S S KOTHARI MEHTA & CO
CHARTERED ACCOUNTANTS

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Independent Auditors' Report

To the Members of Semac Consultants Private Limited

Report on the standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of **Semac Consultants Private Limited** ('the Company'), which comprise the balance sheet as at March 31, 2018, the statement of profit and loss (including other comprehensive income), the statement of cash flows and the statement of changes in equity for the year then ended and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Indian Accounting Standards) Rules, 2015 as amended.

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

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone Ind AS 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 standalone Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS 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 standalone Ind AS 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 standalone Ind AS 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 Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018, its loss including other comprehensive income, its cash flows and the statement of changes in equity 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 the paragraph 3 and 4 of the Order.

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

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

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

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

   d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Indian Accounting Standards) Rules, 2015 as amended;

   e) On the basis of the written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act;

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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"; 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 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 pending litigations which would have an impact on its financial position in Note 27 to the standalone Ind AS financial statements.

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

  iii. There 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 Registration No. 000756N

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

Sunil Wahal
Partner
Membership No. 087294

Place: New Delhi
Date: May 11, 2018

Annexure A to the Independent Auditor's Report to the Members on standalone Ind AS financial statements of Semac Consultants Private Limited dated May 11, 2018

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 were physically verified by the management according to a regular 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. No material discrepancies were noticed on such verification.

(c) In our opinion, and according to the information and explanations given to us, the title deeds of immovable properties are held in the name of the Company.

ii. In our opinion and according to the information and explanations given to us, the Company is not having any inventory. Accordingly clause 3(ii) of the Order is not applicable.

iii. The company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 189 of the Act. Accordingly, the provisions of clause 3(iii) of the Order are not applicable.

iv. In our opinion and according to the information and explanations given to us, provisions of section 185 and 186 of the Act in respect of loans to directors including entities in which they are interested and in respect of loans and advances given, investments made and, guarantees, and securities given have been complied with by the company.

v. The Company has not accepted any deposits from the public within the meaning of directives issued by the Reserve Bank of India and provisions of sections 73 to 76 or any other relevant provisions of the Act, and the Rules framed thereunder.

vi. To the best of our knowledge and belief, the Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's products/ services. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.

vii. (a) The Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, GST, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, to the appropriate authorities though there has been a slight delay in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they become payable

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(b) According to the records of the Company, the details of dues of Income-tax, Sales-tax, GST, Wealth-tax, Service-tax, Customs Duty, Excise Duty and Value added tax which have not been deposited on account of any dispute and the forum where the dispute is pending, are in respect of Service tax (The Finance Act 1994) pertaining to Karnataka State amounting to 5,899.42 (Rs. in '000') for the period FY 2005-2009 at the forum of CESTAT (Appellate tribunal). No amounts have been deposited against the above mentioned dues.

viii. The Company has not defaulted in repayment of loans or borrowings to any bank or financial institution or Government during the year. The Company did not have any outstanding debentures during the year.

ix. In our opinion, and according to the information and explanations given to us, the Company has not raised any money way of initial public offer / further public offer and Company has not raised any term loans. Accordingly provisions of clause (ix) of the Order is not applicable on the Company.

x. In our opinion, and according to the information and explanations given to us, we report that no fraud by the Company or on the Company by the officers and employees of the Company has been noticed or reported during the year.

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

xii. In our opinion, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.

xiii. In our opinion, all transactions with the related parties are in compliance with Section 188 of the Act, where applicable, and the requisite details have been disclosed in the financial statements, as required by the applicable Ind AS. Further, in our opinion, the company is not required to constitute audit committee under Section 177 of the Act.

xiv. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures.

xv. The Company has not entered into any non-cash transactions with directors or persons connected with them.

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xvi. 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 Registration No. 000756N

Sunil Wahal
Partner
Membership No. 087294

Place: New Delhi
Date: May 11, 2018

Annexure B to the Independent Auditor's Report to the Members on standalone Ind AS financial statements of Semac Consultants Private Limited dated May 11, 2018

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

We have audited the internal financial controls over financial reporting of **Semac Consultants Private Limited** ("the Company") as of 31 March 2018 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by The Institute of Chartered Accountants of India (ICAI)". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of 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 Company's internal financial controls over financial reporting based on our audit.

We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by The Institute of Chartered Accountants of India (ICAI). 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.

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

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

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 31 March 2018, 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 (ICAI).

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

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

Sunil Wahal
Partner
Membership No. 087294

Place: New Delhi
Date: May 11, 2018

SEMAC CONSULTANTS PRIVATE LIMITED

STANDALONE BALANCE SHEET AS AT MARCH 31, 2018

₹ in '000

Particulars	Note No.	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
ASSETS				
(1) **Non - current assets**				
Property, plant and equipment	3.1	12,030	13,344	12,118
Other intangible assets	3.2	2,768	3,725	5,528
Financial assets	4			
(i) Investments	4.1	1,368	31,368	1,368
(ii) Loans	4.2	5,142	5,599	24,979
(iii) Other financial assets	4.3	-	3,718	15,162
Deffered tax assets	5	48,409	41,352	20,499
Other non current assets	6	60	327	653
		69,777	99,433	80,307
(2) **Current assets**				
Financial assets	7			
(i) Investments	7.1	-	-	20,000
(ii) Trade receivables	7.2	189,165	253,541	294,552
(iii) Cash and cash equivalents	7.3	124,976	88,302	82,332
(iv) Bank balances	7.4	47,231	66,120	60,644
(v) Loans	7.5	29,041	63,523	117,534
(vi) Other financial assets	7.6	44,559	39,342	40,138
Current tax assets (net)	8	77,673	71,910	66,177
Other current assets	9	85,855	34,589	13,713
		598,500	617,327	695,090
Total assets		668,278	716,760	775,397
EQUITY AND LIABILITIES				
EQUITY				
Equity share capital	10	18,209	18,209	18,209
Other equity	11	372,461	417,465	493,422
		390,670	435,674	511,631
LIABILITIES				
(1) **Non - current liabilities**				
Financial liabilities	12			
(i) Borrowings	12.1	353	698	920
(ii) Other financial liability	12.2	8,390	5,792	1,488
Provisions	13	28,120	36,315	32,183
		36,863	42,805	34,591
(2) **Current liabilities**				
Financial liabilities	14			
(i) Borrowings	14.1	27,155	39,895	54,859
(ii) Trade payables	14.2	101,984	118,776	84,673
(iii) Other financial liabilities	14.3	43,390	15,695	16,844
Provisions	15	17,330	18,146	19,569
Other current liabilities	16	50,885	45,769	53,231
		240,744	238,281	229,176
Total Equity & Liabilities		668,278	716,760	775,397
Significant Accounting Policies	1 & 2			

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

For S.S. Kothari Mehta & Co.
Chartered Accountants

Sunil Wahal
Partner
Membership No: 087294

Place : New Delhi
Date: May 11, 2018

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

Abhishek Dalmia
DIN : 00011958

Deepali Dalmia
DIN : 00017415

Vikas Jain
Chief Financial Officer

SEMAC CONSULTANTS PRIVATE LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2018

₹ in '000

	Particulars	Note No.	For the year ended 31st March, 2018	For the year ended 31st March, 2017
I	Revenue from operations	17	960,422	655,979
II	Other income	18	21,648	41,331
III	Total income (I + II)		982,071	697,310
IV	Expenses			
	Cost of services	19	535,084	217,113
	Employee benefits expenses	20	309,451	319,781
	Finance costs	21	3,373	5,786
	Depreciation and amortization expenses	22	6,055	5,072
	Other expenses	23	181,929	241,331
	Total expenses		1,035,892	789,083
V	Profit / (loss) before exceptional items and tax (I - IV)		(53,821)	(91,773)
VI	Exceptional items		-	-
VII	**Profit / (loss) before tax (V + VI)**		(53,821)	(91,773)
VIII	**Tax expense**			
	(1) Current tax	24	-	10,714
	(2) Deferred tax	24	(7,986)	(21,843)
	Total Tax Expense		(7,986)	(11,129)
IX	Profit / (loss) from continuing operations (VII - VIII)		(45,835)	(80,644)
X	Profit / (loss) from discontinued operations (VII - VIII)		-	-
XI	Tax expense of discontinued operations		-	-
XII	Profit / (loss) from discontinued operations (after tax) (X - XI)		-	-
XIII	Profit / (loss) for the period (IX + XII)		(45,835)	(80,644)
XIV	Other comprehensive income	25		
A	(i) Items that will be reclassified to profit or loss		(1,815)	2,818
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
B	(i) Items that will not be reclassified to profit or loss		3,576	2,857
	(ii) Income tax relating to items that will not be reclassified to profit or loss		(930)	(989)
	Total		832	4,687
XV	**Total comprehensive income for the period (XIII + XIV)**		(45,003)	(75,957)
XVI	Earnings per equity share (basic& diluted)	26		
	For continuing operations			
	(Face value of ₹ 10.00 each)		(0)	(0)
	For discontinued operations			
	(Face value of ₹ 10.00 each)		-	-
	For continued & discontinued operations			
	(Face value of ₹ 10.00 each)		(0)	(0)
	Significant accounting policies	1 & 2		

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

For S.S. Kothari Mehta & Co.
Chartered Accountants

NEW DELHI

Sunil Wahal
Partner
Membership No: 087294

Place : New Delhi
Date: May 11, 2018

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

Deepali Dalmia

Abhishek Dalmia
DIN : 00011958

Deepali Dalmia
DIN : 00017415

Vikas Jain
Chief Financial Officer

SEMAC CONSULTANTS PRIVATE LIMITED
Cash Flow Statement for the year ended March 31, 2018

₹ in '000

		2017-18	2016-17
A.	**Cash flow from operating activities**		
	Net Profit before tax	(53,821)	(91,773)
	Other Comprehensive Income before tax	1,761	5,675
	Adjustments		
	Depreciation and amortization	6,055	5,072
	Provision for doubtful debts/ advances	7,433	7,408
	Bad debts/ advances written off	8,803	9,658
	Provision for advances to related party	-	19,643
	Finance cost	3,373	5,786
	Interest income	(16,419)	(20,965)
	Actuarial gain on defined benefit plan	(3,576)	(2,857)
	(Profit)/loss on sale of investment	301	(1,222)
	(Profit)/loss on sale of fixed assets and assets written off	(157)	(48)
	Operating profit before working capital changes	(46,247)	(63,623)
	Adjustments for working capital changes :		
	Increase/ (decrease) in trade payables	(13,455)	52,441
	(Increase)/ decrease in trade receivables	48,139	23,946
	(Increase)/ decrease in short term loans and advances	34,550	62,359
	(Increase)/ decrease in other current assets	(32,109)	(26,027)
	Increase/ (decrease) in short term provisions	(8,773)	(12,772)
	Increase/ (decrease) in other current liabilities	35,409	(4,306)
	Cash generated from operations	17,515	32,020
	Direct taxes paid net of refund	(5,763)	(16,447)
	Net cash from operating activities	11,752	15,573
B	**Cash Flow from Investing Activities**		
	Purchase of fixed assets	(3,470)	(4,398)
	(Profit)/ loss on sale of fixed assets	(157)	(48)
	(Purchase)/ sale of investments (net)	29,397	(7,556)
	(Profit)/ loss on sale of investments	301	(1,222)
	Interest Received	15,308	24,595
	Net Cash used in Investing Activities	41,380	11,370
C	**Cash Flow from financing activities**		
	Proceeds from short term borrowings	(12,740)	-
	(Repayment) of short term borrowings	-	(14,964)
	(Repayment) of long term Bborrowings	(345)	(222)
	Finance Cost	(3,373)	(5,786)
	Net cash from / (used in) financing activities	(16,459)	(20,972)
	Net increase in cash and cash equivalents (A+B+C)	36,674	5,970
	Cash and cash equivalents (Opening Balance)	88,302	82,332
	Cash and cash equivalents (Closing Balance)*	124,976	88,302

Components of Cash & Cash Equivalents	As at 31 Mar' 2018	As at 31 Mar' 2017
Balances with banks		
- In Current Accounts	82,068	88,291
- On cash credit accounts		
- Deposits with original maturity of less than 3 months	42,817	-
Cash on hand	91	11
Cheques in hand		
Net Cash & Cash Equivalents	124,976	88,302

Note:
1) Cash & cash equivalents components are as per Note 7.3
2) Previous year figures have been regrouped/restated wherever considered necessary

As per our report of even date

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

S.S. KOTHARI MEHTA & CO. CHARTERED ACCOUNTANTS

Sunil Wahal
Partner
Membership No: 087294

Place : New Delhi
Date: May 11, 2018

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

Deepali Dalmia

Abhishek Dalmia
DIN : 00011958

Deepali Dalmia
DIN : 00017415

Vikas Jain
Chief Financial Officer

SEMAC CONSULTANTS PRIVATE LIMITED
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2018

₹ in '000

A. Equity Share Capital

Particulars	As at 1st April,2016	Changes during the year	As at 31st March, 2017	Changes during the year	As at 31st March, 2018
18,20,892 (previous year 18,20,892) equity shares of ₹10/- each	18,209	-	18,209	-	18,209

B. Other Equity

Particulars	Reserves and Surplus		Items of Other Comprehensive Income		Total
	General Reserve	Retained earnings	Foreign Curreny Translation	Actuarial Gain / Loss	
Restated balance as at 1.04.2016	**164,127**	**329,295**	-	-	**493,422**
Additions during the period	-	(80,644)	2,818	1,868	(75,957)
As at 31.3.2017	**164,127**	**248,651**	**2,818**	**1,868**	**417,465**
Additions during the period	-	(45,835)	(1,815)	2,646	(45,003)
As at 31.3.2018	**164,127**	**202,816**	**1,004**	**4,515**	**372,461**

Nature of reserves

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

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

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

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

For S.S. Kothari Mehta & Co.
Chartered Accountants

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

Sunil Wahal
Partner
Membership No: 087294

Place : New Delhi
Date: May 11, 2018

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

Abhishek Dalmia
DIN : 00011958

Deepali Dalmia
DIN : 00017415

Vikas Jain
Chief Financial Officer

NOTE - 3.1 SEMAC CONSULTANTS PRIVATE LIMITED

NOTES TO STANDALONE FINANCIAL STATEMENT FOR YEAR ENDED MARCH 31, 2018

Property, Plant & Equipment

Particulars	Tangible Assets									Total Tangible Asset
	Lease hold Improvements	Buildings	Plant & Machinery	Electrical Installation	Computers (End-user Devices)	Computers (Servers & Networks)	General Furniture & Fittings	Office equipments	Motor Vehicle - Cars	
GROSS BLOCK										
Balance as at 1st April 2016, Reinstated	2,646	7,723	9,345	2,679	55,577	1,089	21,030	14,618	7,878	122,585
Addition	-	-	-	-	2,078	116	1,078	214	-	3,486
Disposals / Adjustments	-	-	-	(101)	(73)	-	(13)	(65)	(972)	(1,223)
as at 31st March,2017	2,646	7,723	9,345	2,578	57,582	1,205	22,095	14,767	6,905	124,847
Addition	-	-	70	-	2,010	-	255	256	1,481	4,072
Disposals / Adjustments	-	-	(16)	(778)	(14,618)	(321)	(524)	(1,636)	(6,598)	(24,491)
as at 31st March,2018	2,646	7,723	9,399	1,800	44,974	884	21,827	13,387	1,789	104,429
DEPRECIATION										
Balance as at 1st April 2016, Reinstated	2,578	3,488	8,303	2,335	55,186	730	16,748	13,496	7,602	110,467
Charge for the year	14	276	8	79	319	342	1,061	411	189	2,698
Disposals	-	-	-	(39)	(233)	-	-	-	(1,388)	(1,661)
Charged to opening reserves	-	-	-	-	-	-	-	-	-	-
as at 31st March,2017	2,592	3,764	8,312	2,374	55,271	1,072	17,809	13,907	6,403	111,504
Charge for the year	2	227	272	38	2,038	60	1,331	194	150	4,312
Disposals	-	-	(14)	(752)	(14,030)	(311)	(513)	(1,596)	(6,200)	(23,417)
Charged to opening reserves	-	-	-	-	-	-	-	-	-	-
as at 31st March,2018	2,593	3,990	8,570	1,660	43,279	821	18,626	12,505	353	92,398
NET BLOCK										
as at 1st April,2016	68	4,235	1,041	344	391	359	4,282	1,122	275	12,118
as at 31st March,2017	55	3,959	1,033	204	2,311	133	4,287	860	502	13,344
as at 31st March,2018	53	3,732	829	140	1,695	63	3,201	882	1,436	12,030

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NOTE - 3.2 SEMAC CONSULTANTS PRIVATE LIMITED

NOTES TO STANDALONE FINANCIAL STATEMENT FOR YEAR ENDED MARCH 31, 2018

Intangible Assets

Particulars	Intangible Assets
GROSS BLOCK	
Balance as at 1st April 2016, Reinstated	**46,901**
Addition	2,040
Disposals / Adjustments	(1,469)
as at 31st March,2017	**47,472**
Addition	786
Disposals / Adjustments	(19)
as at 31st March,2018	**48,239**
DEPRECIATION	
Balance as at 1st April 2016, Reinstated	**41,373**
Charge for the year	2,374
Disposals	-
Charged to opening reserves	-
as at 31st March,2017	**43,747**
Charge for the year	1,743
Disposals	(18)
Charged to opening reserves	-
as at 31st March,2018	**45,472**
NET BLOCK	
as at 1st April,2016	5,528
as at 31st March,2017	3,725
as at 31st March,2018	**2,768**

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4 Financial Asset : Non Current

4.1 Investment

(₹ in '000)

		As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
	Unquoted Investments			
(i)	**Investments in Subsidiaries (At Cost)** 1,63,150 (FY17-18 : 1,63,150 ; 1st April, 2017 : 1,63,150) equity shares of Omani Riyal 1/- each fully paid-up in Semac Oman - LLC, Muscat, Sultanate of Oman	663	663	663
(ii)	**Investments in Joint Venture (At Cost)** 98 (FY 17-18 : 98 ; 1st April 2017 : 98) paid-up shares of Qatari Riyal 1000/- each fully paid-up in Semac Qatar WLL, Doha	1,172	1,172	1,172
	Less : Impairment in value *	(1,172)	(1,172)	(1,172)
(iii)	**Investments in other body corporate (At Fair Value)** 128 (FY17-18 : 128 ; 1st April, 2017 : 128) paid-up equity shares of Rs. 25/- each fully paid-up in Shamrao Vittal Co-op. Bank Ltd.	3	3	3
	74,050 (FY17-18 : 74,.050 ; 1st April 2017 : 74,050) fully paid up equity shares of Rs. 10/- each in AEC Infotech Pvt. Ltd.	666	666	666
	Quoted Investment			
	300 units (FY16-17 : 300 ; 1st April 2016 : "Nil") fully paid up debentures of Rs. 100,000 each	-	30,000	-
	3,600 (FY16-17 : 3,600 ; 1st April, 2016: 3,600) fully paid up equity shares of Rs. 10/- each in Lakeland Hotels Ltd.	36	36	36
	Total	1,368	31,368	1,368
	Aggregate amount of quoted investments	36	30,036	36
	Market value of quoted investments	556	29,889	36
	Aggregate amount of unquoted investments	2,504	2,504	2,504
	Provision for diminution in investment	(1,172)	(1,172)	(1,172)

** Information pertaining to joint venture are given in note 37*

4.2 Loans

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Loans to related party			
- Unsecured, considered doubtful	862	19,629	18,768
Less : Provision for doubtful debts *	(862)	(19,629)	-
Security deposits			
Unsecured, considered good			
- Rent deposits	5,117	4,574	4,271
- Deposits with statutory authorities	25	1,025	1,025
- Others	-	-	915
Total	5,142	5,599	24,979

4.3 Other financial asset

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Fixed deposits (having maturity of more than 12 months)			
- in Fixed deposit with maturity of more than 12 months (under lien) *	-	3,718	15,162
Total	-	3,718	15,162

* Lien in favour of guarantee given to customers

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SEMAC CONSULTANTS PRIVATE LIMITED
NOTES TO STANDALONE FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2018

5 Deferred Tax Assets

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Deferred tax asset (Net)	48,409	41,352	20,499
	48,409	41,352	20,499

(i) **Movement in deferred tax items**

FY 17-18	Opening Balance as at 1st April, 2017	Recognised in Profit & Loss Account	Recognised in other comprehensive income	Closing balance as at 31st March, 2018
Deferred tax (liability) / asset in relation to :				
Expenses allowable on payment basis and others	16,714	(1,345)	(5,964)	9,405
Carry forward losses and unabsorbed depreciation	22,782	16,535	-	39,316
Remeasurement of Defined Benefit Obligations	-	-	(930)	(930)
Depreciation difference	-	(1,123)	-	(1,123)
Provision for doubtful debt	1,856	(116)	-	1,740
Net Deferred tax (liability) / asset	41,352	13,950	(6,893)	48,409

6 Other non current asset

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Advance lease rent	60	327	653
Total	60	327	653

7 Financial Asset : Current

7.1 Investment

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Quoted investments			
(i) Investment in mutual funds (at FVTPL) Nil units (In FY 16-17 : nil units; 1st April 2016 : 522,879.53 units) in HDFC liquid fund (growth)	-	-	20,000
Total	-	-	20,000

7.2 Trade receivable

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
(i) **Exceeding 6 months from payment due date**			
-Unsecured, considered good	104,723	80,062	222,298
(ii) **Other receivables**			
-Unsecured, considered good	84,442	173,479	72,254
-Unsecured, considered doubtful	6,692	5,364	2,104
Less : Provision for doubtful debts	(6,692)	(5,364)	(2,104)
	189,165	253,541	294,552

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 - against which provision has been created

7.3 Cash and cash equivalent

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Balances with banks			
- in Current accounts	82,068	88,291	81,964
- in Fixed deposit with maturity of upto 3 months	42,817	-	-
Cash on hand	91	11	368
Total	124,976	88,302	82,332

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NOTES TO STANDALONE FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2018

7.4 Bank balance

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Balances with banks			
- In Fixed deposit with maturity of upto 3-12 months (under lien)	47,131	61,109	59,143
- In Fixed deposit with maturity of upto 3-12 months	100	5,000	1,490
Earmarked balances			
- Unclaimed dividend	-	11	11
	47,231	66,120	60,644

7.5 Loans

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Unsecured, considered good unless otherwise stated			
Related parties			
Loan to holding company (refer note (i))	9	60,009	80,000
Loan to subsidiaries, joint venture and associates	-	-	2,729
Loans to other parties (refer note ii)	25,000	-	25,000
Security deposit			
Earnest money deposit	2,302	2,081	2,551
Others.	618	1,146	5,851
Advance to employees	1,112	287	1,403
Total	29,041	63,523	117,534

Note

(i) Loan has been given to holding company in earlier years and was repaid in the current financial year.

(ii) Loan was given to Vasundhara International, a sole proprietary concern on 3rd April, 2017 for general corporate purposes for a period of two years at interest rate of 13% per annum.

7.6 Other financial assets

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Interest accrued on loan to holding company	1,191	41	2,506
Interest accrued on deposits with bank	1,813	2,584	3,748
Interest accrued on loan to others	731	-	-
Unbilled revenue	40,824	36,717	33,884
Total	44,559	39,342	40,138

8 Current tax asset (net)

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Advance payment of taxes (net) (Net of provision FY 17-18 - Rs 21,140; FY 16-17 - Rs 21,140 ; 1st April 2016 - Rs 21,140)	77,673	71,910	66,177
Total	77,673	71,910	66,177

9 Other current asset

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Advance to suppliers	17,655	16,319	5,439
Prepaid expenses	5,496	3,529	2,391
Other advances recoverable in kind	400	400	244
Balance with statutory authorities	62,304	14,341	5,639
Total	85,855	34,589	13,713

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NOTES TO STANDALONE FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2018

10 Equity Share Capital

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Authorised:			
20,00,000 Equity Shares of Rs.10/- each	20,000,000	20,000	20,000
Issued, subscribed and fully paid up :			
18,20,892 (previous year 18,20,892) equity shares of Rs.10/- each	18,209	18,209	18,209
Total	18,209	18,209	18,209

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

	No. of shares	Amount
As at 1st April 2016	1,820,892	18,209
Movement during the year	-	
As at 31st March, 2017	1,820,892	18,209
Movement during the year	-	
As at 31st March, 2018	1,820,892	18,209

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

Particulars	As at 31st, March 2018		As at 31st, March 2017		As at 1st, April 2016	
	No. of shares	% of holding	No. of shares	% of holding	No. of shares	% of holding
Revathi Equipment Ltd. (the Holding Company)	1,401,860	1	1,401,860	1	1,401,860	1
B. S. Aswathnarayan	97,390	0	97,390	0	97,390	0
T. S. Gururaj	95,851	0	95,851	0	95,851	0
	1,595,101	1	1,595,101	1	1,595,101	1

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

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

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

b) During the year ended 31st March, 2018 the amount of dividend per share recognised as distribution to equity shareholder was Rs. NIL (FY 16-17 Rs. NIL; 1st April 2016 Rs Nil.)

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

11 OTHER EQUITY

₹ in '000

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
General reserve			
Restated balance at beginning of the year	164,127	164,127	164,127
Changes during the year	-	-	-
Closing Balance	164,127	164,127	164,127
Retained earnings			
Restated balance at beginning of the year	248,651	329,295	329,295
Add : (Loss)/Profit for the year	(45,835)	(80,644)	-
Balance at the end of the year	202,816	248,651	329,295
Foreign currency translation reserve (FCTR)			
Restated balance at beginning of the year	2,818	-	-
Additions during the period	(1,815)	2,818	-
Balance at the end of the year	1,004	2,818	-
Actuarial Gain/(Loss)			
Restated balance at beginning of the year	1,868	-	-
Additions during the period	2,646	1,868	-
Balance at the end of the year	4,515	1,868	-
Total	372,461	417,465	493,422

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NOTES TO STANDALONE FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2018

12 Financial liability : Non current

12.1 Borrowings

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Secured at amortised cost			
From bank			
- Term Loan	353	698	920
Total	353	698	920

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

12.2 Other financial liability

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Retention money payable	8,390	5,792	1,488
Total	8,390	5,792	1,488

13 Non current provision

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Provision for employee benefits			
Provision for gratuity	24,563	33,120	29,652
Provision for leave salary	3,557	3,195	2,531
	28,120	36,315	32,183

14 Financial Liability : Current

14.1 Borrowings

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Secured - at amortised cost			
- Cash credit / WCDL (refer note (iii))	-	20,010	-
Unsecured - at amortised cost			
- From body corporate (refer note (ii))	-	-	40,000
- From related party (refer note (i))	27,155	19,885	14,859
Total	27,155	39,895	54,859

Note

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

(ii) The above loan was taken from Hari Investment Pvt Ltd carrying interest @ 12% p.a. The loan has been repaid in April 2016

(iii) The borrowing is secured by First Pari Pasu charge on the current assets of the company along with Lakshmi Vilas Bank and FDR for Rs. 4 Crore has been marked as lien in favour of Yes Bank Ltd.

14.2 Trade payables

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
a) Micro, small and medium enterprises*	-	-	-
b) Others	101,984	118,776	84,673
Total	101,984	118,776	84,673

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

14.3 Other Financial Liability

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Current maturities of long term borrowings	288	264	452
Expenses payable	43,102	15,431	16,392
Total	43,390	15,695	16,844

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SEMAC CONSULTANTS PRIVATE LIMITED
NOTES TO STANDALONE FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2018

15 Short term provisions

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Provision for employee benefits			
Provision for gratuity	3,634	4,887	6,520
Provision for leave salary	1,296	859	649
Provision for contingency *	12,400	12,400	12,400
Total	17,330	18,146	19,569

*Claim made by a client which is under dispute.

16 Other current liability

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Advance from clients	-	2,823	8,806
Statutory liabilities	30,091	11,398	10,628
Others	20,794	31,548	33,797
Total	50,885	45,769	53,231

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SEMAC CONSULTANTS PRIVATE LIMITED
NOTES TO STANDALONE FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2018

17 Revenue from operations

₹ in '000

	Year ended 31st March 2018	Year ended 31st March 2017
(i) **Sale of services**		
Engineering consultancy and project management charges	314,263	378,562
Work contract services	646,159	277,417
Total	960,422	655,979

18 Other Income

	Year ended 31st March 2018	Year ended 31st March 2017
Interest Income from		
- Interest from FDs	7,075	5,253
- Income tax refund	2,881	1,921
- Loans & advances	6,463	13,791
Profit on sale of current investments	-	1,222
Bad debts recovered	410	85
Sundry balances/provision no longer required written back	3,337	18,338
Profit/Loss on sale of PPE (net)	157	48
Miscellaneous income	1,325	673
Total	21,648	41,331

19 Cost of services

	Year ended 31st March 2018	Year ended 31st March 2017
Works contract expenses	535,084	217,113
Total	535,084	217,113

20 Employee benefit expense

	Year ended 31st March 2018	Year ended 31st March 2017
i. Salaries, wages, allowances & commission	283,292	293,795
ii. Contribution to gratuity, provident & other funds	22,840	21,500
iii. Staff welfare expenses	3,319	4,486
Total	309,451	319,781

21 Finance cost

	Year ended 31st March 2018	Year ended 31st March 2017
Interest expenses	3,030	4,678
Interest on delay in payment of statutory dues	343	1,108
Total	3,373	5,786

22 Depreciation & amortization expenses

	Year ended 31st March 2018	Year ended 31st March 2017
i. Tangible assets	4,312	2,698
ii. Intangible assets	1,743	2,374
Total	6,055	5,072

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SEMAC CONSULTANTS PRIVATE LIMITED

NOTES TO STANDALONE FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2018

23 Other Expenses

	Year ended 31st March 2018	Year ended 31st March 2017
Power & fuel	3,888	4,252
Rent	16,882	17,894
Repairs on others	4,744	8,049
Insurance	1,140	1,328
Rates & taxes	3,545	11,472
Bad debts written off	8,803	9,658
Provision for advances to related party	-	19,643
Training & Seminar Expense	819	549
Travel & conveyance	27,350	25,136
Vehicle maintenance	528	1,620
Bank charges	3,197	2,894
Postage & telephone	4,040	4,865
Loss on sale of Investment	301	-
Printing & stationery	3,115	3,766
Foreign exchange difference (loss)	166	180
Corporate Social Responsibilites	150	1,422
Sundry balances written off	7,433	7,408
Professional expense	90,520	114,318
Miscellaneous expenses	5,307	6,879
Total	**181,929**	**241,331**

24 Tax Expense

Current tax	-	-
- Income tax relating to earlier years	-	10,714
Deffered tax expense	(7,986)	(21,843)
	(7,986)	**(11,129)**

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25 Other Comprehensive Income

Item that will be reclassified to profit or loss		
Foreign currency translation reserve	(1,815)	2,818
Item that will not be reclassified to profit or loss		
Actuarial gain / (loss) on defined benefit obligation	3,576	2,857
Total	1,761	5,675

26 Earnings per share

Face value of equity Shares (in Rs.)		
Total number of equity shares outstanding	1,820,892	1,820,892
Weighted average number of equity shares in calculating basic and diluted EPS	1,820,892	1,820,892
Countinued Operation		
Net profit for calculation of basic and diluted EPS		
EPS (Basic & Diluted)	(45,835)	(80,644)
	(0)	(0)
Discountinued Operation		
Net profit for calculation of basic and diluted EPS (Rs. In '000)	-	-
EPS (Basic & Diluted)	-	-
Total Operations		
Net profit for calculation of basic and diluted EPS (Rs. In '000)	(45,835)	(80,644)
EPS (Basic & Diluted)	(0)	(0)

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

(₹ in '000)

S.N.	Particulars	2017-18	2016-17	1st April, 2016
a)	Bank Guarantees	28,017	203,115	157,384
b)	Service tax demands	5,899	1,049	2,777
c)	TDS demands	1,577	1,550	-
d)	Claims against the Company not acknowledged as debts	11,772	-	-
	Total	47,265	205,714	160,161

28 Capital and other commitments:

(₹ in '000)

S.N.	Particulars	2017-18	2016-17	1st April, 2016
a)	Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	Nil	Nil	Nil
b)	Estimated amount of contracts remaining to be executed on other than capital account and not provided for (net of advances)	Nil	Nil	Nil

29 Remuneration paid to Auditors : (Included under Professional expenses (Refer Note 23))

(₹ in '000)

Particulars	2017-18	2016-17
Statutory auditor	675	675
Other services	120	120
Reimbursement of expenses	150	150
Total	945	945

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

(₹ in '000)

S.N.	Particulars	2017-18	2016-17	2015-16
a)	Principal amount and interest due thereon remaining unpaid to any supplier as at end of each	-	-	-
b)	Interest paid by the Company in terms of Section 16 of the MSMED Act along with the amounts of the	-	-	-
c)	the amount of interest due and payable for the year of delay in making payment (which have been paid	-	-	-
d)	the amount of interest accrued and remaining unpaid	-	-	-
e)	The amount of further interest remaining due and payable even in the succeeding years, until such date	-	-	-
	Total	-	-	-

31 Expenditure in foreign currency (accrual basis):

(₹ in '000)

Particulars	2017-18	2016-17
Travelling	1,429	741
Rent	1,626	-
Professional fee and other expenses	44,229	31,295

32 Earnings in foreign currency (accrual basis):

(₹ in '000)

Particulars	2017-18	2016-17
Engineering, consultancy, project management charges	57,867	46,799

33 Segment Information

(i) General Disclosure

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

The above reportable segments have been identified based on the significant components of the enterprise for which discrete financial information is available and are reviewed by the Chief operating decision maker (CODM) to assess the performance and allocate resources to the operating segments.

(ii) Entity wide disclosure required by IND AS 108 are made as follows:

a) Revenues (including other income) from sale of products to external customers

(₹ in '000)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
India	924,204	650,512
Outside India	57,867	46,799

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SEMAC CONSULTANTS PRIVATE LIMITED
NOTES TO STANDALONE FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2018

b) **Segment Assets**

Total of non-current assets other than financial instruments, investment in subsidiaries, joint ventures and associate and deferred tax assets broken down by location of the assets, is shown below:

(₹ in '000)

Segment Assets	Year ended March 31, 2018	Year ended March 31, 2017	Year ended April 1, 2016
India	15,965	51,878	33,555
Outside India	1,913	1,488	642

(iii) **Information about major customers:**

No single customer contributed 10% or more of the total revenue of the Company for the year ended 31st March, 2018 and 31st March, 2017

34 Gratuity and Other Post Employment Benefit Plans

Gratuity

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

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

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

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

A. **Statement of profit and loss**

Net employee benefit expense

(₹ in '000)

Particulars	2017-18		2016-17	
	Gratuity (funded)	Leave encashment	Gratuity (funded)	Leave encashment
Current Service cost	3,740	1,887	5,325	2,224
Net Interest cost	2,715	193	3,034	241
Expected return on plan assets	(264)		(490)	
Net actuarial (gain) / loss to be recognized	(3,576)	(743)	(2,857)	(2,800)
Past service cost (vested benefits)	2,485		963	89
Expenses Recognized in the statement of Profit & Loss	5,100	1,337	5,975	(246)

B. **Balance Sheet**

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

(₹ in '000)

Particulars	2017-18		2016-17	
	Gratuity (partly funded)	Leave encashment	Gratuity (partly funded)	Leave encashment
Defined benefit obligation	31,260	4,853	41,786	2,224
Fair value of plan assets	3,063	-	3,780	-
Net Asset/(Liability) recognized in the Balance Sheet	28,197	4,853	38,006	2,224

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

(₹ in '000)

Particulars	2017-18		2016-17	
	Gratuity (partly funded)	Leave encashment	Gratuity (partly funded)	Leave encashment
Opening defined benefit obligation	41,786	4,055	41,624	3,970
Interest cost	2,715	193	3,034	241
Current service cost	3,740	1,887	5,325	2,224
Past service cost (vested benefits)	2,485	-	963	89
Actuarial (gains)/losses on obligation	(3,771)	(743)	(2,854)	(2,800)
Benefit paid	(15,695)	(539)	(6,306)	331
Closing defined benefit obligation	31,260	4,853	41,786	4,055

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

(₹ in '000)

Particulars	2017-18	2016-17
Opening fair value of plan assets	3,780	5,451
Actual return on Plan Assets	264	490
Contribution during the year	14,125	2,696
Benefit paid	(14,911)	(4,860)
Actuarial gain / (loss) on plan assets	(195)	3
Closing fair value of plan assets	3,063	3,780

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

Particulars	2017-18	2016-17
	%	%
Discount rate (%)	7%	7%
Expected salary increase (%)	8%	10%
Demographic Assumptions		
Retirement Age (year)	6000%	6000%
Attrition / Withdrawal rate (per annum)	20%	20%
Mortality rate	100%	100%

The estimates of future salary increases considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market. The above information is certified by Actuary.

v. Contribution to defined contribution plans:

Particulars	2017-18	2016-17
Provident fund	19,264	15,700

vi Sensitivity analysis of the defined benefit obligation:

Particulars	2017-18		2016-17	
	Gratuity (partly funded)	Leave encashment	Gratuity (partly funded)	Leave encashment
Impact of the change in discount rate				
Present value of obligation at the end of the period	31,260	4,853	41,786	4,055
Impact due to increase of 0.50%	156	24	209	20
Impact due to decrease of 0.50%	(156)	(24)	(209)	(20)
Impact of the change in salary increase				
Present value of obligation at the end of the period	31,260	4,853	41,786	4,055
Impact due to increase of 0.50%	156	24	209	20
Impact due to decrease of 0.50%	(156)	(24)	(209)	(20)

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

vii Other comprehensive income (OCI):

(₹ in '000)

Particulars	2017-18		2016-17	
	Gratuity (partly funded)	Leave encashment	Gratuity (partly funded)	Leave encashment
Net cumulative unrecognized actuarial (gain)/loss	(2,857)	(2,800)	-	-
Actuarial (gain)/loss for the year on PBO	(3,771)	(743)	(2,854)	(2,800)
Actuarial (gain)/loss for the year on plan asset	195	-	(3)	-
Unrecognized actuarial (gain)/loss at the end of the year	-	-	-	-
Total actuarial (gain)/loss at the end of the year	(6,433)	(3,543)	(2,857)	(2,800)

35 Related Party Transactions

a) List of Related Parties

i. Subsidiaries, Associates and Joint Venture of the Company

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

ii. Holding company

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

iii Key Management Personnel of the Company

Name	Status
Mr. Chaitanya Dalmia	Director till 31st March 2018
Mr. Abhishek Dalmia	Additional Director, w.e.f. 1st December 2017
Mrs. Deepali Dalmia	Additional Director, w.e.f. 31st March 2018
Mr Ramesh Pangasa	Managing Director till 29th April 2016
Mr Vikas Jain	Chief Financial officer and Company Secretary w.e.f. 18th November, 2016
Mr Rohit Sharda	Chief Executive Officer till 31st January, 2017
Mr. Pawan Maini	Chief Executive Officer, w.e.f. 3rd April 2017

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iv Relatives of Key Management personnel

Name	Relation
Smt. V Pangasa	Wife of Mr Ramesh Pangasa
Mr. Nitin Pangasa	Son of Mr Ramesh Pangasa
Ms. Priyamvada Dalmia	Daughter of Mr. Abhishek Dalmia & Mrs Deepali Dalmia, w.e.f. 1st December 2017

v. Enterprises where Key managerial personnel or their relatives have significant influence
Semac Construction Technologies India LLP (SCTILLP), formerly Renaissance Construction Technologies India LLP (RCTILLP)

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

Nature of Relationship	Name of Related Party	Nature of Transaction	For the year ended 31-Mar-18	For the year ended 31-Mar-17
Key Management Personnel	Mr. Ramesh Pangasa	Salary & Perquisites	-	450
	Mr. Nitin Pangasa		-	201
	Mr. Vikas Jain (CFO)		5,913	5,375
	Mr. Rohit Sharda (CEO)		-	7,860
	Mr. Pawan Maini (CEO)		27,500	-
	Ms. Priyamvada Dalmia		2,016	-
Relatives of Key Management personnel	Smt. V. Pangasa	Rent	-	40
Enterprises where Key managerial personnel or their relatives have significant influence	Semac Construction Technologies India LLP (SCTILLP)	Professional fees / reimbursement of expenses	103,587	16,186
Holding company	Revathi Equipment Limited	Interest Income	1,277	10,970
Subsidiaries, Associates and Joint Venture of the Company	Semac LLC	Interest Expense	1,844	1,466
		Professional charges/reimbursement of expenses claimed	2,107	1,442
	Semac Qatar WLL	Consultancy Income	-	109

c) Balances Outstanding at Year End:

Nature of Relationship	Name of Related Party	Nature of Transaction	31-Mar-18	31-Mar-17	1-Apr-16
Enterprises where Key managerial personnel or their relatives have significant influence	Semac Construction Technologies India LLP (SCTILLP)	Trade Receivable	5,671	1,920	234
		Trade Payable	5,633	4,059	-
Holding company	Revathi Equipment Limited	Advance Given	9	60,000	80,000
		Interest Receivable	1,191	41	2,506
Subsidiaries, Associates and Joint Venture of the Company	Semac LLC	Loan taken	27,155	19,885	14,859
		Trade Receivable	1,327	477	-
		Investment	663	663	663
	Semac Qatar WLL	Short term loans	862	19,629	18,768
		Provision for Diminution	(862)	(19,629)	-
		Net Amount	-	-	18,768
		Trade receivables	188	269	126
		Provision for Doubtful Debts	(188)	(269)	-
		Net Amount	-	-	126
		Investments	1,172	1,172	1,172
		Less: Provision	(1,172)	(1,172)	(1,172)
		Net Amount	-	-	-

36 Leases

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

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

(a) Payments recognised as expense

Particulars	2017-18	2016-17
Minimum lease payment	16,882	17,894

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

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

There are no present obligations requiring provisions in accordance with the guiding principles as enunciated in Ind As 'Provisions, Contingent Liabilities & Contingent Assets except as given under

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

38 Impairment Review

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

Key assumptions used in value-in-use calculations are:-
(i) Operating margins (Earnings before interest and taxes), (ii) Discount Rate, (iii) Growth Rates and (iv) Capital Expenditure

39 Expenditure incurred on Corporate Social Responsibilities

(a) Gross amount required to be spent by the company during the year ₹ 100 (previous year ₹ 1,422)
(b) Amount spent during the year on

CSR Activities	In Cash	Yet to be paid in cash	Total
(i) Construction / acquisition of any asset	-	-	-
(ii) On purpose other than (i) above	150 (1,422)	- -	150 (1,422)

(figure in bracket pertain to previous year)

40 Events occurring After the Balance Sheet date
No adjusting or significant non adjusting events have occurred between the reporting date and date of authorization of financial statements

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41 Financial Risk Management

Financial Risk Factors

The Company's operational activities expose to various financial risks i.e. market risk, credit risk and risk of liquidity. The Company realizes that risks are inherent and integral aspect of any business. The primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Company's senior management oversees the management of these risks and devise approrpiate risk management framework for the Company. The senior management provides assurance that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives

A Market risk:

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. The Company is exposed to the risk of movements in interest rates and foreign currency exchange rates that affects its assets, liabilities and future transactions. The Company is exposed to following key market risks:

i. Interest Rate Risk :

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's short term borrowings obligations in the nature of cash credit.

₹ in '000

Particulars	Fixed Rate Borrowing	Variable Rate Borrowing	Total Borrowing
As at March 31, 2018	27,796	-	27,796
As at March 31, 2017	20,847	20,010	40,857
As at April 1, 2016	56,231	-	56,231

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

Sensitivity on variable rate borrowings	Impact on Profit & Loss Account	
	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Interest rate increase by 0.25%	(52)	(50)
Interest rate decrease by 0.25%	52	50

ii. Foreign Currency Risk :

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

The details of foreign currency exposure is as follows:

Particulars	Trade Receivable		Trade Payables	
	In FC in '000	Rs in '000	In FC in '000	Rs in '000
Unhedged foreign currency exposures				
Foreign Exposure as at 31st March 2018				
US Dollars	763	49,448	104	6,763
Euro	-	-	45	3,633
Foreign Exposure as at 31st March 2017				
US Dollars	738	47,803	108	7,008
Euro	-	-	105	6,569
Foreign Exposure as at 1st April 2016				
US Dollars	969	64,121	10	661
Euro	-	-	250	18,725

Rate Sensitivity

Sensitivity analysis is computed based on the changes in the income and expenses in foreign currency upon conversion into functional currency, due to exchange rate fluctuations between the previous reporting period and the current reporting period.

₹ in '000

Particulars	Increase / Decrease in basis points	Impact on Profit & Loss Account	
		For the year ended 31st March, 2018	For the year ended 31st March, 2017
USD Sensitivity	+ 50 basis points	329	315
	- 50 basis points	(329)	(315)
Euro Senitivity	+ 50 basis points	(23)	(53)
	- 50 basis points	23	53

* Holding all other variable constant

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B Credit risk:

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

To manage this, Company periodically assesses the financial reliability of customers, taking into account factors such as credit track record in the market and past dealings with the Company for extension of credit to customer Company monitors the payment track record of the customers. Outstanding customer receivables are regularly monitored. An impairment analysis is performed at each quarter end on an individual basis for major customers. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in note 3.18. The Company evaluates the concentration of risk with respect to trade receivables as low, the trade receivables are located in several jurisdictions and operate in largely independent markets.

The ageing of trade receivable is given below:

₹ in '000

Particulars	As at 31st March, 2018		As at 31st March, 2017		As at 1st April, 2016	
	Upto 6 months	More than 6 months	Upto 6 months	More than 6 months	Upto 6 months	More than 6 months
Gross carrying amount (A)	91,134	104,723	178,843	80,062	74,359	222,298
Expected Credit Losses (B)	(6,692)	-	(5,364)	-	(2,104)	-
Net Carrying Amount (A-B)	84,442	104,723	173,479	80,062	72,254	222,298

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved authorities. Credit limits of all authorities are reviewed by the management on regular basis. All balances with banks and financial institutions is subject to low credit risk due to good credit ratings assigned to the Company. The Company's maximum exposure to credit risk for the components of the balance sheet at March 31, 2018, March 31, 2017 and April 1, 2016 is the carrying amounts as illustrated in note 44

C Liquidity risk:

The risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Company's cash flow is a mix of cash flow from collections from customers on account of engineering services. The other main component in liquidity is timing to call loans/ funds and optimization of repayments of loans installment, interest payments.

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

₹ in '000

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Total current assets	598,500	617,327	695,090
Total current liabilities	240,744	238,281	229,176
Current ratio	2	3	3

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

₹ in '000

	Particulars	Payable on demand	Less than 1 year	More than 1 year	Total
I	**As at 31st March, 2018**				
(i)	Borrowings	27,155	288	353	27,796
(ii)	Other Financial Liability	43,102	-	8,390	51,493
(iii)	Trade and other payble	-	101,984	-	101,984
	Total	**70,258**	**102,272**	**8,743**	**181,273**
II	**As at 31st March, 2017**				
(i)	Borrowings	39,895	264	698	40,857
(ii)	Other Financial Liability	15,431	-	5,792	21,224
(iii)	Trade and other payble	-	118,776	-	118,776
	Total	**55,327**	**119,040**	**6,490**	**180,857**
III	**As at 1st April, 2016**				
(i)	Borrowings	54,859	452	920	56,231
(ii)	Other Financial Liability	16,392	-	1,488	17,880
(iii)	Trade and other payble	-	84,673	-	84,673
	Total	**71,251**	**85,125**	**2,407**	**158,784**

42 Financial Instrument - Disclosure

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard.

Financial Assets

Sl. No	Particulars	Note	Fair value hierarchy	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
				Carrying Amount	Fair Value	Carrying Amount	Fair Value	Carrying Amount	Fair Value
1	**Financial asset at FVTPL**								
	Current								
	Investments in Mutual Funds	A		-		-		20,000	
2	**Financial asset at FVTOCI**	B							
	Non Current								
	Investments in Equity Shares			36	36	36	36	36	36
3	**Financial assets designated at amortised cost**								
	Non Current								
a)	Investment in debentures			-	-	30,000	30,000		
b)	Loans			5,142		5,599		24,979	
c)	Other financial assets			-		3,718		15,162	
	Current								
a)	Trade receivables			189,165		253,541		294,552	
b)	Cash and cash equivalents			124,976		88,302		82,332	
c)	Bank balances			47,231		66,120		60,644	
d)	Loans			29,041		63,523		117,534	
e)	Other financial assets			44,559		39,342		40,138	
4	**Investment in subsidiary companies and associate (At Cost)**	C		663		663		663	
	Total		-	**440,813**	**36**	**550,845**	**30,036**	**656,040**	**36**

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Financial Liabilities

Sl. No	Particulars	Note	Fair value hierarchy	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
				Carrying Amount	Fair Value	Carrying Amount	Fair Value	Carrying Amount	Fair Value
1	Financial liability designated at amortised cost	D							
	Non Current								
a)	Borrowings			353	-	698	-	920	-
b)	Other Financial Liability			8,390	-	5,792	-	1,488	-
	Current								
a)	Borrowings			27,155	-	39,895	-	54,859	-
b)	Trade payables			101,984	-	118,776	-	84,673	-
c)	Other financial liabilities			43,390	-	15,695	-	16,844	-
	Total			181,273	-	180,857	-	158,784	-

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

A Company has opted to fair value its Financial asset through profit & loss.
B Company has opted to fair value its financial asset through other comprehensive income.
C As per Para D-15 of Appendix D of Ind AS 101, the first time adopter may chose to measure its investment in subsidiaries, JVs and Associates at cost or at fair value. Company has opted to value its investments in subsidiaries, JVs and Associates at cost.
D Company has adopted effective rate of interest for calculating interest. This has been calculated as the weighted average of effective interest rates calculated for each loan. In addition processing fees and transaction cost relating to each loan has also been considered for calculating effective interest rate.

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

Fair value hierarchy

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

43 Capital Management

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

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

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

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Debt (i)	27,796	40,857	56,231
Cash and cash equivalents	124,976	88,302	82,332
Net Debt	(97,180)	(47,445)	(26,101)
Total Equity	390,670	435,674	511,631
Net debt to equity ratio (Gearing Ratio)	(0)	(0)	(0)

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

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44 Transition to Ind As

First-time adoption of Ind AS

These financial statements, for the year ended March 31, 2018 are the first the Company has prepared in accordance with Ind AS. For periods up to and including the year ended March 31, 2017, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on March 31, 2018, together with the comparative period data as at and for the year ended March 31, 2017, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at 1 April 2016, being the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the balance sheet as at April 01, 2016 and the financial statements as at and for the year ended March 31, 2017.

This note explains the principal adjustments made by the Company and an explanation on how the transition from the previous GAAP to Ind AS has affected its financial statements, including the Balance Sheet as at 1st April, 2016 and the financial statements for the year ended 31st March, 2017.
Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from the previous GAAP to Ind AS:

a. Deemed cost
Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for a class of its property, plant and equipment as recognised in the financial statements as on the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost on the date of transition. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets.

The Company has elected to continue with the carrying value of all classes of its property, plant and equipment and intangible assets, recognised as of April 1, 2016 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

b Leases
Appendix C to Ind AS 17 requires an entity to assess whether a contract or arrangement contains a lease. In accordance with Ind AS 17, this assessment should be carried out at the inception of the contract or arrangement. Ind AS 101 provides an option to make this assessment on the basis of facts and circumstances existing on the date of transition to Ind AS, except where the effect is expected to be not material.

c Investment in subsidiary, associate, joint venture
Ind AS 27 requires an entity to account for its investments in subsidiaries and associates either at cost or in accordance with Ind AS 109. Ind AS 101 provides an option to measure such investments as at the date of transition to Ind AS either at cost determined in accordance with Ind AS 27 or deemed cost, where deemed cost shall be its fair value as at date of transition to Ind AS or previous GAAP carrying amount as at that date.

d. Designation of previously recognised financial instruments
Ind AS 101 allows an entity to designate investments in equity instruments at FVOCI on the basis of the facts and circumstances on the date of transition to Ind AS. The Company has elected to apply this exemption for its investment in equity investments.

e De-recognition of financial assets and liabilities
Ind AS 101 requires a first-time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first-time adopter to apply the de-recognition requirements in Ind AS 109 retrospectively from a date of the entity's choosing, provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions. The Company has applied the de-recognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after April 1, 2016 (the transition date).

f Classification and measurement of financial assets
Ind AS 101 requires an entity to assess classification and measurement of financial assets (investment in debt instruments) on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

g Impairment of financial assets
The Company has applied the impairment requirements of Ind AS 109 retrospectively; however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognised in order to compare it with the credit risk at the transition date. Further, the Company has not undertaken an exhaustive search for information when determining, at the date of transition to Ind ASs, whether there have been significant increases in credit risk since initial recognition, as permitted by Ind AS 101.

h Cumulative Translation Difference
Ind AS 21 require to recognise some translation differences in other comprehensive income and accumulate these in a separate component of equity. However a first-time adopter need not comply with these requirements for cumulative translation differences that existed at the date of transition to Ind AS.

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Reconciliation of equity as previously reported under IGAAP to IND AS as at April 01, 2016

	As at 1-Apr-16 ₹ in '000 IGAAP	As at 1-Apr-16 ₹ in '000 Adjustment	As at 1-Apr-16 ₹ in '000 As Per IND AS
Assets			
Non - current assets			
Property, plant and equipment	12,118	(0)	12,118
Other intangible assets	5,528	0	5,528
Financial assets			
Investments	1,368	-	1,368
Loans	72,090	(47,111)	24,979
Others Financial Asset	-	15,162	15,162
Deferred tax assets (net)	20,499	-	20,499
Other non - current assets	57,417	(56,765)	653
	169,021	(88,714)	80,307
Current assets			
Financial assets			
Investments	20,000	-	20,000
Trade receivables	294,553	(1)	294,552
Cash and cash equivalents	104,296	(21,964)	82,332
Bank Balances	-	60,644	60,644
Loans	141,826	(24,292)	117,534
Others	40,138	-	40,138
Current tax assets (net)	-	66,177	66,177
Other current assets	-	13,713	13,713
	600,813	94,277	695,090
Total Assets	769,834	5,563	775,397
Equity and liabilities			
Equity			
Equity share capital	18,209	-	18,209
Other equity	493,496	(74)	493,422
	511,705	(74)	511,631
Liabilities			
Non - current liabilities			
Financial liabilities			
Borrowings	920	-	920
Other financial liabilities	-	1,488	1,488
Provisions	32,183	-	32,183
	33,103	1,488	34,591
Current liabilities			
Financial liabilities			
Borrowings	54,859	-	54,859
Trade payables	86,161	(1,488)	84,673
Other financial liabilities		16,844	16,844
Provisions	19,569	-	19,569
Other current liabilities	64,436	(11,205)	53,231
	225,025	4,151	229,177
Total Equity & Liabilities	769,834	5,564	775,398

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SEMAC CONSULTANTS PRIVATE LIMITED
NOTES TO STANDALONE FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2018

Reconciliation of equity as previously reported under IGAAP to IND AS as at March 31, 2017

	As at 31-Mar-17 ₹ in '000 IGAAP	As at 31-Mar-17 ₹ in '000 Adjustment	As at 31-Mar-17 ₹ in '000 As Per IND AS
Assets			
Non - current assets			
Property, plant and equipment	13,344	-	13,344
Other intangible assets	3,725	0	3,725
Financial assets			
Investments	31,368	-	31,368
Loans	76,862	(71,263)	5,599
Others	-	3,718	3,718
Deferred tax assets (net)	41,352	-	41,352
Other non - current assets	4,743	(4,416)	327
	171,395	(71,961)	99,434
Current assets			
Financial assets			
Trade receivables	253,541	-	253,541
Cash and cash equivalents	154,423	(66,120)	88,302
Bank Balances	-	66,120	66,120
Loans	98,112	(34,589)	63,523
Others	-	39,342	39,342
Current tax assets (net)	-	71,910	71,910
Other current assets	39,342	(4,754)	34,589
	545,417	71,910	617,327
Total Assets	716,812	(51)	716,761
Equity And Liabilities			
Equity			
Equity share capital	18,209	-	18,209
Other equity	417,515	(51)	417,465
	435,724	(51)	435,674
Liabilities			
Non - current liabilities			
Financial liabilities			
Borrowings	698	-	698
Other financial liabilities	5,792	-	5,792
Provisions	36,315	-	36,315
	42,805	-	42,805
Current liabilities			
Financial liabilities			
Borrowings	39,895	-	39,895
Trade payables	118,776	-	118,776
Other financial liabilities	-	15,695	15,695
Provisions	18,146	-	18,146
Other current liabilities	61,464	(15,695)	45,769
	238,282	-	238,282
Total Equity & Liabilities	716,812	(51)	716,761

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SEMAC CONSULTANTS PRIVATE LIMITED
NOTES TO STANDALONE FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2018

Equity Reconciliation

	2,016	2,017
As Per IGAAP	493,496	417,515
Finance income on security deposit - Rent	-	349
Advance Rent amortized	-	(325)
Security Deposit (Operating Lease)	(74)	(74)
As Per IND AS	493,422	417,465

Statement of profit and loss for the year ended 31.03.2017

Particulars	For the YE 31-Mar-17 ₹ in '000 IGAAP	For the YE 31-Mar-17 ₹ in '000 Adjustment	For the YE 31-Mar-17 ₹ in '000 As Per IND AS
Revenue from operations	655,979	(0)	655,979
Other income	43,621	(2,289)	41,331
Total income	699,599	(2,289)	697,310
Expenses			
Cost of services	217,113	-	217,113
Employee benefits expenses	319,709	72	319,781
Finance costs	3,001	2,786	5,786
Depreciation and amortization expenses	5,072	(0)	5,072
Other expenses	240,825	505	241,331
Total expenses	785,720	3,363	789,083
Profit / (loss) before exceptional items and tax	(86,121)	(5,652)	(91,773)
Exceptional items			
Profit / (loss) before tax	(86,121)	(5,652)	(91,773)
Tax expense			
Current Tax	10,714	-	10,714
Deferred Tax	(20,854)	(989)	(21,843)
	(10,140)	(989)	(11,129)
Profit / (loss) from continuing operations	(75,981)	(4,663)	(80,644)
Profit / (loss) from discontinued operations	-	-	-
Tax expense of discontinued operations	-	-	-
Profit / (loss) from discontinued operations (after tax) (X - XI)	-	-	-
Profit / (loss) for the period	(75,981)	(4,663)	(80,644)
Other comprehensive income			
Items that will be reclassified to profit or loss	-	2,818	2,818
Income tax relating to items that will be reclassfied to profit or loss		-	
Items that will not be reclassified to profit or loss	-	2,857	2,857
Income tax relating to items that will not be reclassified to profit or loss	-	(989)	(989)
	-	4,687	4,687
Total comprehensive income for the period	(75,981)	24	(75,957)

Profit reconcilation for the year ended March 31, 2017

	Amount (₹ in '000)
Profit As per IGAAP March 31, 2017	(75,981)
Advance lease rent amortised	(325)
Finance income on security deposit (Operating Lease)	349
Transfer of gain on translation of foreign operation to OCI	(2,818)
Transfer of actuarial Gain to OCI	(2,857)
Tax Impact transferred to OCI	989
Profit As Per IND AS March 31, 2017	(80,644)

Footnotes to the reconciliation of equity as at 1st April, 2016 and 31st March, 2017 and Statement of Profit and Loss for the year ended 31st March, 2017 :

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SEMAC CONSULTANTS PRIVATE LIMITED
NOTES TO STANDALONE FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2018

Financial Assets & Liabilities

The previous year's including figures as on the date of transition have been reworked, regrouped, rearranged and reclassified wherever necessary. Amounts and other disclosures for the preceding year including figures as at the date of transition are included as an integral part of the current year financial statements and are to be read in relation to the amounts and other disclosures relating to the current year.

Other comprehensive income

Under the previous GAAP, the Company did not present total comprehensive income and other comprehensive income. Hence, it has reconciled the previous GAAP profit to profit as per Ind AS. Further, the previous GAAP profit is reconciled to other comprehensive income and total comprehensive income as per Ind AS.

Property, plant and equipment & Intangible Assets

Under Ind AS, the Company has elected to opt for cost model with respect to property, plant and equipments, capital work in progress and intangible asset.

Translation of Foreign Operations

Under IGAAP, differnces arising on account of translation of foreign operations into functional currency is recognised as gain or loss in the statement profit & loss account. However, in Ind AS such difference are to be recognised in other comprehensive income. Thus foreign currency transaltion gain of Rs 28.18 lakhs for the FY 16-17 has been recognized in other comprehensive income.

Trade Receivables

Under Indian GAAP, the Company has created provision for impairment of receivables consists only in respect of specific amount for incurred losses. Under Ind AS, impairment allowance has been determined based on Expected Loss model (ECL).

Investments

Under Indian GAAP, the company accounted for long term investments in unquoted equity shares as investment measured at cost less provision for other than temporary diminution in the value of investments.
In Ind As the investment in subsidiary, associate and joint venture, the Company has the option to account for investment in shares either at cost/deemed cost or FVTOCI or FVTPL as at the transition date.
As per the aforesaid alternatives, the Company has designated investment in the subsidiary (unquoted investment) and associate comapny at deemed cost i.e. the previous GAAP carrying amount less accumulated the impairment loss, if any, as at the date of transition.

Defined benefit obligation

Both under Indian GAAP and Ind AS, the company recognised costs related to its post-employment defined benefit plan on an actuarial basis. Under Indian GAAP, the entire cost, including actuarial gains and losses, are charged to profit or loss. Under Ind AS, remeasurements [comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets excluding amounts included in net interest on the net defined benefit liability] are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI. Thus, the employee benefit cost is increased by ₹ 28.57 lakhs on account to re-measurement gain for the FY 2016-17 and remeasurement gain on defined benefit plan has been recognized in the OCI, net of tax as at 31st March 2017.

Deferred tax Liability (net)

Previous GAAP required deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the year. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences which were not required under the previous GAAP. Moreover, carryforward of unused tax credits are to be treated as deferred tax assets which was earlier considered as Other non-current non-financial assets.

Long term financial asset at amortised cost

Under Indian GAAP, long-term financial assets such as interest free deposit were recognised at the contractual amount and were not discounted. Under Ind AS, where the effect of time value of money is material, the amount of asset should be recognised at the present value of amount expected to be realised. These assets are subsequently measured at amortised cost method.

Revenue

Under the previous GAAP, revenue from sale of goods was presented as net of excise duty and service tax on sales. However, under Ind AS, revenue from sale of goods includes excise duty and service tax and such taxes & duty is separately presented as an expense on the face of the Statement of Profit and Loss.

Retained earnings

Retained earnings as at the transition date has been adjusted consequent to the above Ind AS transitional adjustments.

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

For S.S. Kothari Mehta & Co.
Chartered Accountants

Sunil Wahal
Partner
Membership No: 087294

Place : New Delhi
Date: May 11, 2018

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

Abhishek Dalmia
DIN : 00011958

Deepali Dalmia
DIN : 00017415

Vikas Jain
Chief Financial Officer

Semac Consultants Private Limited

Notes to the financial statements for the year ended March 31, 2018

Basis of accounting and preparation of Financial Statements

1.1 Corporate overview

"Semac Consultants Private Limited ("the Company") was incorporated as a private company and registered on Jan 16, 1987 under the Companies Act 1956 (super ceded by Companies, Act 2013). The Company is a subsidiary of Revathi Equipment Limited which is currently listed on Bombay Stock Exchange and National Stock Exchange. The Company is pioneers in design engineering consulting, with the end-to-end capabilities across architecture, structural, electrical, public health engineering (PHE), fire protection, heating ventilation and air conditioning (HVAC), leed certifications and energy audit domains. These financial statements were approved and adopted by board of directors of the Company in their meeting held on May 11, 2018."

1.2 Statement of compliance

"The financial statements have been prepared in accordance with Ind ASs notified under the Companies (Indian Accounting Standards) Rules, 2015.
Upto the year ended March 31, 2017, the company prepared its financial statements in accordance with the requirements of previous GAAP, which includes Standards notified under the Companies (Accounting Standards) Rules, 2006. These are the Company's first Ind AS financial statements. The date of transition to Ind AS is April 1, 2016. Refer Note 44 for the details of first-time adoption exemptions availed by the Company."

1.3 Basis of preparation of accounts

"Ministry of Corporate Affairs notified roadmap to implement Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules 2015 as amended by the Companies (Indian Accounting Standards) (Amendments) Rules, 2016. As per the said roadmap, the Company is required to apply Ind AS starting from the financial year beginning on or after April 1, 2016. Accordingly, the financial statements of the Company have been prepared in accordance with Ind AS.
For all the periods up to and including the year ended March 31, 2017, the Company has prepared its financial statements in accordance with the Accounting Standards notified under the Section 133 of the Companies Act, 2013 ("the Act") read together with Companies (Accounts) Rules 2014 (Indian GAAP). These financial statements for the year ended March 31, 2018 are the first financial statements which the company has prepared in accordance with Ind AS.
The financial statements have been prepared on an accrual basis and under the historical cost convention, except for the following assets and liabilities which have been measured at fair value:
• Certain financial assets and liabilities measured at fair value
• Defined benefit plans as per actuarial valuation."

1.4 Operating cycle

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

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1.5 Functional and presentation currency

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

1.6 Use of judgement, estimates and assumptions

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

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

a. Property, plant and equipment and intangible assets

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

b. Recognition and measurement of defined benefit obligations

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

c. Fair value measurement of financial instruments

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

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d. Provision for litigations and contingencies

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

e. Impairment of Financial and Non-Financial Assets

The impairment provision for financial assets are based on assumptions about risk of default and expected losses. The company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

The Company assesses at each reporting date whether there is an indication that a Non-financial asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount which is higher of an asset's or CGU's fair value less costs of disposal and its value in use. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

1.7 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

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

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

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

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

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

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

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

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

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

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

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

1.8 Recent accounting pronouncement

In March 2018, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2018, notifying Ind AS 115, 'Revenue from Contracts with Customers', amendments to Ind AS 107, 'Financial Instrument Disclosures' and Ind AS 109, 'Financial Instruments'. The amendments are applicable to the Company from 1 April 2018.

Ind AS 115 "Revenue from Contracts with Customers"

The new standard for revenue recognition will overhauls the existing revenue recognition standards Ind AS 18 – Revenue and Ind AS 11 – Construction contracts. The new standard provides a control-based revenue recognition model and provides a five step application principle to be followed for revenue recognition:

i. Identification of the contracts with the customer

ii. Identification of the performance obligations in the contract

iii. Determination of the transaction price

iv. Allocation of transaction price to the performance obligations in the contract (as identified in step ii)

v. Recognition of revenue when performance obligation is satisfied.

Appendix B to Ind AS 21, Foreign currency transactions and advance consideration: On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency. The amendment will come into force from April 1, 2018.

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Notes to the financial statements for the year ended March 31, 2018

Significant Accounting Policies

2.1 Property, plant and equipment.

"Property, plant and equipment are stated at original cost net of tax/ duty credit availed, less accumulated depreciation and accumulated impairment losses. The cost of an asset includes the purchase cost of materials including import duties and non-refundable taxes, and any directly attributable costs of bringing an asset to the location and condition of its intended use. Interest on borrowings used to finance the construction of qualifying assets are capitalized as part of cost of the asset until such time that the asset is ready for its intended use. The present value of the expected cost for the decommissioning of the asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

When significant part of the property, plant and equipment are required to replace at intervals, the company derecognized the replaced part and recognized the new parts with its own associated useful life and it depreciated accordingly. Likewise when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance cost are recognized in the statement of the profit and loss as incurred.

Internally manufactured property, plant and equipment are capitalised at factory cost including excise duty and or GST whatever is applicable.

Capital work-in-progress/intangible assets under development are carried at cost, comprising direct cost, related incidental expenses and attributable borrowing cost.

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

2.2 Intangible assets

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

The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the assets are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. Expenses incurred during construction period, preliminary project expenditure, capital expenditure, indirect expenditure incidental and related to construction / implementation, interest on borrowings to finance fixed assets and expenditure on start-up / commissioning of assets forming part of a composite project are capitalized up to the date of commissioning of the project as the cost of respective assets.

2.3 Depreciation and amortization

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

The useful lives of intangible asset are assessed as either finite or indefinite. Intangible asset with a finite useful life are amortized over a period of 3 to 5 years on a straight-line basis & technical

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knowhow are amortised over the period of three years on straight-line basis and are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the assets are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates.

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

2.4 Impairment of Non-financial assets

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

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

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

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

2.5 Leases

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

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

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Where the Company is the lessee

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

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

Where the Company is the lessor

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

2.6 Borrowing cost

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

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

2.7 Segment accounting and reporting

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

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

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

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

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

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

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

2.8 Employee benefits

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

a. Short-term employee benefits

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

b. Defined contribution plan

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

c. Defined benefit plan

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

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

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2.9 Financial instruments

(a) Financial assets

Classification

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

Initial recognition and measurement

The company recognizes financial assets when it becomes a party to the contractual provisions of the instrument. All financial assets (except for certain trade receivables) are recognized initially at fair value plus, for financial asset not subsequently measured at FVTPL, transaction costs that are directly attributable to the acquisition of financial assets. Trade receivables that do not contain a significant financing component (determined in accordance with IND AS 18 – Revenue Recognition) are initially measured at their transaction price and not at fair value.

Subsequent measurement

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

• At amortised cost - For debt instruments only.

• At fair value through profit & loss account

• At fair value through other comprehensive income

Debt instrument at amortised cost

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

• The assets is held within a business model whose objective is to hold assets for collecting contractual cash flow, and

• Contractual terms of the assets give rise on specified dates to cash flows that are solely payments of principle and interest (SPPI) on the principle amount outstanding.

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

Debt instrument at Fair value through Other Comprehensive Income

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

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• The assets is held within a business model in which asset are managed both in order to collect contractual cash flows and for sale (business model test), and

• Contractual terms of the assets give rise on specified dates to cash flows that are solely payments of principle and interest (SPPI) on the principle amount outstanding (contractual cash flow characteristics).

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

(a) Interest calculated using EIR

(b) Foreign exchange gain and losses

(c) Impairment losses and gains

Debt instrument at fair value through profit or loss

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

Equity investments

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

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

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

Derecognition

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

• The right to receive cash flows from the assets have expired or

• The company has transferred substantially all the risks and rewards of the assets, or

• The company has neither transferred nor retained substantially all the risks and rewards of the assets, but has transferred control of the assets.

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Impairment of financial assets

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

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

• Trade receivables

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

(b) Financial liabilities & equity

Classification

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

Initial recognition and measurement

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

Subsequent measurement of financial liability

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

Financial liability at amortised cost

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

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

This category generally applies to loans & borrowings.

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Financial Liability at FVTPL

"Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognised by the Company as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL.
Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on re-measurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability"

Equity instruments

"An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a company entity are recognised at the proceeds received, net of direct issue costs.
Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments."

Derecognition

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

Offsetting of financial instrument

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

2.10 Investments in Associate, Joint venture & Associate

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

2.11 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated customer returns, rebates and other similar allowances.

Sale of services

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

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Interest income

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

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

Dividends

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

Insurance claim

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

2.12 Foreign currency transactions

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

• Initial recognition

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

• Conversion

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

• Exchange differences

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

• Foreign operations

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

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

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

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

2.13 Taxes

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

Current income tax

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

Minimum alternate tax

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

Deferred tax

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

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

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

2.14 Provisions, contingent liabilities and contingent assets

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that the outflow of resources embodying economic benefits will be required to settled the obligation in respect of which reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, the expense relating to provision presented in the statement of profit & loss is net of any reimbursement.

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

Contingent liability is disclosed in the notes in case of:

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

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

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

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

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

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

2.15 Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

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

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2.16 Cash and cash equivalents

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

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

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Independent Auditors' Report

To The Members of Semac Consultants Private Limited

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of **Semac Consultants Private Limited** (hereinafter referred to as "the Holding Company") and its subsidiary (collectively referred to as "the Group"), comprising the consolidated balance sheet as at March 31, 2018, the consolidated statement of profit and loss (including other comprehensive income), the consolidated cash flow statement and consolidated statement of changes in equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated Ind AS 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 relevant Rules issued thereunder as amended.

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 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 standalone Ind AS 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 Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the

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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 consolidated Ind AS 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 Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS 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 Ind AS 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 Ind AS financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditor in terms of their reports referred to in Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS 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 March 31, 2018, its consolidated loss (including other comprehensive income), its consolidated cash flows and their consolidated statement of changes in equity for the year ended on that date.

Other Matters

i. We did not audit the financial statements/financial information of one subsidiary incorporated outside India whose financial statements/financial information reflects total assets of Rs. 267785 thousands as at March 31, 2018, total revenue of Rs. 213302 thousands and net cash out flow amounting to Rs 25398 thousands for the year ended March 31, 2018, as considered in these consolidated Ind AS financial statements. These financial statements and other financial information of the subsidiary have been audited by other auditors whose audit reports for the year ended March 31, 2018 have been furnished to us, and our opinion on the consolidated Ind AS financial statements to the extent it concerns this subsidiary, is based solely on the reports of the other auditors.

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ii. We did not audit the financial statement of Dubai branch of the Holding Company whose financial statement reflects the total assets of Rs 8462 thousands as at March 31, 2018, total revenue of Rs 44468 thousands and net cash outflows amounting to Rs. 928 thousands for the year then ended . These financial statements are audited by other auditors duly qualified to act as auditor in the country of incorporation of the said branch whose report have been furnished to us by the management and our report in so far as it related to the that branch is based solely on the reports of the other auditor.

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

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

b) In our opinion proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;

c) The consolidated balance sheet, the consolidated statement of profit and loss, the consolidated cash flow statement and consolidated statement of changes in equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;

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

e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2018 and taken on record by the Board of Directors of the Holding Company none of the directors of the Holding Company incorporated in India is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.

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f) With respect to the adequacy of the internal financial controls with reference to consolidated Ind AS financial statements of the Group and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

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 Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group– Refer Note 28 to the consolidated Ind AS financial statements.

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

   iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company.

For **S. S. Kothari Mehta & Co.**
Chartered Accountants
FRN : 000756N

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

Sunil Wahal
Partner
M. No. 087294

Place: New Delhi
Date: May 29, 2018

Annexure A to the Independent Auditor's Report to the Members of Semac Consultants Private Limited dated May 29, 2018 on its consolidated Ind AS financial statements

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

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

In conjunction with our audit of the consolidated Ind AS financial statements of **Semac Consultants Private Limited** as of and for the year ended March 31, 2018, we have audited the Internal Financial Controls Over Financial Reporting with reference to consolidated Ind AS financial statements of **Semac Consultants Private Limited** (hereinafter referred to as the "Holding Company"), which is the Company incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the of the Holding Company is 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 Holding Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, 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

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over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Group'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.

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Opinion

In our opinion, the Holding Company has in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

For **S. S. Kothari Mehta & Co.**
Chartered Accountants
FRN : 000756N

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

Sunil Wahal
Partner
M. No. 087294

Place: New Delhi
Date: May 29, 2018

SEMAC CONSULTANTS PRIVATE LIMITED
CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2018

(₹ in '000)

Particulars	Note No.	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
ASSETS				
(1) **Non - current assets**				
Property, plant and equipment	3.1	18,932	22,577	20,729
Other intangible assets	3.2	2,849	4,135	6,423
Financial assets	4			
(i) Investments	4.1	706	30,706	706
(ii) Loans	4.2	5,142	5,599	24,979
(iii) Others financial asset	4.3	-	3,718	15,162
Deffered tax assets	5	48,409	41,352	20,499
Other non current asset	6	60	327	653
		76,098	**1,08,415**	**89,150**
(2) **Current assets**				
Financial assets	7			
(i) Investments	7.1	-	-	20,000
(ii) Trade receivables	7.2	3,01,275	3,29,251	4,16,270
(iii) Cash and cash equivalents	7.3	1,73,181	1,81,276	1,39,231
(iv) Bank balances	7.4	71,169	70,689	65,689
(v) Loans	7.5	70,763	93,563	1,44,136
(vi) Other financial assets	7.6	44,559	39,342	40,138
Current tax assets (net)	8	75,414	67,521	60,179
Other current assets	9	94,459	48,705	18,132
		8,30,821	**8,30,347**	**9,03,774**
Total assets		**9,06,918**	**9,38,762**	**9,92,924**
EQUITY AND LIABILITIES				
EQUITY				
Equity share capital	10	18,209	18,209	18,209
Other equity	11	5,44,728	5,81,078	6,31,875
Non-controlling interest	12	55,210	50,551	55,756
		6,18,147	**6,49,838**	**7,05,840**
LIABILITIES				
(1) **Non - current liabilities**				
Financial liabilities	13			
(i) Borrowings	13.1	353	698	920
(ii) Other financial liability	13.2	8,390	5,792	1,488
Provisions	14	39,277	43,637	38,359
		48,020	**50,126**	**40,766**
(2) **Current liabilities**				
Financial liabilities	15			
(i) Borrowings	15.1	-	20,010	40,000
(ii) Trade payables	15.2	1,02,005	1,18,996	84,673
(iii) Other financial liabilities	15.3	59,937	20,793	17,081
Provisions	16	17,330	18,146	19,569
Other current liabilities	17	61,479	60,852	84,995
		2,40,752	**2,38,798**	**2,46,318**
Total Equity & Liabilities		**9,06,918**	**9,38,762**	**9,92,924**
Significant accounting policies	1 & 2			

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

For S.S. Kothari Mehta & Co.
Chartered Accountants

Sunil Wahal
Partner
Membership No: 087294

Place : New Delhi
Date : May 11, 2018

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

Deepali Dalmia

Abhishek Dalmia
DIN : 00011958

Deepali Dalmia
DIN : 00017415

Vikas Jain
Chief Financial Officer

SEMAC CONSULTANTS PRIVATE LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2018

(₹ in '000)

Particulars	Note No.	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Revenue from operations	18	11,63,777	8,97,098
Other income	19	27,644	48,579
Total income (I + II)		11,91,421	9,45,677
Expenses			
Cost of services	20	5,35,084	2,17,113
Employee benefits expenses	21	4,56,453	4,65,910
Finance costs	22	1,529	4,294
Depreciation and amortization expenses	23	11,837	11,445
Other expenses	24	2,25,280	2,95,674
Total expenses		12,30,183	9,94,436
Profit / (loss) before exceptional items and tax		(38,762)	(48,759)
Exceptional items		-	-
Profit / (loss) before tax		(38,762)	(48,759)
Tax expense			
(1) Current tax	25	2,788	15,103
(2) Deferred tax	25	(7,986)	(21,843)
Total tax expense		(5,198)	(6,739)
Profit / (loss) for the period before non-controlling interest		(33,564)	(42,020)
Non-controlling interest		4,295	13,518
Profit / (loss) for the period after non-controlling interest		(37,859)	(55,538)
Other comprehensive income	26		
(i) Items that will be reclassified to profit or loss		(773)	4,294
(ii) Income tax relating to items that will be reclassified to profit or loss			
(i) Items that will not be reclassified to profit or loss		3,576	2,857
(ii) Income tax relating to items that will not be reclassified to profit or loss		(930)	(989)
Total		1,873	6,162
Non-controlling interest		5,337	1,388
Other comprehensive income after non-controlling nterest		(3,464)	4,774
Total comprehensive income for the period			
Non-controlling interest		9,632	14,906
Other than non-controlling interest		(41,323)	(50,764)
		(31,691)	(35,858)
Earnings per equity share (basic & diluted)	27		
Significant accounting policies	1 & 2		

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

For S.S. Kothari Mehta & Co.
Chartered Accountants

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

Sunil Wahal
Partner
Membership No: 087294

Place : New Delhi
Date : May 11, 2018

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

Abhishek Dalmia
DIN : 00011958

Deepali Dalmia

Deepali Dalmia
DIN : 00017415

Vikas Jain
Chief Financial Officer

SEMAC CONSULTANTS PVT. LTD. New Delhi

SEMAC CONSULTANTS PRIVATE LIMITED

Cash Flow Statement for the year ended March 31, 2018

₹ in '000

		2017-18	2016-17
A.	**Cash Flow from operating activities**		
	Net profit before tax	**(38,762)**	**(48,759)**
	Other comprehensive income before tax	**2,803**	**7,151**
	Adjustments		
	Depreciation and amortization	11,837	11,445
	Provision for doubtful debts/ advances	7,433	7,408
	Bad debts/ advances written off	13,941	15,722
	Provision for advances to related party	-	19,643
	Finance cost	1,529	4,294
	Interest income	(19,000)	(23,085)
	Actuarial gain on defined benefit plan	(3,576)	(2,857)
	(Profit)/loss on sale of investment	301	(1,222)
	(Profit)/loss on sale of fixed assets and assets written off	(741)	(906)
	Operating profit before working capital changes	**(24,236)**	**(11,166)**
	Adjustments for working capital changes :		
	Increase/ (decrease) in trade payables	(13,654)	52,661
	(Increase)/ decrease in trade receivables	6,603	63,889
	(Increase)/ decrease in short term loans and advances	22,870	58,920
	(Increase)/ decrease in other current assets	(45,967)	(35,248)
	Increase/ (decrease) in short term provisions	(4,936)	(11,626)
	Increase/ (decrease) in other current liabilities	42,369	(36,270)
	Cash generated from operations	**(16,952)**	**81,160**
	Direct taxes paid net of refund	(10,681)	(22,445)
	Net cash from operating activities	**(27,633)**	**58,715**
B	Cash flow from investing activities		
	Purchase of fixed assets	(5,424)	(9,194)
	(Profit)/ loss on sale of fixed assets	(741)	(906)
	(Purchase)/ sale of investments (net)	29,397	(7,556)
	(Profit)/ loss on sale of investments	301	(1,222)
	Interest received	17,890	26,714
	Net cash used in investing activities	**41,424**	**7,836**
C	**Cash flow from financing activities**		
	Proceeds from short term borrowings	(20,010)	-
	(Repayment) of short term borrowings	-	(19,990)
	(Repayment) of long term borrowings	(345)	(222)
	Finance cost	(1,529)	(4,294)
	Net cash from / (used in) financing activities	**(21,885)**	**(24,506)**
	Net increase in cash and cash equivalents (A+B+C)	**(8,095)**	**42,045**
	Cash and cash equivalents (Opening Balance)	**1,81,276**	**1,39,231**
	Cash and cash equivalents (Closing Balance)*	**1,73,181**	**1,81,276**
	Change in Cash & Cash Equivalents	**(8,095)**	**42,045**

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SEMAC CONSULTANTS PVT. LTD. New Delhi

SEMAC CONSULTANTS PRIVATE LIMITED
Cash Flow Statement for the year ended March 31, 2018

Components of Cash & Cash Equivalents	As at 31 Mar' 2018	As at 31 Mar' 2017
Balances with banks		
- in Current Accounts	1,30,244	1,79,351
- On cash credit accounts		
- Deposits with original maturity of less than 3 months	42,816	-
Cash on hand	121	1,925
Cheques in hand		
Net Cash & Cash Equivalents	**1,73,181**	**1,81,276**

Note:
1) Cash & cash equivalents components are as per Note 7.3
2) Previous year figures have been regrouped/restated wherever considered necessary

As per our report of even date

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

Sunil Wahal
Partner
Membership No: 087294

Place : New Delhi
Date: May 11, 2018

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

Abhishek Dalmia
DIN : 00011958

Deepali Dalmia
DIN : 00017415

Vikas Jain
Chief Financial Officer

Semac Consultants Private limited

NOTES TO CONSOLIDATED FINANCIAL STATEMENT AS AT MARCH 31, 2018

1. Basis of accounting and preparation of Financial Statements

1.1 Corporate overview

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

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

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

These financial statements were approved and adopted by board of directors of the Company in their meeting held on May 29, 2018.

1.2 Statement of Compliance

The consolidated financial statements have been prepared in accordance with Ind ASs notified under the Companies (Indian Accounting Standards) Rules,2015. Upto the year ended March 31, 2017, the company prepared its consolidated financial statements in accordance with the requirements of previous GAAP, which includes Standards notified under the Companies (Accounting Standards) Rules, 2006. These are the Company's first Ind AS financial statements. The date of transition to Ind AS is April 1, 2016. Refer Note 45 for the details of first-time adoption exemptions availed by the Company.

1.3 Basis of preparation of accounts

Ministry of Corporate Affairs notified roadmap to implement Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules 2015 as amended by the Companies (Indian Accounting Standards) (Amendments) Rules, 2016. As per the said roadmap, the Company is required to apply Ind AS starting from the financial year beginning on or after April 1, 2016. Accordingly, the consolidated financial statements of the Company have been prepared in accordance with Ind AS.

For all the periods up to and including the year ended March 31, 2017, the Company has prepared its consolidated financial statements in accordance with the Accounting Standards notified under the Section 133 of the Companies Act, 2013 ("the Act") read together with Companies (Accounts) Rules 2014 (Indian GAAP). These financial statements for the year ended March 31, 2018 are the first financial statements which the company has prepared in accordance with Ind AS.

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

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

1.4 Principle of Consolidation

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Semac Consultants Private limited

NOTES TO CONSOLIDATED FINANCIAL STATEMENT AS AT MARCH 31, 2018

The consolidated financial statements comprise the financial statements of the Company and its subsidiary as at March 31, 2018 and has been prepared in accordance with the requirement of Indian Accounting Standard (Ind AS).

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

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

Consolidation Procedure

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

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

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

(iv) The Group has adopted Indian Accounting Standard 15 (Ind AS 19) on "Employee Benefits". These consolidated financial statements include the obligations as per requirements of this standard except for overseas branch, subsidiary incorporated outside India who have determined the valuation / provision for employee benefits as per requirements of their respective countries. In the opinion of the management, the impact of this deviation is not material.

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

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

Semac Consultants Private limited

NOTES TO CONSOLIDATED FINANCIAL STATEMENT AS AT MARCH 31, 2018

Joint Venture

Interests in joint ventures are accounted for using the equity method, after initially being recognised at cost in the consolidated balance sheet

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the group's share of the post-acquisition profits or losses of the investee in profit and loss, and the group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment. When the group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity. Unrealised gains on transactions between the group and its associates and joint ventures are eliminated to the extent of the group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the group.

1.5 Operating cycle

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

1.6 Functional and presentation currency

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

1.7 Use of judgment, estimates and assumptions

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

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

a. Property, plant and equipment and intangible assets

The useful life and residual value of plant, property equipment and intangible assets are determined based on technical evaluation made by the management of the expected usage of the asset, the

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physical wear and tear and technical or commercial obsolescence of the asset. Due to the judgements involved in such estimations, the useful life and residual value are sensitive to the actual usage in future period.

b. Recognition and measurement of defined benefit obligations

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

c. Fair value measurement of financial instruments

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

d. Provision for litigations and contingencies

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

e. Impairment of Financial and Non-Financial Assets

The impairment provision for financial assets are based on assumptions about risk of default and expected losses. The company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

The Company assesses at each reporting date whether there is an indication that a Non-financial asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount which is higher of an asset's or CGU's fair value less costs of disposal and its value in use. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

1.8 Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

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

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

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

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

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

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

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

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

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

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

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

1.9 Recent Accounting Pronouncement

In March 2018, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2018, notifying Ind AS 115, 'Revenue from Contracts with Customers', amendments to Ind AS 107, 'Financial Instrument Disclosures' and Ind AS 109, 'Financial Instruments'. The amendments are applicable to the Company from 1 April 2018.

Ind AS 115 "Revenue from Contracts with Customers"

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The new standard for revenue recognition will overhauls the existing revenue recognition standards Ind AS 18 – Revenue and Ind AS 11 – Construction contracts. The new standard provides a control-based revenue recognition model and provides a five step application principle to be followed for revenue recognition:

i. Identification of the contracts with the customer

ii. Identification of the performance obligations in the contract

iii. Determination of the transaction price

iv. Allocation of transaction price to the performance obligations in the contract (as identified in step ii)

v. Recognition of revenue when performance obligation is satisfied.

Appendix B to Ind AS 21, Foreign currency transactions and advance consideration: On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency. The amendment will come into force from April 1, 2018.

2 Significant Accounting Policies

2.1 Property, plant and equipment

Property, plant and equipment are stated at original cost net of tax/ duty credit availed, less accumulated depreciation and accumulated impairment losses. The cost of an asset includes the purchase cost of materials including import duties and non-refundable taxes, and any directly attributable costs of bringing an asset to the location and condition of its intended use. Interest on borrowings used to finance the construction of qualifying assets are capitalized as part of cost of the asset until such time that the asset is ready for its intended use. The present value of the expected cost for the decommissioning of the asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

When significant part of the property, plant and equipment are required to replace at intervals, the company derecognized the replaced part and recognized the new parts with its own associated useful life and it depreciated accordingly. Likewise when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance cost are recognized in the statement of the profit and loss as incurred.

Internally manufactured property, plant and equipment are capitalised at factory cost including excise duty and or GST whatever is applicable.

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

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

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and equipment are a recognized in the statement of profit and loss in the year of occurrence.

2.2 Investment Property

Investment properties are properties, either land or building or both, held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost including transactions costs. Subsequent to initial recognition, investment properties are measured in accordance with Ind AS 16's requirement for cost model.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is de-recognised.

2.3 Intangible assets

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

The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the assets are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. Expenses Incurred during construction period, preliminary project expenditure, capital expenditure, indirect expenditure incidental and related to construction / implementation, interest on borrowings to finance fixed assets and expenditure on start-up / commissioning of assets forming part of a composite project are capitalized up to the date of commissioning of the project as the cost of respective assets.

2.4 Depreciation and amortization

Depreciation on property plant and equipment is provided on written down value method on the basis of useful life of assets at the rates prescribed in Schedule II to the Companies Act, 2013 except in case of overseas branch and subsidiary where depreciation is provided on a straight line basis over the useful life of assets as ascertained by the management. Property, Plant and Equipment which are added / disposed off during the year, depreciation is provided pro-rata basis with reference to the month of addition / deletion. The company has adopted the residual value of 2%.

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

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

2.5 Impairment of Non-financial assets

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

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

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

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

2.6 Leases

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

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

Where the Company is the lessee

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

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

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

Where the Company is the lessor

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

2.6 Government grants

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

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

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

2.7 Borrowing Cost

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

All other borrowing costs are charged to the Statement of Profit and Loss in the period in which they are incurred. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use

2.8 Segment accounting and reporting

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

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

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Semac Consultants Private limited

NOTES TO CONSOLIDATED FINANCIAL STATEMENT AS AT MARCH 31, 2018

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

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

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

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

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

2.9 Employee Benefits

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

a. Short-term employee benefits

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

b. Defined contribution plan

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

c. Defined benefit plan

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

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

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absences are provided for based on actuarial valuation. The actuarial valuation is done as per projected unit credit method at the year-end.

2.10 Financial Instruments

(a) Financial Assets

Classification

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

Initial Recognition and Measurement

The company recognizes financial assets when it becomes a party to the contractual provisions of the instrument. All financial assets (except for certain trade receivables) are recognized initially at fair value plus, for financial asset not subsequently measured at FVTPL, transaction costs that are directly attributable to the acquisition of financial assets. Trade receivables that do not contain a significant financing component (determined in accordance with IND AS 18 – Revenue Recognition) are initially measured at their transaction price and not at fair value.

Subsequent Measurement

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

• At amortised cost for debt instruments only.

• At fair value through profit & loss account

• At fair value through other comprehensive income

Debt instrument at amortised cost

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

• The assets is held within a business model whose objective is to hold assets for collecting contractual cash flow, and

• Contractual terms of the assets give rise on specified dates to cash flows that are solely payments of principle and interest (SPPI) on the principle amount outstanding.

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

Debt instrument at Fair value through Other Comprehensive Income

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

• The assets is held within a business model in which asset are managed both in order to collect contractual cash flows and for sale (business model test), and

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• Contractual terms of the assets give rise on specified dates to cash flows that are solely payments of principle and interest (SPPI) on the principle amount outstanding (contractual cash flow characteristics).

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

(a) Interest calculated using EIR

(b) Foreign exchange gain and losses; and

(c) Impairment losses and gains

Debt instrument at Fair value through Profit or loss

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

Equity investments

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

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

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

Derecognition

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

• The right to receive cash flows from the assets have expired or

• The company has transferred substantially all the risks and rewards of the assets, or

• The company has neither transferred nor retained substantially all the risks and rewards of the assets, but has transferred control of the assets.

Impairment of financial assets

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

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

• Trade receivables

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

(b) Financial liabilities & Equity

Classification

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

Initial recognition and measurement

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

Subsequent Measurement of Financial Liabilty

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

Financial Liability at amortised cost

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

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

This category generally applies to loans & borrowings.

Financial Liability at FVTPL

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

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

Equity Instruments

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

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

Derecognition

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

Offsetting of financial instrument

2.11 Investments in Associate, Joint venture & Associate

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

2.12 Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated customer returns, rebates and other similar allowances.

Sale of Services

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

Interest Income

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

Dividends

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

Insurance claim

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

2.13 Foreign Currency Transactions

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• Initial recognition

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

• Conversion

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

• Exchange differences

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

• Foreign Operations

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

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

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

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

2.14 Taxes

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

Current income tax

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

Minimum alternate tax

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

Deferred tax

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

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

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

2.15 Provisions, contingent liabilities and contingent assets

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that the outflow of resources embodying economic benefits will be required to settle the obligation in respect of which reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, the expense relating to provision presented in the statement of profit & loss is net of any reimbursement.

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

Contingent liability is disclosed in the notes in case of:

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

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

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

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

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

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

2.16 Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

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

2.17 Cash and cash equivalent

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

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

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STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2018

(₹ in '000)

A. Equity share capital

Equity share capital	As at 1st April,2016	Changes during the year	As at 31st March, 2017	Changes during the year	As at 31st March, 2018
	18,209	-	18,209	-	18,209

B. Other Equity

Particulars	Reserves and Surplus				Items of Other Comprehensive Income		Total	Non-controlling interest
	General Reserve	Consolidation adjustment reserve	Legal / statutory reserve	Retained earnings	Foreign Currency Translation reserve	Actuarial Gain / Loss		
Restated balance as at 1st April 2016	1,64,127	21,511	6,926	4,27,587	11,724	-	6,31,875	55,756
Additions during the period	-	-	-	(55,538)	2,906	1,868	(50,764)	14,906
Dividend Paid	-	-	-	-	-	-	-	(20,094)
Tax on dividend	-	-	-	-	-	-	-	(18)
Adjustment on account of Joint Venture	-	-	-	-	-	-	-	-
Prior period adjustment	-	-	-	(33)	-	-	(33)	-
As at 31st March 2017	1,64,127	21,511	6,926	3,72,015	14,630	1,868	5,81,078	50,551
Additions during the period	-	-	-	(37,859)	(1,138)	2,646	(36,350)	4,659
As at 31st March 2018	1,64,127	21,511	6,926	3,34,157	13,492	4,515	5,44,728	55,210

Nature of reserves

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

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

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

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

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NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR YEAR ENDED MARCH 31, 2018

Note 3.1 Property, Plant & Equipment and Intangible Asset

(₹ in '000)

Particulars	Tangible Assets									Total Tangible Assets
	Leasehold Improvements	Buildings	Plant & Machinery	Electrical Installations	Computer (End-user Devices)	Computers (Servers & Networks)	Furniture & Fixtures	Office equipment	Vehicles	
Gross Block										
Balance as at 1st April 2016, Reinstated	2,646	7,723	9,345	2,679	56,822	1,089	24,195	21,470	41,649	**1,67,618**
Addition	-	-	-	-	2,187	116	1,191	794	5,923	**10,210**
Disposals / Adjustments	-	-	-	(101)	(103)	-	(83)	(228)	(3,842)	**(4,358)**
as at 31st March,2017	**2,646**	**7,723**	**9,345**	**2,578**	**58,906**	**1,205**	**25,303**	**22,036**	**43,730**	**1,73,471**
Addition	-	-	70	-	2,010	-	255	266	4,575	7,176
Disposals / Adjustments	-	-	(16)	(778)	(14,613)	(321)	(510)	(1,605)	(6,416)	(24,260)
as at 31st March,2018	**2,646**	**7,723**	**9,399**	**1,800**	**46,303**	**884**	**25,048**	**20,696**	**41,888**	**1,56,387**
Depreciation										
Balance as at 1st April 2016, Reinstated	**2,578**	**3,488**	**8,303**	**2,335**	**55,186**	**730**	19,571	**19,355**	**35,343**	1,46,889
Charge for the year	14	276	8	79	319	342	1,292	1,125	5,136	8,590
Disposals	-	-	(39)	-	(233)	-	-	-	(3,391)	(3,664)
Adjustment - FCTR	-	-	-	-	-	-	(67)	**(147)**	(708)	(922)
as at 31st March,2017	**2,592**	**3,764**	**8,273**	**2,413**	**55,271**	**1,072**	**20,796**	**20,332**	**36,380**	**1,50,893**
Charge for the year	2	227	272	38	2,038	60	1,457	799	4,873	9,766
Disposals	-	-	(14)	(752)	(14,030)	(311)	(513)	(1,596)	(6,200)	(23,417)
Charged to opening reserves	-	-	-	-	-	-	14	32	167	212
as at 31st March,2018	**2,593**	**3,990**	**8,531**	**1,699**	**43,279**	**821**	**21,754**	**19,568**	**35,220**	**1,37,455**
Net Block										
as at 1st April,2016	68	4,235	1,041	344	1,636	359	4,624	2,115	6,306	20,729
as at 31st March,2017	55	3,959	1,072	165	3,635	133	4,507	1,703	7,349	22,577
as at 31st March,2018	53	3,732	868	101	3,024	63	3,294	1,129	6,668	18,932

Note

(i) Opening gross block & accumulated depreciation of assets have been regrouped in line with schedule - II of the Companies Act 2013.

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

NOTE - 3.2 **SEMAC CONSULTANTS PRIVATE LIMITED**

NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR YEAR ENDED MARCH 31, 2018

(₹ in '000)

Particulars	Intangible Assets
Gross Block	
Balance as at 1st April 2016, Reinstated	51,435
Addition	2,040
Disposals / Adjustments	(1,565)
as at 31st March,2017	**51,910**
Addition	786
Disposals / Adjustments	0
as at 31st March,2018	**52,697**
Depreciation	
Balance as at 1st April 2016, Reinstated	45,012
Charge for the year	2,855
Disposals	-
Adjustment - FCTR	(93)
as at 31st March,2017	47,775
Charge for the year	2,071
Disposals	(18)
Charged to opening reserves	20
as at 31st March,2018	49,847
Net Block	
as at 1st April,2016	6,423
as at 31st March,2017	4,135
as at 31st March,2018	2,849

4 Financial Asset : Non Current

4.1 Investment

(₹ in '000)

		As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
	Unquoted investment			
(i)	**Investments in joint venture**			
	98 (FY 16-17: 98 ; 1st April 2016: 98) paid-up shares of Qatari Riyal ₹1,000 /- each fully paid-up in Semac Qatar WLL, Doha	1,172	1,172	1,172
	Less : Impairment in value *	(1,172)	(1,172)	(1,172)
(ii)	**Investments in other body corporate (At fair value)**			
	128 (FY 16-17: 128 ; 1st April, 2016: 128) paid-up equity shares of ₹ 25/- each fully paid-up in Shamrao Vittal Co-op. Bank Ltd.	3	3	3
	74,050 (FY 16-17:74,050 ; 1st April 2016: 74,050) fully paid up equity shares of ₹ 10/- each in AEC Infotech Pvt. Ltd.	666	666	666
	Quoted investment			
	300 units (FY 16-17: 300 ; 1st April 2016: Nil) fully paid up debentures of ₹ 100,000 each	-	30,000	-
	3,600 (FY 16-17: 3,600 ; 1st April, 2016: 3,600) fully paid up equity shares of ₹ 10/- each in Lakeland Hotels Ltd.	36	36	36
	Total	706	30,706	706
	Aggregate amount of quoted investments	36	30,036	36
	Market value of quoted investments	556	29,889	36
	Aggregate amount of unquoted investments	2,504	1,841	1,841
	Provision for dimination in investment	(1,172)	(1,172)	(1,172)

(*Due to ongoing legal proceeding with the Semac Qatar W.L.L. , a joint venture with a controlling share of 49 %, the company has fully impaired the value of its investment in accordance with the requirement of Ind AS 36 " Impairment of assets")

4.2 Loans

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Loans to related party			
- Unsecured, considered doubtful	862	19,629	18,768
Less : Provision for doubtful debts *	(862)	(19,629)	-
Security deposits			
Unsecured, considered good			
- Rent deposit	5,117	4,574	4,271
-Deposits with statutory authorities	25	1,025	1,025
- Others	-	-	915
Total	5,142	5,599	24,979

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

4.3 Other financial assets

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Fixed deposits (having maturity of more than 12 months)			
- Under lien *	-	3,718	15,162
Total	-	3,718	15,162

* Lien in favour of guarantee given to customers

5 Deferred tax assets

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Deferred tax asset (Net)	48,409	41,352	20,499
	48,409	41,352	20,499

(i) Movement in deferred tax items

FY 17-18	Opening Balance as at 1st April, 2017	Recognised in Profit & Loss Account	Recognised in other comprehensive income	Closing balance as at 31st March, 2018
Deferred tax (liability) / asset on account of				
Expenses allowable on payment basis and others	16,714	(1,345)	(5,964)	9,405
Carry forward losses and unabsorbed depreciation	22,782	16,535	-	39,316
Depreciation difference	-	-	(930)	(930)
Provision for doubtful debt	-	(1,123)	-	(1,123)
	1,856	(116)	-	1,740
Net deferred tax (liability) / asset	41,352	13,950	(6,893)	48,409

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6 Other non current asset

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Advance lease rent	60	327	653
Total	60	327	653

7 Financial asset : Current

7.1 Investment

	Quoted investments			
(i)	Investment in Mutual funds (at FVTPL) Nil units (In FY 16-17 : Nil units; 1st April 2016 : ₹ 522,879 units) in HDFC liquid fund (growth)	-	-	20,000
	Total	-	-	20,000

7.2 Trade receivable

		As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
(i)	**Exceeding 6 months from payment due date**			
	-Unsecured, considered good	2,16,834	1,55,772	1,93,972
(ii)	**Other receivables**			
	-Unsecured, considered good	84,442	1,73,479	2,22,298
	-Unsecured, considered doubtful	15,217	5,364	2,104
	Less : Provision for doubtful debts	(15,217)	(5,364)	(2,104)
		3,01,275	3,29,251	4,16,270

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 - against which provision has been created

7.3 Cash and cash equivalent

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Balances with banks			
- In Current accounts	1,30,244	1,79,351	1,38,456
- In Fixed deposit with maturity of upto 3 months	42,816		
Cash on hand	121	1,925	775
Total	1,73,181	1,81,276	1,39,231

7.4 Bank balance

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Balances with banks			
- in Fixed deposit with maturity of upto 3-12 months (under lien)	71,069	61,109	64,187
- in Fixed deposit with maturity of upto 3-12 months	100	9,568	1,490
Earmarked balances			
- Unpaid dividend	-	11	11
	71,169	70,689	65,689

7.5 Loans

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Unsecured, considered good unless otherwise stated			
Related parties			
- Loan to holding company (refer note (i))	9	60,009	80,000
- Loan to subsidiaries, joint venture, associate and others	41,097	30,040	29,330
Loans to others (refer note (ii))	25,000	-	25,000
Security deposit			
- Earnest money deposit	2,302	2,081	2,551
- Others	719	1,145	5,851
Advance to employees	1,635	287	1,403
Total	70,763	93,563	1,44,136

Note

(i) Loan has been given to holding company in earlier years and was repaid in the current financial year.
(ii) Loan was given to Vasundhara International, a sole proprietary concern on 3rd April, 2017 for general corporate purposes for a period of two years at interest rate of 13% per annum.

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7.6 Other financial assets

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Interest accrued on			
- Loan to holding company	1,191	41	2,506
- Deposits with bank	1,813	2,584	3,748
Interest accrued on loan to others	731	-	-
Unbilled revenue	40,824	36,717	33,884
Total	44,559	39,342	40,138

8 Current tax asset (net)

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Advance payment of taxes (net) (Net of provision FY 17-18 - ₹ 23,399 ; FY 16-17 - ₹ 25,530 ; 1st April 2016 - ₹ 131,425)	75,414	67,521	60,179
Total	75,414	67,521	60,179

9 Other current assets

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Advance to suppliers	17,656	16,319	1,248
Prepaid expense	14,100	15,990	7,405
Other advances recoverable in kind	400	2,054	3,840
Balance with statutory authorities	62,304	14,341	5,639
Total	94,459	48,705	18,132

10 Equity share capital

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Authorised:			
2,000,000 Equity Shares of ₹ 10/- each	20,000	20,000	20,000
Issued, subscribed and fully paid up :			
1,820,892 equity shares of ₹ 10/- each	18,209	18,209	18,209
Total	18,209	18,209	18,209

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

	No. of shares	Amount
As at 1st April 2016	18,20,892	18,209
Movement during the year	-	
As at 31st March, 2017	18,20,892	18,209
Movement during the year	-	
As at 31st March, 2018	18,20,892	18,209

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

Particulars	As at 31st, March 2018		As at 31st, March 2017		As at 1st, April 2016	
	No. of shares	% of holding	No. of shares	% of holding	No. of shares	% of holding
Revathi Equipment Ltd. (the Holding Company)	14,01,860	77%	14,01,860	77%	14,01,860	77%
B. S. Aswathnarayan	97,390	5%	97,390	5%	97,390	5%
T. S. Gururaj	95,851	5%	95,851	5%	95,851	5%
	15,95,101	88%	15,95,101	88%	15,95,101	88%

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

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

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

b) During the year ended 31st March, 2018 the amount of dividend per share recognised as distribution to equity shareholder was ₹ Nil. (FY 16-17 ₹ Nil; 1st April 2016 Rs Nil)

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

11 OTHER EQUITY

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
General reserve			
Restated balance as at beginning of the year	1,64,127	1,64,127	1,64,127
Changes during the year	-	-	-
Closing Balance	1,64,127	1,64,127	1,64,127
Consolidation adjustment reserve			
Restated balance as at beginning of the year	21,511	21,511	21,511
Add : (Loss)/Profit for the year	-	-	-
Balance at the end of the year	21,511	21,511	21,511
Legal / statutory reserve			
Restated balance as at beginning of the year	6,926	6,926	6,926
Add : (Loss)/Profit for the year	-	-	-
Balance at the end of the year	6,926	6,926	6,926
Retained earnings			
Restated balance as at beginning of the year	3,72,015	4,27,587	4,27,587
Add : (Loss)/Profit for the year	(37,859)	(55,538)	-
Adjustment on account of Joint Venture (JV)	-	-	-
Prior period adjustment	-	(33)	-
Balance at the end of the year	3,34,157	3,72,015	4,27,587
Foreign currency translation			
Restated balance as at beginning of the year	14,630	11,724	11,724
Additions during the period	(1,138)	2,906	-
Balance at the end of the year	13,492	14,630	11,724
Actuarial gain/loss			
Restated balance as at beginning of the year	1,868	-	-
Additions during the period	2,646	1,868	-
Balance at the end of the year	4,515	1,868	-
Total Reserve and surplus	5,44,728	5,81,078	6,31,875

12 Non-controlling interest

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Opening restated balance	50,551	55,756	55,756
Additions during the period	4,659	14,906	-
Dividend paid	-	(20,094)	-
Tax on dividend	-	(18)	-
Closing Balance	55,210	50,551	55,756

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13 Financial Liability : Non Current

13.1 Borrowings

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Secured at amortised cost			
From bank			
- Term loan	353	698	920
Total	353	698	920

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

13.2 Other financial liability

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Retention money payable	8,390	5,792	1,488
Total	8,390	5,792	1,488

14 Non current provision

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Provision for employee benefits			
- Gratuity	35,720	40,115	35,828
- Leave encashment	3,557	3,521	2,531
	39,277	43,637	38,359

15 Financial liability : current

15.1 Borrowings

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Secured - at amortised cost			
- Cash credit / WCDL (refer note (ii))	-	20,010	-
Unsecured - at amortised cost			
- From body corporate (refer note (i))	-	-	40,000
- From related party	-	-	-
Total	-	20,010	40,000

Note

(i) The above loan was taken from Hari Investment Pvt Ltd carrying interest @ 12% p.a. The loan has been repaid in April 2016

(ii) The borrowing is secured by first Pari Pasu charge on the current assets of the company along with Lakshmi Vilas bank and FDR for ₹ 4 Crore has been marked as lien in favour of Yes bank Ltd.

15.2 Trade payables

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
a) Micro, small and medium enterprises*	-	-	-
b) Others	1,02,005	1,18,996	84,673
Total	1,02,005	1,18,996	84,673

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

15.3 Other financial liability

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Current maturities of long term borrowings	288	264	452
Expenses payable	57,871	20,530	16,504
Others	1,778	-	126
Total	59,937	20,793	17,081

16 Short term provisions

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Provision for employee benefits			
- Gratuity	3,634	4,887	6,520
- Leave encashment	1,296	859	649
Provision for contingency *	12,400	12,400	12,400
Total	17,330	18,146	19,569

*Claim made by a client which is under dispute.

17 Other current liability

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Advance from clients	-	2,824	8,807
Statutory liabilities	30,091	11,398	10,628
Others	31,389	46,631	65,560
Total	61,479	60,852	84,995

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(₹ in '000)

18 Revenue from operations

	Year ended 31st March 2018	Year ended 31st March 2017
(i) Sale of services		
Engineering consultancy and project management charges	5,17,618	6,09,755
Work contract services	6,46,159	2,87,343
Total	11,63,777	8,97,098

19 Other income

	Year ended 31st March 2018	Year ended 31st March 2017
Interest Income from		
- From FDR's	7,075	5,253
- Income tax refund	2,881	1,921
- Loans & advances	9,044	15,911
Profit on sale of current investments	-	1,222
Bad debts recovered	410	85
Tender document charges received	2,441	3,580
Sundry balances/provision no longer required written back	3,337	18,338
Profit/loss on sale of PPE (net)	741	906
Miscellaneous income	1,715	1,364
Total	27,644	48,579

20 Cost of services

	Year ended 31st March 2018	Year ended 31st March 2017
Works contract expenses	5,35,084	2,17,113
Total	5,35,084	2,17,113

21 Employee benefit expense

	Year ended 31st March 2018	Year ended 31st March 2017
i. Salaries, wages, allowances & commission	4,09,958	4,22,624
ii. Contribution to gratuity, provident & other funds	37,376	33,533
iii. Staff welfare expenses	9,119	9,753
Total	4,56,453	4,65,910

22 Finance cost

	Year ended 31st March 2018	Year ended 31st March 2017
Interest expenses	1,186	3,186
Delayed payment of the statutory dues	344	1,109
Total	1,529	4,294

23 Depreciation & amortization expenses

	Year ended 31st March 2018	Year ended 31st March 2017
i. Tangible assets	9,766	8,590
ii. Intangible assets	2,071	2,855
Total	11,837	11,445

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24 Other expenses

	Year ended 31st March 2018	Year ended 31st March 2017
Power & fuel	4,350	5,088
Rent	22,354	24,439
Repairs on others	5,766	8,964
Insurance	7,954	5,957
Rates & taxes	6,035	13,905
Bad debts written off	13,941	15,722
Provision for advances to related party	-	19,643
Training, seminar expense & other HR expense	819	566
Travel & conveyance	30,548	29,251
Vehicle maintenance	4,634	5,749
Bank charges	4,353	2,911
Postage & telephone	6,253	7,063
Loss on sale of investment	301	-
Printing & stationery	4,130	4,772
Foreign exchange difference (loss)	166	180
Charity & donation	-	2,512
Corporate social responsibilities	150	1,422
Tender fee	221	-
Sundry balances written off	7,433	7,408
Professional expense	98,541	1,31,116
Miscellaneous expenses	7,331	9,007
Total	2,25,280	2,95,674

25 Tax expense

Current tax		
- Income tax relating to current years	2,259	4,390
- Income tax relating to earlier years	529	10,714
Deffered tax expense	(7,986)	(21,843)
	(5,198)	(6,739)

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26 Other comprehensive income

Item that will be reclassified to profit or loss		
Foreign currency translation reserve	(773)	4,294
		-
Item that will not be reclassified to profit or loss		
Actuarial gain / (loss) on defined benefit obligation	3,576	2,857
Total	2,803	7,151

27 Earning per Share

Face value of equity Shares (in Rs.)		
Total number of equity shares outstanding	18,20,892	18,20,892
Weighted average number of equity shares in calculating basic and diluted EPS	18,20,892	18,20,892
Continued Operation		
Net profit for calculation of basic and diluted EPS	(37,859)	(55,538)
EPS (Basic & Diluted)	(0)	(0)
Discontinued Operation		
Net profit for calculation of basic and diluted EPS (Rs. In '000)	-	-
EPS (Basic & Diluted)	-	-
Total Operations		
Net profit for calculation of basic and diluted EPS (Rs. In '000)	(37,692)	(55,538)
EPS (Basic & Diluted)	(0)	(0)

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28 Contingent Liabilities (not provided for) in respect of:

(₹ in '000)

S.No	Particulars	2017-18	2016-17	1st April, 2016
a)	Bank guarantees	28,017	2,03,115	1,57,384
b)	Service tax demands	5,899	1,049	2,777
c)	Default in payment of TDS	1,577	1,550	-
d)	Claims against the Company not acknowledged as debts	11,772	-	-
	Total	47,265	2,05,714	1,60,161

29 Capital and other commitments:

(₹ in '000)

S.No	Particulars	2017-18	2016-17	1st April, 2016
a)	Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	Nil	Nil	Nil
b)	Estimated amount of contracts remaining to be executed on other than capital account and not provided for (net of advances)	Nil	Nil	Nil

30 Remuneration paid to Auditors :

(₹ in '000)

Particulars	2017-18	2016-17
Statutory auditor	842	936
Other services	120	120
Reimbursement of expenses	150	150
Total	1,112	1,206

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

(₹ in '000)

S.N.	Particulars	2017-18	2016-17	2015-16
a)	Principal amount and interest due thereon remaining unpaid to any supplier as at end of each accounting year	-	-	-
b)	Interest paid by the Company in terms of Section 16 of the MSMED Act along with the amounts of the payment made to the supplier beyond the appointed day during the accounting year.	-	-	-
c)	the amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	-	-	-
d)	the amount of interest accrued and remaining unpaid	-	-	-
e)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of this Act.	-	-	-
	Total	-	-	-

32 Expenditure in foreign currency (Accrual basis):

(₹ in '000)

Particulars	2017-18	2016-17
Travelling	4,627	6,254
Rent	7,098	8,292
Professional fee and other expenses	2,33,635	2,54,130

33 Earnings in foreign currency (Accrual Basis):

(₹ in '000)

Particulars	2017-18	2016-17
Engineering, consultancy, project management charges	2,71,168	2,98,100

34 Segment Information

(i) General Disclosure

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

The above reportable segments have been identified based on the significant components of the enterprise for which discrete financial information is available and are reviewed by the Chief operating decision maker (CODM) to assess the performance and allocate resources to the operating segments.

(ii) Entity wide disclosure required by IND AS 108 are made as follows:

a) Revenues from sale of products to external customers

(₹ in '000)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
India	9,20,253	6,47,577
Outside India	2,71,168	2,98,100

b) **Segment Assets**

Total of non-current assets other than financial instruments, investment in subsidiaries, joint ventures and associate and deferred tax assets broken down by location of the assets, is shown below:

Particulars	Year ended March 31, 2018	Year ended March 31, 2017	Year ended April 1, 2016
India	15,965	16,318	18,552
Outside India	8,815	10,721	9,253

(iii) Information about major customers:

No single customer contributed 10% or more of the total revenue of the Company for the year ended 31st March, 2018 and 31st March, 2017

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35 Gratuity and Other Post Employment Benefit Plans

Gratuity

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

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

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

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

A. Statement of profit and loss

Net employee benefit expense

(₹ in '000)

Particulars	2017-18		2016-17	
	Gratuity (funded)	Leave encashment	Gratuity (funded)	Leave encashment
Current Service cost	7,903	12,260	6,632	14,425
Net Interest cost	2,715	193	3,034	241
Expected return on plan assets	(264)		(490)	-
Net actuarial (gain) / loss to be recognized	(3,576)	(743)	(2,857)	(2,800)
Past service cost (vested benefits)	2,596	(191)	963	89
Expenses Recognized in the statement of Profit & Loss	**9,373**	**11,519**	**7,281**	**11,954**

B. Balance Sheet

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

(₹ in '000)

Particulars	2017-18		2016-17	
	Gratuity (partly funded)	Leave encashment	Gratuity (partly funded)	Leave encashment
Defined benefit obligation	39,489	4,899	48,698	4,279
Fair value of plan assets	3,063	-	3,696	-
Net Asset/(Liability) recognized in the Balance Sheet	36,426	4,899	45,002	4,279

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

(₹ in '000)

Particulars	2017-18		2016-17	
	Gratuity (partly funded)	Leave encashment	Gratuity (partly funded)	Leave encashment
Opening defined benefit obligation	48,698	4,381	47,313	3,970
Interest cost	2,715	193	3,034	241
Current service cost	7,903	12,260	6,632	14,425
Past service cost (vested benefits)	2,596	(191)	963	89
Actuarial (gains)/losses on obligation	(3,771)	(743)	(2,854)	(2,800)
Benefit paid	(15,724)	(11,001)	(6,389)	(11,645)
Closing defined benefit obligation	42,417	4,899	48,698	4,279

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

(₹ in '000)

Particulars	2017-18	2016-17
Opening fair value of plan assets	3,780	5,451
Actual return on Plan Assets	264	490
Contribution during the year	14,125	2,696
Benefit paid	(14,911)	(4,860)
Actuarial gain / (loss) on plan assets	(195)	3
Closing fair value of plan assets	**3,063**	**3,780**

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

Particulars	2017-18 %	2016-17 %
Discount rate (%)	7%	7%
Expected salary increase (%)	8%	10%
Demographic Assumptions		
Retirement Age (year)	60	60
Attrition / Withdrawal rate (per annum)	20%	20%
Mortality rate	100%	100%

The estimates of future salary increases considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant

v. Contribution to defined contribution plans:

Particulars	2017-18	2016-17
Provident fund	19,264	15,700

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vi Sensitivity analysis of the defined benefit obligation:

Particulars	2017-18		2016-17	
	Gratuity (partly funded)	Leave encashment	Gratuity (partly funded)	Leave encashment
Impact of the change in discount rate				
Present value of obligation at the end of the period	42,417	4,899	48,698	4,279
Impact due to increase of 0.50%	212	24	243	21
Impact due to decrease of 0.50%	(212)	(24)	(243)	(21)
Impact of the change in salary increase				
Present value of obligation at the end of the period	42,417	4,899	48,698	4,279
Impact due to increase of 0.50%	212	24	243	21
Impact due to decrease of 0.50%	(212)	(24)	(243)	(21)

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

vii Other comprehensive income (OCI):

(₹ in '000)

Particulars	2017-18		2016-17	
	Gratuity (partly funded)	Leave encashment	Gratuity (partly funded)	Leave encashment
Net cumulative unrecognized actuarial (gain)/loss opening	(2,857)	(2,800)	-	-
Actuarial (gain)/loss for the year on PBO	(3,771)	(743)	(2,854)	(2,800)
Actuarial (gain)/loss for the year on plan asset	195	-	(3)	-
Unrecognized actuarial (gain)/loss at the end of the year	-	-	-	-
Total actuarial (gain)/loss at the end of the year	(6,433)	(3,543)	(2,857)	(2,800)

36 Related Party Transaction

a) List of Related Parties

i. Subsidiaries, Associates and Joint Venture of the Company

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

ii. Holding company

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

iii Key Management Personnel of the Company

Name	Status
Mr. Chaitanya Dalmia	Director till 31st March 2018
Mr. Abhishek Dalmia	Additional Director, w.e.f. 1st December 2017
Mrs. Deepali Dalmia	Additional Director, w.e.f. 31st March 2018
Mr Ramesh Pangasa	Managing Director till 29th April 2016
Mr Vikas Jain	Chief Financial Officer and Company Secretary w.e.f. 18th November, 2016
Mr Rohit Sharda	Chief Executive Officer till 31st January, 2017
Mr. Pawan Maini	Chief Executive Officer, w.e.f. 3rd April 2017

iv Relatives of Key management personnel

Name	Relation
Smt. V Pangasa	Wife of Mr Ramesh Pangasa
Mr. Nitin Pangasa	Son of Mr Ramesh Pangasa
Ms. Priyamvada Dalmia	Daughter of Mr. Abhishek Dalmia & Mrs Deepali Dalmia, w.e.f. 1st December 2017

v. Enterprises where Key managerial personnel or their relatives have significant influence
Semac Construction Technologies India LLP (SCTILLP), formerly Renaissance Construction Technologies India LLP (RCTILLP)

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

Nature of Relationship	Name of Related Party	Nature of Transaction	For the year ended	
			31-Mar-18	31-Mar-17
Key Management Personnel	Mr. Ramesh Pangasa	Salary & Perquisites	-	450
	Mr. Nitin Pangasa		-	201
	Mr. Vikas Jain (CFO)		5,913	5,375
	Mr. Rohit Sharda (CEO)		-	7,860
	Mr. Pawan Maini (CEO)		27,500	-
	Ms. Priyamvada Dalmia		2,016	-
Relatives of Key Management personnel	Smt. V. Pangasa	Rent	-	40
Enterprises where Key managerial personnel or their relatives have significant influence	Semac Construction Technologies India LLP (SCTILLP)	Professional fees / reimbursement of expenses	1,03,587	16,186
Holding company	Revathi Equipment Limited	Interest Income	1,277	10,970
Subsidiaries, Associates and Joint Venture of	Semac Qatar WLL	Consultancy Income	-	109

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

Nature of Relationship	Name of Related Party	Nature of Transaction	31-Mar-18	31-Mar-17	1-Apr-16
Enterprises where Key managerial personnel or their relatives have significant influence	Semac Construction Technologies India LLP (SCTILLP)	Trade Receivable	5,671	1,920	234
		Trade Payable	5,633	4,059	-
Holding company	Revathi Equipment Limited	Advance Given	9	60,000	80,000
		Interest Receivable	1,191	41	2,506
Joint Venture of the Company	Semac Qatar WLL	Loans	862	19,629	18,768
		Provision for Diminuition	(862)	(19,629)	-
		Net Amount	-	-	18,768
		Trade receivables	188	269	126
		Provision for Doubtful Debts	(188)	(269)	-
		Net Amount	-	-	126
		Investments	1,172	1,172	1,172
		Less: Provision	(1,172)	(1,172)	(1,172)
		Net Amount	-	-	-

37 Leases

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

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

(a) **Payments recognised as expense**

Particulars	2017-18	2016-17
Minimum lease payment	22,354	24,439

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

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

There are no present obligations requiring provisions in accordance with the guiding principles as enunciated in Ind As 'Provisions, Contingent Liabilities & Contingent Assets except as given under
Due to ongoing legal proceeding with the Semac Qatar W.L.L. , a joint venture with a controlling share of 49 %, the company has created the provision for the loan and receivables in accordance with the requirement of Ind AS 37.

39 Impairment Review

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

Key assumptions used in value-in-use calculations are:-
(i) Operating margins (Earnings before interest and taxes), (ii) Discount Rate, (iii) Growth Rates and (iv) Capital Expenditure

40 Expenditure incurred on Corporate Social Responsibilities

(a) Gross amount required to be spent by the company during the year ₹ 100 (previous year ₹ 1,421,818)
(b) Amount spent during the year on

CSR Activities	In Cash	Yet to be paid in cash	Total
(i) Construction / acquisition of any asset	-	-	-
(ii) On purpose other than (i) above	150 (1,422)	- -	150 (1,422)

(figure in bracket pertain to previous year)

41 Events occurring After the Balance Sheet date
No adjusting or significant non adjusting events have occurred between the reporting date and date of authorization of financial statements

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42 Financial Risk Management

Financial risk factors

The Company's operational activities expose to various financial risks i.e. market risk, credit risk and risk of liquidity. The Company realizes that risks are inherent and integral aspect of any business. The primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Company's senior management oversees the management of these risks and devise approrpiate risk management framework for the Company. The senior management provides assurance that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives

A Market risk:

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. The Company is exposed to the risk of movements in interest rates and foreign currency exchange rates that affects its assets, liabilities and future transactions. The Company is exposed to following key market risks:

i. Interest rate risk :

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's short term borrowings obligations in the nature of cash credit.

Particulars	Fixed Rate Borrowing	Variable Rate Borrowing	Total Borrowing
As at March 31, 2018	640	-	640
As at March 31, 2017	961	20,010	20,972
As at April 1, 2016	41,372	-	41,372

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

Sensitivity on variable rate borrowings	Impact on Profit & Loss Account	
	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Interest rate increase by 0.25%	-	(50)
Interest rate decrease by 0.25%	-	50

ii. Foreign currency risk :

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

The details of foreign currency exposure is as follows:

Particulars	Trade Receivable		Trade Payables	
	In FC	₹ in '000	In FC	₹ in '000
Unhedged foreign currency exposures				
Foreign Exposure as at 31st March 2018				
US Dollars	763	49,448	104	6,763
Euro	-	-	45	3,633
Foreign Exposure as at 31st March 2017				
US Dollars	738	47,803	108	7,008
Euro	-	-	105	6,569
Foreign Exposure as at 1st April 2016				
US Dollars	969	64,121	10	661
Euro	-	-	250	18,725

Rate Sensitivity

Sensitivity analysis is computed based on the changes in the income and expenses in foreign currency upon conversion into functional currency, due to exchange rate fluctuations between the previous reporting period and the current reporting period.

₹ In '000

Particulars	Increase / Decrease in basis points	Impact on Profit & Loss Account	
		For the year ended 31st March, 2018	For the year ended 31st March, 2017
USD Sensitivity	+ 50 basis points	329	315
	- 50 basis points	(329)	(315)
Euro Sensitivity	+ 50 basis points	(23)	(53)
	- 50 basis points	23	53

* Holding all other variable constant

B Credit risk:

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

To manage this, Company periodically assesses the financial reliability of customers, taking into account factors such as credit track record in the market and past dealings with the Company for extension of credit to customer Company monitors the payment track record of the customers. Outstanding customer receivables are regularly monitored. An impairment analysis is performed at each quarter end on an individual basis for major customers. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in note 3.18. The Company evaluates the concentration of risk with respect to trade receivables as low, the trade receivables are located in several jurisdictions and operate in largely independent markets.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR YEAR ENDED MARCH 31, 2018

The ageing of trade receivable is given below:

₹ in '000

Particulars	As at 31st March, 2018		As at 31st March, 2017		As at 1st April, 2016	
	Upto 6 months	More than 6 months	Upto 6 months	More than 6 months	Upto 6 months	More than 6 months
Gross carrying amount (A)	99,659	2,16,834	1,78,843	1,55,772	2,24,403	1,93,972
Expected Credit Losses (B)	(15,217)		(5,364)		(2,104)	
Net Carrying Amount (A-B)	84,442	2,16,834	1,73,479	1,55,772	2,22,298	1,93,972

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved authorities. Credit limits of all authorities are reviewed by the management on regular basis. All balances with banks and financial institutions is subject to low credit risk due to good credit ratings assigned to the Company. The Company's maximum exposure to credit risk for the components of the balance sheet at March 31, 2018, March 31, 2017 and April 1, 2016 is the carrying amounts as illustrated in note 44

C Liquidity risk:

The risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Company's cash flow is a mix of cash flow from collections from customers on account of engineering services. The other main component in liquidity is timing to call loans/ funds and optimization of repayments of loans installment, interest payments.

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

₹ in '000

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Total current assets	8,30,821	8,30,347	9,03,774
Total current liabilities	2,40,752	2,38,798	2,46,318
Current ratio	3	3	4

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

₹ in '000

	Particulars	Payable on demand	Less than 1 year	More than 1 year	Total
I	**As at 31st March, 2018**				
(i)	Borrowings	-	288	353	640
(ii)	Other Financial Liability	59,650		8,390	68,040
(iii)	Trade and other payble	-	1,02,005	-	1,02,005
	Total	59,650	1,02,293	8,743	1,70,685
II	**As at 31st March, 2017**				
(i)	Borrowings	20,010	264	698	20,972
(ii)	Other Financial Liability	20,530		5,792	26,322
(iii)	Trade and other payble	-	1,18,996	-	1,18,996
	Total	40,540	1,19,260	6,490	1,66,290
III	**As at 1st April, 2016**				
(i)	Borrowings	40,000	452	-	40,452
(ii)	Other Financial Liability	16,629		1,488	18,117
(iii)	Trade and other payble	-	84,673	-	84,673
	Total	56,629	85,125	1,488	1,43,242

43 Financial Instrument - Disclosure

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard.

Financial Assets

Sl. No	Particulars	Note	Fair value hierarchy	As at March 31, 2018		As at March 31, 2017		As at April1, 2016	
				Carrying Amount	Fair Value	Carrying Amount	Fair Value	Carrying Amount	Fair Value
1	**Financial asset at FVTPL**	D							
	Current								
	Investments in mutual funds			-		-		20,000	20,000
2	**Financial asset at FVTOCI**								
	Non Curent								
	Investments in equity shares								
	Quoted			36	36	36	36	36	36
	Unquoted			670	670	670	670	670	670
3	**Financial assets designated at amortised cost**								
	Non Current								
a)	Investment in debentures			-	-	30,000	30,000	-	-
b)	Loans			5,142		5,599		24,979	
c)	Others financial asset			-		3,718		15,162	
	Current								
a)	Trade receivables			3,01,275		3,29,251		4,16,270	
b)	Cash and cash equivalents			1,73,181		1,81,276		1,39,231	
c)	Bank balances			71,169		70,689		65,689	
d)	Loans			70,763		93,563		1,44,136	
e)	Others financial asset			44,559		39,342		40,138	
	Total			6,66,795	706	7,54,145	30,706	8,66,310	20,706

Financial Liabilities

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Sl. No	Particulars	Note	Fair value hierarchy	As at March 31, 2018		As at March 31, 2017		As at April1, 2016	
				Carrying Amount	Fair Value	Carrying Amount	Fair Value	Carrying Amount	Fair Value
1	**Financial liability designated at amortised cost**	D							
	Non Current								
a)	Borrowings			353		698		920	
b)	Other financial liability			8,390		5,792		1,488	
	Current								
a)	Borrowings *			-		20,010		40,000	
b)	Trade payables			1,02,005		1,18,996		84,673	
c)	Other financial liabilities			59,937		20,793		17,081	
	Total			1,70,685	-	1,66,290	-	1,44,162	-

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

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

B Company has opted to fair value its financial asset through OCI

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

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

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

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

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

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

44 Capital management

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

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

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

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Debt (i)	353	20,708	40,920
Cash & bank balances	1,73,181	1,81,276	1,39,231
Net Debt	(1,72,829)	(1,60,568)	(98,311)
Total Equity	6,18,147	6,49,838	7,05,840
Net debt to equity ratio (Gearing Ratio)	(0)	(0)	(0)

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

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45 Transition to Ind As

First-time adoption of Ind AS

These financial statements, for the year ended March 31, 2018 are the first the Company has prepared in accordance with Ind AS. For periods up to and including the year ended March 31, 2017, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on March 31, 2018, together with the comparative period data as at and for the year ended March 31, 2017, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at 1 April 2016, being the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the balance sheet as at April 01, 2016 and the financial statements as at and for the year ended March 31, 2017.

This note explains the principal adjustments made by the Company and an explanation on how the transition from the previous GAAP to Ind AS has affected its financial statements, including the Balance Sheet as at 1st April, 2016 and the financial statements for the year ended 31st March, 2017.

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from the previous GAAP to Ind AS:

a. Deemed cost

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for a class of its property, plant and equipment as recognised in the financial statements as on the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost on the date of transition. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets.

The Company has elected to continue with the carrying value of all classes of its property, plant and equipment and intangible assets, recognised as of April 1, 2016 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

b Leases

Appendix C to Ind AS 17 requires an entity to assess whether a contract or arrangement contains a lease. In accordance with Ind AS 17, this assessment should be carried out at the inception of the contract or arrangement. Ind AS 101 provides an option to make this assessment on the basis of facts and circumstances existing on the date of transition to Ind AS, except where the effect is expected to be not material.

Business Combination

Ind AS 103 Business Combinations has not been applied to acquisitions of subsidiaries, which are considered businesses under Ind AS that occurred before April 1, 2016. Ind AS 101 provides the option that the Indian GAAP carrying amounts of assets and liabilities that are required to be recognised under Ind AS, is their deemed cost at the date of the acquisition. After the date of the acquisition, measurement is in accordance with respective Ind AS.

Business combinations occurring prior to the transition date have not been restated.

c Investment in subsidiary, associate, joint venture

Ind AS 27 requires an entity to account for its investments in subsidiaries and associates either at cost or in accordance with Ind AS 109. Ind AS 101 provides an option to measure such investments as at the date of transition to Ind AS either at cost determined in accordance with Ind AS 27 or deemed cost, where deemed cost shall be its fair value as at date of transition to Ind AS or previous GAAP carrying amount as at that date.

d. Designation of previously recognised financial instruments

Ind AS 101 allows an entity to designate investments in equity instruments at FVOCI on the basis of the facts and circumstances on the date of transition to Ind AS. The Company has elected to apply this exemption for its investment in equity investments.

e De-recognition of financial assets and liabilities

Ind AS 101 requires a first-time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first-time adopter to apply the de-recognition requirements in Ind AS 109 retrospectively from a date of the entity's choosing, provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions. The Company has applied the de-recognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after April 1, 2016 (the transition date).

f Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets (investment in debt instruments) on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

g Impairment of financial assets

The Company has applied the impairment requirements of Ind AS 109 retrospectively; however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognised in order to compare it with the credit risk at the transition date. Further, the Company has not undertaken an exhaustive search for information when determining, at the date of transition to Ind ASs, whether there have been significant increases in credit risk since initial recognition, as permitted by Ind AS 101.

h Cumulative Translation Difference

Ind AS 21 require to recognise some translation differences in other comprehensive income and accumulate these in a separate component of equity. However a first-time adopter need not comply with these requirements for cumulative translation differences that existed at the date of transition to Ind ASs.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR YEAR ENDED MARCH 31, 2018

Reconciliation of equity as previously reported under IGAAP to IND AS as at April 01, 2016

	As at April 1, 2016 ₹ in '000 IGAAP	As at April 1, 2016 ₹ in '000 Adjustment	As at April 1, 2016 ₹ in '000 As Per IND AS
Assets			
Non - current assets			
Property, plant and equipment	20,729	-	20,729
Other intangible assets	6,423	-	6,423
Financial assets			
Investments	706	-	706
Loans	90,858	(65,879)	24,979
Others Financial Asset	-	15,162	15,162
Deferred tax assets (net)	20,499	(0)	20,499
Other non - current assets	16,187	(15,534)	653
	1,55,401	(66,251)	89,150
Current assets			
Financial assets			
Investments	20,000	-	20,000
Trade receivables	4,16,270	-	4,16,270
Cash and cash equivalents	2,04,920	(65,689)	1,39,231
Bank Balances	-	65,689	65,689
Loans	1,70,648	(26,512)	1,44,136
Others	40,138	0	40,138
Current tax assets (net)	-	60,179	60,179
Other current assets	-	18,132	18,132
	8,51,976	51,798	9,03,774
Total Assets	10,07,377	(14,453)	9,92,924
Equity and liabilities			
Equity			
Equity share capital	18,209	-	18,209
Other equity	6,45,303	(13,428)	6,31,875
Minority Interest	50,783	4,973	55,756
	7,14,295	(8,455)	7,05,840
Liabilities			
Non - current liabilities			
Financial liabilities			
Borrowings	920	-	920
Other financial liabilities	1,488	-	1,488
Provisions	38,359	0	38,359
	40,766	0	40,766
Current liabilities			
Financial liabilities			
Borrowings	40,126	(126)	40,000
Trade payables	84,673	-	84,673
Other financial liabilities		17,081	17,081
Provisions	25,567	(5,998)	19,569
Other current liabilities	1,01,950	(16,956)	84,995
	2,52,317	(5,998)	2,46,318
Total Equity & Liabilities	10,07,377	(14,453)	9,92,924

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SEMAC CONSULTANTS PRIVATE LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR YEAR ENDED MARCH 31, 2018

Reconciliation of equity as previously reported under IGAAP to IND AS as at March 31, 2017

	As at 31-Mar-17 ₹ in '000 IGAAP	As at 31-Mar-17 ₹ in '000 Adjustment	As at 31-Mar-17 ₹ in '000 As Per IND AS
Assets			
Non - current assets			
Property, plant and equipment	22,577	0	22,577
Other intangible assets	4,135	(0)	4,135
Financial assets			
Investments	30,706	-	30,706
Loans	76,862	(71,263)	5,599
Others	-	3,718	3,718
Deferred tax assets (net)	41,352	-	41,352
Other non - current assets	4,743	(4,416)	327
	1,80,376	(71,961)	1,08,415
Current assets			
Financial assets			
Trade receivables	3,29,251	0	3,29,251
Cash and cash equivalents	2,51,965	(70,689)	1,81,276
Bank Balances	-	70,689	70,689
Loans	1,42,268	(48,705)	93,563
Others	39,342	-	39,342
Current tax assets (net)		67,521	67,521
Other current assets		48,705	48,705
	7,62,827	67,521	8,30,347
Total Assets	9,43,203	(4,440)	9,38,762
Equity And Liabilities			
Equity			
Equity share capital	18,209	-	18,209
Other equity	5,86,102	(5,023)	5,81,078
Minority Interest	45,578	4,973	50,551
	6,49,889	(51)	6,49,838
Liabilities			
Non - current liabilities			
Financial liabilities			
Borrowings	698	-	698
Other financial liabilities	5,792	-	5,792
Provisions	43,637	-	43,637
	50,126	-	50,126
Current liabilities			
Financial liabilities			
Borrowings	20,010	-	20,010
Trade payables	1,18,996	-	1,18,996
Other financial liabilities	-	20,793	20,793
Provisions	22,536	(4,390)	18,146
Other current liabilities	81,646	(20,793)	60,852
	2,43,188	(4,390)	2,38,798
Total Equity & Liabilities	9,43,203	(4,440)	9,38,762

Equity Reconciliation

	2016	2017
As Per IGAAP	6,45,303	5,86,102
Finance income on security deposit - Rent	-	349
Advance Rent amortized	-	(325)
Security Deposit (Operating Lease)	(74)	(74)
As Per IND AS	6,45,228	5,86,051

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NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR YEAR ENDED MARCH 31, 2018

Statement of profit and loss for the year ended 31.03.2017

Particulars	As at 31-03-2017 ₹ in '000 IGAAP	As at 31-Mar-17 ₹ in '000 Adjustment	As at 31-03-2017 ₹ in '000 As Per IND AS
Revenue from operations	8,97,098	(0)	8,97,098
Other income	50,869	(2,289)	48,579
Total income	9,47,966	(2,289)	9,45,677
Expenses			
Cost of services	2,17,113	-	2,17,113
Employee benefits expenses	4,65,839	72	4,65,910
Finance costs	1,509	2,786	4,294
Depreciation and amortization expenses	11,445	(0)	11,445
Other expenses	2,95,168	505	2,95,674
Total expenses	9,91,074	3,363	9,94,436
Profit / (loss) before exceptional items and tax	(43,108)	(5,652)	(48,759)
Exceptional items			
Profit / (loss) before tax	(43,108)	(5,652)	(48,759)
Tax expense			
Current Tax	15,103	-	15,103
Deferred Tax	(20,854)	(989)	(21,843)
	(5,751)	(989)	(6,739)
Profit / (loss) from continuing operations	(37,357)	(4,663)	(42,020)
Profit / (loss) from discontinued operations	-	-	-
Tax expense of discontinued operations	-	-	-
Profit / (loss) from discontinued operations (after tax) (X - XI)	-	-	-
Profit / (loss) for the period	**(37,357)**	**(4,663)**	**(42,020)**
Other comprehensive income			
Items that will be reclassified to profit or loss	-	4,294	4,294
Income tax relating to items that will be reclassfied to profit or loss		-	
Items that will not be reclassified to profit or loss	-	2,857	2,857
Income tax relating to items that will not be reclassified to profit or loss	-	(989)	(989)
	-	6,162	6,162
Total comprehensive income for the period	(37,357)	1,499	(35,858)

Profit reconcilation for the year ended March 31, 2017

	Amount ₹ in '000
Profit As per IGAAP March 31, 2017	(37,357)
Advance lease rent amortised	(325)
Finance income on security deposit (Operating Lease)	349
Transfer of gain on translation of foreign operation to OCI	(2,818)
Transfer of acturial gain to OCI	(2,857)
Tax Impact t/f to OCI	989

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

SEMAC CONSULTANTS PVT. LTD. New Delhi

SEMAC CONSULTANTS PRIVATE LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR YEAR ENDED MARCH 31, 2018

Profit As Per IND AS March 31, 2017

Footnotes to the reconciliation of equity as at 1st April, 2016 and 31st March, 2017 and Statement of Profit and Loss for the year ended 31st March, 2017 :

Financial Assets & Liabilities
The previous year's including figures as on the date of transition have been reworked, regrouped, rearranged and reclassified wherever necessary. Amounts and other disclosures for the preceding year including figures as at the date of transition are included as an integral part of the current year financial statements and are to be read in relation to the amounts and other disclosures relating to the current year.

Other comprehensive income
Under the previous GAAP, the Company did not present total comprehensive income and other comprehensive income. Hence, it has reconciled the previous GAAP profit to profit as per Ind AS. Further, the previous GAAP profit is reconciled to other comprehensive income and total comprehensive income as per Ind AS.

Property, plant and equipment & Intangible Assets
Under Ind AS, the Company has elected to opt for cost model with respect to property, plant and equipments, capital work in progress and intangible asset.

Translation of Foreign Operations
Under IGAAP, differnces arising on account of translation of foreign operations into functional currency is recognised as gain or loss in the statement profit & loss account. However, in Ind AS such difference are to be recognised in other comprehensive income. Thus foreign currency transaltion gain of ₹ 28.18 lakhs for the FY 16-17 has been recognized in other comprehensive income.

Trade Receivables
Under Indian GAAP, the Company has created provision for impairment of receivables consists only in respect of specific amount for incurred losses. Under Ind AS, impairment allowance has been determined based on Expected Loss model (ECL).

Investments
Under Indian GAAP, the company accounted for long term investments in unquoted and equity shares as investment measured at cost less provision for other than temporary diminution in the value of investments.

In Ind As the investment in subsidiary, associate and joint venture, the Company has the option to account for investment in shares either at cost/deemed cost or FVTOCI or FVTPL as at the transition date.

As per the aforesaid alternatives, the Company has designated investment in the subsidiary (unquoted investment) and associate comapny at deemed cost i.e. the previous GAAP carrying amount less accumulated the impairment loss, if any, as at the date of transition.

Defined benefit obligation
Both under Indian GAAP and Ind AS, the company recognised costs related to its post-employment defined benefit plan on an actuarial basis. Under Indian GAAP, the entire cost, including actuarial gains and losses, are charged to profit or loss. Under Ind AS, remeasurements [comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets excluding amounts included in net interest on the net defined benefit liability] are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI. Thus, the employee benefit cost is increased by ₹ 28.57 lakhs on account to re-measurement gain for the FY 2016-17 and remeasurement gain on defined benefit plan has been recognized in the OCI, net of tax as at 31st March 2017.

Deferred tax Liability (net)
Previous GAAP required deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the year. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences which were not required under the previous GAAP. Moreover, carryforward of unused tax credits are to be treated as deferred tax assets which was earlier considered as Other non-current non-financial assets.

Long term financial asset at amortised cost
Under Indian GAAP, long-term financial assets such as interest free deposit were recognised at the contractual amount and were not discounted. Under Ind AS, where the effect of time value of money is material, the amount of asset should be recognised at the present value of amount expected to be realised. These assets are subsequently measured at amortised cost method.

Revenue
Under the previous GAAP, revenue from sale of goods was presented as net of excise duty and service tax on sales. However, under Ind AS, revenue from sale of goods includes excise duty and service tax and such taxes & duty is separately presented as an expense on the face of the Statement of Profit and Loss.

Retained earnings
Retained earnings as at the transition date has been adjusted consequent to the above Ind AS transitional adjustments.

NEW DELHI CHARTERED ACCOUNTANTS & CO.

SEMAC CONSULTANTS PVT. LTD. New Delhi

SEMAC CONSULTANTS PRIVATE LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR YEAR ENDED MARCH 31, 2018

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

For S.S. Kothari Mehta & Co.
Chartered Accountants

Sunil Wahal
Partner
Membership No: 087294

Place : New Delhi
Date: May 11, 2018

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

Abhishek Dalmia
DIN : 00011958

Deepali Dalmia
DIN : 00017415

Vikas Jain
Chief Financial Officer