2.16 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.

S.S. KOTHARI MEHTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

SEMAC CONSULTANTS PRIVATE LIMITED

Notes To Financial Statements For The Year Ended March 31, 2019

NOTE - 3

Property, Plant & Equipment

(₹ in '000)

Particulars	Tangible Assets									Total Tangible Asset
	Lease hold Improvements	Buildings	Plant & Machinery	Electrical Installation	Computers (End-user Devices)	Computers (Servers & Networks)	General Furniture & Fittings	Office equipments	Motor Vehicle- Cars	
GROSS BLOCK										
as at March 31, 2017	2,646	7,723	9,345	2,578	57,582	1,205	22,095	14,767	6,905	**1,24,847**
Addition	-	-	70	-	2,010	-	255	256	1,481	4,072
Disposals / Adjustments	-	-	(16)	(778)	(14,618)	(321)	(524)	(1,636)	(6,598)	(24,491)
as at March 31, 2018	**2,646**	**7,723**	**9,399**	**1,800**	**44,974**	**884**	**21,827**	**13,387**	**1,789**	**1,04,429**
Addition	1,191	-	1,429	-	598	374	4,747	1,274	-	9,612
Disposals / Adjustments	-	-	(411)	-	-	-	(10,485)	(753)	-	(11,650)
as at March 31, 2019	**3,837**	**7,723**	**10,416**	**1,800**	**45,571**	**1,258**	**16,089**	**13,908**	**1,789**	**1,02,391**
DEPRECIATION										
as at March 31, 2017	2,592	3,764	8,273	2,413	55,271	1,072	17,809	13,907	6,403	**1,11,504**
Charge for the year	2	227	272	38	2,038	60	1,331	194	150	4,312
Disposals	-	-	(14)	(752)	(14,030)	(311)	(513)	(1,596)	(6,200)	(23,417)
as at March 31, 2018	**2,593**	**3,990**	**8,531**	**1,699**	**43,279**	**821**	**18,626**	**12,505**	**353**	**92,398**
Charge for the year	411	214	376	22	1,282	84	1,981	444	313	5,128
Disposals	-	-	(403)	-	-	-	(7,425)	(734)	-	(8,562)
as at March 31, 2019	**3,004**	**4,204**	**8,504**	**1,722**	**44,562**	**905**	**13,182**	**12,215**	**666**	**88,964**
NET BLOCK										
as at March 31, 2018	53	3,732	868	101	1,695	63	3,201	882	1,436	12,031
as at March 31, 2019	**833**	**3,519**	**1,912**	**78**	**1,009**	**353**	**2,907**	**1,693**	**1,123**	**13,427**

Intangible Asset

(₹ In '000)

Particulars	Amount
GROSS BLOCK	
as at March 31, 2017	47,472
Addition	786
Disposals / Adjustments	(19)
as at March 31, 2018	48,239
Addition	325
Disposals / Adjustments	-
as at March 31, 2019	48,564
DEPRECIATION	
as at March 31, 2017	43,747
Charge for the year	1,743
Disposals	(19)
as at March 31, 2018	45,471
Charge for the year	952
Disposals	-
as at March 31, 2019	46,423
NET BLOCK	
as at March 31, 2018	2,768
as at March 31, 2019	2,141

4 Financial Asset : Non Current

4.1 Investment

(₹ in '000)

		As at March 31, 2019	As at March 31, 2018
	Unquoted Investments		
(i)	**Investments in Subsidiaries (At Cost)** 1,63,150 (FY17-18 : 1,63,150) equity shares of Omani Riyal 1/- each fully paid-up in Semac Oman - LLC, Muscat, Sultanate of Oman	663	663
(ii)	**Investments in Joint Venture (At Cost)*** 98 (FY 17-18: 98) paid-up shares of Qatari Riyal 1000/- each fully paid-up in Semac Qatar WLL, Doha	-	1,172
	Less : Impairment in value *	-	(1,172)
(iii)	**Investments in other body corporate (At Fair Value)** 128 (FY17-18: 128) paid-up equity shares of Rs. 25/- each fully paid-up in Shamrao Vittal Co-op. Bank Ltd.	3	3
	74,050 (FY17-18 : 74,050) fully paid up equity shares of Rs. 10/- each in AEC Infotech Pvt. Ltd.	666	666
	Quoted Investment		
	3,600 (FY 17-18: 3600) fully paid up equity shares of Rs. 10/- each in Lakeland Hotels Ltd.	36	36
	Total	1,368	1,368

	As at March 31, 2019	As at March 31, 2018
Aggregate amount of quoted investments	36	36
Market value of quoted investments	49	56
Aggregate amount of unquoted investments	1,332	2,504
Provision for diminution in investment	-	(1,172)

*Investment in Semac Qatar W.L.L , a joint venture with a controlling share of 49 % has been written off during the year

4.2 Loans

	As at March 31, 2019	As at March 31, 2018
Loans to related party		
- Unsecured, considered doubtful	-	862
Less : Provision for doubtful debts	-	(862)
Security deposits		
Unsecured, considered good		
- Rent deposit	5,020	5,117
- Deposits with statutory authorities	25	25
Total	5,045	5,142

(₹ in '000)

5 Deferred Tax Assets

	As at March 31, 2019	As at March 31, 2018
Deferred tax asset (Net)	47,915	48,409
	47,915	48,409

(i) Movement in deferred tax items

FY 18-19	As at March 31, 2018	Recognised in Profit & Loss Account	Recognised in other comprehensive income	As at March 31, 2019
Deferred tax (liability) / asset in relation to :				
Expenses allowable on payment basis and others	9,405	5,045	-	14,450
Carry forward losses and unabsorbed depreciation	39,317	(5,766)	-	33,551
Remeasurement of Defined Benefit Obligations	(930)	-	409	(521)
Difference between Written Down Value as per books and as per Income Tax Act, 1961	(1,123)	899	-	(224)
Provision for doubtful debt	1,740	(1,082)	-	658
Net Deferred tax (liability) / asset	48,409	(903)	409	47,915

FY 17-18	As at March 31, 2017	Recognised in Profit & Loss Account	Recognised in other comprehensive income	As at 31st March, 2018
Deferred tax (liability) / asset in relation to :				
Expenses allowable on payment basis and others	16,714	(7,309)		9,405
Carry forward losses and unabsorbed depreciation	22,782	16,534	-	39,317
Remeasurement of Defined Benefit Obligations	-	-	(930)	(930)
Difference between Written Down Value as per books and as per Income Tax Act, 1961	-	(1,123)	-	(1,123)
Provision for doubtful debt	1,856	(116)	-	1,740
Net Deferred tax (liability) / asset	41,352	7,986	(930)	48,409

6 Other non current asset

	As at March 31, 2019	As at March 31, 2018
Advance lease rent	1,623	60
Total	1,623	60

7 Financial Asset : Current

7.1 Trade receivables

	As at March 31, 2019	As at March 31, 2018
Trade receivable considered good-secured	-	-
Trade receivable considered good-unsecured	-	1,89,165
Trade receivable which have significant increase in credit risk	-	-
Trade receivable-credit impaired	-	6,692
Less provision for ECL	-	(6,692)
	-	1,89,165

a) Amount receivable from customers is considered due on raising of invoice.

7.2 Cash and cash equivalents

	As at March 31, 2019	As at March 31, 2018
Balances with banks		
- in Current accounts	99,710	82,068
- in Fixed deposit with maturity of upto 3 months	30,000	42,817
Cash on hand	170	91
Total	1,29,880	1,24,976

S.S. KOTHARI MEHTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

(₹ in '000)

7.3 Bank balance

	As at March 31, 2019	As at March 31, 2018
Balances with banks		
- in Fixed deposit with maturity of upto 3-12 months (under lien)	77,131	47,131
- in Fixed deposit with maturity of upto 3-12 months	-	100
	77,131	47,231

7.4 Loans

	As at March 31, 2019	As at March 31, 2018
Unsecured, considered good unless otherwise stated		
Related parties		
Loan to holding company	-	9
Loans to other parties (refer note i)	-	25,000
Security deposit		
Earnest money deposit	3,044	2,302
Others.	1,267	618
Advance to employees	130	1,112
Total	4,441	29,041

Note

(i) Loan was given to Vasundhara International, a sole proprietary concern on 3rd April, 2017 for general corporate purposes for a period of two years at interest rate of 13% per annum and was received during the current year

7.5 Other financial assets

	As at March 31, 2019	As at March 31, 2018
Interest accrued on loan to Holding Company	-	1,191
Interest accrued on deposits with bank	4,806	1,813
Interest accrued on loan to others	-	731
Unbilled revenue	24,186	40,824
Dividend Receivable	-	43,912
Total	28,992	88,471

8 Current tax asset (net)

	As at March 31, 2019	As at March 31, 2018
Advance payment of taxes (net)	1,31,951	77,673
Total	1,31,951	77,673

9 Contract assets

	As at March 31, 2019	As at March 31, 2018
Trade receivables	3,41,823	-
	3,41,823	-

10 Other current assets

	As at March 31, 2019	As at March 31, 2018
Advance to suppliers	25,500	17,655
Prepaid expenses	4,662	5,496
Other advances recoverable in kind	400	400
Balance with statutory authorities	24,065	62,304
Total	54,627	85,855

S.S. KOTHARI MEHTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

(₹ in '000)

11 Equity Share Capital

	As at March 31, 2019	As at March 31, 2018
Authorised:		
20,00,000 Equity Shares of Rs.10/- each	20,000	20,000
Issued, subscribed and fully paid up :		
18,20,892 (previous year 18,20,892) equity shares of Rs.10/- each	18,209	18,209
Total	**18,209**	**18,209**

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

	No. of shares	Amount in ('000)
As at March 31, 2018	18,20,892	18,209
Movement during the year	-	-
As at March 31, 2019	18,20,892	18,209

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

Particulars	As at March 31, 2019		As at March 31, 2018	
	No. of shares	% of holding	No. of shares	% of holding
Revathi Equipment Ltd. (the Holding Company)	14,01,860	76.99%	14,01,860	76.99%
B. S. Aswathnarayan	97,390	5.35%	97,390	5.35%
T. S. Gururaj	95,851	5.26%	95,851	5.26%
	15,95,101	**87.60%**	**15,95,101**	**87.60%**

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

(iii) **Rights, preferences and restrictions attached to equity shares**

a) The Company has one class of equity shares having par value of Rs 10/- per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation the equity shareholders are eligible to receive the remaining assets after discharging all liabilities of the Company, in proportion to their shareholding.

b) During the year ended March 31, 2019 the amount of dividend per share recognised as distribution to equity shareholder was Rs. NIL (FY 17-18 Rs. NIL)

c) The Company has not issued any shares for considration other than cash including bonus share and shares brought back during the period of five years immediately preceeding the reporting date.

12 OTHER EQUITY

	As at March 31, 2019	As at March 31, 2018
A. RESERVES & SURPLUS		
General reserve		
Opening balance	1,64,127	1,64,127
Changes during the year	-	-
Closing Balance	**1,64,127**	**1,64,127**
Retained earnings		
Opening balance	2,46,727	2,48,651
Add : (Loss)/Profit for the year	11,012	(1,924)
Balance at the end of the year	**2,57,739**	**2,46,727**
B. OTHER COMPREHENSIVE INCOME		
Foreign currency translation reserve (FCTR)		
Opening balance	1,004	2,819
Additions during the period	(3,442)	(1,815)
Balance at the end of the year	**(2,438)**	**1,004**
Actuarial Gain/(Loss)		
Opening balance	4,514	1,868
Additions during the period	2,411	2,646
Balance at the end of the year	**6,925**	**4,514**
Total	**4,26,353**	**4,16,372**

S.S. KOTHARI MEHTA NEW DELHI CHARTERED

(₹ in '000)

13 Financial liability : Non current

13.1 Borrowings

	As at March 31, 2019	As at March 31, 2018
Secured at amortised cost		
From bank		
- Term Loan	353	641
Less: Current maturity of long term borrowings	(315)	(288)
Total	38	353

(i) Term loan from ICICI bank, taken @ 14.5% is secured by Mortgage of flat at Sikanderabad and is repayable in equated monthly instalments (EMI) of Rs. 0.29 thousands (starting from November 2005 for a period of 177 months)

13.2 Other financial liability

	As at March 31, 2019	As at March 31, 2018
Retention money payable	60,395	8,390
Total	60,395	8,390

14 Non current provision

	As at March 31, 2019	As at March 31, 2018
Provision for employee benefits		
Provision for gratuity (Refer note 36)	24,639	24,563
Provision for leave salary (Refer note 36)	5,188	3,557
	29,827	28,120

15 Financial Liability : Current

15.1 Borrowings

	As at March 31, 2019	As at March 31, 2018
Unsecured - at amortised cost		
- From related party (refer note (i))	32,311	27,155
Total	32,311	27,155

Note

(i) The loan is taken from the subsidiary company carrying interest @ 8% p.a and is repayable on demand.

15.2 Trade payables

	As at March 31, 2019	As at March 31, 2018
a) Micro, small and medium enterprises*	-	-
b) Others than Micro, small and medium enterprises	1,11,512	1,01,986
Total	1,11,512	1,01,986

* Based on the information availaible with the company, there are no supplier as defined under the " Micro, Small and Medium Enterprise Development Act, 2006". Hence the disclosure as required in section 22 of the said Act has not been given in these accounts. This information has been relied on by the auditors.

15.3 Other Financial Liability

	As at March 31, 2019	As at March 31, 2018
Current maturities of long term borrowings	315	288
Expenses payable	18,921	43,102
Total	19,236	43,390

16 Contract Liability

	As at March 31, 2019	As at March 31, 2018
Advance from customers	92,469	-
Total	92,469	-

S.S. KOTHARI MEHTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

(₹ in '000)

17 Short term provisions

	As at March 31, 2019	As at March 31, 2018
Provision for employee benefits		
Provision for gratuity (Refer note 36)	4,553	3,634
Provision for leave salary (Refer note 36)	1,357	1,296
Provision for contingency *	12,400	12,400
Total	**18,310**	**17,330**

*Claim made by a client which is under dispute.

18 Other current liability

	As at March 31, 2019	As at March 31, 2018
Statutory liabilities	4,978	30,091
Employee related dues	26,726	20,794
Total	**31,704**	**50,885**

S.S. KOTHARI MEHTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

19 Revenue from operations

(₹ in '000)

	Year ended March 31, 2019	Year ended March 31, 2018
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		
(a) **Type of goods or services:**		
(i) **Sale of services**		
Engineering consultancy and project management charges	2,62,409	3,14,263
Work contract services	8,14,397	6,46,159
Total revenue from contracts with customers	**10,76,806**	**9,60,422**
(b) **Location:**		
India	10,32,573	9,02,555
Outside India	44,233	57,867
Total revenue from contracts with customers	**10,76,806**	**9,60,422**
(c) **Timing of revenue recognition:**		
Services provided at a point in time	10,76,806	9,60,422
	10,76,806	**9,60,422**

(ii) **Contract balances**

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers:

	Year ended March 31, 2019	Year ended March 31, 2018
Trade receivables	-	1,89,165
Contract liabilities:		
Advance from customers	92,469	-

(iii) **Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price**

	Year ended March 31, 2019	Year ended March 31, 2018
Revenue as per contracted price	10,76,806	9,60,422
Adjustments:		
Sales return	-	-
Revenue from contracts with customers	**10,76,806**	**9,60,422**

(iv) **The transaction price allocated to the remaining performance obligation (unsatisfied or partially unsatisfied) as at March 31, 2019 are, as follows:**

Advance from customers (Refer note 16)	92,469	-

Management expects that the entire transaction price allotted to the unsatisfied contract as at the end of the reporting period will be recognised as revenue during the next financial year.

20 Other Income

	Year ended March 31, 2019	Year ended March 31, 2018
Interest Income from		
- Interest from FDs	6,152	7,075
- Income tax refund	-	2,881
- Loans & advances	2,391	6,463
Dividend Income	-	43,912
Bad debts recovered	-	410
Gain on foreign exchange fluctuation	6,474	-
Sundry balances/provision no longer required written back	2,686	3,337
Profit on sale of fixed assets (net)	-	157
Miscellaneous income	2,286	1,325
Total	**19,989**	**65,560**

21 Cost of services

	Year ended March 31, 2019	Year ended March 31, 2018
Works contract expenses	6,51,944	5,35,084
Total	**6,51,944**	**5,35,084**

S.S. KOTHARI MEHTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

(₹ in '000)

22 Employee benefit expense

		Year ended March 31, 2019	Year ended March 31, 2018
i.	Salaries, wages, allowances & commission	2,21,370	2,83,292
ii.	Contribution to gratuity, provident & other funds	13,837	22,840
iii.	Staff welfare expenses	1,771	3,319
	Total	**2,36,978**	**3,09,451**

23 Finance cost

	Year ended March 31, 2019	Year ended March 31, 2018
Interest expenses	2,468	3,030
Interest on delay in payment of statutory dues	535	343
Total	**3,003**	**3,373**

24 Depreciation

		Year ended March 31, 2019	Year ended March 31, 2018
i.	Tangible assets	5,127	4,312
ii.	Intangible asset	952	1,743
	Total	**6,079**	**6,055**

25 Other Expense

	Year ended March 31, 2019	Year ended March 31, 2018
Power & fuel	2,327	3,888
Rent	15,654	16,882
Repairs on others	4,225	4,744
Insurance	1,401	1,140
Rates & taxes	2,691	3,545
Bad debts written off	22,309	8,803
Training & Seminar Expense	34	819
Travel & conveyance	23,519	27,350
Vehicle maintenance	57	528
Bank charges	5,409	3,197
Postage & telephone	3,014	4,040
Loss on Investment	1,172	301
Less: Impairment provision	(1,172)	-
Printing & stationery	2,190	3,115
Loss on foreign exchange fluctuation	-	166
Corporate social responsibilites	-	150
Audit fee & expenses	1,086	992
Sundry balances written off	839	7,433
Professional expense	88,503	89,528
Loss on sale of fixed assets (Net)	966	-
Miscellaneous expenses	5,393	5,307
Total	**1,79,617**	**1,81,929**

26 Tax Expense

Current tax	3,947	-
MAT Credit entitlement	(3,947)	-
- Income tax relating to earlier years	7,259	-
Deffered tax expense	903	(7,986)
	8,162	**(7,986)**

S.S. KOTHARI MEHTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

(₹ in '000)

Income tax recognised in other comprehensive income

	Year ended 31st March 2019	Year ended 31st March 2018
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	409	930
Total income tax expense recognised in other comprehensive income		
Total income tax expense recognised	8,571	(7,056)

27 Other Comprehensive Income

Item that will be reclassified to Statement of Profit or Loss		
Foreign currency translation reserve	(3,442)	(1,815)
Item that will not be reclassified to profit or loss		
Acturial gain / (loss) on defined benefit obligation	2,002	3,576
Income tax relating to items that will not be reclassified to profit or loss	409	(930)
Total	(1,031)	831

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

	27.82%	**27.82%**
Profit / (loss) before tax	**21,176**	**(6,334)**
Income tax expense calculated at 27.82% (including surcharge and education cess) (March 31, 2018: 27.82%)	5,891	-
Effect of temporary differences	1,621	(7,986)
Effect of brought forward losses	(6,609)	-
Effect of earlier year taxes	7,259	-
Other adjustments	(409)	(930)
	7,753	**(8,916)**

28 Earnings per share

	Unit of measurement	Year ended March 31, 2019	Year ended March 31, 2018
Face value of equity Shares (in Rs.)			
Total number of equity shares outstanding	Number	18,20,892	18,20,892
Weighted average number of equity shares in calculating basic and diluted EPS	Number	18,20,892	18,20,892
Countinued Operation			
Net profit for calculation of basic and diluted EPS	Rs in '000	11,012	(1,925)
EPS (Basic & Diluted)	Rs in '000	6.05	(1.06)
Discountinued Operation			
Net profit for calculation of basic and diluted EPS	Rs in '000	-	-
EPS (Basic & Diluted)	Rs in '000	-	-
Total Operations			
Net profit for calculation of basic and diluted EPS	Rs in '000	11,012	(1,925)
EPS (Basic & Diluted)	Rs in '000	6.05	(1.06)

29 Contingent liabilities (not provided for) in respect of:

(₹ in '000)

S.N.	Particulars	2018-19	2017-18
a)	Bank Guarantees	71,768	28,017
b)	Service tax demands	5,899	5,899
c)	TDS demands	1,380	1,577
d)	Employee visa guarantee	795	744
e)	Claims against company not acknowledged as debts	-	11,772
	Total	**79,843**	**48,008**
f)	The Honourable Supreme Court, has passed a decision on 28th February, 2019 in relation to inclusion of certain allowances within the scope of "Basic wages" for the purpose of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952. The Company, based on legal advice, is awaiting further clarifications in this matter in order to reasonably assess the impact on its financial statements, if any. Accordingly, the applicability of the judgement to the Company, with respect to the period and the nature of allowances to be covered, and resultant impact on the past provident fund liability, cannot be reasonably ascertained, at present.		

30 Capital and other commitments:

(₹ in '000)

S.N.	Particulars	2018-19	2017-18
a)	Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	Nil	Nil
b)	Estimated amount of contracts remaining to be executed on other than capital account and not provided for (net of advances)	Nil	Nil

31 Remuneration paid to Auditors (excluding taxes):

(₹ in '000)

Particulars	2018-19	2017-18
Statutory auditor	675	675
Other services	120	120
Reimbursement of expenses	150	150
Total	**945**	**945**

32 Details of Dues to Micro and Small Enterprises as per MSMED Act, 2006 to the extent of information available with the Company

(₹ in '000)

S.N.	Particulars	2018-19	2017-18
a)	Principal amount and Interest due thereon remaining unpaid to any supplier as at end of each accounting year		
b)	Interest paid by the Company in terms of Section 16 of the MSMED Act along with the amounts of the payment made to the supplier beyond the appointed day during the accounting year.	-	-
c)	the amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	-	-
d)	the amount of interest accrued and remaining unpaid	-	-
e)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of this Act.	-	-
	Total	-	-

33 Expenditure in foreign currency (accrual basis):

(₹ in '000)

Particulars	2018-19	2017-18
Travelling	770	1,429
Rent	1,361	1,626
Professional fee and other expenses	39,020	44,229
TOTAL	**41,151**	**47,284**

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34 Earnings in foreign currency (accrual basis):

(₹ in '000)

Particulars	2018-19	2017-18
Engineering, consultancy, project management charges (including other income)	44,233	60,670

35 Segment Information

(i) General Disclosure

The company operates mainly in one business segment viz. engineering, consultancy for commercial and industrial projects being primary segment and all other activities revolve around the main activity. The secondary segment is geographical, information related to which is given under.

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 (including other income) from sale of products/services to external customers**

(₹ in '000)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
India	10,52,562	9,68,116
Outside India	44,233	57,867

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:

(₹ in '000)

Segment Assets	Year ended March 31, 2019	Year ended March 31, 2018
India	13,926	12,859
Outside India	1,642	1,940

(iii) Information about major customers:

Revenue from customers contributing more than 10% of company's revenue is Rs 6,57,788 thousands.

36 Gratuity and Other Post Employment Benefit Plans

Gratuity

Gratuity (being partly administered by a Trust) is computed as 15 days salary, for every recognized retirement / termination / resignation. The Gratuity plan for the company is a defined benefit scheme where annual contributions as per actuarial valuation are charged to the Statement of profit and loss.

The Provident Fund is a defined contribution scheme whereby the company deposits an amount determined as a fixed percentage of basic pay with the Regional Provident Fund Commissioner.

The Company also has a leave encashment scheme with defined benefits for its employees. The Company makes provision for such liability in the books of accounts on the basis of year end actuarial valuation. No fund has been created for this scheme.

For summarizing the components of net benefit expense recognized in the statement of profit and loss and the funded status and amounts recognized in the balance sheet for the respective plans, the details are as under

A. **Statement of profit and loss**

Net employee benefit expense

(₹ in '000)

Particulars	2018-19		2017-18	
	Gratuity (funded)	Leave encashment	Gratuity (funded)	Leave encashment
Current Service cost	4,296	2,085	3,740	1,887
Net Interest cost	2,145	305	2,715	193
Expected return on plan assets	(184)	-	(264)	-
Net actuarial (gain) / loss to be recognized	(2,002)	(561)	(3,576)	(743)
Past service cost (vested benefits)	-	-	2,485	-
Expenses Recognized in the statement of Profit & Loss	4,255	1,828	5,100	1,337

B. **Balance Sheet**

(i) **Details of Plan assets/ (liabilities) for gratuity and Leave Encashment**

(₹ in '000)

Particulars	2018-19		2017-18	
	Gratuity (partly funded)	Leave encashment	Gratuity (partly funded)	Leave encashment
Defined benefit obligation	31,723	6,545	31,260	4,853
Fair value of plan assets	2,532	-	3,063	-
Net Asset/(Liability) recognized in the Balance Sheet	29,191	6,545	28,197	4,853

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

(₹ in '000)

Particulars	2018-19		2017-18	
	Gratuity (partly funded)	Leave encashment	Gratuity (partly funded)	Leave encashment
Opening defined benefit obligation	31,260	4,853	41,786	4,055
Interest cost	2,145	305	2,715	193
Current service cost	4,296	2,085	3,740	1,887
Past service cost (vested benefits)	-	-	2,485	-
Actuarial (gains)/losses on obligation	(2,098)	(561)	(3,771)	(743)
Benefit paid	(3,880)	(136)	(15,695)	(539)
Closing defined benefit obligation	31,723	6,545	31,260	4,853

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

(₹ in '000)

Particulars	2018-19	2017-18
Opening fair value of plan assets	3,063	3,780
Actual return on Plan Assets	184	264
Contribution during the year	3,138	14,125
Benefit paid	(3,757)	(14,911)
Actuarial gain / (loss) on plan assets	(96)	(195)
Closing fair value of plan assets	2,532	3,063

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(₹ in '000)

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

Particulars	2018-19 %	2017-18 %
Discount rate (%)	7.55%	7.35%
Expected salary increase (%)	8.00%	8.00%
Demographic Assumptions		
Retirement Age (year)	60	60
Attrition / Withdrawal rate (per annum)	10.00%	20.00%
Mortality rate	100.00%	100.00%

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	2018-19	2017-18
Provident fund	9,585	12,422

vi Sensitivity analysis of the defined benefit obligation:

Particulars	2018-19		2017-18	
	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 period	31,723	6,545	31,260	4,853
Impact due to increase of 0.50%	159	33	156	24
Impact due to decrease of 0.50%	(159)	(33)	(156)	(24)
Impact of the change in salary increase				
Present value of obligation at the end of the period	31,723	6,545	31,260	4,853
Impact due to increase of 0.50%	159	33	156	24
Impact due to decrease of 0.50%	(159)	(33)	(156)	(24)

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

vii Other comprehensive income (OCI):

(₹ in '000)

Particulars	2018-19		2017-18	
	Gratuity (partly funded)	Leave encashment	Gratuity (partly funded)	Leave encashment
Net cumulative unrecognized actuarial (gain)/loss	(6,433)	(3,543)	(2,857)	(2,800)
Actuarial (gain)/loss for the year on PBO	(2,098)	(561)	(3,771)	(743)
Actuarial (gain)/loss for the year on plan asset	96	-	195	-
Unrecognized actuarial (gain)/loss at the end of the year	-	-	-	-
Total actuarial (gain)/loss at the end of the year	**(8,435)**	**(4,105)**	**(6,433)**	**(3,543)**

37 Related Party Transactions

a) List of Related Parties

i. Subsidiaries, Associates and Joint Venture of the Company

Name	**Status**
Semac Qatar WLL	Joint Venture (Qatar)
Semac & Partners LLC	Subsidiary Company (Muscat)

S.S. KOTHARI MEHTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

(₹ in '000)

ii. Holding company

Name	Status
Revathi Equipment Limited	Holding Company
Renaissance Advanced Consultancy Ltd	Ultimate Holding company

iii Key Management Personnel of the Company

Name	Status
Mr. Chaitanya Dalmia	Director till March 31, 2018
Mr. Abhishek Dalmia	Additional Director, w.e.f. December 1, 2017
Mrs. Deepali Dalmia	Additional Director, w.e.f. March 31, 2018
Mr. Vikas Jain	Chief Financial officer and Company Secretary till September 25, 2018
Mr. Pawan Maini	Chief Executive Officer, till June 30, 2018

iv. Enterprises where Key managerial personnel or their relatives have significant influence:
- Semac Construction Technologies India LLP (SCTILLP), formerly Renaissance Construction Technologies India LLP (RCTILLP)
- SWBI Design Informatics Private Limited

b) The following transactions were carried out with related parties in the ordinary course of business:

(₹ in '000)

Nature of Relationship	Name of Related Party	Nature of Transaction	For the year ended	
			31-Mar-19	31-Mar-18
Key Managerial Personnel	Mr. Vikas Jain (CFO)	Salary & Perquisites	3,006	5,913
	Mr. Pawan Maini (CEO)		6,875	27,500
Enterprises where Key managerial personnel or their relatives have significant influence	Semac Construction Technologies India LLP (SCTILLP)	Professional fees / reimbursement of expenses (Income)	2,561	-
	Semac Construction Technologies India LLP (SCTILLP)	Professional fees / reimbursement of expenses (Expense)	1,23,063	1,03,587
	SWBI Design Informatics Private Limited	Office Rent, Maintenance, Power & Utility	5,575	-
		Security Deposit for rent & maintenance given	2,967	-
Holding company	Revathi Equipment Limited	Interest Income	-	1,277
Subsidiaries, Associates and Joint Venture of the Company	Semac LLC	Interest Expense	2,395	1,844
		Dividend Income	-	43,912
		Professional charges/reimbursement of expenses claimed	12,675	2,107

(₹ in '000)

c) **Balances Outstanding at Year End:**

Nature of Relationship	Name of Related Party	Nature of Transaction	31-Mar-19	31-Mar-18
Enterprises where Key managerial personnel or their relatives have significant influence	Semac Construction Technologies India LLP (SCTILLP)	Trade Receivable	2,158	5,671
		Trade Payable	6,447	5,633
	SWBI Design Informatics Private Limited	Office Rent, Maintenance, Power & Utility Payable (Debit balance)	189	-
		Security Deposit for rent & maintenance recoverable (Debit balance)	2,967	-
Holding company	Revathi Equipment Limited	Advance Given	-	9
		Interest Receivable	-	1,191
Subsidiaries, Associates and Joint Venture of the Company	Semac LLC	Loan taken	32,311	27,155
		Trade Receivable	1,667	1,327
		Dividend Receivable	-	43,912
		Investment	663	663
	Semac Qatar WLL	Short term loans	-	862
		Provision for Diminution	-	(862)
		Net Amount	-	-
		Trade receivables	-	188
		Provision for Doubtful Debts	-	(188)
		Net Amount	-	-
		Investments	-	1,172
		Less: Provision	-	(1,172)
		Net Amount	-	-

38 Leases

(i) **Obligations under finance leases**
The company has no leasing arrangement in the nature of finance lease except land.

(ii) **Operating lease arrangements**
Office premises are taken on operating lease. There is no escalation clause in the lease agreement

(a) **Payments recognised as expense**

Particulars	2018-19	2017-18
Lease rent recognised during the year	15,654	16,882

(b) **Non-cancellable operating lease commitments**
All the operating lease arrangements are cancellable, having a lease period of 3-5 years and are usually renewable by mutual consent on mutually agreeable terms.

(₹ in '000)

39 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 %, during the previous years the company has created the provision for the loan and receivables in accordance with the requirement of Ind AS 37 and has written off the same during current year.

40 Impairment Review

Assets are tested for impairment whenever there are any internal or external indicators of impairment. Impairment test is performed at the level of each Cash Generating Unit ('CGU') or groups of CGUs within the Company at which the assets are monitored for internal management purposes, within an operating segment. The impairment assessment is based on higher of value in use and value from sale calculations. During the year, the testing did not result in any impairment in the carrying amount of other assets. The measurement of the cash generating units' value in use is determined based on financial plans that have been used by management for internal purposes. The planning horizon reflects the assumptions for short to- mid-term market conditions.

Key assumptions used in value-in-use calculations are:-

(i) Operating margins (Earnings before interest and taxes), (ii) Discount Rate, (iii) Growth Rates and (iv) Capital Expenditure

41 Expenditure incurred on Corporate Social Responsibilities

(a) Gross amount required to be spent by the company during the year ₹ "Nil" (previous year ₹ 100)

(b) Amount spent during the year on

(₹ in '000)

CSR Activities	In Cash	Yet to be paid in cash	Total
(i) Construction / acquisition of any asset	-	-	-
(ii) On purpose other than (i) above	- (150)	- -	- (150)

(figure in bracket pertain to previous year)

42 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

43 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 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 short term borrowings obligations in the nature of cash credit.

₹ in '000

Particulars	Fixed Rate Borrowing	Variable Rate Borrowing	Total Borrowing
As at March 31, 2019	32,664	-	32,664
As at March 31, 2018	27,796	-	27,796

Sensitivity analysis - For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year.

Sensitivity on variable rate borrowings	Impact on Profit & Loss Account	
	For the year ended March 31, 2019	For the year ended March 31, 2018
Interest rate increase by 0.25%	-	-
Interest rate decrease by 0.25%	-	-

ii. Foreign Currency Risk :

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuates because of changes in foreign exchange rates. As the Company operates internationally through a branch office in Dubai it has exposure to the risk of change in foreign exchange on account of foreingn operations. In addition to this, the entity has also exported / imported professional and management services giving rise to foreing receivables / payables.

The details of foreign currency exposure is as follows:

Particulars	Trade Receivable		Trade Payables	
	In FC in '000	Rs in '000	In FC in '000	Rs in '000
Unhedged foreign currency exposures				
Foreign Exposure as at March 31, 2019				
US Dollars	726	50,297	104	7,232
Euro	-	-	45	3,537
Foreign Exposure as at March 31, 2018				
US Dollars	763	49,448	104	6,763
Euro	-	-	45	3,633

S.S. KOTHARI MEHTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

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.

₹ in '000

Particulars	Increase / Decrease in basis points	Impact on Profit & Loss Account For the year ended March 31, 2019	For the year ended March 31, 2018
USD Sensitivity	+ 50 basis points	3	3
	- 50 basis points	(3)	(3)
Euro Senitivity	+ 50 basis points	(0)	(0)
	- 50 basis points	0	0

* Holding all other variable constant

B Credit risk:

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables and advances to suppliers) and from its financing activities, including deposits and other financial instruments

To manage this, Company periodically assesses the financial reliability of customers, taking into account factors such as credit track record in the market and past dealings with the Company for extension of credit to customer Company monitors the payment track record of the customers. Outstanding customer receivables are regularly monitored. An impairment analysis is performed at each quarter end on an individual basis for major customers. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets as discussed 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 receivables/contract assets is given below:

₹ in '000

Particulars	As at March 31, 2019		As at March 31, 2018	
	Upto 6 months	More than 6 months	Upto 6 months	More than 6 months
Gross carrying amount (A)	2,59,931	84,424	91,134	1,04,723
Expected Credit Losses (B)	(2,532)	-	(6,692)	-
Net Carrying Amount (A-B)	**2,57,399**	**84,424**	**84,442**	**1,04,723**

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 engineering services. The other main component in liquidity is timing to call loans/ funds and optimization of repayments of loans installment, interest payments.

Table hereunder provides the current ratios of the Company as at the year end

₹ in '000

Particulars	As at March 31, 2019	As at March 31, 2018
Total current assets	7,68,845	6,42,412
Total current liabilities	3,05,542	2,40,746
Current ratio	2.52	2.67

S.S. KOTHARI MEHTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

The table below summarises the maturity profile of the Company's financial liabilities based on contracted undiscounted payments (excluding transaction cost on borrowings).

(₹ in '000)

	Particulars	Payable on demand	Less than 1 year	More than 1 year	Total
I	**As at March 31, 2019**				
(i)	Borrowings	32,311	315	353	32,979
(ii)	Other Financial Liability	18,921	-	60,395	79,316
(iii)	Trade and other payable	-	1,11,512	-	1,11,512
	Total	**51,232**	**1,11,827**	**60,748**	**2,23,807**
II	**As at March 31, 2018**				
(i)	Borrowings	27,155	288	641	28,084
(ii)	Other Financial Liability	43,102	-	8,390	51,492
(iii)	Trade and other payable	-	1,01,986	-	1,01,986
	Total	**70,257**	**1,02,274**	**9,031**	**1,81,562**

44 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 (₹ in '000)

Sl. No	Particulars	Note	Fair value hierarchy	As at March 31, 2019		As at March 31, 2018	
				Carrying Amount	Fair Value	Carrying Amount	Fair Value
1	**Financial asset at FVTPL**						
	Current						
	Investments in Mutual Funds	A		-		-	
2	**Financial asset at FVTOCI**	B					
	Non Current						
	Investments in Equity Shares						
	Quoted		Level 1	36	49	36	56
	Unquoted		Level 2	669	669	669	669
3	**Financial assets designated at amortised cost**						
	Non Current						
a)	Loans		Level 3	5,045		5,142	
	Current						
a)	Contract Assets		Level 3	3,41,823		-	
b)	Trade receivables		Level 3	-		1,89,165	
c)	Cash and cash equivalents		Level 3	1,29,880		1,24,976	
d)	Bank balances		Level 3	77,131		47,231	
e)	Loans		Level 3	4,441		29,041	
f)	Other financial assets		Level 3	28,992		88,471	
4	**Investment in subsidiary companies and associate (At Cost)**	C		663		663	
	Total		-	**5,88,680**	**718**	**4,85,394**	**725**

Financial Liabilities (₹ in '000)

Sl. No	Particulars	Note	Fair value hierarchy	As at March 31, 2019		As at March 31, 2018	
				Carrying Amount	Fair Value	Carrying Amount	Fair Value
1	**Financial liability designated at amortised cost**	D					
	Non Current						
a)	Borrowings		Level 3	38	-	353	-
b)	Other Financial Liability		Level 3	60,395	-	8,390	-
	Current						
a)	Borrowings		Level 3	32,311	-	27,155	-
b)	Trade payables		Level 3	1,11,512	-	1,01,986	-
c)	Other financial liabilities		Level 3	19,236	-	43,390	-
	Total			**2,23,492**	-	**1,81,274**	-

S.S. KOTHARI MEHTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

The fair value of financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

A Company has opted to fair value its Financial asset through profit & loss.
B Company has opted to fair value its financial asset through other comprehensive income.
C As per Para D-15 of Appendix D of Ind AS 101, the first time adopter may chose to measure its investment in subsidiaries, JVs and Associates at cost or at fair value. Company has opted to value its investments in subsidiaries, JVs and Associates at cost.

D Company has adopted effective rate of interest for calculating interest. This has been calculated as the weighted average of effective interest rates calculated for each loan. In addition processing fees and transaction cost relating to each loan has also been considered for calculating effective interest rate.

* The carrying amounts are considered to be the same as their fair values due to short term nature.

Fair value hierarchy

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

45 Capital Management

For the purpose of the Company's capital management, equity includes issued equity capital, securities premium and all other equity reserves attributable to the equity shareholders and net debt includes interest bearing loans and borrowings less current investments and cash and cash equivalents. The primary objective of the Company's capital management is to safeguard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The funding requirement is met through a mixture of equity, internal accruals, long term borrowings and short term borrowings. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt.

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements.

Particulars	As at March 31, 2019 (₹ in '000)	As at March 31, 2018 (₹ in '000)
Debt (i)	32,664	27,796
Cash and cash equivalents	1,29,880	1,24,976
Net Debt	(97,216)	(97,180)
Total Equity	4,44,562	4,34,581
Net debt to equity ratio (Gearing Ratio)	(0.22)	(0.22)

(i) Debt is defined as long-term and short-term borrowings

46 The audited GST return for the year ended March 31, 2018 is pending for the filing as competent authority has extended the date of filing till June 30, 2019. The company is in process of reconciling the data of GSTR 2A with GSTR 3B. In view of the management on final reconciliation the impact will not be material.

47 Previous year figures have been regrouped/rearranged wherever necessary to confirm to current year presentation

For S.S. Kothari Mehta & Company
Chartered Accountants
FRN - 000756N

Amit Goel
Partner
Membership No: 500607

Place : Bengaluru
Date: May 29, 2019

S.S. KOTHARI MEHTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors of
Semac Consultants Private Limited

Deepali Dalmia

Abhishek Dalmia
DIN : 00011958

Deepali Dalmia
DIN : 00017415

Place : Bengaluru
Date: May 29, 2019

SEMAC

Semac Consultants Private Limited

Consolidated Financial Statements for FY2018-19

Statutory Auditors

S. S. Kothari Mehta & Co.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF SEMAC CONSULTANTS PRIVATE LIMITED

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **Semac Consultants Private Limited** ("the Company" or "Holding Company") and its subsidiary (the Company and its subsidiary together referred to as "the Group"), which comprise the consolidated balance sheet as at March 31, 2019, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows for the year ended on that date, and notes to the consolidated financial statements, including a summary of the 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 and based on the consideration of reports of the other auditors on separate financial statements of the subsidiary referred to in the other matters section below, 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 Indian Accounting Standards ('Ind AS') prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2019, the consolidated profit, 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 (SAs) specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in 'Other Matters' paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements and our auditor's report thereon. Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

S.S. KOTHARI MEHTA & COMPANY ★ NEW DELHI ★ CHARTERED ACCOUNTANTS

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In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, compare with the financial statements of the subsidiary and branch office audited by other auditor, to the extent it relates to this entity and, in doing so, place reliance on the work of other auditor and consider whether the 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. Other information so far it relates to the subsidiary and branch office as mentioned above, is traced from their financial statements audited by other auditors.

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

Responsibility of the Management and those charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of the adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the company included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated 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:

S.S. KOTHARI MEHTA & COMPANY ★ NEW DELHI ★ CHARTERED ACCOUNTANTS

- 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 has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated 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 entity or business activities within the Group to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated Ind AS financial statements of which we are the independent auditors. For the other entity or business activities included in the consolidated Ind AS financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

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

S.S. KOTHARI MEHTA & COMPANY * NEW DELHI * CHARTERED ACCOUNTANTS

Other Matters

(i) We did not audit the financial statements and other financial information, in respect of one subsidiary incorporated outside India whose financial statements/financial information include total assets of Rs. 2,49,161 thousands as at March 31, 2019, total revenue of Rs. 2,74,619 thousands and net cash outflows amounting to Rs. 15,499 thousands for the year ended on that date, as considered in these consolidated Ind AS financial statements. These financial statements and other information have been audited by other auditor, whose financial statements, other financial information and audit reports have been furnished to us by the management and our opinion in so far as it relates to that subsidiary is based solely on the report of the other auditor.

(ii) We did not audit the financial statements and other financial information, in respect of Dubai branch of the Holding Company whose financial statements reflect total assets of Rs. 9,409 thousands as at March 31, 2019, total revenue of Rs. 32,486 thousands and net cash inflows amounting to Rs. 25 thousands for the year ended on that date. These financial statements and other information have been audited by other auditor duly qualified to act as auditor in the country of incorporation of the said branch, whose financial statements, other financial information and auditor's reports have been furnished to us by the management and our opinion in so far as it relates that branch is based solely on the report of the branch auditor.

Our opinion on the consolidated Ind AS financial statements above and our report on the Other Legal and Regulatory Requirement below, is not modified in respect of above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the considerations of the report of the other auditors on separate financial statements of the subsidiary referred to in the Other Matters paragraph above we report, to the extent applicable, that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated 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, the consolidated statement of profit and loss including (including other comprehensive income), consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

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

S.S. KOTHARI MEHTA & COMPANY ★ NEW DELHI ★ CHARTERED ACCOUNTANTS

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

f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial control over financial reporting of those companies, for reasons stated therein.

g) In our opinion, and according to the information and explanations given to us, the provisions of section 197 of the Act are not applicable to the 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 statement disclose the impact of pending litigations as at March 31, 2019 on the consolidated financial position of the Group -Refer Note 30 to the consolidated financial statements;

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

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

For S.S. Kothari Mehta & Company
Chartered Accountants
Firm's Registration No. 000756N

S.S. KOTHARI MEHTA & COMPANY NEW DELHI CHARTERED ACCOUNTANTS

Amit Goel

Amit Goel
Partner
Membership No. 500607

Place: New Delhi
Date: May 29, 2019

Annexure A to the Independent Auditor's Report to the members of Semac Consultants Private Limited dated May 29, 2019 on its Consolidated Financial Statements.

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

Our reporting on the internal financial controls over financial reporting is not applicable in respect of one audited subsidiary company incorporated outside India.

In conjunction with our audit of the consolidated financial statement of **Semac Consultants Private Limited** as of and for the year ended March 31, 2019, we have audited the Internal Financial Controls over Financial Reporting of Semac Consultants Private Limited (hereinafter referred to as the "Holding Company"), which is the Company incorporated in India, for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 ("the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the Holding 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, 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.

S.S. KOTHARI MEHTA & COMPANY
NEW DELHI
CHARTERED ACCOUNTANTS

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated 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 Holding Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated 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, the Holding Company has in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating

S.S. KOTHARI MEHTA & COMPANY * CHARTERED ACCOUNTANTS NEW DELHI effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the holding 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 & Company
Chartered Accountants
Firm Registration No. 000756N

S.S. KOTHARI MEHTA & COMPANY
NEW DELHI
CHARTERED ACCOUNTANTS

Amit Goel

Amit Goel
Partner
Membership No: - 500607

Place: New Delhi
Date: May 29, 2019

SEMAC CONSULTANTS PRIVATE LIMITED

Consolidated Balance Sheet As At March 31, 2019

₹ in '000

	Note No.	As at March 31, 2019	As at March 31, 2018
ASSETS			
(1) **Non - current assets**			
Property, plant and equipment	3	18,055	18,932
Other intangible assets	3	2,141	2,849
Financial assets	4		
(i) Investments	4.1	705	706
(ii) Loans	4.2	5,045	5,142
Deffered tax asset	5	47,915	48,409
Other non current assets	6	1,623	60
		75,484	76,098
(2) **Current assets**			
Financial assets	7		
(i) Trade receivables	7.1	1,37,296	3,01,275
(ii) Cash and cash equivalents	7.2	1,62,586	1,73,181
(iii) Bank balances	7.3	77,131	71,169
(iv) Loans	7.4	43,764	70,763
(v) Other financial assets	7.5	28,992	44,559
Current tax assets (net)	8	1,26,073	75,414
Contract assets	9	3,41,823	-
Other current assets	10	61,737	94,459
		9,79,402	8,30,820
Total assets		10,54,886	9,06,918
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	11	18,209	18,209
Other equity	12	5,62,446	5,44,728
Non-controlling interest	13	69,124	55,210
		6,49,779	6,18,147
LIABILITIES			
(1) **Non - current liabilities**			
Financial liabilities	14		
(i) Borrowings	14.1	38	353
(ii) Other financial liability	14.2	60,395	8,390
Provisions	15	39,203	39,277
		99,636	48,020
(2) **Current liabilities**			
Financial liabilities	16		
(i) Trade payables	16.1		
- Due to Micro, Small and Medium Enterprises		-	-
- Due to other than Micro, Small and Medium Enterprises		1,11,634	1,02,005
(ii) Other financial liabilities	16.2	19,965	59,937
Contract Liability	17	92,469	-
Provisions	18	18,310	17,330
Other current liabilities	19	63,093	61,479
		3,05,471	2,40,751
Total Equity & Liabilities		10,54,886	9,06,918
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 S.S. Kothari Mehta & Company
Chartered Accountants
FRN - 000756N

Amit Goel

Amit Goel
Partner
Membership No: 500607

S.S. KOTHARI MEHTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

Place : Bengaluru
Date: May 29, 2019

For and on behalf of the Board of Directors of
Semac Consultants Private Limited

Abhishek Dalmia
DIN : 00011958

Deepali Dalmia

Deepali Dalmia
DIN : 00017415

Place : Bengaluru
Date: May 29, 2019

SEMAC CONSULTANTS PRIVATE LIMITED
Consolidated Statement Of Profit And Loss For The Year Ended March 31, 2019

₹ In '000

		Note No.	For the year ended March 31, 2019	For the year ended March 31, 2018
I	Revenue from operations	20	13,51,425	11,63,777
II	Other income	21	31,304	27,644
III	Total income (I + II)		13,82,729	11,91,421
IV	Expenses			
	Cost of services	22	6,51,944	5,35,084
	Employee benefits expenses	23	3,96,880	4,56,453
	Finance costs	24	611	1,529
	Depreciation and amortization expenses	25	10,747	11,837
	Other expenses	26	2,68,978	2,25,280
	Total expenses		13,29,160	12,30,183
V	Profit / (loss) before exceptional items and tax (I - III)		53,569	(38,762)
VI	Exceptional items		-	-
VII	**Profit / (loss) before tax (V + VI)**		53,569	(38,762)
VIII	**Tax expense**			
	(1) Current tax	27	10,791	2,259
	(2) MAT Credit entitlement	27	(3,947)	-
	(3) Deferred tax	27	903	(7,986)
	(4) Tax related to earlier year	27	7,259	529
	Total Tax Expense		15,006	(5,198)
IX	Profit / (loss) from continuing operations (VII - VIII)		38,563	(33,564)
X	Profit / (loss) from discontinued operations (VII - VIII)		-	-
XI	Tax expense of discontinued operations		-	-
XII	Profit / (loss) from discontinued operations (after tax) (X - XI)		-	-
XIII	Profit / (loss) for the period before non-controlling interest (IX + XII)		38,563	(33,564)
XIV	Non-controlling interest		9,643	4,295
XV	Profit / (loss) for the period after non-controlling interest (XIII - XIV)		28,920	(37,859)
XVI	Other comprehensive income	28		
A	(i) Items that will be reclassified to profit or loss		8,759	(773)
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
B	(i) Items that will not be reclassified to profit or loss		2,002	3,576
	(ii) Income tax relating to items that will not be reclassified to profit or loss		409	(930)
	Total		11,170	1,873
XVII	Non-controlling interest		4,270	5,337
XVIII	Other comprehensive income after non-controlling nterest		6,900	(3,464)
XIX	Total comprehensive income for the period (XIII + XIV)			
	Non-controlling interest		13,914	9,632
	Other than non-controlling interest		35,820	(41,323)
			49,734	(31,691)
XVI	Earnings per equity share (basic& diluted)	29		
	For continuing operations (Face value of ₹ 10 each)		0.02	(0.02)
	For discontinued operations (Face value of ₹ 10 each)		-	-
	For continued & discontinued operations (Face value of ₹ 10 each)		0.02	(0.02)
	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 S.S. Kothari Mehta & Company
Chartered Accountants
FRN - 000756N

Amit Goel

Amit Goel
Partner
Membership No: 500607

S.S. KOTHARI MEHTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

Place : Bengaluru
Date: May 29, 2019

For and on behalf of the Board of Directors of
Semac Consultants Private Limited

Deepali Dalmia

Abhishek Dalmia
DIN : 00011958

Deepali Dalmia
DIN : 00017415

Place : Bengaluru
Date: May 29, 2019

SEMAC CONSULTANTS PRIVATE LIMITED

Consolidated Cash Flow Statement For The Year Ended March 31, 2019

(₹ in '000)

	2018-19	2017-18
A Cash Flow from Operating Activities		
Net Profit before tax	53,569	(38,762)
Adjustments:		
Depreciation and amortization	10,747	11,837
Sundry balances written off	8,442	7,433
Bad debts/ advances written off	37,898	13,941
Finance cost	611	1,529
Interest income	(11,037)	(19,000)
Sundry balances/provision no longer required written back	(2,686)	(3,337)
Foreign currency translation	8,269	(773)
(Profit)/loss on sale of investment	-	301
(Profit)/loss on sale of fixed assets and assets written off	966	(741)
Operating profit before working capital changes	**1,06,779**	**(27,572)**
Adjustments for working capital changes :		
Increase/ (decrease) in trade payables	12,315	(10,317)
(Increase)/ decrease in trade receivables	(2,24,184)	6,603
(Increase)/ decrease in other financial assets	16,638	22,868
(Increase)/ decrease in loans and other current assets	58,255	(45,967)
Increase/ (decrease) in provisions	2,908	(4,937)
Increase/ (decrease) in other current liabilities	1,06,090	42,369
Cash Generated from Operations	**78,801**	**(16,953)**
Direct taxes paid net of refund	(64,762)	(10,681)
Net Cash from Operating activities	**14,039**	**(27,634)**
B Cash Flow from Investing Activities		
Purchase of fixed assets	(11,759)	(5,424)
Proceeds from sale of fixed assets	2,122	(741)
(Purchase)/ sale of investments (net)	-	29,397
Fixed deposits made	(5,962)	-
(Profit)/ loss on sale of investments	-	301
Interest Received	9,966	17,890
Net Cash used in Investing Activities	**(5,633)**	**41,424**
C Cash Flow from Financing Activities		
Proceeds from Short term Borrowings	-	(20,010)
(Repayment) of Long term Borrowings	(288)	(345)
Dividend paid	(18,102)	-
Finance Cost	(611)	(1,529)
Net cash from / (used in) financing activities	**(19,002)**	**(21,885)**
Net increase in cash and cash equivalents (A+B+C)	**(10,595)**	**(8,095)**
Cash and cash equivalents (Opening Balance)	**1,73,181**	**1,81,276**
Cash and cash equivalents (Closing Balance)*	**1,62,586**	**1,73,181**

SEMAC CONSULTANTS PRIVATE LIMITED

Cash Flow Statement for the year ended March 31, 2019

(₹ in '000)

	2018-19	2017-18
Components of Cash & Cash Equivalents		
Balances with banks		
- in Current Accounts	1,05,613	1,30,244
- On cash credit accounts		
- Deposits with original maturity of less than 3 months	56,195	42,816
Cash on hand	778	121
Cheques in hand	-	-
Net Cash & Cash Equivalents	**1,62,586**	**1,73,181**

Note:

1) Cash & cash equivalents components are as per Note 7.2

2) Previous year figures have been regrouped/restated wherever considered necessary

As per our report of even date

For S.S. Kothari Mehta & Company
Chartered Accountants
FRN - 000756N

Amit Goel

Amit Goel
Partner
Membership No: 500607

S.S. KOTHARI MEHTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

Place : Bengaluru
Date: May 29, 2019

For and on behalf of the Board of Directors of
Semac Consultants Private Limited

Deepali Dalmia

Abhishek Dalmia
DIN : 00011958

Deepali Dalmia
DIN : 00017415

Place : Bengaluru
Date: May 29, 2019

SEMAC CONSULTANTS PRIVATE LIMITED

Consolidated Statement Of Changes In Equity For The Year Ended March 31, 2019

₹ in '000

A. Equity Share Capital

Particulars	As at March 31, 2017	Changes during the	As at March 31, 2018	Changes during the year	As at March 31, 2019
18,20,892 (previous year 18,20,892) equity shares of ₹10/- each	18,209	-	18,209	-	18,209

B. Other Equity

Particulars	Reserves and Surplus				Items of Other Comprehensive Income		Total	Non controlling interest
	General reserve	Consolidation adjustment reserve	Legal / statutory reserve	Retained earnings	Foreign curreny transaltion reserve	Acturial Gain / Loss		
As at March 31, 2017	**1,64,127**	**21,511**	**6,926**	**3,72,015**	**14,630**	**1,868**	**5,81,078**	**50,551**
Additions during the year	-	-	-	(37,859)	(1,138)	2,646	(36,350)	4,659
As at March 31, 2018	**1,64,127**	**21,511**	**6,926**	**3,34,157**	**13,492**	**4,515**	**5,44,728**	**55,210**
Additions during the year	-	-	-	28,920	4,489	2,411	35,820	13,914
Dividend paid by subsidiary				(18,102)			(18,102)	
As at March 31, 2019	**1,64,127**	**21,511**	**6,926**	**3,44,975**	**17,981**	**6,926**	**5,62,446**	**69,124**

Nature of reserves

i 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 ("the Act"), transfer of any amount to general reserve is at the discretion of the Company.

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

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

iv 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.

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

As per our report of even date

For S.S. Kothari Mehta & Company
Chartered Accountants
FRN - 000756N

Amit Goel

Amit Goel
Partner
Membership No: 500607

Place : Bengaluru
Date: May 29, 2019

S.S. KOTHARI MEHTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors of
Semac Consultants Private Limited

Abhishek Dalmia
DIN : 00011958

Deepali Dalmia

Deepali Dalmia
DIN : 00017415

Place : Bengaluru
Date: May 29, 2019

Semac Consultants Private limited

Notes to the consolidated financial statements for the year ended March 31, 2019

1. Basis of accounting and preparation of Financial Statements

1.1 Corporate overview

Semac Consultants Private Limited ("the company") was incorporated as a private company and registered on Jan 16, 1987 under the Companies Act 1956 (superceded by Companies, Act 2013). The company is a subsidiary of Revathi equipment limited which is currently listed on Bombay Stock Exchange and National Stock Exchange. The company is engaged in design engineering consulting, with the end-to-end capabilities across architecture, structural, electrical, public health engineering (PHE), fire protection, heating ventilation and air conditioning (HVAC), lead certifications and energy audit domains.

The Subsidiary which has been included in these Consolidated Financial Statements:

Name of Company	Country of Incorporation	% Voting Power
Semac & Partners LLC	Muscat - Sultanate of Oman	65%

These financial statements were approved and adopted by board of directors of the Company in their meeting held on May 29, 2019.

1.2 Statement of Compliance

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

1.3 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

1.4 Principle of Consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiary as at March 31, 2019 (referred to as "Group") and has been prepared in accordance with the requirement of Indian Accounting Standard (Ind AS).

As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements, otherwise as stated elsewhere.

S.S. KOTHARI MEHTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on March 31. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

Consolidation Procedure

(i) The financial statements of the Company and its subsidiary are consolidated on a line-by-line basis by adding together like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions in accordance with the Indian Accounting Standard (Ind AS-110) – "Consolidated Financial Statements".

(ii) The difference between the cost of investment in the subsidiary over the net assets at the time of acquisition of shares in the subsidiary is recognised in the financial statements as Goodwill or Capital Reserve as the case may be. Such goodwill/capital reserve has been consolidated based on the audited financial statement of the subsidiary as on the reporting date immediately preceding the date on which the holding-subsidiary relationship came into existence.

(iii) Non controlling Interest in the net assets of the consolidated subsidiary consists of (a) the amount of equity attributable to the minority share at the date on which investment in a subsidiary is made and (b) the minorities' share of movements in equity since the date the parent-subsidiary relationship came into existence.

(iv) The Group has adopted Indian Accounting Standard 19 (Ind AS 19) on "Employee Benefits". These consolidated financial statements include the obligations as per requirements of this standard except for overseas branch, subsidiary incorporated outside India who have determined the valuation / provision for employee benefits as per requirements of their respective countries. In the opinion of the management, the impact of this deviation is not material.

(v) The Subsidiary at Muscat as per local law have transferred certain portion of its' net income to Legal/Statutory Reserve. These reserves are not available for distribution except in the circumstances stipulated and the same has been disclosed as Legal/Statutory Reserve.

(vi) Semac & Partners LLC (Muscat), has capitalised retained earnings to the Share Capital in earlier years as per the local laws applicable to it in the previous years. The shareholding agreement was updated to ensure the percentage holding of the holding Company. Pending issuance of the share scripts in this respect, the same has not been recorded as investment and the difference has been taken to "Consolidation Adjustment Reserve."

1.5 Operating cycle

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

S.S. KOTHARI MEHTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

1.6 Functional and presentation currency

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

1.7 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 assumption 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

S.S. KOTHARI MEHTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

Semac Consultants Private limited

Notes to the consolidated financial statements for the year ended March 31, 2019

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.

1.8 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, maximizing the use of relevant observable inputs and minimizing 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

S.S. KOTHARI MEHTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

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.

1.9 Recent Accounting Pronouncements

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

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

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

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

2 Significant Accounting Policies

2.1 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.

S.S. KOTHARI MEHTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

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 and or GST whatever is applicable.

Capital work in progress include property plant & equipment under installation/under development as at the balance sheet date and are carried at cost, comprising direct cost, related incidental expenses and attributable borrowing cost and are transferred to respective capital asset when they are available for use.

Property, plant and equipment are derecognised from the financial statement, either on disposal or when no economic benefits are expected from its use or disposal. Losses arising in the case of retirement of property, plant and equipment and gain or losses arising from disposal of property, plant and equipment are a recognized in the statement of profit and loss in the year of occurrence.

2.2 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.

2.3 Intangible assets

Capital expenditure on purchase and development of identifiable assets without physical substance is recognized as intangible assets in accordance with principles given under Ind AS-38 – Intangible Assets.

The amortization period and the amortization method for an intangible asset with a finite useful life 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. Expenses Incurred during construction period, preliminary project expenditure, capital expenditure, indirect expenditure incidental and related to construction / implementation, interest on borrowings to finance fixed assets and expenditure on start-up / commissioning of assets forming part of a composite project are capitalized up to the date of commissioning of the project as the cost of respective assets.

2.4 Depreciation and amortization

Depreciation on property plant and equipment is provided on written down value method on the basis of useful life of assets at the rates prescribed in Schedule II to the Companies Act, 2013 except in case of overseas branch and subsidiary where depreciation is provided on a straight line basis over the useful life

S.S. KOTHARI MEHTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

of assets as ascertained by the management. 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. The company has adopted the residual value of 2%.

The useful lives of intangible asset are assessed as either finite or indefinite. Intangible asset with a finite useful life are amortized over a period of 3 to 5 years on written down value 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.

2.5 Impairment of Non-financial assets

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

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

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

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

2.6 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.

For arrangements entered into prior to 1 April 2016, the company has determined whether the arrangement contain lease on the basis of facts and circumstances existing on the date of transition.

S.S. KOTHARI MEHTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

Where the Company is the lessee

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

Operating lease payments are recognized as an operating expense in the statement of profit and loss on a straight-line basis over the lease term.

Where the Company is the lessor

Rental Income from operating leases is recognized on a straight-line basis over the term of the relevant lease, costs including depreciation are recognized as an expense in the statement of profit and loss. Initial direct costs incurred in negotiating and arranging an operating lease are recognized immediately in the statement of profit and loss.

2.6 Government grants

Government grants are recognised at fair value when there is reasonable assurance that the grant would be received and the Company would comply with all the conditions attached with them

Government grants are recognised in profit or loss on a systematic basis over the periods in which the company recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the company should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the balance sheet and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the company with no future related costs are recognised in profit or loss in the period in which they become receivable.

2.7 Borrowing Cost

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. 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. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use

S.S. KOTHARI MEHTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

Semac Consultants Private limited

Notes to the consolidated financial statements for the year ended March 31, 2019

2.8 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.

The Operating Segments have been identified on the basis of the nature of products/ services.

I.Segment Revenue includes sales and other income directly identifiable with/ allocable to the segment including inter- segment revenue.

Ii Expenses that are directly identifiable with/ allocable to the segments are considered for determining the segment result. Expenses not allocable to segments are included under unallocable expenditure

iii. Income not allocable to the segments is included in unallocable income

iv. Segment results includes margin on inter segment and sales which are reduced in arriving at the profit before tax of the company.

v.Segment assets and Liabilities include those directly identifiable with the respective segments. Assets and liabilities not allocable to any segment are classified under unallocable category.

2.9 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 scheme and superannuation scheme and ESI are a defined contribution plan 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.

c. Defined benefit plan

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 Company's Employee Gratuity Fund is managed by Life Insurance Corporation 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.

S.S. KOTHARI MEHTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

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.

2.10 Financial Instruments

(a) Financial Assets

Classification

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

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.

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

Debt instrument at amortised cost

A "debts instrument" is measured at the amortised 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, 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.

After initial measurement, such financial assets are subsequently measurement at amortised cost using the effective interest rate (EIR) method. Amortised 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 amortisation is included in finance income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss.

Debt instrument at Fair value through Other Comprehensive Income

Semac Consultants Private limited

Notes to the consolidated financial statements for the year ended March 31, 2019

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

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.

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.

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.

Impairment of financial assets

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

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

S.S. KOTHARI MEHTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

• Trade receivables

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

(b) Financial liabilities & Equity

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

Initial recognition and measurement

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

Subsequent Measurement of Financial Liabilty

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

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.

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.

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.

S.S. KOTHARI MEHTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

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.

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 are recognised in the Statement of Profit and loss.

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.

2.11 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.

2.12 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)
- Recognize revenue, when or as the entity satisfies a performance obligation.

Sale of Services

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

Interest Income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

S.S. KOTHARI MEHTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

Semac Consultants Private limited

Notes to the consolidated financial statements for the year ended March 31, 2019

Dividends

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

Insurance claim

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

2.13 Foreign Currency Transactions

- **Initial recognition**

Foreign currency transactions are recorded on initial recognition in the functional currency, using the exchange rate at the date of the transaction.

- **Conversion**

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

- **Exchange differences**

The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in OCI or profit or loss are also recognized in OCI or profit or loss, respectively).

- **Foreign Operations**

In respect of overseas branch operation and subsidiary, the financial are converted in functional currency using the following procedures.

a) Assets and liabilities for each balance sheet presented (i.e. including comparatives) shall be translated at the closing rate at the date of that balance sheet;

b) Income and expenses for each statement of profit and loss presented (i.e. including comparatives) shall be translated at exchange rates at the dates of the transactions or a rate that approximates the exchange rates at the dates of the transactions; and

c) All resulting exchange differences shall be recognised in other comprehensive income

2.14 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.

Semac Consultants Private limited

Notes to the consolidated financial statements for the year ended March 31, 2019

Current income tax

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

Minimum alternate tax

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

Deferred tax

Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purpose at reporting date. Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized.

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

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

2.15 Provisions, contingent liabilities and contingent assets

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 settle 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.

S.S. KOTHARI MEHTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

If the effect of the time value of money is material, provisions are disclosed using a current pre-tax rate that reflects, when appropriate, the risk specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as finance cost.

Contingent liability is disclosed in the notes in case of:

• There is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

• A present obligation arising from past event, when it is not probable that as outflow of resources will be required to settle the obligation

• A present obligation arises from the past event, when no reliable estimate is possible

• A present obligation arises from the past event, unless the probability of outflow are remote.

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

2.16 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.

2.17 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.

S.S. KOTHARI MEHTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

Note 3 Property, Plant & Equipment

(₹ in '000)

Particulars	Tangible Assets									Total
	Leasehold Improvements	Buildings	Plant & Machinery	Electrical Installations	Computer (End-user Devices)	Computers (Servers & Networks)	Furniture & Fixtures	Office equipment	Vehicles	Tangible Assets
GROSS BLOCK										
as at March 31, 2017	2,646	7,723	9,345	2,578	58,906	1,205	25,303	22,036	43,730	1,73,471
Addition	-	-	70	-	2,010	-	255	266	4,575	7,176
Disposals / Adjustments	-	-	(16)	(778)	(14,613)	(321)	(510)	(1,605)	(6,416)	(24,260)
as at March 31, 2018	2,646	7,723	9,399	1,800	46,303	884	25,048	20,696	41,888	1,56,387
Addition	1,191	-	1,429	-	882	374	5,331	1,287	940	11,434
Disposals	-	-	(411)	-	-	-	(10,485)	(753)	-	(11,650)
as at March 31, 2019	3,837	7,723	10,416	1,800	47,185	1,258	19,894	21,230	42,828	1,56,171
DEPRECIATION										
as at March 31, 2017	2,592	3,764	8,273	2,413	55,271	1,072	20,796	20,332	36,380	1,50,893
Charge for the year	2	227	272	38	2,038	60	1,457	799	4,873	9,766
Disposals	-	-	(14)	(752)	(14,030)	(311)	(513)	(1,596)	(6,200)	(23,417)
Charged to opening reserves	-	-	-	-	-	-	14	32	167	212
as at March 31, 2018	2,593	3,990	8,531	1,699	43,279	821	21,754	19,568	35,220	1,37,455
Charge for the year	411	214	376	22	1,282	84	2,202	1,134	3,982	9,707
Disposals	-	-	(403)	-	-	-	(7,425)	(734)	-	(8,562)
Adjustment - FCTR	-	-	-	-	(88)	-	(4)	(20)	(372)	(484)
as at March 31, 2019	3,004	4,204	8,504	1,722	44,474	905	16,527	19,947	38,830	1,38,116
NET BLOCK										
as at March 31, 2018	53	3,732	868	101	3,024	63	3,294	1,129	6,668	18,932
as at March 31, 2019	833	3,519	1,912	78	2,711	353	3,367	1,283	3,998	18,055

Intangible Asset

(₹ in '000)

Particulars	Amount
GROSS BLOCK	
as at March 31, 2017	51,910
Addition	786
Disposals / Adjustments	0
as at March 31, 2018	52,696
Addition	325
Disposals	-
as at March 31, 2019	53,021
DEPRECIATION	
as at March 31, 2017	47,775
Charge for the year	2,071
Disposals	(18)
Charged to opening reserves	20
as at March 31, 2018	49,847
Charge for the year	1,040
Disposals	-
Adjustment - FCTR	(6)
as at March 31, 2019	50,880
NET BLOCK	
as at March 31, 2018	2,849
as at March 31, 2019	2,141

S.S. KOTHARI MEHTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

(i) 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

(₹ in '000)

4 Financial Asset : Non Current

4.1 Investment

		As at March 31, 2019	As at March 31, 2018
	Unquoted Investments		
(i)	**Investments in Joint Venture (At Cost)***		
	98 (FY 17-18 : 98) paid-up shares of Qatari Riyal 1000/- each fully paid-up in Semac Qatar WLL, Doha	-	1,172
	Less : Impairment in value *	-	(1,172)
(iii)	**Investments in other body corporate (At Fair Value)**		
	128 (FY17-18 : 128) paid-up equity shares of Rs. 25/- each fully paid-up in Shamrao Vittal Co-op. Bank Ltd.	3	3
	74,050 (FY17-18: 74,050) fully paid up equity shares of Rs. 10/- each in AEC Infotech Pvt. Ltd.	666	666
	Quoted Investment		
	3,600 (FY17-18: 3600) fully paid up equity shares of Rs. 10/- each in Lakeland Hotels Ltd.	36	36
	Total	705	706
	Aggregate amount of quoted investments	36	36
	Market value of quoted investments	49	56
	Aggregate amount of unquoted investments	669	2,504
	Provision for diminution in investment	-	(1,172)

*Investment in Semac Qatar W.L.L , a joint venture with a controlling share of 49 % has been written off during the year

4.2 Loans

	As at March 31, 2019	As at March 31, 2018
Loans to related party		
- Unsecured, considered doubtful	-	862
Less : Provision for doubtful debts	-	(862)
Security deposits		
Unsecured, considered good		
- Rent deposit	5,020	5,117
- Deposits with statutory authorities	25	25
Total	5,045	5,142

S.S. KOTHARI MEHTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

SEMAC CONSULTANTS PRIVATE LIMITED
Notes To Consolidated Financial Statements For The Year Ended March 31, 2019

(₹ in '000)

5 Deferred Tax Assets

	As at March 31, 2019	As at March 31, 2018
Deferred tax asset (Net)	47,915	48,409
	47,915	48,409

(i) Movement in deferred tax items

FY 18-19	As at March 31, 2018	Recognised in Profit & Loss Account	Recognised in other comprehensive income	As at March 31, 2019
Deferred tax (liability) / asset in relation to:				
Expenses allowable on payment basis and others	9,405	5,045	-	14,450
Carry forward losses and unabsorbed depreciation	39,317	(5,766)	-	33,551
Remeasurement of Defined Benefit Obligations	(930)	-	409	(521)
Difference between Written Down Value as per books and as per Income Tax Act, 1961	(1,123)	899	-	(224)
Provision for doubtful debt	1,740	(1,082)	-	658
Net Deferred tax (liability) / asset	**48,409**	**(903)**	**409**	**47,915**

FY 17-18	As at March 31, 2017	Recognised in Profit & Loss Account	Recognised in other comprehensive income	As at March 31, 2018
Deferred tax (liability) / asset on account of:				
Expenses allowable on payment basis and others	16,714	(7,309)		9,405
Carry forward losses and unabsorbed depreciation	22,782	16,534	-	39,317
Difference between Written Down Value as per books and as per Income Tax Act, 1961	-	-	(930)	(930)
Provision for doubtful debt	-	(1,123)	-	(1,123)
	1,856	(116)	-	1,740
Net deferred tax (liability) / asset	**41,352**	**7,986**	**(930)**	**48,409**

6 Other non current asset

	As at March 31, 2019	As at March 31, 2018
Advance lease rent	1,623	60
Total	**1,623**	**60**

7 Financial Asset : Current

7.1 Trade receivables

	As at March 31, 2019	As at March 31, 2018
Trade receivable considered good-secured	-	-
Trade receivable considered good-unsecured	1,37,296	3,01,275
Trade receivable which have significant increase in credit risk	-	-
Trade receivable-credit impaired	23,549	15,217
Less provision for ECL	(23,549)	(15,217)
	1,37,296	3,01,275

a) Amount receivable from customers is considered due on raising of invoice.

7.2 Cash and cash equivalent

	As at March 31, 2019	As at March 31, 2018
Balances with banks		
- in Current accounts	1,05,613	1,30,244
- in Fixed deposit with maturity of upto 3 months	56,195	42,816
Cash on hand	778	121
Total	**1,62,586**	**1,73,181**

S.S. KOTHARI MEHTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

(₹ in '000)

7.3 Bank balance

	As at March 31, 2019	As at March 31, 2018
Balances with banks		
- in Fixed deposit with maturity of upto 3-12 months (under lien)	77,131	71,069
- in Fixed deposit with maturity of upto 3-12 months	-	100
	77,131	71,169

7.4 Loans

	As at March 31, 2019	As at March 31, 2018
Unsecured, considered good unless otherwise stated		
Related parties		
Loan to holding company	-	9
Loan to subsidiaries, joint venture and associates	-	41,097
Loans to other parties (refer note i)	39,215	25,000
Security deposit		
Earnest money deposit	3,044	2,302
Others.	1,375	719
Advance to employees	130	1,636
Total	43,764	70,763

Note

(i) Loan was given to Vasundhara International, a sole proprietary concern on 3rd April, 2017 for general corporate purposes for a period of two years at interest rate of 13% per annum and was received during the current year

7.5 Other financial assets

	As at March 31, 2019	As at March 31, 2018
Interest accrued on loan to Holding Company	-	1,191
Interest accrued on deposits with bank	4,806	1,813
Interest accrued on loan to others	-	731
Unbilled revenue	24,186	40,824
Total	28,992	44,559

8 Current tax asset (net)

	As at March 31, 2019	As at March 31, 2018
Advance payment of taxes (net)	1,26,073	75,414
Total	1,26,073	75,414

9 Contract assets

	As at 31st March, 2019	As at 31st March, 2018
Trade receivables	3,41,823	-
	3,41,823	-

10 Other current asset

	As at March 31, 2019	As at March 31, 2018
Advance to suppliers	25,500	17,655
Prepaid expenses	11,772	14,100
Other advances recoverable in kind	400	400
Balance with statutory authorities	24,065	62,304
Total	61,737	94,459

S.S. KOTHARI MEHTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

(₹ in '000)

11 Equity Share Capital

	As at March 31, 2019	As at March 31, 2018
Authorised:		
20,00,000 Equity Shares of Rs.10/- each	20,000	20,000
Issued, subscribed and fully paid up :		
18,20,892 (previous year 18,20,892) equity shares of Rs.10/- each	18,209	18,209
Total	18,209	18,209

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

	No. of shares	Amount in '000
As at March 31, 2018	18,20,892	18,209
Movement during the year	-	-
As at March 31, 2019	18,20,892	18,209

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

Particulars	As at March 31, 2019		As at March 31, 2018	
	No. of shares	% of holding	No. of shares	% of holding
Revathi Equipment Ltd. (the Holding Company)	14,01,860	76.99%	14,01,860	76.99%
B. S. Aswathnarayan	97,390	5.35%	97,390	5.35%
T. S. Gururaj	95,851	5.26%	95,851	5.26%
	15,95,101	87.60%	15,95,101	87.60%

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

(iii) **Rights, preferences and restrictions attached to equity shares**

a) The Holding Company has one class of equity shares having par value of Rs 10/- per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation the equity shareholders are eligible to receive the remaining assets after discharging all liabilities of the Company, in proportion to their shareholding.

b) During the year ended March 31, 2019 the amount of dividend per share recognised as distribution to equity shareholder was Rs. NIL (FY 17-18 Rs. NIL)

c) The Company has not issued any shares for consideration other than cash including bonus share and shares brought back during the period of five years immediately preceeding the reporting date.

12 Other Equity

	As at March 31, 2019	As at March 31, 2018
A. **RESERVES & SURPLUS**		
General reserve		
Opening balance	1,64,127	1,64,127
Changes during the year	-	-
Closing Balance	1,64,127	1,64,127
Consolidation Adjustment Reserve	21,511	21,511
Legal reserve		
Opening balance	6,926	6,926
Changes during the year	-	-
Closing Balance	6,926	6,926
Retained earnings		
Opening balance	3,34,157	3,72,015
Add : (Loss)/Profit for the year	28,920	(37,859)
Dividend paid	(18,102)	-
Balance at the end of the year	3,44,975	3,34,157

S.S. KOTHARI MEHTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

(₹ in '000)

B. OTHER COMPREHENSIVE INCOME		
Foreign currency translation reserve (FCTR)		
Opening balance	13,492	14,630
Additions during the period	4,489	(1,138)
Balance at the end of the year	17,981	13,492
Actuarial Gain/(Loss)		
Opening balance	4,515	1,868
Additions during the period	2,411	2,646
Balance at the end of the year	6,926	4,515
Total	5,62,446	5,44,728

13 Non-controlling interest

Opening balance	55,210	50,551
Additions during the period	13,914	4,659
Total	69,124	55,210

14 Financial liability : Non current

14.1 Borrowings

	As at March 31, 2019	As at March 31, 2018
Secured at amortised cost		
From bank		
- Term Loan	353	641
Less: Current maturity of long term borrowings	(315)	(288)
Total	38	353

(i) Term loan from ICICI bank, taken @ 14.5% is secured by Mortgage of flat at Sikanderabad and is repayable in equated monthly instalments (EMI) of Rs. 0.29 thousands each (starting from November 2005 for a period of 177 months)

14.2 Other financial liability

	As at March 31, 2019	As at March 31, 2018
Retention money payable	60,395	8,390
Total	60,395	8,390

15 Non current provision

	As at March 31, 2019	As at March 31, 2018
Provision for employee benefits		
Provision for gratuity (Refer note 37)	34,015	35,720
Provision for leave salary (Refer note 37)	5,188	3,557
	39,203	39,277

16 Financial Liability : Current

16.1 Trade payables

	As at March 31, 2019	As at March 31, 2018
a) Micro, small and medium enterprises*	-	-
b) Others than Micro, small and medium enterprises	1,11,634	1,02,005
Total	1,11,634	1,02,005

* Based on the information availaible with the company, there are no supplier as defined under the " Micro, Small and Medium Enterprise Development Act, 2006". Hence the disclosure as required in section 22 of the said Act has not been given in these accounts. This information has been relied on by the auditors.

S.S. KOTHARI MEHTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

(₹ in '000)

16.2 Other Financial Liability

	As at March 31, 2019	As at March 31, 2018
Current maturities of long term borrowings	315	288
Expenses payable	19,650	57,871
Others	-	1,778
Total	19,965	59,937

17 Contract Liability

	As at March 31, 2019	As at March 31, 2018
Advance from customers	92,469	-
Total	92,469	-

18 Short term provisions

	As at March 31, 2019	As at March 31, 2018
Provision for employee benefits		
Provision for gratuity (Refer note 37)	4,553	3,634
Provision for leave salary (Refer note 37)	1,357	1,296
Provision for contingency *	12,400	12,400
Total	18,310	17,330

*Claim made by a client which is under dispute.

19 Other current liability

	As at March 31, 2019	As at March 31, 2018
Dividend Payable	9,123	-
Statutory liabilities	4,978	30,091
Employee related dues	48,992	31,388
Total	63,093	61,479

S.S. KOTHARI MEHTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

₹ in '000

20 Revenue from operations

Revenue from contracts with customers	Year ended 31st March 2019	Year ended 31st March 2018

(i) Disaggregated revenue information

Set out below is the disaggregation of the Company's revenue from contracts with customers:

Segment		
(a) Type of goods or services:		
(i) Sale of services		
Engineering consultancy and project management charges	5,37,028	5,17,618
Work contract services	8,14,397	6,46,159
Total	13,51,425	11,63,777

(b) Location:	Year ended 31st March 2019	Year ended 31st March 2018
India	10,32,573	8,91,649
Outside India	3,18,852	2,72,128
Total revenue from contracts with customers	13,51,424	11,63,777

(c) Timing of revenue recognition:		
Services provided at a point in time	13,51,425	11,63,777
	13,51,425	11,63,777

(ii) Contract balances

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers:

	Year ended 31st March 2019	Year ended 31st March 2018
Trade receivables	1,37,296	3,01,275
Contract liabilities:		
Advance from customers	92,469	-

(iii) Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price

	Year ended 31st March 2019	Year ended 31st March 2018
Revenue as per contracted price	13,51,425	11,63,777
Adjustments:		
Sales return	-	-
Revenue from contracts with customers	13,51,425	11,63,777

(iv) The transaction price allocated to the remaining performance obligation (unsatisfied or partially unsatisfied) as at March 31, 2019 are, as follows:

Advance from customers (Refer note 17)	92,469	-

Management expects that the entire transaction price allotted to the unsatisfied contract as at the end of the reporting period will be recognised as revenue during the next financial year.

21 Other Income

	Year ended 31st March 2019	Year ended 31st March 2018
Interest Income from		
- Interest from FDs	6,152	7,075
- Income tax refund	-	2,881
- Loans & advances	4,885	9,044
Bad debts recovered	-	410
Gain on foreign exchange fluctuation	6,474	-
Sundry balances/provision no longer required written back	2,686	3,337
Profit on sale of fixed assets (net)	-	741
Miscellaneous income	4,177	1,715
Tender document charges received	6,930	2,441
Total	31,304	27,644

S.S. KOTHARI MEHTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

₹ in '000

22 Cost of services

	Year ended 31st March 2019	Year ended 31st March 2018
Works contract expenses	6,51,944	5,35,084
Total	**6,51,944**	**5,35,084**

23 Employee benefit expense

	Year ended 31st March 2019	Year ended 31st March 2018
i. Salaries, wages, allowances & commission	3,75,584	4,09,958
ii. Contribution to gratuity, provident & other funds	14,394	37,376
iii. Staff welfare expenses	6,902	9,119
Total	**3,96,880**	**4,56,453**

24 Finance cost

	Year ended 31st March 2019	Year ended 31st March 2018
Interest expenses	76	1,186
Interest on delay in payment of statutory dues	535	344
Total	**611**	**1,529**

25 Depreciation

	Year ended 31st March 2019	Year ended 31st March 2018
i. Tangible assets	9,756	9,766
ii. Intangible asset	991	2,071
Total	**10,747**	**11,837**

S.S. KOTHARI MEHTA & CO.
NEW DELHI
CHARTERED ACCOUNTANTS

₹ in '000

26 Other Expense

	Year ended 31st March 2019	Year ended 31st March 2018
Bad debts written off	37,898	13,941
Bank charges	5,425	4,353
Corporate Social Responsibilites	-	150
Foreign exchange difference (loss)	-	166
Insurance	15,120	7,954
Loss on sale of fixed assets (net)	966	-
Loss on Investment	1,172	301
Less: Impairment provision	(1,172)	-
Postage & telephone	5,411	6,253
Power & fuel	2,804	4,350
Printing & stationery	3,525	4,130
Professional expense	1,09,560	98,541
Rates & taxes	4,090	6,035
Rent	24,443	22,354
Repairs on others	5,784	5,766
Sundry balances written off	8,442	7,433
Tender Fee	278	221
Training & Seminar Expense	34	819
Travel & conveyance	27,436	30,548
Vehicle maintenance	5,274	4,634
Miscellaneous expenses	12,488	7,331
Total	**2,68,978**	**2,25,280**

27 Tax Expense

Current tax	10,791	2,259
MAT Credit entitlement	(3,947)	-
- Income tax relating to earlier years	7,259	529
Deffered tax expense	903	(7,986)
	15,006	**(5,198)**

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 Statement of Profit or Loss		
- Remeasurement of defined benefit obligations	409	930
Total income tax expense recognised in other comprehensive income	-	-
Total income tax expense recognised	15,415	(4,269)

28 Other Comprehensive Income

Item that will be reclassified to profit or loss		
Foreign currency translation reserve	8,759	(773)
Item that will not be reclassified to profit or loss		
Acturial gain/(loss) on defined benefit obligation	2,002	3,576
Total	**10,761**	**2,803**

28.1 Reconciliation of income tax expense and the accounting profit multiplied by Company's tax rate:	**27.82%**	**27.82%**
Profit / (loss) before tax	**55,571**	**(35,186)**
Income tax expense calculated at 27.82% (including surcharge and education cess) (March 31, 2018: 27.82%)	15,460	-
Effect of temporary differences	1,621	(7,986)
Effect of brought forward losses	(6,609)	-
Effect of earlier year taxes	7,259	529
Other adjustments	(3,134)	1,329
	14,597	**(6,128)**

S.S. KOTHARI MEHTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

₹ in '000

29 Earnings per share

	Unit of measurement	Year ended March 31, 2019	Year ended March 31, 2018
Face value of equity Shares (in Rs.)			
Total number of equity shares outstanding	Number	18,20,892	18,20,892
Weighted average number of equity shares in calculating basic and diluted EPS	Number	18,20,892	18,20,892
Countinued Operation			
Net profit for calculation of basic and diluted EPS	Rs in '000	38,563	(33,564)
EPS (Basic & Diluted)	Rs in '000	0.02	(0.02)
Discountinued Operation			
Net profit for calculation of basic and diluted EPS	Rs in '000	-	-
EPS (Basic & Diluted)	Rs in '000	-	-
Total Operations			
Net profit for calculation of basic and diluted EPS	Rs in '000	38,563	(33,564)
EPS (Basic & Diluted)	Rs in '000	0.02	(0.02)

S.S. KOTHARI MEHTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

₹ in '000

30 Contingent liabilities (not provided for) in respect of:

(₹ in '000)

S.N.	Particulars	2018-19	2017-18
a)	Bank Guarantees	97,963	51,955
b)	Service tax demands	5,899	5,899
c)	TDS demands	1,380	1,577
d)	Employee visa guarantee	795	744
e)	Claims against company not acknowledged as debts	-	11,772
	Total	**1,06,038**	**71,947**
f)	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 Holding 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 Holding 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.		

31 Capital and other commitments:

(₹ in '000)

S.N.	Particulars	2018-19	2017-18
a)	Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	Nil	Nil
b)	Estimated amount of contracts remaining to be executed on other than capital account and not provided for (net of advances)	Nil	Nil

32 Remuneration paid to Auditors (excluding taxes):

(₹ in '000)

Particulars	2018-19	2017-18
Statutory auditor	1,109	842
Other services	120	120
Reimbursement of expenses	150	150
Total	**1,379**	**1,112**

33 Details of Dues to Micro and Small Enterprises as per MSMED Act, 2006 to the extent of information available with the Company

(₹ in '000)

S.N.	Particulars	2018-19	2017-18
a)	Principal amount and Interest due thereon remaining unpaid to any supplier as at end of each accounting year		
b)	Interest paid by the Company in terms of Section 16 of the MSMED Act along with the amounts of the payment made to the supplier beyond the appointed day during the accounting year.	-	-
c)	the amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	-	-
d)	the amount of interest accrued and remaining unpaid	-	-
e)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of this Act.	-	-
	Total	-	-

34 Expenditure in foreign currency (accrual basis):

(₹ in '000)

Particulars	2018-19	2017-18
Travelling	4,689	4,627
Rent	10,150	7,098
Professional fee and other expenses	2,77,850	2,33,635
TOTAL	**2,92,689**	**2,45,360**

S.S. KOTHARI MEHTA & CO.
NEW DELHI
CHARTERED ACCOUNTANTS

₹ in '000

35 Earnings in foreign currency (accrual basis):

Particulars	2018-19	2017-18
Engineering, consultancy, project management charges (including other income)	3,30,167	2,72,128

36 Segment Information

(i) General Disclosure

The company operates mainly in one business segment viz. engineering, consultancy for commercial and industrial projects being primary segment and all other activities revolve around the main activity. The secondary segment is geographical, information related to which is given under.

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 (including other income) from sale of products/services to external customers**

(₹ in '000)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
India	10,52,562	9,19,293
Outside India	3,30,167	2,72,128

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:

(₹ in '000)

Segment Assets	Year ended March 31, 2019	Year ended March 31, 2018
India	13,926	12,859
Outside India	6,270	8,923

(iii) Information about major customers:

Revenue from customers contributing more than 10% of company's revenue is Rs 6,57,788 thousands.

37 Gratuity and Other Post Employment Benefit Plans

Gratuity

Gratuity (being partly administered by a Trust) is computed as 15 days salary, for every recognized retirement / termination / resignation. The Gratuity plan for the company is a defined benefit scheme where annual contributions as per actuarial valuation are charged to the Statement of profit and loss.

The Provident Fund is a defined contribution scheme whereby the company deposits an amount determined as a fixed percentage of basic pay with the Regional Provident Fund Commissioner.

The Company also has a leave encashment scheme with defined benefits for its employees. The Company makes provision for such liability in the books of accounts on the basis of year end actuarial valuation. No fund has been created for this scheme.

For summarizing the components of net benefit expense recognized in the statement of profit and loss and the funded status and amounts recognized in the balance sheet for the respective plans, the details are as under

S.S. KOTHARI MEHTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

₹ in '000

A. **Statement of profit and loss**

Net employee benefit expense

(₹ in '000)

Particulars	2018-19		2017-18	
	Gratuity (funded)	Leave encashment	Gratuity (funded)	Leave encashment
Current Service cost	3,185	2,085	7,903	12,260
Net Interest cost	2,145	305	2,715	193
Expected return on plan assets	(184)	-	(264)	-
Net actuarial (gain) / loss to be recognized	(2,002)	(561)	(3,576)	(743)
Past service cost (vested benefits)	-	-	2,596	(191)
Expenses Recognized in the statement of Profit & Loss	3,145	1,828	9,373	11,519

B. **Balance Sheet**

(i) **Details of Plan assets/ (liabilities) for gratuity and Leave Encashment**

(₹ in '000)

Particulars	2018-19		2017-18	
	Gratuity (partly funded)	Leave encashment	Gratuity (partly funded)	Leave encashment
Defined benefit obligation	41,099	6,545	39,489	4,899
Fair value of plan assets	2,532	-	3,063	-
Net Asset/(Liability) recognized in the Balance Sheet	38,567	6,545	36,426	4,899

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

(₹ in '000)

Particulars	2018-19		2017-18	
	Gratuity (partly funded)	Leave encashment	Gratuity (partly funded)	Leave encashment
Opening defined benefit obligation	42,417	4,853	48,698	4,381
Interest cost	2,145	305	2,715	193
Current service cost	3,185	2,085	7,903	12,260
Past service cost (vested benefits)	-	-	2,596	(191)
Actuarial (gains)/losses on obligation	(2,098)	(561)	(3,771)	(743)
Benefit paid	(4,551)	(136)	(15,724)	(11,001)
Closing defined benefit obligation	41,099	6,545	42,417	4,899

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

(₹ in '000)

Particulars	2018-19	2017-18
Opening fair value of plan assets	3,063	3,780
Actual return on Plan Assets	184	264
Contribution during the year	3,138	14,125
Benefit paid	(3,757)	(14,911)
Actuarial gain / (loss) on plan assets	(96)	(195)
Closing fair value of plan assets	2,532	3,063

S.S. KOTHARI MEHTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

₹ in '000

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

Particulars	2018-19 %	2017-18 %
Discount rate (%)	7.55%	7.35%
Expected salary increase (%)	8.00%	8.00%
Demographic Assumptions		
Retirement Age (year)	60	60
Attrition / Withdrawal rate (per annum)	10.00%	20.00%

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	2018-19	2017-18
Provident fund	9,585	12,422

vi Sensitivity analysis of the defined benefit obligation:

Particulars	2018-19		2017-18	
	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 period	41,099	6,545	42,417	4,899
Impact due to increase of 0.50%	205	33	212	24
Impact due to decrease of 0.50%	(205)	(33)	(212)	(24)
Impact of the change in salary increase				
Present value of obligation at the end of the period	41,099	6,545	42,417	4,899
Impact due to increase of 0.50%	205	33	212	24
Impact due to decrease of 0.50%	(205)	(33)	(212)	(24)

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

vii Other comprehensive income (OCI):

(₹ in '000)

Particulars	2018-19		2017-18	
	Gratuity (partly funded)	Leave encashment	Gratuity (partly funded)	Leave encashment
Net cumulative unrecognized actuarial (gain)/loss	(6,433)	(3,543)	(2,857)	(2,800)
Actuarial (gain)/loss for the year on PBO	(2,098)	(561)	(3,771)	(743)
Actuarial (gain)/loss for the year on plan asset	96	-	195	-
Unrecognized actuarial (gain)/loss at the end of the year	-	-	-	-
Total actuarial (gain)/loss at the end of the year	(8,435)	(4,105)	(6,433)	(3,543)

38 Related Party Transactions

a) List of Related Parties

i. Subsidiaries, Associates and Joint Venture of the Company

Name	Status
Semac Qatar WLL	Subsidiary (Qatar)

S.S. KOTHARI MEHTA & COMPANY
NEW DELHI
CHARTERED ACCOUNTANTS

₹ in '000

ii. Holding company

Name	Status
Revathi Equipment Limited	Holding Company
Renaissance Advanced Consultancy Ltd	Ultimate Holding company

iii Key Management Personnel of the Company

Name	Status
Mr. Chaitanya Dalmia	Director till March 31, 2018
Mr. Abhishek Dalmia	Additional Director, w.e.f. December 1, 2017
Mrs. Deepali Dalmia	Additional Director, w.e.f. March 31, 2018
Mr Vikas Jain	Chief Financial officer and Company Secretary till September 25, 2018
Mr. Pawan Maini	Chief Executive Officer, till June 30, 2018

iv. Enterprises where Key managerial personnel or their relatives have significant influence:
- Semac Construction Technologies India LLP (SCTILLP), formerly Renaissance Construction Technologies India LLP (RCTILLP)
- SWBI Design Informatics Private Limited

b) The following transactions were carried out with related parties in the ordinary course of business:

(₹ in '000)

Nature of Relationship	Name of Related Party	Nature of Transaction	For the year ended	
			31-Mar-19	31-Mar-18
Key Managerial Personnel	Mr. Vikas Jain (CFO)	Salary & Perquisites	3,006	5,913
	Mr. Pawan Maini (CEO)		6,875	27,500
Enterprises where Key managerial personnel or their relatives have significant influence	Semac Construction Technologies India LLP (SCTILLP)	Professional fees / reimbursement of expenses (Income)	2,561	-
	Semac Construction Technologies India LLP (SCTILLP)	Professional fees / reimbursement of expenses (Expense)	1,23,063	1,03,587
	SWBI Design Informatics Private Limited	Office Rent, Maintenance, Power & Utility	5,575	-
		Security Deposit for rent & maintenance given	2,967	-
Holding company	Revathi Equipment Limited	Interest Income	-	1,277

₹ in '000

c) **Balances Outstanding at Year End:**

Nature of Relationship	Name of Related Party	Nature of Transaction	31-Mar-19	31-Mar-18
Enterprises where Key managerial personnel or their relatives have significant influence	Semac Construction Technologies India LLP (SCTILLP)	Trade Receivable	2,158	5,671
		Trade Payable	6,447	5,633
	SWBI Design Informatics Private Limited	Office Rent, Maintenance, Power & Utility Payable	189	-
		Security Deposit for rent & maintenance recoverable	2,967	-
Holding company	Revathi Equipment Limited	Advance Given	-	9
		Interest Receivable	-	1,191
Subsidiaries, Associates and Joint Venture of the Company	Semac Qatar WLL	Provision for Diminution	-	(862)
		Net Amount	-	(862)
		Trade receivables	-	188
		Provision for Doubtful Debts	-	(188)
		Net Amount	-	-
		Investments	-	1,172
		Less: Provision	-	(1,172)
		Net Amount	-	-

39 Leases

(i) **Obligations under finance leases**
The Group has no leasing arrangement in the nature of finance lease except land.

(ii) **Operating lease arrangements**
Office premises are taken on operating lease. There is no escalation clause in the lease agreement

(a) **Payments recognised as expense**

Particulars	2018-19	2017-18
Lease rent recognised during the year	24,443	22,354

(b) **Non-cancellable operating lease commitments**
All the operating lease arrangements are cancellable, having a lease period of 3-5 years and are usually renewable by mutual consent on mutually agreeable terms.

S.S. KOTHARI MEHTA & CO.
NEW DELHI
CHARTERED ACCOUNTANTS

₹ in '000

40 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 %, during the previous years the company has created the provision for the loan and receivables in accordance with the requirement of Ind AS 37 and has written off the same during current year.

41 Impairment Review

Assets are tested for impairment whenever there are any internal or external indicators of impairment. Impairment test is performed at the level of each Cash Generating Unit ('CGU') or groups of CGUs within the Company at which the assets are monitored for internal management purposes, within an operating segment. The impairment assessment is based on higher of value in use and value from sale calculations. During the year, the testing did not result in any impairment in the carrying amount of other assets. The measurement of the cash generating units' value in use is determined based on financial plans that have been used by management for internal purposes. The planning horizon reflects the assumptions for short to- mid-term market conditions.

Key assumptions used in value-in-use calculations are:-

(i) Operating margins (Earnings before interest and taxes), (ii) Discount Rate, (iii) Growth Rates and (iv) Capital Expenditure

42 Expenditure incurred on Corporate Social Responsibilities

(a) Gross amount required to be spent by the company during the year ₹ "Nil" (previous year ₹ 100)

(b) Amount spent during the year on

(₹ in '000)

CSR Activities	In Cash	Yet to be paid in cash	Total
(i) Construction / acquisition of any asset	-	-	-
(ii) On purpose other than (i) above	- (150)	- -	- (150)

(figure in bracket pertain to previous year)

43 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 these consolidated financial statements

S.S. KOTHARI MEHTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

44 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 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 short term borrowings obligations in the nature of cash credit.

₹ in '000

Particulars	Fixed Rate Borrowing	Variable Rate Borrowing	Total Borrowing
As at March 31, 2019	353	-	353
As at March 31, 2018	640	-	640

Sensitivity analysis - For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year.

Sensitivity on variable rate borrowings	Impact on Profit & Loss Account	
	For the year ended March 31, 2019	For the year ended March 31, 2018
Interest rate increase by 0.25%	-	-
Interest rate decrease by 0.25%	-	-

ii. Foreign Currency Risk :

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuates because of changes in foreign exchange rates. As the Company operates internationally through a branch office in Dubai it has exposure to the risk of change in foreign exchange on account of foreingn operations. In addition to this, the entity has also exported / imported professional and management services giving rise to foreing receivables / payables.

The details of foreign currency exposure is as follows:

Particulars	Trade Receivable		Trade Payables	
	In FC in '000	Rs in '000	In FC in '000	Rs in '000
Unhedged foreign currency exposures				
Foreign Exposure as at March 31, 2019				
US Dollars	726	50,297	104	7,232
Euro	-	-	45	3,537
Foreign Exposure as at March 31, 2018				
US Dollars	763	49,448	104	6,763
Euro	-	-	45	3,633

S.S. KOTHARI MEHTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

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.

₹ in '000

Particulars	Increase / Decrease in basis points	Impact on Profit & Loss Account For the year ended March 31, 2019	Impact on Profit & Loss Account For the year ended March 31, 2018
USD Sensitivity	+ 50 basis points	3	3
	- 50 basis points	(3)	(3)
Euro Senitivity	+ 50 basis points	(0)	(0)
	- 50 basis points	0	0

* Holding all other variable constant

B Credit risk:

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables and advances to suppliers) and from its financing activities, including deposits and other financial instruments

To manage this, Company periodically assesses the financial reliability of customers, taking into account factors such as credit track record in the market and past dealings with the Company for extension of credit to customer Company monitors the payment track record of the customers. Outstanding customer receivables are regularly monitored. An impairment analysis is performed at each quarter end on an individual basis for major customers. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets as discussed 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 receivables/contract assets is given below:

₹ in '000

Particulars	As at March 31, 2019		As at March 31, 2018	
	Upto 6 months	More than 6 months	Upto 6 months	More than 6 months
Gross carrying amount (A)	3,10,960	1,94,240	99,658	2,16,834
Expected Credit Losses (B)	-	(26,081)	-	(15,217)
Net Carrying Amount (A-B)	3,10,960	1,68,159	99,658	2,01,617

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 engineering services. The other main component in liquidity is timing to call loans/ funds and optimization of repayments of loans installment, interest payments.

Table hereunder provides the current ratios of the Company as at the year end

₹ in '000

Particulars	As at March 31, 2019	As at March 31, 2018
Total current assets	9,79,402	8,30,820
Total current liabilities	3,05,471	2,40,751
Current ratio	3.21	3.45

S.S. KOTHARI MEHTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

The table below summarises the maturity profile of the Company's financial liabilities based on contracted undiscounted payments (excluding transaction cost on borrowings).

₹ in '000

	Particulars	Payable on demand	Less than 1 year	More than 1 year	Total
I	**As at March 31, 2019**				
(i)	Borrowings	-	315	353	668
(ii)	Other Financial Liability	19,650	-	60,395	80,045
(iii)	Trade and other payable	-	1,11,634	-	1,11,634
	Total	**19,650**	**1,11,949**	**60,748**	**1,92,347**
II	**As at March 31, 2018**				
(i)	Borrowings	-	288	641	929
(ii)	Other Financial Liability	59,649	-	8,390	68,039
(iii)	Trade and other payable	-	1,02,005	-	1,02,005
	Total	**59,649**	**1,02,293**	**9,031**	**1,70,973**

45 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 ₹ in '000

Sl. No	Particulars	Note	Fair value hierarchy	As at March 31, 2019		As at March 31, 2018	
				Carrying Amount	Fair Value	Carrying Amount	Fair Value
1	**Financial asset at FVTPL**						
	Current						
	Investments in Mutual Funds	A		-		-	
2	**Financial asset at FVTOCI**	B					
	Non Current						
	Investments in Equity Shares						
	Quoted		Level 1	36	49	36	56
	Unquoted		Level 2	669	669	669	669
3	**Financial assets designated at amortised cost**						
	Non Current						
a)	Loans		Level 3	5,045		5,142	
	Current						
a)	Trade receivables		Level 3	1,37,296		3,01,275	
b)	Contract assets		Level 3	3,41,823		-	
c)	Cash and cash equivalents		Level 3	1,62,586		1,73,181	
d)	Bank balances		Level 3	77,131		71,169	
e)	Loans		Level 3	43,764		70,763	
f)	Other financial assets		Level 3	28,992		44,559	
	Total			7,97,342	718	6,66,794	725

Financial Liabilities ₹ in '000

Sl. No	Particulars	Note	Fair value hierarchy	As at March 31, 2019		As at March 31, 2018	
				Carrying Amount	Fair Value	Carrying Amount	Fair Value
1	**Financial liability designated at amortised cost**	D					
	Non Current						
a)	Borrowings		Level 3	38	-	353	-
b)	Other Financial Liability		Level 3	60,395	-	8,390	-
	Current						
a)	Borrowings			-	-	-	-
b)	Trade payables		Level 3	1,11,634	-	1,02,005	-
c)	Other financial liabilities		Level 3	19,965	-	59,937	-
	Total			1,92,032	-	1,70,685	-

S.S. KOTHARI MEHTA & CO.
NEW DELHI
CHARTERED ACCOUNTANTS

The fair value of financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

A Company has opted to fair value its Financial asset through profit & loss.

B Company has opted to fair value its financial asset through other comprehensive income.

C As per Para D-15 of Appendix D of Ind AS 101, the first time adopter may chose to measure its investment in subsidiaries, JVs and Associates at cost or at fair value. Company has opted to value its investments in subsidiaries, JVs and Associates at cost.

D Company has adopted effective rate of interest for calculating interest. This has been calculated as the weighted average of effective interest rates calculated for each loan. In addition processing fees and transaction cost relating to each loan has also been considered for calculating effective interest rate.

* The carrying amounts are considered to be the same as their fair values due to short term nature.

Fair value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

46 Capital Management

For the purpose of the Company's capital management, equity includes issued equity capital, securities premium and all other equity reserves attributable to the equity shareholders and net debt includes interest bearing loans and borrowings less current investments and cash and cash equivalents. The primary objective of the Company's capital management is to safeguard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The funding requirement is met through a mixture of equity, internal accruals, long term borrowings and short term borrowings. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt.

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements.

Particulars	As at March 31, 2019 ₹ in '000	As at March 31, 2018 ₹ in '000
Debt (i)	353	641
Cash and cash equivalents	1,62,586	1,73,181
Net Debt	(1,62,233)	(1,72,540)
Total Equity	6,49,779	6,18,147
Net debt to equity ratio (Gearing Ratio)	(0.25)	(0.28)

(i) Debt is defined as long-term and short-term borrowings

S.S. KOTHARI MEHTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

SEMAC CONSULTANTS PRIVATE LIMITED
Notes To Consolidated Financial Statements For The Year Ended March 31, 2019

47 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

Amount in Rs. 000

Name of entity	March 31, 2019				March 31, 2018			
	Net assets, i.e., total assets minus total liabilities		Share in profit or loss		Net assets, i.e., total assets minus total liabilities		Share in profit or loss	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount
Subsidiary foreign								
Semac & Partners LLC	31.68%	2,05,880	51.95%	25,839	29.80%	1,84,229	126.94%	(40,230)
Minority Share Holders	10.64%	69,124	27.98%	13,914	8.93%	55,210	-30.39%	9,632

48 The audited GST return for the year ended March 31, 2018 is pending for the filing as competent authority has extended the date of filing till June 30, 2019. The company is in process of reconciling the data of GSTR 2A with GSTR 3B. In view of the management on final reconciliation the impact will not be material.

49 Previous year's figures have been regrouped/re-classified wherever necessary to make them more comparable to current year.

As per our report of even date

For **S.S. Kothari Mehta & Company**
Chartered Accountants
Firm registration number: 000756N

Amit Goel

Amit Goel
Partner
Membership No: 500607

Place : Bengaluru
Date: May 29, 2019

S.S. KOTHARI MEHTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors
Semac Consultants Private Limited

Deepali Dalmia

Abhishek Dalmia
Executive Chairman
DIN: 00011958

Place : Bengaluru
Date: May 29, 2019

Deepali Dalmia
Director
DIN: 00017415