

REVATHI EQUIPMENT LIMITED

CIN: L29120TZ1977PLC000780

Registered Office: Pollachi Road, Malumachampatti P O., Coimbatore- 641 050

E-mail: srinivasan@revathi.in Website: www.revathi.in

Phone No.: 0422 - 6655111 Fax: 0422 - 6655199

NOTICE OF THE ANNUAL GENERAL MEETING

NOTICE is hereby given that the 39th Annual General Meeting of the Shareholders of the Company will be held on Wednesday, 21st September 2016 at 5.45 P.M. at A.C.Hall, The Indian Chamber of Commerce and Industry Coimbatore, Chamber Towers, 8/732, Avinashi Road, Coimbatore 641018 to transact the following business:

Ordinary Business

1. To receive, consider and adopt the Audited Financial Statements of the Company along with Consolidated Financial Statements for the financial year ended 31st March, 2016, together with the Reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in the place of Mrs. Deepali Dalmia (holding DIN: 00017415) who retires by rotation and being eligible offers herself for re-appointment.
3. To ratify the appointment of Auditors and to fix their remuneration and in this regard to pass the following resolution as an Ordinary Resolution:

RESOLVED that pursuant to the provisions of Section 139 and 142 of the Companies Act, 2013 and the Rules framed thereunder, the re-appointment of the statutory auditors of the Company Messrs. S.S. Kothari Mehta & Co (Firm Registration No. 000756N) Chartered Accountants, New Delhi be and is hereby ratified for the financial year 2016-17 at such remuneration as may be determined by the Board of Directors of the Company.

Special Business

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

RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit & Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) M/s. P.Mohan Kumar & Co., (Firm Registration No.18692), Cost Accountants, Coimbatore, appointed as Cost Auditors by the Board of Directors of the Company, as recommended by the Audit Committee of the Company, to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2017, on a remuneration of Rs. 1,00,000/- (Rupees One Lakh only) plus applicable service tax and re-imbursement of travelling and out of pocket expenses incurred by them for the purpose of audit be and are hereby ratified and confirmed.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all such acts, and take all such steps as may be necessary, proper or expedient to give effect to this resolution.

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

Resolved that pursuant to Sections 197, 198 and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification or re-enactment thereof, for the time being in force), the consent of the Company be and is hereby accorded for payment of commission to the non-executive Directors of the Company for a sum not exceeding 1% of the Net Profits of the Company for the financial year 2015-16 computed in the manner as specified under Section 198 of the Companies Act, 2013 to be paid and distributed amongst the Non Executive Directors of the Company or some or any of them in such amounts or proportions and in such manner and in all respects as may be decided by the Board of Directors of the Company and such payments shall be made with respect to the profits of the Company for each year.

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

Resolved that pursuant to Sections 196, 197, 198, Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification or re-enactment thereof, for the time being in force) and as recommended by the Nomination and Remuneration committee, the consent of the Company be and is hereby accorded for payment of commission to Mr. Abhishek Dalmia, Executive Chairman of the Company for a sum not exceeding 3% of the Net Profits (apart from remuneration already drawn by him) of the Company computed in the manner as specified under Section 198 of the Companies Act, 2013 for the financial year 2015-16.

By Order of the Board
For **Revathi Equipment Limited**

M N Srinivasan
Company Secretary

Place : Mumbai
Date : 04th August 2016

STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 4

The Board of Directors, on the recommendation of the Audit Committee, has approved the appointment of M/s. P.Mohan Kumar & Co., (Firm Registration No.18692), Cost Accountants, Coimbatore, as Cost auditors to conduct the audit of cost records of the Company for the Financial Year 2016-17. In accordance with the provision of Section 148 of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the members of the Company.

Accordingly, consent of the members is sought for passing Ordinary Resolution as set out in item no.4 of the notice for ratification of the remuneration of the cost auditor for the financial year 2016-2017.

None of the Directors or Key Managerial Personnel of your Company and their relatives are concerned or interested financially or otherwise in the above resolution.

Item No.5

The Board of Directors of the Company have approved the payment of Commission to Non-executive Directors of the Company, at the rate of 1% of the net profits to be distributed amongst the Directors of the Company or some or any of them in such amounts or proportions and in such manner and in all respects as may be decided by the Board of Directors of the Company subject to the approval of the members at the Annual General Meeting.

Accordingly necessary resolution pursuant to the provisions of Section 197,198, Schedule V and other applicable provisions of the Companies Act, 2013 have been proposed in Item No.5 of the Notice for the approval of the members for payment of commission to the Non-executive directors of the Company. The Directors recommend passing of the resolution set out in Item 5 of the agenda of the notice.

Except all Non-Executive Directors being the recipient of commission and Mr.Abhishek Dalmia, Executive Chairman relative of recipient, none of the other Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 5.

Item No.6

In view of untiring efforts put in by Mr. Abhishek Dalmia, Executive Chairman of the Company, the Board of Directors at their meeting held on 30th May 2016 has approved the payment of commission payable to him, of a sum not exceeding 3% per annum of the net profits of the Company (apart from remuneration already drawn by him) for the financial year 2015-16.

The Board recommends the resolution set out in Item No. 6 of the Notice for the approval of the members.

Except Mr.Abhishek Dalmia, Executive Chairman being the recipient of commission and Mr.Chaitanya Dalmia & Mrs.Deepali Dalmia relatives of recipient, none of the other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 6.

NOTES:

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

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

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

2. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
3. Members / Proxies should bring the attendance slips duly filled and signed for attending the meeting.
4. Details under Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and Secretarial Standards issued by ICSI in respect of the Director seeking re-appointment at the Annual General Meeting is furnished and forms a part of the notice.
5. The register of members and share transfer books of the company will remain closed from 15.09.2016 to 21.09.2016 (both days inclusive).

6. Members holding shares in electronic form are hereby informed that bank particulars registered against their depository accounts will be used by the Company for payment of dividend. The Company or the Registrars cannot act on any request received directly from the members holding shares in electronic form for any such change in bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant by the Members. Members holding shares in physical form and desirous of either registering bank particulars already registered against their respective folios for payment of dividend are requested to write to the Registrars and Share Transfer Agents of the Company.
7. Members holding shares in physical form are requested to notify immediately any change in their address along with respective address proof and Bank particulars to the Company or its Registrar & Share Transfer Agent and in case their shares are held in dematerialized form, this information should be passed on directly to their respective Depository Participants and not to the Company / Registrars & Share Transfer Agent.
8. Members desirous and requiring any information on the accounts or operations of the Company are requested to forward his/her queries to the Company at least seven working days prior to the meeting, so that the required information may be made available at the meeting.
9. Members holding shares in physical form in identical order of names in more than one folio are requested to send to the Company or Registrar and Share Transfer Agent, the details of such folios together with the share certificates for consolidating their holding in one folio. A consolidated share certificate will be returned to such members after making requisite changes thereon.
10. Members holding shares in Physical form are requested to convert their holdings to dematerialized form to eliminate all risks associated with Physical shares.
11. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in Physical form can submit their PAN to the Company or to M/s SKDC Consultants Limited, Kanapathy Towers, 3rd Floor, 1391/A-1, Sathy Road, Ganapathy, Coimbatore - 641006.
12. The members are requested to forward their share transfer deed(s) and other communications directly to the Registrar and share transfer agent of the company M/s.SKDC Consultants Limited, Kanapathy Towers, 3rd Floor, 1391/A-1, Sathy Road, Ganapathy, Coimbatore - 641006.
13. Members are requested to register / update their Email address in respect of shares held in dematerialized form with their respective Depository Participants and in respect of shares held in physical form with M/s SKDC Consultants Limited.
14. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote
15. Electronic copy of the Annual Report for 2016, the Notice of the 39th Annual General Meeting of the Company and instructions for e-voting, along with the Attendance Slip and Proxy Form, are being sent to all the members whose email IDs are registered with the Company / Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2016 is being sent in the permitted mode.
16. Members are requested to note that the venue of the 39th Annual General Meeting is The Indian Chamber of Commerce and Industry Coimbatore, Chamber Towers, 8/732, Avinashi Road, Coimbatore 641018 and route map containing the complete particulars of the venue is printed to this Notice.
17. Voting through electronic means:
 - I. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44(1) of the SEBI (LODR) Regulations, 2015 the Company is pleased to provide its members the facility to exercise their right to vote at the 39th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services provided by Central Depository Services (India) Limited (CDSL).
 - II. The facility for voting, either through electronic voting system or polling paper shall also be made available at the meeting and members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their vote through polling paper at the Annual General Meeting.
 - III. The Members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.

The instructions for members for voting electronically are as under:-

- i. The voting period begins on 18.09.2016 at 09.00 AM and ends on 20.09.2016 5.00 PM. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 14.09.2016 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- ii. The shareholders should log on to the e-voting website www.evotingindia.com.
- iii. Click on Shareholders.
- iv. Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- v. Next enter the Image Verification as displayed and Click on Login.
- vi. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- vii. If you are a first time user, follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> ● Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. ● In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> ● If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- viii. After entering these details appropriately, click on "SUBMIT" tab.
- ix. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- x. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- xi. Click on the EVSN for the relevant REVATHI EQUIPMENT LIMITED on which you choose to vote.
- xii. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xiii. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xiv. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- xv. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xvi. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

- xvii. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xviii. Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- xix. Note for Non - Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- xx. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.
- IV. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 14.09.2016.
- V. Mr.M.D.Selvaraj FCS of MDS & Associates, Company Secretaries, Coimbatore has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- VI. The Scrutinizer shall immediately after the conclusion of the Annual General Meeting first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- VII. The Results shall be declared within 2 days of the conclusion of the Annual General Meeting. The results declared along with the Consolidated Scrutinizer's Report shall be placed on the Company's website www.revathi.in and on the website of CDSL and communicated to the Stock Exchanges where the Company's shares are listed.

Place : Mumbai
Date : 04th August 2016

By Order of the Board
For **Revathi Equipment Limited**
M N Srinivasan
Company Secretary

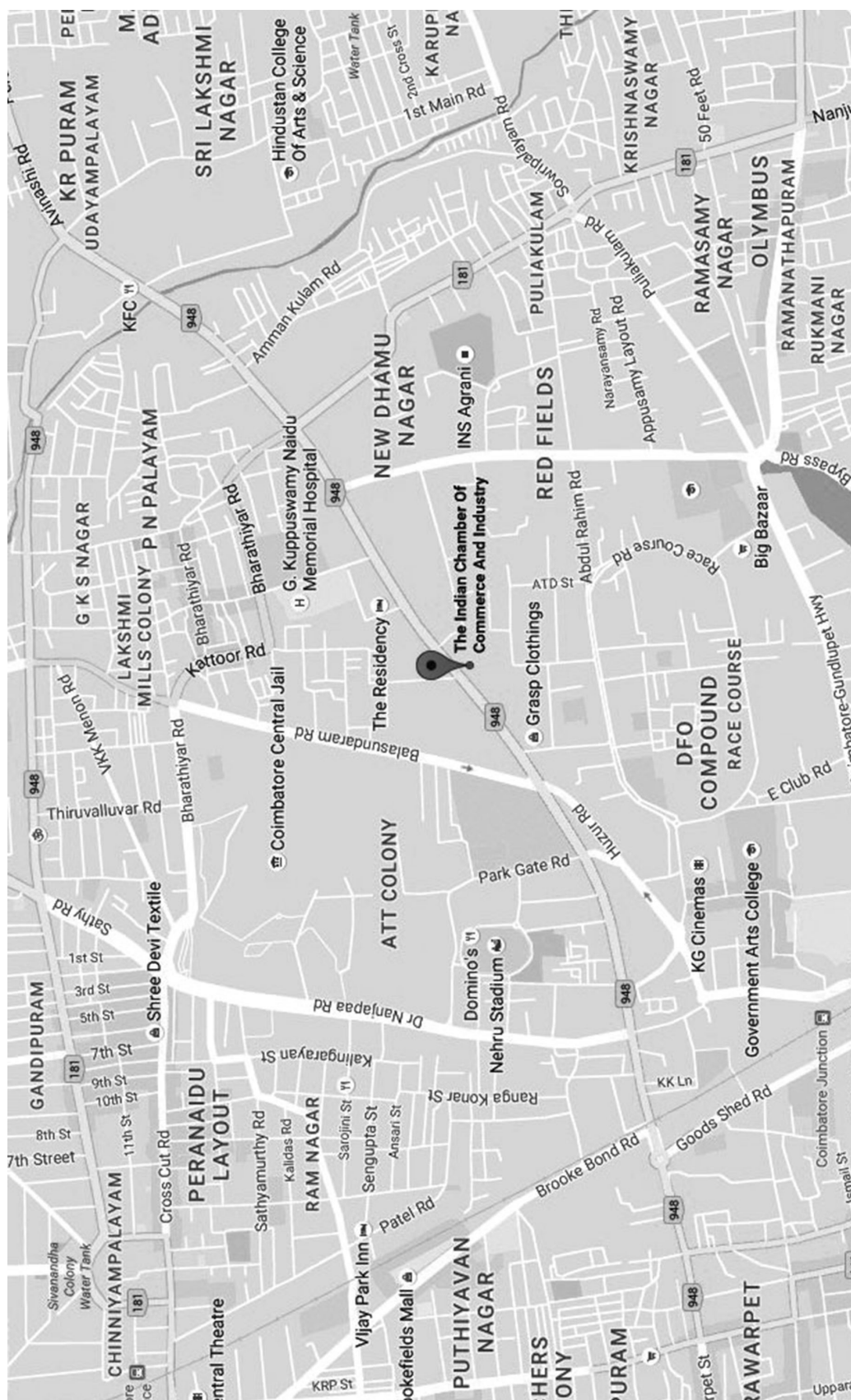
Additional information on Directors recommended for appointment / re-appointment as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard issued by ICSI.

Name	Mrs.Deepali Dalmia
DIN	00017415
Date of Birth	29.10.1970
Date of appointment on the Board	08.08.2014
Inter-se relationship with other directors	She is related to Mr.Abhishek Dalmia, Executive Chairman of the Company
Qualification	B A History (Hons)
Expertise in area	Business Strategist
No. of shares held	Nil
Board position held	Director
Terms and conditions of appointment / re-appointment	Liable to retire by rotation
Remuneration sought to be paid	Commission only
Remuneration last drawn	Rs. 60000/- paid as Sitting Fees
Number of Board meetings attended during the year	3
Directorships held in other companies	i. Sunglow Agriculture Farms Private Limited ii. Asra Plantations Private Limited iii. Priyadarshany Agri Farms Private Limited iv. Sohna Agri Farms Private Limited v. Renaissance Asset Management Company Private Limited
Membership in other Committees	Nil

Place : Mumbai
Date : 04th August 2016

By Order of the Board
For **Revathi Equipment Limited**
M N Srinivasan
Company Secretary

Route Map of AGM Venue



39th Annual Report 2015-16



Acquisition Criteria

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

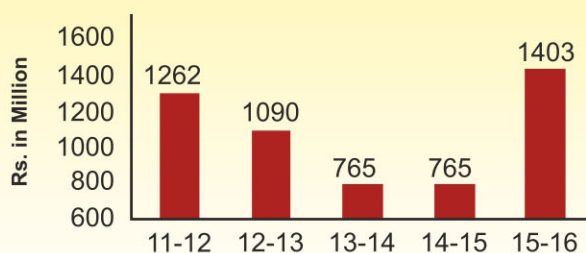
Here's the sort of business we are looking for:

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

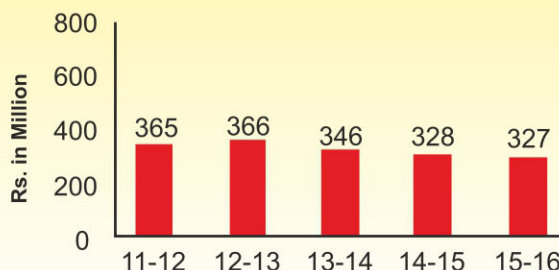
We will not engage in unfriendly takeovers. We can promise complete confidentiality and a very fast answer as to whether we are interested. We prefer to buy for cash, but will consider issuing stock when we receive as much in intrinsic business value as we give.

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

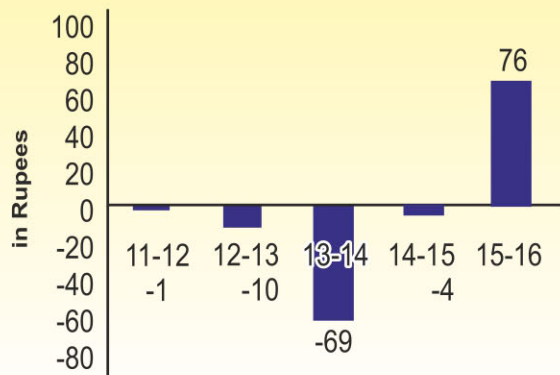
SALES



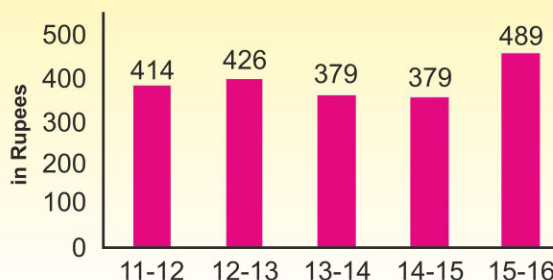
GROSS FIXED ASSETS



EARNING PER SHARE



BOOK VALUE PER SHARE



Revathi Equipment Limited

CORPORATE DATA

BOARD OF DIRECTORS

ABHISHEK DALMIA

Executive Chairman

CHAITANYA DALMIA

DEEPALI DALMIA

S.C. KATYAL

B.V. RAMANAN

M. POONGAVANAM

KISHORE SIDHWANI

S. HARIHARAN

Whole-time Director

CHIEF EXECUTIVE OFFICER

SUNIL PURI

SHARE TRANSFER AGENTS

S.K.D.C. CONSULTANTS LTD.,
KANAPATHY TOWERS,
3rd FLOOR, 1391/A-1, SATHY ROAD,
GANAPATHY, COIMBATORE 641 006.

COMPANY SECRETARY

M.N. SRINIVASAN

BANKERS

BANK OF INDIA

AXIS BANK LIMITED

STATE BANK OF INDIA

IDBI BANK LIMITED

ICICI BANK LIMITED

DENA BANK

HDFC BANK LIMITED

REGISTERED OFFICE

POLLACHI ROAD,
MALUMACHAMPATTI POST,
COIMBATORE - 641 050.
Website : <http://www.revathi.in>

AUDITORS

S.S. KOTHARI MEHTA & CO.
NEW DELHI

Revathi's Corporate performance vs the Nifty

Year	Annual percentage change in		Relative results (1) - (2)
	Per share book value of Revathi (1)	Nifty 50 with dividend included (2)	
2002-03	9.0%	-11.7%	20.7%
2003-04	21.6%	86.3%	-64.7%
2004-05	41.3%	17.3%	24.0%
2005-06	19.1%	70.0%	-50.9%
2006-07	11.6%	13.8%	-2.2%
2007-08	16.6%	25.7%	-9.1%
2008-09	-2.5%	-35.4%	32.9%
2009-10	3.6%	75.3%	-71.7%
2010-11	6.0%	12.4%	-6.4%
2011-12	-2.9%	-8.2%	5.3%
2012-13	2.8%	8.7%	-5.9%
2013-14	-10.9%	19.5%	-30.4%
2014-15	-0.1%	28.2%	-28.3%
2015-16	29.1%	-7.8%	36.9%
Average Annual Gain (FY03 - FY16)	9.1%	16.4%	-7.3%
Overall gain (FY 03 - FY 16)	238.6%	740.2%	-501.6%

Notes :

1. All data is for financial years and includes dividends paid, if any.
2. The Nifty-50 numbers are pre-tax and assume that dividends were reinvested, whereas the numbers for Revathi are after tax.
3. We think our investors should measure our performance against their general experience in the equity markets. While the Nifty-50 is not perfect (nor is anything else) as a measure of performance, it has the advantage of being widely known and reflects with reasonable accuracy the experience of investors generally with the market.
4. The reason we have used the "growth in book value" as against stock price is, that over time, we intend measuring our performance by checking if a rupee retained has created a rupee worth of market value.
5. If you expect, as we do, that owning a representative stock index would produce reasonably satisfactory results over a period of time, it follows that, for long-term investors, gaining small advantages over that index must prove rewarding.

CHAIRMAN'S LETTER

Our increase in consolidated net worth during FY16 was ₹339 million, which increased the per share book value by 29.1%. Over the last fourteen years (that is, since the present owners took over) per share book value, has grown from ₹151 to ₹489 (₹ 573 after ignoring the effect of goodwill write-offs), which, after factoring in dividend paid during this period, works out to a rate of 8.8% (10%) compounded annually.

Over the past couple of years, the Indian coal sector has seen some strong policy action, which have yielded results. Some of the highlights include auctioning of coal blocks, rise in coal production at a compound annual growth rate of eight per cent. As a result of this, India produced almost a hundred million tons of coal more in FY16 than we did in FY14, on a base production of about five hundred and seventy million tons in FY14. The plans announced by the Government of India for the coal sector coupled with the results produced over the past two years give us confidence that we are in a new era for coal mining in the country.

Though the environment decidedly turned more supportive, our results were not the outcome of the change in the environment. Instead it was the result of the work put in by our people in winning some large orders in the previous year, which I wrote about in last year's letter.

Some of you might be surprised to read the previous sentence. Its true. The sales cycle in our business typically lasts six to nine months for routine orders and few years for all other kinds of enquiries. It takes a lot of patience and perseverance to conclude such orders. As such, this is a very different kind of business compared with today's hyperactive e-commerce world where business planning is done for a year at the most. And even within that time period, sometimes trends change, causing a review of business strategy.

After four years of reporting losses, we came back strongly this year. FY16 was our best ever year in terms of Revenues and operating profit (on a consolidated basis, it was the best year ever, bar none). This helped us almost entirely make up for the losses over these years and restore our net worth to the almost the same level as five years ago. For small companies, mistakes can be costly. And if not corrected quickly, they can become a burden, too heavy to bear.

The performance would have been even stronger had the debt levels not been as high as they have been since FY09. Over the past few years, we have taken various steps to bring down our debt. These include shifting the Construction Equipment business from Chennai back to Coimbatore, selling off a part of our stake in the Mumbai real estate project, improve our operational performance and finding a buyer for the Chennai land. We have achieved success in all these areas except the last one, where a sale transaction remains elusive. Despite releasing money from these areas, the debt levels have remained stubbornly high this year as a result of increase in activity levels, which soaked up funds. The good news is that our performance this year will help in bringing down debt levels as well as cost of debt next year.

During the year, there was an important change in top management. Mr. Sunil Puri, who has worked with leading multinationals in our industry joined us as CEO in March this year. The fact that he worked with us for a few years as Marketing Head makes for a quick transition from our previous CEO.

I would like to share what led to these errors that cost us many lost years in building the business. Back in 2007, we were approached by a multinational competitor, who had expressed an interest in acquiring the Drilling Solutions business. Though we had never gone out looking for a buyer and probably never will, the price being offered made us seriously think about the offer on the table. After many months of discussions, we got up from the meeting where the proposed documentation for the sale was finalized. The Buyer was to sign the final set of documents and send them to us for our signing. This was around September 2008. Then the Lehmann episode happened and the buyer got cold feet and backed off.

In the meanwhile, knowing fully well that the asset side of our balance sheet will have lots of cash in a few quarters, we took on debt to acquire two new businesses - Potential Service Consultants, which we acquired in March 2007 and Semac Consultants, which we acquired in May 2008. We now had significant debt and the sale of the Drill business fell through.

So what are the key lessons learnt from this entire episode? No deal is done until its done, even if it seems like it's a done deal. If you are conscientious, the distance between corporate debt and corporate death is very small. Taking on debt is like eating - you better know how much you can digest. Infant mortality in new ventures is very high, whether they are spawned in an existing company or as a new venture. As such, diversification initiatives usually fail. This is especially true for smaller companies with limited resources - both managerial and financial.

Semac was historically run as a collection of mini-Semacs. Each office was run by a Head who was responsible for the P&L of that office. The biggest advantage of that model was that each Head had the excitement of running a business independently. The biggest drawback was that we were not able to grow the business beyond a certain size. Also, we were not really leveraging the fact that we had a national presence. There was very little collaboration across offices, whether on client management or operations. Rarely, offices were also competing with each other for the same project.

Last year, we started transitioning from that structure to a unified structure. Under this, we have a CEO supported by a team for all Corporate functions. In an organization that has been run in a certain way for over four decades, this was a fairly disruptive change. Though I would have liked to do it sooner, it was a tough call to tinker with something that was producing results.

After much introspection, we decided to go ahead with this concept, knowing fully well that there will be disruptions. After all, this is a people business and when you start redrawing lines on the organization chart, people get very edgy about their future. The outcome at Semac was as expected, though not as hoped for. Some of the senior-most people at Semac moved on, resulting in discontinuous shift at office as well as with clients. Post that shift, things have settled down, though a lot of work needs to be done to bring the fruits of the reorganization.

The net outcome of all the above was that though we grew Revenues grew, profits shrank. There is still some pain left before positive results start flowing out of this initiative.

I would also like to thank our bankers who supported us as best as they could during our tough times and our shareholders for being patient through the pain we have been through over the past few years. Your trust and confidence bore fruit this year and we were able to produce our best ever results in the history of the company. I look forward to sharing more good news in the coming years.

REPORT OF DIRECTORS & MANAGEMENT DISCUSSION AND ANALYSIS REPORT

For the year ended 31st March 2016

Your Directors have pleasure in presenting the Thirty Ninth Annual Report together with the Audited Accounts of your Company for the year ended 31st March 2016.

Financial Highlights

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

All figures in ₹ Lakhs

Particulars	31.03.2016	31.03.2015
Total Income	14149.89	7904.27
Total Expenditure	12466.82	7792.64
Profit before Tax	1683.07	111.63
Add: Exceptional Items	933.73	(228.16)
Profit / (Loss) before tax (after exceptional items)	2616.80	(116.53)
Less: Tax expense	(282.47)	(20.31)
Profit / (Loss) after tax	2334.33	(136.84)

Operations / Performance review

Net Sales of your company increased by 83.4% to ₹ 140.28 Crores in FY 16 from ₹ 76.5 Crores in FY 15 thanks to orders from Coal India Ltd. and Central Ground Water Board.

This is the best ever sales achieved by the company.

PBT before exceptional item for FY 16 was at ₹ 16.83 Crores against ₹ 1.1 Crore in the previous year. This is mainly due to volume increase and better product mix.

Exceptional items for FY 16 was at ₹ 9.3 Crores which consists of profit on sale of 10795 sq.feet of saleable area entitlement in Panch Tatva Realty and provision for non-useable inventories of Construction Equipment Division.

Finance cost was reduced to ₹ 9.78 Crores in FY 16 from ₹ 10.52 Crores in FY 15.

Change in the Nature of Business, if any

There was no change in the nature of business of the Company during the financial year ended 31st March, 2016

Management discussion and analysis, Structure and Developments, opportunities and Threats, outlook, risk and concern:

Overview of the Economy

According to IMF World Economic Outlook Update, Indian economy is expected to grow at 7-7.75 per cent during FY 2016-17, despite the uncertainties in the global market. The Economic Survey 2015-16 had forecasted that the Indian economy will be growing by more than seven per cent for the third successive year 2016-17 and can start growing at eight per cent or more in next two years.

The steps taken by the government in recent times have shown positive results as India's gross domestic product (GDP) at factor cost at constant (2011-12) prices for 2015-16 is ₹ 113.5 trillion (US\$ 1.668 trillion), as against ₹ 105.5 trillion (US\$ 1.55 trillion) in 2014-15, registering a growth rate of 7.6 per cent.

Business Environment, outlook & Prospects for FY 2016-17.

In 2015-16, Coal India Ltd (CIL) produced 536 million ton of coal, an annual increase of 8.5%.

CIL plans to boost production to one billion ton by 2019-20 with its estimated capital investment of ₹ 57,000 crores.

Central Government's focus on infrastructure growth and on coal sector with private sector participation, it is expected that demand for company's products should grow better in ensuing years.

Transfer to reserves

The Company has not transferred any amount to its reserves during the year under review. However, an amount of ₹ 2334.33 Lakhs of the current profit has been carried forward to the Surplus in the Profit and Loss account of the Company.

Dividend

In order to conserve resources the directors do not recommend any dividend for the year ended 31st March 2016.

Transfer of unclaimed dividend to investor education and protection fund

Since there was no unpaid/unclaimed Dividend, the provisions of Section 205A & 205C of the Companies Act, 1956 relating to transfer of Unclaimed dividend to Investor Education and Protection fund does not arise.

Share capital

The issued, subscribed and paid-up share capital of the Company as at 31.03.2016 stood at ₹ 3,06,69,430 /- divided into 30,66,943 equity shares of ₹ 10/- each. During the year under review the Company has not made any fresh issue of shares.

Extract of Annual Return

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

Board meetings conducted during the period under review

During the year under review, 7 Meetings of the Board of Directors, 4 Meetings of the Audit Committee, 3 Meetings of the Nomination and Remuneration Committee, 4 Meetings of the Stakeholders Relationship Committee were held. Further details of the same have been enumerated in the Corporate Governance Report annexed herewith.

Directors' responsibility statement

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

- a) in the preparation of the annual accounts, the applicable accounting standards had been followed and there are no material departure from those standards;
- b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for that period;
- c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) the directors had prepared the annual accounts on a going concern basis; and
- e) the directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f) the directors had devised proper system to ensure compliance with the provisions of all the applicable laws and such systems were adequate and operating effectively;

Details in respect of frauds reported by auditors under section 143(12) of the Companies Act, 2013 other than those which are reportable to the central government

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

Declaration of independent directors

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

Company's policy relating to directors appointment, payment of remuneration and other matters provided under section 178(3) of the Companies Act, 2013

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

Comments on Auditors' Report:

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

Particulars of loans, guarantees or investments made under Section 186 of the Companies Act, 2013

During the year under review the Company has not granted any Loans or given any security or made any investments, pursuant to the provisions of Section 186 of the Companies Act, 2013. However, the details in respect of investments made by the Company in the earlier year is disclosed in the notes to the Financial Statements.

Particulars of contracts or arrangements with related parties

There was no contract or arrangements made with related parties as defined under Section 188 of the Companies Act, 2013 during the year under review.

Material changes and commitments affecting the financial position of the company:

There have been no material changes and commitments affecting the financial position of the Company which has occurred between the financial year ended 31st March, 2016 and the date of the report.

Conservation of energy, technology absorption, foreign exchange earnings and outgo

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

Statement concerning development and implementation of risk management policy of the company

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

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

Details of policy developed and implemented by the company on its corporate social responsibility initiatives.

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions were not applicable during the year under review.

Annual evaluation of the Board on its own performance and of the individual directors and committees.

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

Directors & Key Managerial Personnel

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

Mr. Sunil Puri was appointed as Chief Executive Officer of the Company with effect from 7th March 2016.

Key Managerial Personnel of the Company as required pursuant to Section 2(51) and 203 of the Companies Act, 2013 are Mr. Abhishek Dalmia, Executive Chairman, Mr. S. Hariharan, Whole-time Director, Mr. Sunil Puri, Chief Executive Officer and Mr. M.N. Srinivasan, Company Secretary.

Subsidiaries, Joint Ventures and Associate companies.

The company has two subsidiaries namely M/S Semac Consultants Private Ltd - a material subsidiary within the definition of SEBI (Listing obligations and Disclosure Requirements) Rules 2015 and M/S Semac and Partners, LLC - step down subsidiary.

M/S Panchtatva Realty (joint venture) is an Association of Persons (AOP) in which the Company is a member.

A report containing the salient features of the subsidiaries and joint ventures as required under Section 129(3) of the Companies Act 2013 has been annexed herewith in AOC - 1 and is attached a **Annexure D** to this report.

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

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

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

Fixed deposits

The Company has not accepted any fixed deposit and hence there are no unclaimed deposits as on 31st March 2016.

Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operation in future

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

Adequacy of Internal Financial Controls with reference to the financial statements

The Company has implemented and evaluated the Internal Financial Controls which provide a reasonable assurance in respect of providing financial and operational information, complying with applicable statutes and policies, safeguarding of assets, prevention and detection of frauds, accuracy and completeness of accounting records. Further, the Board annually reviews the effectiveness

of the Company's internal control system. The Directors and Management confirm that the Internal Financial Controls (IFC) are adequate with respect to the operations of the Company. A report of Auditors pursuant to Section 143(3)(i) of the Companies Act, 2013 certifying the adequacy of Internal Financial Controls is annexed with the Auditors report.

Auditors

Statutory auditors

M/s. S.S. Kothari Mehta & Co (Firm Registration No. 000756N), Chartered Accountants, New Delhi were appointed as the Statutory Auditors of the company for a period of Five years in the 38th Annual General Meeting held on 21st December 2015. Pursuant to the provisions of Section 139 of the Companies Act, 2013, the ratification of their appointment is to be done at the ensuing Annual General Meeting. The Company has obtained written confirmation from the Auditors to the effect that the ratification of their appointment if made would be in conformity with the provisions of Companies Act, 2013. Accordingly, the Members are requested to ratify the appointment of Statutory Auditors for the financial year 2016-17.

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

Cost Auditors

Pursuant to the provision of Section 148 of the Companies Act, 2013 read with notifications/ circulars issued by the Ministry of Corporate Affairs from time to time and as per the recommendation of the Audit Committee, the Board of Directors at their meeting dated 30.05.2016, appointed M/s. P.Mohan Kumar & Co., (Firm Registration No.18692), Cost Accountants, Coimbatore as Cost Auditors of the Company for the financial year 2016-17.

Secretarial auditors

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

Particulars of Employees

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

The disclosure referred to the Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 does not apply to the Company as there were no employees who are in receipt of remuneration in the aggregate at the rate of not less than ₹ 1,02,00,000/- if employed throughout the year or ₹ 8,50,000/- per month if employed for part of the year.

Disclosure under the Sexual Harassment of Women at Work Place (prevention, Prohibition and redressal) Act, 2013.

The Company has been employing women employees in various cadres within the Office / factory premises. The Company has in place an Anti -harassment policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. There was no complaint received from any employee during the financial year 2015-16 and hence no complaint is outstanding as on 31.03.2016 for redressal.

Corporate governance

A report on corporate governance and Management Discussion and Analysis are annexed and forms part of this report. The Company has complied with the conditions relating to corporate governance as stipulated in Regulation 27 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

Audit Committee

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

Vigil mechanism (whistle blower policy)

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

CEO/CFO certification

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

Human resources

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

Cautionary note

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

Appreciation

The Directors express their sincere appreciation of dedicated efforts put in by our employees and their commitment to make the company a high performance Company. The Directors also place on record their appreciation of the continued support and recognition provided by our esteemed customers and bankers.

By Order of the Board
For Revathi Equipment Limited

Abhishek Dalmia
Executive Chairman
DIN : 00011958

Place : Mumbai
Date : August 4, 2016

FORM NO. MGT-9
EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31.03.2016
[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies
(Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i)	CIN	L29120TZ1977PLC000780
ii)	Registration Date	30/05/1977
iii)	Name of the Company	REVATHI EQUIPMENT LIMITED
iv)	Category / Sub-Category of the Company	Public Limited Company / Limited by shares
v)	Address of the Registered office and contact details	POLLACHI ROAD, MALUMACHAMPATTI POST, COIMBATORE - 641050. Ph. No. 0422-2610851 0422-2601852. Fax No. 0422-2610427. EMAIL ID: srinivasan@revathi.in Website : www.revathi.in
vi)	Whether listed company	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	SKDC CONSULTANTS LIMITED, Kanapathy Towers, 3rd Floor, 1391/A1, Sathy Road, Ganapathy, Coimbatore - 641006. Phone. No. : 0422-6549995, 2539835, 2539836. Fax No. : 0422-2539837. E-mail : info@skdc-consultants.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Blasthole drilling and water well drilling equipments	28242	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No.	Name and address of the company	CIN/GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
1	Renaissance Advanced Consultancy Limited, B-45/47, 2nd Floor, Connaught Place, New Delhi -110001	U74140DL2014PLC271039	Holding Company	46.59%	2(46)
2	Semac Consultants Pvt.Ltd Pollachi Road, Malumachampatti post, Coimbatore-641050	U85110TZ1987PTC017564	Subsidiary Company	76.90%	2(87)(ii)
3	Semac & Partners L.L.C Muscat Sultanate of Oman	N.A.	Step Down Subsidiary Company	Nil	2(87)(ii)

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

i) Category - wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2015]				No. of Shares held at the end of the year [As on 31-March-2016]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	-	-	-	-	-	-	-	-	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	2225953	-	2225953	72.58	2225953	-	2225953	72.58	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub- Total (A)(1)	2225953	-	2225953	72.58	2225953	-	2225953	72.58	-
(2) Foreign	-	-	-	-	-	-	-	-	-
a) NRIs- Individuals	-	-	-	-	-	-	-	-	-
b) Others- Individual	-	-	-	-	-	-	-	-	-
c) Bodies corporate	-	-	-	-	-	-	-	-	-
d) Banks/ FI	-	-	-	-	-	-	-	-	-
e) Any other...	-	-	-	-	-	-	-	-	-
Sub- Total (A)(2)	-	-	-	-	-	-	-	-	-
Total shareholding of promoter (A) = (A)(1)+(A)(2)	2225953	-	2225953	72.58	2225953	-	2225953	72.58	-
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	100	-	100	-	100	-	100	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	100	-	100	-	100	-	100	-	-
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	49281	165	49446	1.61	40739	165	40904	1.33	(0.28)
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	497661	76248	573909	18.71	460285	73012	533297	17.39	(1.33)
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	158410	-	158410	5.17	198470	0	198470	6.47	1.30
c) Others									
Directors & Their Relatives	19731	-	19731	0.64	28788	2	28790	0.94	0.30-
Non Resident Indians	14117	132	14249	0.47	15593	132	15725	0.51	0.05
Clearing Members	2776	-	2776	0.09	4130	0	4130	0.14	0.05
Hindu Undivided Families	22369	-	22369	0.73	19574	0	19574	0.64	(0.09)
Sub-total (B)(2):-	764345	76545	840890	27.42	840890	0	840890	27.42	-
Total Public Shareholding (B)=(B)(1)+ (B)(2)	764345	76545	840890	27.42	840890	0	840890	27.42	-
C. Shares held by Custodian for GDRs&ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	2988658	78285	3066943	100.00	2990398	76545	3066943	100.00	-

ii) Shareholding of Promoter-

S. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Renaissance Advanced Consultancy Limited	-	-	-	1768953	57.68	-	57.68
2	Avalokiteshvar Valinv Ltd	1428860	46.59	-	-	-	-	(46.59)
3	Renaissance Asset Management Company P Ltd	340093	11.09	-	-	-	-	(11.09)
4	Renaissance Stocks Ltd	457000	14.90	-	457000	14.90	-	-
	TOTAL	2225953	72.58	-	2225953	72.58	-	-

iii) Change in Promoters' Shareholding

S. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Renaissance Advanced Consultancy Limited				
	At the beginning of the year	-	-	-	-
	Transfer of Shares as on 14.08.2015	1768953	57.68	1768953	57.68
	At the end of the year	1768953	57.68	1768953	57.68
2	Renaissance Stocks Ltd				
	At the beginning of the year	457000	14.90	457000	14.90
	Increase / Decrease in Promoter Shareholding during the year	-	-	-	-
	At the end of the year	457000	14.90	457000	14.90
3	Renaissance Asset Management Company				
	At the beginning of the year	340093	11.09	340093	11.09
	Transfer of shares as on 14.08.2015	(340093)	(11.09)	-	-
	At the end of the year	-	-	-	-
4	Avalokiteshvar Valinv Limited				
	At the beginning of the year	1428860	46.59	1428860	46.59
	Transfer of shares as on 14.08.2015	(1428860)	(46.50)	-	-
	At the end of the year	-	-	-	-

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

S. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	DIPAK KANAYALAL SHAH				
	At the beginning of the year	55000	1.79	55000	1.79
	Transfer of shares as on 31.12.2015	700	0.02	55700	1.82
	Transfer of shares as on 26.02.2016	300	0.01	56000	1.83
	Transfer of shares as on 04.03.2016	125	0.00	56125	1.83
	At the end of the year	56125	1.83	56125	1.83
2	INDRA KUMAR BAGRI				
	At the beginning of the year	36350	1.19	36350	1.19
	Increase / Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	36350	1.19	36350	1.19

S. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
3	HITESH SATISHCHANDRA DOSHI At the beginning of the year Transfer of shares as on 05.06.2015 At the end of the year	24841 336 25177	0.81 0.01 0.82	24841 25177 25177	0.81 0.82 0.82
4	SUDHIR CHUKKAPALLI At the beginning of the year Increase / Decrease in Shareholding during the year At the end of the year	21923 - 21923	0.71 - 0.71	21923 - 21923	0.71 - 0.71
5	VENKATA RAO CHUKKAPALLI At the beginning of the year Increase / Decrease in Shareholding during the year At the end of the year	13309 - 13309	0.43 - 0.43	13309 - 13309	0.43 - 0.43
6	SHYAM PATTABIRAMAN At the beginning of the year Transfer of shares as on 05.06.2015 Transfer of shares as on 20.11.2015 At the end of the year	11872 600 (335) 12137	0.39 0.02 (0.01) 0.40	11872 12472 12137 12137	0.39 0.41 0.40 0.40
7	SHOBHA KATYAL At the beginning of the year Transfer of shares as on 12.06.2015 Transfer of shares as on 07.08.2015 Transfer of shares as on 14.08.2015 Transfer of shares as on 25.03.2015 Transfer of shares as on 31.03.2016 At the end of the year	9673 1343 181 528 49 30 11804	0.32 0.04 0.01 0.02 0.00 0.00 0.39	9673 11016 11197 11725 11774 11804 11804	0.32 3.59 0.37 0.38 0.38 0.38 0.39
8	SHIVANI TEJAS TRIVEDI ** At the beginning of the year Transfer of shares as on 09.10.2015 Transfer of shares as on 16.10.2015 Transfer of shares as on 23.10.2015 At the end of the year	- 4705 1717 5100 11522	- 0.15 0.06 0.17 0.38	- 4705 6422 11522 11522	- 0.15 0.21 0.38 0.38
9	KALPANA KAUR BATRA ** At the beginning of the year Transfer of shares as on 05.06.2015 Transfer of shares as on 12.06.2015 Transfer of shares as on 19.06.2015 Transfer of shares as on 26.06.2015 Transfer of shares as on 30.06.2015 Transfer of shares as on 03.07.2015 Transfer of shares as on 10.07.2015 Transfer of shares as on 17.07.2015 Transfer of shares as on 31.07.2015 Transfer of shares as on 07.08.2015 Transfer of shares as on 14.08.2015 Transfer of shares as on 21.08.2015 Transfer of shares as on 28.08.2015 Transfer of shares as on 04.09.2015 Transfer of shares as on 11.09.2015 Transfer of shares as on 18.09.2015 Transfer of shares as on 25.09.2015 Transfer of shares as on 30.09.2015 Transfer of shares as on 09.10.2015	- 593 200 3091 1331 470 572 470 (275) 75 645 232 1174 705 100 1 223 393 59 (1339)	- 0.02 0.01 0.10 0.04 0.02 0.02 0.02 (0.01) 0.00 0.02 0.01 0.04 0.02 0.00 0.00 0.01 0.01 0.00 (0.04)	- 593 793 3884 5215 5685 6257 6727 6452 6527 7172 7404 8578 9283 9383 9384 9607 10000 10059 8720	- 0.02 0.03 0.13 0.17 0.19 0.20 0.22 0.21 0.21 0.23 0.24 0.28 0.30 0.31 0.31 0.31 0.33 0.33 0.28

S. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
10	Transfer of shares as on 16.10.2015	(646)	(0.02)	8074	0.26
	Transfer of shares as on 23.10.2015	663	0.02	8737	0.29
	Transfer of shares as on 13.11.2015	10	0.00	8747	0.29
	Transfer of shares as on 04.12.2015	193	0.00	8940	0.29
	Transfer of shares as on 18.12.2015	232	0.01	9172	0.30
	Transfer of shares as on 22.01.2016	118	0.00	9290	0.30
	Transfer of shares as on 29.01.2016	50	0.00	9340	0.31
	Transfer of shares as on 12.02.2016	350	0.01	9690	0.32
	Transfer of shares as on 19.02.2016	643	0.02	10333	0.34
	Transfer of shares as on 26.02.2016	30	0.00	10363	0.34
	Transfer of shares as on 04.03.2016	134	0.00	10497	0.34
	Transfer of shares as on 11.03.2016	257	0.01	10754	0.35
	Transfer of shares as on 18.03.2016	505	0.02	11259	0.37
	At the end of the year	11259	0.37	11259	0.37
	RACHNA LODHA				
11	At the beginning of the year	8400	0.27	8400	0.27
	Transfer of shares as on 08.05.2015	(600)	(0.02)	7800	0.25
	Transfer of shares as on 22.05.2015	600	0.02	8400	0.27
	Transfer of shares as on 04.12.2015	500	0.02	8900	0.29
	Transfer of shares as on 08.01.2016	(1754)	(0.06)	7146	0.23
	Transfer of shares as on 15.01.2016	22	0.00	7168	0.23
	Transfer of shares as on 31.03.2016	3500	0.11	10668	0.35
	At the end of the year	10668	0.35	10668	0.35
	RAJESHKUMAR RAJNIKANT SHAH ##				
	At the beginning of the year	9779	0.32	9779	0.32
	Transfer of shares as on 10.04.2015	45	0.00	9824	0.32
	Transfer of shares as on 17.04.2015	(241)	(0.01)	9583	0.31
	Transfer of shares as on 24.04.2015	(81)	(0.00)	9502	0.31
	Transfer of shares as on 05.06.2015	(160)	(0.01)	9342	0.30
	Transfer of shares as on 12.06.2015	(185)	(0.01)	9157	0.30
	Transfer of shares as On 26.06.2015	(31)	(0.00)	9126	0.30
	Transfer of shares as on 30.06.2015	(130)	(0.00)	8996	0.29
	Transfer of shares as on 03.07.2015	(125)	(0.00)	8871	0.29
	Transfer of shares as on 10.07.2015	(300)	(0.01)	8571	0.28
	Transfer of shares as on 17.07.2015	(350)	(0.01)	8221	0.27
	Transfer of shares as on 11.09.2015	(239)	(0.01)	7982	0.26
	Transfer of shares as on 16.10.2015	(67)	(0.00)	7915	0.26
	Transfer of shares as on 23.10.2015	(100)	(0.00)	7815	0.25
	Transfer of shares as on 30.10.2015	(100)	(0.00)	7715	0.25
	Transfer of shares as on 06.11.2015	(91)	(0.00)	7624	0.25
	Transfer of shares as on 20.11.2015	(50)	(0.00)	7574	0.25
	At the end of the year	7574	0.25	7574	0.25
12	ZEN SECURITIES LTD ##				
	At the beginning of the year	10000	0.33	10000	0.33
	Transfer of shares as on 30.10.2015	(4000)	(0.13)	6000	0.20
	At the end of the year	6000	0.20	6000	0.20

** Not in the list of Top 10 shareholders as on 31.03.2015. The same has been reflected above since the shareholder was one of the Top 10 shareholders as on 31.03.2016.

Ceased to be in the list of Top 10 shareholders as on 31.03.2016. The same is reflected above since the shareholder was one of the Top 10 shareholders as on 31.03.2015.

v) Shareholding of Directors and Key Managerial Personnel:

S. No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	SATISH CHANDRA KATYAL				
	At the beginning of the year	10058	0.33	10058	0.33
	Transfer of shares as on 12.06.2015	2507	0.08	12565	0.41
	Transfer of shares as on 14.08.2015	600	0.02	13165	0.43
	At the end of the year	13165	0.43	13165	0.43
2	KISHORE SIDHWANI				
	At the beginning of the year	1661	0.05	1661	0.05
	Transfer of shares as on 10.04.2015	87	0.00	1748	0.06
	Transfer of shares as on 17.04.2015	100	0.00	1848	0.06
	Transfer of shares as on 15.01.2016	254	0.01	2102	0.07
	Transfer of shares as on 05.02.2016	100	0.00	2202	0.07
	Transfer of shares as on 19.02.2016	120	0.00	2322	0.08
	Transfer of shares as on 26.02.2016	180	0.01	2502	0.08
	At the end of the year	2502	0.08	2502	0.08
3	B V RAMANAN				
	At the beginning of the year	650	0.02	650	0.02
	Transfer of shares as on 17.07.2015	100	0.00	750	0.02
	Transfer of shares as on 24.07.2015	40	0.00	790	0.03
	Transfer of shares as on 31.07.2015	30	0.00	820	0.03
	Transfer of shares as on 21.08.2015	30	0.00	850	0.03
	Transfer of shares as on 28.08.2015	130	0.00	980	0.03
	Transfer of shares as on 11.09.2015	20	0.00	1000	0.03
	Transfer of shares as on 30.10.2015	50	0.00	1050	0.03
	At the end of the year	1050	0.02	1050	0.03
4	S.HARIHARAN				
	At the beginning of the year	2	0.00	2	0.00
	Increase / Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	2	0.00	2	0.00
5	ABHISHEK DALMIA				
	At the beginning of the year	-	-	-	-
	Increase / Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	-	-	-	-
6	DEEPALI DALMIA				
	At the beginning of the year	-	-	-	-
	Increase / Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	-	-	-	-
7	CHAITANYA DALMIA				
	At the beginning of the year	-	-	-	-
	Increase / Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	-	-	-	-
8	MUTHU POONGAVANAM				
	At the beginning of the year	-	-	-	-
	Increase / Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	-	-	-	-
9	M.N.SRINIVASAN				
	At the beginning of the year	2	-	2	-
	Increase / Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	2	-	2	-
10	SUNIL PURI*				
	At the beginning of the year	-	-	-	-
	Increase / Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	-	-	-	-

*Appointed on 07.03.2016

V. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	5453.84	1300.00	-	6753.84
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	57.34	-	57.34
Total (i+ii+iii)	5453.84	1357.34	-	6811.18
Change in Indebtedness during the financial year				
* Addition	0.00	1862.72	-	1862.72
* Reduction	238.13	-	-	238.13
Net Change	238.13	1862.72	-	1624.59
Indebtedness at the end of the financial year				
i) Principal Amount	5215.71	3195.00	-	8410.71
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	25.06	-	25.06
Total (i+ii+iii)	5215.71	3220.06	-	8435.77

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-Time Directors and/ or Manager :(Amount in Rupees)

S. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Mr.Abhishek Dalmia, Executive Chairman	Mr. S. Hariharan Whole time Director & CFO	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	21,73,913	20,13,600	41,87,513
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	9,03,000	19,08,864	28,11,864
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	40,00,000	9,31,384	49,31,384
	- as % of profit			
	- others, specify...			
5	Others Contribution to PF, Super Annuation Fund, Gratuity Fund, Leave Salary etc.	10,56,725	8,98,442	19,55,167
	Total (A)	81,33,638	57,52,290	1,38,85,928
	Ceiling as per the Act	As per Schedule V of the Companies Act 2013	As per Schedule V of the Companies Act 2013	

B. Remuneration to other Directors

(Amount in Rupees)

S. No.	Particulars of Remuneration	Name of Directors						Total Amount
		Deepali Dalmia	Chaitanya Dalmia	S C Katyal	B V Ramanan	Muthu Poongavanam	Kishore Nanik Sidhwani	
1	Independent Directors							
	Fee for attending board, committee meetings	-	-	320000	300000	420000	180000	1220000
	Commission	-	-	200000	-	200000	300000	700000
	Others							
	Fee for attending sub committee meetings	-	-	-	-	-	-	-
2	Total (1)	-	-	520000	300000	620000	480000	1920000
	Other Non-Executive Directors							
	Fee for attending board committee meetings	60000	80000	-	-	-	-	140000
	Commission	500000	200000					700000
	Others							
	Fee for attending sub committee meetings	-	-	-	-	-	-	-
	Consulting Fees	-	-	-	-	-	-	-
	Total (2)	560000	280000	-	-	-	-	840000
	Total (B)=(1+2)	560000	280000	520000	300000	620000	480000	2760000
	Total Managerial Remuneration							
	Overall Ceiling as per the Act	The maximum Sitting fee payable per Meeting to each Director is ₹ 1 lakh as per the Companies Act, 2013.						

* Total remuneration to Managing Director, Whole-time Director and other Directors (being the total of A & B.)

C. Remuneration to Key Managerial Personnel other than MD/Manager/MTD

S. No.	Particulars of Remuneration	Key Managerial Personnel		
		Company Secretary	CEO	Total
		M N Srinivasan	Sunil Puri*	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1086840	358515	1445355
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	158368		158368
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of profit	-	-	-
	others, specify...	-	-	-
5	Others, Contribution to funds	179673	-	179673
	Total	1424881	358515	1783396

*Appointed on 07.03.2016

VII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

By Order of the Board
For Revathi Equipment Limited

Place : Mumbai
Date : August 4, 2016

Abhishek Dalmia
Executive Chairman
DIN 00011958

ANNEXURE B

NOMINATION AND REMUNERATION POLICY

This Nomination and Remuneration Policy is being formulated in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Clause 49 of the Listing Agreement, as amended from time to time. This policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Nomination and Remuneration Committee (NRC or the Committee) and has been approved by the Board of Directors.

DEFINITIONS:

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

"Key Managerial Personnel" means:

- i) the Executive Chairman/the Chief Executive Officer or the managing director;
- ii) the company Secretary;
- iii) the whole-time director;
- iv) the Chief Financial Officer, and
- v) such other officer as may be prescribed.

"Senior Managerial Personnel" mean the personnel of the company who are members of its core management team excluding Board of Directors. Normally, this would comprise all members of management of rank equivalent to General Manager / Associate Vice President and above, including all functional heads.

OBJECTIVE:

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

ROLE OF THE COMMITTEE:

The role of the NRC will be the following:

To formulate criteria for determining qualifications, positive attributes and independence of a Director.

To formulate criteria for evaluation of Independent Directors and the Board.

To identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down in this policy.

To carry out evaluation of Director's performance.

To recommend to the Board the appointment and removal of Directors and Senior Management.

To recommend to the Board policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management.

To devise a policy on Board diversity, composition, size.

To do succession planning for replacing Key Executives and overseeing.

To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.

To perform such other functions as may be necessary or appropriate for the performance of its duties.

APPOINTMENT AND REMOVAL OF DIRECTOR, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

- a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend his / her appointment, as per Company's Policy.
- b) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has authority to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the position.
- c) The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution.

TERM /TENURE

Managing Director/Whole-time Director:

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

a) Independent Director:

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

No Independent Director shall hold office for more than two consecutive terms of upto maximum of 5 years each, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

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

EVALUATION

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

REMOVAL

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

RETIREMENT

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

POLICY FOR REMUNERATION TO DIRECTORS / KMP / SENIOR MANAGEMENT PERSONNEL

- 1) Remuneration to Managing Director / Whole-time Directors:
 - a) The Remuneration/ Commission etc. to be paid to Managing Director / Whole-time Directors, etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force and the approvals obtained from the Members of the Company.
 - b) The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration to Managing Director / Whole-time Directors.
- 2) Remuneration to Non-Executive / Independent Directors:
 - a) The Non-Executive / Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of Companies Act, 2013. The amount of sitting fees shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.
 - b) All the remuneration of the Non-Executive / Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197 (5) of the Companies Act, 2013) shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force. The amount of such remuneration shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or shareholders, as the case may be.
 - c) An Independent Director shall not be eligible to get Stock Options and also shall not be eligible to participate in any share based payment schemes of the Company.
 - d) Any remuneration paid to Non-Executive / Independent Directors for services rendered which are of professional in nature shall not be considered as part of the remuneration for the purposes of clause (b) above if the following conditions are satisfied:
 - i) The Services are rendered by such Director in his capacity as the professional; and
 - ii) In the opinion of the Committee, the director possesses the requisite qualification for the practice of that profession.
- 3) Remuneration to Key Managerial Personnel and Senior Management:
 - a) The remuneration to Key Managerial Personnel and Senior Management shall consist of fixed pay and incentive pay, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's Policy.
 - b) The Fixed pay shall include monthly remuneration, employer's contribution to Provident Fund, contribution to pension fund, pension schemes, etc. as decided from to time.
 - c) The Incentive pay shall be decided based on the balance between performance of the Company and performance of the Key Managerial Personnel and Senior Management, to be decided annually or at such intervals as may be considered appropriate.

IMPLEMENTATION

The Committee may issue guidelines, procedures, formats, reporting mechanism and manuals in supplement and for better implementation of this policy as considered appropriate.

The Committee may delegate any of its powers to one or more of its members.

ANNEXURE - C

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

Conservation of Energy:

(i) Steps Taken for conservation of Energy:

As regards conservation of energy, company continued its efforts by elimination of waste, improvement in power factor and by good maintenance of various equipments.

(ii) Steps Taken by the Company for utilizing alternate sources of energy:

As the cost of energy in the total cost is insignificant and considering the nature of our industry, utilization of alternate source of energy has not been undertaken.

(iii) Capital Investment on energy conservation equipment:

No capital investment was made during the year in this regard.

Technology absorption & Research & Development

Technology Absorption, Adaptation and Innovation:

- 1) Efforts made towards technology absorption, adaptation and innovation:
Agreements signed for Co-development and Marketing of Dual Rotary drills and Deep Hole Drills.
- 2) Benefits derived as a result of the above efforts:
Development Range Enhancement for Water exploratory drilling.
- 3) Information of Imported Technology (imported during the last 5 years from the beginning of the Financial Year)
 - a) Technology Imported Dual Rotary drills
 - b) Year of Import FY 2013-14
 - c) Technology absorption In progress
 - d) if not fully absorbed, areas where this has not taken place, In progress
reasons thereof, and future plans of action

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

- 1) Specific areas in which R&D carried out by the Company.
 - Development of 6-1/2" (165mm) Jackless high pressure DTH blast hole drill.
 - Development of Dual rotary water well drill rig (with M/s. Foremost Canada).
 - Development of large volume compressor system for 12-1/4" (311mm) Blast hole drill.
 - Development of 10" (254mm) Rotary blast hole drill iron ore formations.
- 2) Benefits derived as result of the above R&D
 - New product indigenously manufactured.
 - New product development for domestic market.
 - Extension of existing product 12" BHD for better productivity.
 - Extension of existing product 10" BHD for new areas / formations.
- 3) Future Plan of Action
 - Development of 6-1/2" High pressure DTH blast hole drill for iron ore formations.
 - Development of 6-1/2" Jackless medium pressure DTH blast hole drill.
 - Development of 8-1/2" deep hole mud rotary water well drill (with M/s. GEFCO USA).
 - Development of 4-1/2" Jackless medium pressure DTH blast hole drill for cement industries.

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

Expenditure on R&D	2015-2016	2014-2015
Capital	—	1.27
Revenue	159.14	121.59
Total	159.14	122.86
R&D Expenditure as a percentage of Turnover	1.13	1.59

Foreign Exchange earnings & outgo:

The details of foreign exchange earnings and outgo during the year are furnished below:

	2015-2016	2014-2015
Foreign Exchange Earnings	51.30	49.82
Foreign Exchange Outgo	2800.10	1270.36

Place : Mumbai

Date : August 4, 2016

By Order of the Board
For Revathi Equipment Limited

Abhishek Dalmia
Executive Chairman
DIN 00011958

ANNEXURE - D

Form AOC-1

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

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

Part "A": Subsidiary

S. No.	Particulars	Details	
1.	Name of the subsidiary	Semac Consultants Pvt Ltd	Semac and Partners, LLC
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	The reporting period of the subsidiary is same as that of the holding company	The reporting period of the subsidiary is same as that of the holding company
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Rupees	Omani Riyal / Exchange rate - (1 OMR = ₹ 171.121)
4.	Share capital	1,82,08,920	662,800
5.	Reserves & Surplus	49,34,96,438	12,97,23,790
6.	Total assets	76,98,33,596	19,98,82,568
7.	Total Liabilities	76,98,33,596	19,98,82,568
8.	Investments	2,13,68,400	NIL
9.	Turnover	82,56,15,809	22,62,14,127
10.	Profit before taxation	4,90,55,315	5,37,73,234
11.	Provision for taxation	2,82,64,640	77,12,567
12.	Profit after taxation	2,07,90,675	4,60,60,666
13.	Proposed Dividend	—	—
14.	% of shareholding	76.99%	65%

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

By Order of the Board
For Revathi Equipment Limited

Place : Mumbai
Date : August 4, 2016

Abhishek Dalmia
Executive Chairman
DIN 00011958

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED ON 31st MARCH 2016

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Members,
Revathi Equipment Ltd
(CIN: L29120TZ1977PLC000780)
Pollachi Road, Malumachampatti P.O.
Coimbatore - 641 050

I have conducted the Secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s.Revathi Equipment Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of M/s.Revathi Equipment Limited's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2016, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2016 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Companies Act, 1956 (the Act) and the rules made thereunder (to the extent applicable);
- iii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iv. The Depositories Act, 1996 and the Regulations and bye-laws framed thereunder;
- v. The following Regulations prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Enforced from 1st December 2015)
 - b. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - c. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 (till 14th May 2015) and The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (Enforced from 15th May 2015)
 - d. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client;

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

- a. Secretarial Standards with respect to Board Meetings (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India (ICSI) and made applicable with effect from 1st July, 2015 and it was noted that the Company has generally complied with the same, however the stricter applicability of the Secretarial Standards is to be observed by the company.
- b. Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations etc., mentioned above.

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

- a. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings.
- b. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- c. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- d. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- e. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- f. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

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

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

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and a Woman Director. There were no changes in the composition of the Board of Directors during the period under review.

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

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

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

I further report that during the audit period, there were no instances of:

Public / Rights / Preferential issue of shares / debentures / sweat equity

Redemption / buy-back of securities

Major decision taken by the members in pursuant to section 180 of the Companies Act, 2013

Merger / amalgamation / reconstruction etc

Foreign technical collaborations.

Place: Coimbatore

Date : August 4, 2016

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

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

To

The Members,
Revathi Equipment Ltd,
(CIN: L29120TZ1977PLC000780),
Pollachi Road, Malumachampatti P.O.,
Coimbatore - 641 050.

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

1. Maintenance of Secretarial records is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules, and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules and regulation, standards is the responsibility of the management. My examination was limited to the verification of procedures on random test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Place: Coimbatore

Date : August 4, 2016

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

Annexure F

Particulars pursuant to Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- i) The ratio of the remuneration of each director to the median employee's remuneration for the financial year and the percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year is given below:**

Directors Name	Ratio to median employee remuneration	% increase in remuneration
Mr. Abhishek Dalmia Executive Chairman	32 times	79%
Mr.S.Hariharan Whole-time Director & CFO	23 times	34%
Mr. Sunil Puri CEO	27 times	Not applicable as he was appointed in FY 2015-16
Mr.M.N.Srinivasan Company Secretary	6 times	32%

- ii) The percentage increase in the median remuneration of employees in the financial year: 7.3%**
- iii) The number of permanent employees on the rolls of company: 169**
- iv) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and any exceptional circumstances for increase in the managerial remuneration:**
- During the previous financial year (2014-15), since the company made losses, no commission was paid to Managerial Personnel. Since the company made good profits during the current financial year (2015-16), commission based on profit was paid to Managerial Personnel which is the main reason for increase in managerial remuneration
- v) Your directors affirm that the remuneration is as per the remuneration policy of the Company**

By Order of the Board
For Revathi Equipment Limited

Place : Mumbai
Date : August 4, 2016

Abhishek Dalmia
Executive Chairman
DIN : 00011958

REPORT ON CORPORATE GOVERNANCE - Annexure to Directors' Report

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

1. Company's Philosophy on Corporate Governance

The Company is committed to enhancement of shareholder value and strongly believes that good corporate governance is one of the key tools for achieving this goal.

2. Board of Directors

i. Composition

The Board presently comprises of 8 Directors including 2 Executive and 6 Non-Executive Directors, of which 4 are Independent Directors and 1 Women Director. The Directors are professionals who have expertise in their respective functional areas and bring a wide range of skills and experience to the Board. The Board is headed by Executive Chairman.

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

Name of the Directors	Category of Directorships	Attendance Particulars		No. of directorships held in public limited companies*	No. of Committee Positions held in other Companies #	
		Board meeting	Last AGM		Chairman	Member
Mr. Abhishek Dalmia	Executive Chairman / Non Independent	6	No	7	0	2
Mrs. Deepali Dalmia	Non Executive / Non Independent	3	No	1	0	0
Mr. Chaitanya Dalmia	Non Executive / Non Independent	3	No	3	0	1
Mr. S.C. Katyal	Non Executive / Independent	5	Yes	1	0	0
Mr. B.V. Ramanan	Non Executive / Independent	5	No	0	0	0
Mr. M. Poongavanam	Non Executive / Independent	6	No	0	0	0
Mr. Kishore Sidhwani	Non Executive / Independent	5	No	0	0	0
Mr. S. Hariharan	Executive Director / Non Independent	7	Yes	0	0	0

*Excludes directorships in Foreign Companies, Private Companies and Section 8 Companies.

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

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

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

ii. Board Meetings

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

Sl. No	Date of Board Meeting	No of Directors Attended
1	29.05.2015	4
2	17.06.2015	8
3	10.07.2015	6
4	17.10.2015	7
5	09.12.2015	3
6	12.02.2016	8
7	07.03.2016	4

iii. Shareholdings of Non-Executive Directors:

The number of equity shares of the company held by non-executive directors of the company are as under.

Sl. No	Name of Director	No. of Equity Shares held (as on March 31, 2016)
1	Mr.S.C.Katyal	13,165
2	Mr.B.V.Ramanan	1,050
3	Mr.Kishore Sidhwani	2,502

iv. Familiarization Program for Independent Directors:

The Independent Directors are continuously familiarized with nature of the operations of the company's business activities, company's strategy, business model, market, organisation structure etc.

Periodic presentations are made at the Board and Board Committee Meetings, on business and performance updates of the Company, global business environment, business strategy and risks involved. Minutes of Audit Committee and other Board Committees are circulated to the Board.

The Company's Business Plan presentations are made to the Directors on the Company's long term and short term Strategy. Each of the functional heads presents the strategy of their respective functions. The CEO presents the way forward and the future growth of the Company.

Quarterly presentations on operations made to the Board includes information on business performance, operations, market share, financial parameters, working capital management, fund flows, senior management changes, major litigation, compliances, subsidiary information, etc. Meetings with Company Executives will also be arranged to better understand the business and operations of the Company if required.

The Board of Directors has complete access to the information within the Company. Independent Directors have the freedom to interact with the Company's management.

Changes taking place in corporate laws and SEBI guidelines are being informed to independent directors. The details of familiarization programmes imparted to independent directors are disclosed on the Company's website www.revathi.in

v. Separate Meeting of Independent Directors:

The Meeting of Independent Directors of the Company was held on 12th February 2016 and they inter-alia, reviewed the performance of the Non-independent Directors and the Board as a whole, reviewed the performance of the Chairman and Whole-time Director and assessed the quality, quantity and timeliness of flow of information between the Company and the Board. All the Independent Directors were present at the meeting.

vi. Performance Evaluation of non-executive and Independent Directors

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

3. Audit Committee

i) Brief Description and Terms of Reference

The Audit Committee comprises of three Non-Executive Independent Directors and all such members of the Committee possess knowledge in the fields of accounts, finance and allied areas.

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

- i) Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- ii) The recommendation for appointment, remuneration and terms of appointment of Auditors of the company;
- iii) Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- iv) Examination of the financial statement and the Auditors' report thereon.
- v) Review and monitor the auditor's independence and performance, and effectiveness of audit process.
- vi) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013
 - b. Changes, if any, in accounting policies and practices and reasons for the same
 - c. Major accounting entries involving estimates based on the exercise of judgment by management.
 - d. Significant adjustments made in the financial statements arising out of audit findings.
 - e. Compliance with listing and other legal requirements relating to financial statements.
 - f. Disclosure of any related party transactions.
 - g. Qualifications in the draft audit report.

- vii) Reviewing, with the management, the quarterly financial statements before submission to the board for approval.
- viii) Approval or any subsequent modification of transactions of the company with related parties.
- ix) Scrutiny of inter-corporate loans and investments.
- x) Valuation of undertakings or assets of the company, wherever it is necessary.
- xi) Evaluation of internal financial controls and risk management systems.
- xii) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- xiii) Discussion with internal auditors of any significant findings and follow up there on.
- xiv) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- xv) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- xvi) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- xvii) To review the functioning of the Whistle Blower mechanism.
- xviii) Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate.
- xix) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
- xx) The following information is reviewed by the Audit Committee.
 - a. Management discussion and analysis of financial condition and results of operations;
 - b. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
 - c. Management letters / letters of internal control weaknesses issued by the statutory auditors;
 - d. Internal audit reports relating to internal control weaknesses; and
 - e. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.

ii. Composition of the committee

The Composition of the audit committee is as under:

S. No.	Name	Designation	Category
1	Mr. S.C. Katyal	Chairman	Non-Executive and Independent Director
2	Mr. B.V. Ramanan	Member	Non-Executive and Independent Director
3	Mr. M. Poongavanam	Member	Non-Executive and Independent Director

iii. Meetings and attendance

During the year under review the committee met 4 times on 29th May 2015, 10th July 2015, 17th October 2015 and 12th February 2016.

The particulars of meetings attended by the members of the Audit Committee are given below:

S.No.	Name	No. of meetings during the year 2015-2016	
		Held	Attended
1	Mr.S.C.Katyal	4	3
2	Mr.B.V.Ramanan	4	3
3	Mr.M.Poongavanam	4	4

Company Secretary and Compliance Officer act as Secretary of the Audit Committee. The minutes of the Audit Committee meetings are circulated to the Board, where it is discussed and duly recorded. The Committee considered and reviewed the accounts for the year 2015 - 2016, at their meeting held on 30th May 2016 before it was placed in the Board.

4. Nomination and Remuneration Committee:

i. Brief Description and Terms of Reference

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

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to the remuneration of directors, key managerial personnel and other employees.
- Formulation of criteria for evaluation of performance of independent directors and the board of directors.
- Identifying the persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
- Whether to extend or continue the term of appointment of the independent director, on the basis of the report of the performance evaluation of independent directors.

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

ii) Composition of the committee

The Committee comprises of 3 Independent Non-Executive Directors and 1 Non-Independent Non-Executive Director. The details for the composition is as follows:

S.No.	Name	Designation	Category
1	Mr.S.C.Katyal	Chairman	Non-Executive and Independent
2	Mr.B.V.Ramanan	Member	Non-Executive and Independent
3	Mr.M.Poongavanam	Member	Non-Executive and Independent
4	Mr.Chaitanya Dalmia	Member	Non-Executive

iii) Meetings and attendance

The Committee during the year met three times on 10th July 2015, 17th October 2015 and 07th March 2016. The attendance of the members was as under:-

S.No.	Name	No. of meetings during the year 2015-2016	
		Held	Attended
1	Mr.S.C.Katyal	3	1
2	Mr.B.V.Ramanan	3	3
3	Mr.M.Poongavanam	3	3
4	Mr.Chaitanya Dalmia	3	1

5. Remuneration of Directors

Details of remuneration paid to the directors for the year ended March 31, 2016 are as follows:

i. Executive Directors

Remuneration paid/payable to managerial personnel during the year is given below (Amount in Rupees)

Name	Service Contract	Salary	Perquisites and other benefits	Contribution to various Funds	Commission / Incentive	Total remuneration
Mr. Abhishek Dalmia	5 years with effect from 01.04.2011	23,19,038	9,03,000	9,11,600	40,00,000	81,33,638
Mr.S.Hariharan	5 years with effect from 01.08.2012	22,71,515	19,08,864	6,40,536	9,31,384	57,52,290

ii. Non-Executive Directors

Sitting fees for attending Board / Committee meetings paid to Non-Executive Directors are given below:

S. No.	Name of the Director	Sitting Fees (in Rupees)
1	Mrs. Deepali Dalmia	60,000
2	Mr. Chaitanya Dalmia	80,000
3	Mr. S.C. Katyal	3,20,000
4	Mr. B.V. Ramanan	3,00,000
5	Mr. M. Poongavanam	4,20,000
6	Mr. Kishore Sidhwani	1,80,000

Commission payable to Non-Executive Directors for FY2015-16

S. No.	Name of the Directors	Amount Payable (₹)
1	Mrs. Deepali Dalmia	500,000
2	Mr. Chaitanya Dalmia	200,000
3	Mr. S. C. Katyal	200,000
4	Mr. M. Poongavanam	200,000
5	Mr. Kishore Sidhwani	300,000

There are no pecuniary relationships or transactions of Non-Executive Directors vis-a-vis the Company.

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

iv. The Company does not have any Employee Stock Option Scheme.

6. Stakeholders Relationship Committee

i. Brief Description and Terms of Reference

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

ii. Composition of the committee

The composition of Stakeholders Relationship Committee and the attendance of the members in the meetings are given below:

S.No.	Name	Designation	Category
1	Mr. S.C. Katyal	Chairman	Non-Executive and Independent
2	Mr. B.V. Ramanan	Member	Non-Executive and Independent
3	Mr. M. Poongavanam	Member	Non-Executive and Independent

iii. Meetings and attendance

The committee had met 4 times during the year 2015 - 2016. The attendance of the meetings are mentioned below.

S.No.	Name	No. of meetings during the year 2015-2016	
		Held	Attended
1	Mr. S.C. Katyal	4	3
2	Mr. B.V. Ramanan	4	3
3	Mr. M. Poongavanam	4	4

iv. Name and Designation of Compliance Officer

Mr. M.N. Srinivasan, the Company Secretary acts as the Compliance Officer. The minutes of the Stakeholders Relationship Committee were placed before the Board Meeting for due ratification and approval.

v. Pursuant to Clause 47(c) of the Listing Agreement / Regulation 40(9) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a certificate on half-yearly basis confirming due compliance of share transfer formalities by the Company from Practising Company Secretary has been submitted to the Stock Exchanges within stipulated time.

vi. Unclaimed Suspense Account

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

vi. Investors' complaints:

The Company attends to the investors' grievances and correspondences within a maximum period of 5 days from the date of receipt of the same. During the year 2015 - 16, the Company had received no complaints from the shareholders and there was no outstanding complaints as on 31.03.2016.

vii. Management Discussion and Analysis Report:

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

7. General Body Meetings

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

Year	Date	Time	Venue	Special Resolutions passed
2012-2013	26.08.2013	01.00 p.m	Hotel Park Plaza Coimbatore 116/2, Avinashi Road, Mylapatti Chinniyampalayam P.O. Coimbatore	Waiver from recovery of excess remuneration of ₹ 406,087 paid to Mr.Abhishek Dalmia, Executive Chairman
2013-2014	29.09.2014	2.30 p.m.	Registered Office, Pollachi Road, Malumachampatti Post, Coimbatore - 641 050	Appointment of Mr. B.D. Narang, Mr.S.C.Katyal and Mr.B.V.Ramanan as Independent Directors of the Company. Amendment of Article 132 & 144 of the Articles of Association. Borrowing power u/s. 180(1)(c), Consent to create mortgage, charge etc. u/s 180(1)(a) Payment of Special Allowance to Mr. S. Hariharan, Whole Time Director & CFO Waiver from recovery of excess remuneration of ₹ 406,087 paid to Mr.Abhishek Dalmia, Executive Chairman.
2014-2015	21.12.2015	2.30 p.m.	Registered Office, Pollachi Road, Malumachampatti Post, Coimbatore - 641 050	Waiver from recovery of excess remuneration of ₹ 406,087 paid to Mr.Abhishek Dalmia, Executive Chairman. Re-appointment of Mr. Abhishek Dalmia (holding DIN 00011958) as the Executive Chairman

EGM AND POSTAL BALLOT:

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

8. Means of Communication

- The quarterly / half yearly unaudited financial and the annual audited financial results are normally published in Business Standard and Malai Malar (Vernacular paper). The financial results are also placed on the Company's website - www.revathi.in.
- The copies of the results are forwarded to concerned stock exchanges immediately after they are approved by the Board for publication in their website. The company has a dedicated help desk with mail id www.revathi.in for providing necessary information to investors.
- There were no specific presentations made to Institutional Investors or to the analysts during the year.

9. General shareholder information

- 39th Annual General Meeting

Date : 21.09.2016

Time : 5.45 PM

Venue : The Indian Chamber of Commerce and Industry Coimbatore

ii. Financial Calendar

Financial Year: 1st April 2016 to 31st March 2017

Period of reporting	Proposed Board meeting dates
Qtr ending 30 th June 2016	04th August 2016
Qtr ending 30 th September 2016	Last week of October 2016
Qtr ending 31 st December 2016	last week of January 2016
Year ending 31 st March 2017	Last week of May 2017

Date of Book closure

From 15.09.2016 to 21.09.2016 (Both days inclusive)

iii. Dividend payment date: The Directors did not recommend any Dividend for the year ended 31st March, 2016.

iv. Listing on Stock Exchanges

The shares are listed in

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

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

v. Stock Market Data

Type of Security : Equity
Stock Code : BSE Limited - 505368
: National Stock Exchange of India Limited - REVATHI
ISIN number allotted for equity shares : INE617A01013
(Fully Paid ₹.10/- each)

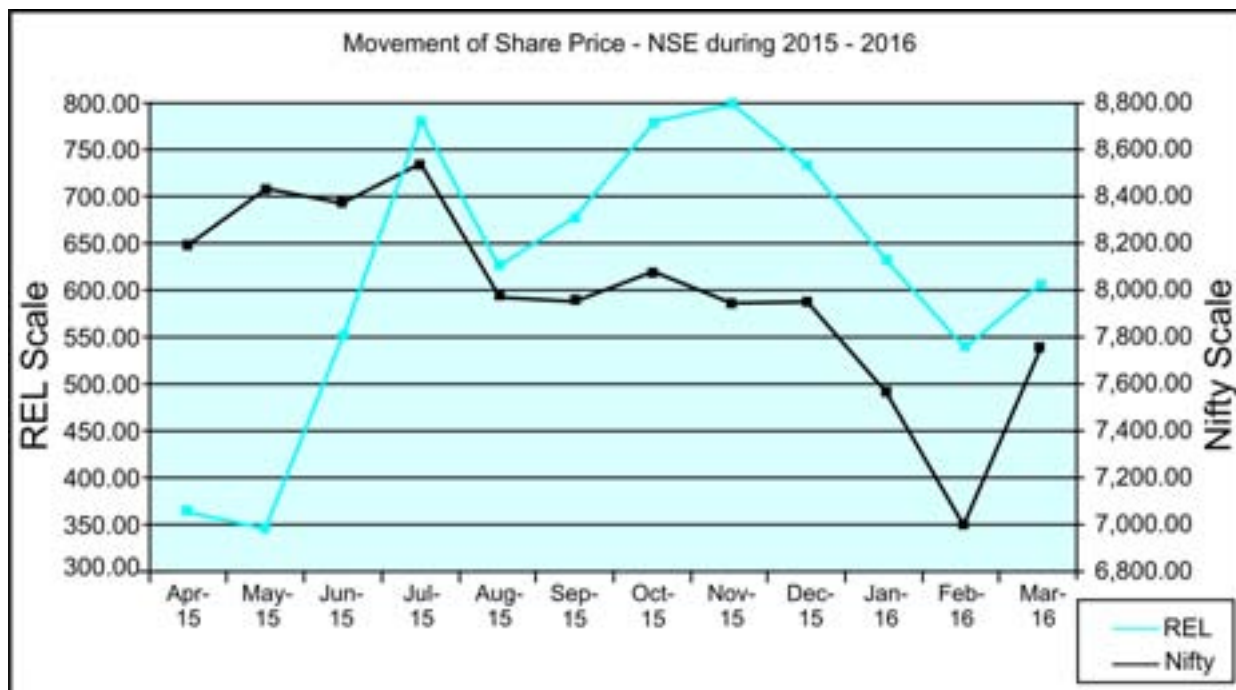
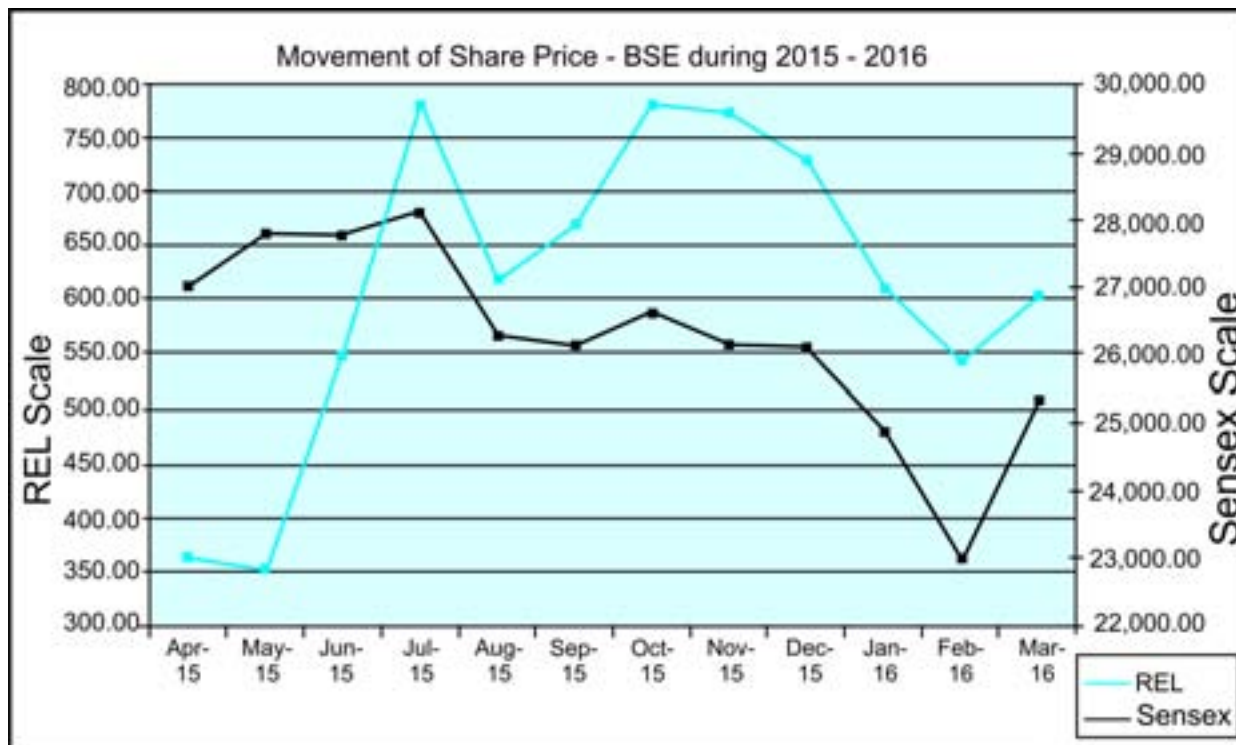
The Company has paid the Listing Fees for the financial year 2016-2017 to the above Stock Exchange.

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

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

Period	BSE Limited		NSE Limited	
	High ₹	Low ₹	High ₹	Low ₹
April 2015	391.90	342.70	382.20	340.00
May 2015	399.90	289.90	381.00	328.10
June 2015	576.00	422.40	574.20	400.00
July 2015	893.00	560.00	893.00	551.00
August 2015	795.75	579.75	798.90	578.65
September 2015	734.00	545.00	788.20	550.00
October 2015	820.00	600.00	823.00	600.05
November 2015	810.00	729.50	814.70	706.95
December 2015	815.00	712.00	830.00	712.55
January 2016	755.00	575.00	760.00	570.10
February 2016	679.75	520.00	695.00	512.00
March 2016	629.50	525.00	630.20	520.00

Performance in comparison to broad-based indices such as BSE sensex and NSE sensex.



vii. Registrar and Share Transfer Agents : (for both physical and demat segments)

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

viii. Reconciliation of Share Capital Audit

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

ix. Share Transfer System

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

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

Shares under lock - in : Nil

x. Shareholding Pattern

Category	No. of Shares	% of Shareholding
Directors and their relatives	28,790	0.94
Domestic Companies	22,70,987	74.05
Non Domestic Companies	-	-
Mutual Funds	-	-
Commercial Banks	100	0.00
Non Resident Indians	15,725	0.51
Public Financial Institutions	-	-
Foreign Institutional Investors	-	-
Resident Individuals	7,51,341	24.50
Total	30,66,943	100.00

xi. Distribution of Shareholding

Range of Shareholding	No. of Shareholders	% of Share holding	No. of Shares	% of Share holding
01 - 100	3401	75.76	124799	4.07
101 - 200	470	10.47	78806	2.57
201 - 500	389	8.67	131523	4.29
501 - 1000	125	2.78	93894	3.06
1001 - 5000	87	1.94	168444	5.49
5001 - 10000	4	0.09	24970	0.81
10001 and above	13	0.29	2444507	79.71
Total	4489	100.00	3066943	100.00

Number of Shareholders as on March 31, 2016 : 4,489

xii Dematerialization of shares and liquidity :

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

During the financial year 2015-16, 3234 (0.11%) shares were dematerialized. As on 31st March, 2016, total shares in demat form is 29,93,632 shares and 73,311 shares in physical form. This represents 97.61% shares of the company are in demat form and 2.39% shares are in physical form. The shares are compulsorily tradable in demat form with effect from 26.6.2000 for all investors.

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

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

xiv. Commodity price risk or foreign exchange risk and hedging activities :

The Company has not engaged in commodity hedging activities.

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

xv. Plant Locations :

Drilling Equipment Division

Pollachi Road, Malumachampatti Post, Coimbatore - 641 050

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

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

M.N. Srinivasan
Company Secretary
Revathi Equipment Ltd
Pollachi Road, Malumachampatti P O
Coimbatore – 641 050
e-mail : srinivasan@revathi.in
Phone: 0422-6655100, 6655111
Fax: 0422-2610427

10. Disclosures

i. Disclosures on materially significant related party transactions

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

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

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

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

The Company has complied with all the requirements of the Listing Agreement of the stock exchange as well as regulations and guidelines of SEBI including SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. No penalties have been levied or strictures have been passed by SEBI, Stock Exchange or any other statutory authority on matters relating to capital markets during the last three years.

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

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

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

iv. Details of compliance with mandatory requirements and adoption of the non mandatory requirements

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

The Company has not adopted non- mandatory requirements.

v. Policy for determining material subsidiaries and Policy on Related Party Transactions

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

Material Unlisted Subsidiary -

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

The Policy for determining material subsidiaries and Policy on dealing with Related Party Transactions has been disclosed on the website of the Company at www.revathi.in Moreover, minutes of meetings of the Board of Directors of the subsidiary company is being placed before the Board of Directors of the Company for their review and noting.

vi. Commodity price risk and commodity hedging activities

The Company has not engaged in commodity hedging activities.

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

vii. Accounting Treatment

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

viii. Risk Management

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

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

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

Certificate from CEO/CFO

The CEO and CFO certification on the financial statements for the year has been submitted to the Board of Directors, in its meeting held on 30th May, 2016 as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Code of Conduct and prevention of insider trading

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

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

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

DECLARATION

I hereby affirm and state that all board members and senior management personnel of the company have given a declaration in accordance with Regulation 17(5) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 / clause 49(II)(E) of the Listing Agreement and I hereby affirm compliance with the said code of conduct for the financial year 2015-2016.

By Order of the Board

Place : Mumbai
Date : August 4, 2016

S. HARIHARAN
Whole-time Director

COMPLIANCE CERTIFICATE

To
The Members
Revathi Equipment Limited

Dear Sir,

We have examined the compliance of conditions of Corporate Governance by Revathi Equipment Limited (the Company) for the financial year ended March 31, 2016 as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations).

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to a review of the procedures and implementations thereof adopted by the Company for ensuring compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanation given to us and based on the representations made by the Directors and Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations.

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

For S. S. Kothari Mehta & Co
Chartered Accountants
Firm's ICAI Registration No.: 000756N

Place : New Delhi
Date : August 4, 2016

Sunil Wahal
Partner
Membership No: 087294

INDEPENDENT AUDITORS' REPORT

To the members of
REVATHI EQUIPMENT LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Revathi Equipment Limited ("the Company"), which comprises the balance sheet as at 31st March, 2016, the statement of profit and loss, the cash flow statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

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 Companies Act, 2013 ("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 and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

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

Auditors' Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of the material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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.

Opinion

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 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 31st March, 2016, and its profits and its cash flows for the year ended on that date.

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 paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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, and the cash flow statement 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 Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

- e) On the basis of the written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act;
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- g) With respect to the other matters to be included in the Auditor's Report in accordance with 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 litigations on its financial position in its financial statements - Refer Note 29 to the financial statements;
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For S. S. KOTHARI MEHTA & CO

Chartered Accountants

Firm's ICAI Registration No.: 000756N

Sunil Wahal

Partner

Membership No.: 087294

Place : New Delhi

Date : May 30, 2016

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF REVATHI EQUIPMENT LIMITED DATED 30.05.2016

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 phased program designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, the fixed assets has been physically verified by the management during the year and no material discrepancies were noticed on such verification, discrepancies has duly been adjusted in the financials.
- c) The title deed of immovable property is held in the name of the company.
- ii) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been properly dealt with in the books of account.
- iii) The Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnership or other parties covered in the registered maintained under section 189 of the Companies Act, 2013. Accordingly, clauses 3 (iii) (a) to (c) of the Order are not applicable.
- iv) As per the information and explanation given to us and on the basis of our examination of the records, the company does not have any loans, investments, guarantees and security under Section 185 and 186 of the Companies Act, 2013.
- v) As the Company has not accepted deposits, the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under, are not applicable.
- vi) We have broadly reviewed the books of account relating to materials, labor and other items of cost maintained by the Company as specified by the Central Government of India under section 148(1) of the Companies Act, 2013 and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate and complete.
- vii) a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of provident fund, employees' state insurance, income tax, sales tax, service tax, customs duty, excise duty, cess and other material statutory dues as applicable with the appropriate authorities. Further, there were no undisputed amounts outstanding at the year-end for a period of more than six months from the date they became payable.

- b) According to the information and explanations given to us and as per the books and records examined by us, there are no dues of Custom Duty, Income Tax, Excise Duty, Service Tax, Sales Tax and Cess which have not been deposited on account of any dispute.
- viii) According to the information and explanations given to us and as per the books and records examined by us, the Company has not defaulted in repayments of its dues to banks and financial institution. The Company does not have any debenture.
- ix) In our opinion and on the basis of information and explanations given to us, the company has not raised any monies by way of initial public offer or further public offer or term loan during the financial year, hence the related reporting requirement of the Order are not applicable;
- 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) According to the information and explanations given to us, the managerial remuneration has been paid and provided in accordance with the requisite approvals as mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- xii) As the Company is not a Nidhi Company, hence clause (xii) of the Order is not applicable to the Company.
- xiii) According to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013, as applicable and the details have been disclosed in these financial statements as required by the applicable accounting standards.
- xiv) As the Company has not made any preferential allotment and private placement of shares or fully & partly convertible debentures during the year under review, the requirement of section 42 of the Companies Act, 2013 are not applicable.
- xv) In our opinion and on the basis of information and explanations given to us, the Company has not entered into non-cash transactions with directors and persons connected with him. Hence, the provisions of section 192 of Companies Act, 2013 are not applicable.
- xvi) In our opinion and on the basis of information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For S. S. Kothari Mehta & Co
Chartered Accountants
Firm's ICAI Registration No.: 000756N

Sunil Wahal
Partner
Membership No: 087294

Place : New Delhi
Date : May 30, 2016

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF REVATHI EQUIPMENT LIMITED DATED 30.05.2016

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

We have audited the internal financial controls over financial reporting of Revathi Equipment Limited ("the Company") as of March 31, 2016 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 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.

Auditors' Responsibility

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

We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of 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 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 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, 2016, based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India

For S. S. Kothari Mehta & Co
Chartered Accountants
Firm's ICAI Registration No.: 000756N

Sunil Wahal
Partner
Membership No: 087294

Place : New Delhi
Date : May 30, 2016

REVATHI EQUIPMENT LIMITED

Balance Sheet as at 31st March, 2016

Particulars	Note	As at 31st March 2016 ₹ 000's	As at 31st March 2015 ₹ 000's
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	30,669	30,669
Reserves and surplus	4	1,378,498	1,145,065
Total Shareholders funds		<u>1,409,167</u>	<u>1,175,734</u>
Non-current liabilities			
Deferred tax liabilities (net)	12	608	—
Long-term provisions	5	8,838	7,317
		<u>9,446</u>	<u>7,317</u>
Current liabilities			
Short-term borrowings	6	841,071	675,383
Trade payables	7	141,035	152,954
Other current liabilities	8	75,384	144,053
Short-term provisions	9	11,556	7,811
Total current liabilities		<u>1,069,046</u>	<u>980,201</u>
		<u>2,487,659</u>	<u>2,163,252</u>
ASSETS			
Non-current assets			
Fixed assets			
Tangible assets	10	177,813	178,593
Intangible assets		499	802
		<u>178,312</u>	<u>179,395</u>
Non-current investments	11	1,043,536	1,077,271
Deferred tax assets (net)	12	—	2,387
Long-term loans and advances	13	62,489	35,785
Other non-current assets	14	25,098	37,450
Total non-current assets		<u>1,309,435</u>	<u>1,332,288</u>
Current assets			
Inventories	15	221,022	354,356
Trade receivables	16	881,260	373,202
Cash and cash equivalents	17	53,180	34,686
Short-term loans and advances	18	21,913	68,050
Other current assets	19	849	670
Total Current assets		<u>1,178,224</u>	<u>830,964</u>
		<u>2,487,659</u>	<u>2,163,252</u>

Significant Accounting policies 2

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

As per our report of even date

For S.S. Kothari Mehta & Co.
Chartered Accountants
Firm Reg. No. : 000756N

Sunil Wahal
Partner
Membership No: 087294

Place : New Delhi
Date : May 30, 2016.

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

Abhishek Dalmia
Executive Chairman
DIN : 00011958

S. Hariharan
Whole-time Director
DIN : 06363724

M.N. Srinivasan
Company Secretary

Place : Chennai
Date : May 30, 2016.

REVATHI EQUIPMENT LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH 2016

Particulars	Note No.	For the year ended 31st March 2016 ₹ 000's	For the year ended 31st March 2015 ₹ 000's
Revenue			
Revenue from operations	20	1,402,834	765,192
Other income	21	12,155	25,235
Total revenue		1,414,989	790,427
Expenses			
Cost of materials consumed	22	602,351	276,915
Purchases of stock in trade		132,636	123,114
Processing charges and purchase of materials through sub-contractors		29,910	19,849
Decrease in inventories of finished goods, work in progress and stock-in- trade	23	73,365	10,540
Employee benefits expense	24	111,270	77,976
Finance cost	25	97,884	105,274
Depreciation and amortization expense	10	4,533	6,393
Other expenses	26	194,733	159,203
Total expenses		1,246,682	779,264
Profit before exceptional items and tax		168,307	11,163
Exceptional item	27	93,373	(22,816)
Profit/(Loss) before tax		261,680	(11,653)
Tax expense	28		
Current tax		25,253	—
Deferred tax		2,994	2,031
Net Profit/(Loss) after tax		233,433	(13,684)
Earnings per share (Face value ₹ 10/- per share)	36		
(1) Basic		76.11	(4.46)
(2) Diluted		76.11	(4.46)

Significant Accounting policies 2
The accompanying notes form an integral part of these financial statements.

As per our report of even date

For S.S. Kothari Mehta & Co.
Chartered Accountants
Firm Reg. No. : 000756N

Sunil Wahal
Partner
Membership No: 087294

Place : New Delhi
Date : May 30, 2016

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

Abhishek Dalmia
Executive Chairman
DIN : 00011958

S. Hariharan
Whole-time Director
DIN : 06363724

M.N. Srinivasan
Company Secretary

Place : Chennai
Date : May 30, 2016

REVATHI EQUIPMENT LIMITED

STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31st MARCH 2016

	For the year ended 31st March 2016 ₹ 000's	For the year ended 31st March 2015 ₹ 000's
A) CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit / (Loss) before tax	261,680	(11,653)
Adjustment for Exceptional items		
Profit on Sale of Investment	(136,266)	—
Adjustments to reconcile net profits to net cash provided by operating activities		
Depreciation	4,533	6,393
Bad debts and advances written off	17,884	1,009
Interest and dividend income	(5,447)	(19,710)
Provisions/ Liabilities no longer required written back	1,672	(6,775)
Interest on borrowings	92,940	99,599
(Profit)/ Loss on sale of fixed assets	(314)	1,425
	236,682	70,288
Changes in current assets and liabilities:		
(Increase)/ decrease in inventories	133,334	20,932
(Increase)/ decrease in trade and other receivables	(525,942)	(7,137)
(Increase)/ decrease in loans and advances	49,221	50,264
(Decrease)/ increase in current liabilities and provisions	(73,766)	(58,132)
Cash generated from operations	(180,471)	76,215
Direct taxes paid (Net of refund)	(55,307)	16,727
Net cash provided by (used in) operating activities	(235,778)	92,942
B) CASH FLOW FROM INVESTING ACTIVITIES		
Sale of fixed assets	513	465
Purchase of fixed assets	(3,647)	(1,231)
Sale of investments	170,000	100,000
Deposits with more than 12 months maturity	12,352	(37,450)
Interest and dividend received	5,532	15,613
Net cash provided by (used in) investing activities	184,750	77,397
C) CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from/ (repayment) of long term borrowings	—	—
Proceeds from/ (repayment) of short term borrowings	165,688	(73,219)
Interest paid	(96,166)	(93,865)
Net cash provided by (used in) financing activities	69,522	(167,084)
NET INCREASE IN CASH AND CASH EQUIVALENTS	18,494	3,255
CASH AND CASH EQUIVALENTS		
Beginning of the year	34,686	31,431
End of the year	53,180	34,686

For S.S. Kothari Mehta & Co.
Chartered Accountants
Firm Reg. No. : 000756N

Sunil Wahal
Partner
Membership No: 087294

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Whole-time Director
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Place : Chennai
Date : May 30, 2016

REVATHI EQUIPMENT LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016****1. Corporate Information**

Revathi Equipment Limited ("the company") was incorporated as a private company is registered under the Companies Act 1956 on May 30, 1977. The company was subsequently converted to a public company registered on November 4, 1977, and is currently listed on Bombay Stock Exchange and National Stock Exchange. The company is primarily engaged in the manufacturing and sale of drilling rigs and spares thereof.

2. Significant accounting policies**2.1 Basis of preparation**

The financial statements have been prepared under the historical cost convention except certain fixed assets which have been revalued, in accordance with the generally accepted accounting principles in India and the provisions of Companies Act, 2013 and Accounting Standards specified under Section 133 of Companies Act 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014. These accounts have been prepared on the accounting principles of going concern and accrual basis have been followed. All expenses and income to the extent considered payable & receivable respectively unless stated to be otherwise, are accounted for on mercantile basis. Accounting policies unless specifically stated to be otherwise, are consistent and in consonance with generally accepted accounting principles.

2.2 Use of estimates

The preparation of financial statements require the management to make estimates and assumption that affect the reported amount of assets and liabilities and disclosures relating to contingent liabilities and assets as at the Balance Sheet date and the reported amounts of income and expenses during the year. Difference between the actual results and the estimates are recognised in the year in which the results are known/materialised. Contingencies are recorded when it is probable that a liability will be incurred and the amount can reasonably be estimated.

2.3 Fixed assets & Depreciation**Tangible fixed assets**

Fixed assets other than freehold land and buildings, are stated at historical cost less accumulated depreciation and impairment loss if any. Historical cost comprises the purchase price (net of cenvat / duty credits wherever applicable) and all direct costs attributable to bringing the asset to its working condition for intended use. Freehold land and buildings were revalued on June 30, 1985 and are stated at their revalued value.

Intangible fixed assets

Capital expenditure on purchase and development of identifiable non-monetary assets without physical substance is recognized as intangible assets in accordance with principles given under AS-26 – Intangible assets. These are grouped and separately shown under the schedule of fixed assets. These are amortized over their respective expected useful lives.

2.4 Depreciation / amortisation**Tangible fixed assets**

Depreciation on fixed assets is provided on the basis of useful life of assets at the rates prescribed in Schedule II to the Companies Act, 2013. All assets costing ₹ 5,000 or below are fully depreciated in the year of addition.

On amount added on revaluation, difference between depreciation for the year based on revalued amount of the fixed assets and depreciation based on its original cost is transferred to General Reserve.

Intangible fixed assets

Intangible assets- Computer software are amortized over a period over the period of 3 to 5 years on a straight-line basis & Technical knowhow are amortised over the period of three years on straight line basis.

2.5 Impairment

Fixed assets are reviewed at each balance sheet date for impairment. In case events and circumstances indicate any impairment, recoverable amount of the fixed assets is determined. An impairment loss is recognised, whenever the carrying amount of assets either belonging to Cash Generating Unit (CGU) or otherwise exceeds recoverable amount. The recoverable amount is greater of assets' net selling price or its value in use. In assessing value in use, the estimated future cash flows from the use of assets are discounted to their present value at appropriate rate. An impairment loss is reversed if there has been change in the recoverable amount and such loss either no longer exists or has decreased. Impairment loss/reversal thereof, which in case of CGU, are allocated to its assets on a pro-rata basis, is adjusted to carrying value of the respective assets.

2.6 Borrowing cost

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

2.7 Investments

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and fair value. Long-term investments are carried at cost individually. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments in case of long term investments.

2.8 Inventories

Inventories are stated at the lower of cost and net realisable value. Material costs are determined on a first-in, first-out basis. Cost of manufactured goods represents the cost of material, labour and appropriate portion of manufacturing overheads.

2.9 Revenue recognition

- (a) Sale of Equipment's and spares are recognised on dispatch of goods / raising of invoices to customers and are net of excise duty, sales-tax, trade discounts and returns. Service income is recognised upon rendering the services.
- (b) Interest income is recognized on time basis and is determined by the amount outstanding and rate applicable.
- (c) Dividend income is recognized as and when right to receive payment is established.
- (d) Rental income / lease rentals are recognized on accrual basis in accordance with the terms of agreements.
- (e) 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.

2.10 Product warranty cost

Product warranty costs are accrued in the year of sale for the drill equipment, based on past experience.

2.11 Foreign exchange transactions

Transactions in foreign currencies are accounted for, at the exchange rate prevailing on the date of transactions. Foreign currency monetary assets and liabilities at the year end are translated using the closing exchange rates. The loss or gain thereon and also on the exchange differences on settlement of the foreign currency transactions during the year are recognised as income or expenses and are adjusted to the respective heads of accounts.

2.12 Employee benefits

(a) Short-term employee benefits

The employee benefits payable only within 12 months of rendering the services are classified as short-term employee benefits. Benefits such as salaries, leave travel allowance, short-term compensated absences, etc., and the expected cost of bonus are recognized in the period in which the employee renders the related services.

(b) Post employment benefits

Defined contribution plan : The Company has contributed to state governed Provident Fund Scheme, and Employee Pension Scheme which are Defined Contribution Plans. Contribution paid or payable under the Schemes is recognized during the period in which employee renders the related service.

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

(c) Other long-term employee benefits

Benefits under the Company's leave encashment constitute other long term employee benefits, recognised as an expense in the statement of profit and loss for the period in which the employee has rendered services. Estimated liability on account of these benefits is actuarially determined based on the projected unit credit method using the yield on government bonds, as on the date of the balance sheet, as the discounting rate. Actuarial gains and losses are charged to the Statement of profit and loss.

2.13 Taxation

"Income tax expense comprises current tax, deferred tax charge or credit. Current tax provision is made based on the tax liability computed after considering tax allowances and exemptions under of the Income tax Act, 1961. "The deferred tax

charge or credit and the corresponding deferred tax liability and assets are recognised using the tax rates that have been enacted or substantively enacted on the balance sheet date. Deferred tax assets are recognised only to the extent where there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carried forward business loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty of realisation of such assets. Deferred tax assets are reviewed at each balance sheet date to reassess their realisability. "Deferred tax consequences of timing differences that originate in the tax holiday period and reverse after the tax holiday period are recognised in the period in which the timing differences originate."

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

2.15 Provisions and contingent liabilities

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are disclosed by way of notes to accounts. Contingent assets are neither recognised nor disclosed in the financial statements.

2.16 Cash and cash equivalents

Cash and cash equivalents include cash in hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less.

2.17 Segment reporting

(a) Identification of segments:

The company's operating business are organized and managed separately according to the nature of products manufactured and services provided, with each segment representing a strategic business unit that offers different products.

(b) Allocation of common costs:

Common allocable costs are allocated to each segment on reasonable basis.

(c) Unallocated Items:

Unallocable assets & liabilities represent the assets & liabilities not allocable to any segment as identified as per the Accounting Standard.

(d) Segment Policies:

The company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the company as a whole.

2.18 Leases

Where the company is the lessee

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

Where the company is the lessor

Assets subject to operating leases are included in fixed assets. Lease income is recognised in the statement of profit and loss on a straight-line basis over the lease term. Costs, including depreciation are recognised as an expense in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognised immediately in the statement of profit and loss.

2.19 Research and Development Expenditure

1. Capital expenditure incurred is either included in fixed assets or capital work in progress as the case may be. Expenditure forming part of fixed assets is depreciated at the respective applicable rates. Amounts appearing in work in progress are transferred to specific assets when they are available for use.
2. All capital expenditure which are revenue in nature is charged off to the statement of profit and loss under respective heads of accounts to which it pertains.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

3) SHARE CAPITAL

	As at 31st March 2016 Number	Amount ₹ 000's	As at 31st March 2015 Number	Amount ₹ 000's
AUTHORISED SHARES :				
Equity shares of ₹ 10/- each	3,500,000	35,000	3,500,000	35,000
	3,500,000	35,000	3,500,000	35,000
Issued, subscribed and fully paid up shares				
Equity shares of ₹ 10/- each	3,066,943	30,669	3,066,943	30,669
	3,066,943	30,669	3,066,943	30,669
Reconciliation of the shares outstanding at the beginning and at the end of the reporting period				
Equity Shares				
At the beginning of the year	3,066,943	30,669	3,066,943	30,669
Add : Issued during the year	—	—	—	—
Outstanding at the end of the year	3,066,943	30,669	3,066,943	30,669

b) Rights, preferences and restrictions attached to equity shares

The Company has only one type of equity share having par value of ₹10/- each per share. All shares rank pari passu with respect to dividend, voting rights and other terms. Each shareholder is entitled to one vote per share except, in respect of any shares on which any calls or other sums payable have not been paid. The Company pays and declares dividends in Indian Rupees. Whenever dividend is proposed by the Board of Directors, the same is subject to approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend, if any.

The repayment of equity share capital in the event of liquidation and buy back of shares are possible subject to prevalent regulations. In the event of liquidation, normally the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

c. Particulars of shareholders holding more than 5% shares of a class of shares

	Number	% Holding	Number	%Holding
Equity shares of Rs. 10 each fully paid				
Avalokiteshvar Valinv Ltd (AVL)	—	—	1,428,860	46.59%
Renaissance Advanced consultancy Limited	1,768,953	57.68%	-	-
Renaissance Stock Ltd (Wholly owned subsidiary of AVL)	457,000	14.90%	457,000	14.90%
Renaissance Asset Management Company P. Ltd (Associate of AVL)	—	—	340,093	11.09%

d. During the financial year ended on 31st March 2016 shares held by Renaissance Assets Management Company & Avalokiteshvar Valinv limited is transferred to the Renaissance Advanced Consultancy Limited.

e. Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date : Nil

	As at 31st March 2016 ₹ 000's	As at 31st March 2015 ₹ 000's
4) RESERVES AND SURPLUS		
a. Capital reserve	149	149
b. Capital redemption reserve	3,111	3,111
c. Revaluation reserve		
Opening balance	266	1,442
Less: transfer to general reserve on account of depreciation difference with respect to revalued amount and original cost of fixed assets. (Note-10(a))	(1)	(1,176)
Closing balance	265	266

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

	As at 31st March 2016 ₹ 000's	As at 31st March 2015 ₹ 000's
d. General reserve		
Opening balance	456,898	458,080
Add : Transfer from revaluation reserve on account of depreciation difference with respect to on revalued amount and original cost of fixed assets.	1	1,176
Less: Adjustment on account of remaining useful life in terms of schedule II of Companies Act, 2013 (net of deferred tax of ₹ 567)	—	(2,358)
Closing balance	456,899	456,898
e. Surplus in statement of profit and loss		
Opening balance	684,641	698,325
Add: Net profit/(loss) for the year	233,433	(13,684)
Closing balance	918,074	684,641
	1,378,498	1,145,065
5) LONG TERM PROVISIONS		
Provision for employees benefits		
Provision for leave encashment & sick leave	8,838	7,317
	8,838	7,317
6) SHORT TERM BORROWINGS		
Secured		
Working capital borrowing from banks (repayable on demand)	521,571	545,383
Unsecured		
Loan from related parties	319,500	130,000
	841,071	675,383
a) The Company has availed cash credit facility from consortium of banks. The details of securities are as follows:		
Primary		
First pari-passu charge on entire current assets of the company.		
Collateral		
Second charge on fixed assets of the company.		
b) Loan from related party consist of inter corporate deposits from Renaissance Advanced Consulatncy Limited and Semac Consultants Private Limited. The rate of interest is 12.5% & 14% p.a. respectively in respect of loans outstanding as at 31 March 2016. Interest is payable monthly or at the time of repayment of respective loan depending upon the maturity of loans.		
7) TRADE PAYABLES		
- Dues to micro and small enterprises	10,474	15,179
- Dues of other than Micro and Small Enterprises	130,561	116,346
- Acceptances	—	21,429
	141,035	152,954
a) Acceptance represents outstanding vendors' bills discounted from the bank.		
b) Disclosure of Trade payables under current liabilities is based on the information available with the company regarding the status of the suppliers as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" (the Act). There are no delays in payment made to such suppliers and there is no overdue amount outstanding as at the balance sheet date.		
c) Based on the above the relevant disclosures under section 22 of the Act are as follows:		
	2015-16	2014-15
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	10,474	15,179
The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	—	—

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

	As at 31st March 2016 ₹ 000's	As at 31st March 2015 ₹ 000's
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.	—	—
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	—	—
The amount of further interest remaining due and payable even in the succeeding years, - until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006	—	—
8) OTHER CURRENT LIABILITIES		
Interest accrued but not due on borrowings (payable to related party)	2,506	5,734
Advances from customers	9,945	1,571
Advance against sale of entitlement	—	100,000
Employee related dues	17,862	3,534
Statutory liabilities	13,843	13,094
Security deposit from stockist & other	3,480	3,480
Other Payable	27,748	16,640
	75,384	144,053
9) SHORT TERM PROVISIONS		
Provision for Warranties claims (refer note-9(a))	9,863	5,739
Provision for employees benefits		
Provision for leave encashment & sick leave	1,693	2,072
	11,556	7,811
a) Disclosure as required in terms of Accounting Standard -29 "Provisions, contingent liabilities and contingent assets".		
	2015-16	2014-15
Opening Balance	5,739	10,615
Provided during the year	15,854	3,590
Utilization during the year	(11,730)	(8,466)
Closing balance	9,863	5,739
Timing of outflow /uncertainties		
Outflow of expenses incurred / crystallisation of dues depends upon claim to be made by customers & others.		

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

10. Fixed assets

(i) Tangible assets

Particulars	Leasehold 000's	Freehold Land 000's	Buildings Machinery 000's	Plant & Tooling 000's	Production Equipment 000's	Data Processing Fixtures 000's	Furniture & equipment 000's	Office 000's	Vehicles 000's	Total 000's
Gross block										
Balance as at 1 April 2014	70,512	941	123,061	68,775	13,895	18,449	5,831	12,092	11,948	325,504
Additions	-	-	-	798	52	229	-	30	-	1,109
Disposals	-	-	-	(516)	(127)	(554)	(454)	(5,405)	(1,593)	(8,649)
Balance as at 31 March 2015	70,512	941	123,061	69,057	13,820	18,124	5,377	6,717	10,355	317,964
Balance as at 1 April 2015	70,512	941	123,061	69,057	13,820	18,124	5,377	6,717	10,355	317,964
Additions	-	-	-	-	250	-	66	3,332	3,648	
Disposals	-	-	-	-	(1,777)	-	(134)	(2,458)	(4,369)	
Balance as at 31 March 2016	70,512	941	123,061	69,057	13,820	16,597	5,377	6,649	11,229	317,243
Depreciation										
Balance as at 1 April 2014	5,497	-	32,181	45,094	13,588	15,684	5,089	9,549	10,542	137,224
Depreciation for the year	-	-	3,558	2,198	170	1,275	354	455	896	8,906
Accumulated depreciation on disposals	-	-	(230)	(127)	(551)	(351)	(4,078)	(1,422)	(6,759)	
Balance as at 31 March 2015	5,497	-	35,739	47,062	13,631	16,408	5,092	5,926	10,016	139,371
Balance as at 1 April 2015	5,497	-	35,739	47,062	13,631	16,408	5,092	5,926	10,016	139,371
Depreciation for the year	-	-	915	2,305	15	552	60	218	165	4,230
Accumulated depreciation on disposals	-	-	-	-	(1,777)	-	(109)	(2,284)	(4,170)	
Balance as at 31 March 2016	5,497	-	36,654	49,367	13,646	15,183	5,152	6,035	7,897	139,431
Net block										
As at 31 March 2015	65,015	941	87,322	21,995	189	1,716	285	791	339	178,593
As at 31 March 2016	65,015	941	86,407	19,690	174	1,414	225	614	3,332	177,813

(ii) Intangible assets

Particulars	Technical Knowhow 000's	Computer software 000's	Total 000's
Gross block			
Balance as at 1 April 2014	10,784	9,568	20,352
Additions	-	122	122
Disposals	(10,282)	-	(10,282)
Balance as at 31 March 2015	502	9,690	10,192
Balance as at 1 April 2015	502	9,690	10,192
Additions	-	-	-
Disposals	-	-	-
Balance as at 31 March 2016	502	9,690	10,192
Depreciation			
Balance as at 1 April 2014	10,481	8,779	19,260
Depreciation for the year	-	412	412
Accumulated depreciation on disposals	(10,282)	-	(10,282)
Balance as at 31 March 2015	199	9,191	9,390
Balance as at 1 April 2015	199	9,191	9,390
Depreciation for the year	-	303	303
Accumulated depreciation on disposals	-	-	-
Balance as at 31 March 2016	199	9,494	9,693
Net block			
As at 31 March 2015	303	499	802
As at 31 March 2016	303	196	499

- (a) The Company had revalued its freehold land and buildings on June 30, 1985. The net amount added to the cost of fixed assets on such revaluation was ₹ 4,239, under the following asset heads.
- | | |
|---------------|--------------|
| Freehold land | 265 |
| Buildings | 3,974 |
| | <u>4,239</u> |

- (b) During the year depreciation has been provided based on the useful life of the assets as per Schedule II of the Companies Act, 2013. Consequently, depreciation for the year in the profit and loss account is higher by ₹ Nil (Previous Year (P.Y.) ₹ 2,651). In respect of the fixed assets, where remaining useful life as per the said Schedule have expired as on 1st April 2014, the carrying values there of have fully been depreciated and ₹ Nil (P.Y. ₹ 2358) (net of deferred tax of ₹ Nil (P.Y. ₹ 567) there against) has been adjusted against general reserve of the company. Corresponding amount of revaluation reserve amounting to ₹ 1 (P.Y. ₹ 1,176) has been transferred therefrom to the general reserve.
- (c) Fixed assets Includes following assets pertaining to Construction Equipment Division (CED) held for disposal (Note 32(a)), which have been carried at net book value as on 31st March 2016: "Land and Building ₹ 138707 (P.Y. ₹ 138707), Plant & Machinery ₹ 13069 (P.Y. ₹ 14684), Production Tooling Rs 117 (P.Y. ₹ 117), Data Processing Equipment ₹ 702 (P.Y. ₹ 702), Office equipment ₹ 419 (P.Y. ₹ 419), Furniture & Fittings ₹ 125 (P.Y. ₹ 125) and Vehicles ₹ Nil (P.Y. ₹ 175) - Aggregating to ₹153,139 (P.Y. ₹ 154,929)

As at 31st March 2016 ₹ 000's	As at 31st March 2015 ₹ 000's
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11) NON CURRENT INVESTMENT

Investment in Equity Instruments

Subsidiary companies

Semac Consultants Pvt. Ltd

877,271	877,271
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14,01,860 (P.Y. 14,01,860) shares of ₹10 each

Associates

Preferred Stock in Satellier Holdings Inc.,USA

48,750	48,750
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88,96,797 (P.Y.-88,96,797) Shares

Less :- Provision for diminution in value (note 44)

(48,750)	(48,750)
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Investments in Joint Venture

Capital contribution in Panch Tatva Realty

166,265	200,000
<u>1,043,536</u>	<u>1,077,271</u>

- a) The company along with Tridhaatu Realty Infra Private Ltd (Tridhaatu) formed as Association of Persons (AOP) namely Panchtatva Realty for constructing a real estate complexes in Chembur, Mumbai and made an investment of ₹ 2,00,000 in the AOP. Out of its entitlement of 64,000 square feet, the company sold 10,795 square feet to the AOP member- Tridhaatu vide deed of modification dated 17th December 2015. The company's entitlement is limited to above mentioned built up area only and no other economic benefits and hence not construed as Joint Venture. Income arising out of the sale of such share is disclosed as extra ordinary item.(note-27)

12) DEFERRED TAX Assets (NET)

Deferred Tax Liabilities :

Related to fixed assets

9,391	4,496
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Payment of gratuity

485	1,436
-----	-------

Total deferred tax liabilities

<u>9,876</u>	<u>5,932</u>
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Deferred tax asset

Provision for leave encashment & sick leave

(3,645)	(3,047)
---------	---------

Provision for doubtful debts

<u>(5,623)</u>	<u>(5,272)</u>
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Total deferred tax asset

<u>(9,268)</u>	<u>(8,319)</u>
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Net deferred tax (liability)/assets

<u>608</u>	<u>(2,387)</u>
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13) LONG TERM LOANS AND ADVANCES

Unsecured -considered good

Security deposits

10,787	14,135
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MAT credit entitlement

44,165	13,573
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Advance Payment of Tax (net of provision ₹ 55,847)

7,537	8,077
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<u>62,489</u>	<u>35,785</u>
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- a) The Company is liable to pay Minimum Alternate Tax (MAT) under Section 115JB of the Income Tax Act, 1961 (the Act) during current year and earlier years. Accordingly, as advised in guidance note on "Accounting for credit available in respect of minimum alternate tax under the Income Tax Act, 1961" issued by the Institute of Chartered Accountants of India, ₹ 30,594 thousand (Previous Year ₹ 13,573 thousand) being the credit available have been carried forward as MAT credit Entitlement to be set off against the future tax liabilities in terms of the relevant provisions of the Act. In view of the Management, the Company's taxable profit in future will be sufficient to offset the entitlement so recognized in the accounts.

	As at 31st March 2016 ₹ 000's	As at 31st March 2015 ₹ 000's
14) OTHER NON CURRENT ASSETS		
Margin money with bank (refer note 17(a)) (including accrued interest)	25,098	37,450
	<u>25,098</u>	<u>37,450</u>
15) INVENTORIES		
Valued at lower of cost and net realizable value		
Raw materials #	108,126	168,095
Work-in-progress	68,443	122,461
Merchanting goods	44,453	63,800
	<u>221,022</u>	<u>354,356</u>
# Includes Raw materials in transit ₹ 17,968 (Previous year ₹ 21,256)		
16) TRADE RECEIVABLES		
Unsecured		
Outstanding for a period exceeding six months from the due date for payment		
Considered good	29,524	52,160
Doubtful	16,248	16,248
Less : Allowance for bad and doubtful debts	(16,248)	(16,248)
Others (Considered good)	851,736	321,042
	<u>881,260</u>	<u>373,202</u>
17) CASH AND BANK BALANCES		
Cash and cash equivalent		
- Cash on hand	819	345
- Deposit with bank with less than or equal to three months maturity	300	300
Balances with Banks	7,187	15,557
Fixed deposit account		
Margin money (refer note 17(a)) (Including accrued interest)	44,874	18,484
	<u>53,180</u>	<u>34,686</u>
a. Margin money deposit is under lien with banks against bank guarantee and letter of credit		
18) SHORT TERM LOANS AND ADVANCES		
Unsecured -considered good		
Advance to suppliers	3,997	44,518
Balance with excise & sales tax authorities	6,838	9,144
Security deposits	120	136
Prepaid expenses	6,568	7,057
Gratuity prepayment	1,400	4,425
Loans & advances to employees	2,463	1,499
Capital Advance	284	—
Other advances	243	1,271
	<u>21,913</u>	<u>68,050</u>
19) OTHER CURRENT ASSETS		
Unsecured -considered good		
Interest receivable on housing loan to employees	492	577
Accrued income	357	93
	<u>849</u>	<u>670</u>

For the year ended
31st March 2016
₹ 000's

For the year ended
31st March 2015
₹ 000's

20) REVENUE FROM OPERATIONS

Sale of product	1,488,797	771,133
Less : Excise duty	(110,634)	(37,170)
	<u>1,378,163</u>	<u>733,963</u>
Sale of services	24,752	29,181
Less: Service tax	(2,562)	(2,556)
	<u>22,190</u>	<u>26,625</u>
Other Operating Revenue	2,481	4,604
	<u>1,402,834</u>	<u>765,192</u>

21) OTHER INCOME

Interest income on fixed deposits and others	5,295	17,702
Interest income on income tax refund	152	2,008
Provision/liabilities no longer required written back	1,672	6,775
Profit/(loss) on sale of fixed assets-net	314	(1,425)
Lease rental income	475	—
Exchange difference (net)	4,247	175
	<u>12,155</u>	<u>25,235</u>

22) COST OF MATERIAL CONSUMED

Under Carriage assemblies	25,375	8,630
Compressors and accessories	26,147	20,727
Electrical components	76,578	51,052
Hydraulic components	273,021	48,862
Pipes and valves	43,551	21,012
Gear/chain assemblies	61,526	24,928
Others	96,153	101,704
	<u>602,351</u>	<u>276,915</u>

% of Imported / Indigenous

Raw Material

Imported (value)	312,960	71,850
(%)	51.96%	25.95%
Indigenous (value)	289,391	205,065
(%)	48.04%	74.05%

Stores & Spares

Indigenous (value)	3,634	2,408
(%)	100%	100%

23) CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK-IN-TRADE

Closing Stock

Work in progress	68,443	122,461
Merchanting goods	44,453	63,800

Opening Stock

Work in progress	122,461	99,455
Merchanting goods	63,800	97,346

Net decrease in the inventory

	<u>73,365</u>	<u>10,540</u>
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	For the year ended 31st March 2016 ₹ 000's	For the year ended 31st March 2015 ₹ 000's
24) EMPLOYEE BENEFIT EXPENSE		
Salaries & wages	93,284	66,187
Contribution to Provident and other Funds	11,396	7,168
Employees welfare expenses & Other Benefits	6,590	4,621
	<u>111,270</u>	<u>77,976</u>
25) FINANCE COSTS		
Interest expense	92,940	99,599
Other borrowing costs	4,944	5,675
	<u>97,884</u>	<u>105,274</u>
26) OTHER EXPENSES		
Consumption of stores and spare parts	3,633	2,408
Power & fuel	5,415	3,956
Repairs to buildings	3,074	2,566
Repairs to machinery	334	78
Repairs to others	2,572	2,899
Rent	4,474	3,630
Insurance	2,192	1,606
Rates & taxes	11,006	5,070
Travelling expenses	28,471	23,615
Freight, clearing and packing	10,031	7,095
Legal and professional charges	10,218	8,337
Directors' sitting fees	1,360	1,360
Directors' Commission	1,400	—
Selling commission	55,475	67,499
Bad debts and advances written off	17,884	1,009
Bank Charges	7,246	5,207
Service Charges	9,370	6,010
Liquidated Damages	8,619	3,798
Miscellaneous expenses	11,959	13,060
	<u>194,733</u>	<u>159,203</u>
27) EXCEPTIONAL ITEMS		
Profit on sale of share in Joint venture	136,266	—
Loss / provision against unuseable and surplus inventory (note 37(b))	(42,893)	(22,816)
	<u>93,373</u>	<u>(22,816)</u>
28) TAX EXPENSES		
Current tax	55,847	1,097
MAT	(30,594)	(1,097)
Deferred tax	2,994	2,031
	<u>28,247</u>	<u>2,031</u>
29) CONTINGENT LIABILITIES		
Customers claims for damages	3,678	3,678
Sales tax / VAT & Service tax demands	—	—
Income tax demand	—	—
	<u>3,678</u>	<u>3,678</u>

For the year ended
31st March 2016
₹ 000's

For the year ended
31st March 2015
₹ 000's

30) BANK GUARANTEES

Based on contractual agreements with customers the company has issued bank guarantees aggregating ₹ 196,079 (PY ₹ 102,816). The management believes that none of the bank guarantees will be cashed by any of the customers.

31) COMMITMENTS

(a) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	—	—
(b) Estimated amount of contracts remaining to be executed on other than capital account and not provided for (net of advances)	—	—
	—	—

32) VALUE OF IMPORTS CALCULATED ON C.I.F BASIS

Raw materials & components	263,754	93,924
Spares	7,846	32,413
	271,600	126,337

33) EXPENDITURE IN FOREIGN CURRENCY (accrual basis)

Commission, consultancy, travelling and others	8,410	699
	8,410	699

34) EARNINGS IN FOREIGN CURRENCY

Export of goods calculated on FOB basis	5,130	4,982
	5,130	4,982

35) PAYMENT TO AUDITORS

Statutory auditor	400	275
Other services	330	275
Reimbursement of expenses	225	275
	955	825

36) EARNING PER SHARE

Net Profit / (Loss) attributable to equity shareholders for calculation of basic and diluted EPS (₹)	233,433	(13,684)
Weighted average number of equity shares outstanding during the period for calculation of basic EPS (No.)	3,066,943	3,066,943
Weighted average number of equity shares outstanding during the period for calculation of diluted EPS (No.)	3,066,943	3,066,943
Basic EPS (₹)	76.11	(4.46)
Diluted EPS (₹)	76.11	(4.46)

37) Related Party Disclosures

a. Name of the related parties and relationship as per Accounting Standard 18

Relationship	Name of parties-relation exist (FY 2015-2016)	Name of parties where relation exist (FY 2014-2015)
(A) Key management personnel	Mr. Abhishek Dalmia (Executive Chairman) Mr. S. Hariharan (Whole Time Director) Mr. Sunil Puri - CEO (from 7th march 2016) Mr.M.N.Srinivasan (Company Secretary)	Mr. Abhishek Dalmia (Executive Chairman) Mr. S. Hariharan (Whole Time Director) Mr.M.N.Srinivasan (Company Secretary)
(B) Relatives of Key Managerial Personnel	Ms. Deepali Dalmia Mr. Chaitanya Dalmia	Ms. Deepali Dalmia Mr. Chaitanya Dalmia
(C) Joint venture	Panch Tatva Realty-AOP (Upto 17th Decemeber 2015)	Panch Tatva Realty-AOP
(D) Holding company	Avalokiteshvar Valinv Limited Renaissance Advanced Consultancy Ltd	Avalokiteshvar Valinv Limited
(E) Subsidiary company	Semac Consultants Private Limited	Semac Consultants Private Limited
(F) Fellow Subsidiary company	Renaissance stocks limited	Renaissance stocks limited

For the year ended
31st March 2016
₹ 000's

For the year ended
31st March 2015
₹ 000's

b. Related party transactions

Interest income

Panch Tatva Realty	—	10,916
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Interest Paid on Inter Corporate Deposits

Semac Consultants Private Limited	15,672	6,371
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Renaissance Advanced Consultancy Limited	11,503	—
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Inter Corporate Deposits received

Semac Consultants Private Limited	—	130,000
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Renaissance Advanced Consultancy Limited	239,500	—
--	---------	---

Inter Corporate Deposits repaid

Semac Consultants Private Limited	50,000	—
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Repayment of Loan

Panch Tatva Realty-AOP	—	44,100
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Managerial remuneration

Mr. Abhishek Dalmia	8,134	4,540
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Mr. S. Hariharan	5,752	4,080
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Mr. Sunil Puri - CEO	358	—
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Mr. M.N. Srinivasan-Company Secretary	1,425	1,076
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Board Sitting Fees

Ms. Deepali Dalmia	60	60
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Mr. Chaitanya Dalmia	80	80
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Commission Payable

Ms. Deepali Dalmia	500	—
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Mr. Chaitanya Dalmia	200	—
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c. Outstanding balances as at year end

Loans & Interest from related parties

Semac Consultants Private Limited	82,506	135,734
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Renaissance Advanced consultancy limited	239,500	—
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Commission Payable

Ms. Deepali Dalmia	500	—
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Mr. Chaitanya Dalmia	200	—
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38) Disclosure as required under Clause 32 of listing agreement

There is no reportable amount of Loans and advances (excluding advance towards equity) in the nature of loans given to Subsidiaries, Joint Ventures and Associates.

39) Derivative instruments and unhedged foreign currency exposures

	Amount in foreign currency		₹	Amount in foreign currency		₹
(i) Derivative instruments:						
Forward contract outstanding as at balance sheet date	—		—	—		—
(ii) The year-end foreign currency exposures that have not been hedged by a derivative instrument are given below	—		—	—		—
(a) Amounts receivable in foreign currency on account of the following						
Trade receivables	US \$ 88127	5,843,670		US \$ 72834	4,558,754	
(b) Amounts payable in foreign currency on account of the following						
- Import of goods and services (net of advances)	US \$ 464098	30,778,997		US \$ 124772	7,810,706	
	Euro 30453	2,285,163		Euro 10764	727,952	
	GBP 1967	186,973		—	—	

40 Employee benefits

Defined Benefit Plan (Gratuity Funded and Leave Encashment Non-funded) - As per Actuarial Valuation on 31.03.2016
The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The Scheme is funded with an insurance company in the form of a qualifying insurance policy.

Earned leave not availed during the year can be accumulated with subsequent year upto maximum 90 days. The earned leave accumulated beyond 90 days can be encashed at the time of retirement / resignation.

The following tables summarise 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 plan.

A.	Expenses recognised in the statement of profit and loss	Gratuity (Funded)		Leave Encashment (Non funded)	
		2015-16	2014-15	2015-16	2014-15
	Current service cost	1,423	1,357	573	581
	Interest cost	1,432	1,465	405	446
	Expected return on plan assets	(1,806)	(1,990)	—	—
	Net actuarial [(gain) / loss]	2,046	(1,880)	289	(125)
	Total expenses	3,095	(1,048)	1,267	902
	Actual return on planned assets	1,995	2,049	—	—
Gratuity (funded)					
B.	Net asset / (liability) recognised in the balance sheet	2015-16	2014-15	2015-16	2014-15
		2015-16	2014-15	2015-16	2014-15
	Present value of obligation as at year end	22,371	19,015	19,481	19,320
	Fair value of plan assets as at year end	23,771	23,438	22,788	22,875
	Funded status - surplus /(deficit)	1,400	4,425	3,307	3,555
	Net asset / (liability) as at year end	1,400	4,425	3,307	3,555
C.	Change in the present value of the defined benefit obligation	2015-16	2014-15	2015-16	2014-15
		2015-16	2014-15	2015-16	2014-15
	Opening defined benefit obligation	19,014	19,481	5,486	5,441
	Interest cost	1,423	1,357	573	581
	Current service cost	1,432	1,465	405	446
	Benefit paid	(1,788)	(1,414)	(584)	(857)
	Actuarial (gains)/losses on obligation	2,289	(1,874)	289	(125)
	Closing defined benefit obligation	22,370	19,015	6,169	5,486
D.	Change in the fair value of plan assets are as follows:-	2015-16	2014-15	2015-16	2014-15
		2015-16	2014-15	2015-16	2014-15
	Opening fair value of plan assets	23,440	22,788	—	—
	Contribution by employer	70	69	584	857
	Expected return	1,806	1,990	—	—
	Benefit paid	(1,788)	(1,414)	(584)	(857)
	Actuarial gains/(losses) on obligation	243	5	—	—
	Closing fair value of plan assets	23,771	23,438	—	—
	The principal assumptions used in determining gratuity & leave encashment for the Company's plans are shown below:-	2015-16	2014-15	2015-16	2014-15
		2015-16	2014-15	2015-16	2014-15
	Discount rate	7.90%	7.80%	7.90%	7.80%
	Normal retirement age	58/60 years		58/60 years	
	Expected rate of return on assets	8.00%	9.00%	—	—
	Mortality table	Indian Assured Lives Mortality (2006-08) Ultimate			
	Salary escalation	8.00%	7.00%	8.00%	7.00%

Amounts for the current and previous four periods in respect of Gratuity are as follows:-

Particulars	Gratuity (funded)			
	2015-16	2014-15	2013-14	2012-13
Defined benefit obligation	22,371	19,015	19,481	19,320
Plan assets	23,771	23,438	22,788	22,875
Surplus / (deficit)	1,400	4,425	3,307	3,555
Experience adjustment on plan assets	(1,414)	2,795	(718)	992
Experience adjustment on plan liabilities	243	5	(20)	2,141

- The expected return on plan assets has been determined considering several applicable factors mainly the composition.
- The estimates of future salary increase considered in actuarial valuation take into account inflation, seniority, promotions.
- Based on the Guidance Note from the Institute of Actuaries of India, the Company's Actuary has reliably measured the provident fund liability in respect of Provident Fund (Trust) and there is no shortfall.

d) Defined Contribution Plan

Employer's contribution to Provident Fund and Other Funds aggregating to ₹ 7704 thousand (Previous year ₹ 6633 thousands) has been included under Note 22 - Employee benefit expense.

41 SEGMENT REPORTING

The disclosure requirement under "Segment Reporting" as per Accounting Standard 17 taking into account the as well as the difference in risk and return, is as given below:

A PRIMARY SEGMENT

The Company operates mainly in one business segment viz. Construction and Mining being primary segment and all other activities revolve around the main activity. The secondary segment is geographical, information related to which is given under.

B. SECONDARY SEGMENT (Geographical segment)

	2015-16			
	Revenue	Asset	Liabilities	Capital Expenditure
Within India (*)	1,397,703	2,481,207	1,039,233	3,648
Outside India	5,130	5,844	33,251	—
	2014-15			
	Revenue	Asset	Liabilities	Capital Expenditure
Within India (*)	764,308	2,158,693	978,979	1,231
Outside India	884	4,559	8,539	—

41A Research and Development Expenditure (amount in 000's)

	2015-16	2014-15
Capital expenditure	—	127
Revenue Expenditure	15,914	12,159
	15,914	12,286

42 Construction Equipment Division

- Considering the market condition of construction equipment business, last year the manufacturing facilities at Chennai were downsized and shifted both manufacturing and service resources located at Chennai to Coimbatore. Fixed assets pertaining to said division at Chennai having written down value of ₹ 153,497 as on 31st March, 2016 (Previous year ₹154,929) comprising of lease hold land, building, plant and machinery, office equipment etc as disclosed in note 10 are therefore meant for disposal and necessary steps in this respect are being taken. Adjustment, if any, with respect to value realisable thereagainst will be carried out as and when ascertained.
- In view of above, certain inventories becoming non usable and surplus were written off and provision against remaining items against expected loss in value thereof as per the Management's estimate has been made in this year. Loss of ₹ 42,816 (previous year ₹ 22,816) arising in this respect on above have been shown under exceptional item.

43 Discontinuing Operations

The directors of the company at its meeting held on 9th June 2013 decided to discontinue the operations of Construction Equipment Division w.e.f. 31st March 2015. The carrying amounts of assets and liabilities of discontinuing operations are as follows:

	2015-16 ₹ 000's	2014-15 ₹ 000's
Total Assets	161,452	205,019
Total Liabilities	1,830	1,745
Net Assets	159,622	203,274

The net cash flows attributable to discontinuing operations are as follows:

Operating	(11,512)	(18,498)
Investing	—	—
Financing	—	—
Net cash inflows / (Outflows)	(11,512)	(18,498)

The amount of revenue and expenses in respect of discontinuing operations are as follows:

Net Sales	7,654	11,080
Other Income	325	169
Total Expenses	19,491	29,747
Finance Cost	—	—
Profit before tax	(11,512)	(18,498)
Tax expenses	—	—
Profit after tax	(11,512)	(18,498)
One time expenses (Exceptional items)	42,893	22,816

- 44 The affairs of Satellier Holding Inc, USA, one of the associate of the company was dissolved and certificate of dissolution had been issued by the appropriate authority. There being no likelihood of any amount being recoverable towards investment in equity and as such full provision against Investment of ₹ 48750 in the said company had been done in the year 2013-14. There is no change in the status thereof in this year.
- 45 The company applied for approval of excess remuneration of ₹ 406 paid in respect of financial year 2013-14 to Executive Chairman. The Central Government rejected the application and the company recovered the same in current financial year.
- 46 In the opinion of the Board and to the best of their knowledge and belief, the value on realisation of loans, advances and current assets in the ordinary course of business will not be less than the amount at which they are stated in the balance sheet.
- 47 Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure.

As per our report of even date
For S.S. Kothari Mehta & Co.
Chartered Accountants
Firm Reg. No. : 000756N

Sunil Wahal
Partner
Membership No: 087294
Place : New Delhi
Date : May 30, 2016

For and on behalf of the Board of Directors of Revathi Equipment Limited
Abhishek Dalmia
Executive Chairman
DIN : 00011958

M.N. Srinivasan
Company Secretary

S. Hariharan
Whole-time Director
DIN : 06363724

Place : Chennai
Date : May 30, 2016

Independent Auditors' Report**TO THE MEMBERS OF REVATHI EQUIPMENT LIMITED**
REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS**Report on the Consolidated Financial Statements**

We have audited the accompanying consolidated financial statements of Revathi Equipment Limited (hereinafter referred to as "the Holding Company"), and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), comprising of the consolidated balance sheet as at March 31, 2016, the consolidated statement of profit and loss and the consolidated cash flow statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing issued by Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us 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.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the 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 consolidated state of affairs of the group as at 31st March, 2016, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Other Matters

We did not audit the financial statements of one step down subsidiary, whose financial statements reflect total assets of ₹235,720.07 (in thousands) as at 31st March, 2016, total revenues of ₹ 233,834.61 (in thousands) and net cash inflows amounting to ₹ 6,288.35 (in thousands) for the year ended on that date, as considered in the consolidated financial statements. These financial statement have been audited by other auditor whose report have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the reports of the other auditor.

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

Report on Other Legal and Regulatory Requirements

As required by Section 143 (3) of the Act, 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 and the reports of the other auditors;
- c) The consolidated balance sheet, the consolidated statement of profit and loss, and the consolidated cash flow statement 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 Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e) On the basis of the written representations received from the directors of the holding company as on 31st March, 2016 taken on record by the Board of Directors of the holding company and the reports of the statutory auditors of its subsidiary company incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31st March, 2016 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 holding company & its subsidiary companies and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" to this report; and
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, 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 on its consolidated financial position of the group- Refer Note 32 to the financial statements;
 - ii. The group did not have any material foreseeable losses on long-term contracts including derivative contracts; and
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary company incorporated in India.

For S.S. Kothari Mehta & Co.

Chartered Accountants

Firm's ICAI Registration No. 000756N

Sunil Wahal

Partner

Membership No: 087294

Place: New Delhi

Dated: May 30, 2016

Annexure A to the Independent Auditor's Report on the Consolidated Financial Statement to the members of Revathi Equipment Limited dated 30th May 2016

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

Our reporting on the internal financial controls over financial reporting is not applicable in respect of one step down subsidiary incorporated outside India

In conjunction with our audit of the consolidated financial statements of Revathi Equipment Limited as of and for the year ended March 31, 2016. We have audited the internal financial controls over financial reporting of Revathi Equipment Limited (hereinafter referred to as the "Holding Company") and its one subsidiary (the Holding Company and its subsidiary together referred to as "the Group"), incorporated in India, as of the date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and its subsidiary company, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the "Guidance Note

on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

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

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

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated 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 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 financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Holding Company and its subsidiary company, which are companies incorporated in India, have, maintained in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India"

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

Sunil Wahal
Partner
Membership No: 087294

Place: New Delhi
Dated: May 30, 2016

REVATHI EQUIPMENT LIMITED

CONSOLIDATED BALANCE SHEET AS AT 31st MARCH 2016

Particulars	Note	As at 31st March, 2016 ₹ 000's	As at 31st March, 2015 ₹ 000's
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	30,669	30,669
Reserves and surplus	4	1,471,647	1,187,534
Total shareholders funds		1,502,316	1,218,203
Minority interest		192,500	159,168
Non-current liabilities			
Long term borrowings	5	920	104,453
Long-term provisions	6	47,197	40,934
		48,117	145,387
Current liabilities			
Short-term borrowings	7	801,197	546,193
Trade payables	8	227,196	175,248
Other current liabilities	9	169,190	388,266
Short-term provisions	10	37,123	25,594
Total current liabilities		1,234,706	1,135,301
		2,977,639	2,658,059
ASSETS			
Non-current assets			
Goodwill		448,625	448,625
Fixed assets	11		
Tangible assets		198,541	345,039
Intangible assets		6,922	8,926
		205,463	353,965
Non-current investments	12	166,971	706
Deferred tax assets (net)	13	19,892	19,878
Long-term loans and advances	14	134,579	132,451
Other non-current assets	15	82,515	46,658
Total non-current assets		609,420	553,658
Current assets			
Current investments	16	20,000	19,116
Inventories	17	221,022	586,098
Trade receivables	18	1,297,530	700,604
Cash and cash equivalents	19	219,420	122,624
Short-term loans and advances	20	123,141	197,376
Other current assets	21	38,481	29,958
Total current assets		1,919,594	1,655,776
		2,977,639	2,658,059
Significant Accounting Policies	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 & Co.

Chartered Accountants
Firm Regn. No. 000756N

Sunil Wahal

Partner
Membership No.: 087294

Place : New Delhi
Date : May 30, 2016

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

Abhishek Dalmia
Executive Chairman
DIN: 00011958

S. Hariharan
Whole-time Director
DIN: 06363724

M.N. Srinivasan
Company Secretary

Place : Chennai
Date : May 30, 2016

REVATHI EQUIPMENT LIMITED

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH 2016

(All amounts in thousands of Indian Rupees)

Particulars	Note	For the year ended 31st March 2016 ₹ 000's	For the year ended 31st March 2015 ₹ 000's
Revenue			
Revenue from operations	22	2,454,664	1,631,220
Other income	23	36,262	56,105
Total revenue		2,490,926	1,687,325
Expenses			
Cost of materials consumed	24	602,351	276,915
Cost of services	25(a)	236,494	5,030
Cost of construction	25(b)	-	91,301
Purchases of stock in trade		132,636	123,114
Processing charges and purchase of materials through sub-contractors		29,910	19,849
Decrease in inventories of finished goods, work in progress and stock-in- trade	26	73,365	10,540
Professional charges paid		64,084	61,969
Employee benefits expense	27	595,294	521,881
Finance cost	28	92,930	101,209
Depreciation and amortization expense	11	22,680	28,365
Other expenses	29	370,046	320,979
		2,219,790	1,561,152
Profit before exceptional items and tax		271,136	126,173
Exceptional item	30	93,373	(22,816)
Profit/(Loss) before tax		364,509	103,357
Tax expense	31	64,224	35,212
Net Profit/(Loss) for the year before minority interest		300,285	68,145
Minority interest		27,795	28,987
Net Profit / (Loss) after taxes, minority interest and share of profit / (loss) of associates		272,490	39,158
Earnings per share (Face value ₹ 10/- per share)			
(1) Basic		88.85	12.77
(2) Diluted		88.85	12.77

Significant Accounting Policies 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 & Co.
Chartered Accountants
Firm Regn. No. 000756N

Sunil Wahal
Partner
Membership No.: 087294

Place : New Delhi
Date : May 30, 2016

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

Abhishek Dalmia
Executive Chairman
DIN: 00011958

S. Hariharan
Whole-time Director
DIN: 06363724

M.N. Srinivasan
Company Secretary

Place : Chennai
Date : May 30, 2016

REVATHI EQUIPMENT LIMITED

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2015

(All amounts in thousands of Indian Rupees)

	For the year ended 31st March 2016 ₹ 000's	For the year ended 31st March 2015 ₹ 000's
(A) CASH FLOWS FROM OPERATING ACTIVITIES		
Net profit before tax	364,508	103,357
Adjustment for exceptional items		
Profit on sale of investment	(136,266)	—
Adjustments to reconcile net profits to net cash provided by operating activities		
Depreciation	22,680	28,365
(Profit)/ Loss on sale of fixed assets	(654)	513
Provisions/ Liabilities no longer required written back	(6,251)	(6,772)
Interest and dividend income	(32,169)	(37,922)
Interest on borrowings	93,187	102,656
Provision for Bad and Doubtful Debts	(5,655)	4,622
(Profit)/Loss on sale of Investments	—	(8,640)
Bad debts and advances written off	44,759	25,983
Bad debts recovered	—	(157)
Sundry balances written off	—	(398)
	<u>344,139</u>	<u>211,607</u>
Changes in current assets and liabilities:		
(Increase)/ decrease in inventories	133,334	31,030
(Increase)/ decrease in trade and other receivables	(660,692)	(164,842)
(Increase)/ decrease in loans and advances	131,727	50,719
(Decrease)/ increase in current liabilities and provisions	3,572	(92,437)
Cash generated from operations	(47,920)	36,077
Direct taxes paid (net of refund)	(91,284)	(27,926)
Net cash provided by operating activities	<u>(139,204)</u>	<u>8,151</u>
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(15,473)	(16,927)
Diminution in joint venture (Qatar JV)	(405)	—
Sale of fixed assets	950	1,780
Purchase of investment	(47,997)	0
Sale/Redemption of Investments (net)	208,568	201,280
Interest and dividend received	31,239	26,528
Deposits with more than 12 months maturity	(52,498)	(37,450)
Net cash provided by investing activities	<u>124,385</u>	<u>175,211</u>
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from/(repayment) of long term borrowings	—	16,180
Proceeds from/(repayment) of short term borrowings	200,174	(73,219)
(Decrease)/Increase in Capital	—	(15,728)
Interest Paid	(90,244)	(96,923)
Appropriation and adjustments to balances of surplus and minority interest	(1,359)	(3,498)
Net cash provided by/(used in) financing activities	<u>108,570</u>	<u>(173,188)</u>
Net increase in cash and cash equivalents	<u>93,751</u>	<u>10,174</u>
Cash and cash equivalents		
Beginning of the year	122,624	94,326
Exchange Difference on Translation of Foreign Subsidiary	3,044	18,124
End of the year	219,420	122,624

As per our report of even date

For S.S. Kothari Mehta & Co.
Chartered Accountants
Firm Regn. No. 000756N

Sunil Wahal
Partner
Membership No.: 087294

Place : New Delhi
Date : May 30, 2016.

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

Abhishek Dalmia
Executive Chairman
DIN: 00011958

S. Hariharan
Whole-time Director
DIN: 06363724

M.N. Srinivasan
Company Secretary

Place : Chennai
Date : May 30, 2016.

NOTES TO THE COSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

1) BASIS OF CONSOLIDATION AND SIGNIFICANT ACCOUNTING POLICIES

A. Principles of Consolidation

- I. The Consolidated Financial Statements of Revathi Equipment Limited ("the Company") and its subsidiary company and its Joint Venture have been prepared in accordance with Accounting Standard (AS-21) on "Consolidated Financial Statements" and Accounting Standard (AS-27) on "Financial Reporting of Interests in Joint Ventures". The basis of preparation of the Consolidated Financial Statements is as follows:
 - (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 Accounting Standard (AS-21) – "Consolidated Financial Statements".
 - (ii) Investments in joint venture have been accounted for by using the "proportionate consolidation method" in accordance with the Accounting Standard (AS-27) - "Financial Reporting of Interests in Joint Ventures".
 - (iii) The difference between the cost of investment in the subsidiary and joint venture over the net assets at the time of acquisition of shares in the subsidiary and the joint venture 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 and joint venture as on the reporting date immediately preceding the date on which the holding-subsidiary and joint venture relationship came into existence.
 - (iv) Minority 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.
- II. The Subsidiary which has been included in this Consolidated Financial Statements along with the Company's holdings therein are given below:

Name of Company	Country of Incorporation	% Voting Power	
		2015-16	2014-15
Semac Consultants Pvt Ltd	India	76.99%	76.99%
Semac & Partners LLC	Muscat - Sultanate of Oman	65%	65%

- III. The interest in joint venture for the purpose of consolidation is given below:

Name of the Company	Description of Interest	Country of Incorporation	% Voting Power	
			2015-16	2014-15
Semac Qatar W.L.L - Limited Liability Company	Joint venture	Qatar	–	49%
Panch Tatva Realty - Association of Person	Joint venture	India	–	54%

- IV. 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.
- V. In absence of audited financial statements of Semac & Partner (Muscat), Subsidiary, financial statement of these have been considered based on such statements submitted by the management.
- VI. In absence of audited financial statements of joint venture entity, Panch Tatva Realty and Semac Qatar WLL (Qatar) the figures, details and disclosures for the purpose of consolidation have been considered based on such statements submitted by the management for the period from 1st April 2014 to 31st March 2015.
- B. The Group has adopted Accounting Standard 15 (AS 15) on "Employee Benefits". These consolidated financial statements include the obligations as per requirements of this standard except for overseas branch, subsidiary and joint venture 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 considered material.
- C. 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."
- D. The Subsidiary at Muscat and Joint Venture at Qatar have transferred certain portion of its' net income from/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.
- E. In respect of the joint venture (JV), the financial statements have been prepared on a going concern basis. However, the JV's accumulated losses as at 31st March, 2015 has exceeded 50% of its capital. The validity of going concern assumption depends upon achieving profitable operations in the future and the continued financial support of all the JV partners. The Company along with other JV partners confirmed their willingness to provide necessary financial support as would be necessary for the said JV to meet its obligations to continue its future operations

- F. The Company alongwith another company 'Tridhaatu Realty and Infra Pvt Ltd' has formed an Association of Person (AOP) Panch Tatva Realty and has made an investment of Rs. 200000 towards its share of contribution in the capital of AOP for undertaking a real estate project as joint venture (JV) for construction of residential complexes in Chembur, Mumbai. Pursuant to an agreement (including modification and Memorandum of Understanding)(the agreement) entered into in this respect, the company will be entitled to 54% of the profits and surplus of the said JV. In respect of the residential complexes, it will be entitled to obtain minimum of 50000 sq ft of constructed area against the investment made in AOP. The company will also be entitled to the additional area based on actual measurement in case of delay in completion of the project, as per terms and conditions specified in the agreement.
- G. The Company has entered into a Memorandum of Understanding (MOU) on 17th December 2015 with the joint venture partner to sell 10795 sq ft out of the Company's entitlement of constructed area as stated above. As per the Memorandum of Understanding (MOU) on 17th December 2015 the company's entitlement is limited to above mentioned built up area only and no other economic benefits and hence not construed as Joint Venture. Income arising out of the sale of such share is disclosed as extra ordinary item.
- H. The affairs of Satellier Holding Inc, USA, one of the associate of the company was dissolved and certificate of dissolution had been issued by the appropriate authority. There being no likelihood of any amount being recoverable towards investment in equity and as such full provision against Investment of Rs. 48750 in the said company had been done in the year 2013-14. There is no change in the status thereof in this year.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The financial statements have been prepared under the historical cost convention except certain fixed assets which have been revalued, in accordance with the generally accepted accounting principles in India and the provisions of Companies Act, 2013 and Accounting Standards specified under Section 133 of Companies Act 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014. These accounts have been prepared on the accounting principles of going concern and accrual basis have been followed. All expenses and income to the extent considered payable & receivable respectively unless stated to be otherwise, are accounted for on mercantile basis. Accounting policies unless specifically stated to be otherwise, are consistent and in consonance with generally accepted accounting principles.

2.2 Use of estimates

The preparation of financial statements require the management to make estimates and assumption that affect the reported amount of assets and liabilities and disclosures relating to contingent liabilities and assets as at the Balance Sheet date and the reported amounts of income and expenses during the year. Difference between the actual results and the estimates are recognised in the year in which the results are known/materialised. Contingencies are recorded when it is probable that a liability will be incurred and the amount can reasonably be estimated.

2.3 Fixed assets & Depreciation

Tangible fixed assets

Fixed assets other than freehold land and buildings, are stated at historical cost less accumulated depreciation and impairment loss if any. Historical cost comprises the purchase price (net of cenvat / duty credits wherever applicable) and all direct costs attributable to bringing the asset to its working condition for intended use. Freehold land and buildings were revalued on June 30, 1985 and are stated at their revalued value.

Intangible fixed assets

Capital expenditure on purchase and development of identifiable non-monetary assets without physical substance is recognized as intangible assets in accordance with principles given under AS-26 – Intangible assets. These are grouped and separately shown under the schedule of fixed assets. These are amortized over their respective expected useful lives.

2.4 Depreciation / amortisation

Tangible fixed assets

Depreciation on fixed assets is provided on the basis of useful life of assets at the rates prescribed in Schedule II to the Companies Act, 2013. All assets costing ₹ 5,000 or below are fully depreciated in the year of addition.

On amount added on revaluation, difference between depreciation for the year based on revalued amount of the fixed assets and depreciation based on its original cost is transferred to General Reserve.

Intangible fixed assets

Intangible assets- Computer software are amortized over a period over the period of 3 to 5 years on a straight-line basis & Technical knowhow are amortised over the period of three years on straight line basis.

2.5 Impairment

Fixed assets are reviewed at each balance sheet date for impairment. In case events and circumstances indicate any impairment, recoverable amount of the fixed assets is determined. An impairment loss is recognised, whenever the carrying amount of assets either belonging to Cash Generating Unit (CGU) or otherwise exceeds recoverable amount. The recoverable amount is greater of assets' net selling price or its value in use. In assessing value in use, the estimated future cash flows from the use of assets are discounted to their present value at appropriate rate. An impairment loss is reversed if there has

been change in the recoverable amount and such loss either no longer exists or has decreased. Impairment loss/reversal thereof, which in case of CGU, are allocated to its assets on a pro-rata basis, is adjusted to carrying value of the respective assets.

2.6 Borrowing cost

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

2.7 Investments

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and fair value. Long-term investments are carried at cost individually. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments in case of long term investments.

2.8 Inventories

Inventories are stated at the lower of cost and net realisable value. Material costs are determined on a first-in, first-out basis. Cost of manufactured goods represents the cost of material, labour and appropriate portion of manufacturing overheads.

2.9 Revenue recognition

- (a) Sale of Equipment's and spares are recognised on dispatch of goods / raising of invoices to customers and are net of excise duty, sales-tax, trade discounts and returns. Service income is recognised upon rendering the services.
- (b) "Income for engineering consultancy and project management services is recorded in the books on the basis of issuance of invoices as per agreed terms with the customer and generally on the basis of confirmation of the work done by the customer. When there is uncertainty as to the measurement of work being done or ultimate collectability, revenue recognition is postponed till resolution thereof." "Revenue for construction job and services is account for on completion of the work as per agreed terms. "
- (c) Interest income is recognized on time basis and is determined by the amount outstanding and rate applicable.
- (d) Dividend income is recognized as and when right to receive payment is established.
- (e) Rental income / lease rentals are recognized on accrual basis in accordance with the terms of agreements.
- (f) 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.

2.10 Product warranty cost

Product warranty costs are accrued in the year of sale for the drill equipment, based on past experience.

2.11 Foreign exchange transactions

Transactions in foreign currencies are accounted for at the exchange rate prevailing on the date of transaction. Foreign currency monetary assets and liabilities at the year end are transacted at the year end exchange rates. Non-monetary items other than fixed assets, which are carried in terms of historical cost denominated in foreign currency, are reported using the exchange rate at the date of transaction. The loss or gain thereon and also on the exchange differences on settlement of the foreign currency transactions during the year are recognized as income or expenses and are adjusted to the profit and loss account under the respective heads of account.

In respect of the overseas branch, all transactions are translated using the average rates. Branch monetary assets and liabilities are restated at the year end rates. Differences arising therefrom are considered as expenses or income as the case may be.

In case of foreign subsidiary and joint Venture, revenue items are consolidated at the appropriate average rate prevailing during the year. All assets and liabilities are converted at rates prevailing at the end of the year. Any exchange difference arising on consolidated is recognised in the foreign currency translation reserve.

2.12 Employee benefits

(a) Short-term employee benefits

The employee benefits payable only within 12 months of rendering the services are classified as short-term employee benefits. Benefits such as salaries, leave travel allowance, short-term compensated absences, etc., and the expected cost of bonus are recognized in the period in which the employee renders the related services.

(b) Post employment benefits

Defined contribution plan : The Company has contributed to state governed Provident Fund Scheme, and Employee Pension Scheme which are Defined Contribution Plans. Contribution paid or payable under the Schemes is recognized during the period in which employee renders the related service.

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

(c) Other long-term employee benefits

Benefits under the Company's leave encashment constitute other long term employee benefits, recognised as an expense in the statement of profit and loss for the period in which the employee has rendered services. Estimated liability on account of these benefits is actuarially determined based on the projected unit credit method using the yield on government bonds, as on the date of the balance sheet, as the discounting rate. Actuarial gains and losses are charged to the Statement of profit and loss.

2.13 Taxation

"Income tax expense comprises current tax, deferred tax charge or credit. Current tax provision is made based on the tax liability computed after considering tax allowances and exemptions under of the Income tax Act, 1961. "The deferred tax charge or credit and the corresponding deferred tax liability and assets are recognised using the tax rates that have been enacted or substantively enacted on the balance sheet date. Deferred tax assets are recognised only to the extent where there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carried forward business loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty of realisation of such assets. Deferred tax assets are reviewed at each balance sheet date to reassess their realisability. "Deferred tax consequences of timing differences that originate in the tax holiday period and reverse after the tax holiday period are recognised in the period in which the timing differences originate."

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

2.15 Provisions and contingent liabilities

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are disclosed by way of notes to accounts. Contingent assets are neither recognised nor disclosed in the financial statements.

2.16 Cash and cash equivalents

Cash and cash equivalents include cash in hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less.

2.17 Segment reporting

(a) Identification of segments:

The company's operating business are organized and managed separately according to the nature of products manufactured and services provided , with each segment representing a strategic business unit that offers different products.

(b) Allocation of common costs:

Common allocable costs are allocated to each segment on reasonable basis.

(c) Unallocated Items:

Unallocable assets & liabilities represent the assets & liabilities not allocable to any segment as identified as per the Accounting Standard.

(d) Segment Policies:

The company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the company as a whole.

2.18 Leases

Where the company is the lessee

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

Where the company is the lessor

Assets subject to operating leases are included in fixed assets. Lease income is recognised in the statement of profit and loss on a straight-line basis over the lease term. Costs, including depreciation are recognised as an expense in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognised immediately in the statement of profit and loss.

2.19 Research and Development Expenditure

1. Capital expenditure incurred is either included in fixed assets or capital work in progress as the case may be. Expenditure forming part of fixed assets is depreciated at the respective applicable rates. Amounts appearing in work in progress are transferred to specific assets when they are available for use.
2. All capital expenditure which are revenue in nature is charged off to the statement of profit and loss under respective heads of accounts to which it pertains.

3) SHARE CAPITAL

	As at 31st March 2016		As at 31st March 2015	
	Number	Amount ₹ 000's	Number	Amount ₹ 000's
AUTHORISED SHARES :				
Equity shares of ₹ 10/- each	3,500,000	35,000	3,500,000	35,000
	<u>3,500,000</u>	<u>35,000</u>	<u>3,500,000</u>	<u>35,000</u>
Issued, subscribed and fully paid up shares				
Equity shares of ₹ 10/- each	3,066,943	30,669	3,066,943	30,669
	<u>3,066,943</u>	<u>30,669</u>	<u>3,066,943</u>	<u>30,669</u>

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity Shares				
At the beginning of the year	3,066,943	30,669	3,066,943	30,669
Add : Issued during the year	—	—	—	—
Outstanding at the end of the year	<u>3,066,943</u>	<u>30,669</u>	<u>3,066,943</u>	<u>30,669</u>

b. Rights, preferences and restrictions attached to equity shares

The Company has only one type of equity share having par value of ₹ 10/- each per share. All shares rank pari passu with respect to dividend, voting rights and other terms. Each shareholder is entitled to one vote per share except, in respect of any shares on which any calls or other sums payable have not been paid.

The Company pays and declares dividends in Indian Rupees. Whenever dividend is proposed by the Board of Directors, the same is subject to approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend, if any.

The repayment of equity share capital in the event of liquidation and buy back of shares are possible subject to prevalent regulations. In the event of liquidation, normally the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

c. Particulars of shareholders holding more than 5% shares of a class of shares

	Number	% Holding	Number	%Holding
Equity shares of ₹ 10 each fully paid				
Avalokiteshvar Valinv Ltd (AVL)	—	—	1,428,860	46.59%
Renaissance Advanced consultancy Limited	1,768,953	57.68%	-	-
Renaissance Stock Ltd (Wholly owned subsidiary of AVL)	457,000	14.90%	457,000	14.90%
Renaissance Asset Management Company P. Ltd (Associate of AVL)	—	—	340,093	11.09%

d. During the financial year ended on 31st March 2016 shares held by Renaissance Assets Management Company & Avalokiteshvar Valinv limited is transferred to the Renaissance Advanced Consultancy Limited.

e. Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date : Nil

	As at 31st March 2016 ₹ 000's	As at 31st March 2015 ₹ 000's
4) RESERVES AND SURPLUS		
a. Capital reserve	149	149
b. Capital redemption reserve	3,111	3,111
c. Revaluation reserve		
Opening balance	266	1,442
Less: Transfer to General Reserve on account of depreciation difference with respect to revalued amount of original cost of fixed assets. (Note-10(a))	(1)	(1,176)
Closing balance	<u>265</u>	<u>266</u>

	As at 31st March, 2016 ₹ 000's	As at 31st March, 2015 ₹ 000's
d. Consolidation Adjustment Reserve	16,561	16,561
e. Foreign Currency Translation Reserve (FCTR) (including share of Joint Venture - ₹ Nil (Previous Year ₹ (29,70,466))	16,697	13,375
f. Legal/Statutory Reserve		
Balance at the beginning of the year	6,926	7,730
Add/(Less): Transferred from/to Statement of Profit & Loss	-	(804)
Balance at the end of the year (including share of Joint Venture - ₹ 8,03,684, Previous Year ₹ 8,03,684)	6,926	6,926
g. General reserve		
Opening Balance	551,323	552,505
Add : Transfer from revaluation reserve on account of depreciation difference with respect to on revalued amount and original cost of fixed assets.	1	1,176
Less: Adjustment on account of remaining useful life in terms of schedule II of Companies Act, 2013 (net of deferred tax of ₹ 567)	-	(2,358)
Closing balance	551,324	551,323
h. Surplus in statement of profit and loss		
Opening balance	595,823	567,692
Add: Net profit/(loss) for the year	272,490	28,241
Less :- Profit of Panchtatva Reality in Opening Balance	(81)	-
Add: Adjustments on consolidation	-	6,191
Less: Transfer from legal/ statutory reserve	-	804
Less: adjustments of subsidiary in terms of schedule II of Companies Act, 2013 (Net of deferred tax ₹ 3412)	-	(7,105)
Closing balance	868,233	595,823
Add: Adjustment on account of Elimination of Joint Venture	8,380	-
	1,471,647	1,187,534

- a) Details of deductions against the balances of surplus in earlier years of the Company's subsidiary at Muscat to the extent of ₹ 61,91,350 had so far been reconciled during the financial year 2014-15. Surplus balances to that extent had therefore been increased to that extent and corresponding adjustment of ₹ 45,74,380 in minority interest and ₹16,16,970 in bank balances had been given effect to in the financial statements for the year 2014-15. Further, consequential adjustment of ₹14,30,683 in FCTR with reduction of minority interest to that extent had also been given effect to in the financial statement for the year 2014-15. The details with respect to balance amount of deductions amounting to ₹ 89,22,277 was still under reconciliation and consequential effect in this respect will be recognised on ascertainment thereof.
- b) The subsidiary at Muscat has paid ₹1,28,34,075 out of the minority shareholders' share of profit and the same has therefore been adjusted against Minority interest. No such amount has been declared, appropriated or paid in favour of the Holding Company and as such no adjustment in this respect has been made in the financial statements of the Company.

	As at 31st March, 2016 ₹ 000's	As at 31st March, 2015 ₹ 000's
5) LONG TERM BORROWINGS (SECURED)		
Term Loan from ICICI Bank	920	1,124
Vehicle Term Loan from Bank	-	136
Term Loan from others	-	107
	920	1,367
Share of Joint Venture	-	103,086
Total long term borrowings	920	104,453

- a) Loan taken from ICICI Bank is secured/to be secured by Mortgage of flat at Sikanderabad and is repayable in equated monthly instalments (EMI) of ₹ 38,569 each (starting from August 2005 for a period of 120 months) and ₹ 29,676 each (starting from November, 2005 for a period of 176 months).
- b) Vehicle Loans are secured/to be secured by hypothecation of vehicles and are payable in EMI of ₹ 12467 (starting from April 2014 for a period of 36 months), ₹ 9787 (starting from July 2014 for a period of 36 months and ₹ 11637 (starting from April 2013 for a period of 35 months).

	As at 31st March, 2016 ₹ 000's	As at 31st March, 2015 ₹ 000's
6) LONG TERM PROVISIONS		
Provision for employees benefits		
Provision for gratuity	35,828	30,899
Provision for leave encashment & sick leave	11,369	7,317
	<u>47,197</u>	<u>38,216</u>
Share of Joint Venture	-	2,718
	<u>47,197</u>	<u>40,934</u>

7) SHORT TERM BORROWINGS		
Secured		
Working capital borrowing from banks (repayable on demand)	521,571	545,383
Total secured borrowings	<u>521,571</u>	<u>545,383</u>
Unsecured		
Loan from related parties	239,626	-
Loan from body corporate	40,000	-
	<u>279,626</u>	<u>-</u>
Share of joint venture	-	810
Total unsecured borrowings	<u>279,626</u>	<u>810</u>
Total short term borrowings	<u>801,197</u>	<u>546,193</u>

- a. The Company has availed cash credit facility from consortium of banks. The details of securities are as follows:

Primary

First pari-passu charge on entire current assets of the company.

Collateral

Second charge on fixed assets of the company.

- b. Loan from related party consist of inter corporate deposits from Renaissance Advanced Consulatncy Limited. The rate of interest is 12.5% p.a. in respect of loans outstanding as at 31 March 2016. Interest is payable monthly or at the time of repayment of respective loan depending upon the maturity of loans.

8) TRADE PAYABLES

Due to micro and small enterprises	10,474	15,179
Dues of other than Micro, Small and Medium Enterprises	216,722	127,496
Acceptances	-	21,429
	<u>227,196</u>	<u>164,104</u>
Share of Joint Venture	-	11,144
	<u>227,196</u>	<u>175,248</u>

- a) Acceptance represents outstanding vendors' bills discounted from the bank.
- b) Disclosure of Trade payables under current liabilities is based on the information available with the company regarding the status of the suppliers as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" (the Act). There are no delays in payment made to such suppliers and there is no overdue amount outstanding as at the balance sheet date.

c) Based on the above the relevant disclosures under section 22 of the Act are as follows:

	2015-16	2014-15
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	10,474	15,179

As at
31st March, 2016
₹ 000's

As at
31st March, 2015
₹ 000's

The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year

— —

The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.

— —

The amount of interest accrued and remaining unpaid at the end of each accounting year; and

— —

The amount of further interest remaining due and payable even in the succeeding years,- until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006

— —

9) OTHER CURRENT LIABILITIES

Current maturities of long term debt

ICICI Bank Loan

209 299

Vechile Loan

243 330

Unclaimed Dividend *

— 7

Amount due to related party

— 11,868

Advances from customers and clients

18,752 1,571

Advance against sale of entitlement

— 100,000

Employee related dues

83,422 27,996

Statutory liabilities

18,832 33,025

Security deposit from stockist & other

3,480 3,000

Other Payable

44,252 46,291

169,190 224,387

Share of joint venture

— 163,879

169,190 388,266

*During the year company has deposit the amount of unclaimed dividend in investor education and protection fund.

10) SHORT TERM PROVISIONS

Provision for privilege leave encashment and sick leave

2,342 2,451

Provision for bonus

— 6,678

Provision for gratuity

6,520 4,888

Provision for income tax

5,998 4,611

Provision for contingencies

12,400 —

Provision for Warranties claims

9,863 5,739

37,123 24,367

Share of joint venture

— 1,227

37,123 25,594

a. Disclosure as required in terms of Accounting Standard -29 "Provisions, contingent liabilities and contingent assets".

Opening Balance

5,739 10,615

Provided during the year

15,854 3,590

Utilization during the year

(11,730) (8,466)

Closing balance

9,863 5,739

Timing of outflow /uncertainties

Outflow of expenses incurred /crystallisation of dues depends upon claim to be made by customers & others

b. Provision for contingency include Rs 12,400,000 regarding claim made by a client which is under dispute.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2015

11. Fixed assets

(i) Tangible assets

i) Tangible assets													
Description of Asset	Opening Block			Depreciation			Net Block						
	Cost as on 01-04-2015	Addition During the year	Sales/ Adjustment during year	Total	FCTR (%)	Cost as on 31-03-2016	As on 1.4.2015	Addition During the year	Sales/ Adjustment during year	Total	FCTR (%)	As on 31.3.2016	As on 31.3.2016
Tangible Assets													
Leasehold land	70,512	-	-	70,512	-	70,512	5,497	-	-	5,497	-	5,497	65,015
Freehold land	941	-	-	941	-	941	-	-	-	-	-	-	941
Buildings	130,777	7	-	130,784	-	130,784	39,007	1,174	39	40,142	-	40,142	91,770
Plant & Machinery	71,175	54	1	71,227	-	71,227	49,140	2,310	-	51,450	-	51,450	22,035
Production tooling	13,820	-	-	13,820	-	13,820	13,631	15	-	13,646	-	13,646	189
Electrical Installation	996	-	-	996	-	996	976	16	-	992	-	992	4
Data Processing Equipments	73,014	2,897	1,802	74,109	49	74,158	67,631	2,159	1,962	67,827	-	67,827	5,383
Office Equipments	37,779	489	254	38,014	1,373	39,387	33,281	5,144	490	37,935	295	38,231	4,497
General Furniture & Fittings	26,947	2,670	276	29,340	163	29,503	22,015	2,544	303	24,256	133	24,389	4,932
Vehicles	47,438	7,836	2,747	52,527	1,717	54,244	38,938	6,430	2,501	42,867	2,319	45,186	8,501
Lease Hold Improvements	2,646	-	-	2,646	-	2,646	2,318	-	-	2,318	-	2,318	329
Share of joint venture	-	-	-	-	-	-	-	-	-	-	-	-	141,428
Total	476,044	13,953	5,080	484,916	3,302	488,219	272,433	19,793	5,296	286,930	2,747	289,678	345,039

(*) 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.

(a) During the previous year depreciation has been provided based on the useful life of the assets as per Schedule II of the Companies Act, 2013. Consequently, depreciation charge for the previous year is higher by ₹ 43,51,874. In respect of the fixed assets, where remaining useful life as per the said Schedule has expired as on 1st April 2014, the carrying value after retaining residual value there of has fully been depreciated and of ₹ 92,28,824 (net of deferred tax of ₹ 44,32,376 thereagainst) has been adjusted against retained earning in previous year.

(b) The Company had revalued its freehold land and buildings on June 30, 1985. The net amount added to the cost of fixed assets on such revaluation was ₹ 4,239, under the following asset heads.

Freehold land	265
Buildings	3,974
	<u>4,239</u>

(c) During the year depreciation has been provided based on the useful life of the assets as per Schedule II of the Companies Act, 2013. Consequently, depreciation for the year in the profit and loss account is higher by ₹ Nil (Previous year ₹ 2,651). In respect of the fixed assets, where remaining useful life as per the said Schedule have expired as on 1st April 2014, the carrying values there of have fully been depreciated and ₹ Nil (Previous year ₹ 2358) (net of deferred tax of ₹ Nil (Previous year ₹ 567) there against) has been adjusted against general reserve of the company. Corresponding amount of revaluation reserve amounting to Rs. 1 (Previous Year ₹ 1176) has been transferred therefrom to the general reserve.

(d) Fixed assets Includes following assets pertaining to Construction Equipment Division (CED) held for disposal (Note 32(a)), which have been carried at net book value as on 31st March 2016: Land and Building ₹ 138707 (P.Y. ₹ 138707), Plant & Machinery Rs 13069 (P.Y. ₹ 14684), Production Tooling ₹ 117 (P.Y. ₹ 117), Data Processing Equipment ₹ 702 (P.Y. Rs. 702), Office equipment ₹ 419 (2015: ₹ 419), Furniture & Fittings Rs 125 (2015: 125) and Vehicles ₹ Nil (2015: ₹ 175) - Aggregating to ₹ 153,139 (2015: ₹ 154,929)

As at
31st March, 2016
₹ 000's

As at
31st March, 2015
₹ 000's

12) NON CURRENT INVESTMENTS

Investment in Equity Instruments

Non Trade unquoted

Associates

Preferred Stock in Satellier Holdings Inc., USA	48,750	48,750
88,96,797 (P.Y. - 88,96,797) Shares		

Less :- Provision for diminution in value (note 46)	(48,750)	(48,750)
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Investments in Joint Venture

Capital contribution in Panch Tatva Realty	166,265	-
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Share in Other Bodies Corporate

128 (previous year 128) Paid-Up Equity Shares of ₹ 25/- each fully paid up in Shamrao Vittal Co-op. Bank Ltd. (Non Quoted)	3	3
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74,050 (previous year 74,050) Paid up Equity shares of ₹ 10/- each fully paid up in AEC Infotech Pvt. Ltd. (Non Quoted)	666	666
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Non Trade quoted

Share in Other Bodies Corporate

3,600 Fully Paid up Equity Shares of ₹ 10/- each in Lakeland Hotels Ltd. (Quoted)	36	36
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	<u>166,971</u>	<u>706</u>
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Aggregate amount of Quoted Investments	36,000	36,000
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Market Value of Quoted Investments	35,640	46,188
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Aggregate amount of Unquoted Investments	2,504,088	2,504,088
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- e. The company along with Tridhaatu Realty Infra Private Ltd (Tridhaatu) formed as Association of Persons (AOP) namely Panch Tatva Realty for constructing a real estate complexes in Chembur, Mumbai and made an investment of ₹ 2,00,000 in the AOP. Out of its entitlement of 64,000 square feet, the company sold 10,795 square feet to the AOP member- Tridhaatu vide deed of modification dated 17th December 2015. The company's entitlement is limited to above mentioned built up area only and no other economic benefits and hence not construed as Joint Venture. Income arising out of the sale of such share is disclosed as exceptional item.

13) DEFERRED TAX ASSETS (NET)

Deferred tax liabilities

Related to fixed assets	3,887	(83)
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Payment of gratuity	485	1,436
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Total deferred tax liabilities	<u>4,372</u>	<u>1,353</u>
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Deferred tax asset

Expenses Allowable On Payment Basis	(14,267)	(12,913)
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Provision for leave encashment & sick leave	(3,645)	(3,047)
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Provision for doubtful debts	(6,352)	(5,271)
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Total deferred tax asset	<u>(24,264)</u>	<u>(21,231)</u>
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Net deferred tax (assets) / liability	<u>(19,892)</u>	<u>(19,878)</u>
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14) LONG TERM LOANS AND ADVANCES

Unsecured -considered good

Security deposits	16,700	20,196
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MAT credit entitlement	44,165	13,573
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Advance Payment of Tax (net of provision)	73,714	73,090
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Loan to employees	-	483
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Loan to others	-	25,000
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	<u>134,579</u>	<u>132,342</u>
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Share of joint venture	-	109
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	<u>134,579</u>	<u>132,451</u>
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- a. The Company is liable to pay Minimum Alternate Tax (MAT) under Section 115JB of the Income Tax Act, 1961 (the Act) during current year and earlier years. Accordingly, as advised in guidance note on "Accounting for credit available in respect of minimum alternate tax under the Income Tax Act, 1961" issued by the Institute of Chartered Accountants of India, ₹ 30,594 thousand (Previous Year ₹ 13,573 thousand) being the credit available have been carried forward as MAT credit Entitlement to be set off against the future tax liabilities in terms of the relevant provisions of the Act. In view of the Management, the Company's taxable profit in future will be sufficient to offset the entitlement so recognized in the accounts.

	As at 31st March, 2016 ₹ 000's	As at 31st March, 2015 ₹ 000's
15) OTHER NON CURRENT ASSETS		
Deposits with Banks	57,417	9,208
(Lien in the favour of guarantees given to customers)		
Margin money with bank (refer note 19(a)) (including accrued interest)	25,098	37,450
	<u>82,515</u>	<u>46,658</u>

16) CURRENT INVESTMENTS

(At cost or Fair Value, whichever is less)

In Equity Instruments :

Others (Quoted)

Nil, (95) Fully paid up equity shares of ₹ 10 each in Clariant Chemicals (India) Ltd	—	77
Nil, (2160) fully paid up equity shares of ₹ 10 each in Coal India Ltd	—	784
Nil, (76) fully paid up equity shares of ₹ 10 each in D I C India Ltd	—	26
Nil, (1738) fully paid up equity shares of ₹ 10 each in Essar Oil Ltd	—	190
Nil, (616) fully paid up equity shares of ₹ 10 each in EssarPorts Ltd.	—	76
Nil, (4697) fully paid up equity shares of ₹ 10 each in Essar Shipping Ltd.	—	103
Nil, (15793) fully paid up equity shares of ₹ 10 each in Mangalore Chemicals & Fertilizers Ltd	—	1,396
Nil, (390) fully paid up equity shares of ₹ 10 each in Manjushree Technopack Ltd	—	174
Nil, (3102) fully paid up equity shares of ₹ 10 each in Nirlon Ltd	—	610
Nil, (52) fully paid up equity shares of ₹ 5 each in Oracle Financial Services Software Ltd	—	170
Nil, (64) fully paid up equity shares of ₹ 10 each in Panasonic Appliances India Co. Ltd	—	24
Nil, (7165) fully paid up equity shares of ₹ 10 each in Pipavav Defence & Offshore Engg. Co. Ltd	—	410
Nil, (1241) fully paid up equity shares of ₹ 5 each in Polaris Consulting & Services Ltd	—	205
Nil, (654) fully paid up equity shares of ₹ 2 each in Shasun Pharmaceuticals Ltd	—	244
Nil, (2293) fully paidup equity share of ₹ 3 each in Spice Mobility Ltd	—	61

In mutual funds :

(Unquoted)

541.781 units in Units of IDFC Cash Fund -Direct Plan -Growth	20,000	912
522,879.53 units in HDFC Liquid Fund - Growth	—	13,656
	<u>20,000</u>	<u>19,116</u>

Investments shown under equity instruments and made in Cash fund are made through portfolio manager and has been accounted for as per the balance confirmation received therefrom.

17) INVENTORIES

Valued at lower of cost and net realizable value

Raw materials #	108,126	168,095
Work-in-progress	68,443	122,461
Merchanting goods	44,453	63,800
	<u>221,022</u>	<u>354,356</u>
Share of joint venture	—	231,742
	<u>221,022</u>	<u>586,098</u>

Includes Raw materials in transit ₹ 17,968 (Previous year ₹ 21,256)

	As at 31st March, 2016 ₹ 000's	As at 31st March, 2015 ₹ 000's
18) TRADE RECEIVABLES		
Unsecured		
Outstanding for a period exceeding six months from the due date for payment		
Considered good	373,540	210,354
Doubtful	18,352	25,149
Others (Considered good)	923,990	485,352
Less : Allowance for bad and doubtful debts	(18,352)	(33,035)
	<u>1,297,530</u>	<u>687,820</u>
Share of joint venture	–	12,784
	<u>1,297,530</u>	<u>700,604</u>
a. Amount receivable from customers is considered due on raising of Invoice.		
b. Debts due by a limited liability company in which a director is a member	<u>3,251</u>	<u>2,836</u>
19) CASH & BANK BALANCES		
Cash & cash equivalent		
Cash on hand	1,594	816
Deposit with bank with less than or equal to three months maturity	300	300
Balances with banks -in Current Accounts	145,643	95,781
Other bank balances		
- Unclaimed dividend account (restricted)	11	11
- Deposit Account	15,747	–
- in Deposit Accounts with maturity of less than 12 months (Under Lien)	2,750	4,905
- in Deposit Accounts with maturity of more than 12 months (Under Lien)	8,500	562
- Margin money (refer note 19(a)) (Including accrued interest)	44,874	18,423
	<u>219,420</u>	<u>120,798</u>
Share of Joint Venture	–	1,826
	<u>219,420</u>	<u>122,624</u>
a. Margin money deposit is under lien with banks against bank guarantee and letter of credit.		
20) SHORT TERM LOANS AND ADVANCES		
Advance to suppliers	9,436	45,222
Balance with excise & sales tax authorities	6,838	8,628
Security deposits	5,971	2,447
Prepaid expenses	13,973	18,683
Gratuity prepayment	1,400	4,425
Loans & advances to related parties	48,098	11,226
Loans & advances to employees	3,866	3,842
Capital Advance	284	–
Other advances	8,275	62,930
Loan to Others	25,000	25,000
	<u>123,141</u>	<u>182,403</u>
Share of joint venture	–	14,973
	<u>123,141</u>	<u>197,376</u>
a. Loan has been given to Vasundhara International, a sole proprietary concern on 1st October, 2014 for general corporate purposes for a period of two years at interest of 14% per annum. The same is repayable annually in two equal installments.		
b. Assignment of life insurance policy of ₹ 6,500 of the proprietor in favor of the Company is in process.		
c. Details of loan and advances given to related parties for general business purposes.	Amount as on 31st March, 2016	Amount as on 31st March, 2015
Holding Company (Interest Bearing)	80,000	133,801
Semac Qatar W.L.L (Interest free) (Joint Venture Company)	19,920	19,453
(A limited liability company in which a director is a member)		

	As at 31st March, 2016 ₹ 000's	As at 31st March, 2015 ₹ 000's
21) OTHER CURRENT ASSETS		
Unsecured -considered good		
Interest receivable on housing loan to employees	492	577
Accrued income	357	93
Interest accrued on deposits with banks	3,748	61
Interest receivable on margin money deposits with banks	—	1,560
Unbilled revenue	33,884	—
	<u>38,481</u>	<u>2,291</u>
Share of joint venture	—	27,663
	<u>38,481</u>	<u>29,954</u>
	For the Year ended 31st March, 2016 000's	For the Year ended 31st March, 2015 000's
22) REVENUE FROM OPERATIONS		
Sale of product	1,488,797	863,052
Less : Excise duty	(110,634)	(37,170)
	<u>1,378,163</u>	<u>825,882</u>
Sale of services/ Engineering Consultancy and Project Management Charges	841,455	807,632
Work Contract Services	334,527	4,616
Less: Service tax	(101,961)	(54,238)
	<u>1,074,020</u>	<u>758,010</u>
Other Operating Revenue	2,481	4,604
	<u>2,454,664</u>	<u>1,588,496</u>
Share of joint venture	—	42,724
	<u>2,454,664</u>	<u>1,631,220</u>
23) OTHER INCOME		
Interest income on fixed deposits and others	9,331	18,297
Interest on loans and advances	8,550	3,890
Interest income on income tax refund	4,393	9,364
Provision/liabilities no longer required written back	3,591	6,122
Profit/(loss) on sale of fixed assets-net	848	664
Miscellaneous Income	271	3,803
Bad Debts Recovered	9	157
Tender document charges received	4,546	4,580
Profit on sale/redeemption of current Investments	—	8,640
Lease rental income	475	—
Exchange difference (net)	4,247	320
	<u>36,262</u>	<u>55,837</u>
Share of joint venture	—	268
	<u>36,262</u>	<u>56,105</u>

	For the Year ended 31st March, 2016 ₹ 000's	For the Year ended 31st March, 2015 ₹ 000's
24) COST OF MATERIAL CONSUMED		
Under Carriage assemblies	25,375	8,630
Compressors and accessories	26,147	20,727
Electrical components	76,578	51,052
Hydraulic components	273,021	48,862
Pipes and valves	43,551	21,012
Gear/chain assemblies	61,526	24,928
Others	96,153	101,704
	<u>602,351</u>	<u>276,915</u>
% of Imported / Indigenous Raw Material		
Imported (value)	312,960	71,850
(%)	51.96%	25.95%
Indigenous (value)	289,391	205,065
(%)	48.04%	74.05%
Stores & Spares		
Indigenous (value)	3,634	2,408
(%)	100%	100%
25a) COST OF SERVICE		
Works Contract Expenses	235,447	5,030
Purchase of Materials	1,047	—
	<u>236,494</u>	<u>5,030</u>
25b) COST OF CONSTRUCTION		
Share of joint venture		
Opening balance of project in Progress	—	252,756
Add: Expenditure during the year	—	70,287
	—	<u>323,043</u>
Less: Closing balance of project in Progress	—	231,742
Cost of construction charges to statement of profit and loss	<u>—</u>	<u>91,301</u>
26) CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK IN TRADE		
Closing Stock		
Work in progress	68,443	122,461
Merchanting goods	44,453	63,800
Opening Stock		
Work in progress	122,461	99,455
Merchanting goods	63,800	97,346
Net decrease in the inventory	<u>73,365</u>	<u>10,540</u>
27) EMPLOYEE BENEFIT EXPENSE		
Salaries & wages	542,734	457,351
Contribution to Provident and other Funds	32,665	20,197
Site expenses and allowances	5,912	—
Employees welfare expenses & Other Benefits	13,983	14,993
	<u>595,294</u>	<u>492,541</u>
Share of joint venture	—	29,340
	<u>595,294</u>	<u>521,881</u>

	For the Year ended 31st March, 2016 ₹ 000's	For the Year ended 31st March, 2015 ₹ 000's
28) FINANCE COSTS		
Interest expense	84,489	96,286
Interest paid on delay in payment of statutory dues	3,497	
Other borrowing costs	4,944	4,918
	<u>92,930</u>	<u>101,204</u>
Share of joint venture	–	24,390
Less: Transferred to project in progress	–	(24,385)
	<u>92,930</u>	<u>101,209</u>
29) OTHER EXPENSES		
Consumption of stores and spare parts	3,633	2,408
Power & fuel	10,507	9,689
Repairs to buildings	3,636	7,493
Repairs to machinery	334	78
Repairs to others	11,883	10,154
Rent	27,986	23,043
Insurance	14,749	7,306
Rates & taxes	13,978	7,076
Travelling expenses	63,718	52,798
Freight, clearing and packing	10,031	7,095
Legal and professional charges	10,218	8,337
Printing and stationery	5,447	5,924
Postage & Telephone	6,562	6,969
Provision for bad debts	5,655	4,622
Directors' sitting fees	1,360	1,360
Directors' Commission	1,400	–
Selling commission	55,475	67,499
Vehicle maintenance	6,854	7,172
Bad debts and advances written off	44,759	25,983
Corporate social responsibility	2,130	943
Training & Seminar	9,513	11,000
Provision for Diminution (Joint Venture)	1,172	–
Loss on sale of fixed assets	–	1,425
Bank Charges	8,767	6,244
Service Charges	9,370	6,010
Liquidated Damages	8,619	–
Site expenses and allowances	–	4,159
Foreign Exchange difference	1,011	314
Miscellaneous expenses	31,281	30,356
	<u>370,048</u>	<u>315,457</u>
Share of Profit	–	5,522
	<u>370,048</u>	<u>320,979</u>

- a. Corporate Social Responsibility (CSR) expenditure represents Donation made towards "Promotion & Improvement of standard of Education", activity covered under Corporate Social Responsibility under Section 135 of the Companies Act 2013 & covered under Rule 7 of the CSR Rules. The donation was given to International Foundation for Research and Education (Sponsor body of Ashoka University), a "Not-for-Profit" company incorporated under the provisions of Section 25 of erstwhile Companies Act 1956 & the company is engaged in promotion & improvement of standard of education in India & is eligible under Rule 4(2) of Companies (Corporate Social Responsibility Policy) Rules 2014 ("the CSR Rules") to receive CSR Contributions from companies.

	For the Year ended 31st March, 2016 ₹ 000's	For the Year ended 31st March, 2015 ₹ 000's
30) EXCEPTIONAL ITEMS		
Profit on sale of share in Joint venture	136,266	—
Loss/provision against unuseable and surplus inventory	(42,893)	(22,816)
	<u>93,373</u>	<u>(22,816)</u>
31) TAX EXPENSE		
Current tax	93,117	34,156
MAT	(28,880)	(1,097)
Deferred tax	(13)	2,153
	<u>64,224</u>	<u>35,212</u>
30) CONTINGENT LIABILITIES		
Customer claims for damages	3,678	3,678
Service Tax Matters	2,777	2,777
	<u>6,455</u>	<u>6,455</u>
33) BANK GUARANTEES		
Based on contractual agreements with customers the company has issued bank guarantees aggregating ₹ 247,771 (PY ₹ 102,816). The management believes that none of the bank guarantees will be cashed by any of the customers.		
34) COMMITMENTS		
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	—	—
(b) Estimated amount of contracts remaining to be executed on other than capital account and not provided for (net of advances)	—	—
35) The subsidiary has taken office premises on operating lease and rent amounting to ₹ 17,406 (Previous Year ₹ 15,335) and the same has been debited to Profit and Loss Account. The future minimum lease and rent payments are as under:		
Particulars	2015-16	2014-15
Not later than one year	17,257	14,429
Later than one year and not later than five years	70,108	69,348
Later than five years	—	—
The above compilation does not include the charge on account of operating lease and information about minimum lease payment of the overseas branch of the Company.		
36) Value of imports calculated on C.I.F basis		
Raw materials & components	263,754	93,924
Spares	7,846	32,413
	<u>271,600</u>	<u>126,337</u>
37) Expenditure in foreign currency (accrual basis)		
Commission, consultancy, travelling and others	8,410	699
	<u>8,410</u>	<u>699</u>
38) Earnings in foreign currency		
Export of goods calculated on FOB basis	5,130	4,982
	<u>5,130</u>	<u>4,982</u>
39) Payment to auditors		
Statutory auditor	1,075	715
Other services	470	475
Reimbursement of expenses	375	510
	<u>1,920</u>	<u>1,700</u>
Branch auditor for overseas branch and audit fee for subsidiary	264	461

For the Year
ended
31st March, 2016
₹ 000's

For the Year
ended
31st March, 2015
₹ 000's

40) Earning per share

Net loss attributable to equity shareholders for calculation of basic and diluted EPS (₹)	272,490	39,158
Weighted average number of equity shares outstanding during the period for calculation of basic EPS (No.)	3,066,943	3,066,943
Weighted average number of equity shares outstanding during the period for calculation of diluted EPS (No.)	3,066,943	3,066,943
Basic EPS (₹)	88.85	12.77
Diluted EPS (₹)	88.85	12.77

41) Related party disclosures

a. Name of the related parties and relationship as per Accounting Standard 18

Relationship	Name of parties-relation exist (FY 2015-2016)	Name of parties where relation exist (FY 2014-2015)
(A) Key management personnel	Mr. Abhishek Dalmia (Executive Chairman) Mr. S. Hariharan (Whole Time Director) Mr. Sunil Puri - CEO (form 7th march 2016) Mr.M.N.Srinivasan (Company Secretary) Mr. Ramesh Pangasa Mr. Vikas Jain (Chief Financial Officer) w.e.f. 8th April 2015 Mr. Rohit Sharda (Chief Executive Officer) w.e.f. 16th February 2015	Mr. Abhishek Dalmia (Executive Chairman) Mr. S. Hariharan (Whole Time Director) Mr.M.N.Srinivasan (Company Secretary) Mr. Ramesh Pangasa
(B) Relatives of Key management personnel	Smt. V. Pangasa (Wife of Mr. Ramesh Pangasa) Mr. Nitin Pangasa (Son of Mr. Ramesh Pangasa) Mr. Chaitanya Dalmia Ms. Deepali Dalmia	Smt. V. Pangasa (Wife of Mr. Ramesh Pangasa) Mr. Nitin Pangasa (Son of Mr. Ramesh Pangasa) Mr. Chaitanya Dalmia Ms. Deepali Dalmia
(C) Joint venture	Panch Tatva Realty-AOP (Upto 17th Decemeber 2015) –	Panch Tatva Realty-AOP Semac Qatar W.L.L.
(D) Holding company	Avalokiteshvar Valinv Limited Renaissance Advanced Consultancy Ltd	Avalokiteshvar Valinv Limited
(E) Enterprise control by director of subsidiary	Renaissance Construction Technologies India LLP (RCTILLP) Hilltop Metals Limited	Renaissance Construction Technologies India LLP (RCTILLP) Hilltop Metals Limited
(F) Fellow Subsidiary company	Renaissance stocks limited	Renaissance stocks limited

For the year ended
31st March 2016
₹ 000's

For the year ended
31st March 2015
₹ 000's

b. Related party transactions

Interest income

Panch Tatva Realty	—	10,916
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Interest Paid on Inter Corporate Deposits

Renaissance Advanced Consultancy Limited	11,503	—
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Inter Corporate Deposits received

Renaissance Advanced Consultancy Limited	239,500	—
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Advance given:

Renaissance Construction Technologies India LLP (RCTILLP)	2,132	3,590
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Advance refunded:

Renaissance Construction Technologies India LLP (RCTILLP)	1,866	8,561
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Professional and project management charges:

Renaissance Construction Technologies India LLP (RCTILLP)	—	21,298
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Hilltop Metals Limited	2,040	2,139
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Repayment of Loan

Panch Tatva Realty-AOP	—	44,100
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Managerial remuneration

Mr. Abhishek Dalmia	8,134	4,540
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Mr. S. Hariharan	5,752	4,080
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Mr. Sunil Puri - CEO	358	—
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Mr.M.N.Srinivasan- Company Secretary	1,425	1,076
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Mr. Ramesh Pangasa	6,032	7,928
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Mr. Nitin Pangasa (Son of Mr. Ramesh Pangasa)	2,322	1,790
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Smt. V. Pangasa (Wife of Mr. Ramesh Pangasa)	480	432
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Mr. Vikas Jain - CFO	5,088	—
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Mr. Rohit Sharda - CEO (Semac consultants Private Limited)	9,000	1,598
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Board Sitting Fees

Ms. Deepali Dalmia	60	60
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Mr. Chaitanya Dalmia	80	80
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Commission Paid

Ms. Deepali Dalmia	500	—
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Mr. Chaitanya Dalmia	200	—
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Consultancy Income

Semac Qatar W.L.L.	—	2,250
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Expenses Paid and claimed

Semac Qatar W.L.L.	17	17
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c. Outstanding balances as at year end

Loans & Interest from related parties

Renaissance Advanced consultancy limited	239,500	—
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Renaissance Construction Technologies India LLP (RCTILLP)	—	12,737
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Remuneration payable to:

Mr. Ramesh Pangasa	—	11,868
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Commission Payable

Ms. Deepali Dalmia	500	—
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Mr. Chaitanya Dalmia	200	—
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Receivables from Joint Venture	16,668	16,615
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Trade Receivables from Joint Venture	3,251	2,836
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42) Disclosure as required under Clause 32 of listing agreement

There is no reportable amount of Loans and advances (excluding advance towards equity) in the nature of loans given to Subsidiaries, Joint Ventures and Associates.

43) Derivative instruments and unhedged foreign currency exposures

	For the year ended 31st March 2016		For the year ended 31st March 2015	
	Amount in foreign currency	₹	Amount in foreign currency	₹
(i) Derivative instruments:				
Forward contract outstanding as at balance sheet date	—	—	—	—
(ii) The year-end foreign currency exposures that have not been hedged by a derivative instrument are given below	—	—	—	—
(a) Amounts receivable in foreign currency on account of the following				
Trade receivables	US \$ 88127	5,843,670	US \$ 72834	45,58,754
(b) Amounts payable in foreign currency on account of the following				
- Import of goods and services (net of advances)	US \$ 464098	30,778,997	US \$ 124772	7,810,706
	Euro 2,80,708	21,009,925	Euro 10764	727,952
	GBP 1967	186,973	—	—

44) Construction Equipment Division

- (a) Considering the market condition of construction equipment business, last year the manufacturing facilities at Chennai were downsized and shifted both manufacturing and service resources located at Chennai to Coimbatore. Fixed assets pertaining to said division at Chennai having written down value of ₹ 153,497 as on 31st March, 2016 (Previous year ₹ 154,929) comprising of lease hold land, building, plant and machinery, office equipment etc as disclosed in note 10 are therefore meant for disposal and necessary steps in this respect are being taken. Adjustment, if any, with respect to value realisable thereagainst will be carried out as and when ascertained.
- (b) In view of above, certain inventories becoming non usable and surplus were written off and provision against remaining items against expected loss in value thereof as per the Management's estimate has been made in this year. Loss of ₹ 42,816 (previous year ₹ 22,816 arising in this respect on above have been shown under exceptional item).

45) Discontinuing Operations

The directors of the company at its meeting held on 9th June 2013 has decided to discontinue the operations of Construction Equipment Division w.e.f. 31st March 2015. The carrying amounts of assets and liabilities of discontinuing operations are as follows:

	2015-16 ₹ 000's	2014-15 ₹ 000's
Total Assets	161,452	205,019
Total Liabilities	1,830	1,745
Net Assets	159,622	203,274
The net cash flows attributable to discontinuing operations are as follows:		
Operating	(11,512)	(18,498)
Investing	—	—
Financing	—	—
Net cash inflows/(Outflows)	(11,512)	(18,498)
The amount of revenue and expenses in respect of discontinuing operations are as follows:		
Net Sales	7,654	11,080
Other Income	325	169
Total Expenses	19,491	29,747
Finance Cost	—	—
Profit before tax	(11,512)	(18,498)
Tax expenses	—	—
Profit after tax	(11,512)	(18,498)
One time expenses (Exceptional items)	42,893	22,816

45A Research and Development Expenditure (amount in 000's)

	2015-16	2014-15
Capital expenditure	—	127
Revenue Expenditure	15,914	12,159
	15,914	12,286

- 46) a.** The affairs of Satellier Holding Inc, USA, one of the associate of the company was dissolved and certificate of dissolution had been issued by the appropriate authority. There being no likelihood of any amount being recoverable towards investment in equity and as such full provision against Investment of Rs. 48,750 in the said company had been done in the year 2013-14. There is no change in the status thereof in this year.
- b.** The company has applied for approval of excess remuneration of Rs. 406 paid in respect of financial year 2013-14 to executive chairman, the central government rejected the application and the company has recovered the same in current financial year.
- 47)** There are no present obligations requiring provision in accordance with guiding principles as enunciated in the Accounting Standard (AS – 29) as notified by Companies (Accounting Standards) Rules, 2006, (as amended) as it is not probable that an outflow of the resources embodying economic benefits will be required.

48) a. Information on Joint Ventures

Name of Joint Venture	Country of Incorporation	Percentage of Ownership	
		2015-16	2014-15
Panch Tatva Realty - Association of Persons	India	—	54%
Semac Qatar W.L.L. - Limited Liability Company	Qatar	—	49%

- b.** There being no contingent liabilities and capital commitments in respect of Joint Venture, disclosure of information in this respect are not applicable to the company.

c. Interest in the assets, liabilities, income and expenses with respect to joint venture :

Particulars	Financial Year	
	2015-16	2014-15
I. Assets		
Fixed Assets (Net Block)	—	141,430
Long Term Loans & Advances	—	109
Current Assets, Loans and Advances:		
Inventories	—	242,658
Sundry Debtors	—	12,784
Cash and Bank Balances	—	1,826
Loans and Advances	—	14,973
Other Current Assets	—	27,663
II. Liabilities		
Loan Funds	—	103,086
Current Liabilities and Provisions:		
Liabilities	—	188,597
Provisions	—	3,944
III. Income		
Engineering Consultancy and Project Management Charges	—	134,644
Other Income	—	268
IV. Expenditure		
Operational expenses	—	2,543
Employee expenses	—	29,340
Selling, Administrative and Other General Expenses	—	5,522
Finance Charges	—	26
Depreciation	—	357
Project Expenses - Prarambh	—	91,302

49) Employee benefits

Defined Benefit Plan (Gratuity Funded and Leave Encashment Non-funded) - As per Actuarial Valuation on 31.03.2016

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The Scheme is funded with an insurance company in the form of a qualifying insurance policy.

Earned leave not availed during the year can be accumulated with subsequent year upto maximum 90 days. The earned leave accumulated beyond 90 days can be encashed at the time of retirement / resignation.

The following tables summarise 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 plan.

A.	Expenses recognised in the statement of profit and loss	Gratuity (Funded)		Leave Encashment (Non funded)	
		2015-16	2014-15	2015-16	2014-15
	Current service cost	6,306	5,246	1,878	581
	Interest cost	4,306	4,433	405	446
	Expected return on plan assets	(2,352)	(2,500)	-	-
	Net actuarial [(gain) / loss]	820	(4,261)	289	(125)
	Past Service Cost (Vested Benefits)	1,556	-	1,875	-
	Total expenses	10,635	2,918	4,446	902
B.	Change in the present value of the defined benefit obligation	2015-16	2014-15	2015-16	2014-15
	Opening defined benefit obligation	54,860	54,021	5,486	5,441
	Interest cost	4,297	4,433	573	581
	Current service cost	6,315	5,246	1,710	446
	Past Service Cost (Vested Benefits)	1,556	-	1,875	-
	Benefit paid	(5,816)	(4,974)	(584)	(857)
	Actuarial (gains)/losses on obligation	1,061	(3,866)	289	(125)
	Closing defined benefit obligation	62,273	54,860	9,348	5,486
C.	Change in the fair value of plan assets are as follows:-	2015-16	2014-15	2015-16	2014-15
	Opening fair value of plan assets	29,479	28,950	-	-
	Contribution by employer	2,962	2,608	584	857
	Expected return	2,352	2,500	-	-
	Benefit paid	(5,816)	(4,974)	(584)	(857)
	Actuarial gains/(losses) on obligation	242	395	-	-
	Closing fair value of plan assets	29,219	29,479	-	-
E	The principal assumptions used in determining gratuity & leave encashment for the Company's plans are shown below:-	2015-16	2014-15	2015-16	2014-15
	Discount rate	7.6% - 7.9%	7.8% - 9.11%	7.6% - 7.9%	7.80%
	Normal retirement age	58/60 years		58/60 years	
	Expected rate of return on assets	8% - 9% 7.8% - 9.11%		10% 7.80%	
	Mortality table	Indian Assured Lives Mortality (2006-08) Ultimate			
	Salary escalation	8.00%	7.00%	8.00%	7.00%

Amounts for the current and previous four periods in respect of Gratuity are as follows:-

Particulars	Gratuity (funded)			
	2015-16	2014-15	2013-14	2012-13
Defined benefit obligation	25,550	54,860	54,021	52,577
Plan assets	23,771	29,480	28,950	29,702
Surplus / (deficit)	(1,779)	(25,738)	(25,071)	(22,875)
Experience adjustment on plan assets	(1,414)	(1,155)	(718)	(1,787)
Experience adjustment on plan liabilities	243	395	(62)	1,737

- The expected return on plan assets has been determined considering several applicable factors mainly the composition of plan assets held, associated risks of assets management, historical results of returns and policies for plan assets.
- The estimates of future salary increase considered in actuarial valuation take into account inflation, seniority, promotions and other relevant factors such as supply and demand factors in the employment market.
- Based on the Guidance Note from the Institute of Actuaries of India, the Company's Actuary has reliably measured the provident fund liability in respect of Provident Fund (Trust) and there is no shortfall.

d) Defined Contribution Plan

Employer's contribution to Provident Fund and Other Funds aggregating to ₹ 28655 thousand (Previous year ₹19,858 thousands).

50. SEGMENT REPORTING

The disclosure requirement under "Segment Reporting" as per Accounting Standard 17 taking into account the organisation structure as well as the difference in risk and return, is as given below:

A : Primary segment (Business Segment)

(i) Segment Revenue:

Particulars	2015-16	2014-15
Construction and Mining	1,402,834	765,192
Engineering Design Services	825,615	774,109
Real Estate	—	91,919
	2,228,449	1,631,220

(ii) Segment Results:

Construction and Mining	254,036	90,218
Engineering Design Services	73,768	82,091
Real Estate	—	327
Unallocable	51,934	61,116
	379,738	233,753
Less: Interest	(108,602)	(107,581)
Profit/ (Loss) before exceptional items	271,136	126,173
Exceptional items	93,373	22,816
Profit Before Taxes	364,509	103,357
Provision for Taxes	64,224	35,211
Profit/ (Loss) before adjustment for minority interest and share of profit in associate	300,284	68,145
Less: Minority interest	27,794	28,987
Add: Share of Profit/ (Loss) in Associates	—	—
Profit/ (Loss) after adjustment for minority interest and share of profit in associate	272,490	39,158

(iii) Segment Assets and Liabilities	2015-16		2014-15	
Particulars	Assets	Liabilities	Assets	Liabilities
Construction and Mining	1,444,123	993,092	1,061,428	721,268
Engineering Design Services	901,033	287,443	625,790	150,645
Real Estate	-	-	416,242	274,163
Unallocable	632,482	2,287	554,569	134,611
	2,977,638	1,282,822	2,658,029	1,280,687

B. SECONDARY SEGMENT (Geographical segment)

Particulars	2015-16			
	Revenue	Assets	Liabilities	Capital Expenditure
Within India*	2,170,897	3,244,486	1,802,512	9,753
Outside India	283,766	244,304	271,711	7,886

Particulars	2014-15			
	Revenue	Assets	Liabilities	Capital Expenditure
Within India*	1,212,933	2,775,179	1,087,832	12,926
Outside India	326,367	186,476	56,969	4,001

51. In view of the management considering the long term business prospect of the subsidiary (Semac Consultants Private Limited) the goodwill arising on consolidation has a perpetual value and has therefore not been amortised.

52. Disclosure with respect to real estate projects undertaken by non-corporate joint venture entity.

Description	2015-16	2014-15
Project Revenue Recognized	—	91,919
Aggregate amount of costs incurred and Profits recognized (less recognized losses) to date	—	92,623
Amount received from customers	—	179,658
Amount of work in progress and value of inventories	—	231,742

53. Statement with respect to additional information with respect to subsidiary and joint venture.

Name of Entity	Net Assets, i.e. Total Assets - Total Liabilities		Share in Profit or loss	
	As % of consolidated net assets	Amounts in thousands	As % of consolidated net assets	Amounts in thousands
Parent				
Revathi Equipment Limited	69.37	1,042,171	85.67	233,433
Subsidiaries				
Indian				
Semac Consultants Private Limited	27.71	416,234	7.63	20,791
Foreign				
Semac and Partners LLC (Muscat)	15.74	236,411	17	46,061
Minority Interest in Subsidiaries	(12.81)	(192,500)	(10.20)	(27,794)
	100	1,502,316	100	272,490

Figures given herein above are as per standalone financial statements of the respective companies and hence effect of intercompany and other adjustments carried out on consolidation has not been considered for the purpose of above disclosure.

54. In the opinion of the Board and to the best of their knowledge and belief, the value on realisation of loans, advances and current assets in the ordinary course of business will not be less than the amount at which they are stated in the balance sheet.
55. Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification /disclosure.

As per our report of even date

For S.S. Kothari Mehta & Co.
Chartered Accountants
Firm Regn. No. 000756N

Sunil Wahal
Partner
Membership No.: 087294
Place : New Delhi
Date : May 30, 2016.

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

Abhishek Dalmia
Executive Chairman
DIN: 00011958

S. Hariharan
Whole-time Director
DIN: 06363724

M.N. Srinivasan
Company Secretary
Place : Chennai
Date : May 30, 2016.

[illegible]

[illegible]



Registered Office :
REVATHI EQUIPMENT LIMITED
CIN No. : L 29120TZ977PLC000780
Malumachampatti Post, Pollachi Road
COIMBATORE - 641 050.
Ph.: 0422 - 6655100 Fax: 0422 - 6655199
E-Mail : admin@revathi.in