

2019 - 2020

ANNUAL REPORT



Patel
Since 1949



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Corporate Information

BOARD OF DIRECTORS

Mr. Rupen Patel, Chairman & Managing Director
 Mr. Khizer Ahmed, Independent Director
 Mr. K. Ramasubramanian, Independent Director
 Ms. Geetha Sitaraman, Independent Director
 Ms. Kavita Shirvaikar, Whole time Director & CFO
 Mr. Sunil Sapre, Whole time Director
 Dr. Barendra Kumar Bhoi, Independent Director

REGISTERED OFFICE

Patel Estate Road, Jogeshwari (West),
 Mumbai - 400 102.
 Tel: +91 22 267 67500
 Fax: +91 22 2678 2455
 Email Id: investors@pateleng.com
 Website: www.pateleng.com

REGISTRAR & TRANSFER AGENT

Link Intime India Pvt Limited
 C-101, 247 Park,
 L. B. S. Marg, Vikhroli (West),
 Mumbai - 400 083.
 Tel No: +91 22 49186270 Fax: +91 22 49186060
 E-mail id: rent.helpdesk@linkintime.co.in
 Website: www.linkintime.co.in

COMPANY SECRETARY

Ms. Shobha Shetty

AUDITORS

M/s. T. P. Ostwal & Associates LLP
 Chartered Accountants
 Suite#1306-1307, 13th floor, Lodha Supremus,
 Senapati Bapat Marg, Lower Parel,
 Mumbai - 400013.
 Tel No. : +91 22 4945 4000
 E-mail id: itax@tpostwal.in
 Website: www.tpostwal.in

CONSORTIUM LENDERS

ICICI Bank Ltd
 Bank of India
 Canara Bank
 Bank of Baroda (including Dena Bank)
 IDBI Bank Ltd
 Union Bank of India
 Corporation Bank
 State Bank of India
 Axis Bank Ltd
 Standard Chartered Bank
 Bank of Maharashtra
 DBS Bank Ltd
 Societe Generale
 RBL Bank Ltd
 IndusInd Bank Ltd
 SREI Equipment Finance Ltd
 Export- Import Bank of India
 Yes Bank

DEBENTURE TRUSTEES

IDBI Trusteeship Services Limited

Asian Building, Ground Floor,
 17, R. Kamani Marg, Ballard Estate,
 Mumbai - 400 001.
 Tel: +91-22-4080 7000
 Email: itsl@idbitrustee.com
 Website: www.idbitrustee.com

Catalyst Trusteeship Limited

Office No. 604, 6th floor,
 Windsor, C.S.T. Road,
 Kalina, Santacruz (East),
 Mumbai 400098
 Tel: +91-22-49220543
 Email: umesh.salvi@ctltrustee.com
 Website: www.catalysttrustee.com



Message from the Managing Director



Dear Shareholders,

I am writing to you all shareholders amid the Covid-19 pandemic, which has created unprecedented disruption not only in India but also in the entire world. After the lockdown, the economic activities are being restored slowly in a phased manner. Hopefully, the economy shall be back to normal before the year ends.

We are confident that the present government shall leave no stone unturned to fight the crisis and resolve all issues, whether it is Covid-19 pandemic or border issues with neighbouring countries. The push for being self-reliant or “Atma Nirbhar”, brought in by the honourable Prime Minister, Shri Narendra Modi and medium-term strategy of structural reforms along with rehabilitation of MSMEs announced by the Finance Minister may ensure the early revival of the economy with least dependence on other countries.

During these trying times, we are taking sufficient care of all employees and workers associated with the company by maintaining social distancing and following other precautions at project sites to ensure the safety of our people. Most of the office staff are working from home who are physically not required at office/sites. Following lockdown rules and regulations, all meetings are being conducted via video conferences and/or teleconferences to avoid physical contacts.

The overall economic scenario before Covid-19 was driven by the slowdown in private investment and low consumption spending by the public at large leading to a deceleration of the overall GDP growth to 4.2% in FY 20. In FY 21, India's GDP is likely to witness the severest contraction since independence due to Covid-19 related disruption. As both life and livelihood are important, the Government has endeavoured to strike a balance between control of the pandemic and opening up of the economy. The Central Government has announced ₹ 21 trillion package so far, including massive liquidity injection by the RBI. The Atma Nirbhar package has mainly three elements – relief to the downtrodden; rehabilitation of industries, particularly the MSMEs; and structural reforms in multiple sectors to kick-start the economy after the pandemic is brought under control. Deep cuts in the Repo rate by the RBI and large liquidity injection has reduced lending rate for the corporates to a reasonable level. The MSMEs are the biggest beneficiary of the Atma Nirbhar package as they get the credit guarantee from the government besides collateral-free loans and moratorium on the repayment of the loan for six months. Despite the increase in the government's market borrowings, the fiscal position is tight due to likely shortfall in revenue collection and non-materialisation of disinvestment in FY21.

The global scenario is also disappointing. There is a wait and watch situation all over the world which is presently struggling to maintain economic and physical health while fighting the Covid-19 pandemic. Most of the countries, like ours, have come out with stimulus packages to boost their economies. The geopolitical risks remain alive as the US-China trade issues have further worsened in the last year.

A growing economy such as India requires substantial and focused investments in infrastructure that will enable businesses and attract further capital to sustain its economic momentum. India has been counted as the fastest-growing major economies of the world for some time, but the recent slowdown and this year's contraction has cast a shadow on our GDP target of US\$ 5 trillion by 2024. The Finance Ministry's Economic Survey of 2019 the government indicated that India needs to spend 7%-8% of its GDP or US\$ 200 billion annually on infrastructure to meet its growth targets. The Government plan to invest ₹ 102 trillion in infrastructure projects under the National Infrastructure Pipeline over the next 5 years is the first step towards the above

goal. The broad breakup of the same is - Power & Energy ₹ 24.54 trillion; Roads ₹ 19.64 trillion; Urban Infrastructure ₹ 16.29 trillion; Railways ₹ 13.68 trillion; Irrigation ₹ 7.73 trillion; Rural Infrastructure ₹ 7.73 trillion; and balance in social, industrial infrastructure, ports etc. This shall be collectively funded by the Central Government and State Governments to the extent of 79%. The remaining 21% is envisaged to come from the private sector.

The Company is confident that it will obtain sufficient orders over the coming years and increase its activities based on the above-proposed investments. These investments shall improve the economic recovery of the country as well as generate employment. During the year FY 20, the Company received a good number of fresh orders, including the Letter of Allotment (LoA) for civil works of Kiru HE Project for ₹ 22,410 Million, which is a large hydro project in Jammu & Kashmir. The total order book size of the company was ₹ 1,31,846.50 million as on March 31, 2020, which would generate sustained revenues over the next few years.

Covid-19 Impact: Our Company is into the EPC / Construction sector, wherein the Company has to execute work at project sites to generate revenue. All the project sites of the company across the country were shut immediately as per directives of the Central Government from March 25, 2020 to fight against the Covid-19 pandemic. Operations in all projects pan-India were impacted in the latter part of Q4 FY 20 and also in FY 21 till complete lockdown was relaxed. Since June 2020, almost all the sites started operations though at less than full capacity due to a shortage of manpower and disruption in the supply of construction materials. We have made necessary arrangements for the labour force at sites to work with new restrictions like social distancing besides providing additional facilities like food, lodging etc. The company is presently in the process of getting the migrated labourers back at the site as normalcy is begin restored.

Even in such difficult time when the country witnessed a lower GDP growth in FY 20, the performance of the company continued to be stable coupled with a slow but steady growth notwithstanding the Supreme Court's reversal of an arbitration award given by the District Court earlier in favour of the company relating to one of Award.

The performance of FY 20 is as follows:

On a consolidated basis,

- Revenue from operations increased by 10.8% to ₹ 26,172.14 million in FY 20 from ₹ 23,622.05 million in FY 19, reflecting steady growth in the operations of the company.
- Net Profit has decreased from ₹ 1,487.25 million in FY 19 to ₹ 44.46 million in FY20.

On a standalone basis,

- Revenue from operations increased by 12.7% to ₹ 23,330.59 million in FY 20 from ₹ 20,698.90 million in FY 19, reflecting steady growth in the operations of the company.
- Net Profit has declined from ₹ 830.30 million in FY 19 to ₹ 363.40 million in FY20.

The Company has continued to focus on monetization of non-core assets to reduce debt and further increase liquidity. The Company also successfully completed a Rights Issue for ₹ 2,009.97 million during FY 20. As a result, the debt of the company on a standalone basis has declined from ₹ 22,152.70 million in FY 2019 to ₹ 19,037.50 million in FY 20.

Due to the Covid-19 pandemic, the Company is going through one of its toughest years in FY 21. However, various measures undertaken by the government including that of moratorium granted by the RBI in payment of interest and principal dues have enabled the Company to survive during the pandemic. We feel that this time shall also pass and the country shall be back to normal by the year-end, with sentiments improving in the second half of the year.

I assure all shareholders that we shall together be able to overcome even this hurdle, as we have done in the past.

Thank you all shareholders for your much-needed support and co-operation.

Yours truly,



Rupen Patel

Chairman & Managing Director

Comparative Consolidated Financials

(₹ in million)

	2019-2020	2018-2019	2017-2018	2016-2017	2015-2016	2014-2015	2013-2014	2012-2013	2011-2012	2010-2011
A. FINANCIAL POSITION										
Share Capital	408.17	164.24	156.99	156.99	76.81	76.81	76.81	69.83	69.83	69.83
Reserves & Surplus	25,061.78	22,602.88	21,441.05	21,231.46	17,049.00	18,850.22	17,851.55	16,205.76	15,497.55	14,739.93
Shareholders Funds	25,469.95	22,767.12	21,598.04	21,388.45	17,125.81	18,927.03	17,928.36	16,275.59	15,567.38	14,809.76
Minority Interest	330.98	565.93	557.45	696.19	1,457.36	1,247.37	1,293.29	988.98	834.06	704.27
Deferred Tax Liability (Net)	-	-	-	-	-	139.76	171.54	113.32	216.03	131.95
Loan Funds	22,958.23	26,980.07	29,202.35	50,970.06	54,154.92	51,633.58	44,780.38	34,754.22	28,379.91	24,744.88
Total Funds Employed	48,759.16	50,313.12	51,357.84	73,054.69	72,738.09	71,947.74	64,173.57	52,132.11	44,997.38	40,390.86
Fixed Assets (Net)	17,480.77	16,412.38	13,484.16	14,977.11	14,587.57	16,402.35	14,606.70	12,509.61	10,532.09	8,530.20
Investments	1,055.75	1,314.43	1,411.33	1,381.92	1,643.69	1,817.81	1,338.98	1,131.07	985.88	780.35
Deferred Tax Assets (Net)	1,174.94	1,638.67	1,166.05	937.98	301.48	-	-	-	-	-
Net Current Assets & Non Current Assets	29,047.70	30,947.64	35,296.30	55,757.68	56,205.34	53,727.58	48,227.89	38,491.43	33,679.41	30,997.87
Miscellaneous Expenditure (To the extent not written off or adjusted)	-	-	-	-	-	-	-	-	-	82.44
Total Application of Funds	48,759.16	50,313.12	51,357.84	73,054.69	72,738.09	71,947.74	64,173.57	52,132.11	44,997.38	40,390.86
B. OPERATING RESULTS										
Income from Operations	26,172.14	23,622.05	22,745.49	38,838.37	40,408.66	34,153.87	37,011.31	41,148.74	35,920.91	34,759.09
Other Income	2,057.29	1,751.00	2,425.95	2,541.16	1,528.39	1,159.22	1,067.37	817.47	910.92	229.75
Total Income	28,229.43	25,373.05	25,171.43	41,379.52	41,937.05	35,313.09	38,078.68	41,966.21	36,831.83	34,988.84
Total Expenditure	27,845.08	24,278.17	22,874.54	41,200.70	42,809.05	35,149.52	37,541.04	40,707.37	35,532.45	33,141.67
Profit before Tax	384.35	1,094.87	2,296.90	178.82	-872.01	163.57	537.64	1,258.84	1,299.38	1,847.17
Profit after Tax	111.31	1,541.46	1,025.83	-1,035.81	-1,970.29	96.73	247.18	742.30	701.87	1,307.26
Minority Interest and other adjustments	39.30	57.14	66.77	-441.81	-84.77	12.04	83.49	92.27	35.99	81.21
Net Profit	44.46	1,487.25	959.07	-593.99	-1,885.52	84.69	163.69	650.03	665.88	1,226.05
C. EQUITY SHARE DATA										
Earning per share (₹)	0.39	9.71	6.67	-9.83	-24.30	1.10	2.15	9.31	9.54	17.56
Number of Shares	408,178,292	164,248,506	156,994,691	156,994,691	76,806,282	76,806,282	76,244,325	69,827,151	69,827,151	69,827,151
Dividend %	-	-	-	-	-	-	-	-	30%	100%

Board's Report

To the Members of Patel Engineering Limited,

The Directors hereby present the 71st Annual Report on the business, operations and state of affairs of the Company together with the audited financial statements for the year ended March 31, 2020:

FINANCIAL HIGHLIGHTS

Standalone and Consolidated Financial Performance

(₹ in million)

Particulars	Consolidated		Standalone	
	2019-20	2018-19	2019-20	2018-19
Total Revenue	28,229.43	25,373.05	26,825.70	23,560.96
Total Expenses	24,318.82	20,020.85	22,318.41	17,928.52
EBITDA	3,910.62	5,352.21	4,507.29	5632.44
Depreciation	661.86	501.95	586.27	409.25
Finance Cost	2,662.69	3,702.67	3309.05	3225.24
Exceptional Item	38.88	(891.52)	-	844.34
Profit before tax	547.20	2,039.10	611.97	1,153.61
Tax expenses	234.17	444.95	240.29	324.87
Share in loss in associates	201.72	52.70	-	-
Net Profit after tax	111.31	1,541.46	371.68	828.74
Other Comprehensive Income (Net)	(27.55)	2.93	(8.14)	1.52
Total comprehensive income for the year attributable to:	83.76	1,544.39	363.53	830.26
Minority Interest	39.30	57.14	-	-
Owners of the Parent	44.46	1,487.25	-	-
Add: Opening Balance in Profit & Loss A/c	6,683.17	5,508.85	7,474.66	6712.06
Appropriations / adjustments	158.84	(312.93)	(223.24)	(67.66)
Surplus carried to the Balance sheet	6,886.48	6,683.17	7,614.95	7,474.66
Earnings per equity shares ₹(face value ₹ 1 each)				
- Basic	0.39	8.43	1.30	5.22
- Diluted	0.39	4.58	0.89	2.97

Consolidated:

The Consolidated total income stood at ₹ 28,229.43 million as against ₹ 25,373.05 million for the previous year. The EBITDA was at ₹ 3,910.62 million as against ₹ 5,352.21 million for the previous year. The total comprehensive income is at ₹ 83.76 million as against ₹ 1,544.39 million for the previous year.

Standalone:

On Standalone basis, the total income stood at ₹ 26,825.70 million as against ₹ 23,560.96 million for the previous year. The EBITDA was at ₹ 4,507.29 million as against ₹ 5,632.43 million for the previous year. The total comprehensive income is at ₹ 363.53 million as against ₹ 830.26 million for the previous year.

Reserves

The Company transferred ₹ 172 million to Debenture Redemption Reserves for the Financial year ended March 31, 2020.



Dividend

To conserve funds, the Directors do not recommend payment of dividend for the financial year 2019-20.

Share Capital

During the year under review, the following changes have taken place in the Share Capital:

- Authorized Share Capital of the Company was partly modified to sub-divide the existing 80 (Eighty) Zero Coupon Optionally Convertible Preference Shares of ₹ 1,00,00,000 (Rupees One Crore Only) each to 80,00,00,000 (Eighty Crore) Zero Coupon Optionally Convertible Preference Shares of ₹ 1 (Rupee One Only) each.
- Issue of shares or other convertible securities

Date of Allotment	October 18, 2019	March 21, 2020	March 26, 2020
Method of allotment	Rights Issue (Equity shares)	Preferential Allotment of Optionally Convertible Preference Shares (OCPS)	Conversion of Optionally Convertible Preference Shares into Equity Shares
issue price (in ₹)	9	1	-
conversion price (in ₹)	-	-	18.12
number of shares/OCPS allotted	22,33,29,786	53,99,66,397	2,06,00,000
number of shares/OCPS allotted to the promoter group	20,00,00,000	53,99,66,397*	2,06,00,000

*53,99,66,397 were issued to a promoter against their outstanding compensation payable to them as per the books of accounts of the Company. Since the issue was for consideration other than cash, the valuation of asset under consideration was determined on the basis of a valuation report of a registered valuer appointed in terms of the provisions of Companies Act, 2013 and SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018.

In March 2020, out of 53,99,66,397 OCPS, 37,32,72,000 OCPS of ₹ 1 each were converted into 2,06,00,000 Equity Shares of Face Value of ₹ 1 at conversion price of ₹ 18.12.

Consequently, as at March 31, 2020, the total paid up share capital of the Company stood at ₹ 57,48,72,689 divided into 40,81,78,292 Equity Shares of ₹ 1 each and 16,66,94,397 OCPS of ₹ 1 each.

In April 2020, the Company converted the balance 16,66,94,397 OCPS into 91,99,470 Equity shares of ₹ 1 each at a conversion price of ₹ 18.12 per share, consequent to which the total paid up capital of the Company stood at ₹ 41,73,77,762.

Information on state of affairs of the Company

Information on the operational and financial performance, among others, is given in the Management Discussion and Analysis Report (MD & A Report) which is forming part of the Annual Report and is in accordance with the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

Material changes and Commitments

The Members may note that there is material changes and commitments between the end of the financial year to which the financial statements relate and the date of this Report. In the last month of FY 2020, the COVID-19 pandemic developed rapidly into a global crisis, forcing governments to enforce lock-downs of all economic activity. The Board would like to inform the Members that the operations at majority of the Project Sites of the Company was temporarily shut-down on account of COVID-19. Further, the Company has been taking necessary precautionary measures at all its Project sites against the spread of COVID-19 as advised by the Government from time to time. The Company has also followed "Work from Home" policy for its employees. The impact of COVID-19 pandemic is seen in the financial position of first quarter of FY 2020 with revenue dipped to ₹ 2,261.20 million as compared to ₹ 5,598.90 million in previous year's first quarter. The projects have subsequently commenced operations and the Company is positive to bounce back and meet its goal in a few months time.

The situation is closely monitored and necessary actions as might be required will be taken at any given time/ then prevailing circumstances. In this evolving situation, the overall adverse impact on the operations of the Company is not immediately assessable.

Finance

In total, the Company from time to time has raised money through borrowings (long and short terms, NCDs, OCDs and unsecured loans) and the total amount outstanding on standalone basis as on March 31, 2020 is ₹ 18,688.71 million.

The outstanding OCDs as on March 31, 2020 stood at ₹ 6,067 million which forms part of the above borrowings.

Subsidiaries & Associates

As on March 31, 2020, the Company has 72 subsidiaries including step down subsidiaries.

Highlights of performance of key subsidiaries/Associates

Michigan Engineers Private Limited having presence in urban infrastructure Projects, has an order book totaling to ₹ 8,260.40 million. Majority of the orders are in the segment of Micro tunneling in Mumbai.

Raichur Sholapur Transmission Company Private Limited (RSTCPL) commissioned 765 kV single circuit transmission line between Raichur and Sholapur in July 2014. Project promoted by Company along with Simplex Infrastructure Ltd and BS Ltd. Project achieved transmission line availability of 99.9% in 2014, 99.9% in 2015, 96.8% in 2016 and 99.39% in 2017. Lenders on September 22, 2017 implemented 5/25 scheme as per the RBI guidelines after obtaining approval from Independent Evaluation Committee, with cutoff date on December 30, 2016. The project is currently under operation and the debt obligation is timely serviced by RSTCPL. The Lenders have sanctioned Term Loan to refinance the existing ECB facility, which is under process.

Dirang Energy Private Limited (Dirang), a Special Purpose Company for development of 144 MW Gongri Hydroelectric Power Project in West Kameng district in Arunachal Pradesh. The physical progress of the project is on halt mainly due to delay in obtaining consent from State Pollution Control Board, untimely disbursement by project lenders, untimely infusion of equity, resistance from local community. Dirang and the Company have been in discussion with the lenders for resolution of outstanding debt since past couple of years and has now offered for One Time Settlement (OTS) of outstanding dues to the lenders. Out of four lenders, two lenders have sanctioned for OTS which shall be settled by the Company in lieu of the advance liability payable to Dirang and the other two lenders are in process for considering the OTS offer. The State Government has issued a Termination Notice on 01.03.2018 against which the Company has filed a writ petition for stay of the said notice in Guwahati High Court. The Guwahati High Court has passed a stay order dated 29.06.2018 on the said termination notice and also its consequential effects. The Company has however written off its investment in the project.

The Joint lenders Forum (JLF) had invoked SDR in *Bellona Estate Developers Limited* with reference date October 25, 2015. Pursuant to SDR, the Company allotted equity shares to Lenders to hold 51% stake. The Company was in discussion with interested buyer for sale of Mall on as is where basis. However due to current pandemic of COVID -19 interest of the buyer is subdued.

The status of *Patel KNR Infrastructure Ltd* and *Patel KNR Heavy Infrastructure Limited* continue to remain the same. The Company holds substantial stake in these road project companies. Both the NHAI annuity projects are under operation and the respective companies are receiving the annuity on semi-annual basis. The respective Companies are maintaining the assets as per the contract conditions. The Company and KNR Constructions Ltd., the promoters of these companies are looking for the divestment in the Projects.

PBSR Developers Private Limited, is developing the project consisting two residential towers (each tower having 20 floors) and one tower of serviced apartments (19 floors). The project offers residential units comprising of 2 BHK (990 sqft), 2.5 BHK (1120 sqft) and 3 BHK (1400 sqft & 1435 sqft). These residential towers have a total of 12 flats per floor whereas the service apartment block comprises of 11 apartments per floor. The construction is substantially completed and internal finishing works are going on and the project is expected to complete in the current financial year.

The Company through a step down subsidiary of its wholly owned subsidiary *Patel Energy Resources Limited* intended to build a thermal coastal power plant project of 1050 MW at Nagapattinam, Tamil Nadu. All the statutory clearances obtained stands elapsed and Consent for



Establishment (CFE) that is mandatory for taking up Project construction works is still pending with Government of Tamil Nadu. Pending this, the Company continue to keep the project on hold.

The Company's Mauritius subsidiary *Les Salines Development Ltd ("LSDL")* had Land lease Agreement with Govt. of Mauritius for a period of 99 years. After termination of the project by the Govt. of Mauritius, the Company has now issued a notice of arbitration to Government of Mauritius through International court of Justice (ICJ). Arbitration tribunal has been formed by ICJ. The first procedural hearing has taken place and a timetable has been set up for the process of arbitration. The Process of submission of statements are going on. Hearing of the matter is scheduled for May 2021.

During the year under review, the Board of Directors formed an Evaluation of Subsidiaries Committee, a Committee of Directors with an object to evaluate the overseas subsidiaries which are non-operative and can be closed down. The Committee was constituted to evaluate the financials of Indian as well foreign subsidiaries and upon evaluation, to decide on continuation /restructuring/discontinuation of these subsidiaries in the best interest of the Company.

The salient features of the financial statement of each of the subsidiaries and the associates as required under the Companies Act, 2013 is provided in **Annexure I** of the Boards' Report. Pursuant to the provisions of Section 136 of the Act, the financial statements of the Company, consolidated financial statements along with relevant documents and separate audited financial statements in respect of the subsidiaries are available on the website of the Company at www.pateleng.com

In terms of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the Company has formulated a policy for determining 'material' subsidiaries and the same has been disclosed on Company's website at the following link: <https://tinyurl.com/y4dpmjxu>

Particulars of Loans given, Investment made, Guarantees given and Securities provided

The members may note that the Company is engaged in providing infrastructural facilities and hence, as per Section 186(11) of Companies Act, 2013, nothing in Section 186 shall apply to the Company except sub-section (1) of Section 186. Accordingly, a separate disclosure has not been given in the financial statements as required under Section 186(4) with regard to particulars of loan given, investment made or guarantee given or security provided and the purpose for which the loan or guarantee or security is proposed to be utilized by the recipient of the loan or guarantee or security.

Related Party Transactions

Particulars of contract and arrangement with the Related Parties as referred to in sub-section 1 of Section 188 of the Companies Act, 2013 and forming part of this Report is provided in Financial Statement in Form AOC 2. All the Related Party Transactions as required under Ind AS-24 are reported in the Notes to the financial statements.

In accordance with the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has formulated the Related Party Transactions policy and the same is uploaded on Company's website at the link: <http://tinyurl.com/nrqnhhs>

Directors and Key Managerial Personnel

i. Independent Director

- The Board of Directors on recommendation of Nomination and Remuneration Committee and in accordance of the Companies Act, 2013 and SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015, re-appointed Ms. Geetha Sitaraman for second term of 2 (two) years at an Extra Ordinary General meeting held on March 20, 2020.
- Mr. S. Jambunathan ceased to be the Independent Director of the Company w.e.f September 20, 2019 due to completion of his second term as an Independent Director.
- Mr. K. Ramasubramanian was appointed as Independent Director of the Company w.e.f September 20, 2019 for the period of five years.

The necessary declaration with respect to independence has been received from all the Independent Directors of the Company