



# SmartFix4.0<sup>®</sup>

**PATENT  
PENDING**




**ASM**  
TECHNOLOGIES<sup>®</sup>  
engineering innovation

**ANNUAL  
REPORT  
2019-20**



**ENGINEERING  
INNOVATION**







# Corporate Information

## BOARD OF DIRECTORS

Mr. M. R. Vikram	Chairman & Independent Director
Mr. Rabindra Srikantan	Managing Director
Mr. M. Lakshminarayan	Independent Director
Mr. Shekar Viswanathan	Independent Director
Mr. Ramesh Radhakrishnan	Non-Independent Non-Executive Director
Ms. Preeti Rabindra	Non-Independent Non-Executive Director

## AUDIT COMMITTEE

Mr. M. R. Vikram	Chairman
Mr. M. Lakshminarayan	
Mr. Shekar Viswanathan	

## STAKEHOLDERS RELATIONSHIP & SHARE TRANSFER COMMITTEE

Mr. M. R. Vikram	Chairman
Mr. Rabindra Srikantan	
Ms. Preeti Rabindra	

## NOMINATION & REMUNERATION COMMITTEE

Mr. Shekar Viswanathan	Chairman
Mr. M. R. Vikram	
Mr. M. Lakshminarayan	

## CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Ms. Preeti Rabindra	Chairman
Mr. M. R. Vikram	
Mr. Rabindra Srikantan	
Mr. Shekar Viswanathan	

## CHIEF FINANCIAL OFFICER

Mr. Narsingh Rathod

## COMPANY SECRETARY

Ms. Vanishree Kulkarni

## AUDITORS

B K Ramadhyan & Co. LLP.  
Chartered Accountants  
4B, Chitrapur Bhavan, No.68, 8th Main, 15th Cross Road,  
Mallechwaram, Bangalore - 560 055, Karnataka, India

N. Rajan Associates  
Certified Public Accountants Sim Lim. Towers # 10-12, 10  
Jalan Besar (S) 208787, Singapore 208787

Venu & Vinay  
Chartered Accountants  
1st Floor, 161, 4th Main Road,  
7th Cross Road, Chamarajpet,  
Bangalore - 560 018, Karnataka, India

## TAX ADVISORS

Sudhakar Pai Associates  
Chartered Accountants  
Unity Building, J.C. Road, Bangalore, Karnataka, India

Chugh CPAs, LLP  
2540 Mission College Blvd, Santa Clara CA 95054, USA

## COMPANY LAW ADVISOR

K. Dushyantha Kumar & Associates  
Company Secretaries  
Bangalore, Karnataka, India

BMP & Co. LLP  
Company Secretaries  
Bangalore, Karnataka, India

## LEGAL ADVISORS

Saakshya Law, Advocates  
Bangalore, Karnataka, India

The Law Office of Anthony Abear P.C.  
Attorney  
Wheaton, Illinois, USA

## BANKERS

State Bank of India, InCube Branch, Bangalore, Karnataka, India  
ICICI Bank Limited, M G Road, Bangalore, Karnataka, India  
Indian Bank, Singapore  
First Federal Bank, Ohio, USA  
State Bank of India, King Street, London, UK  
HSBC Bank USA, New York, USA

## STOCK EXCHANGE

(Where the shares of the Company are listed)  
BSE Limited  
Phiroze Jeejeebhoy Towers  
25th Floor, Dalal Street, Mumbai - 400 001, Maharashtra, India

## STOCK CODE

BSE - 526433

## DEMAT ISIN NUMBER

INE867C01010

## INVESTOR RELATION CELL

Secretarial Department  
#80/2, Lusanne Court, Richmond Road, Bangalore - 560 025,  
Karnataka, India  
Tel: +91 80 6696 2309 | [compliance.officer@asm ltd.com](mailto:compliance.officer@asm ltd.com)

## REGISTRARS & SHARE TRANSFER AGENTS

KFin Technologies Private Limited  
Karvy Selenium Tower B, Plot No. 31 & 32,  
Financial District, Nanakramguda,  
Serilingampally Mandal, Hyderabad - 500 032, Telangana, India  
Tel: 040 6716 2222 | [inward.ris@kfintech.com](mailto:inward.ris@kfintech.com)





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# Letter To The Shareholder

Dear Fellow Shareholders,

It gives me great pleasure to share our the past year's progress to ASM's stakeholders. The trust of our customers, and the perseverance of our employees has helped us make significant progress and, despite unexpected global challenges, positioned ASM for further growth in the next financial year.

The world is in the midst of a health crisis, so we express our gratitude to all essential workers who toil tirelessly to make our society safe. As a company, we are taking action to support our people, their families, and our clients. I am especially proud of how our team have reacted under these exceptional circumstances, demonstrating resilience to support and serve our clients while in parallel protecting each other and their families.

It is too early to gauge the effect of COVID-19 on the global economy. As we pursue our growth plans, we will be mindful and focus on the expertise of ASM in Engineering, Product R&D and Digital Transformation across multiple sectors. This expertise will be mapped to the needs of our clients, supporting their ability to adopt an 'Industry 4.0 approach', reducing capital expenditure, increasing digitisation and automation in an attempt to help them transform their businesses and reach a new, steady state in a n post COVID landscape. We were "spot on" with our future outlook last year; a validation of the journey on which we embarked and we will continue to harness the wide opportunities in the same areas.

Despite a Global health crisis in our final quarter, we delivered strong performance to year end. Our revenues grew by 10.2% y-o-y to ₹838.40 Mn due to an acceleration in our engineering services. Our profits were ₹24.38 Mn, a decrease of 73.6% over the previous year. This was mainly driven by our investments in R&D and business development activities in new geographies that will bear fruit in the coming financial year. We delivered earnings per share of ₹2.18 and therefore proposed a dividend of ₹2.50 per equity share.

ASM launched its PATENT PENDING product 'SmartFix4.0'; a one of its kind for the Manufacturing Industry that addresses an Industry 4.0 need. SmartFix4.0 is an Industrial Artificial Intelligence Product with a potent combination of Hardware, Software and Data Analytics to increase yield and throughput in the manufacturing sector. With a robust global client base and a host of Partnerships with OEMs, SmartFix4.0 is set to make waves in the next 2 years.

ASM has made strategic investments in emerging technology companies, whilst Co-Creating products in the areas of Cloud, Network, Cyber security, Electric and Autonomous Vehicles. These investments will ensure we reach our potential with cutting edge technologies to meet future goals and address the needs of our clients.

ASM continue to invest in Product R&D, Engineering Services and Digital Transformation services to marry traditional Engineering and Manufacturing techniques with Industry 4.0 practices, Data Science Analytics and cutting edge cyber security, network IP and Digital Twin simulation.



Prior to the crisis, manufacturing and engineering sectors were aware of and interested in Industry 4.0. During the recent months, the focus has switched to the health and survival of families and business. In a post COVID world Industry 4.0 should be seen as key to the future health and success of manufacturing and engineering businesses.

Increased adoption of flexible and remote working has resulted in expansion of the need for greater network bandwidth and data security measures with software and application development as enablers to collaboration. With streamlined manufacturing and engineering, there will be increase focus on domestic supply chains and, with the increase in flexible working, a significant addressable market for Engineering, Product R&D and Digital Services.

The investments in Innovation and R&D has placed ASM at the forefront of Product Development creating products of the future that meet changing technologies, markets and customer demands. While investment in R&D is key to the growth and future sustainability of the organization, Co-creation is one step ahead of these activities; new products and services are jointly developed with our customers in a "Shared Innovation and Shared Development" model that addresses their specific requirements and builds closer, longer term business relationships.

While the Industry 4.0 and Smart manufacturing framework provides a roadmap, business success depends on how well an enterprise innovates on the ground. ASM Technologies has, over the years, been helping customers with extensive usage of Automation, Robotics and Digital Transformation (Dx). This initiative has been of immense benefit for its customers in quantitatively increasing Yield and Throughput, resulting in "Improved Quality, High Precision, High Repeatability and Reliability".

The thrust areas for ASM will continue to be in the Semiconductor Equipment, Medical Devices, Hi -Tech, Automotive, Mobility Telecom industries. The Internet of Things (IoT) offers quality space for new product development and ASM is creating its own products as well as Co-Creation for its customer's products. The future looks exciting and upbeat in the Products and Engineering Services Outsourcing (ESO) space. There are numerous drivers for our clients; reducing product development life cycle and obtaining a first mover advantage by ring-fencing IP. Clients are equally excited to collaborate with Engineering service providers, like ASM, to leverage their capability for global, regional and adjacent markets, thereby optimizing R&D Operations.

We increasingly embrace businesses that are defined by technology and the shared development of technology driven solution across industries. This, as well as leveraging our R & D competitive differentiation, significantly increases the market opportunity for us. We

are participating aggressively in this evolution, embedding ourselves deeper in our customers' ecosystems, and becoming an industry staple. This is resulting in greater prominence, predictability, and business sustainability. All of this will create more value to our stakeholders in the future.

For me, despite a global downturn, ASM is well positioned to support the business transformation of our customers due to our core skills in Digital Transformation, Industry 4.0 and Product R&D. These are the areas that are increasingly important in a post Covid-19 paradigm.

Businesses will review their products, processes, systems and components to further reduce cost, increase efficiency and liberate talent as part of the need to accelerate transformation and move to a "New Normal".

Data Science, AI and ML, VR and AR, Robotics, Automation and Digital Twins were seen as complimentary but not essential technologies in many companies. Now in a very different economic environment they will be seen as crucial enablers in the journey from survival and recovery to business success.

We are committed to working upon our long-term strategy, strengthening our engineering service, and investing for growth in new businesses and opportunities. Our longevity in business comes from our ability to adapt to newer business ecosystems and a continuous investment in R&D.

We are optimistic of the opportunities we will encounter in the future with respect to our engineering and co-created solutions. The steps we are taking today will make our shareholders proud of us in the future. I would like to thank my entire team at ASM for their commitment and untiring efforts to achieve the best. We are at the start of a new, golden era, and we look forward to your continued support.

On behalf of myself and the management of the company may I take this opportunity to thank our esteemed customers, shareholders, vendors, business partners, advisors and consultants for their support. To the Employees of the company I am grateful for their valuable contribution, efforts and spirit of dedication.

- State Bank of India, India, ICICI Limited, India, Indian Bank, Singapore, HSBC Bank, USA and First Federal Bank, USA for their support and guidance,

- Central and State Governments, Customs, Reserve Bank of India, Software Technology Parks (STPI) and NASSCOM.

Bengaluru  
June 2, 2020

With best Wishes,  
Sincerely,  
Rabindra Srikantan



# Board of Directors



**MR. M R VIKRAM**  
*CHAIRMAN*



**MR. RABINDRA SRIKANTAN**  
*MANAGING DIRECTOR*



**MR. M LAKSHMINARAYAN**  
*DIRECTOR*



**MR. SHEKAR VISWANATHAN**  
*DIRECTOR*



**MR. RAMESH RADHAKRISHNAN**  
*DIRECTOR*



**MS. PREETI RABINDRA**  
*DIRECTOR*

## KEY MANAGERIAL PERSONNEL



**N.L. RATHOD**  
*CHIEF FINANCE OFFICER*



**VANISHREE KULKARNI**  
*COMPANY SECRETARY*

### Mr. M R Vikram - Chairman



Mr. M.R. Vikram, is a Partner of M. Anandam & Co., Secunderabad, a leading firm of Chartered Accountants in India. He has more than 38 years experience in Audit and Assurance Services, Banking and is an expert on Finance and Regulatory issues. He was earlier Director of Indian Bank, Indian Overseas Bank and Bank of Rajasthan. Mr. M.R. Vikram has also conducted various Special Studies for the Reserve Bank of India, Insurance Regulatory Development Authority and other leading Financial Institutions in the Country.

Mr. M.R. Vikram also serves as the Director of listed companies GTN Industries Ltd and Ahlada Engineers Ltd and other Private and Public companies including Facebook India Online Services Pvt Ltd, Glochem Industries Ltd, Venture Finance & Development Corporation Ltd, GTN Engineering (India) Limited, Chettinad Cement Corporation Limited, Evertogen Life Sciences Ltd, ANA ARC Pvt. Ltd. and more. He is also the Secretary Trustee of M.Venkataramangaiya Foundation, one of India's largest initiatives in eradication of child labour and bringing children to schools. He is the founder trustee of Manthan, an important intellectual group for discussion in Hyderabad. Vikram is the Chairman of CII Panel at Hyderabad, on Corporate Social Responsibility, Member CII National Committee on Backward Areas and Former Chairman of ICAI, Hyderabad Chapter.

### Mr. Rabindra Srikantan - Managing Director

Mr. Rabindra Srikantan, Founder and Managing Director, ASM Technologies Limited, is a seasoned, team-oriented business entrepreneur, with a highly successful track record of building businesses based on sound strategic analysis.

He has built and scaled world-class technology and product development teams, strategic investments in start-ups and inorganic growth through acquisitions. Proven fundraising and networking skills, has built fruitful long-term partnerships with clients across the globe and has consistently delivered strong bottom-line growth over the years.

Under his leadership the company has emerged as one of the most innovative and reliable partners for its clients in the field of Product R&D, Engineering Services and Digital Transformation, while expanding its operations in USA, Singapore, UK, Canada, Mexico and Japan.

Mr. Rabindra Srikantan is also the President and Chief Operating officer of Pinnacle Talent Inc. USA, Director of ASM Technologies KK Japan, Director of Advanced Synergic Pte Ltd, Singapore wholly owned subsidiaries of the company and the President of ESR Associates Inc. and ASM Technologies S. de R.L. de C.V step down subsidiaries of the company. Further, Mr. Rabindra spearheaded ASM's expansion in 2018 by investing in the Chennai based RV Forms and Gears LLP (F&G), a leading fixture manufacturing company. The collaboration between the pioneers of technology and manufacturing led to the introduction of IoT enabled solution called SmartFix 4.0, a revolutionary Industry 4.0 solution which caters to the needs of Global manufacturing companies for Productivity Enhancements.

Other recent landmark achievements under the leadership of Rabindra, include, ASM's investment in companies involved in New Generation Autonomous Vehicles, Electric mobility, SD-WAN and Cyber Security.

Mr. Rabindra is Convenor - CII Karnataka Technology & Innovation Panel 2020, Charter Member - TiE, Member - NASSCOM Engineering R&D Council, Past National Executive Council Member - Indo American Chamber of Commerce and Past Chairman - Indo American Chamber of Commerce, Bangalore Chapter.

Mr. Rabindra Srikantan holds dual MS degree in Computer Engineering and Computer Science from the University of Louisiana, USA; Bachelor of Engineering from PSG College of Technology, India.



### **Mr. M Lakshminarayan - Director**



Mr. M. Lakshminarayan holds a master degree in technology from Indian Institute of Technology, Mumbai. He was the Past Chairman, HARMAN International (India) Pvt. Ltd, and rose to the position serving as the Country Manager and Managing Director of HARMAN International (India) Pvt. Ltd.

His experience has spanned over 30 distinguished years in companies such as Bosch and Tata Motors. At Bosch, where he spent over 22 years, he held various leadership positions and was responsible for Bosch's tremendous growth in the automotive space in India. Prior to this he served as a leader in the machine tools division at Tata Motors.

He also serves as Director on the Boards of Kirloskar Oil Engines Limited, Brose India Automotive Systems Pvt. Ltd., WABCO India Limited, TVS Electronics Limited, Rane (Madras) Limited, Dickinson Fowler Private Limited, Janaadhar (India) Private Limited, TVS Automobile Solutions Private Limited, Kostal India Private Limited, Invest Karnataka Forum, Wendt (India) Limited, Sansera Engineering Limited and Suprajit Engineering Limited.

He is a co-founder and currently Chairman of the 'Bengaluru City Connect' - a non-profit forum which addresses issues related to urban management in the city of Bengaluru.

Mr. M. Lakshminarayan has also served as the Chairman (South) at Confederation of Indian Industry (CII) and has been on the executive council team at the American Chamber of Commerce.

### **Mr. Shekar Viswanathan - Director**

Mr. Shekar Viswanathan, is the Vice Chairman and Whole - time Director of Toyota Kirloskar Motor Pvt. Ltd. Prior to this, he was a member of the Board of Directors of Toyota Kirloskar Auto Parts Pvt. Ltd. responsible for the finance, human resources and legal functions and also on the Board of TG Kirloskar Automotive Pvt. Ltd. His experience spans the financial services and project finance sector in a career of 38 years.

Mr. Shekar Viswanathan is a member of many leading Industrial Associations in India. and has held positions as President of the Bangalore Chamber of Commerce & Industry 2009-2010, Chairman -SIAM MUV Committee 2010 and elected member of CII Southern Regional Council 2009-2011. He is a Director on the Board of Kirloskar Systems Limited since 2005, L&T-MHPS Boilers Pvt Ltd., L & T-MHPS Turbine Generators Pvt Ltd. and ANA ARC Pvt. Ltd.



### Mr. Ramesh Radhakrishnan - Director



Ramesh has been a member of the founding entrepreneurial team in three startups. He has over 20 years of operational and business experience in the high technology industry, including networking, security and wireless companies. Ramesh presently work with Artiman Capital India, and prior to that he was the VP of Engineering at FireEye, a network security company that uses virtualization technology to detect and combat the menace of malware, botnets and crimeware. Prior to that, Ramesh led the systems and software development team at Airgo Networks. Airgo pioneered and invented the 802.11n MIMO OFDM wireless LAN standards and was acquired by Qualcomm in 2005. Prior to Airgo, Ramesh was the Director of the Wireless Access Business Unit at Cisco Systems. This business unit was the

result of the acquisition of Clarity Wireless, a startup company where Ramesh led the engineering team that pioneered and created the wireless last mile standard which is WiMax today. Prior to Clarity Wireless, Ramesh was a founding member at ZeitNet, acquired by Cabletron in 1996, where he led the engineering team which made high speed LAN products. Before this, Ramesh was an engineering manager at Adaptive Corporation that brought ATM technology to the LAN. Adaptive was acquired by NET in 1994. Ramesh started his career as a software engineer at Hewlett Packard's Network Division in Cupertino.

Ramesh holds two patents in the area of networking protocol technologies.

Ramesh holds a B.E. from the Indian Institute of Technology (IIT), Chennai, India and an M.E. in Systems Engineering from the University of Virginia, Charlottesville, USA.

### Ms. Preeti Rabindra - Director

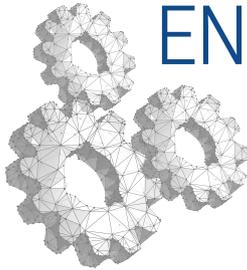
Ms. Preeti Rabindra holds a Bachelor and Masters degree in commerce from the University of Delhi. She is the designated partner at IDS Systems LLP.

She is an avid sports' enthusiast supporting the olympic focused athletes through Go Sports Foundation - Rahul Dravid Athlete Mentorship programme. Ms. Preeti is involved in all the CSR activities of the company such as Dr. S Srikantan Memorial Award – SUSIEC in association with IETE, Techlabike Programme – Agastya International Foundation and Dr. R.P. Shenoy award for Excellence in Science – Kendriya Vidyalaya, DRDO Complex.

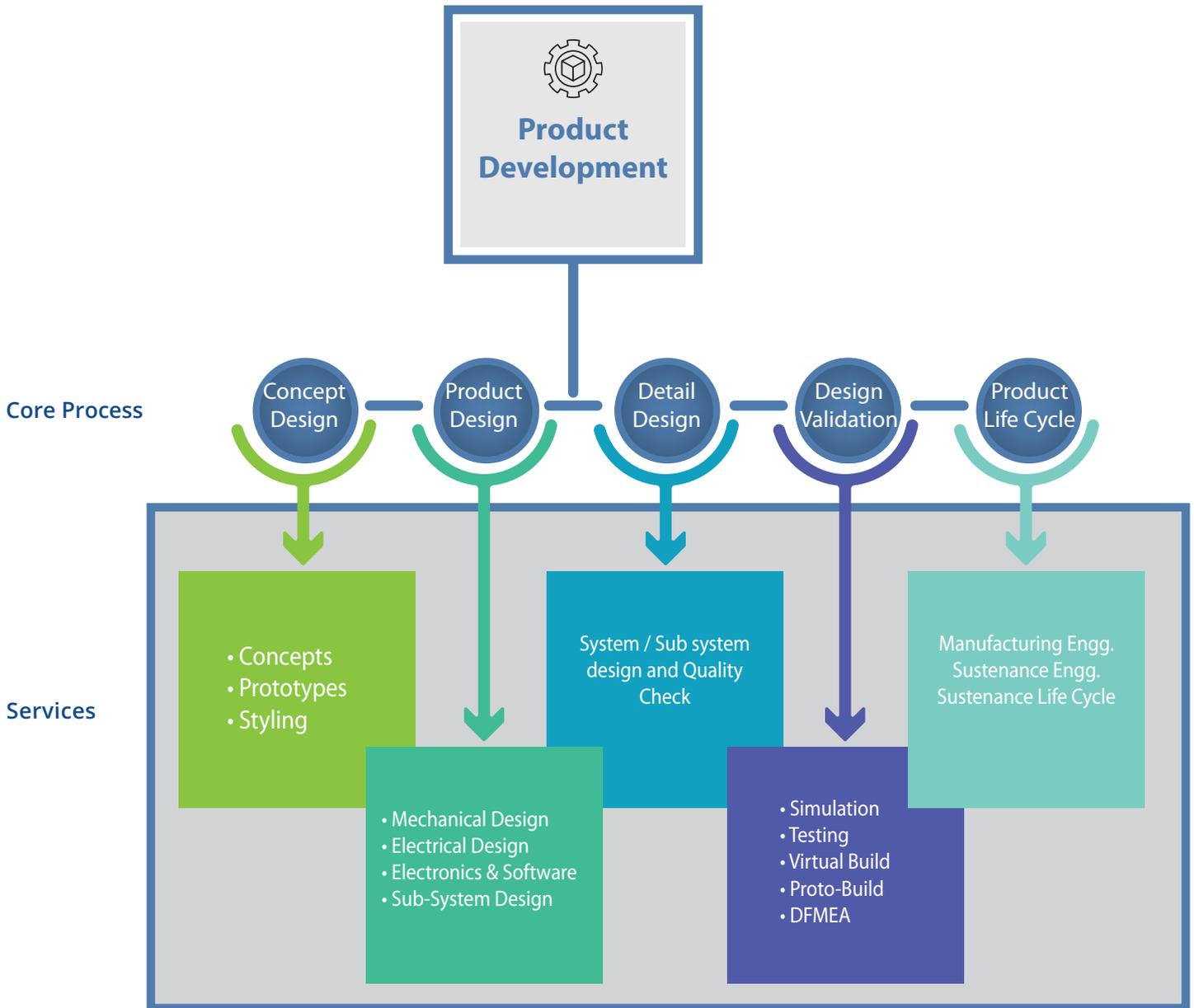


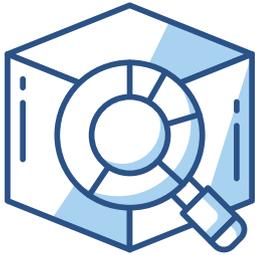


# Our Core Business



## ENGINEERING SERVICES





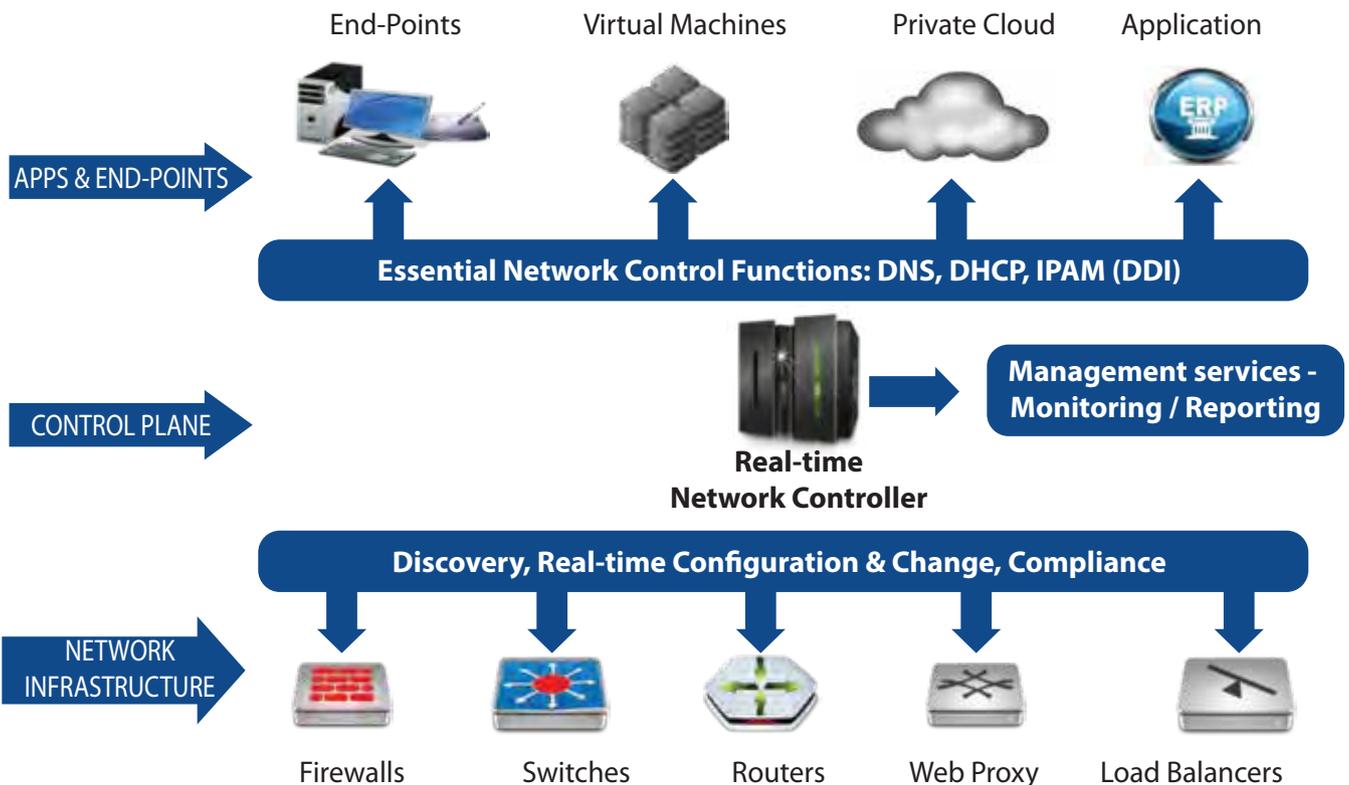
# PRODUCT R&D SERVICES

## Core Competencies:

- Software Engineering
- R&D
- UI/UX
- QA Services
- Customer Success

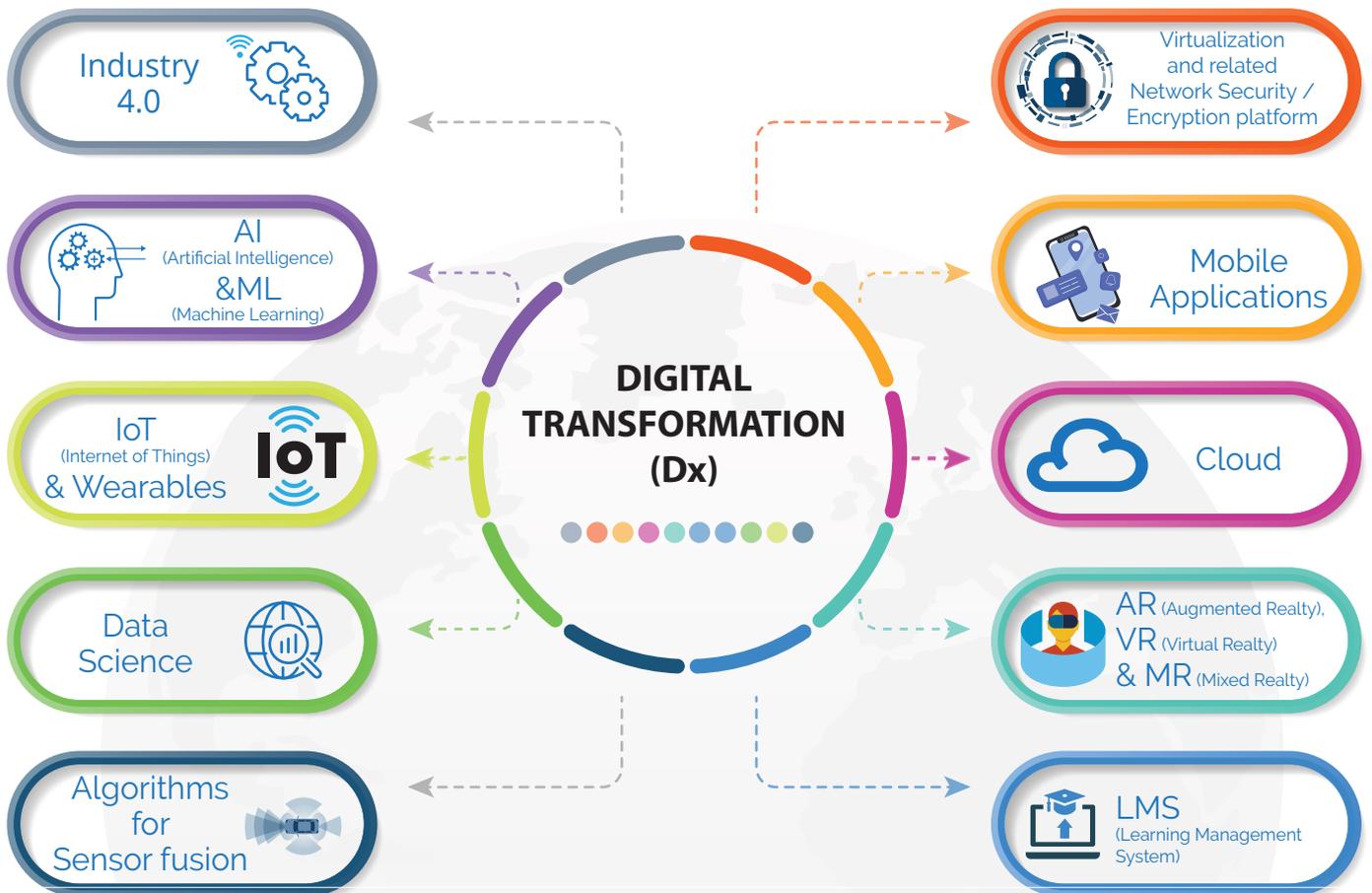
## Domain Expertise:

- Security
- Networking IP Services
- Wireless
- Cloud Infrastructure





# DIGITAL TRANSFORMATION (Dx)



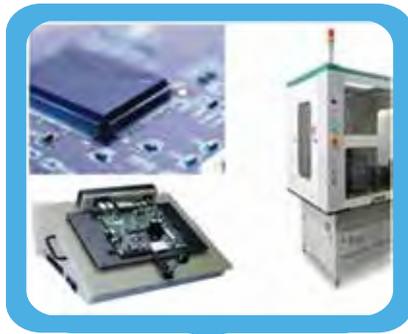


# Industries Supported



# ASM TECHNOLOGIES®

engineering innovation



Transportation

Semiconductor and Capital Equipment

Hi-Tech

Medical Equipment

Enterprise Storage & Networking



## Letter from MD, Forms & Gears

Dear Fellow Shareholder,

Forms & Gears – An ASM Technologies Limited Company is Asia's leading fixture builder and provides complete turnkey solutions to the world's leading auto OEMs and machine makers.

Forms & Gears has been providing the complete Fixture Solutions for over 45 years and we now supply fixtures to nine countries across the globe.

The year 2019-20 was a challenging one for the Indian automobile industry. There was a lot of uncertainty due to the Govt's decision to go for the conversion from BS4 directly to BS6.

This combined with a general slowdown in the economy led to a slow down in auto sales. Faced with low demand from the auto industry the machine tool and fixture market was also adversely impacted.

However, in the last one year we have been investing our time and efforts in new developments to derisk our business from the cyclical nature of the Auto Industry.

We have focused a lot of our marketing efforts outside India - especially in South East Asia and the Middle East. We have participated in exhibitions in Vietnam, Thailand and Singapore.

Our marketing efforts have started yielding results and we have recently bagged a large project in South East Asia. We are expecting more orders from South East Asia and the Middle East this year and a significant portion of our turnover is expected to come from exports this year.

We have also forayed into the sheet metal segment where we see a bright future for laser special machines for Welding, Cutting and Hardening. We have tied up with one of leading German Laser Manufacturers 'Trumpf India Pvt. Ltd.' and we have jointly exhibited with them at the Laser World Of Photonics show in Mumbai, India and at IMTEX 2020 in Bangalore, India

We have also put in lot of effort for the, development of fixtures and special equipment for the mobile phone industry. The fixture and Special Equipment requirement from this market is very high and there is a continuous requirement as the designs keep changing every six months.

We have developed fixtures and special equipment for one of the world's major mobile phone and electronics company for their plants in India and China. This interaction with a world leader has opened the door for many other opportunities like Onsite Service Support, Industry 4.0 etc.

With our partners ASM we have also put in a lot of time, effort and money into a flexible Industry 4.0 solution called Smartfix 4.0 which can be installed even on old legacy machines, fixtures and equipment.

Smartfix 4.0 is enabled with Industrial AI, ML. Modern Manufacturing India (the official magazine of the Indian Machine Tool Manufacturers Association) featured this on their cover recently. The first few installations of Smartfix is happening at India, Belgium and Thailand. We also have enquiries for this across industry segments both in India and abroad.

One of the leading Japanese machine makers has agreed to carry Smartfix 4.0 as an OEM option to their clients and we are in the process of installing a demo unit at their Tech Centre in India.

The current Covid situation has posed a series of fresh challenges. Our factory was closed for about two months due to the lockdown but our design and marketing teams were busy during that period. We begin this year with a strong order book and a very strong and encouraging pipeline.

However we are still not out of the Covid crisis but we hope things will stabilize in the next couple of months.

I hope our strategic push into Exports, the Laser SPMs, Industry 4.0 and Mobile phone fixtures and equipment will bear fruit and benefit all our stakeholders.

The long term future looks bright and I am optimistic that once the Covid crisis dies down we will be in a position to capitalise on all the opportunities that we have worked on over the past year.

With warm regards,

Reji Varghese



# Intelligent Fixtures

A breakthrough Industry 4.0 solution for Fixtures.



Smartfix 4.0 is a unique Industry 4.0 solution for all types of Fixtures and Workholding which uses Data Analytics and Artificial Intelligence to give the user a lot of useful information like:

- Tool Wear Analytics
- Cost Per Component Analytics
- Vibration Alerts
- Declamp Alerts
- Output of Fixture and Machine
- Predictive Maintenance of Fixture and Machine
- Analytics of Operator Efficiency
- Historical Analysis of performance of machine, powerpack, tools and fixture
- Powerpack oil level and oil contamination alerts

Smartfix 4.0 can be installed on existing fixtures also and is the most cost effective way of making the entire machining set up Industry 4.0 enabled.

## SmartFix4.0®





# CSR Beneficiaries

## GoSports Foundation - Rahul Dravid Athlete Mentorship Programme



GoSports Foundation is a non-profit venture working towards the development of some of India's most talented emerging and elite athletes, competing in Olympic and Paralympics disciplines. We have been supporting the foundation through our contributions towards their Rahul Dravid Athlete Mentorship Programme for the training of athletes, executing the vision of former Indian cricket captain Rahul Dravid.

This is the fourth year we are extending our support to 25 athletes of the Rahul Dravid Athlete Mentorship Programme as part of our CSR initiative.

## Dr. R.P. Shenoy award for Excellence in Science – Kendriya Vidyalaya, DRDO Complex

ASM Technologies Ltd. instituted the 'Dr. R. P. Shenoy award for Excellence in Science' in memory of its former Director, Late Dr. R. P. Shenoy, a Distinguished Scientist of Defence Research & Development Organization (DRDO) of the Government of India. The award is extended to 8th and 9th grade students of Kendriya Vidyalaya, DRDO, Bangalore, who have secured A1 Grade in Science.

For the year 2019-20, the awards were given by Mrs. Shenoy and Mrs. Preeti Rabindra Director of ASM Technologies Ltd, to 139 students at the school assembly.



## Dr. S Srikantan Memorial Award – SUSIEC, IETE



The Institution of Electronics & Telecommunication Engineers (IETE) Bangalore Centre has been organising Summer School in Electronics & Computers (SUSIEC) over the last three decades for 8th, 9th and 10th standard students, during their summer vacations with a motto of “catch them young” and motivate them to choose the fascinating field of Electronics and Telecommunication as their chosen profession/career.

SUSIEC- Starting from the year 2017- 2018, ASM as part of CSR decided to sponsor part of the course fee & equipments and the prizes and awards for SUSIEC as “Dr. S Srikantan Memorial Award/s” instituted in memory of its former Chairman Late Dr. S Srikantan.

This is the third year, ASM is extending their support. SUSIEC 2019 was held from 28th April 2019 to 19th May 2019. This year a total of 55 students participated from 33 different schools. The Valedictory function of SUSIEC was held on 19th May 2019 at IETE Bangalore Centre. Prof. B. S. Sonde (Former Vice Chancellor, Goa University & Former IETE President, Bangalore) was the Chief Guest of the event along with Mr. Rabindra Srikantan, Managing Director ASM Technologies Ltd., Mrs. Preeti Rabindra, Director ASM Technologies Ltd. & Dr. MVKV Prasad, Director of Aeronautical Development Establishment, Bangalore as the Guest of Honour.



Dr. Kailasavadivoo Sivan (Chairman, ISRO Satellite Centre, Bangalore / Secretary Dept of Space, Govt of India), Padma Sri Dr. Mylswamy Annadurai (Director, ISRO Satellite Centre, Bangalore), Dr. Ajit T Kalghatgi, Former Director (R&D) Bharat Electronics Ltd., Bangalore, Dr. K D Nayak Former Director General, DRDO have been the chief guests of the previous Dr. S. Srikantan Memorial Awards.

## TechLaBike Programme – Agastya International Foundation



Agastya International Foundation was set up intending to transform and stimulate the reasoning of underprivileged kids and educators by making practical, hands-on science education available to rural government schools through its efforts & techniques that include: “Lab on a bike” and “TechLaBike” programs. The objectives being comparable, ASM recognized Agastya to promote, for the cause of education by contributing towards the operating expenses of the TechLaBike programme, as part of its CSR initiatives.

## Boards' Report

To the Boards' Members,

We are pleased to present the 28th Annual Report together with the Audited Accounts of your Company for the year ended 31st March 2020

1. Financial Results	(Rs. In Mn.)	
	2019-2020	2018-2019
Income from Software services and Products	838.40	760.59
Other operating income	39.00	55.77
Expenses		
Employee benefits expense	596.56	520.13
Finance Costs	9.98	6.45
Depreciation	22.41	9.40
Other expenses	224.06	188.07
<b>Profit/(Loss) before tax</b>	<b>24.39</b>	<b>92.31</b>
Current Tax	5.83	21.73
Deferred Tax Income/expense	7.66	2.55
Excess provision of earlier years	-	(2.30)
<b>Profit/(Loss)for the year</b>	<b>10.90</b>	<b>70.33</b>
Other Comprehensive Income		
A (i) Items that will not be reclassified to profit or loss		
Remeasurement of defined benefit plans	(2.07)	1.01
(ii) Income tax relating to items that will not be reclassified to profit or loss	0.52	-
Deferred tax on remeasurement of defined benefit plans	-	(0.29)
B (i) Items that will be reclassified to profit or loss		
Changes in fair value of investments in equity instruments	(1.35)	0.10
(ii) Income tax relating to items that will be reclassified to profit or loss		
Deferred tax on changes in fair value of investments in equity instruments	0.31	(0.03)
<b>Total comprehensive income for the year</b>	<b>8.31</b>	<b>71.12</b>

## 2. Results of Operation

ASM along with its subsidiaries provide world class consulting and product development services in the areas of Engineering Services, Product R&D Services and Digital Transformation with successful Offshore Development with Support Centers in India and Overseas for its global clientele.

During the financial year, the Company explored new growth opportunities and performed significantly well in both the domestic as well as international markets. The performance reflects ASM's journey to reposition itself as a unique technology solutions provider that is committed to develop an emerging breed of platforms, thus enabling its customers to gain competitive advantage through the Company's future ready digital transformation initiatives.

On the standalone front your company registered a total revenue of Rs.838.40 Mn for the year ended 31st March 2020. Domestic sales was Rs.112.07 Mn while Export sales was Rs. 726.33 Mn. EBIDTA was at Rs. 56.78 Mn and Net profit after tax was Rs.10.90 Mn.

The Consolidated total revenue for the year ended 31st March 2020 was Rs.920.13 Mn. EBIDTA was at Rs. 64.95 Mn and Net Profit after tax at Rs.6.97 Mn.

## 3. Dividend/ Transfer to reserves

During the year 2019-20, in keeping with the Dividend policy your Directors are pleased to recommend for approval of the members a final dividend of Rs.2.50/- per equity share of Rs 10/-each for the financial year 2019-2020. The dividend amount paid/payable if approved by shareholders will be Rs.12.50 Mn.

The dividend payout for the year under review has been formulated in accordance with the Company's policy to pay sustainable dividend linked to long term growth objectives of the company to be met by internal cash accruals and the shareholders' aspirations.

Your Company has not transferred any amount to reserve for the Financial Year ended 31st March, 2020.

The paid up Share Capital of your Company is Rs. 50 Mn divided into 50,00,000 equity shares of Rs 10/- each. Your Company has not come out with any issue (public, rights or preferential) during the Financial Year under review.

#### 4. Subsidiary Companies

The consolidated Accounts of your Company and its subsidiaries viz., Advanced Synergic Pte Ltd, Singapore, Pinnacle Talent Inc, USA, ASM Technologies KK, Japan and RV Forms & Gears LLP, duly audited, are presented as part of this Report in accordance with Indian Accounting Standards ( IndAs) and the Listing Regulations with the Stock Exchange, wherever applicable. The statement pursuant to the provisions to Section 129(3) of the Companies Act 2013, containing salient features of the financial statement of the Company's Subsidiaries in Form AOC1 is given in **Annexure -II**. The Accounts of the Subsidiaries audited for the purpose of consolidation shall be placed on your Company's website and made available for inspection by any Shareholder at the Company's Registered Office and at the respective registered offices of the Subsidiary companies. Copies can be made available on request, to the shareholders of the Company.

Your Company has formulated and adopted a "Policy for determining Material Subsidiaries" so that your company could identify such subsidiaries and formulate governance framework for them. The Policy for determining 'material' subsidiaries is posted on Company's website : <https://www.asmltd.com/policy-disclosures>

#### 5. Future Outlook

We were "spot on" in our Future Outlook last year which is a validation on the direction embarked. We will continue to harness the wide opportunities in the same areas.

The entire world is embroiled with the COVID 19 quagmire and the direct negative impact is felt across industries. This has affected the socio-economic fabric of the society at large in all facets of life and therefore the situation is an "adversity".

Like any adversity which throws up opportunities, the business direction and decisions ASM has taken over the few years has resulted in continued opportunities which ASM will foray rapidly.

The way the business is being done worldwide in the pre-Covid times has suddenly changed and there is a New Normal, during and post Covid which will result in an accelerated push towards Digital Transformation and Automation.

ASM has launched its own PATENT PENDING product " SMARTFIX 4.0" which is one of its kind for the Manufacturing Industry meeting the Global Initiative of Industry 4.0.

The SmartFix 4.0 is an Industrial Artificial Intelligence Product with a potent combination of Hardware, Software and Data Analytics to increase the Yield and Throughput in the manufacturing sector. With a robust global client base and a host of Partnership with the OEMs, SmartFix is set to make waves in the next 2 years.

ASM has made strategic investments in the emerging technology companies, whilst Co-Creating the product in the areas of Cloud, Network, Cybersecurity, Electric Vehicle, Autonomous Vehicles. This ensures ASM is in the cutting edge technologies and the potential for business is enormous.

ASM will continue to invest in Technology, Manufacturing and Boutique Service / Product companies for a step growth

ASM will continue to invest in Product R&D, Digital Transformation (Dx), comprising of Industry 4.0 (Smart Manufacturing), Internet of Things (IoT), Big Data leading to Artificial Intelligence (AI), Machine Learning (ML), Deep Learning (DL), Virtual Reality (VR), Augmented Reality (AR), Mixed Reality (MR), Mobile Applications, Cloud, Virtualization and related Cyber Security.

##### R&D & Co-Creation

The impact of investments in Innovation and R&D has accelerated growth of ASM and has set the company into the forefront of Product Development, whilst getting a global recognition. The initiative has therefore been on developing the products of the future, to align with the changing technologies, market and customer demands. While investment in R&D (Research and Development) for the development of " New Products and Services" is a must for the growth and future sustainability of the organization, Co-creation is one step ahead of the R&D activities wherein the new product and services is jointly developed with our customers to meet specific defined opportunity. ASM's Co-creation Product Development Model fosters closer partnerships with the customers / consumers and is achieved by the "Shared Innovation and Shared Development" to develop solutions for defined " High Impact Problems"

##### Productivity Enhancement

Today in the world which is adapting into "Industry 4.0" and "Smart Manufacturing" one of the main focus is to increase Productivity by "Increased Yield" and "Increased Throughput". This is essentially achieved by reducing the human intervention and automating the process using various technologies.

ASM Technologies has over the years, helping customers with extensive usage of Automation, Robotics and Digital Transformation (Dx). This initiative has clearly been of immense benefit for its customers in quantitatively increasing Yield and Throughput, resulting in "Improved Quality, High Precision, High Repeatability and Reliability"

ASM, with a proven experience in the Artificial Intelligence (AI), complex manufacturing process consisting of interrelated parameters, is effectively handled by creating lot of automated data points, through "application specific" Sensors, further processed through the IoT Gateway incorporating Sensor Fusion Algorithm, to create a Big Data. Each of the Sensors are set with "Value Thresholds" for instant " Alerts" to address the Machine Behaviour outside of the Thresholds.

With efficient and smart Analytics in the cloud, a wide array of data crunched output leading to Predictive Maintenance, Analysis, Machine Downtime, Machine Behaviour etc, can lead to the "Productivity Enhancement".

The thrust areas for ASM will continue to be in the Semiconductor Equipment, Medical Devices, Hi –Tech, Automotive, Mobility Telecom industries. This "New Product Revolution" has opened opportunities for companies, like ASM, in the space of Engineering Services. The IoT ( Internet of Things) offers quality space for new product development and ASM is working on creating its own products as well as Co-Creation for customer's products. The next couple of years will be exciting in this space.

The future looks exciting and upbeat in the R&D – Products and Engineering Services Outsourcing (ESO) space. There are lot of drivers for the clients like Reducing Product Development Life Cycle and getting a first mover advantage by ringfencing the IP. The clients are equally excited to collaborate with the Engineering Service providers, like ASM, to leverage their capability for global, regional and adjacent markets, thereby optimize the R&D Operations.

## **6. Management Discussion and Analysis Report**

Management Discussion and Analysis Report as required under Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, is disclosed separately in the Annual Report.

## **7. Board Meetings**

During the year under review the Board of Directors held 6 meetings, on 18.04.2019, 18.05.2019, 20.06.2019, 05.08.2019, 08.11.2019 & 07.02.2020. The maximum interval between two meetings did not exceed 120 days.

## **8. Directors and Key Managerial Personnel**

The year saw the demise of Prof B S Sonde , a senior member of the Board. The Board placed on record the invaluable contributions made by late Prof. B S Sonde during his tenure and association with the company as a Director.

Ms. Preeti Rabindra (DIN 00216818), Director, retires by rotation and being eligible, offers herself for re-appointment at the ensuing Annual General Meeting (AGM). The Board recommends her appointment for consideration of members of the Company. Brief profile of Ms. Preeti Rabindra is given in the notes to the Notice of the ensuing AGM.

During the Financial Year under review, Ms. P.N Lakshmi , Company Secretary, designated as a Key Managerial Personnel, resigned from the services of the Company with effect from 31st August 2019.

Further, on recommendation of Nomination and Remuneration Committee, the Board of Directors in their meeting held on 2nd June 2020 have recommended appointment of Mr. Ramesh Radhakrishnan (DIN 02608916) as Non Independent & Non executive Director of the Company subject to the approval of member's in ensuing Annual General Meeting.

## **9. Disclosure on compliance with Secretarial Standards**

Directors confirm that the Secretarial Standards issued by the Institute of Company Secretaries of India, have been complied with.

## **10. Independent Directors**

Your Company has laid down procedures to be followed for familiarizing the Independent Directors with your Company, their roles, rights, responsibilities in your Company and to impart the required information and training to enable them contribute significantly to your Company. All the Independent Directors of the Company have given declarations that they meet the criteria of independence as laid down under section 149(6) of the Act and Regulation 16(1)(b) of Listing Regulations. The Independent Directors have also confirmed that they have complied with the Company's Code of Conduct.

Further, on recommendation of Nomination and Remuneration Committee the Board of Directors in their meeting held on 2nd June 2020 have recommended reappointment of Mr. M Lakshminarayan as Independent Directors of the Company for the approval of member's in ensuing Annual General Meeting. Independent Directors Your Company has laid down procedures to be followed for familiarizing the Independent Directors with your Company, their roles, rights, responsibilities in your Company and to impart the required information and training to enable them contribute significantly to your Company. All the Independent Directors of the Company have given declarations that they meet the criteria of independence as laid down under section 149(6) of the Act and Regulation 16(1)(b) of Listing Regulations.

## **11. Director`s Responsibility Statement**

Pursuant to the provisions of Section 134 (5) of the Companies Act 2013, the Directors hereby confirm that:

- a) in the preparation of the annual financial statements for the year ended 31st March 2020 the applicable accounting standards has been followed along with proper explanation relating to material departures:
- b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for that period;
- c) the Directors have taken proper and sufficient care for the 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 fraud and other irregularities;
- d) the Directors have prepared annual accounts of the company on a going concern basis.

- e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- f) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**12. Significant and material orders passed by the regulators or courts and Material Changes and commitments affecting the financial position of the company.**

There are no significant material orders passed by the Regulators/Courts which would impact the going concern status of the company and its future operations. There are no material changes and commitments, if any, affecting the financial position of the company which occurred between the end the financial year of the company to which the financial statements relate and the date of this report.

**13. Audit Committee**

The Audit committee met four times during the Financial year under review and all its recommendations were accepted by the Board.

Your Company has established the Vigil Mechanism, an Ombuds process which is a channel for receiving and redressing of employees complaints. This mechanism covers questionable financial or accounting matters and reporting fraudulent financial information to the shareholders, the government or any other legal authority. This meets the requirement under Section 177(9) and(10) of the Companies Act, 2013 and Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**14. Nomination and Remuneration Committee and Stakeholders Relationship and Share Transfer Committee**

The Nomination and Remuneration Committee has framed a policy for selection and appointment of Directors including determining qualifications of Independent Director, Key Managerial Personnel, Senior Management Personnel and their remuneration as part of its charter and other matters provided under Section 178(3) of the Companies Act, 2013. A copy of the policy forms part of this report vide **Annexure- I**. The Nomination and Remuneration Committee of a company has been obligated under Section 178 of the Act to formulate a policy for recommending to the Board of directors of the company for setting the criteria based on which the performance of every Director including the performance of the Board as a whole shall be assessed by the Board of Directors of the Company.

**15. Familiarisation Programme**

The Company has put in place an induction and familiarisation programme for all its Directors including the Independent Directors. The familiarisation programme for Independent Directors in terms of provisions of Regulation 46(2)(i) of Listing Regulations, is uploaded on the website of the Company. -<https://www.asmltd.com/policy-disclosures>

**16. Secretarial Audit**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed BMP & Co., LLP, Company Secretaries, to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit in Form MR3 for the financial year ended March 31, 2020 is annexed as **Annexure - III** to the Report. There are no qualifications, reservations or adverse marks made by Secretarial Auditor in the Report.

**17. Auditor's Report**

There are no qualifications, reservations or adverse remarks made by M/s B K Ramadhyani & Co, LLP, Chartered Accountants Statutory Auditors, in their report for the financial Year ended 31st March, 2020. The Statutory Auditors have not reported any incident of fraud under Section 143(12) of the Act and the rules made thereunder to the Audit Committee of the company in the year under review.

**18. Conservation of energy, technology absorption and Foreign Exchange Outgo**

The company's operations involve low energy consumption. However the efforts to conserve and optimize the use of energy through improved operational method and other means will continue.

The company has not imported any technology . Foreign exchange earnings and outgo

During the financial year under review 86.63 % of the revenue came from export of software services resulting in a foreign exchange inflow of Rs. 726.36 Mn and the foreign exchange outgo on account of overseas salaries, traveling etc was Rs. 40.39 Mn.

**19. Public Deposits**

Your Company has not accepted any deposits from the public during the financial year under review.

**20. Disclosures as required under Section 22 of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

Your Company has in place a Prevention of Sexual Harassment ( POSH) Policy in line with the requirements of Sexual harassment of Women at Workplace ( Prevention, Prohibition and Redressal) Act 2013. Your Company has through the Policy constituted a committee and has established a grievance procedure for protection against victimization. Your

Company is committed to provide a healthy environment to all employees conducive to work without the fear of prejudice and gender bias. During the year under review, there were no cases filed pursuant to the said Act.

Number of complaint filed during the financial year 2019-20	Nil
Number of complaint disposed off during the financial year 2019-20	Nil
Number of complaint pending as end of the financial year	Nil

#### **21. Details of Adequacy of Internal Financial Controls**

Your Company has deployed adequate Internal Control Systems in place to ensure a smooth functioning of its business. The processes and systems are reviewed constantly and improved upon to meet the changing business environment. The Control Systems provide a reasonable assurance of recording the transactions of its operations in all material aspects and of providing protection against misuse or loss of Company's assets. The Internal auditors periodically review the internal control systems, policies and procedures for their adequacy, effectiveness and continuous operation for addressing risk management and mitigation strategies.

#### **22. Particulars of Loans, guarantees or investments**

During the Financial Year under review, your Company had given Corporate Guarantee and security of Deposits at prevailing bank lending rate to its subsidiary, RV Forms & Gears LLP for meeting its working capital requirements. The balance outstanding as on 31st March, 2020 is Rs 41.10Mn.

#### **23. Risk Management Policy**

The Risk management Policy of your company continuously evaluates the various risks surrounding business and seeks to review and upgrade its risk management process. To further the endeavour your Board constantly formulates strategies directed at mitigating these risks which get implemented at the Executive Management level and a regular update is provided to the Board.

#### **24. Credit rating of securities:**

- (a) credit rating obtained in respect of various securities: NA
- (b) name of the credit rating agency; NA
- (c) date on which the credit rating was obtained: NA
- (d) revision in the credit rating: NA
- (e) reasons provided by the rating agency for a downward revision, if any: NA

#### **25. Corporate Social Responsibility Policy (CSR)**

Your company has formulated CSR policy which is posted on the website at <https://www.asmltd.com/policy-disclosures>. In pursuance to the provisions of Section 135 and Schedule VII of the Companies Act, 2013 the company constituted a CSR Committee of the Board to (a) formulate and recommend a CSR policy (b) recommend the amount of expenditure to be incurred on the CSR activities and (c) monitor implementation of the CSR policy from time to time. The terms of reference of the CSR committee are in accordance with Section 135 of the Companies Act 2013. The Annual Report on CSR in the prescribed format is enclosed to this Report as **Annexure-IV**.

#### **26. Related Party Transactions**

The company has in place formulated a Policy on materiality of Related Party transactions for dealing with such transactions in line with the requirements of the Listing Regulations with the Stock Exchange. The policy on related party transactions is available on the Company's website at -<https://www.asmltd.com/policy-disclosures>.

Particulars of contracts or Arrangements with related parties referred to in Section 188(1) of the Companies Act 2013 in the format specified as Form AOC2 forms part of this Report as **Annexure- V**

#### **27. Board Evaluation**

Pursuant to the provisions of the Companies Act, 2013 and the Listing Regulations, the Board is required to monitor and review the Board evaluation framework. In line with the Corporate Governance Guidelines, Annual Performance Evaluation is conducted for all Board Members as well as the working of the Board and its Committees. The Board works with the Nomination and Remuneration committee to lay down the evaluation criteria for the performance of executive/nonexecutive/independent directors through a peer evaluation, excluding the director being evaluated through a Board effectiveness survey. The questionnaire of the survey forms an integral part of reviewing the functioning and effectiveness of the Board and for identifying possible paths for improvement. Each Board member is required to evaluate the effectiveness of the Board and its committees on various parameters and feed back on each Director is part of the survey. The outcome of the Board evaluation for the financial year 2019-20 was discussed by the Board at their meeting held on 2nd June 2020.

## 28. Remuneration to Director and Employees

Details/Disclosures of ratio of remuneration to each Director to median employee's remuneration as required pursuant to Section 197(12) of the Companies Act 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and details of remuneration paid to Employees vide Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given as **Annexure- VI**

## 29 Corporate Governance Report

Your Company has taken adequate steps to adhere to all the stipulations as laid down in Pursuant to Schedule V (C) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015. As required, a Report on Corporate Governance is provided elsewhere in this Annual Report along with Auditor's Certificate on compliance thereof.

## 30. Auditors

At the Annual General Meeting of the company held on 20th June 2017 the shareholders appointed M/s B K Ramadhyani & Co, LLP, Chartered Accountants, Bangalore, bearing Registration No.002878S/S00021 with the Institute of Chartered Accountants of India, as Statutory Auditors of the Company for a period of five years from conclusion of the 25th Annual Meeting of the Company. The requirement for the annual ratification of auditors' appointment at the AGM has been omitted as per Companies (Amendment) Act 2017 notification on May 7 2018.

Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part is given below:

	Rs. in Mn.
Payment to Statutory Auditors	FY 2019-20
Audit Fees	0.93
Others Service	0.03
Reimbursement of expenses	0.00
<b>Total</b>	<b>0.96</b>

## 31. Acknowledgments

Your Directors take this opportunity to express their gratitude to -

Our esteemed customers, shareholders, vendors, business partners, advisors and consultants for their unstinted support. The contribution made by our employees at all levels. Our consistent growth was made possible by their solidarity, cooperation and support.

- State Bank of India, (India), ICICI Bank Ltd., (India), Indian Bank, (Singapore), HSBC Bank, (USA) and First Federal Bank, (USA), for their support and guidance.

- Customs, Reserve Bank of India, Software Technology Parks (STPI) and NASSCOM, Central & State Governments, Software Technology Park (STPI) and NASSCOM for their continued support.

For and on behalf of the Board of Directors  
**ASM Technologies Ltd.**

Place : Bangalore  
Date : 02.06.2020

**M. R. Vikram**  
Chairman

**Rabindra Srikantan**  
Managing Director

## ANNEXURE I

### Nomination and Remuneration Policy

#### 1. Title

This Policy will be called “Nomination and Remuneration Policy”

#### 2. Introduction

The company considers human resources as its invaluable assets. This Policy is formulated for the Company to attract, motivate and retain high-caliber senior executives/directors in a competitive market, who possess the required core competencies, professional backgrounds and skill sets in line with the identity of the Company and its business. This Policy reflects the Company's objectives for good corporate governance as well as sustained long-term value creation for stakeholders.

In order to align with the provisions of the Companies Act, 2013 and the schedule V of Listing Obligations Disclosure Regulation 2015, the Board of Directors have changed the nomenclature of the “Remuneration Committee” as “Nomination and Remuneration Committee”. The “Nomination and Remuneration Committee” has formulated the “Nomination and Remuneration policy” which has also been approved by the Board of Directors of the Company.

#### 3. Objective

The objective of this policy is to lay down a framework in relation to remuneration of Directors, Key Managerial Personnel and Senior Management personnel. The Key objective of the committee would be:

- To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.
- To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
- To recommend to the Board the Remuneration payable to the Directors, Key Managerial Personnel and Senior Management personnel.
- To retain, motivate and promote talent and to ensure long term sustainability of talented managerial personnel and create competitive advantage.

#### 4. Applicability and Commencement

This policy is applicable to Directors, Key Managerial Personnel and Senior Management. This policy will be effective from 28th March 2015.

#### 5. Definitions

- **Board** means the Board of Directors of the Company.
- **Company** means ASM TECHNOLOGIES LIMITED.
- **Director** means Directors of the Company.
- **Policy** means “Nomination and Remuneration policy” as amended from time to time.
- **Committee** means “Nomination and Remuneration Committee”.

**Key Managerial Personnel** means

- Managing Director
- Chief Financial Officer
- Company Secretary
- such other officer as may be prescribed

**Senior Management** means personnel of the company who are members of its core management team excluding the Board of Directors, comprising all members of the management one level below the Executive Directors including Functional Heads.

**Managing Director** means a Director who is in the whole time employment of the Company and includes a Whole time Director.

**Nomination & Remuneration Committee** means the Committee of the Board constituted as such under the provisions of section 178 of the Companies Act, 2013 and as per the revised Clause 49 of the Listing Agreement.

**Non-Executive Director** means a Director who is not in the whole time employment of the Company and includes an Independent Director.

**Independent Director** means a Director referred to in section 149 of the Companies Act, 2013 and as per the revised Clause 49 of the Listing Agreement.

#### 6. Role and Duties of the Committee

The Role and Duties of the committee inter alia will be as follows:

- To recommend to the Board the appointment removal of Directors, Key Managerial Personnel and Senior Management.
- To recommend to the Board the Remuneration payable to the Directors, Key Managerial Personnel and Senior Management personnel.

- To formulate a criteria for determining qualifications, positive attributes and independence of a Director and to recommend to the Board the Policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management.
- Formulate criteria for evaluation of the Independent Directors and the Board and to carry out evaluation of every Director's performance.
- Ensure that level and composition of remuneration is reasonable and sufficient, the relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
- To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.
- Identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down in this policy.
- To perform such other functions as may be necessary or appropriate for the performance of its duties.

#### **7. Membership / Constitution of the Committee**

- The Committee shall comprise of at least three (3) Directors, all of whom shall be Non-Executive Directors and at least half shall be Independent. The Committee comprises of the following Independent Directors:  
Shekar Viswanathan ; Chairman  
M.R.Vikram  
M. Lakshminarayan
- The Chairman of the Committee shall be an Independent Director.
- The Chairperson of the Company (whether executive or non-executive) may be appointed as a Member of the Committee but shall not Chair the Committee.
- In the absence of the Chairman, the members of the Committee present at the meeting shall choose one amongst them to act as the Chairman.
- The Board shall reconstitute the Committee as and when required to comply with the provisions of the Companies Act, 2013, Listing Agreement and any other applicable statutory requirement.

#### **8. Quorum**

Minimum two (2) Directors will constitute a quorum for the Committee meeting.

#### **9. Frequency of Meetings**

The meeting of the Committee shall be held at least once in a year.

#### **10. Appointment and Removal of Directors, Key Managerial Personnel and Senior Management**

##### **10.1 Appointment Criteria and Qualifications:**

- The person should possess adequate qualification, expertise, skills and experience for the position he / she is considered for appointment. The Committee has the discretion to decide whether qualification, expertise and experience possessed by a person are sufficient / satisfactory for the concerned position.
- Before appointment, the Company shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, Key Managerial Personnel and Senior Management Personnel.
- The Committee shall approve the remuneration as well as the appointment, made by the HR Department/ Company of the Senior Management personnel and put forward it to the Board. The same shall be done after considering the integrity, qualification, expertise and experience of the person appointed.
- The Committee may call and seek the help of the head of HR Department or any other Company Official including the recommender or a Key Managerial Personnel while approving the appointment.

##### **10.2 Term / Tenure**

- a) Managing Director/Whole-time Director/Executive Director/Manager:
  - The Company shall appoint or re-appoint any person as its Managing Director, Executive Chairman or Executive Director or Whole Time Director for a term not exceeding five years at a time or as applicable by the respective provisions of the Companies Act 2013. No re-appointment shall be made earlier than one year before the expiry of term.
  - The Company shall not appoint or continue the employment of any person as Managing Director/ Executive Chairman/ Whole-time Director/Manager who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of the shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.
- b) Independent Director:
  - An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company in this regard.

- No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director of the Company. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly. However, if a person who has already served as an Independent Director for 5 (Five) years or more in the Company as on 1st October, 2014 or such other date as may be determined by the Committee as per regulatory requirement, he shall be eligible for appointment for one more term of 5 (Five) years only.
  - At the time of appointment of an Independent Director, it should be ensured that number of Boards on which such Independent Director serves is restricted to seven Listed companies as an Independent Director and three Listed companies as an Independent Director in case such person is serving as a whole-time Director in any Listed company.
- c) Key Managerial Personnel and Senior Management:
- A whole-time KMP of the Company cannot hold the office in any other company except in its subsidiary at the same time. However a Managing Director of the Company can hold office in one another company provided such appointment is approved by a resolution passed at a meeting of the Board of Directors with the consent of all the Directors present at the meeting and of which meeting and of all the resolutions to be moved thereat, specific notice has been given to all the Directors there in India.
  - The tenure and terms of appointment of Key Managerial Personnel and Senior Management will be as per the prevailing HR policy of the Company or as per the applicable provisions of the Companies Act 2013.

### 10.3 Evaluation

- The Committee shall diligently carry out annual evaluation of performance of every Director, KMP and SMP on the basis of the criteria(s) laid down by the Committee or the Company or under the Act or as per SEBI Regulations.

### 10.4 Removal

- Due to reasons for any disqualification/misconduct/fraud mentioned in the Act or under any other applicable Act, rules and regulations there under, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, Key Managerial Personnel or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

### 10.5 Retirement

- The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Companies Act 2013 and in accordance with the applicable policy of the Company .

## 11. Remuneration of Directors, key Managerial Personnel and Senior Management

- a) Remuneration to Managing Director/Whole-time Director/Executive Director/Manager:
- The Remuneration/ Compensation/ Commission etc. to be paid to Managing Director shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force.
- b) Remuneration to Non- Executive / Independent Director:
- The Non-Executive Independent Director may receive remuneration / compensation /commission as per the provisions of Companies Act, 2013. The amount of sitting fees shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force
- c) Remuneration to Key Managerial Personnel and Senior Management:
- The Remuneration/Compensation /Commission payable to the Key Managerial Personnel and Senior Management shall be as per the prevailing HR policy of the Company or as per the provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force.
- d) For continual long term engagement and to enhance their standard of living of KMP and Senior Management Personnel where the Committee extends benefits/welfare facilities such as group mediclaim insurance policy or indemnify them against liability, premium paid on such insurance shall not be treated as part of the remuneration payable of such personnel.

## 12. Review and Amendments

- The Committee or the Board may review the policy as and when it deems necessary.
- The Board of Directors or the Committee or the Company Secretary shall have the power to amend any of the provisions of this Policy, substitute any of the provisions with new provisions or replace this Policy entirely with a new Policy.

## ANNEXURE –II

**Statement containing salient features of the financial statement of subsidiaries/associate companies / joint ventures**  
(Pursuant to first proviso to sub-section(3) of Section 129 read with rule 5 of Companies (Accounts) Rules 2014- Form AOC-1)

### Part “A” : Subsidiaries

(Rs. in Mn.)

Sl. No.	Particulars	Advanced Synergic Pte Ltd, Singapore (WOS)	Pinnacle Talent Inc, USA (WOS)	ASM Technologies KKJapan ( WOS )	ESR Associates Inc, USA (Step downs subsidiary)	RV Forms & Gears LLP Indian Subsidiary
1.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	01-04-2019 to 31-03-2020	01-04-2019 to 31-03-2020	28-12-2019 to 31-03-2020	01-04-2019 to 31-03-2020	05-07-2019 to 31-03-2020
2.	Reporting Currency	SGD	USD	YEN	USD	INR
3.	Exchange rate as on the last date of the relevant financial year in case of foreign subsidiaries	Rs.52.68	Rs.75.10	Rs. 0.69	Rs. 75.10	Rs 1.00
4.	Share Capital	52.68	12.02	0.64	7.51	18.20
5.	Reserves & Surplus	(130.83)	(77.03)	(3.25)	(55.40)	NIL
6.	Total Assets	2.71	92.98	1.37	14.89	150.57
7.	Total Liabilities	5.79	159.61	1.00	62.70	109.28
8.	Investments	4.24	-	-	-	-
9.	Turnover	10.80	29.16	2.89	-	78.11
10.	Profit/(Loss) before taxation	(3.08)	(1.65)	(4.55)	(0.75)	(19.29)
11.	Provision for taxation	-	-	-	-	(1.63)
12.	Profit/( Loss) after taxation	(3.08)	(1.65)	(4.55)	(0.75)	(17.66)
13.	% of shareholding	100	100	100	100	70

#### Notes:

- ESR Associates Inc is a wholly owned subsidiaries of Advanced Synergic Pte Ltd, the WOS of the company.  
Proposed dividend from any subsidiary is “NIL”

### Part “B”: Associates and Joint Ventures

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

There are no associate companies and joint ventures during the current financial year.

For and on behalf of the Board of Directors  
**ASM Technologies Ltd.**

Place : Bangalore  
Date : 02.06.2020

**M. R. Vikram**  
Chairman

**Rabindra Srikantan**  
Managing Director

## ANNEXURE - III

### Secretarial Audit Report

#### Form No. MR-3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31.03.2020  
[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies  
(Appointment and Remuneration Personnel) Rules, 2014]

To,

The Members,  
ASM TECHNOLOGIES LIMITED  
80/2, Lusanne Court, Richmond Road, Bangalore 560025

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by ASM Technologies Limited (hereinafter called the "Company"). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2020, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2020 according to the provisions of:

- i. The Companies Act, 2013 ('the Act') and the Rules made thereunder and the relevant provisions of the Act;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Byelaws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosures Requirements) Regulations, 2009; – Not Applicable as the Company did not issue any security during the financial year under review.
  - d. The Securities and Exchange Board of India (Share Benefits Employee Benefits) Regulations, 2014; - Not Applicable as the Company does not have Employee Stock Option Scheme for its employees;
  - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; – Not applicable as the Company has not issued any debt securities during the financial year under review;
  - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; - Not applicable as the Company is not registered as Registrar to an Issue and Share Transfer Agent during the financial year under review;
  - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; – Not applicable as the Company has not delisted its equity shares from any stock exchange during the financial year under review; and
  - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; - Not Applicable as the Company has not done any buyback of its securities during the financial year under review.
- vi. The following key / significant laws as specifically applicable to the Company: -
  - 1) The Special Economic Zone Act, 2005;
  - 2) Policy relating to Software Technology Parks of India and its Regulations

We have also examined compliance with the applicable clauses/regulations of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India (ICSI)
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

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

We further report that: -

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

We further report that based on review of compliance mechanism established by the Company and on the basis of the Compliance Certificate(s) issued by the Company Secretary and taken on record by the Board of Directors at their meeting(s), we are of the opinion that the management has adequate systems and processes commensurate with its size and operations, to monitor and ensure compliance with all applicable laws, rules, regulations and guidelines; and

As informed, the Company has responded to notices for demands, claims, penalties etc. levied by various statutory / regulatory authorities and initiated actions for corrective measures, wherever necessary.

**For BMP & Co. LLP**  
Company Secretaries

**Pramod S M**  
Partner

FCS 7834 / CP No. 13784

Place: Bangalore,  
Date: 02.06.2020

### 'Annexure A'

To,  
The Members,  
ASM Technologies Limited  
CIN: L85110KA1992PLC013421  
80/2, Lusanne Court, Richmond Road,  
Bangalore - 560025

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

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express as opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. We further report that, based on the information provided by the Company, its officers, and authorised representatives during the conduct of the audit and also on the review of quarterly compliance report issued by the respective departmental heads/Company Secretary/Managing Director, taken on record by the Board of the Company, in our opinion adequate systems and process and control mechanism exist in the Company to monitor compliance with applicable general laws like labour laws & Environment laws and Data protection policy.
8. We further report that the Compliance by the Company of applicable Financial laws like Direct & Indirect tax laws has not been reviewed in this audit since the same has been subject to review by the statutory financial audit and other designated professionals.

**For BMP & Co. LLP**  
Company Secretaries

**Pramod S M**  
Partner

FCS 7834 / CP No. 13784

Place: Bangalore,  
Date: 02.06.2020

## ANNEXURE – IV

### Annual Report on CSR Activities

- Social and environmental responsibility has always been at the forefront of ASM's operating philosophy and as a result has been contributing to such socially responsible activities. For ASM, Corporate Social Responsibility means responsible business practices through the involvement of all stakeholders in the decision making process and in operations. We believe that to succeed, an organization must maintain highest standards of corporate behavior towards its employees consumers and society in which it operates.
- The CSR Committee comprises of the following members:
  - Ms. Preeti Rabindra- Chairman
  - Mr. M.R.Vikram
  - Mr. Shekar Viswanathan
  - Mr. Rabindra Srikantan
- Average Net profits of the company for the last three financial year : (Rs. in Mn.)  
Rs. 87.90
- Prescribed CSR expenditure (two percent of the amount as in item 3 above) is : Rs. 1.76
- Details of CSR spent during the financial year 2019-20 :
  - Amount to be spent for the financial year 2019-20 : Rs 1.76
  - Total amount spent for 2019-2020 : Rs. 2.57
  - Amount unspent of 2019-2020 : ---

Manner in which the amount was spent in 2019-20 is detailed below-

(Rs. in Mn.)

Sl No.	CSR Project or activity identified	Sector in which the project is covered	Project or programs 1.Local area or other 2.Specify the state and district where projects or programs was undertaken	Amount outlay (budget) Project or programs wise Amt in Rs.	Amount spent on the projects or programs Sub heads: 1.Direct expenditure on projects /programs 2. Overheads Amt in Rs.	Cumulative expenditure upto the reporting period Amt in Rs.	Amount Spent: Direct or through implementing agency Amt in Rs.
1.	*Dr. S Srikantan Memorial Award-Summer School in Electronics & Computers (SUSIEC)	Promoting education	Project in Bangalore	0.45	-	0.45	0.45, Agency The Institution of Electronics & Telecommunication Engineers, (IETE), Bangalore Centre
2.	Rahul Dravid Athlete Mentorship Programme- Providing goal-based financial scholarships and customised non financial support to cover athletes' sporting needs	Training to promote rural, sports, nationally recognized sports, paraolympic sports or Olympic sports	Project in Bangalore	1.50	-	1.50	1.50 Agency- GoSports Foundation
3.	Dr. R.P. Shenoy award for Excellence in Science - Promoting education in children**	Promoting education	Project in Bangalore	0.14	-	0.14	0.14 Direct
4.	TechLa Bike Programme- Of Agastya- hands-on science and art education programs in rural and semi-urban	Promoting Education	Project in Bangalore	0.47	-	0.47	0.47 Agency Agastya International foundation

- \* The Institution of Electronics & Telecommunication Engineers (IETE) Bangalore Centre has been organising Summer School in Electronics & Computers (SUSIEC) over the last three decades for 8th , 9th and 10th standard students during their summer vacations with a motto of “catch them young” and motivate them to choose the fascinating field of Electronics and Telecommunication as their chosen profession/career. Starting from the year 2017-18, ASM ,as part of CSR has been sponsoring part of the course fee, tool kits, awards & prizes for SUSIEC as Dr S Srikantan Memorial Award, instituted in memory of its former Chairman Late Dr.S. Srikantan. The schedule comprises of two hours of technical presentations followed by two hours of practical's every day. At the end of the course, an exhibition is arranged to showcase the project which are evaluated and rated by a panel of distinguished academicians and corporate leaders. For the year 2019-20 prizes were awarded to 36 such students.
  - \*\* During the year 2013-14 the company instituted the “Dr. R.P. Shenoy award for Excellence in Science” in memory of its Director, Dr. R.P. Shenoy, a Distinguished Scientist of Defence Research & Development Organization (DRDO) of the Government of India. The award is given each year to students of Grade 8th & 9th, Kendriya Vidyalaya, DRDO complex, Bangalore, who have secured A1 Grade in Science. The award includes a cheque for Rs. 1000 a certificate and write up of Dr. Shenoy. For the year 2019-20 the award was given to 139 students.
6. The CSR Committee, hereby confirms that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and Policy of the Company.

For and on behalf of the Board  
**ASM Technologies Ltd.**

Place : Bangalore  
Date : 02.06.2020

**Preeti Rabindra**                      **Rabindra Srikantan**  
Chairman of the CSR Committee      Managing Director

## ANNEXURE-V

### Particulars of contracts/ arrangements made with related parties

Pursuant to clause(h) of Sub section(3) of Section 134 of the Act and Rule8(2) of the Companies(Accounts) Rules, 2014 – Form AOC-2

Form for disclosure of particulars of contracts/ arrangements entered into by the company with related parties referred to in sub-section (1) of Section 188 of Companies Act 2013 including certain arms length transactions .

1. Details of contracts or arrangement or transactions not at arms length basis

There was no contract/arrangement/transaction entered into during the financial year ended 31st March 2020 which were not at arm`s length basis.

2. Details of material contracts or arrangements or transactions at arm`s length.

The details of material contracts or arrangements or transactions at arm`s length basis for the financial year ended March 31st, 2020 is as follows:

(Rs. in Mn.)

Particulars	Advanced Synergie Pte Ltd, Singapore	Pinnacle Talent Inc, USA	RV Forms & Gears LLP India	ASM Technologies KK
Nature of relationship	Wholly owned subsidiary	Wholly owned Subsidiary	Subsidiary	Wholly owned Subsidiary
Rendering of services	-	-	9.92	2.83
Guarantees given on behalf of subsidiary	-	-	-	
Purchase of Service		29.16		
Loan given during the year				6.76

#### Notes:

1. The duration of the above contracts/arrangements/transactions are all ongoing.
2. Salient terms of the contracts or arrangements or transactions as mentioned above are all based on transfer pricing guidelines.
3. Appropriate approvals have been taken for these related party transactions.
4. Advances paid have been adjusted against billings, wherever applicable.

For and on behalf of the Board of Directors  
**ASM Technologies Ltd.**

Place : Bangalore  
Date : 02.06.2020

**M. R. Vikram**  
Chairman

**Rabindra Srikantan**  
Managing Director

## ANNEXURE - VI

### PARTICULARS OF EMPLOYEES

1) **Information as per Rule 5(1) of Chapter XIII of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

(i) The ratio of remuneration of each Director to the median remuneration of the employees of the Company for the Financial year 2019-20 and percentage increase in remuneration of each Director as against previous year and also the comparison of remuneration of each such person against the performance of the Company.

Name of Directors	Designation	% of increase compared to previous year	Ratio to median remuneration of employees	% of revenues	% of profits after tax
M.R.Vikram	Chairman	(11.54)	0.30	0.03	3.13
Rabindra Srikantan	Managing Director	No change	11.59	1.20	121.30
Prof. B.S.Sonde (upto 9.11.2019)	Independent Director	(14.29)	0.24	0.03	2.53
M Lakshminarayan	Non-Executive Director	(39.13)	0.26	0.03	2.77
Shekar Viswanathan	Independent Director	(4.17)	0.28	0.33	2.89
Preeti Rabindra	Non-Executive Director	(12.5)	0.28	0.03	2.89

(2) Non- executive Directors are sitting fees for meetings of the Board and committee attended and commission on Net Profits as per section 198 of companies Act 2013.

(ii) The percentage increase in remuneration of Chief Financial Officer & Company Secretary in the Financial Year and also the comparison of such remuneration against the performance of the Company.

Name of person	Designation	% of increase compared to previous year	% of revenues	% of profits after tax
N.L. Rathod	Chief Financial Officer	No Change	0.03	3.01
P.N. Lakshmi*	Company Secretary	No Change	0.03	3.01
Vanishree Kulkarni**	Company Secretary	NA	0.07	6.98

\*upto 31.08.2019

\*\* wef 01.09.2019

(iii) The percentage increase in median remuneration of employees in the Financial year:

The percentage increase in the median remuneration of the company during the Financial year is 8%. This has been arrived at by comparing the median remuneration

(iv) The number of permanent employees on the rolls of company:

The number of permanent employees on the rolls of the company as on 31st March 2020 was 629

(v) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration

(vi) The average increase was 9% for all employees who went through the compensation review cycle in the year and for the managerial personnel there was no increase in remuneration the previous year.

(vii) affirmation that the remuneration is as per the remuneration policy of the company

Your company affirms that the remuneration is as per the remuneration policy of the company

Information as per Rule 5(2) of Chapter XIII of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014- NIL

For and on behalf of the Board of Directors  
**ASM Technologies Ltd.**

Place : Bangalore  
Date : 02.06.2020

**M. R. Vikram**  
Chairman

**Rabindra Srikantan**  
Managing Director

# MANAGEMENT DISCUSSION AND ANALYSIS REPORT

## Overview

ASM along with its subsidiaries has been providing world class consulting and product development services in the areas of Engineering Services and Product R&D with successful Offshore Development & Support Centers in India and Overseas for its global clientele. The company is a public limited company incorporated in India and having its registered office in Bengaluru, Karnataka, India. The company's shares are listed with BSE Limited.

The Ministry of Corporate Affairs (MCA) vide notification dt February 16,2015,notified the Ind AS applicability to certain classes of companies. Ind AS has replaced the existing Indian GAAP prescribed under Section 133 of the Companies Act 2013, read with Rule 7 of the Companies (Accounts) Rules 2014. For ASM group Ind AS is applicable from 1st April 2017.

### 1. Industry Structure and Development

India's IT industry is increasingly focusing on digital opportunities as digital is poised to be a major segment in the next few years. It is also currently the fastest growing segment, growing over 30 per cent annually. As per Gartner report ,Global Digital spend to increase from USD 180 Billion in 2017 to USD 310 Billion in 2020,growing over 20% YoY, a key driver of global economic development. In FY 2019, the global market for software and services is estimated to have grown to \$1.4 trillion. IT Services is estimated to have grown by 3.2% YoY, driven by strong growth in digital engagements, particularly cloud adoption. Software and services have been redefining the ER&D market as increasing investments into technologies such as robotics, Artificial intelligence, 3-D printing, etc. have proved to be a major growth driver for this segment. Disruptive emerging technologies, such as artificial intelligence (AI), will reshape business models as well as the economics of public- and private-sector enterprises.

### 2. Opportunities

Digitisation, disruptive technologies and innovation will fuel growth with new opportunities in the years ahead. Technologies such as artificial intelligence (AI), Internet of things (IoT), augmented reality, virtual reality, machine learning (ML), big data analytics, blockchain are providing numerous new opportunities for large enterprises as much as they are aiding the start-ups in developing new products and service lines, improving efficiency, productivity, and competence levels, giving thrust to the economic growth of the country. Indian IT companies have to adopt these new technologies in a big way by skilling their employees and by taking risks in building products around these technologies. the focus of the government to expand the domestic market through a focus on indigenisation and self-reliance has led to capability building among Indian organizations for future relevant domains such as Product Engineering, Data Analytics, Embedded software etc.

We believe in our competitive strengths and with our Global Delivery Model and core competencies consider to address the changing economic scenarios as an opportunity to provide greater value to existing clients and add new clients. Our specific industry, domain and technology expertise allows us to enable clients to transform their businesses through innovative strategies and solutions. Our process driven engineering and planning ensures in delivering quality products in the optimum time and cost. ASM is a pioneer in Mechanical, Electrical/Electronics System and Sub System design.

### 3. Outlook

This has been provided elsewhere in the Annual Report.

### 4. Risks and Concerns

#### a. Competition Risk

In this highly competitive global business environment only firms that continually upgrade their capabilities and offerings in line with emerging technologies and market imperatives can hope to survive and even prosper in this environment. Capability building and continual upgrading are essential for organizational survival and growth. With growing competition for IT services business from other geographies, Indian firms must offer something significantly more valuable to their clients to differentiate themselves from the competition. Thus the Indian ITeS sector needs to make extra endeavor to remain competitive in terms of cost efficiency measures and scalability of various high end services to handle competition.

Technologies are moving rapidly from traditional technologies to Analytics, Big data, Artificial Intelligence and Robotics. Thus the Indian ITeS sector needs to make extra endeavor to remain competitive in terms of cost efficiency measures and scalability of various high end services to handle competition.

The Company stays invested in enhancing the value proposition for its customers by way of deepening its domain expertise, technological capabilities and customer engagement. We compete with other technology service providers in response to requests for proposals and in certain services there is increased competition resulting in pressures in pricing. The company's capability to offer innovative and value added solutions and services by integrating its diverse domain knowledge enables it to move ahead in an environment of increasing competition. The unrivaled blend of engineering culture and technology skills adopted by the company and its strategic acquisitions and management resources adds to its capability to proffer innovative and value added solutions and services by integrating its diverse domain knowledge experience. The company has derisked its business from competition by virtue of its domain expertise in providing end to end total IT solutions.

#### b. Financial Risk.

The IT sector would have to re-adopt technology disruptions by reshaping enterprises and focus on technology-led platforms, as the currency volatility and innovative technologies such as artificial intelligence, automation, etc have disrupted the sector's traditional products and solutions.

With a significant portion of the company's revenues coming from exports, volatility in exchange rates may impact Company's business adversely. The company however mitigates the risks with robust accounts receivable management, centralised framework to control expenses and currency hedging strategies by the management. The company has a defined policy for managing its foreign exchange exposure. The company tracks the foreign exchange markets closely and takes appropriate hedging decisions from time to time if need be. The risk policy of the Board covers some of this large macro level risk and the remedial measures taken by the company to face and mitigate some of these risks.

**c. New Technologies and Business Models**

Engineering Research & Development continues to be the fastest growing segment at over 12%, driven by global OEMs increasingly embedding software & services into their products. India continues to be the core for digital innovation with a rich ecosystem of start-ups, tech providers and services providers engaging in global delivery and investing in IP, solutions and Centers of Excellence (CoEs). Digital became mainstream during the year, with the industry increasingly investing in digitized solutions to drive future growth opportunities. The Indian IT companies need to speed up the process of adopting technology in order to stay future proof as today, the Industry is fraught with challenges and opportunities, with Artificial Intelligence (AI), automation and machine learning having permeated every facet of a business.

As a System Design House, ASM is fully equipped to handle complex Electronics, Mechanical and Embedded software design and development to complete the product under one roof. Further, working prototype and manufacturing results in the entire product realization for the client. In our effort to step up non-linear growth, some of the key designs by the Engineering Services group are being prototyped and will be manufactured in limited quantities through partner companies and delivered to strategic customers. The company also regularly audits and verifies its compliance with security and disaster recovery measures. The impact of investments in Innovation and R&D has accelerated growth of ASM and has set the company into the forefront of Product Development, whilst getting a global recognition. The initiative has therefore been on developing the products of the future, to align with the changing technologies, market and customer demands.

**d. Geography Risk**

Slowdown in the global economic environment and corporate IT spending budget could impact the company's business. Business environment in the past year has been volatile and uncertain.

The company has insulated its overall performance from the impact of market exigencies and vagaries with a domestic international spread of business and combinations of its various solutions and services. The company's firm roots and prominent presence in the home market provides it an opportunity to refine its international offerings with the derived benefits of synergy across operations and optimizations of resources. The company's well grinded skills tested in Indian markets enable it to spread efficiently its business across various geographies. The company moreover derives most of the revenues from off shoring business resulting in a healthier bottom line and protection from risks from any downward spiral in any economy. The company's growth is not dependent on any specific geographic area or specified industry segment.

**5. Internal Control System and their adequacy**

The Internal Control System has been designed to ensure that assets and interest of the company are protected and dependability of accounting data and its accuracy are ensured with proper checks and balances. The internal control systems adopted by the company are adequate and appropriate to its operations so as to ensure uninterrupted functioning of its business. The system has been designed to ensure that assets and interest of the company are protected and dependability of accounting data and its accuracy are ensured with proper checks and balances. The existing internal control systems and their adequacy are frequently reviewed and improved upon to meet the changing business environment.

The Company has internal audit to examine and evaluate the adequacy and effectiveness of Internal Control system. The internal audit ensures that the system designed and implemented to provide adequate internal control commensurate with the size and operations of the company. The Audit Committee of the company chaired by the independent director and consisting of other non-executive independent directors, periodically review and commend the quarterly, half yearly and annual financial statement of the company. A detailed note on the functioning of the audit committee forms part of the chapter on Corporate Governance in this Report.

The management duly considers and takes appropriate action on the recommendations made by the statutory auditors, internal auditors and independent Audit Committee of the Board of Directors.

**Financial Overview**

**a. Share Capital**

The Company has at present only one class of shares. The authorized share capital is 70,00,000 Equity shares of Rs. 10/- each, constituting to Rs.70.00 Mn. There was no increase in the issued, subscribed and paid up capital of Rs. 50.00 Mn during the year under review.

**b. Shareholder Funds**

The total shareholder funds was Rs. 558.75Mn as at 31st March, 2020 against Rs. 568.52 Mn as of the previous year end.

**c. Fixed Assets**

As on 31st March 2020 the gross block of assets stood at Rs. 52.48 Mn for the standalone and Rs. 94.97 Mn for the consolidated.

**d. Net Worth**

The return on Net worth (RONW) for the year ended 31st March 2020 was 1.49% for the standalone and 1.37% for the consolidated.

**e. Earnings per share**

Earnings per share for the year ended 31st March 2020 was Rs. 2.18 for the standalone and Rs. 1.39 for consolidated.

**f. Revenue**

On the standalone front the company registered a total revenue of Rs. 838.40 Mn for the year ended 31st March 2020 compared to Rs. 760.59 Mn, the previous year. Domestic sales at Rs. 112.07 Mn and Export sales at Rs. 726.33 Mn contributed to the revenue.

The Consolidated total revenue for the year ended 31st March 2020 was Rs. 920.13 Mn compared to Rs. 880.25 Mn, the previous year.

**g. Operating Profit (EBIDTA)**

We earned an operating profit Rs. 43.29 Mn representing 5.16% of total revenues for the year ended 31st March 2020 as compared to Rs. 108.16 Mn representing 14.25% of total revenues, during the previous year.

On the consolidated front, EBIDTA was at Rs. 64.95 Mn representing 7.06 % of the total revenues for the year ended 31st March 2020.

**h. Net Profit after Tax**

Net profit after tax was Rs. 10.90 Mn. on the standalone front and Rs. 6.97 Mn for the consolidated, for the year ended 31st March, 2020.

**i. Developments in Human Resources/ Industrial Relations**

The total employee strength of the company, as on 31st March, 2020 was 629 as compared to 580 the previous year.

At ASM, employees are the Company's biggest asset and the Company continuously focuses towards innovative initiatives to attract, train, retain and motivate its employees. The Company's endeavors are driven by a strong set of values imbibed in it and policies that it abides by. All the Company's policies are focused towards a healthy, happy and prosperous work environment for its employees and thereby also fulfill the aspirations of the people at work. Your company believes that people are the primary drivers in the success of an organization and hence people and HRD remain at the forefront of its mission. In this pursuit, the Company is providing timely and cost effective recruitment system for attracting the cream of talented professionals, ensuring a clear compensation and benefit policy in tune with the latest IT market trends. Our endeavors are driven by a strong set of values imbibed in us and policies that we abide by.

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## CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

### TO THE MEMBERS OF

### ASM TECHNOLOGIES LIMITED

We have examined the compliance of conditions of Corporate Governance by ASM Technologies Limited ("the Company"), for the purpose of certifying of the Corporate Governance under Regulation 17 to 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 from the period April 01, 2019 to March 31, 2020. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of certification.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

Date : 02.06.2020  
Place : Bangalore

For **BMP & Co**  
Company Secretaries

**Pramod SM**  
Partner  
FCS 7834 / CP No. 13784

## REPORT ON CORPORATE GOVERNANCE

(Pursuant to Schedule V ( C ) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015

### I COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

Corporate Governance is an ethically driven business process that is committed to values aimed at enhancing an organization's brand and reputation. These values and principles set the context to manage our Company affairs in a fair and transparent manner. We at ASM believe, that sound corporate governance is critical to enhance and retain investor trust and consider it our inherent responsibility to disclose timely and accurate information regarding our financials and performance of the Company.

Effectual Corporate governance requires a clear understanding of the respective roles of the Board and the senior management and their relationships with others in the corporate structure. During the year under review, the Board continued its pursuit of achieving these objectives through the adoption and monitoring of corporate strategies, prudent business plans, monitoring of major risks of the company's business and ensuring that the company pursues policies and procedures to satisfy its legal and ethical responsibilities. At the core of its corporate governance practice is the board, which is responsible for safeguarding and advancing the interests of the shareholders, acting as their representative in establishing corporate policies and reviewing management's execution of those policies. The Board of Directors fully support and endorse Corporate Governance practices and attempt to go beyond the statutory requirements.

### II BOARD OF DIRECTORS

#### i. Composition of Board:

The Board is primarily responsible for the overall management of the Company's business.

The Board comprises of 5 members, two of whom are Independent Directors, two Non Executive Non Independent Directors and one Executive Director being the Managing director. The company has a Non-Executive Chairman and the number of Independent Directors is more than one third of the total number of Directors. The company is in compliance with the requirements relating to the composition of Board of Directors, in line with Regulation 27 of SEBI (Listing Obligations and Disclosure Requirements) 2015.

The Chairman is primarily responsible for ensuring that the Board provides effective governance to the company and in doing so presides over meetings of the Board and shareholders of the company. The Chairman takes a lead role in managing the Board and facilitating effective communication among Directors.

The Managing Director is responsible for corporate strategy, planning and other management matters. The Managing Director and the senior management personnel being responsible for achieving annual business targets, acquisitions, new initiatives and investments make periodic presentations to the Board on their responsibilities and performance.

Board meetings are held generally at the Registered Office Bangalore, India. The agenda for each Board meeting along with explanatory notes are distributed in advance to the Directors. The Board meets at least once a quarter to review the quarterly results and other items of agenda and also on the occasion of the Annual General meeting of the shareholders.

During the Financial Year 2019-20, information as mentioned in Schedule II Part A of the Listing Regulations has been placed before the Board for its consideration.

In accordance with Section 149 read with Schedule IV to the Act and Listing Regulations, a meeting of the Independent Directors was held during the Financial Year 2019-20 without the attendance of the Non-Independent Directors and members of the management.

The Independent Directors have undergone a formal induction programme to familiarise them with the business and operations of the Company. The details of the familiarization programme is available on the Company's website at <http://www.asmltd.com/policy-disclosures>.

During the financial year 2019-20, the Board has accepted all the recommendations of its Committees

During the financial year 2019-20, 6 meetings of the Board were held, on 18.04.2019, 18.05.2019, 20.06.2019, 05.08.2019, 08.11.2019 and 07.02.2020.

Details of Director's attendance during the Financial Year, directorships/committee memberships held by them as on 31st March, 2020 are given below:

Name & Designation	Category	No. of Board Meetings held	No. of Board Meetings attended	Attendance at the last AGM held on 20th June, 2019	No. of Director-ships of other public companies	No. of Committee Positions held in Other companies #	
						Member	Chairman
Mr. M R Vikram Chairman	Independent, Director	6	6	Yes	6	3	–
Mr. Rabindra * Srikantan Managing Director	Promoter, Executive Director	6	6	Yes	–	–	–
Prof. B. S. Sonde Director** (10.06.2019-09.11.2019)	Independent, Director	6	2	Yes	–	–	–
Mr. Shekar Viswanathan Director	Independent, Director	6	5	Yes	1	–	–

Name & Designation	Category	No. of Board Meetings held	No. of Board Meetings attended	Attendance at the last AGM held on 20th June, 2019	No. of Director-ships of other public companies	No. of Committee Positions held in Other companies #	
						Member	Chairman
Mr. M. Lakshminarayan Director	Non Independent Non Executive Director	6	4	Yes	7	4	1
Ms. Preeti* Rabindra Director	Non Independent Non Executive Director	6	6	Yes	–	–	–

# Chairmanship/Membership in Board, Audit Committee and Stakeholders Relationship Committee in Indian Public Limited Companies as per Regulation 26 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

\* Mr Rabindra Srikantan, Managing Director, is the spouse of Ms Preeti Rabindra, Director.

\*\* Demise on 09.11.2019.

ii. Name of other listed entities where Directors of the company are directors and the category of Directorship:

Name of the Director	Name of listed entities in which the concerned Director is Director	Category of Directorship
Mr. M R Vikram Chairman	GTN Industries Limited Ahlada Engineering Limited	Independent Director
Mr. M. Lakshminarayan Director	<ul style="list-style-type: none"> <li>● Kirloskar Oil Engines Limited</li> <li>● WABCO</li> <li>● TVS Electronics</li> <li>● Wendt (India) Limited</li> <li>● Rane (Madras) Limited</li> <li>● Suprajit Engineering Limited</li> </ul>	Independent Director

iii. Skills / Expertise / Competencies of the Board of Directors

The following is the list of core skills / expertise / competencies identified by the Board of Directors as required in the context of the Company's business and that the said skills are available with the Board Members:

- a. Knowledge on Company's businesses, policies and culture (including the Mission, Vision and Values) major risks / threats and potential opportunities and knowledge of the industry in which the Company operates - Mr. Rabindra Srikantan.
- b. Behavioral skills - attributes and competencies to use their knowledge and skills to contribute effectively to the growth of the Company - Mr. Rabindra Srikantan, Mr. Lakshminarayan
- c. Business Strategy, Sales & Marketing, Corporate Governance, Forex Management, Administration, Decision Making. - Mr. Rabindra Srikantan, Mr. M. Lakshminarayan, Mr. M R Vikram, Mr. Shekar Viswanathan and Ms. Preeti Rabindra.
- d. Financial and Management skills
- e. Technical / Professional skills and specialized knowledge in relation to Company's business

iv. Confirmation as regards to Independence of Independent Directors:

- (i) All Independent Directors have given declarations that they meet the criteria of Independence as laid down under section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the Listing Regulations. In the opinion of the Board, the Independent directors, fulfil the conditions of Independence specified in section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the Listing Regulations.
- (ii) None of the directors are related to each other within the meaning of the term "Relative" as per Section 2(77) of the Companies Act, 2013.
- (iii) No director shall hold office as a director in more than 10 public companies. No director of the Company shall serve on more than 10 committees or can act as chairman of more than five committees across all Indian public limited companies in which he/she is a Director. For the Purpose of this limitation, membership and chairmanship of the Audit committee and Stakeholders' Relationship committee are only considered. No Independent director shall serve as Independent Director in more than seven listed companies or three listed companies in case he/she is a whole-time director in any listed company.
- (iv) A letter of appointment encompassing the terms and conditions of appointment, roles, duties and liabilities have been issued to the Independent Directors. The terms and conditions of appointment of the Independent Directors are disclosed in the Company's website at : <https://www.asmltd.com/wp-content/uploads/2016/10/terms-and-condition-for-apt-of-id.pdf>

### III. BOARD COMMITTEES

The Board has four committees namely, Audit committee, Stakeholders Relationship & Share transfer committee, Nomination & Remuneration committee and Corporate Social Responsibility (CSR) Committee. The quorum for meetings is either two members or one-third of the members whichever is higher. Usually the committees meet four times a year and the recommendations of the committees are submitted to the Board for approval. The Board has complete access to any information within the company.

Updates provided to the Board include the following

- ◆ Annual operating plans, budgets, capital budgets and updates,
- ◆ Quarterly results of business operations.
- ◆ General notices of interest.
- ◆ Dividend data
- ◆ Minutes of Committee meetings.
- ◆ Materially important litigations, show cause notice, prosecution and penalty notices.
- ◆ Details of joint ventures, acquisitions of companies or collaboration agreements.
- ◆ Information on recruitment and remuneration of senior officers immediately below the Board level.
- ◆ Non-compliance of any regulatory, statutory or listing requirements including shareholder services such as non-payment of dividend and delays in share transfer.
- ◆ Any major development in the Human resources front.
- ◆ Any issue involving public or product liability claims of a sizeable nature.
- ◆ Sale of assets, investments, subsidiaries of material nature, not in the regular course of business

#### 1. Audit Committee

The Audit committee is constituted according to the provisions of Section 177 of the Companies Act 2013 and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

- ◆ Terms of Reference

The Board has constituted the Audit Committee and terms of reference include:

- a) Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- b) Review and monitor the auditor's independence and performance and effectiveness of audit process;
- c) Examination of the financial statement and the auditors' report thereon;
- d) Approval or any subsequent modification of transactions of the company with related parties;
- e) Scrutiny of inter-corporate loans and investments;
- f) Valuation of undertakings or assets of the company, wherever it is necessary;
- g) Evaluation of internal financial controls and risk management systems;
- h) Monitoring the end use of funds raised through public offers and related matters.
- i) To oversee the vigil mechanism as prescribed by the rules
- j) To discuss issues with internal and statutory auditors.

- ◆ Composition as on 31.03.2020

Sl. No.	Name of Director	Position	Status
1.	Mr. M.R. Vikram	Chairman	Independent Director
2.	Mr. M Lakshminarayan	Member	Non Independent Non Executive Director
3.	Mr. Shekar Viswanathan	Member	Independent Director

#### Secretary

**Ms. Vanishree Kulkarni - Company Secretary**

#### By Invitation

The Chief Financial Officer and senior members of the Accounts department are present at the meetings. The representatives of the Statutory Auditors and Internal Auditors are also invited to the Audit meeting.

Meeting and attendance during the year

Members	No. of Meetings held	No. of Meetings Attended
Mr. M.R.Vikram	4	4
Mr. M Lakshminarayan	4	3
Mr. Shekar Viswanathan	4	3
Prof. B.S. Sonde (upto 9.11.2019)	3	2

Meeting of Audit Committee held during the year: 18.05.2019, 05.08.2019, 08.11.2019 and 07.02.2020

## 2. Stakeholders Relationship & Share Transfer Committee

### ♦ Role of the Committee

The Committee reviews and administers transfer of shares, transmission of shares, rematerialisation, transposition and issuance of duplicate share certificates as and when required, redressal of investor complaints pertaining to transfer of shares, non-receipt of annual reports, non-receipt of dividend, etc. & reports the same to the Board periodically.

### Share Transfers in Physical Mode.

In order to expedite the process of share transfers, the Board of Directors of the Company have delegated the power to the Registrar & Share Transfer Agents, KFin Technologies Pvt Ltd, (The R&STA). The R&STA transfer the shares received in physical mode on a fortnightly basis. Summary of the shares transferred are sent to the company to be approved by the share transfer committee and noted by the Board.

In compliance with the listing agreement and SEBI, every quarter, the system is audited by a Practicing Company Secretary and Compliance Certificate to that effect is issued and filed with the Stock Exchange where the Company's shares is listed.

### ♦ Composition as on 31.03.2020

Sr. No.	Name of Director	Position	Status
1.	Mr. M R Vikram	Chairman	Independent Director
2.	Mr. Rabindra Srikantan	Member	Executive Director
3	Ms Preeti Rabindra	Member	Non executive Director

### Name and designation of Compliance Officer

Ms. Vanishree Kulkarni, Company Secretary

### Meeting and attendance during the year

Members	No. of meetings held	Attendance
M.R. Vikram	4	2
Mr. Rabindra Srikantan	4	4
Ms. Preeti Rabindra	4	4
Prof. B.S. Sonde (upto 9.11.2019)	3	2

Stakeholders relationship & Share transfer Committee Meetings held during the year: 18.05.2019, 05.08.2019, 08.11.2019 and 07.02.2020

During the year 2019-2020, 55 complaints were received all of which were resolved with nothing pending as on 31st March 2020. The shareholding in dematerialized mode as on March 31st, 2020 as being 94.62%.

As on 31.03.2020 there is no investor Complaints/queries pending to be solved by the company /Registrars & Share Transfer Agents.

## 3. Nomination and Remuneration Committee

The Managing Director, being the only Executive Director is paid remuneration within the limits envisaged under Schedule V of the Companies Act 2013 and does not receive any commission from the subsidiary companies. The remuneration is approved by the Board, Remuneration Committee as well as the Shareholders of the Company. At the Annual General meeting of the company

held on the 20th of June 2017 the shareholders approved payment of increased remuneration to the Managing Director, within the limits of Schedule V of Companies Act 2013. This apart the shareholders also approved payment of commission to Non-executive & Independent Directors for a period of five years, from April, 1 2017 of a sum not exceeding 1% of the Net Profits calculated in accordance with provisions of Section 198 of the Companies Act 2013.

♦ **Terms of reference**

Brief Terms of Reference is as follows-

1. To recommend to the Board the appointment removal of Directors, Key Managerial Personnel and Senior Management and the remuneration payable to them.
2. To formulate a criteria for determining qualifications, positive attributes and independence of Director and to recommend to the Board the Policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management.
3. Formulate criteria for evaluation of the Independent Directors and the Board and to carry out evaluation of every Director's performance.
4. Identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down in this policy.
5. To perform such other functions as may be necessary or appropriate for the discharge of its duties and functions generally indicated under the Listing Regulations, Companies Act 2013 and the rules made there under.

♦ **Composition as on 31.03.2020**

Sl. No.	Name of Director	Position	Status
1.	Mr. Shekar Viswanathan	Chairman	Independent Director
3.	Mr. M Lakshminarayan	Member	Non-Independent Non-Executive Director
4.	Mr. M.R.Vikram	Member	Independent Director

Meeting and attendance during the year

Members	No. of meetings held	Attendance
Mr. Shekar Viswanathan	4	2
Mr. M Lakshminarayan	4	3
Mr. M.R.Vikram	4	4
Prof. B.S. Sonde (upto 9.11.2019)	3	2

Meetings of Nomination & Remuneration Committee held during the year: 18.04.2019, 05.08.2019, 08.11.2019 and 07.02.2020

**Performance evaluation criteria for Independent Directors-** The performance of Independent Directors is done by the entire Board of Directors (excluding the Director being evaluated), based on the criteria as formulated by the Nomination & Remuneration Committee, including factors such as- Personal attributes, Leadership & Initiative, Objectivity, Role & Accountability. Details of the same is provided in the Boards Report.

Details of Remuneration paid to Directors for the FY 2019-2020

(Rs. in Mn.)

Name of Director	Salary & perquisites (Rs.)	Sitting Fees (Rs.)	Commission Rs.
Mr. M.R.Vikram	-	0.09	0.17
Mr. Rabindra Srikantan	8.4	-	1.68
Prof. B.S. Sonde	-	0.04	0.17
Mr. M. Lakshminarayan	-	0.06	0.17
Mr. Shekar Viswanathan	-	0.07	0.17
Ms. Preeti Rabindra	-	0.07	0.17

Shareholding in the Company of Non-Executive Directors as on 31.03.2020

Name	No. of Equity shares held
Mr. M.R. Vikram	NIL
Mr. M. Lakshminarayan	NIL
Mr. Shekar Viswanathan	NIL
Ms. Preeti Rabindra	380524

**4. Corporate Social Responsibility “CSR” Committee**

- The CSR committee was constituted on 29th July, 2014 to develop the CSR policy which shall indicate the activities to be undertaken by the company as specified in Section 135 and Schedule VII of companies Act 2013.

**Terms of Reference**

- To formulate and recommend to the Board a CSR Policy which shall indicate the activities undertaken by the Company.
- Recommend the amount of expenditure to be incurred on CSR activities and
- Monitor the CSR Policy of the company from time to time.

- Composition as on 31.03.2020.

Sl. No.	Name of Director	Position	Status
1.	Ms. Preeti Rabindra	Chairman	Non Independent Non Executive Director
2.	Mr. M.R.Vikram	Member	Independent Director
3.	Mr. Shekar Viswanathan	Member	Independent Director
4.	Mr. Rabindra Srikantan	Member	Executive Director

Meeting and attendance during the year

Members	No. of meetings held	Attendance
Mr. M.R.Vikram	1	1
Mr. Shekar Viswanathan	1	1
Mr. Rabindra Srikantan	1	1
Ms. Preeti Rabindra	1	1
Prof. B.S. Sonde (upto 9.11.2019)	1	1

Meetings of Corporate Social Responsibility Committee held during the year: 18.05.2019

**IV. SHAREHOLDERS' MEETINGS**

Date, time and venue of the last three AGM's

Year	Date & Time	Venue	Special Resolution Passed
2016-17	20th June 2017	Pai Vista, No 3/1, 27th Cross, End of K R Road, Banashankri 2nd Stage, Bangalore 560070	1. Re-appointment of Mr Rabindra Srikantan as Managing Director 2. Commission to Non-Executive & Independent Directors of the Company
2017-2018	2nd July 2018	Pai Vista, No 3/1, 27th Cross, End of K R Road, Banashankri 2nd Stage, Bangalore 560070	NIL
2018-2019	20th June 2019	Pai Vista, No 3/1, 27th Cross, End of K R Road, Banashankri 2nd Stage, Bangalore 560070	1. To make loan(s) / give guarantee(s) / provide To make loan(s) / give guarantee(s) /

Year	Date & Time	Venue	Special Resolution Passed
			provide security(ies) in connection with loan(s) made / acquire by way of subscription, purchase or otherwise, the securities of any other bodies corporate
			2. Change of Object Clause of the Memorandum of Association of the Company
			3. Adoption of Object clause of Memorandum of Association as per provisions of Companies Act, 2013

- ♦ Whether special resolutions were put through postal ballot last year- details of voting pattern, person who conducted the postal ballot exercise. - Yes

Special resolution	<ol style="list-style-type: none"> <li>1. Reappointment of Mr. Vikram Ravindra Mamidipudi, (DIN:00008241) as an Independent Director of the company for a second term of five years.</li> <li>2. Reappointment of Mr. Shekar Viswanathan, (DIN: 01202587) as an Independent Director of the company for a second term of five years.</li> <li>3. Appointment of Prof. Balkrishna Seshgiri Sonde (DIN:00025794) as an Independent Director of the company not liable to retire by rotation.</li> </ol>
Details of Voting Pattern	E-Voting
Name of the Person who conducted the postal Ballot exercise	M/s BMP & Co. LLP

## V OTHER DISCLOSURES

- a) Disclosures on materially significant related party transactions of the Company of material nature with its founders, the directors or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of the company at large.  
None
- b) Details of Non-compliance by the Company, penalties, and strictures imposed on the company by Stock Exchange or SEBI or any statutory authority on any matter related to capital markets, during the last three years.  
None

## VIGIL MECHANISM

The company has put in place a Vigil Mechanism which covers the aspect of employees or other stakeholders in the Company to report questionable financial or accounting matter, fraudulent financial information, violation of Company rules, policies and any other legal requirements. The said Policy has been communicated to the employees and is also available on the company's website. The company affirms that no employee has been denied access to the Audit Committee during the Financial Year 2019-2020.

Weblink- The company has in place Policy on Materiality of Related Party Transactions and Materiality of Subsidiaries and same is available on Company's website-Investor Relations-Corporate Governance-Policy Disclosures. <http://www.asmltd.com/policy-disclosures>.

## MANDATORY/ NON-MANDATORY REQUIREMENTS

During the financial year 2019-2020, the Company

- (a) Duly complied with all the mandatory requirements of Regulations as per Chapter IV of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.
- (b) Compliance Report on Non-mandatory requirements under Regulation 27(1)
  1. As per para A of Part E of Schedule II of the Listing Regulations 2015, a non-executive Chairman of the Board may be entitled to maintain a Chairman's office at the company's expense and also allowed reimbursement of expenses incurred in performance of his duties. The Chairman of the Company being an Independent Director is paid for

maintenance for home office and also allowed to reimburse expenses incurred in performing his duties. 2. We communicate payment of dividend by email to shareholders in addition to dispatch of letters to all shareholders. We publish the voting results of shareholder meetings and make it available on our website www.asmltd.com, and report the same to Stock Exchanges in terms of regulation 44 of the Listing Regulations. 3. Modified opinion(s) in audit report - The Auditors have issued an un-qualified opinion on the financial statements of the Company.

## VI MEANS OF COMMUNICATION

Quarterly Audited/Unaudited financial results and Annual results are published in a widely circulated newspaper, Business Line and also in Sanjayvani, a regional daily published from Bangalore. The results are also posted on the official website of the Company, www.asmltd.com, Quarterly reports are also sent to each shareholder via email.

## VII CODE OF CONDUCT

Annual declaration pertaining to compliance of Code of Conduct as per Regulation 26(3) of SEBI(Listing Obligations and Disclosure Requirements), 2015

- I. Rabindra Srikantan, Managing Director of ASM Technologies Ltd, to the best of my knowledge and belief, hereby declare that all Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct for the Financial Year ended 31st March, 2020.

This is to confirm that all the Board members and senior management personnel of the company have affirmed compliance of the Code of Ethics of the Company for the year ended 31st March, 2020.

### CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Part C (10) (i) of the Securities Exchange Board of India  
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,  
The Members,  
ASM Technologies Limited  
80/2, Lusanne Court, Richmond Road, Bangalore 560025

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of ASM Technologies Limited having CIN: L85110KA1992PLC013421 and having registered office at 80/2, Lausanne Court, Richmond Road, Bangalore - 560025 (hereinafter referred to as the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Part C (10) (i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March 2020 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority

Sl No.	Name of the Director	DIN	Date of Appointment
1.	Mr. Rabindra Srikantan	00024584	Executive Director, Managing Director
2.	Mr. Vikram Ravindra Mamidipudi	00008241	Non-Executive - Independent Director, Chairperson
3.	Mr. Muthuswami Lakshminarayan	00064750	Non-Executive - Non Independent Director
4.	Mr. Shekar Viswanathan	01202587	Non-Executive - Independent Director
5.	Ms. Rabindra Preethi	00216818	Non-Executive - Non Independent Director

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Date : 02.06.2020  
Place : Bangalore

For **BMP & Co LLP**  
Company Secretaries

**Pramod SM**  
Partner  
FCS 7834 / CP No. 13784

## VIII SHAREHOLDER'S INFORMATION FOR THE FY 2019-20

### 28TH ANNUAL GENERAL MEETING

1. Date & Time : 10th July 2020 at 10.00 am
2. Venue : The Company is conducting meeting through VC/ OAVM pursuant to the MCA Circular dated May 5th, 2020 and as such there is no requirement to have a venue for the AGM.
3. Date of Book Closure : 09.07.2020- 10.07.2020 ( Both Days inclusive)
4. Financial Year of Company : April to March
5. Corporate & Registered Office : No. 80/2 Lusanne Court, Richmond Road, Bangalore- 560 025
6. Exchange Listed at : BSE Limited P J Towers, No. 25 Dalal Street, Mumbai – 400 001  
: The Listing Fees for the financial year 2020-21 has been paid.  
: BSE- 526433
7. Stock Code : BSE- 526433
8. De-mat ISIN No. in NSDL & CDSL For Equity Shares : INE867C01010
9. Payment of Dividend : The Board has recommended final dividend of Rs. 2.50 per equity share of Rs. 10/- each, subject to the approval of the share holders at the ensuing AGM.

**10. Unclaimed Dividend:** Section 124 of the Companies Act, 2013, mandates that companies transfer dividend that has been unclaimed for a period of seven years from the unpaid dividend account to the Investor Education and Protection Fund (IEPF). In accordance with the following schedule, the dividend for the years mentioned as follows, if unclaimed within the period of seven years will be transferred to IEPF. The Company sends periodic intimation to the shareholders concerned, advising them to lodge their claims with respect to unclaimed dividends. Shareholders may note that both the unclaimed dividend and corresponding shares transferred to IEPF, including all benefits accruing on such shares, if any, can be claimed back from IEPF following the procedure prescribed in the Rules. No claim shall lie in respect thereof with the Company. Members who have not yet encashed their dividend warrant(s) pertaining to the final dividend for the Financial Year 2012-13 and onwards are requested to make their claims without any delay.

Year	Dividend per share of Rs. 10/-	Date of declaration	Unpaid Amt as on 31.3.2020 Rs.	7 year period from transfer to unpaid A/c	Due date for transfer to IEPF
2012-2013 Final	Rs.1.30	28th June 2013	246775	31st July 2020	29th August 2020
2013-2014 Interim	Rs.1.00	28th October 2013	191659	30th November 2020	29th December 2020
2013-14 Final	Rs. 1.80	28th June 2014	359370	31st July 2021	29th August 2021
2014-15 Interim	Rs. 1.20	29th October 2014	256341	1st December 2021	30th December 2021
2014-15 Final	Rs.0.80	14th August 2015	174176	19th September 2022	17th October 2022
2015-16 Interim	Rs.1.80	15th October 2015	383301	19th November 2022	18th December 2022
2015-16 2nd Interim	Rs.6.00	15th March 2016	1379976	19th April 2023	18th May 2023
2016-17 Interim	Rs.2.50	19th October 2016	576916	23rd November 2023	22nd December 2023
2016-17 Final	Rs.2.50	20th June 2017	603521	23rd July 2024	21st August 2024
2017-18 Interim	Rs. 2.50	4th November 2017	656556	8th December 2024	6th August 2025
2017-18 Final	Rs. 2.50	2nd July 2018	354116	2nd August 2025	1st September 2025
2018-19 Interim	Rs. 3.00	3rd November 2018	474294	6th December 2025	5th January 2026
2018-19 Final	Rs. 3.00	20th June 2019	432171	24th July 2026	23rd August 2026

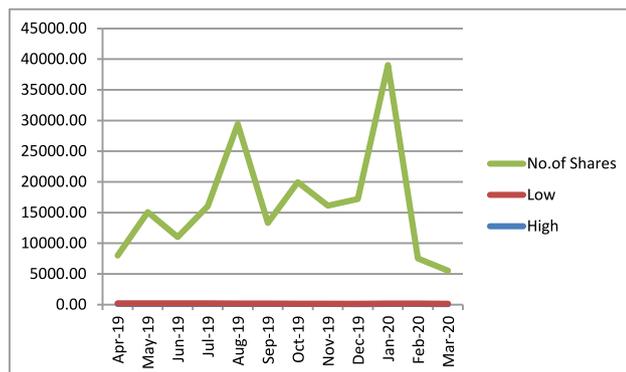
### 11. Shares Transferred to IEPF:

Pursuant to Section 124(6) of the Companies Act, 2013, read with the Investor Education and Protection Fund Authority (Accounting Audit Transfer and Refund) Rules, 2016 as amended by the Ministry of Corporate Affairs with the effect from 28 February, 2017 ("the Rules"), in case the beneficial owner has not encashed dividend warrant(s) during the last seven years, shares pertaining to such beneficial owners shall be required to be transferred to the Fund established by the Authority. Shareholders are therefore requested to contact KFin Technologies Pvt Ltd, Registrar and Share Transfer Agent with respect to their unclaimed dividends.

**12. Market Price Data:** The month wise high and low prices and volume of shares of the Company traded on the BSE Limited for the period April 2019- March 2020 is given below:

Month	High	Low	No. of Shares	Month	High	Low	No. of Shares
Apr-19	115.00	102.00	7764	Oct-19	89.00	61.05	19812
May-19	113.00	98.05	14849	Nov-19	92.00	55.50	15973
Jun-19	111.90	99.00	10809	Dec-19	83.25	63.10	17073
Jul-19	115.00	98.25	15829	Jan-20	111.80	65.10	38881
Aug-19	105.90	82.00	29222	Feb-20	100.00	68.55	7360
Sep-19	95.00	73.00	13136	Mar-20	77.95	49.20	5391

#### ASML- Volume of shares traded at BSE



13. Dematerialisation of Shares : 94.62 % of the capital has been dematerialised as on 31.3.2020
14. Market Capitalisation as on 31.3.2020 : Rs. 330.50 Mn ( as per closing price in BSE)
15. No. of Employees as on 31.03.2020 : 629
16. No. of Shareholders as on 31.03.2020 : 4130
17. Share Transfer : As the Company's shares are traded in dematerialized form, transfer requests are processed and approved in electronic form by NSDL/CDSL through their depository participants. Transfer of shares in physical form are processed by our Registrar and Share Transfer Agent, KFin Technologies Pvt Ltd and approved by the Share Transfer Committee of the Company. Physical shares sent for transfers or dematerialisation are generally registered and returned within a period of 15 days from the date of receipt of completed and validly executed documents.

#### 6. Details of complaints received and solved from 1 April, 2019 to 31 March 2020

Complaints	Received	Attended	Pending
Non receipt of dividend	32	32	NIL
Non receipt of Annual Report	9	9	NIL
Others	14	14	NIL

#### 19. Distribution of shareholding as on 31.03.2020.

No. of shares From To	No. of shareholders	% of holders	No. of Shares	% to total shares
1 - 5000	3837	92.91	405168	8.10
5001- 10000	137	3.32	109042	2.18
10001- 20000	68	1.65	98562	1.97
20001- 30000	27	0.65	70828	1.41
30001- 40000	17	0.41	60042	1.20
40001- 50000	6	0.14	27126	0.54
50001- 100000	18	0.43	131155	2.62
100001& Above	20	0.48	4098027	81.96
<b>Total</b>	<b>4130</b>	<b>100.00</b>	<b>5000000</b>	<b>100.00</b>

20. The company does not have any outstanding GDRS/ADRS/warrants or any convertible instruments.

21. Office locations

The addresses and contact details of offices/locations are given in this Annual Report elsewhere.

22. Web link where policy for determining 'material' subsidiaries is given below The Policy for determining 'material' subsidiaries is posted on Company's website : <http://bit.do/ASM-Policy>.

23. Disclosure of commodity price risk and commodity hedging activities

Your Company does not have commodity price risk being in the IT sector and hence no commodity hedging is done.

24. Non-compliance of any requirement of the corporate governance report of Sub- paras (2) to (10) of part c of schedule v of sebi (listing obligations and disclosure requirements) regulations, 2015, with reasons shall be disclosed.

The Company has complied with all the requirements of the Corporate Governance report of sub- paras (2) to (10) of part C of Schedule V of Listing Regulations

25. Share holding in physical & electronic form as on 31.03.2020

Particulars	No. of shares	% of holding
Physical	268976	5.38
Electronic	4731024	94.62
Total	5000000	100

26. Shareholding Pattern as on 31.3.2020

Category	No. of shares	% age
Indian Promoters (including Persons acting in concert)	3091903	61.84
Institutions/Banks	1100	0.02
Private Corporate Bodies	75580	1.51
Indian Public	1678628	33.57
NRI's/OCB's	35853	0.72
IEPF	116936	2.34
<b>TOTAL</b>	<b>5000000</b>	<b>100.00</b>

27. Investor Correspondence

: All enquiries clarifications and Correspondences Should be addressed to Registrars & Share Transfer Agents or to the Compliance Officer at the Following address

Registrars & Share Transfer Agents

: Compliance Officer

KFin Technologies Pvt. Ltd  
Karvy Selenium Tower B , Plot  
number 31 & 32 Financial District,  
Nanakramguda Serilingampally Mandal,  
Hyderabad – 500032  
Tel: 040 67162222  
Email: [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com)

: Ms. Vanishree Kulkarni  
Company Secretary  
80/2, Lusanne Court, Richmond Road  
Bangalore- 560025  
Tel: 080 66962300  
E-mail ID : [vanishree.kulkarni@asmltd.com](mailto:vanishree.kulkarni@asmltd.com)

## CEO/CFO CERTIFICATION

To

The Board of Directors  
ASM TECHNOLOGIES LTD  
Bangalore

We hereby certify the following:

- (a) We have reviewed the financial statements and the cash flow statement for the year 2019-2020 and that to the best of our knowledge and belief:
  - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii. these statements together present a true and fair view of the company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the company pertaining to financial reporting and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies
- (d) We have indicated to the auditors and the Audit Committee
  - I. significant changes if any in internal control over financial reporting during the year;
  - II. significant changes if any in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - III. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting

Place : Bangalore  
Date : 02.06.2020

**Rabindra Srikantan**  
Managing Director

**Narsingh Rathod**  
Chief Financial Officer

## INDEPENDENT AUDITOR'S REPORT

### To the Members of ASM Technologies Limited Report on Audit of the Standalone Financial Statements

#### Opinion:

We have audited the standalone Ind AS financial statements of ASM Technologies Limited (“the Company”) which comprise of balance sheet as at March 31, 2020, the statement of profit & loss, statement of changes in equity, the cashflow statement for the year then ended, and notes to Ind AS financial statements including a summary of significant accounting policies and other explanatory information.

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, 2020, profit, changes in equity and its cash flows for the year ended on that date.

#### Basis of Opinion:

We conducted our audit in accordance with the Standards on Auditing (“SAs”) specified under section 143(10) of the Companies Act, 2013 (“the Act”). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Ind AS financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Key Audit Matters:

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Ind AS financial statements for the financial year ended March 31, 2020. These matters were addressed in the context of our audit of the Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Ind AS financial statements.

Key audit matters	How our audit addressed the key audit matter
Adoption of Ind AS 115 - Revenue from Contract with Customers as described in note 2 i. and note 17 of the financial statements:	
<p>The Company has accounted revenue as per Ind AS 115 - Revenue from Contracts with Customers.</p> <p>Application of Ind AS 115, including selection of transition method involves significant judgment in determining when 'control' of the goods or services underlying the performance obligation is transferred to the customer and the transition method to be applied.</p> <p>As the revenue recognition, due to the significance of the balance to the financial statements as a whole, we regard this as a key audit matter.</p>	<p>As part of our audit procedures, our procedures included the following:</p> <ul style="list-style-type: none"> <li>- We have read the accounting policy for revenue recognition and assessed compliance of the policy in terms of principles enunciated under Ind AS 115.</li> <li>- We obtained and understood the revenue recognition process including determination of point of transfer of control and completion of performance obligation.</li> <li>- We performed test of details, on a sample basis, and examined the underlying customer contracts.</li> <li>- We examined the disclosures made by management in compliance with the requirements of Ind AS 115.</li> </ul> <p><b>Conclusion:</b></p> <p>Our procedures did not identify any material exceptions.</p>

## **Other Information [“Information Other than the Financial Statements and Auditor's Report Thereon”]**

The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the board report but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Ind AS financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

### **Management's Responsibility for Standalone Ind AS Financial Statements:**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act, with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

### **Auditor's Responsibilities for the Audit of the standalone Ind AS Financial Statements:**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism through the audit. We also:

- Identify and assess the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

#### **Report on Other Legal and Regulatory Requirements:**

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure - A a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
- c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure - B".
- g) With respect to the other matters to be included in the Auditor's Report in accordance with 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 its pending litigations which would impact its financial position in note 28 of the Standalone Ind AS financial statements.
  - ii) The Company did not have any long-term contracts as required under the applicable law or accounting standards, and also not entered into any derivative contracts, accordingly no provision is required to be made in respect of 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 **B.K.RAMADHYANI& CO LLP**  
**Chartered Accountants**  
**Firm Registration No. 002878S/S200021**

**Date : 02.06.2020**  
**Place: Bangalore**

**(CA C R Deepak)**  
**Partner**  
**Membership No. 215398**

## ANNEXURE - A TO THE AUDITORS' REPORT

REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING “REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS” OF OUR REPORT TO THE MEMBERS OF ASM TECHNOLOGIES LIMITED.

- (1) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant & Equipment (“PPE”).
- (b) The management during previous year has physically verified all the PPE. We have been informed by the management that no material discrepancies were observed and the programme of such verification, in our opinion, is at reasonable intervals.
- (c) According to the information and explanation given to us by the Company, title deed of all immovable properties are held in the name of the Company.
- (2) The Company doesn't have any Inventories during the year. Accordingly, clause 3 (ii) of the Order is not applicable.
- (3) The Company has not granted any loans to the parties covered in the register maintained under section 189 of the Act. Accordingly, clause 3(iii) of the Order is not applicable.
- (4) In our opinion and according to information and explanation furnished to us, the Company has complied with the provisions of section 185 and 186 of the Act for investments and guarantees given during the year.
- (5) The Company has not accepted any deposits as applicable under the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other provisions of the Act and rules framed under. Accordingly, the provisions of clause 3(v) of the said Order are not applicable.
- (6) To the best of our knowledge and explanations given to us, the Central Government has not prescribed the maintenance of cost records under clause (d) of sub-section (1) of section 148 of the Act as the Company is not engaged in any manufacture of the goods. Accordingly, the provisions of clause 3(vi) of the said Order are not applicable.
- (7) (a) According to the records of the Company, the Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, goods and service tax, customs duty, cess and any other statutory dues to the appropriate authorities as at March 31, 2020 barring certain delays in certain months. There are no undisputed statutory dues exceeding six months from the due date of payment as at March 31, 2020.
- b) According to the records of the Company and according to the information and explanation given to us, there are certain dues outstanding on account of any disputes in respect of income tax, service tax, customs duty or excise duty or value added tax are as under:

Name of the statute	Nature of dues	Amount (Rs. In million)	Period to which the amount relates	Forum where dispute is pending
The Finance Act, 1994	Service Tax	15.89	June 16, 2005 to September 30, 2009	CESTAT, Bangalore
	Service Tax	19.63	2012 – 13	Commissioner of Service Tax (Appeals)
The Income Tax Act, 1961	Tax on transfer price adjustment	19.20	2009 - 10	ITAT, Bangalore
		2.40	2011 -12	ITAT, Bangalore
		9.38	2012 – 13	ITAT, Bangalore

8. The Company has not defaulted in repayment of loans taken from banks and financial institutions. The Company has not borrowed from a government or has issued debentures.
9. In our opinion based on the information and explanation given to us, the Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments and term loans. Accordingly, the provisions of clause 3(ix) of the said Order are not applicable.
10. According to the information and explanation given to us, there are no frauds reported by the Company or any fraud on the Company by its officers or employees has been noticed or reported during the year. Accordingly, the provisions of clause 3(x) of the said Order are not applicable.
11. According to the information and explanation given to us, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V of the Act.
12. The Company is not a Nidhi Company. Accordingly, the provisions of clause 3(xii) of the said Order are not applicable.
13. In our opinion and according to the information and explanation given to us and as represented to us by the management, all transactions with the related parties are in compliance with section 177 and 188 of the Act and the details have been disclosed in the Ind AS financial statements as required by the applicable accounting standards.

14. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3(xiv) of the said Order are not applicable.
15. As represented to us by the management and according to the information and explanation given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3(xv) of the said Order are not applicable.
16. According to the information and explanation given, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi) of the Order is not applicable to the Company.

For **B.K. RAMADHYANI & CO LL**  
**Chartered Accountants**  
**Firm Registration No. 002878S/S200021**

Date :02.06.2020  
Place: Bangalore

(CA C R Deepak)  
Partner  
Membership No. 215398

## **ANNEXURE - B TO THE AUDITORS' REPORT**

**REFERRED TO IN PARAGRAPH 2 (f) UNDER THE HEADING “REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS” OF OUR REPORT TO THE MEMBERS OF ASM TECHNOLOGIES LIMITED.**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”):**

We have audited the internal financial controls over financial reporting of ASM Technologies Limited (“the Company”) as of March 31, 2020 in conjunction with our audit of the 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”. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (“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. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

**Meaning of Internal Financial Controls Over Financial Reporting:**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) 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 (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls Over Financial Reporting:**

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

**Opinion:**

In our opinion, the Company, in all material respects, has an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

For **B. K. RAMADHYANI & CO LLP**  
**Chartered Accountants**  
**Firm Registration No. 002878S/S200021**

Date : 02.06.2020  
Place: Bangalore

**(CA C R Deepak)**  
Partner  
Membership No. 215398

## Standalone Balance Sheet as at March 31, 2020

(All amounts in Indian Rupees millions, except as otherwise stated)

Particulars	Note no.	As at March 31, 2020	As at March 31, 2019
<b>ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Property, Plant and Equipment	3	52.48	49.53
(b) Capital work-in-progress		-	-
(c) Investment Property	4	-	-
(d) Financial Assets			
(i) Investments	5(i)	95.55	96.82
(ii) Loans	5(ii)	1.04	5.20
(e) Deferred tax assets (net)	6	32.56	39.91
(f) Other non-current assets	7	125.50	73.67
<b>Total Non-current assets</b>		<b>307.13</b>	<b>265.13</b>
<b>(2) Current assets</b>			
(a) Inventories			
(b) Financial Assets			
(i) Investments	8	75.19	154.81
(ii) Trade receivables	9(i)	200.53	160.64
(iii) Cash and cash equivalents	9(ii) (a)	8.21	10.54
(iv) Bank balances other than (iii) above	9(ii) (b)	53.65	57.71
(v) Loans	9(ii)	6.03	0.26
(vi) Others	9(iv)	52.82	16.77
(c) Current tax assets (Net)		-	-
(b) Other current assets	10	83.39	44.53
<b>Total Current Assets</b>		<b>479.82</b>	<b>445.26</b>
<b>Total Assets</b>		<b>786.95</b>	<b>710.39</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity Share capital	11	50.00	50.00
(b) Other Equity	12	508.75	518.52
<b>Total Equity</b>		<b>558.75</b>	<b>568.52</b>
<b>LIABILITIES</b>			
<b>(1) Non-current liabilities</b>			
(a) Financial Liabilities	13		
(i) Borrowings		48.00	0.49
(b) Deferred tax liabilities (Net)		-	-
(c) Other non-current liabilities	14	1.09	-
<b>Total Non-current liabilities</b>		<b>49.09</b>	<b>0.49</b>
<b>(2) Current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	15 (i)	89.24	88.58
(ii) Trade payables	15 (ii)		
(A) total outstanding dues of micro and small enterprises		-	-
(B) total outstanding dues of creditors other than micro and small enterprises		7.06	3.14
(iii) Other financial liabilities	15 (iii)	16.85	7.72
(b) Other current liabilities	16	65.96	41.94
<b>Total Current liabilities</b>		<b>179.11</b>	<b>141.38</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>786.95</b>	<b>710.39</b>

For and on behalf of the Board of Directors  
ASM Technologies Ltd.

In Accordance with our Report attached for  
B K RAMADHYANI & CO LLP  
Chartered Accountants  
Firm Registration No.0028785/S200021

**M R Vikram** Chairman  
**Rabindra Srikantan** Managing Director  
**M Lakshminarayan** Director  
**Shekar Viswanathan** Director  
**CA. C R Deepak** Partner  
Membership Number: 215398

**Ramesh Radhakrishnan** Director  
**Preeti Rabindra** Director  
**Narsingh Rathod** Chief Financial Officer  
**Vanishree Kulkarni** Company Secretary

Place : Bangalore  
Date : June 2, 2020

## Statement of Profit and Loss for the year ended March 31, 2020

(All amounts in Indian Rupees millions, except as otherwise stated)

	Particulars	Note no.	As at March 31, 2020	As at March 31, 2019
	<b>Income:</b>			
I	Revenue from operations	17	838.40	760.59
II	Other income	18	39.00	55.77
	<b>Total Income (i)</b>		<b>877.40</b>	<b>816.36</b>
	<b>Expenses</b>			
III	Employee benefits expense	19	596.56	520.13
IV	Finance costs	20	9.98	6.45
V	Depreciation and amortization expenses	21	22.41	9.40
VI	Other expenses	22	224.06	188.07
	<b>Total expenses (ii)</b>		<b>853.01</b>	<b>724.05</b>
<b>VII</b>	<b>Profit/(loss) before tax [(i)- (ii)]</b>		<b>24.39</b>	<b>92.31</b>
<b>VIII</b>	<b>Tax expenses</b>			
	(i) Current tax		5.83	21.73
	(ii) Deferred tax	32	7.66	2.55
	(iii) Excess provision of earlier years			(2.30)
	<b>Total tax expense</b>		<b>13.49</b>	<b>21.98</b>
<b>IX</b>	<b>Profit/(Loss) for the year</b>		<b>10.90</b>	<b>70.33</b>
<b>X</b>	<b>Other Comprehensive Income</b>			
A	(i) Items that will not be reclassified to profit or loss			
	Remeasurement of defined benefit plans		(2.07)	1.01
	(ii) Income tax relating to items that will not be reclassified to profit or loss		0.52	
	Deferred tax on remeasurement of defined benefit plans		-	(0.29)
B	(i) Items that will be reclassified to profit or loss			
	Changes in fair value of investments in equity instruments		(1.35)	0.10
	(ii) Income tax relating to items that will be reclassified to profit or loss			
	Deferred tax on Changes in fair value of investments in equity instruments		0.31	(0.03)
	<b>Total Comprehensive Income for the year</b>		<b>(2.59)</b>	<b>0.79</b>
	<b>Total Comprehensive Income for the year</b>		<b>8.31</b>	<b>71.12</b>
	Earnings per equity share [nominal value of share Rs.10 (March 31, 2019: Rs.10)]	23		
	'Basic and Diluted		2.18	14.07

For and on behalf of the Board of Directors  
ASM Technologies Ltd.

In Accordance with our Report attached for **B K RAMADHYANI & CO LLP** Chartered Accountants Firm Registration No.0028785/S200021

**M R Vikram** Chairman  
**Rabindra Srikantan** Managing Director  
**M Lakshminarayan** Director  
**Shekar Viswanathan** Director

**CA. C R Deepak**  
Partner  
Membership Number: 215398

**Ramesh Radhakrishnan** Director  
**Preeti Rabindra** Director  
**Narsingh Rathod** Chief Financial Officer  
**Vanishree Kulkarni** Company Secretary

Place : Bangalore  
Date : June 2, 2020

**Cash Flow Statement for the year ended March 31, 2020**  
(All amounts in Indian Rupees millions, except as otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
<b>(A) Cash flows from operating activities</b>		
Profit / (loss) before tax	24.39	92.31
Adjustment to reconcile profit before tax to net cash flows:		
Depreciation and amortization expense	22.41	9.40
Finance costs	9.98	6.45
Interest income	(6.19)	(1.91)
Dividend income	(0.08)	(0.06)
Fair valuation of mutual fund	(13.97)	(8.17)
Share of profit in LLP	12.68	(1.21)
Provision for diminution in value of investments	1.94	8.00
(Profit)/ loss on sale of Property, Plant & Equipment & IP	-	(8.26)
<b>Operating profit before working capital changes</b>	<b>51.16</b>	<b>96.55</b>
<i>Movements in working capital :</i>		
Increase/ (decrease) in trade payables	3.92	(0.90)
Increase/ (decrease) in other liabilities	18.99	13.78
Decrease / (increase) in trade receivables	(39.89)	(14.55)
Decrease / (increase) in other non current assets	-	(32.77)
Decrease / (increase) in other current assets	(40.93)	24.46
Decrease / (increase) in other financial assets	(33.35)	28.56
Decrease / (increase) in loans and advances	(1.61)	(0.17)
Increase / (decrease) in provisions	-	(28.89)
<b>Cash generated from / (used in) operations</b>	<b>(41.71)</b>	<b>37.15</b>
Direct taxes paid, net	56.86	29.19
<b>Net cash flow from/ (used in) operating activities (A)</b>	<b>98.57</b>	<b>7.96</b>
<b>(B) Cash flows from investing activities</b>		
Purchase of Property, plant & equipment (including capital work in progress and capital advances)	(6.05)	(3.32)
Proceeds from sale of fixed assets		57.22
Purchase of non current investments	(4.49)	(51.24)
Purchase of current investments	83.08	74.08
(Increase)/decrease in other bank balances	4.06	(57.51)
Dividend received	0.08	0.06
Interest received	<b>3.49</b>	<b>0.70</b>
<b>Net cash flow from/ (used in) investing activities (B)</b>	<b>80.17</b>	<b>19.99</b>
<b>(C) Cash flows from financing activities</b>		
Proceeds from long-term borrowings	58.05	-
Repayment of long-term borrowings	(1.17)	(1.10)
Lease payments	(13.17)	
Increase/(decrease) of short-term borrowings, net	0.66	11.91
Interest paid	(9.79)	(6.46)
Dividends paid (including tax on dividend)	<b>(18.51)</b>	<b>(33.01)</b>
<b>Net cash flow from/ (used in) in financing activities ©</b>	<b>16.07</b>	<b>(28.66)</b>
D) Net increase/(decrease) in cash and cash equivalents (A + B + C)	(2.33)	(0.71)
E) Cash and cash equivalents at the beginning of the year	10.54	11.25
<b>F) Cash and cash equivalents at the end of the year</b>	<b>8.21</b>	<b>10.54</b>
The Company has followed indirect cash flow method		

For and on behalf of the Board of Directors  
**ASM Technologies Ltd.**

In Accordance with our Report attached for **B K RAMADHYANI & CO LLP**  
Chartered Accountants  
Firm Registration No.0028785/S200021

**M R Vikram** Chairman  
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Partner  
Membership Number: 215398

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**Preeti Rabindra** Director  
**Narsingh Rathod** Chief Financial Officer  
**Vanishree Kulkarni** Company Secretary

Place : Bangalore  
Date : June 2, 2020

## Statement of Changes in Equity for the year ended March 31, 2020

(All amounts in Indian Rupees millions, except as otherwise stated)

### a. Equity Share Capital

Particulars	Equity Share Capital
<b>As at April 1, 2018</b>	<b>50.00</b>
Increase in share capital on issue	-
Effect of share based payments	-
<b>As at March 31, 2019</b>	<b>50.00</b>
Increase in share capital on issue	-
Effect of share based payments	-
<b>As at March 31, 2020</b>	<b>50.00</b>

### b. Other Equity

Particulars	General Reserve	Security premium reserve	Capital Reserve	Retained earnings	Other Comprehensive Income	Total
<b>As at April 1, 2018</b>	<b>110.00</b>	<b>33.00</b>	<b>0.33</b>	<b>336.76</b>	<b>0.66</b>	<b>480.75</b>
Profit/(loss) for the year	-	-	-	70.33	-	70.33
Dividend declared during the year	-	-	-	33.35	-	33.35
Other Comprehensive income	-	-	-	-	0.79	0.79
<b>As at March 31, 2019</b>	<b>110.00</b>	<b>33.00</b>	<b>0.33</b>	<b>373.74</b>	<b>1.45</b>	<b>518.52</b>
Profit/(loss) for the year	-	-	-	10.90	-	10.90
Other Comprehensive income	-	-	-	(2.59)	-	(2.59)
Dividend declared during the year	-	-	-	18.08	-	18.08
Transfer to retained earnings	-	-	-	-	-	-
<b>As at March 31, 2020</b>	<b>110.00</b>	<b>33.00</b>	<b>0.33</b>	<b>363.97</b>	<b>1.45</b>	<b>508.75</b>

### c. Nature and purpose of reserves:

#### i) General Reserve:

The general reserve is a free reserve which is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income.

#### ii) Security Premium:

Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of section 52 of the Companies Act, 2013.

#### iii) Capital Reserve:

Capital Reserve is created on forfeiture of equity shares issued by the Company.

#### iv) Retained Earnings:

It comprises of the accumulated profits/(loss) of the Company.

## Notes to Standalone Financial Statements for the year ended March 31, 2020

### 1. CORPORATE INFORMATION

ASM Technologies Limited ("the Company") is a company incorporated under the Companies Act, 1956 and is a pioneer in providing world class consulting services in areas of Engineering services and Product Engineering services with successful offshore development & support centres in India and overseas for its global clientele. The shares of the Company is listed in Bombay Stock Exchange.

The financial statements have been approved by the Board of Directors of the Company in their meeting held on June 2, 2020.

### 2. SIGNIFICANT ACCOUNTING POLICIES

#### 2.1 Basis of preparation

In accordance with the notification issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 with effect from April 1, 2017. The financial statements of the Company are prepared and presented in accordance with Ind AS.

The financial statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

#### 2.2 Summary of significant accounting policies:

##### a) Use of Estimates:

The preparation of financial statements in conformity with Ind AS requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods. Any revision to accounting estimates is recognized prospectively.

##### b) Current versus non-current classification:

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle.
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period All other assets are classified as non-current.

A liability is treated as current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

Deferred tax assets/ liabilities are classified as non-current assets/ liabilities.

##### c) Property, Plant & Equipment:

Property, plant and equipment ("PPE") are stated at the cost of acquisition less accumulated depreciation and write down for, impairment if any. Direct costs are capitalised until the assets are ready to be put to use. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other expenses on existing assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, which do not meet the definition of PPE as per Ind AS 16 are charged to the statement of profit and loss for the period during which such expenses are

incurred. Gains or losses arising from de-recognition of PPE are measured as the difference between the net disposal proceeds and the carrying amount of PPE and are recognized in the statement of profit and loss when the PPE is derecognized.

**d) Depreciation:**

Depreciation is provided on straight-line method as per the rates specified in schedule II of the Companies Act, 2013 ("the Act"). Depreciation for the assets purchased/sold during the year is proportionately charged. The assets' residual values and useful lives are reviewed at each financial year end or whenever there are indicators for revision, and adjusted prospectively.

**e) Investment Properties:**

Investment property represents properties held for rental yields and/or for capital appreciation or both rather than for:

- (a) use in the production or supply of services or for administrative purposes; or
- (b) sale in the ordinary course of business.

Investment property is stated at the cost of acquisition less accumulated depreciation.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other expenses on existing assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, which do not meet the definition of Investment Property as per Ind AS 40 are charged to the statement of profit and loss for the period during which such expenses are incurred.

**f) Intangible Assets:**

Intangible assets acquired separately are measured on initial cost. Subsequently, carried at cost less accumulated amortization and accumulated impairment losses, if any.

Intangible assets comprising of computer software is amortised on a over a period of three years as estimated by the management.

Gains or losses arising from de-recognition of an intangible asset are measured as a difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when asset is derecognised.

**g) Leases:**

- 1) The Company's lease asset classes primarily consist of leases for buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:
  - (i) the contract involves the use of an identified asset
  - (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease
  - (iii) the Company has the right to direct the use of the asset.
- 2) At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.
- 3) Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.
- 4) Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets.
- 5) The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not

readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

- 6) Lease liability and ROU have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.
- 7) The borrowing rate applied to lease liabilities for discounting is 9.45%

**h) Employee Benefits:**

- (i) Short term employee benefits:

The employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, leave travel allowance, short term compensated absences etc. and the expected cost of bonus are recognised in the period in which the employee renders the related service.

- (ii) Defined Benefit Plans:

Gratuity, which is a defined benefit plan, is accrued based on an independent actuarial valuation, which is done based on project unit credit method as at the balance sheet date. The Company recognizes the net obligation of a defined benefit plan in its balance sheet as an asset or liability. Gains and losses through re-measurements of the net defined benefit liability/ (asset) are recognized in other comprehensive income. In accordance with Ind AS, re-measurement gains and losses on defined benefit plans recognized in OCI are not to be subsequently reclassified to statement of profit and loss. As required under Ind AS compliant Schedule III, the Company recognizes re-measurement gains and losses on defined benefit plans (net of tax) to retained earnings.

Accumulated leave, which is expected to be utilized within the next twelve 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 the actuarial valuation using the projected unit credit method, made at the end of each financial year. Actuarial gains/losses are immediately taken to the statement of profit and loss. The Company presents the accumulated leave liability as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for twelve months after the reporting date.

**i) Revenue Recognition:**

The Company derives revenues primarily from IT related services. Effective April 01,2018, the Company has adopted Ind AS 115, "Revenue from Contracts with Customers". Revenue is recognized upon transfer of control of promised services to customers in an amount that reflects the consideration we expect to receive in for those services.

Revenue on time-and-material contracts are recognized as the related services are performed and revenue from the end of the last invoicing to the reporting date is recognized as unbilled revenue. Revenue from fixed-price, fixed-timeframe contracts, where the performance obligations are satisfied over time and where there is no uncertainty as to measurement or collectability of consideration, is recognized as per the percentage-of-completion method. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity.

The Company recognised incentive from government in respect of Service Exports from India Scheme based on claim lodged by the Company.

**j) Taxation:**

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred tax are recognized in statement of profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity, respectively.

Current income tax expense comprises taxes on income from operations in India and in foreign jurisdictions. Income tax payable in India is determined in accordance with the provisions of the Income Tax Act, 1961. Tax expense relating to foreign operations is determined in accordance with tax laws applicable in countries where such operations are domiciled. Minimum Alternative Tax (MAT) paid in accordance with the tax laws in

India, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax in future years. Accordingly, MAT is recognised as an asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the assets will fructify.

Deferred income tax is recognized on temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred income tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred income tax assets is reviewed at each balance sheet 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 income tax asset to be utilized.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

**k) Foreign Currency Transactions:**

Functional Currency:

The functional currency of the Company is the Indian rupee.

Transactions and translations:

Foreign currency transactions are recorded at exchange rates prevailing on the date of the transaction. Foreign currency denominated monetary assets and liabilities are restated into the functional currency using exchange rates prevailing on the balance sheet date. Gains and losses arising on settlement and restatement of foreign currency denominated monetary assets and liabilities are included in the statement of profit and loss.

**l) Provisions, Contingent liabilities and Contingent assets:**

A provision is recognized when an enterprise has a present obligation (legal or constructive) as result of past event and it is probable that an outflow of embodying economic benefits of resources will be required to settle a reliably assessable obligation. Provisions are determined based on best estimate required to settle each obligation at each balance sheet date. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Provisions for onerous contracts, i.e. contracts where the expected unavoidable costs of meeting obligations under a contract exceed the economic benefits expected to be received, are recognized when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event, based on a reliable estimate of such obligation.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements. A contingent asset is never recognised but only disclosed in the financial statements.

**m) Segment reporting policies:**

Identification of segments:

Operating Segments are identified on the basis of internal reports about components of the group that are regularly reviewed by the chief operating decision maker (CODM) in order to allocate resources to the segments and to assess their performance in accordance with Ind AS 108, Operating Segments. Since CODM evaluates Company's performance at a geographic segment level, operating segment information is accordingly given at geographic level.

**n) Financial Instruments:**

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction

costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

i) Cash & Cash equivalents:

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

ii) Financial assets at amortized cost:

Financial assets are subsequently measured at amortized cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

iii) Financial assets at fair value through other comprehensive income:

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

iv) Financial assets at fair value through profit or loss:

Financial assets are measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognized in statement of profit and loss.

v) Financial liabilities:

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit or loss. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

vi) De-recognition of financial instruments:

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for de-recognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized when the obligation specified in the contract is discharged or cancelled or expires.

vii) Fair value of financial instruments:

In determining the fair value of its financial instruments, the Company uses following hierarchy and assumptions that are based on market conditions and risks existing at each reporting date.

Fair value hierarchy:

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized 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 categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

viii) Investments in subsidiary:

Investments in subsidiary is carried at cost.

**o) Impairment:**

**i) Financial assets:**

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

**ii) Non-financial assets:**

Tangible and Intangible assets: PPE, intangible assets and 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 recognised in the statement of profit and loss.

**p) Cashflow Statement:**

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated. The Company considers all highly liquid investments that are readily convertible to known amounts of cash to be cash equivalents.

**2.3 Significant accounting judgements, estimates and assumptions:**

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

**a) Judgements:**

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognized in the financial statements:

**(b) Estimates and assumptions:**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

**Defined benefit plans - Gratuity**

The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of the gratuity 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 and mortality rates. 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 reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases are based on expected future inflation rates and expected salary increase thereon.

**Notes to financial statements for the year ended March 31, 2020**  
(All amounts in Indian Rupees millions, except as otherwise stated)

**3. Property, Plant and Equipment**

	Land (freehold)	Building	Plant and Equipment	Electrical fittings	Furniture & fixtures	Office Equipment	Vehicles	Generator	Right to use	Total
Cost										
As at April 1, 2018	20.51	11.76	29.36	2.85	7.36	3.12	6.46	0.56	-	81.98
Additions	-	-	1.93	-	0.02	1.35	0.02	-	-	3.32
Disposals	-	-	-	-	-	-	-	-	-	-
<b>At March 31, 2019</b>	<b>20.51</b>	<b>11.76</b>	<b>31.29</b>	<b>2.85</b>	<b>7.38</b>	<b>4.47</b>	<b>6.48</b>	<b>0.56</b>	-	<b>85.30</b>
Additions	-	-	1.97	-	2.55	0.96	0.58	-	19.29	25.35
Disposals	-	-	-	-	-	-	-	-	-	-
Other Adjustments	-	-	-	-	-	-	-	-	-	-
<b>At March 31, 2020</b>	<b>20.51</b>	<b>11.76</b>	<b>33.26</b>	<b>2.85</b>	<b>9.93</b>	<b>5.43</b>	<b>7.06</b>	<b>0.56</b>	<b>19.29</b>	<b>110.65</b>
Depreciation/Amortisation										
At April 1, 2018	-	0.38	18.90	1.09	2.05	2.15	1.59	0.56	-	26.72
Charge for the year	-	0.27	5.66	0.45	1.23	0.40	1.04	-	-	9.05
Disposals	-	-	-	-	-	-	-	-	-	-
<b>At March 31, 2019</b>	-	<b>0.65</b>	<b>24.56</b>	<b>1.54</b>	<b>3.28</b>	<b>2.55</b>	<b>2.63</b>	<b>0.56</b>	-	<b>35.77</b>
Charge for the year	-	0.27	5.22	0.35	1.34	0.65	0.94	-	13.63	22.40
Disposals	-	-	-	-	-	-	-	-	-	-
Other Adjustment	-	-	-	-	-	-	-	-	-	-
<b>At March 31, 2020</b>	-	<b>0.92</b>	<b>29.78</b>	<b>1.89</b>	<b>4.62</b>	<b>3.20</b>	<b>3.57</b>	<b>0.56</b>	<b>13.63</b>	<b>58.17</b>
<b>Net Block</b>										
At March 31, 2019	20.51	11.11	6.73	1.31	4.10	1.92	3.85	-	-	49.53
At March 31, 2020	20.51	10.84	3.48	0.96	5.31	2.23	3.49	-	5.66	52.48

## Statement of Changes in Equity for the year ended March 31, 2020

(All amounts in Indian Rupees millions, except as otherwise stated)

### 4. Investment Property

Particulars	Amount
<b>Cost</b>	
At April 1, 2018	52.33
Additions	-
Deletions	52.33
<b>At March 31, 2019</b>	-
Additions	-
Deletions	-
<b>At March 31, 2020</b>	-
<b>Depreciation/Amortisation</b>	
At April 1, 2018	3.03
Additions	0.34
Deletions	3.37
<b>At March 31, 2019</b>	-
Additions	-
Deletions	-
<b>At March 31, 2020</b>	-
<b>Net</b>	
As At March 31, 2019	-
As At March 31, 2020	-

## Notes to standalone financial statements for the year ended March 31, 2020

(All amounts in Indian Rupees millions, except as otherwise stated)

### 5. Non current financial assets:

#### Details of Investments

(i)

Name of the Company	As at March 31, 2020		As at March 31, 2019	
	No of Shares	Amount	No of Shares	Amount
<b>Non Current Investments:</b>				
1) Investments In Equity Instruments				
A) Investments in equity instruments of Subsidiaries:				
- Unquoted carried at cost				
i) Advanced Synergic Pte Ltd., Singapore of SGD 1 each	1,000,000	34.52	1,000,000	34.52
ii) Pinnacle Talent Inc., USA of USD 0.01 each	16,000,000	9.94	16,000,000	9.94
Less: Provision for Impairment of Investments				
iii) ASM Technologies, Japan of JPY 100 each	10,000	0.64	10,000	0.64
iv) - in a limited liability partnership firm:				
R V Forms & Gears LLP				
- in Capital account		18.00		18.00
- in Current account		(6.41)		6.57
<b>B) Investments in fair value through profit &amp; loss</b>				
Investments in compulsory convertible preference shares (Unquoted)				
Lavelle Networks Private Limited of Rs.10 each	3,202	30.52	3,202	20.01
<b>C) Investments in fair value through Other Comprehensive Income</b>				
- In Equity Shares				
Baro Vehicles Limited UK (GBP 0.0001) each	7,376	3.47	7,376	3.47
- <b>In Venture Capital Fund</b>				
i) Ideaspring Capital Future Now		14.81		11.67
<b>Total</b>		105.49		104.82
Less: Provision for diminution in value of investments		9.94		8.00
		95.55		96.82
<b>Additional Information:</b>				
i) Aggregate amount of unquoted investments		105.49		104.82
ii) <b>Categorywise Non current investment:</b>				
Financial assets carried at amortised cost		46.75		65.14
Financial assets measured at fair value through Profit & Loss		30.52		20.01
Financial assets measured at fair value through Other Comprehensive Income		14.81		11.67
<b>Total non current investment</b>		92.08		96.82

#### Additional information:

#### Details of investments made in the capital of partnership firm:

Name of the firm	Name of the Partner	As at March 31, 2020		As at March 31, 2019	
		Partner's Capital	Profit Sharing Ratio (%)	Partner's Capital	Profit Sharing Ratio (%)
RV Forms & Gears LLP	ASM Technologies Limited (the Company)	18.00	70.00%	18.00	70.00%
	Regi Varghese	0.07	29.99%	0.07	29.99%
	Susan Varghese	0.03	0.01%	0.03	0.01%

## Notes to standalone financial statements for the year ended March 31, 2020

(All amounts in Indian Rupees millions, except as otherwise stated)

(ii)

Particulars	As at March 31, 2020	As at March 31, 2019
<b>Loans (Unsecured &amp; considered good)</b>		
Security Deposits	1.04	5.20
<b>Total</b>	<b>1.04</b>	<b>5.20</b>

### 6. Deferred Tax

Particulars	As at March 31, 2020	As at March 31, 2019
<b>i) Deferred tax liability:</b>		
a) On account of depreciation on property, plant & equipment	0.09	-
b) On account of timing differences in recognition of expenditure	0.12	-
<b>Total</b>	<b>0.21</b>	<b>-</b>
<b>ii) Deferred tax asset:</b>		
a) On account of depreciation on fixed assets	-	1.15
b) On account of timing differences in recognition of expenditure	32.77	38.76
<b>Total</b>	<b>32.77</b>	<b>39.91</b>
Net Deferred tax (liability)/asset	<b>32.56</b>	<b>39.91</b>

### 7. Other Non Current Assets

Particulars	As at March 31, 2020	As at March 31, 2019
<b>i) Advances:</b>		
Security deposits	-	-
Prepaid expenses	-	-
ii) Advance payment of tax (net of provision for tax)	77.54	39.83
iii) Export incentive receivable	11.11	11.11
iv) Disputed taxes paid	36.85	22.73
<b>Total</b>	<b>125.50</b>	<b>73.67</b>

### 8. Financial Assets:

	As at March 31, 2020		As at March 31, 2019	
	No of Units	Rs.	No of Units	Rs.
<b>i) Investment - fair value through statement of Profit &amp; Loss Investments in Mutual Funds:</b>				
i) SBI Short Term Debt Fund	862,690	20.12	862,690	18.46
ii) Franklin India Prima Fund	-	-	2,672	2.60
iii) SBI Bluechip Fund	-	-	421,232	16.52
iv) SBI Corporate Bond Fund	1,731,321	54.89	1,731,321	51.69
v) ICICI Prudential Value Discovery Fund	7,695	0.08	-	-
vi) Franklin ASK	-	-	149,409	6.19
vii) Mirae Asset	-	-	122,924	6.29
viii) SBI Ultra Short Term Daily Dividend	-	-	13	0.01
ix) Franklin India Ultra Short Term Bond Fund	-	-	7,268	0.07
<b>Investments in Portfolio Management Services:</b>				
i) Motilal Oswal ASK	-	-	-	4.71
ii) Avendus	-	-	-	18.50
iii) ASK PMS	-	0.10	-	25.72
iv) Motilal Oswal Mutual Fund	-	-	-	4.05
<b>Total</b>		<b>75.19</b>		<b>154.81</b>
Aggregate Carrying value of quoted Investments		<b>75.19</b>		<b>154.81</b>
Aggregate Market value of quoted Investments		<b>75.19</b>		<b>154.81</b>

**Notes to financial statements for the year ended March 31, 2020**  
(All amounts in Indian Rupees millions, except as otherwise stated)

**9. Financial Assets**

Particulars	As at March 31, 2020	As at March 31, 2019
<b>i) Trade Receivables</b>		
- Outstanding for more than 6 months	17.73	17.77
- Others	186.80	146.47
	<b>204.13</b>	<b>164.24</b>
Less: Allowance for bad & doubtful trade receivables	<b>( 3.60 )</b>	<b>(3.60)</b>
	<b>200.53</b>	<b>160.64</b>
<b>Additional Information:</b>		
Unsecured considered good	200.53	160.64
Unsecured Considered Doubtful	3.60	3.60
	<b>204.13</b>	<b>164.24</b>
Less:- Allowance for doubtful debt (includes Provision for expected credit losses)	3.60	3.60
<b>Total</b>	<b>200.53</b>	<b>160.64</b>
The above amount includes:		
- debts due by directors or other officers of the Company		
- debts due by firms/private companies in which a director is a partner or a director or a member	14.87	15.95
<b>ii) Cash and Bank Balance</b>		
<b>a) Cash and cash equivalents:-</b>		
i) Balance with Banks#		
- In current accounts	2.09	4.01
- In unpaid dividends accounts	6.09	6.52
ii) Cash on hand	0.03	0.01
	<b>8.21</b>	<b>10.54</b>
b) Other Bank Balance		
-in fixed deposit*	53.65	57.71
<b>Total</b>	<b>61.86</b>	<b>68.25</b>
Bank balance includes:		
Held as margin money/security against borrowings/guarantees/other commitments.		
* Deposit of Rs. 15 million has been given security for the overdraft facility availed by subsidiary RV Forms and Gears LLP.		
# The above balances are subject to confirmation of balances.		
<b>iii) Loans (Unsecured, considered good)</b>		
Security Deposit	6.03	0.26
<b>Total</b>	<b>6.03</b>	<b>0.26</b>
<b>iv) Other Financial Assets</b>		
Unbilled Revenue	48.90	15.55
Interest receivable on deposits	3.92	1.22
<b>Total</b>	<b>52.82</b>	<b>16.77</b>

## Notes to standalone financial statements for the year ended March 31, 2020

(All amounts in Indian Rupees millions, except as otherwise stated)

### 10. Other current assets

Particulars	As at March 31, 2020	As at March 31, 2019
(i) Advances other than capital advances		
(a) Security deposits	-	-
(b) Advance to supplier**	201.96	161.85
Less: Allowance for doubtful advances	(134.51)	(134.51)
	67.45	27.34
(C) Advance to Employees	2.60	2.94
(ii) Others		
Advance Gratuity (refer note 24)	1.37	7.71
Prepaid expenses	11.97	6.31
Other Advance	-	0.01
Other deposit	-	0.22
<b>Total</b>	<b>83.39</b>	<b>44.53</b>

\*\*Includes advance paid to subsidiary companies

### 11. Equity Share Capital (refer statement of changes in equity)

Particulars	As at March 31, 2020	As at March 31, 2019
<b>Authorised</b>		
70,00,000 Equity shares of Rs 10 each	70.00	70.00
<b>Issued, Subscribed &amp; Paid up</b>		
50,00,000 equity shares of Rs 10 each	50.00	50.00
<b>Total issued, subscribed and fully paid-up share capital</b>	<b>50.00</b>	<b>50.00</b>

#### (a) Rights, preferences and restrictions attached to shares

The company has only one class of equity shares having par value of Rs.10 per share. Each holder of equity is entitled to one vote per share.

#### (b) Reconciliation of the shares outstanding at the beginning and at the end of the year

Equity shares	As at March 31, 2020		As at March 31, 2019	
	Nos.	Rs.	Nos.	Rs.
At the beginning of the year	5,000,000	50.00	5,000,000	50.00
Add:-Issued during the year	-	-	-	-
<b>Outstanding at the end of the year</b>	<b>5,000,000</b>	<b>50.00</b>	<b>5,000,000</b>	<b>50.00</b>

#### (c) Details of shareholders holding more than 5% shares in the Company

Particulars	As at March 31, 2020		As at March 31, 2019	
	Nos.	% holding in class	Nos.	% holding in class
R Rabindra	2,103,677	42.07%	2,103,677	42.07%
Kannan Sundar	554,998	11.10%	554,998	11.10%
R Preeti	380,524	7.61%	380,524	7.61%
IDS System Private limited	338,502	6.77%	338,502	6.77%
	<b>3,377,701</b>	<b>67.55%</b>	<b>3,377,701</b>	<b>67.55%</b>

## Notes to standalone financial statements for the year ended March 31, 2020

(All amounts in Indian Rupees millions, except as otherwise stated)

### 12. Other Equity

Particulars	March 31, 2020	March 31, 2019
<b>i) Capital reserve</b>		
Opening balance	0.33	0.33
Add:- Addition during year		
<b>Closing at end of year</b>	<b>0.33</b>	<b>0.33</b>
<b>ii) Security Premium reserve</b>		
Opening Balance	33.00	33.00
Add:- Addition during year		
<b>Closing at the end of the year</b>	<b>33.00</b>	<b>33.00</b>
<b>iii) General Reserve</b>		
Opening balance	110.00	110.00
Add:- Addition during year		
<b>Closing at end of year</b>	<b>110.00</b>	<b>110.00</b>
<b>iv) Other Comprehensive Income</b>		
Opening balance	1.45	0.66
Add:- Addition during year	-	0.79
<b>Closing at end of year</b>	<b>1.45</b>	<b>1.45</b>
<b>v) Retained Earning</b>		
Opening balance	373.74	336.76
Add:- Addition during year	8.31	70.33
	<b>382.05</b>	<b>407.09</b>
<b>Less:- Appropriations</b>		
Interim dividend on equity shares	-	15.00
Final dividend on equity shares	15.00	12.50
Dividend distribution tax	3.08	5.85
	<b>18.08</b>	<b>33.35</b>
<b>Total</b>	<b>363.97</b>	<b>373.74</b>
<b>Closing at end of year</b>	<b>508.75</b>	<b>518.52</b>

Non current liabilities and provisions:-

### 13. Financial liabilities:-

Particulars	As at March 31, 2020	As at March 31, 2019
<b>i) Borrowings:-</b>		
<b>Secured</b>		
From Banks	58.05	-
From others	0.51	1.68
<b>Less: Current Maturities</b>		
From Banks	(10.05)	-
From others	(0.51)	(1.19)
<b>Total</b>	<b>48.00</b>	<b>0.49</b>
<b>Additional Information:-</b>		
<b>1) Details of Security for secured loan:-</b>		
<b>From Others:-</b>		
Term Loan from ICICI bank is secured against charge created on the Land and Building situated at No 80/2, Lusanne Court, Wellington street, Bangalore,560025 and facility is guaranteed by Mr. Rabindra Srikantan (Managing Director) of the Company.	58.05	-

## Notes to standalone financial statements for the year ended March 31, 2020

(All amounts in Indian Rupees millions, except as otherwise stated)

### Non current liabilities and provisions:-

Particulars	As at March 31, 2020	As at March 31, 2019
Term Loan carries Interest rate of (I-MCLR-6M + 1.4%) which is 9.6% per annum at the time of Disbursal and principal repayable in 72 equal installments of Rs. 0.8375 Million per month		
Interest due for the month of March	0.20	
<b>From Others:-</b>		
Term Loan From others is secured against Hypothecation charge on BMW Car ,which carries an interest rate of 8.99 % per annum and repayable in 36 Equated Monthly Installment of Rs.0.11 million per month	0.51	1.68

### 14. Other non-current liabilities

Particulars	As at March 31, 2020	As at March 31, 2019
Lease Liability	1.09	-
<b>Total</b>	<b>1.09</b>	<b>-</b>

### Current liabilities and provisions:-

### 15. Financial liabilities:-

Particulars	As at March 31, 2020	As at March 31, 2019
<b>i) Borrowings</b>		
<b>Secured loans:</b>		
Loans repayable on demand		
- from banks	89.24	88.58
<b>Total</b>	<b>89.24</b>	<b>88.58</b>
<b>a. Details of security for secured loans from banks:</b>		
Hypothecation charge on Receivables and other current assets of the company , further lien on 17,31,321 units of SBI mutual Fund scheme "SBI Corporate bond fund -regular plan growth " and 8,62,690 units of SBI mutual fund scheme "SBI short term debt fund regular plan growth and secured by personal guarantee of Managing Director.	89.24	88.58
	<b>89.24</b>	<b>88.58</b>
<b>b. Interest rate:-</b>		
I) Secured loans from banks:		
i) Cash credit facility from state Bank of India repayable on demand and carries an interest rate of MCLR + 2%		

### ii) Trade Payables:-

Particulars	As at March 31, 2020	As at March 31, 2019
Due to Micro small and medium enterprise ( Refer note 29)	-	-
Others	7.06	3.14
<b>Total</b>	<b>7.06</b>	<b>3.14</b>

### iii) Other Financial Liability

Particulars	As at March 31, 2020	As at March 31, 2019
Current maturity of term loan from others	0.51	1.19
Current maturity of term loan from banks	10.05	-
Interest Accrued but not due	0.20	0.01
Unclaimed dividend	6.09	6.52
<b>Total</b>	<b>16.85</b>	<b>7.72</b>

## Notes to standalone financial statements for the year ended March 31, 2020

(All amounts in Indian Rupees millions, except as otherwise stated)

### 16) Other Current liabilities

Particulars	As at March 31, 2020	As at March 31, 2019
Statutory dues	21.87	22.47
Employee Benefit Expenses	1.30	0.82
Accrued expense and other liabilities	37.76	18.65
Lease Liability	5.03	-
<b>Total</b>	<b>65.96</b>	<b>41.94</b>

### 17) Revenue from operations

Particulars	As at March 31, 2020	As at March 31, 2019
a) Sale of services	838.40	760.59
<b>Total</b>	<b>838.40</b>	<b>760.59</b>

### 18) Other Income

Particulars	As at March 31, 2020	As at March 31, 2019
a) Interest on bank deposits	6.19	1.19
b) Share of profit from LLP	-	1.21
c) Dividend income	0.08	0.06
d) Gain or loss on mutual fund/unquoted securities	13.97	8.17
e) Miscellenous income	0.38	0.97
f) Export Incentive	-	11.11
g) Profit on sale of investment property	-	8.26
h) Exchange fluctuation gain	18.38	24.08
<b>Total</b>	<b>39.00</b>	<b>55.77</b>

### 19) Employee Benefit Expenses

Particulars	As at March 31, 2020	As at March 31, 2019
a) Salaries and wages	560.40	487.79
b) Staff welfare expenses	2.54	3.80
c) Contribution to:	-	-
Provident fund	29.12	21.86
ESI fund	0.28	0.15
d) Gratuity (refer note 24)	4.22	6.43
<b>Total</b>	<b>596.56</b>	<b>520.13</b>

### 20. Finance Cost

Particulars	As at March 31, 2020	As at March 31, 2019
a) Interest on borrowings from bank and financial institutions	9.23	5.90
b) Other borrowing cost	0.75	0.55
<b>Total</b>	<b>9.98</b>	<b>6.45</b>

### 21. Depreciation and amortization expense

Particulars	As at March 31, 2020	As at March 31, 2019
Depreciation on property, plant & equipment (includes amortization of ROU)	22.41	9.05
Depreciation on Investment Property	-	0.35
<b>Total</b>	<b>22.41</b>	<b>9.40</b>

## Notes to standalone financial statements for the year ended March 31, 2020

(All amounts in Indian Rupees millions, except as otherwise stated)

### 22. Other Expenses

Particulars	As at March 31, 2020	As at March 31, 2019
a) Travelling and conveyance expenses	51.70	46.28
b) Services rendered by business associates and others	66.06	54.33
c) Software, hardware and material costs	11.52	5.73
d) Communication expenses	2.92	2.20
e) Payment to Auditor (refer note below)	1.36	0.60
f) Legal and Professional fees	20.14	24.12
g) Sitting fees paid to directors	0.38	1.37
h) Rent	3.84	16.66
i) Repair and Maintenance	3.10	2.33
j) Exchange fluctuation Gain/loss	-	-
k) Bad debt writeoff	0.45	-
Allowance for doubtful debts withdrawn	-	-
l) Donation	-	0.11
m) Electricity Expenses	2.72	2.51
n) Advertisement and Business Promotions	21.26	3.88
o) Insurance charges	4.37	1.13
p) Membership & subscription	5.40	4.84
r) Office Maintenance	5.35	4.90
s) Printing & stationary	0.60	0.76
t) Rates & Taxes	0.85	0.56
u) Loss of share in LLP	12.68	-
v) Miscellenous Expenses	4.92	3.77
w) CSR Expenses	2.50	3.99
x) Provision for diminution in value of Investment	1.94	8.00
<b>Total</b>	<b>224.06</b>	<b>188.07</b>

#### Payments to Auditor

Audit fee	0.93	1.00
Tax audit fee	0.40	0.40
Other Services	0.03	-

### 23. Earning per Share

Particulars	As at March 31, 2020	As at March 31, 2019
Profit for the year	10.90	70.33
Weighted average number of Equity shares	5,000,000	5,000,000
Earning per share basic and diluted (in Rs.)	2.18	14.07
Face value per equity share (in Rs.)	10.00	10.00

## Notes to standalone financial statements for the year ended March 31, 2020

(All amounts in Indian Rupees millions, except as otherwise stated)

### 24. Gratuity and other post-employment benefits

The Company has a defined benefit gratuity plan. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Every employee who has completed five years or more of service is entitled to gratuity of 15 days salary (last drawn salary) for each completed year of service. The scheme is not funded.

The following tables summarize the components of net benefit expense recognized in the statement of profit and loss and amounts recognized in the balance sheet for the gratuity plan:

#### Statement of Profit and Loss

##### Net employee benefit expenses recognised in the employee cost:

Particulars	As at March 31, 2020	As at March 31, 2019
Current service cost	4.74	4.49
Past service cost	-	-
Interest cost	(0.52)	1.94
<b>Net benefit expense</b>	<b>4.22</b>	<b>6.43</b>

Balance sheet

Benefit asset/liability:

Particulars	As at March 31, 2020 Rs.	As at March 31, 2019 Rs.
Present value of defined benefit obligation	(30.48)	(28.01)
Fair value of plan assets	31.85	35.72
<b>Plan asset/(liability)</b>	<b>1.37</b>	<b>7.71</b>

Changes in the fair value of defined benefit obligation are as follows:

Particulars	As at March 31, 2020 Rs.	As at March 31, 2019 Rs.
Opening defined benefit obligation	28.01	27.07
Current service cost	4.74	4.49
Past service cost	-	-
Interest cost	1.89	1.94
Liability transferred out/divestments	-	-
Benefits paid directly by employer	-	(4.48)
Benefits paid directly from fund	(6.23)	-
Remeasurements	-	-
Actuarial loss/(gain) from changes in demographic assumptions	-	-
Actuarial loss/(gain) from changes in financial assumptions	1.24	0.36
Actuarial loss/(gain) from experience over the past period	0.83	(1.37)
<b>Closing defined benefit obligation</b>	<b>30.48</b>	<b>28.01</b>

Changes in the fair value of assets are as follows:

Particulars	As at March 31, 2020 Rs.	As at March 31, 2019 Rs.
Fair value as at the beginning of the year	35.72	-
Interest Income	2.40	-
Expected return on plan assets	(0.05)	-
Actuarial gains	-	-
Contributions	-	35.72
Benefits paid	(6.23)	-
<b>Closing fair value of asset</b>	<b>31.84</b>	<b>35.72</b>

**Notes to standalone financial statements for the year ended March 31, 2020**  
(All amounts in Indian Rupees millions, except as otherwise stated)

The amounts recognized in the Balance Sheet are as follows:

Particulars	AS at March 31, 2020 Rs.	AS at March 31, 2019 Rs.
Present value of the obligation as at the end of the year	30.48	28.01
Fair value of plan assets as at the end of the year	31.85	35.72
Net liability/ (asset) recognized in the Balance Sheet	(1.37)	(7.71)

The principal assumptions used in determining gratuity obligations for the Company's plan are shown below:

Particulars	AS at March 31, 2020	AS at March 31, 2019
Discount rate	5.45%	6.76%
Employee turnover	25.00%	25.00%
Salary escalation rate	8.50%	8.50%
Mortality table	'Indian Assured Lives Mortality (2006-08)	

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.

Sensitivity Analysis of significant actuarial assumptions

Particulars	Change in DBO by		
	As at March 31, 2020	As at March 31, 2019	
Discount rate	Increases 0.5%	(0.49)	(0.43)
	Decreases 0.5%	0.51	0.44
Employee turnover	Increases 0.5%	(0.16)	(0.10)
	Decreases 0.5%	0.16	0.11
Salary escalation rate	Increases 0.5%	0.46	0.40
	Decreases 0.5%	(0.45)	(0.39)

Description of funding arrangements and funding policy that affect future contributions  
The plan is unfunded and the status is unlikely to change over the next few years.

*Maturity profile*

Projected Benefits Payable in Future Years From the Date of Reporting	As at March 31, 2020	As at March 31, 2019
1st following year	7.42	6.09
2nd following year	4.44	4.79
3rd following year	4.17	4.99
4th following year	3.95	3.59
5th following year	3.41	3.29
Sum of years 6 to 10	9.50	8.84

Other Information	As at March 31, 2020	As at March 31, 2019
Weighted average duration of the projected benefit obligation	4.00	4.00
Average expected future service	3.00	3.00

**Defined contribution plan**

The Company also has defined contribution plans. Contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the period towards defined contribution plan is Rs.29.12 million (For 2018-19 Rs.21.86 million)

**Disclosure on leases:****Transition:**

Effective April 1, 2019, the Company adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method and calculated the present value of the remaining lease payments, discounted using the incremental borrowing rate at the date of initial application. Consequently, the Company recorded the lease liability at the present value of the remaining lease payments discounted at the incremental borrowing rate and the right of use asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the Company's incremental borrowing rate at the date of initial application. Comparatives as at and for the year ended March 31, 2019 have not been retrospectively adjusted and therefore will continue to be reported under the accounting policies included as part of our Annual Report for year ended March 31, 2019.

On transition, the adoption of the new standard resulted in recognition of "Right to Use Asset" and Lease Liability amounting to Rs.19.29 Millions. The effect of this adoption is insignificant on the profit before tax, profit for the year and earnings per share. Ind AS 116 will result in an increase in cash in flows from operating activities and an increase in cash outflows from financing activities on account of lease payments.

(i) The following is the movement of lease liabilities during the year ended March 31, 2020

(Rs. In Millions)

Particulars	AS at March 31, 2020 Rs.
Balance at the beginning of the year	
On account of implementation of Ind AS 116	19.29
Finance cost accrued during the year	1.26
Payment of lease liabilities	14.43
<b>Balance at the end of the year</b>	<b>6.12</b>

The Company does not face a liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

(ii) Details regarding the contractual maturities of lease liabilities as at March 31, 2020 on undiscounted basis:

(Rs. In Millions)

Particulars	AS at March 31, 2020 Rs.
Less than one year	5.03
One to five years	1.09
More than five years	-
<b>Total</b>	<b>6.12</b>

**26. Corporate Social Responsibility:**

As per Section 135 of the Act, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, promote rural and nationally recognised sports, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief and rural development projects. A CSR committee has been formed by the Company as per the Act. The funds were primarily allocated to a corpus and utilized through the year on these activities which are specified in Schedule VII of the Act.

Particulars	As at March 31, 2020 Rs.
(a) Gross amount required to be spent by the Company during the year	1.76
(b) Amount spent during the year	2.50
(c) (Excess)/lower amount spent (a) - (b)	(0.74)

## Notes to standalone financial statements for the year ended March 31, 2020

(All amounts in Indian Rupees millions, except as otherwise stated)

### 27. Related Party disclosures

Name of entity	Relationship
Pinnacle Talent Inc, USA	Wholly owned subsidiary
Advanced Synergic Pte Ltd, Singapore	Wholly owned subsidiary
ASM Technologies KK	Wholly owned subsidiary
ESR Associates Inc, USA	Step-down subsidiary
RV Forms & Gears LLP	Subsidiary
IDS Systems LLP	Associate Company
Abacus Business Solutions Inc IDS Systems Pvt Ltd	Company in which directors are interested
Rabindra Srikantan	Directors
M R Vikram	
Prof. B S Sonde	
Shekar Vishwanathan	
Preeti Rabindra	
M Lakshminarayan	
N Krishnan Narsingh Rathod Pramod G Rao Lakshmi P N (upto August 31,2019) Vanishree Kulkarni ( w.e.f September 01,2019) Anantharaman Shankar Srinivasa Murthy Seshadri	Key Managerial Personnel ("KMP")
Akhil Rabindra Nikhil Rabindra	Relatives of Director

#### ii) Related party transactions

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

Particulars`	As at March 31, 2020	As at March 31, 2019
<b>Sale of services</b>		
- IDS Systems LLP	-	0.09
- RV Forms & Services LLP	9.92	5.51
- ASM Technologies KK	2.83	-
<b>Purchase of services</b>		
- Pinnacle Talent Inc (services provided to ASM branch at USA)	29.16	30.06
- Advanced Synergic Pte Ltd (services provided to ASM branch at USA)	-	-
<b>Investments Made during the year-</b>		
- RV Forms & Services LLP	-	18.00
- ASM Technologies KK	-	0.64
Loans given during the year-		
-ASM Technologies KK	6.76	-
Transfer of property rights from IDS Systems LLP	-	-

## Notes to standalone financial statements for the year ended March 31, 2020

(All amounts in Indian Rupees millions, except as otherwise stated)

The following table provides the closing balances of related parties as at the relevant financial year-end:

Particulars	As at March 31, 2020	As at March 31, 2019
<b>Amount due to Company</b>	-	
Pinnacle Talent Inc, USA	145.73	135.86
Advanced Synergic Pte Ltd, Singapore	10.81	9.46
IDS Systems LLP	11.85	11.85
RV Forms & Gears LLP (including investments)	43.14	41.10

Key Managerial Personnel:	Relationship	Nature of transaction	As at March 31, 2020	As at March 31, 2019
M R Vikram	Chairman	Sitting fees & reimbursement of expenses	1.31	1.37
Rabindra Srikantan	Managing Director	Remuneration	12.33	10.20
Prof. B S Sonde	Director	Sitting fees & Commission	0.05	0.24
Shekar Viswanathan	Director	Sitting fees & Commission	0.08	0.25
M Lakshminarayan	Director	Sitting fees & Commission	0.07	0.32
Preeti R	Director	Sitting fees & Commission	0.08	0.27
Akhil Rabindra	Relative of KMP	Remuneration	1.09	0.74
Narsingh Rathod	Chief Financial Officer	Remuneration	0.25	0.25
P N Lakshmi (up to Aug-19)	Company Secretary	Remuneration	0.48	0.69
Vanishree Kulkarni (From Sep-19)	Company Secretary	Remuneration	0.75	-
N Krishnan	KMP	Remuneration	7.79	5.97
Srinivasa Murthy Seshadri	KMP	Remuneration	4.53	3.76
Pramod G Rao	KMP	Remuneration	5.71	5.55
<b>Amount due to Company:</b>				
N Krishnan	KMP		-	0.11
Rabindra Srikantan	Managing Director		0.04	0.40
<b>Amount due by Company:</b>			-	-
Rabindra Srikantan	Managing Director		-	-
M R Vikram	Director		-	0.17
Prof. B S Sonde	Director		-	0.17
Shekar Viswanathan	Director		-	0.17
M Lakshminarayan	Director		-	0.17
Preeti R	Director		-	0.17

### Compensation of key managerial personnel

Particulars	As at March 31, 2020	As at March 31, 2019
Short-term employee benefits	12.63	10.71
Post employment benefit*	0.43	0.43

\*The remuneration to the key managerial personnel does not include the provisions made the gratuity and leave benefits, as they are determined on an actuarial basis for the Company as a whole.

### Terms and conditions of transactions with related parties

The sales of services to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions.

## Notes to standalone financial statements for the year ended March 31, 2020

(All amounts in Indian Rupees millions, except as otherwise stated)

### 28. Capital and other commitments

Company has committed to contribute Rs.30 million to a venture capital fund out of which Rs.18 million has been paid so far. Amount of such capital commitment outstanding as at March 31, 2020 is Rs. 12 million (As at March 31, 2019: Rs. 16.5 million)

Particulars	March 31, 2020	March 31, 2019
Service tax claim (company filed appeal against the order)	41.85	41.85
Showcause notice received from service tax authorities	182.28	182.28
Income tax under appeal of which the Company has paid an amount of Rs.36.85 million (as at March 31, 2019 Rs.22.73 million) under protest	58.44	53.70
Income tax deducted at source demand under the traces software for short and non remittances of tax deduction at source – matter under examination.	1.94	2.82

30. Based on the information available with the Company, there are no vendors who are registered as Micro and Small Enterprises under the Micro, Small & Medium Enterprises Development Act, 2006 (MSMED Act) as at March 31, 2020 which has been relied by the auditors.

### 31. Segment reporting

The Company believes that assets and liabilities used in the business are not identified to any of the reportable segments, as these are used interchangeably between segments. Accordingly the same has not been provided.

Particulars	For the year ended March 31, 2020		For the year ended March 31, 2019	
	Exports	Domestic	Exports	Domestic
Segment Revenue	726.33	112.07	681.75	78.84
Segment Expenses	521.22	86.59	432.78	60.45
Segment Results	205.11	25.48	248.97	18.39

### Significant Clients

The Company's 90% of revenue is derived from three customers

### Product-wise Information

Company provides single service and hence no product-wise information is necessary to be given.

### 32. Income taxes

The major components of income tax expense for the years ended March 31, 2020 and March 31, 2019 are:

#### Statement of profit and loss:

#### Profit or loss section

Particulars	As at March 31, 2020	As at March 31, 2019
<b>Current income tax:</b>		
Current income tax in India	5.23	20.00
Current income tax outside India	0.60	1.73
<b>Deferred tax:</b>		
Relating to origination and reversal of temporary differences	7.66	2.55
Excess tax provision withdrawn	-	(2.30)
<b>Income tax expense reported in the statement of profit or loss</b>	<b>13.49</b>	<b>21.98</b>
<b>OCI section</b>	<b>As at March 31, 2020</b>	<b>As at March 31, 2019</b>
Deferred tax related to items recognised in OCI during the year:	(0.31)	0.32
Income tax charged to OCI	(0.52)	
	<b>(0.83)</b>	<b>0.32</b>

## Notes to standalone financial statements for the year ended March 31, 2020

(All amounts in Indian Rupees millions, except as otherwise stated)

### Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2020 and March 31, 2019:

Particulars	As at March 31, 2020	As at March 31, 2019
Accounting profit before income tax	24.39	92.31
Enacted income tax rate in India	25.17%	27.82%
Tax at the applicable tax rate of 25.17% (March 31, 2019: 27.82%)	6.14	25.68
Non-deductible expenses for tax purposes:		
Inadmissible expenses	3.80	4.73
Temporary differences not considered for current tax calculation (net of amounts recognised in other comprehensive income)	2.12	(6.38)
Difference in profit on account of Ind AS adjustments	(7.59)	-
Provision for tax relating to prior years	0.76	(2.30)
Tax payable by representative office	0.60	-
At the effective income tax rate of 25.17% (March 31, 2019: 27.82%) - Income tax expense recorded in the books	<b>5.83</b>	<b>21.73</b>

### Reconciliation of deferred tax expense(income) recognised in Statement of profit and loss and Other comprehensive income:

Particulars	As at March 31, 2020	As at March 31, 2019
Property, Plant and Equipment and Intangible assets	1.24	(4.29)
Fair valuation adjustments of financial instruments	0.05	0.02
Provision for impairment of financial assets	3.66	-
Provision for employee benefits allowable under Income Tax on payment basis	-	7.54
Ind AS adjustment	0.12	(0.12)
Ind AS adjustment on Mark to Market of Investment	2.90	(0.28)
<b>Total</b>	<b>7.97</b>	<b>2.87</b>

The tax rates under Indian Income Tax Act, for the year ended March 31, 2020 and March 31, 2019 is 25.17% and 27.82% respectively

### Deferred tax assets/(liabilities) as at March 31, 2020 is in relation to:

Particulars	As at March 31, 2019	Recognised in profit and loss	Recognised in other comprehensive income	Recognised directly in equity	As at March 31, 2020
Property, Plant and Equipment and Intangible assets	1.15	(1.24)	-	-	(0.09)
Fair valuation adjustments of financial instruments	0.05	0.05	-	-	-
Provision for impairment of financial assets	38.42	(3.66)	-	-	34.76
Provision for employee benefits allowable under Income Tax on payment basis	-	-	-	-	-
Ind AS adjustment for borrowing leases	-	(0.12)	-	-	(0.12)
Ind AS adjustment on Mark to Market of Investment	0.29	(0.29)	(0.31)	-	(1.99)
<b>Total</b>	<b>39.91</b>	<b>(7.66)</b>	<b>(0.31)</b>	<b>-</b>	<b>32.56</b>

## Notes to standalone financial statements for the year ended March 31, 2020

(All amounts in Indian Rupees millions, except as otherwise stated)

Deferred tax assets/(liabilities) as at March 31, 2019 is in relation to:

Particulars	As at March 31, 2019	Recognised in profit and loss	Recognised in other comprehensive income	Recognised directly in equity	As at March 31, 2020
Property, Plant and Equipment and Intangible assets	(3.14)	4.29	-	-	1.15
Fair valuation adjustments of financial instruments	0.07	(0.02)	-	-	(0.05)
Provision for impairment of financial assets	38.42	-	-	-	38.42
Provision for employee benefits allowable under Income Tax on payment basis	7.54	(7.54)	-	-	-
Ind AS adjustment for borrowing leases	(0.11)	0.11	-	-	-
Ind AS adjustment on Mark to Market of Investment	-	0.32	(0.30)	-	(2.99)
<b>Total</b>	<b>42.78</b>	<b>(2.84)</b>	<b>(0.03)</b>	<b>-</b>	<b>39.91</b>

Pursuant to Taxation Laws (Amendment) Ordinance, 209 dated September 20, 2019, the Company intends to exercise the option permitted u/s 115BAA of the Income Tax Act, 1961 to compute Income Tax at the rate of 22% plus applicable surcharge and cess i.e., (effective rate of 25.168%) from current financial year.

### 33. Financial risk management objectives and policies

The Company's principal financial liabilities comprise of trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations to support its operations. The Company's principal financial assets include trade and other receivables, rental and bank deposits and cash and cash equivalents, that derive directly from its operations.

The Company is exposed to credit and liquidity risk. The Company's senior management oversees the management of these risks and the Board of Director's reviews these activities.

#### i Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument would fluctuate due to changes in market prices. Market risk comprises three types of risks: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include trade payables. The Company is not exposed to price risk on the financial date.

The sensitivity analysis in the following sections relate to the positions as at March 31, 2020 and March 31, 2019.

The analysis exclude the impact of movements in market variables on: the carrying values of gratuity and other post-retirement obligations and provisions.

The following assumption has been made in calculating sensitivity analyses:

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2020 and March 31, 2019.

#### Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The operations of the Company are both in India and overseas. Company has been providing services to overseas customers. Hence, the Company is currently exposed to the currency risk arising from fluctuation of these foreign currencies and Indian rupee exchange rates.

The following table presents foreign currency risk for the below financial liabilities:

As at March 31, 2020	Transaction Currency	
Particulars	Amount	Total
Assets:		
Trade receivables	177.62	177.62
<b>Total</b>		
As at March 31, 2019	Transaction currency	
Particulars	Amount	Total
Assets:		
Trade receivables	134.05	134.05
<b>Total</b>	134.05	134.05

## Notes to standalone financial statements for the year ended March 31, 2020

(All amounts in Indian Rupees millions, except as otherwise stated)

### Foreign currency sensitivity

Particulars	Change in USD rates	Effect on profit before tax (Decrease)/Increase	Effect on pre-tax equity (Decrease)/Increase
March 31, 2020	1%	1.78	1.78
	-1%	(1.78)	(1.78)
March 31, 2019	1%	1.34	1.34
	-1%	(1.34)	(1.34)

### ii. Credit risk

Credit risk is the risk that counterparty 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). At the end of every financial year, the Company makes an assessment whether any loss allowance has to be provided for using the lifetime Expected Credit Loss (ECL) method.

### iii. Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due.

The Company's board of directors are responsible for liquidity, funding as well as settlement management.

The table below provides details regarding the contractual maturities of significant financial liabilities

Particulars	As at March 31, 2020 Less than 1 year	As at March 31, 2019 Less than 1 year
Borrowings	89.24	88.58
Trade payables	7.06	3.14
Other financial liabilities	16.85	7.72
<b>Total</b>	<b>113.15</b>	<b>99.44</b>

### 34. Financial Instruments

The carrying value of financial instruments by categories as at March 31, 2020 and March 31, 2019 is as follows:

#### Financial Assets

Particulars	Carrying value as at		Fair value as at	
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
Cost				
Investments in subsidiaries	46.75	61.67	46.75	61.67
<b>Amortised Cost</b>				
Loans	7.07	5.46	7.07	5.46
Trade receivables	200.53	160.65	200.53	160.65
Cash and cash equivalents	61.86	68.25	61.86	68.25
Other assets	52.82	16.77	52.82	16.77
<b>Fair value through Profit and Loss</b>				
Investments	105.71	174.81	105.71	174.81
<b>Fair value through Other Comprehensive Income</b>				
Investments	14.81	11.67	14.81	11.67
<b>Total Assets</b>	<b>489.55</b>	<b>499.28</b>	<b>489.55</b>	<b>499.28</b>

## Notes to standalone financial statements for the year ended March 31, 2020

(All amounts in Indian Rupees millions, except as otherwise stated)

### Financial Liabilities

Particulars	Carrying value as at		Fair value as at	
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
Amortised Cost				
Loans and borrowings	137.24	89.07	137.24	89.07
Trade payables	7.06	3.14	7.06	3.14
Other liabilities	16.85	7.72	16.85	7.72
<b>Total Liabilities</b>	<b>161.15</b>	<b>99.93</b>	<b>161.15</b>	<b>99.93</b>

### 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).

The following table presents fair value hierarchy of assets and liabilities as at March 31, 2020

Particulars	As at March 31, 2020	Fair value measurement at end of reporting year		
		Level 1	Level 2	Level 3
Loans: Security deposits (at amortised cost)	7.07	-	-	7.07
Investments (at fair value)	167.27	105.71	-	61.56

The following table presents fair value hierarchy of assets and liabilities as at March 31, 2019

Particulars	As at March 31, 2019	Fair value measurement at end of reporting year		
		Level 1	Level 2	Level 3
Loans: Security deposits (at amortised cost)	5.46	-	-	5.46
Investments (at fair value)	245.15	174.81	-	73.34

### 35. Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders and long-term and short-term borrowings. The primary objective of the Company's capital management is to maximise the shareholder's value.

The capital structure is as follows:

Particulars	As at March 31, 2020		As at March 31, 2019	
	Amount	Percentage of total capital	Amount	Percentage of total capital
Total equity attributable to the equity share holders of the Company	558.75	80.28%	568.52	86.46%
Non-current Borrowings	48.00	6.90%	0.49	0.07%
Short-term borrowings	89.24	12.82%	88.58	13.47%
<b>Total</b>	<b>695.99</b>	<b>100%</b>	<b>657.59</b>	<b>100%</b>

The Company is predominantly equity financed which is evident from the capital structure table. Further, the Company has always been a net cash Company with cash and bank balances along with current financial assets which is predominantly receivables.

## Notes to standalone financial statements for the year ended March 31, 2020

(All amounts in Indian Rupees millions, except as otherwise stated)

### 36. Impact of COVID-19 on Business:

The management has considered the possible effects that may result from the Covid-19 pandemic on the carrying value of assets. In developing the assumptions relating to the possible future uncertainties in the economic conditions because of this pandemic, the company, as at the date of approval of these financial statements has used internal and external sources of information to assess the expected future performance of the company. The company has internally performed sensitivity analysis on the assumptions used and based on the current estimates, the company expects that the carrying amount of these assets, as reflected in the balance sheet as at March 31, 2020, are fully recoverable. The management has also estimated the future cashflows for the company with the possible effects that may result from the COVID-19 pandemic and does not foresee any adverse impact on its ability to continue as going concern and in meeting its liabilities as and when they fall due. The actual impact of the COVID-19 pandemic may be different from the estimated as at the date of approval of these financial statements.

37. The Board of directors have proposed a dividend of Rs. 2.50 per share which is subject to approval of the members of the Company.

For and on behalf of the Board of Directors  
ASM Technologies Ltd.

In Accordance with our Report attached  
for **B K RAMADHYANI & CO LLP**  
Chartered Accountants  
Firm Registration No.0028785/S200021

**M R Vikram** Chairman  
**Rabindra Srikantan** Managing Director  
**M Lakshminarayan** Director  
**Shekar Viswanathan** Director

**CA. C R Deepak**  
Partner  
Membership Number: 215398

**Ramesh Radhakrishnan** Director  
**Preeti Rabindra** Director  
**Narsingh Rathod** Chief Financial Officer  
**Vanishree Kulkarni** Company Secretary

Place : Bangalore  
Date : June 2, 2020

## Independent Auditors' Report on Consolidated Financial Statements

To the Members of ASM Technologies Limited

Report on Audit of the Consolidated Ind AS Financial Statements

### Opinion:

We have audited the Consolidated Ind AS financial statements of ASM Technologies Limited (“the Company”) and its subsidiaries (collectively referred as “the Group”) which comprise of balance sheet as at March 31, 2020, the statement of profit & loss, statement of changes in equity, the cashflow statement for the year then ended, and notes to Consolidated Ind AS financial statements including a summary of significant accounting policies and other explanatory information.

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 state of affairs of the Company as at March 31, 2020, loss, changes in equity and its cash flows for the year ended on that date.

### Basis of Opinion:

We conducted our audit in accordance with the Standards on Auditing (“SAs”) specified under section 143(10) of the Companies Act, 2013 (“the Act”). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Ind AS financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Key Audit Matters:

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Ind AS financial statements for the financial year ended March 31, 2020. These matters were addressed in the context of our audit of the Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Ind AS financial statements.

Key audit matters	How our audit addressed the key audit matter
<b>Adoption of Ind AS 115 - Revenue from Contract with Customers as described in note 2 i. and note 18 of the financial statements:</b>	
<p>The Company has accounted revenue as per Ind AS 115 - Revenue from Contracts with Customers.</p> <p>Application of Ind AS 115, including selection of transition method involves significant judgment in determining when 'control' of the goods or services underlying the performance obligation is transferred to the customer and the transition method to be applied.</p> <p>As the revenue recognition, due to the significance of the balance to the financial statements as a whole, we regard this as a key audit matter.</p>	<p>As part of our audit procedures, our procedures included the following:</p> <ul style="list-style-type: none"> <li>- We have read the accounting policy for revenue recognition and assessed compliance of the policy in terms of principles enunciated under Ind AS 115.</li> <li>- We obtained and understood the revenue recognition process including determination of point of transfer of control and completion of performance obligation.</li> <li>- We performed test of details, on a sample basis, and examined the underlying customer contracts.</li> <li>- We examined the disclosures made by management in compliance with the requirements of Ind AS 115.</li> </ul> <p><b>Conclusion:</b></p> <p>Our procedures did not identify any material exceptions.</p>

**Other Matters:**

I) We did not audit Advanced Synergic Pte Limited, subsidiary included in this Ind AS consolidated financial statements, whose financial statements reflect total assets of Rs.15.78 million as at March 31, 2020, total revenues of Rs.10.80 million, total net loss after tax Rs. 3.08 million as considered in these consolidated financial statements. The standalone financial statements have been audited by the other auditor whose report has been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary, is solely based on the report of the other auditor.

ii) Consolidated financial statements include unaudited financial statements of ESR Associates Inc., USA, whose financial statements reflect total assets of Rs. 14.72 million as at March 31, 2020, total revenues of Rs. Nil million, total net loss after tax Rs. 0.08 million as considered in this consolidated financial statements. These financial statements are unaudited and have been furnished to us by the Management and our opinion on the Statement, in so far as it relates to the amounts and disclosures included in respect of this subsidiary based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Company, these financial statements are not material to the Group.

**Other Information [“Information Other than the Financial Statements and Auditor's Report Thereon”]**

The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the board report but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Ind AS financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

**Management's Responsibility for Consolidated Ind AS Financial Statements:**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act, with respect to the preparation of these Consolidated Ind AS financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with 6 the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

**Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements:**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism through the audit. We also:

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

**Report on Other Legal and Regulatory Requirements:**

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

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid Consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure - 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 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 its pending litigations which would impact its financial position in note 31 of the Consolidated Ind AS financial statements.
  - ii) The Company did not have any long-term contracts as required under the applicable law or accounting standards, and also not entered into any derivative contracts, accordingly no provision is required to be made in respect of 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 B.K.RAMADHYANI & CO LLP  
Chartered Accountants  
Firm Registration No. 002878S/S200021

**CA C R Deepak)**  
Partner  
Membership No. 215398

Place: Bangalore  
Date : 02.06.2020

## ANNEXURE-A

### **REFERRED TO IN PARAGRAPH 2 (F) UNDER THE HEADING “REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS” OF OUR REPORT TO THE MEMBERS OF ASM TECHNOLOGIES LIMITED.**

#### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act"):**

In conjunction with our audit of Ind AS consolidated financial statements of the Company as of and for the year ended March 31, 2020, we have audited the internal controls over financial reporting of ASM Technologies Limited ("the Holding Company") and its subsidiary companies which are incorporated in India, as of that date.

#### **Management's Responsibility for Internal Financial Controls:**

The respective Board of Directors of the Holding Company and its subsidiaries, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") 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 Companies Act, 2013 ("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. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

#### **Meaning of Internal Financial Controls Over Financial Reporting:**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial Controls Over Financial Reporting:**

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

**Opinion:**

In our opinion, the Holding Company and its subsidiary companies which are incorporated in India have, 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, 2020, based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

For B.K.RAMADHYANI & CO LLP  
Chartered Accountants  
Firm Registration No. 002878S/S200021

Place: Bangalore  
Date :02.06.2020

**CA C R Deepak)**  
Partner  
Membership No. 215398

**Consolidated Balance Sheet as at March 31, 2020**  
(All amounts in Indian Rupees Millions, except as otherwise started)

Particulars	Note	As at March 31 2020	As at March 31 2019
<b>ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Property, Plant and Equipment	3.1	94.97	54.04
(b) Intangible Assets	3.2	52.34	53.99
(c) Capital work-in-progress		3.42	-
(d) Investment Property	4	-	-
(e) Financial Assets			-
(i) Investments	5	51.68	37.93
(ii) Loans		1.15	5.56
(e) Deferred tax assets (net)	6	33.62	39.12
(f) Other non-current assets	7	126.23	73.49
<b>Total</b>		<b>363.41</b>	<b>264.13</b>
<b>(2) Current assets</b>			
(a) Inventories	8	37.76	24.85
(b) Financial Assets	-	-	-
(i) Investments	9 (i)	75.19	154.81
(ii) Trade receivables	9 (ii)	211.68	269.92
(iii) Cash and cash equivalents	9 (iii) (a)	12.99	46.84
(iv) Bank balances other than (iii) above	9 (iii) (b)	53.67	57.70
(v) Loans	9 (iv)	6.17	0.59
(vi) Others	9 (v)	52.00	16.77
(c) Other current assets	10	19.28	23.26
<b>Total</b>		<b>468.74</b>	<b>594.74</b>
<b>Total Assets</b>		<b>832.15</b>	<b>858.87</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity Share capital	11	50.00	50.00
(b) Other Equity	12	454.06	464.57
Attributable to Equity holders of the parent		504.06	514.57
Non Controlling Interest		3.45	8.91
<b>Total</b>		<b>507.51</b>	<b>523.48</b>
<b>LIABILITIES</b>			
<b>(1) Non-current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	13	48.00	0.49
(b) Provisions	14	2.64	1.49
(c) Other non-current Liabilities	15	11.31	-
<b>Total</b>		<b>61.95</b>	<b>1.98</b>
<b>(2) Current liabilities</b>			
(a) Financial Liabilities	16		
(i) Borrowings		151.02	145.37
(ii) Trade payables		36.01	85.53
(iii) Other financial liabilities		16.64	7.71
(b) Other current liabilities	17	59.02	94.80
<b>Total</b>		<b>262.69</b>	<b>333.41</b>
<b>TOTAL EQUITY AND LIABILITY</b>		<b>832.15</b>	<b>858.87</b>

For and on behalf of the Board of Directors  
**ASM Technologies Ltd.**

In Accordance with our Report attached for **B K RAMADHYANI & CO LLP**  
Chartered Accountants  
Firm Registration No.0028785/S200021

**M R Vikram** Chairman  
**Rabindra Srikantan** Managing Director  
**M Lakshminarayan** Director  
**Shekar Viswanathan** Director

**CA. C R Deepak**  
Partner  
Membership Number: 215398

**Ramesh Radhakrishnan** Director  
**Preeti Rabindra** Director  
**Narsingh Rathod** Chief Financial Officer  
**Vanishree Kulkarni** Company Secretary

Place : Bangalore  
Date : June 2, 2020

## Consolidated Statement of Profit and Loss for the year ended March 31, 2020

(All amounts in Indian Rupees millions, except as otherwise started)

Particulars	Note	For the year ended March 31,	
		2020	2019
Revenue from operations	18	920.13	880.25
Other income	19	41.30	54.53
<b>Total Income (i)</b>		<b>961.43</b>	<b>934.78</b>
<b>Expenses</b>			
Cost of goods sold	20	41.75	78.54
(Increase)/Decrease in Inventories	21	(12.91)	(24.85)
Employee benefits expense	22	641.60	573.14
Finance costs	23	16.85	7.17
Depreciation and amortization expense	24	29.45	12.09
Other expenses	25	226.04	198.84
<b>Total expenses (ii)</b>		<b>942.78</b>	<b>844.93</b>
<b>Profit/(Loss) before tax [(i)- (ii)]</b>		<b>18.65</b>	<b>89.85</b>
Tax expenses	35		
(i) Current tax		5.83	16.43
(ii) Deferred tax		5.85	3.35
<b>Total tax expense</b>		<b>11.68</b>	<b>19.78</b>
<b>Profit/(Loss) for the year</b>		<b>6.97</b>	<b>70.07</b>
<b>Other Comprehensive Income</b>			
A (i) Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit plans		(2.07)	1.01
(ii) Income tax relating to items that will not be reclassified to profit or loss		(0.52)	-
Deferred tax on remeasurement of defined benefit plans		-	(0.29)
B (i) Items that will be reclassified to profit or loss			
Changes in fair value of investments in equity instruments		(1.35)	0.10
(ii) Income tax relating to items that will not be reclassified to profit or loss			
Deferred tax on remeasurement of defined benefit plans		0.34	(0.03)
(iii) Foreign currency translation Reserve		(2.28)	(12.54)
		(4.84)	(11.75)
<b>Total Comprehensive Income for the year</b>		<b>2.13</b>	<b>58.32</b>
Profit/(loss) for the year			
<b>Attributable to:</b>			
Equity holders of the parent		12.43	69.55
Non-controlling interests		(5.46)	0.52
<b>Other comprehensive income for the year</b>			
<b>Attributable to:</b>			
Equity holders of the parent		(4.84)	(11.75)
Non-controlling interests		-	-
<b>Total comprehensive income for the year</b>			
<b>Attributable to:</b>			
Equity holders of the parent		7.59	57.80
Non-controlling interests		(5.46)	0.52
Earnings per equity share [nominal value of share Rs.10 (March 31, 2018: Rs.10)]			
Basic and Diluted (in INR)	26	1.39	14.01

For and on behalf of the Board of Directors  
**ASM Technologies Ltd.**

In Accordance with our Report attached for **B K RAMADHYANI & CO LLP**  
Chartered Accountants  
Firm Registration No.0028785/S200021

**M R Vikram** Chairman  
**Rabindra Srikantan** Managing Director  
**M Lakshminarayan** Director  
**Shekar Viswanathan** Director

**CA. C R Deepak**  
Partner  
Membership Number: 215398

**Ramesh Radhakrishnan** Director  
**Preeti Rabindra** Director  
**Narsingh Rathod** Chief Financial Officer  
**Vanishree Kulkarni** Company Secretary

Place : Bangalore  
Date : June 2, 2020

## Consolidated Cash Flow Statement for the year ended March 31, 2020

(All amounts in Indian Rupees millions, except as otherwise started)

Particulars	As at March 31 2020	As at March 31 2019
<b>Cash flows from operating activities</b>		
Profit / (loss) before tax	18.65	89.85
Adjustment to reconcile profit before tax to net cash flows:		
Depreciation and amortization expense	29.45	12.09
Finance costs	16.85	7.17
Interest income	(8.32)	(1.91)
Dividend income	(0.08)	(0.06)
Fair valuation of mutual fund	(13.97)	8.17
(Profit)/ loss on sale of Property, Plant & Equipment	-	(8.26)
Operating profit before working capital changes	42.58	90.71
Movements in working capital :		
Increase/ (decrease) in trade payables	(49.52)	47.50
Increase/ (decrease) in other liabilities	(33.38)	57.40
Decrease / (increase) in Inventories	(12.91)	(24.85)
Decrease / (increase) in trade receivables	58.24	(75.32)
Decrease / (increase) in other non current assets		(6.86)
Decrease / (increase) in other current assets	3.98	(15.35)
Decrease / (increase) in other financial assets	(35.23)	28.55
Decrease / (increase) in loans and advances	(1.17)	(0.95)
Increase / (decrease) in provisions	1.15	(26.11)
<b>Cash generated from / (used in) operations</b>	<b>(26.26)</b>	<b>74.72</b>
Direct taxes paid, net	58.24	55.13
<b>Net cash flow from/ (used in) operating activities (A)</b>	<b>(84.50)</b>	<b>19.59</b>
Cash flows from investing activities		
"Purchase of Property, plant & equipment (including capital work in progress and capital advances)"	(40.52)	(53.98)
Proceeds from sale of investment property		57.21
Purchase of non current investments	0.22	(30.12)
Purchase of current investments		-
Increase in non controlling interest	(5.46)	8.91
Increase/(decrease) in foreign currency transition reserve	2.28	(12.54)
Proceeds from sale of current investments	79.62	74.07
(Increase)/decrease in other bank balances	4.03	(57.50)
Dividend received	0.08	0.06
Interest received	8.32	0.70
<b>Net cash flow from/ (used in) investing activities (B)</b>	<b>48.57</b>	<b>(13.19)</b>
Cash flows from financing activities		
Proceeds from long-term borrowings	47.51	15.85
Lease Payment	(16.12)	-
Increase/(decrease) of short-term borrowings, net	5.65	47.50
Interest paid	(16.86)	(7.18)
Dividends paid (including tax on dividend)	(18.10)	(33.02)
<b>Net cash flow from/ (used in) in financing activities (C)</b>	<b>2.08</b>	<b>23.15</b>
Net increase/(decrease) in cash and cash equivalents (A + B + C)	(33.85)	29.55
Cash and cash equivalents at the beginning of the year	46.84	17.29
<b>Cash and cash equivalents at the end of the year</b>	<b>12.99</b>	<b>46.84</b>
The Company has followed indirect cashflow method		

For and on behalf of the Board of Directors  
**ASM Technologies Ltd.**

In Accordance with our Report attached for **B K RAMADHYANI & CO LLP**  
Chartered Accountants  
Firm Registration No.0028785/S200021

**M R Vikram** Chairman  
**Rabindra Srikantan** Managing Director  
**M Lakshminarayan** Director  
**Shekar Viswanathan** Director

**CA. C R Deepak**  
Partner  
Membership Number: 215398

**Ramesh Radhakrishnan** Director  
**Preeti Rabindra** Director  
**Narsingh Rathod** Chief Financial Officer  
**Vanishree Kulkarni** Company Secretary

Place : Bangalore  
Date : June 2, 2020

**Consolidated Statement of Changes in Equity for the year ended March 31, 2020**  
(All amounts in Indian Rupees millions, except as otherwise stated)

**a. Equity Shares Capital**

Particulars	Equity Share Capital (Amount)
<b>As at April 1, 2018</b>	<b>50.00</b>
Increase in share capital on issue	-
Effect of share based payments	-
<b>As at March 31, 2019</b>	<b>50.00</b>
Increase in share capital on issue	-
Effect of share based payments	-
<b>As at March 31, 2020</b>	<b>50.00</b>

**b. Other Equity**

Particulars	Reserves & Surplus				Other Comprehensive Income		Sub-Total	Non Controlling Interest	Total
	General Reserve	Security premium reserve	Capital Reserve	Retained earnings	Others	Foreign Currency translation reserve			
<b>As at April 1, 2018</b>	<b>110.00</b>	<b>33.00</b>	<b>0.33</b>	<b>337.52</b>	<b>0.66</b>	<b>(33.00)</b>	<b>448.51</b>		<b>448.51</b>
<b>Capital account including current account</b>								8.39	8.39
Profit/(loss) for the year	-	-	-	69.55	0.79	(20.93)	49.41	0.52	43.93
Dividend declared during the year	-	-	-	(33.35)	-	-	(33.35)	-	(33.35)
Other Comprehensive income	-	-	-	-	-	-	-	-	-
Net changes during the year	-	-	-	-	-	-	-	-	-
<b>As at March 31, 2019</b>	<b>110.00</b>	<b>33.00</b>	<b>0.33</b>	<b>373.72</b>	<b>1.45</b>	<b>(53.93)</b>	<b>464.57</b>	<b>8.91</b>	<b>473.48</b>
Capital account including current account							-		-
Profit/(loss) for the year	-	-	-	12.43	(2.56)	(2.28)	7.59	(5.46)	2.13
Dividend declared during the year	-	-	-	(18.10)	-	-	(18.10)	-	(18.10)
Other Comprehensive income	-	-	-	-	-	-	-	-	-
Net changes during the year	-	-	-	-	-	-	-	-	-
<b>As at March 31, 2020</b>	<b>110.00</b>	<b>33.00</b>	<b>0.33</b>	<b>368.05</b>	<b>(1.11)</b>	<b>(56.21)</b>	<b>454.06</b>	<b>3.45</b>	<b>457.51</b>

### 1 Corporate Information:

ASM Technologies Limited along with its wholly-owned and controlled subsidiaries Advanced Synergic Pte Ltd, Singapore and Pinacle Talent Inc, USA and ESR Association Inc, USA wholly-owned and controlled subsidiaries of Advanced Synergic Pte Ltd, Singapore (collectively referred to as "Group") is a pioneer in providing world class consulting services in areas of Engineering services and Product Engineering services with successful offshore development & support centres in India and overseas for its global clientele.

### 2 Significant Accounting Policies:

#### 2.1 Basis of Preparation:

In accordance with the notification issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 with effect from April 1, 2017. The financial statements of the Company are prepared and presented in accordance with Ind AS.

The financial statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

#### 2.2 Summary of significant accounting policies:

##### a) Use of Estimates:

The preparation of financial statements in conformity with Ind AS requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods. Any revision to accounting estimates is recognized prospectively.

##### b) Current versus non-current classification:

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle.
  - Held primarily for the purpose of trading
  - Expected to be realised within twelve months after the reporting period, or
  - Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.
- All other assets are classified as non-current.

A liability is treated as current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

Deffered tax assets/ liabilities are classified as non-current assets/ liabilities.

##### c) Property, Plant & Equipment:

Property, plant and equipment ("PPE") are stated at the cost of acquisition less accumulated depreciation and write down for, impairment if any. Direct costs are capitalised until the assets are ready to be put to use. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other expenses on existing assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, which do not meet the definition of PPE as per Ind AS 16 are charged to the statement of profit and loss for the period during which such expenses are incurred.

Gains or losses arising from de-recognition of PPE are measured as the difference between the net disposal proceeds and the carrying amount of PPE and are recognized in the statement of profit and loss when the PPE is derecognized.

##### d) Depreciation:

Depreciation is provided on straight-line method as per the rates specified in schedule II of the Companies Act, 2013 ("the Act"). Depreciation for the assets purchased/sold during the year is proportionately charged. The assets' residual values and useful lives are reviewed at each financial year end or whenever there are indicators for revision, and adjusted prospectively.

**e) Investment Properties:**

Investment property represents properties held for rental yields and/or for capital appreciation or both rather than for:

- (a) use in the production or supply of services or for administrative purposes; or
- (b) sale in the ordinary course of business.

Investment property is stated at the cost of acquisition less accumulated depreciation.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other expenses on existing assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, which do not meet the definition of Investment Property as per Ind AS 40 are charged to the statement of profit and loss for the period during which such expenses are incurred.

**f) Intangible Assets:**

Intangible assets acquired separately are measured on initial cost. Subsequently, carried at cost less accumulated amortization and accumulated impairment losses, if any.

Intangible assets comprising of computer software is amortised on a over a period of three years as estimated by the management.

Gains or losses arising from de-recognition of an intangible asset are measured as a difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when asset is derecognised.

**g) Leases:**

Where the Company is Lessee:

1. The Company's lease asset classes primarily consist of leases for buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:
  - (i) the contract involves the use of an identified asset
  - (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease
  - (iii) the Company has the right to direct the use of the asset.
2. At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.
3. Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.
4. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets.
5. The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.
6. Lease liability and ROU have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.
7. The borrowing rate applied to lease liabilities for discounting ranges from 9.45% to 12.55%

**h) Employee Benefits:**

**(i) Short term employee benefits:**

The employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, leave travel allowance, short term compensated absences etc. and the expected cost of bonus are recognised in the period in which the employee renders the related service.

**(ii) Defined Benefit Plans:**

Gratuity, which is a defined benefit plan, is accrued based on an independent actuarial valuation, which is done based on project unit credit method as at the balance sheet date. The Company recognizes the net obligation of a defined benefit plan in its balance sheet as an asset or liability. Gains and losses through re-measurements of the net defined benefit liability/ (asset) are recognized in other comprehensive income. In accordance with Ind AS, re-measurement gains and losses on defined benefit plans recognized in OCI are not to be subsequently reclassified to statement of profit and loss. As required under Ind AS compliant Schedule III, the Company recognizes re-measurement gains and losses on defined benefit plans (net of tax) to retained earnings.

Accumulated leave, which is expected to be utilized within the next twelve 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 the actuarial valuation using the projected unit credit method, made at the end of each financial year. Actuarial gains/losses are immediately taken to the statement of profit and loss. The Company presents the accumulated leave liability as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for twelve months after the reporting date.

**i) Revenue Recognition:**

The Company derives revenues primarily from IT related services. Effective April 01, 2018, the Company has adopted Ind AS 115, "Revenue from Contracts with Customers". Revenue is recognized upon transfer of control of promised services to customers in an amount that reflects the consideration we expect to receive in for those services.

Revenue on time-and-material contracts are recognized as the related services are performed and revenue from the end of the last invoicing to the reporting date is recognized as unbilled revenue. Revenue from fixed-price, fixed-timeframe contracts, where the performance obligations are satisfied over time and where there is no uncertainty as to measurement or collectability of consideration, is recognized as per the percentage-of-completion method. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity.

The Company recognised incentive from government in respect of Service Exports from India Scheme based on claim lodged by the Company.

**j) Taxation:**

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred tax are recognized in statement of profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity, respectively.

Current income tax expense comprises taxes on income from operations in India and in foreign jurisdictions. Income tax payable in India is determined in accordance with the provisions of the Income Tax Act, 1961. Tax expense relating to foreign operations is determined in accordance with tax laws applicable in countries where such operations are domiciled. Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax in future years. Accordingly, MAT is recognised as an asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the assets will fructify.

Deferred income tax is recognized on temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred income tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred income tax assets is reviewed at each balance sheet 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 income tax asset to be utilized.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.”

**k) Foreign Currency Transactions:**

Functional Currency:

The functional currency of the Company is the Indian rupee.

*Transactions and translations:*

Foreign currency transactions are recorded at exchange rates prevailing on the date of the transaction. Foreign currency denominated monetary assets and liabilities are restated into the functional currency using exchange rates prevailing on the balance sheet date. Gains and losses arising on settlement and restatement of foreign currency denominated monetary assets and liabilities are included in the statement of profit and loss.

**l) Provisions, Contingent liabilities and Contingent assets:**

A provision is recognized when an enterprise has a present obligation (legal or constructive) as result of past event and it is probable that an outflow of embodying economic benefits of resources will be required to settle a reliably assessable obligation. Provisions are determined based on best estimate required to settle each obligation at each balance sheet date. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Provisions for onerous contracts, i.e. contracts where the expected unavoidable costs of meeting obligations under a contract exceed the economic benefits expected to be received, are recognized when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event, based on a reliable estimate of such obligation.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements. A contingent asset is never recognised but only disclosed in the financial statements.

**m) Segment reporting policies:**

*Identification of segments:*

Operating Segments are identified on the basis of internal reports about components of the group that are regularly reviewed by the chief operating decision maker (CODM) in order to allocate resources to the segments and to assess their performance in accordance with Ind AS 108, Operating Segments. Since CODM evaluates Company's performance at a geographic segment level, operating segment information is accordingly given at geographic level.

**n) Financial Instruments:**

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

**i) Cash & Cash equivalents:**

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

**ii) Financial assets at amortized cost:**

Financial assets are subsequently measured at amortized cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**iii) Financial assets at fair value through other comprehensive income:**

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**iv) Financial assets at fair value through profit or loss:**

Financial assets are measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognized in statement of profit and loss.

**v) Financial liabilities:**

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit or loss. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

**vi) De-recognition of financial instruments:**

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for de-recognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized when the obligation specified in the contract is discharged or cancelled or expires.

**vii) Fair value of financial instruments:**

In determining the fair value of its financial instruments, the Company uses following hierarchy and assumptions that are based on market conditions and risks existing at each reporting date.

Fair value hierarchy:

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized 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 categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

**viii) Investments in subsidiary:**

Investments in subsidiary is carried at cost.

**o) Impairment:**

**i) Financial assets:**

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

**ii) Non-financial assets:**

Tangible and Intangible assets: PPE, intangible assets and 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 recognised in the statement of profit and loss.

**p) Cashflow Statement:**

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating,

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

investing and financing activities of the Company are segregated. The Company considers all highly liquid investments that are readily convertible to known amounts of cash to be cash equivalents.

### 2.3 Significant accounting judgements, estimates and assumptions:

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

#### a) *Judgements:*

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognized in the financial statements:

#### (b) *Estimates and assumptions:*

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

#### *Defined benefit plans - Gratuity*

The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of the gratuity 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 and mortality rates. 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 reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases are based on expected future inflation rates and expected salary increase thereon.

### Notes to consolidated financial statements for the year ended March 31, 2020

(All amounts in Indian Rupees millions, except as otherwise stated)

#### 3.1 Property, Plant and Equipment

	Land (freehold)	Building	Plant and Equipment	Electrical Fittings	Furniture & fixtures	Office Equipment	Vehicles	Generator	Right of Use	Total
<b>Cost</b>										
As at April 1, 2018	20.51	11.76	28.98	2.85	7.36	3.12	6.46	0.56	-	81.60
Additions	-	-	5.67	-	1.15	1.35	0.02	-	-	8.19
Disposals	-	-	-	-	-	-	-	-	-	-
Other Adjustments	-	-	0.61	-	-	-	-	-	-	0.61
<b>At March 31, 2019</b>	<b>20.51</b>	<b>11.76</b>	<b>35.26</b>	<b>2.85</b>	<b>8.51</b>	<b>4.47</b>	<b>6.48</b>	<b>0.56</b>	<b>-</b>	<b>90.40</b>
<b>Additions</b>	<b>-</b>	<b>4.64</b>	<b>25.73</b>	<b>-</b>	<b>2.67</b>	<b>2.62</b>	<b>0.58</b>	<b>-</b>	<b>31.63</b>	<b>67.87</b>
<b>Disposals</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Other Adjustments</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>At March 31, 2020</b>	<b>20.51</b>	<b>16.40</b>	<b>60.99</b>	<b>2.85</b>	<b>11.18</b>	<b>7.09</b>	<b>7.06</b>	<b>0.56</b>	<b>31.63</b>	<b>158.27</b>
<b>Depreciation/ Amortisation</b>										
At April 1, 2018	-	0.38	19.02	1.09	2.05	2.15	1.59	0.56	-	26.84
Charge for the year	-	0.27	6.03	0.45	1.33	0.40	1.04	-	-	9.52
Disposals	-	-	-	-	-	-	-	-	-	-
Other Adjustment	-	-	-	-	-	-	-	-	-	-
<b>At March 31, 2019</b>	<b>-</b>	<b>0.65</b>	<b>25.05</b>	<b>1.54</b>	<b>3.38</b>	<b>2.55</b>	<b>2.63</b>	<b>0.56</b>	<b>-</b>	<b>36.36</b>
Charge for the year	-	0.72	5.94	0.35	1.50	1.15	0.94	-	15.98	26.94
Disposals	-	-	-	-	-	-	-	-	-	-
Other Adjustment	-	-	-	-	-	-	-	-	-	-
<b>At March 31, 2020</b>	<b>-</b>	<b>1.37</b>	<b>30.99</b>	<b>1.89</b>	<b>4.88</b>	<b>4.06</b>	<b>3.57</b>	<b>0.56</b>	<b>15.98</b>	<b>63.00</b>
<b>Net Block</b>										
At March 31, 2019	20.51	11.11	10.21	1.31	5.13	1.92	3.85	-	-	54.04
At March 31, 2020	20.51	15.03	30.00	0.96	6.30	3.03	3.49	-	15.65	94.97

**Notes to consolidated financial statements or the year ended March 31, 2020**  
 (All amounts in Indian Rupees millions, except as otherwise stated)

**4. Investment in Property**

Particulars	Amount (Rs. in million)
<b>Cost</b>	
At April 1, 2018	50.47
Additions	-
Deletions	50.47
<b>At March 31, 2019</b>	-
Additions	-
Deletions	-
<b>At March 31, 2020</b>	-
<b>Depreciation/Amortisation</b>	-
At April 1, 2018	1.18
Additions	0.34
Deletions	1.52
<b>At March 31, 2018</b>	-
Additions	-
Deletions	-
<b>At March 31, 2019</b>	-
Additions	-
<b>Deletions</b>	-
<b>As At March 31, 2018</b>	-
<b>As At March 31, 2019</b>	-

**Notes to consolidated financial statements or the year ended March 31, 2020**  
(All amounts in Indian Rupees millions, except as otherwise stated)

**5. Non Current Financial Assets**

**Details of Investments**

Name of the Company	As at March 31, 2020		As at March 31, 2019	
	No of Shares	Rs.	No of Shares	Rs.
<b>(i) Non Current Investments:</b>				
<b>1) Investments In Equity Instruments</b>				
<b>A) Investments in equity instruments:</b>				
- Unquoted carried at cost				
Baro Vehicles Limited, UK (GBP 0.0001) each	13,376	6.34	-	6.25
<b>B) Investments in fair value through profit &amp; loss</b>				
<b>Investments in compulsory convertible preference shares (Unquoted)</b>				
Lavelle Networks Private Limited of Rs.10 each	3,202	30.53	-	20.01
<b>C) Investments in fair value through Other Comprehensive Income</b>				
- In Venture Capital Fund				
i) Ideaspring Capital Future Now		14.81		11.67
		<b>51.68</b>		<b>37.93</b>
<b>Additional Information:</b>				
i) Aggregate amount of unquoted investments		51.68		37.93
ii) Categorywise Non current investment:				
Financial assets carried at amortised cost		-		-
Financial assets measured at fair value through Profit & Loss		36.87		26.26
Financial assets measured at fair value through Other Comprehensive Income		14.81		11.67
<b>Total non current investment</b>		<b>51.68</b>		<b>37.93</b>

Particulars	As at March 31, 2020	As at March 31, 2019
<b>ii) Loans (Unsecured and considered good)</b>		
Security Deposits	1.15	5.56
<b>Total</b>	<b>1.15</b>	<b>5.56</b>

**6. Deferred Tax**

Particulars	As at March 31, 2020	As at March 31, 2019
<b>i) Deferred tax liability:</b>		
a) On account of depreciation on property, plant & equipment	9.26	1.90
b) On account of timing differences in recognition of expenditure	0.12	-
<b>Total</b>	<b>9.38</b>	<b>1.90</b>
<b>ii) Deferred tax asset:</b>		
a) On account of depreciation on property, plant & equipment	-	-
b) On account of timing differences in recognition of expenditure	33.59	39.22
b) On account of timing differences on Impact on Unabsorbed Depreciation	9.41	1.80
<b>Total</b>	<b>43.00</b>	<b>41.02</b>
Net Deferred tax (liability)/asset	33.62	39.12

## Notes to consolidated financial statements for the year ended March 31, 2020

(All amounts in Indian Rupees millions, except as otherwise stated)

### 7. Other Non Current Assets

Particulars	As at March 31, 2020	As at March 31, 2019
Advance Gratuity	-	7.71
Security deposits	-	0.22
Advance Payment of tax (net of provision)	77.62	42.83
Export Incentive Receivable	11.11	-
Deferred Rent- Ind AS	0.65	-
Disputed taxes paid	36.85	22.73
	<b>126.23</b>	<b>73.49</b>

### 8. Inventories:

Particulars	As at March 31, 2020	As at March 31, 2019
Work in progress	37.76	24.85
	-	-
	<b>37.76</b>	<b>24.85</b>

### 9. Financial Assets:

Particulars	As at March 31, 2020		As at March 31, 2019	
	No of Units	Rs.	No of Units	Rs.
i) Investment - fair value through statement of Profit & Loss Investments in Mutual Funds:				
i) SBI Short Term Debt Fund	862,690	20.12	862,690	18.46
ii) Franklin India Prima Fund	-	-	2,672	2.60
iii) SBI Bluechip Fund	-	-	421,232	16.52
iv) SBI Corporate Bond Fund	1,731,321	54.89	1,731,321	51.69
v) ICICI Prudential Value Discovery Fund	7,695	0.08	-	-
vi) Franklin ASK	-	-	149,409	6.19
vii) Mirae Asset	-	-	122,924	6.29
viii) SBI Ultra Short Term Daily Dividend	-	-	13	6.01
ix) Franklin India Ultra Short Term Bond Fund	-	-	7,268	0.07
<b>Investments in Portfolio Management Services:</b>	-	-	-	-
i) Motilal Oswal ASK	-	-	-	4.71
ii) Avendus	-	-	-	18.50
iii) ASK PMS	-	0.10	-	25.72
iv) Motilal Oswal Mutual Fund	-	-	-	4.05
<b>Total</b>		<b>75.19</b>		<b>154.81</b>
Aggregate Carrying value of quoted Investments		75.19		154.81
Aggregate Market value of quoted Investments		75.19		154.81

## Notes to consolidated financial statements for the year ended March 31, 2020

(All amounts in Indian Rupees millions, except as otherwise stated)

### Current Assets

#### 9 Financial Assets

Particulars	As at March 31, 2020	As at March 31, 2019
<b>ii) Trade Receivables</b>		
- Outstanding for more than 6 months	17.33	17.77
- Others	197.95	256.03
	215.28	273.80
Less: Allowance for bad & doubtful trade receivables	3.60	3.88
	211.68	269.92
<i>Additional Information:</i>		
Unsecured considered good	211.68	269.92
Unsecured Considered Doubtful	3.60	3.88
	215.28	273.80
Less:- Provision for doubtful debt (includes Provision for expected credit losses)	3.60	3.88
<b>Total</b>	<b>211.68</b>	<b>269.92</b>
The above amount includes:		
- debts due by firms/private companies in which a director is a partner or a director or a member		-
<b>iii) Cash and Bank Balance</b>		
a) Cash and cash equivalents:-		
i) Balance with Banks	-	-
- On current accounts	6.81	40.22
In unpaid dividends	0.09	0.10
ii) Cash on hand	6.09	6.52
	12.99	46.84
b) Other Bank Balance		
- in short term deposit	53.67	57.70
<b>Total</b>	<b>66.66</b>	<b>104.54</b>
Bank balance includes:		
Earmarked balances with banks	30.00	15.00
<b>iv) Loans (Unsecured, considered good)</b>		
Security Deposit	6.17	0.59
<b>Total</b>	<b>6.17</b>	<b>0.59</b>
<b>v) Other Financial Assets</b>		
Unbilled Revenue	48.26	15.55
Interest receivable on deposits	3.74	1.22
<b>Total</b>	<b>52.00</b>	<b>16.77</b>

## Notes to consolidated financial statements for the year ended March 31, 2020

(All amounts in Indian Rupees millions, except as otherwise stated)

### 10. Other current assets

Particulars	As at March 31, 2020	As at March 31, 2019
<b>(i) Advances other than capital advances</b>		
(a) Security deposits	0.01	-
(b) Advance to supplier	1.54	-
(c) Advance to Employee	3.24	2.94
<b>(ii) Others</b>		
Advance Gratuity	1.41	6.50
Prepaid expenses	13.08	13.82
<b>Total:</b>	<b>19.28</b>	<b>23.26</b>

### 11. Equity Share Capital (refer statement of changes in equity)

Particulars	As at March 31, 2020	As at March 31, 2019
Authorised 70,00,000 Equity shares of Rs 10 each	70.00	70.00
<b>Issued, Subscribed &amp; Paid up</b> 50,00,000 equity shares of Rs 10 each	50.00	50.00
<b>Total issued, subscribed and fully paid-up share capital</b>	<b>50.00</b>	<b>50.00</b>

#### (a) Rights, preferences and restrictions attached to shares

The company has only one class of equity shares having par value of Rs.10 per share. Each holder of equity is entitled to one vote per share.

#### (b) Reconciliation of the shares outstanding at the beginning and at the end of the year

Equity shares	As at March 31, 2020		As at March 31, 2019	
	Nos.	Rs.	Nos.	Rs.
At the beginning of the year	5,000,000	50.00	5,000,000	50.00
Add:-Issued during the year	-	-	-	-
<b>Outstanding at the end of the year</b>	<b>5,000,000</b>	<b>50.00</b>	<b>5,000,000</b>	<b>50.00</b>

#### (c) Details of shareholders holding more than 5% shares in the Company

Particulars	As at March 31, 2020		As at March 31, 2019	
	Nos.	% holding in class	Nos.	% holding in class
S Rabindra	2,103,677	42.07%	2,103,677	42.07%
Kannan Sundar	554,998	11.10%	554,998	11.10%
R Preeti	380,524	7.61%	380,524	7.61%
IDS System LLP	338,502	6.77%	338,502	6.77%
<b>Total</b>	<b>3,377,701</b>	<b>67.55%</b>	<b>3,377,701</b>	<b>67.55%</b>

## Notes to consolidated financial statements for the year ended March 31, 2020

(All amounts in Indian Rupees millions, except as otherwise stated)

### 12. Other Equity

Particulars	As at March 31, 2020	As at March 31, 2019
<b>i) Capital reserve</b>		
Opening balance	0.33	0.33
Add:- Addition during year	-	-
<b>Closing at end of year</b>	<b>0.33</b>	<b>0.33</b>
<b>ii) Security Premium reserve</b>		
Opening Balance	33.00	33.00
Add:-addition during year		
<b>Closing at the end of the year</b>	<b>33.00</b>	<b>33.00</b>
<b>iii) General Reserve</b>		
Opening balance	110.00	110.00
Add:- Addition during year		
<b>Closing at end of year</b>	<b>110.00</b>	<b>110.00</b>
<b>iv) Other Comprehensive Income</b>		
<b>a) Foreign currency translation reserve</b>		
Opening balance	(53.93)	(33.00)
Add:- Addition during year	(2.28)	(20.93)
Adjustment		
<b>Closing at end of year</b>	<b>(56.21)</b>	<b>(53.93)</b>
<b>b) Other Items</b>		
Opening balance	1.45	0.66
Add:- Addition during year	(2.56)	0.79
<b>Closing at end of year</b>	<b>(1.11)</b>	<b>1.45</b>
<b>v) Retained Earning</b>		
Opening balance	373.72	337.52
Add:- Addition during year	12.43	69.55
	<b>386.15</b>	<b>407.07</b>
<b>Less:- Appropriations</b>		
Interim dividend on equity shares	-	15.00
Final dividend	15.00	12.50
Tax on dividend	3.10	5.85
	18.10	33.35
<b>Total</b>	<b>368.05</b>	<b>373.72</b>
<b>Closing at end of year</b>	<b>454.06</b>	<b>464.57</b>

## Notes to consolidated financial statements for the year ended March 31, 2020

(All amounts in Indian Rupees millions, except as otherwise stated)

### Non current liabilities and provisions:-

#### 13. Financial liabilities:-

Particulars		As at March 31, 2020 Rs. in million	As at March 31, 2019 Rs. in million
	<b>Borrowings:-</b>		
i)	<b>Secured</b>		
	From Banks	58.05	-
	From others	0.51	1.68
ii)	<b>Less: Current Maturities</b>		
	From Banks	(10.05)	-
	From others	(0.51)	(1.19)
	<b>Total</b>	<b>48.00</b>	<b>0.49</b>
	<b>Additional Information:-</b>		
1)	<b>Details of Security for secured loan:-</b>		
	<b>From Others:-</b>		
1)	Term Loan From others is secured against Hypothecation charge on BMW Car ,which carries an interest rate of 8.99 % per annum and repayable in 36 Equated Monthly Installment of Rs.0.11 million per month	0.51	1.68
	<b>From Banks:-</b>		
	Term Loan from ICICI bank is secured against charge created on the Land and Building situated at No 80/2, Lusanne Court, Wellington street, Bangalore,560025 and facility is guaranteed by Mr. Rabindra Srikantan (Managing Director) of the Company. Term Loan carries Interest rate of (I-MCLR-6M + 1.4%) which is 9.6% per annum at the time of Disbursal and principal repayable in 72 equal installments of Rs. 0.8375 Million per month	58.05	-
	Interest due for the month of March	<b>0.20</b>	-

#### 14. Provisions

Particulars		As at March 31, 2020	As at March 31, 2019
	Provision for Gratuity	2.64	1.49
	<b>Total</b>	<b>2.64</b>	<b>1.49</b>

#### 15. Other non-current liabilities

Particulars		As at March 31, 2020	As at March 31, 2019
	Security Deposit	0.67	-
	Lease Liability	10.64	-
	<b>Total</b>	<b>11.31</b>	-

## Notes to consolidated financial statements for the year ended March 31, 2020

(All amounts in Indian Rupees millions, except as otherwise stated)

### Current liabilities and provisions:-

#### 16. Financial liabilities:-

Particulars	As at March 31, 2020	As at March 31, 2019
<b>i) Borrowings</b>		
Secured loans:		
Loans repayable on demand		
- from banks	151.02	145.37
<b>Unsecured Loans</b>		
- from others		
<b>Total</b>	<b>151.02</b>	<b>145.37</b>

#### a Details of security for secured loans from banks :

- |   |        |        |
|---|--------|--------|
| i. Hypothecation charge on Receivables and other current assets of the company , further charge on 17,31,321 units of SBI mutual Fund scheme "SBI Corporate bond fund -regular plan growth " and 8,62,690 units of SBI mutual und scheme "SBI short term debt fund regular plan growth and secured by personal guarantee of Managing Director | 151.02 | 145.37 |
| ii. Lien on fixed deposits of the Company and charge on 17,31,321 units of SBI mutual Fund scheme "SBI Corporate bond fund -regular plan growth " and 8,62,690 units of SBI mutual fund scheme "SBI short term debt fund regular plan growth and secured by personal guarantee of Managing Director   |        |        |

#### b Interest rate:-

- I. Secured loans from banks:
- Cash credit facility from state Bank OF India repayable on demand and carries an interest rate of MCLR + 2%
  - Loan from others carry an interest rate ranging from 14.50% to 19% per annum

#### ii) Trade Payables:-

Particulars	As at March 31, 2020	As at March 31, 2019
i) Due from Micro small and medium enterprise (Refer note 32)	-	-
ii) Others	36.01	85.53
<b>Total</b>	<b>36.01</b>	<b>85.53</b>

#### iii) Other Financial Liability

Particulars	As at March 31, 2020	As at March 31, 2019
i) Current maturity of long term debt	10.56	1.19
ii) Interest Accrued but not due	-	0.01
ii) unclaimed dividend	6.08	6.51
<b>Total</b>	<b>16.64</b>	<b>7.71</b>

#### 17) Other Current liabilities

Particulars	As at March 31, 2020	As at March 31, 2019
i) Statutory dues	21.62	24.81
ii) Employee Benefit Expenses	4.14	3.09
iii) Accrued Expenses	-	65.51
iv) Advances from Customer	10.90	-
v) Other liabilities	16.07	1.39
vi) Lease liability	6.29	-
<b>Total</b>	<b>59.02</b>	<b>94.80</b>

## Notes to consolidated financial statements for the year ended March 31, 2020

(All amounts in Indian Rupees millions, except as otherwise stated)

### 18. Revenue from operations

Particulars	As at March 31 2020	As at March 31 2019
Sale of services	842.02	771.83
Sale of goods	78.11	108.42
<b>Total</b>	<b>920.13</b>	<b>880.25</b>

### 19. Other income

Particulars	As at March 31 2020	As at March 31 2019
a) Interest on bank deposits	8.32	1.91
b) Profit on sale of investment property	-	8.26
c) Dividend income	0.08	0.06
d) Gain or loss on mutual fund	13.97	8.17
e) Miscellaneous income	2.05	1.54
f) Export Incentive	-	11.11
g) Management Fees- Investments	0.11	-
h) Exchange fluctuation gain	16.77	23.48
<b>Total</b>	<b>41.30</b>	<b>54.53</b>

### 20. Cost of raw materials, components and stores consumed

Details of raw materials, components and stores consumed

Particulars	As at March 31 2020	As at March 31 2019
Consumption of raw materials, components and stores	41.75	78.54
<b>Total</b>	<b>41.75</b>	<b>78.54</b>

### 21. (Increase)/ Decrease in inventories of stock of goods, WIP and finished goods

Particulars	As at March 31 2020	As at March 31 2019
Inventories at the end of the year		
Inventory of work in progress	37.76	24.85
<b>Total</b>	<b>37.76</b>	<b>24.85</b>
Inventories at the beginning of the year		
Inventory of work in progress	24.85	-
<b>Total</b>	<b>24.85</b>	<b>-</b>
<b>(Increase/Decrease)</b>	<b>(12.91)</b>	<b>(24.85)</b>

### 21. Employee Benefit Expenses

Particulars	As at March 31 2020	As at March 31 2019
a) Salaries and wages	594.40	532.12
b) Contribution to:		
- Provident fund	30.51	24.07
- ESI	0.39	0.15
c) Gratuity (refer note 27)	5.42	7.92
d) Staff welfare expenses	10.88	8.88
<b>Total</b>	<b>641.60</b>	<b>573.14</b>

## Notes to consolidated financial statements for the year ended March 31, 2020

(All amounts in Indian Rupees millions, except as otherwise stated)

### 23. Employee Benefit Expenses

Particulars	As at March 31 2020	As at March 31 2019
a) Interest on bank borrowings	0.75	6.62
b) Other interest	16.10	0.55
<b>Total</b>	<b>16.85</b>	<b>7.17</b>

### 24. Depreciation and amortization expense

(Rs. In million)

Particulars	As at March 31 2020	As at March 31 2019
a) Depreciation on property, plant & equipment (Includes Amortisation on ROU)	29.45	12.09
b) Depreciaiton on intangible assets -	-	-
<b>Total</b>	<b>29.45</b>	<b>12.09</b>

### 25. Other Expenses

Particulars	As at March 31 2020	As at March 31 2019
a) Travelling and conveyance expenses	62.81	57.02
b) Services rendered by business associates and others	66.06	23.76
c) Software, hardware and material costs	12.45	5.74
d) Communication expenses	4.52	3.54
e) Payment to Auditor (refer note below)	2.63	2.89
f) Legal and Professional fees	2.41	35.80
g) Sitting fees paid to directors	0.38	-
h) Rent	6.03	20.44
i) Repair and Maintenance	4.86	4.14
j) Provision for bad debt	0.45	-
k) Contract labour charges	7.69	5.54
l) Donations (Including CSR expenses)	-	0.11
m) Electricity Expenses	4.16	3.51
n) Advertisement and Business Promotions	22.99	4.57
o) Insurance charges	4.74	1.49
p) Membership & subscription	5.89	4.84
q) Office Maintenance	5.65	4.90
r) Printing & stationary	0.60	0.76
s) Rates & Taxes	1.01	0.56
t) CSR Expenses	2.50	3.99
u) Miscellaneous Expenses	8.21	15.24
<b>Total</b>	<b>226.04</b>	<b>198.84</b>
<b>Payments to Auditor</b>		
Audit fee	2.23	2.49
Tax audit fee	0.40	0.40
Reimbursement of expenses	-	-

### 26. Earning per Share

Particulars	As at March 31 2020	As at March 31 2019
Profit/(Loss) for the year	6.97	70.07
Weighted average number of Equity shares	5.00	5.00
Earning per share basic and diluted (in INR)	1.39	14.01
Face value per equity share (in INR)	<b>10.00</b>	10.00

## Notes to consolidated financial statements for the year ended March 31, 2020

(All amounts in Indian Rupees millions, except as otherwise stated)

### 27. Gratuity and other post-employment benefits

The Company has a defined benefit gratuity plan. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Every employee who has completed five years or more of service is entitled to gratuity of 15 days salary (last drawn salary) for each completed year of service. The scheme is not funded.

The following tables summarize the components of net benefit expense recognized in the statement of profit and loss and amounts recognized in the balance sheet for the gratuity plan:

#### Statement of Profit and Loss

##### Net employee benefit expenses recognised in the employee cost:

Particulars	March 31, 2020	March 31, 2019
Current service cost	5.13	9.80
Past service cost	-	-
Interest cost	(0.41)	1.94
<b>Net benefit expense</b>	<b>4.72</b>	<b>11.75</b>

#### Changes in the fair value of defined benefit obligation are as follows:

Particulars	March 31, 2020	March 31, 2019
Opening defined benefit obligation	33.33	27.07
Current service cost	5.13	9.80
Past service cost	-	-
Interest cost	2.29	1.94
Liability transferred out/divestments	-	-
Benefits paid directly by employer	-	(4.48)
Benefits paid directly from fund	(6.54)	-
<b>Remeasurements</b>	-	-
Actuarial loss/(gain) from changes in demographic assumptions	-	-
Actuarial loss/(gain) from changes in financial assumptions	1.54	0.36
Actuarial loss/(gain) from experience over the past period	1.17	(1.37)
<b>Closing defined benefit obligation</b>	<b>36.92</b>	<b>33.33</b>

#### Changes in the fair value of assets are as follows:

Particulars	March 31, 2020	March 31, 2019
Fair value as at the beginning of the year	39.55	-
Expected return on plan assets	(0.08)	-
Actuarial gains	-	-
Contributions	0.02	39.55
Interest Income	2.70	-
Benefits paid	(6.54)	-
<b>Closing fair value of asset</b>	<b>35.65</b>	<b>39.55</b>

#### The amounts recognized in the Balance Sheet are as follows:

Particulars	March 31, 2020	March 31, 2019
Present value of the obligation as at the end of the year	36.92	33.33
Fair value of plan assets as at the end of the year	(35.65)	(39.55)
<b>Net liability/ (asset) recognized in the Balance Sheet</b>	<b>1.27</b>	<b>(6.22)</b>

## Notes to consolidated financial statements for the year ended March 31, 2020

(All amounts in Indian Rupees millions, except as otherwise stated)

The principal assumptions used in determining gratuity obligations for the Company's plan are shown below:

Particulars	March 31, 2020	March 31, 2019
Discount rate	5.45%	7.18%
Employee turnover	25.00%	25.00%
Salary escalation rate	8.5%	8.5%
Salary escalation rate	'Indian Assured Lives Mortality (2006-08)	

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 is for the holding company.

### Sensitivity Analysis of significant actuarial assumptions

Particulars		Change in DBO by	
		March 31, 2020	March 31, 2019
Discount rate	Increases 0.5%	(0.90)	(0.77)
	Decreases 0.5%	0.98	0.83
Employee turnover	Increases 0.5%	(0.17)	(0.09)
	Decreases 0.5%	0.18	0.09
Salary escalation rate	Increases 0.5%	0.92	0.79
	Decreases 0.5%	(0.86)	(0.74)

### Description of funding arrangements and funding policy that affect future contributions

The plan is unfunded and the status is unlikely to change over the next few years.

### Maturity profile

Projected Benefits Payable in Future Years From the Date of Reporting	As at March 31, 2020	As at March 31, 2019
1st following year	8.19	6.48
2nd following year	4.76	5.48
3rd following year	4.59	5.27
4th following year	4.82	3.95
5th following year	4.30	4.05
Sum of years 6 to 10	12.31	11.56

### Defined contribution plan

The Company also has defined contribution plans. Contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the period towards defined contribution plan is Rs.30.51 million (Previous Year: Rs.24.07 million)

Other Information	March 31, 2020	March 31, 2019
Weighted average duration of the projected benefit obligation	4.00	4.00
Average expected future service	3.00	3.00

## 28. Disclosure on leases:

### Transition:

Effective April 1, 2019, the Company adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method and calculated the present value of the remaining lease payments, discounted using the incremental borrowing rate at the date of initial application. Consequently, the Company recorded the lease liability at the present value of the remaining lease payments discounted at the incremental borrowing rate and the right of use asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the Company's incremental borrowing rate at the date of initial application. Comparatives as at and for the year ended March 31, 2019 have not been retrospectively adjusted and therefore will continue to be reported under the accounting policies included as part of our Annual Report for year ended March 31, 2019.

On transition, the adoption of the new standard resulted in recognition of "Right to Use Asset" and Lease Liability amounting to Rs.31.63 Million. The effect of this adoption is insignificant on the profit before tax, profit for the year and earnings per share. Ind AS 116 will result in an increase in cash in flows from operating activities and an increase in cash outflows from financing activities on account of lease payments.

(i) The following is the movement of lease liabilities during the year ended March 31, 2020

The principal assumptions used in determining gratuity obligations for the Company's plan are shown below:

Particulars	March 31, 2020
Balance at the beginning of the year	
On account of implementation of Ind AS 116	31.63
Finance cost accrued during the year	2.73
Payment of lease liabilities	17.43
<b>Balance at the end of the year</b>	<b>16.93</b>

The Company does not face a liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

(ii) Details regarding the contractual maturities of lease liabilities as at March 31, 2020 on undiscounted basis:

Particulars	March 31, 2020
Less than one year	6.29
One to five years	10.64
More than five years	-
<b>Total</b>	<b>16.93</b>

#### 29. Corporate Social Responsibility:

As per Section 135 of the Act, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social.

Particulars	March 31, 2020
(a) Gross amount required to be spent by the Company during the year	1.76
(b) Amount spent during the year	2.50
(c) (Excess)/lower amount spent (a) - (b)	(0.74)

#### 30. Related Party disclosures

##### i) Name of related parties and related party relationship

Name of the entity	Relationship
IDS Systems LLP	Associate Company
Abacus Business Solutions Inc	Company in which directors are interested
Rabindra Srikantan M R Vikram Prof. B S Sonde Shekar Vishwanathan Preeti Rabindra M Lakshminarayan	Directors
N Krishnan Narsingh Rathod Pramod G Rao Lakshmi P N ( upto August 31,2019) Vanishree Kulkarni ( w.e.f September 01,2019) Srinivasa Murthy Seshadri	Key Managerial Personnel ("KMP")
Akhil Rabindra Nikhil Rabindra	Relatives of Director

## Notes to consolidated financial statements for the year ended March 31, 2020

(All amounts in Indian Rupees millions, except as otherwise stated)

### ii) Related party transactions

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

Particulars	Current Year	Previous Year
Sale of services - IDS Systems LLP	-	0.09

The following table provides the closing balances of related parties as at the relevant financial year-end:

Particulars	As at March 31, 2020	As at March 31, 2019
<b>Amount due to Company</b> IDS Systems LLP	11.85	11.85

### iii)

Key Managerial Personnel:	Relation ship	Nature of transaction	As at March 31, 2020	As at March 31, 2019
M R Vikram	Chairman	Sitting fees & reimbursement of expenses	1.31	1.50
Rabindra Srikantan	Managing Director	Remuneration	12.33	10.20
Prof. B S Sonde	Director	Sitting fees	0.05	0.24
Shekar Viswanathan	Director	Sitting fees	0.08	0.25
M Lakshminarayan	Director	Sitting fees	0.07	0.32
Preeti R	Director	Sitting fees	0.08	0.27
Akhil Rabindra	Relative of KMP	Remuneration	1.09	0.74
Narsingh Rathod	Chief Financial Officer	Remuneration	0.25	0.25
P N Lakshmi	Company Secretary	Remuneration	0.48	0.69
Vanishree Kulkarni	Company Secretary	Remuneration	0.75	-
N. Krishnan	KMP	Remuneration	7.79	5.97
Srinivasa Murthy Seshadri	KMP	Remuneration	4.53	3.76
Pramod G Rao	KMP	Remuneration	5.71	5.55
<b>Amount due to Company:</b>		-		
N Krishnan	KMP		-	0.11
<b>Amount due by Company:</b>				
Rabindra Srikantan	Managing Director		0.04	0.40
M R Vikram	Director		-	0.17
Prof. B S Sonde	Director		-	0.17
Shekar Viswanathan	Director		-	0.17
M Lakshminarayan	Director		-	0.17
Preeti R	Director		-	0.17

## Notes to consolidated financial statements for the year ended March 31, 2020

(All amounts in Indian Rupees millions, except as otherwise stated)

Compensation of key managerial personnel		
Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Short-term employee benefits	12.63	10.71
Post employment benefit*	0.43	0.43

\* The remuneration to the key managerial personnel does not include the provisions made the gratuity and leave benefits, as they are determined on an actuarial basis for the Company as a whole.

### Terms and conditions of transactions with related parties

The sales of services to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions.

### 31 Capital and other commitments

Company has committed to contribute Rs.30 million to a venture capital fund out of which Rs.18 million has been paid so far. Amount of such capital commitment outstanding as at March 31, 2020 is Rs. 12 million (As at March 31, 2019: Rs. 16.5 million)

### 32 Contingent Liabilities

Particulars	As at March 31, 2020	As at March 31, 2019
Service tax claim (company filed appeal against the order)	41.85	41.85
Showcause notice received from service tax authorities	182.28	182.28
Income tax under appeal of which the Company has paid an amount of Rs.36.85 million (as at March 31, 2019 Rs.22.73 million) under protest	58.44	53.70
Income tax deducted at source demand under the traces software for short and non remittances of tax deduction at source – matter under examination.	1.94	2.82

33 Based on the information available with the Company, there are no vendors who are registered as Micro and Small Enterprises under the Micro, Small & Medium Enterprises Development Act, 2006 (MSMED Act) as at March 31, 2020 which has been relied by the auditors.

### 34 Segment reporting

The Company believes that assets and liabilities used in the business are not identified to any of the reportable segments, as these are used interchangeably between segments. Accordingly the same has not been provided

Particulars	As at March 31, 2020			As at March 31, 2019		
	Exports	Domestic	Manufacturing	Exports	Domestic	Manufacturing
Segment Revenue	745.29	112.07	62.77	692.99	78.84	108.42
Segment Expenses	539.36	86.59	50.05	444.02	60.45	81.42
Segment Results	205.93	25.48	12.72	248.97	18.39	26.94

### Significant Clients

The Company's 90% of revenue is derived from three customers (Previous year: 90% of revenue from three customers).

### Product-wise Information

Company provides single service and hence no product-wise information is necessary to be given.

## Notes to consolidated financial statements for the year ended March 31, 2020

(All amounts in Indian Rupees millions, except as otherwise stated)

### 35 Income taxes

The major components of income tax expense for the years ended March 31, 2020 and March 31, 2019 are:

#### Statement of profit and loss:

Profit or loss section	As at March 31, 2020	As at March 31, 2019
<b>Current income tax:</b>		
Income tax	5.83	16.43
<b>Deferred tax:</b>		
Relating to origination and reversal of temporary differences	5.85	3.35
<b>Income tax expense reported in the statement of profit or loss</b>	<b>11.68</b>	<b>19.78</b>
<b>OCI section</b>		
Deferred tax related to items recognised in OCI during the year:	0.34	(0.32)
<b>Income tax charged to OCI</b>	<b>0.34</b>	<b>(0.32)</b>

#### Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2020 and March 31, 2019:

Particulars	As at March 31, 2020	As at March 31, 2019
Accounting profit before income tax	18.65	89.85
Less: Profit/(Loss) from foreign subsidiaries		2.46
Accounting profit before income tax of holding company	18.65	92.31
Enacted income tax rate in India	25.17%	27.82%
Tax at the applicable tax rate of 25.17 % (March 31, 2019: 27.82%)	4.69	25.94
<i>Non-deductible expenses for tax purposes:</i>		
Inadmissible expenses	4.73	4.73
Temporary differences not considered for current tax calculation (net of amounts recognised in other comprehensive income)	(8.33)	(8.33)
Difference in profit on account of Ind AS adjustments	-	-
Effect of change in rate of tax applied for calculation of current tax	-	-
Effect of change in rate of tax applied for calculation of deferred tax		
Provision for tax relating to prior years		(2.30)
Others		
Provision for tax of foreign subsidiary		
<b>At the effective income tax rate of 25.17% (March 31, 2019: 27.82%) - Income tax expense recorded in the books</b>	<b>1.09</b>	<b>19.78</b>

#### Reconciliation of deferred tax expense(income) recognised in Statement of profit and loss and Other comprehensive income:

	As at March 31, 2020	As at March 31, 2019
Property, Plant and Equipment and Intangible assets	(4.28)	2.55
Fair valuation adjustments of financial instruments	0.02	(0.02)
Provision for impairment of financial assets	0.78	(9.38)
Provision for employee benefits allowable under Income		
Tax on payment basis	7.54	(1.47)
Ind AS adjustment for borrowing cost	(0.11)	0.02
Ind AS adjustment on Mark to Market of Investment	(0.28)	-
<b>Total</b>	<b>3.67</b>	<b>(8.30)</b>

The tax rates under Indian Income Tax Act, for the year ended March 31, 2020 and March 31, 2019 is 25.17% and 27.82% respectively

## Notes to consolidated financial statements for the year ended March 31, 2020

(All amounts in Indian Rupees millions, except as otherwise stated)

Deferred tax assets/(liabilities) as at March 31, 2019 is in relation to:

Particulars	As at March 31, 2019	Recognised in profit and loss	Recognised in other comprehensive income	Recognised directly in equity	As at March 31, 2020
Property, Plant and Equipment and Intangible assets	1.14	4.28	-	-	5.42
Fair valuation adjustments of financial assets	0.05	(0.02)	-	-	0.03
Provision for impairment of financial assets	37.64	(0.78)	-	-	36.86
Provision for employee benefits allowable under Income Tax on payment basis	-	(7.25)	-	-	-
Ind AS adjustment for borrowing cost	-	0.11	-	-	0.11
Ind AS adjustment on Mark to Market of Investment	0.28	0.31	0.34	-	0.93
<b>Total</b>	<b>39.11</b>	<b>(3.35)</b>	<b>0.34</b>	<b>-</b>	<b>43.35</b>

Deferred tax assets/(liabilities) as at March 31, 2018 is in relation to:

Particulars	As at April 1, 2018	Recognised in profit and loss	Recognised in other comprehensive income	Recognised directly in equity	As at March 31, 2019
Property, Plant and Equipment and Intangible assets	(3.14)	4.28	-	-	1.14
Fair valuation adjustments of financial instruments	0.07	(0.02)	-	-	0.05
Provision for impairment of financial assets	38.42	(0.78)	-	-	37.64
Provision for employee benefits allowable under Income Tax on payment basis	7.54	(7.25)	(0.29)	-	-
Ind AS adjustment for borrowing cost	(0.11)	0.11	-	-	-
Ind AS adjustment on Mark to market of Investment	-	0.31	(0.03)	-	0.28
<b>Total</b>	<b>42.78</b>	<b>(3.35)</b>	<b>(0.32)</b>	<b>-</b>	<b>39.11</b>

## Notes to consolidated financial statements for the year ended March 31, 2020

(All amounts in Indian Rupees millions, except as otherwise stated)

### 36 Financial risk management objectives and policies

The Company's principal financial liabilities comprise of trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations to support its operations. The Company's principal financial assets include trade and other receivables, rental and bank deposits and cash and cash equivalents, that derive directly from its operations.

The Company is exposed to credit and liquidity risk. The Company's senior management oversees the management of these risks and the Board of Director's reviews these activities.

#### i. Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument would fluctuate due to changes in market prices. Market risk comprises three types of risks: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include trade payables. The Company is not exposed to price risk on the financial date.

The sensitivity analysis in the following sections relate to the positions as at March 31, 2020 and March 31, 2019.

The analysis exclude the impact of movements in market variables on: the carrying values of gratuity and other post-retirement obligations and provisions.

The following assumption has been made in calculating sensitivity analyses:

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2020 and March 31, 2019.

#### a. Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The operations of the Company are both in India and overseas. Company has been providing services to overseas customers. Hence, the Company is currently exposed to the currency risk arising from fluctuation of these foreign currencies and Indian rupee exchange rates.

The following table presents foreign currency risk for the below financial liabilities:

As at March 31, 2020 Particulars	Transaction currency	
	USD (\$)	Total
Assets:		
Trade receivables	177.62	177.62
<b>Total</b>	<b>177.62</b>	<b>177.62</b>

As at March 31, 2019 Particulars	Transaction currency	
	USD (\$)	Total
Assets:		
Trade receivables	136.23	136.23
<b>Total</b>	<b>136.23</b>	<b>136.23</b>

#### Foreign currency sensitivity

Particulars	Change in USD rates	Effect on profit before tax (Decrease)/Increase	"Effect on pre-tax equity (Decrease)/Increase"
March 31, 2020	1%	1.78	1.78
	-1%	(1.78)	(1.78)
March 31, 2019	1%	1.36	1.36
	-1%	(1.36)	(1.36)

#### ii. Credit risk

Credit risk is the risk that counterparty 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). At the end of every financial year, the Company makes an assessment whether any loss allowance has to be provided for using the lifetime Expected Credit Loss (ECL) method.

## Notes to consolidated financial statements for the year ended March 31, 2020

(All amounts in Indian Rupees millions, except as otherwise stated)

### iii. Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due.

The Company's board of directors are responsible for liquidity, funding as well as settlement management.

The table below provides details regarding the contractual maturities of significant financial liabilities

Particulars	As at March 31, 2020 Less than 1 year	As at March 31, 2019 Less than 1 year
Borrowings	151.02	145.37
Trade payables	36.01	85.53
Other financial liabilities	16.65	7.70
<b>Total</b>	<b>203.68</b>	<b>238.60</b>

## 37. Financial Instruments

The carrying value of financial instruments by categories as at March 31, 2020 and March 31, 2019 is as follows:

### Financial Assets

Particulars	Carrying value as at		Fair value as at	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
<b>Cost</b>				
Investments in subsidiaries		-		-
<b>Amortised Cost</b>				
Loans	7.32	6.15	7.32	6.15
Trade receivables	211.68	269.91	211.68	269.91
Cash and cash equivalents	66.66	104.53	66.66	104.53
Other assets	52.00	16.77	52.00	16.77
<b>Fair value through Profit and Loss</b>				
<b>Investments</b>	<b>75.19</b>	<b>154.81</b>	<b>75.19</b>	<b>154.81</b>
<b>Fair value through Other</b>				
<b>Comprehensive Income</b>				
Investments	51.68	37.93	51.68	37.93
<b>Total Assets</b>	<b>464.53</b>	<b>590.10</b>	<b>464.53</b>	<b>590.10</b>

### Financial Liabilities

Particulars	Carrying value as at		Fair value as at	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
<b>Amortised Cost</b>				
Loans and borrowings	199.02	145.86	199.02	145.86
Trade payables	36.01	85.53	36.01	85.53
Other liabilities	16.64	7.71	16.64	7.71
<b>Fair value through Profit and Loss</b>				
<b>Total Liabilities</b>	<b>251.67</b>	<b>239.10</b>	<b>251.67</b>	<b>239.10</b>

## Notes to consolidated financial statements for the year ended March 31, 2020

(All amounts in Indian Rupees millions, except as otherwise stated)

### 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).

The following table presents fair value hierarchy of assets and liabilities as at March 31, 2020:

Particulars	As at March 31, 2020	Fair value measurement at end of reporting year		
		Level 1	Level 2	Level 3
Loans: Security deposits (at amortised cost)	7.32	-	-	7.32
Investments (at fair value)	126.87	75.19	51.68	-

The following table presents fair value hierarchy of assets and liabilities as at March 31, 2019:

Particulars	As at March 31, 2019	Fair value measurement at end of reporting year		
		Level 1	Level 2	Level 3
Loans: Security deposits (at amortised cost)	6.15	-	-	6.15
Investments (at fair value)	192.74	154.81	37.93	-

### 38 Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders and long-term and short-term borrowings. The primary objective of the Company's capital management is to maximise the shareholder's value.

The capital structure is as follows:

Particulars	As at March 31, 2020		As at March 31, 2019	
	Amount	Percentage of total capital	Amount	Percentage of total capital
Total equity attributable to the equity share holders of the Company	454.06	69.53%	473.48	76.45%
Non-current Borrowings	48.00	7.35%	0.49	0.08%
Short-term borrowings	151.02	23.12%	145.37	23.47%
<b>Total</b>	<b>653.08</b>		<b>619.34</b>	

The Company is predominantly equity financed which is evident from the capital structure table. Further, the Company has always been a net cash Company with cash and bank balances along with current financial assets which is predominantly receivables.

### 39 Events occurring after balance sheet date:

The Board of directors of the Company have proposed final dividend of Rs. 2.50 per equity share of Rs.10/- fully paid up for the year ended March 31, 2020 which is subject to approval of the shareholders.

### 40 Approval of Financial Statements:

The financial statements were approved for the issue by the board of directors on June 2, 2020

### 41 Impact of COVID-19

The management has considered the possible effects that may result from the Covid-19 pandemic on the carrying value of assets. In developing the assumptions relating to the possible future uncertainties in the economic conditions because of this pandemic, the company, as at the date of approval of these financial statements has used internal and external sources of information to assess the expected future performance of the company. The company has internally performed sensitivity

analysis on the assumptions used and based on the current estimates, the company expects that the carrying amount of these assets, as reflected in the balance sheet as at March 31, 2020, are fully recoverable. The management has also estimated the future cashflows for the company with the possible effects that may result from the COVID-19 pandemic and does not foresee any adverse impact on its ability to continue as going concern and in meeting its liabilities as and when they fall due. The actual impact of the COVID-19 pandemic may be different from the estimated as at the date of approval of these financial statements.

For and on behalf of the Board of Directors  
**ASM Technologies Ltd.**

In Accordance with our Report attached  
for **B K RAMADHYANI & CO LLP**  
Chartered Accountants  
Firm Registration No.0028785/S200021

**M R Vikram** Chairman  
**Rabindra Srikantan** Managing Director  
**M Lakshminarayan** Director  
**Shekar Viswanathan** Director

**CA. C R Deepak**  
Partner  
Membership Number: 215398

**Ramesh Radhakrishnan** Director  
**Preeti Rabindra** Director  
**Narsingh Rathod** Chief Financial Officer  
**Vanishree Kulkarni** Company Secretary

Place : Bangalore  
Date : June 2, 2020

Notes to Consolidated financial statements for the year ended March 31, 2020

Statutory Group Information

Name of the entity	Net Assets, i.e., total assets minus total liabilities		Share in other Comprehensive income		Share in total Comprehensive income			
	As % of consolidated net assets	Rs. In million	As % of consolidated Profit & Loss	Rs. In million	As % of consolidated OCI	Rs. In million	As % of consolidated Total Comprehensive Income	Rs. In million
<b>Parent</b>								
<b>ASM Technologies Limited</b>								
Balance as at 31 March, 2020	125.85%	663.16	109.11%	69.93	100.00%	(4.84)	109.86%	65.09
Balance as at 31 March, 2019	131.24%	654.26	-480.32%	36.36	100.00%	(11.75)	-127.38%	24.61
<b>Subsidiaries</b>								
<b>Pinnacle Talent Inc</b>								
Balance as at 31 March, 2020	-8.04%	(42.34)	-4.91%	(3.15)	0.00%	0.00	-5.32%	(3.15)
Balance as at 31 March, 2019	-7.69%	(38.34)	61.69%	(4.67)	0.00%	0.00	24.17%	(4.67)
<b>Advanced Synergic Pte Ltd, Singapore</b>								
Balance as at 31 March, 2020	-23.59%	(124.28)	5.32%	3.41	0.00%	0.00	5.76%	3.41
Balance as at 31 March, 2019	-24.52%	(122.24)	496.57%	(37.59)	0.00%	0.00	194.57%	(37.59)
<b>RV Forms &amp; Gears LLP</b>								
Balance as at 31 March, 2020	3.65%	19.21	2.70%	1.73	0.00%	0.00	2.92%	1.73
Balance as at 31 March, 2019	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00
<b>ESR Associates Inc., USA</b>								
Balance as at 31 March, 2020	1.23%	6.47	-0.75%	(0.48)	0.00%	0.00	-0.81%	(0.48)
Balance as at 31 March, 2019	0.97%	4.83	22.06%	(1.67)	0.00%	0.00	8.64%	(1.67)
<b>ASM Technologies KK, Japan</b>								
Balance as at 31 March, 2020	0.24%	1.26	-2.95%	(1.89)	0.00%	0.00	-3.19%	(1.89)
Balance as at 31 March, 2019	0.00%		0.00%	0.00	0.00%	0.00	0.00%	0.00
<b>Non-controlling interests in all subsidiaries</b>								
Balance as at 31 March, 2020	0.65%	3.45	-8.52%	(5.46)	0.00%	0.00	-9.22%	(5.46)
Balance as at 31 March, 2019	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00
<b>Total</b>								
Balance as at 31 March, 2020	<b>100.00%</b>	<b>526.93</b>	<b>100.00%</b>	<b>64.09</b>	<b>100.00%</b>	<b>(4.84)</b>	<b>100.00%</b>	<b>59.25</b>
Balance as at 31 March, 2019	<b>100.00%</b>	<b>498.51</b>	<b>100.00%</b>	<b>(7.57)</b>	<b>100.00%</b>	<b>(11.75)</b>	<b>100.00%</b>	<b>(19.32)</b>







## NOTICE

Notice is hereby given that the 28th Annual General Meeting of the Company will be held on Friday , 10th of July, 2020 at 10.00 a.m. IST through Video Conferencing (VC)/ Other Audio Visual Means (OAVM) to transact the following business.

### ORDINARY BUSINESS

#### 1. Adoption of Accounts

To receive, consider and adopt the audited financial statements (standalone and consolidated) of the company for the year ended March 31, 2020 including the audited Balance Sheet as at March 31, 2020, the Statement of Profit and Loss Account for the year ended on that date and the reports of the Board of Directors and Auditors thereon.

#### 2. Declaration of Dividend

To declare a final dividend of Rs. 2.50/- per equity share of Rs 10/- each for the Financial year ended 31st March, 2020.

#### 3. Appointment of Director

To appoint a Director in the place of Ms. Preeti Rabindra (DIN: 00216818) who retires by rotation and being eligible, offers herself for re-appointment.

### SPECIAL BUSINESS

#### 4. Appointment of Mr. M Lakshminarayan (DIN: 00064750) as an Independent Director of the Company:

To consider and if thought fit, to pass the following resolution as an Special resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 (“Act”) and the Companies (Appointment and Qualification of Directors) Rules 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the consent of the members be and is hereby accorded to appoint Mr. M Lakshminarayan (DIN: 00064750), as an Independent Non-Executive Director of the Company who was appointed as Non- executive Non Independent Director, pursuant to section 152 and other relevant provision of the Companies Act 2013 and Rules made there under (including and statutory modification(s) or re-enactment(s) thereof, for the time being in-force), Article of Association of the company , approvals and recommendations of the nomination and remuneration committee, and that of the board ,and who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act & Regulation 25(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and who is eligible for appointment, be and is hereby appointed as an Independent Non-Executive Director of the Company to hold office for a term of five consecutive years with effect from July 10, 2020 to July 09, 2025 and whose office shall not be liable to retire by rotation.”.

**RESOLVED FURTHER THAT** the board be and is hereby authorized to delegate all or any of the powers to any committee of directors with power to further delegate to any other officer(s). authorized representative(s) of the company to do all acts, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution.

**5. Appointment of Mr. Ramesh Radhakrishnan (DIN: 02608916) as a Director of the Company:**

To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution

**“RESOLVED THAT** Mr. Ramesh Radhakrishnan (DIN: 02608916) who was appointed as an Additional Director (Non-executive, Non Independent Director ) of the Company w.e.f. June 02, 2020 by the Board of Directors and who holds office upto the date of this Annual General Meeting in terms of Section 161 and other applicable provisions of the Companies Act, 2013 (“the Act”) read with Companies (Appointment and Qualification of Directors) Rules, 2014 and the Article of Association, and pursuant to the recommendation of the Nomination & Remuneration Committee and the Board of Directors, and being eligible, offer himself for appointment, be and is hereby appointed as a Non-executive, Non Independent Director of the Company, liable to retire by rotation, with effect from the date of this Meeting

**“RESOLVED FURTHER THAT** the Board of Directors of the Company (including its committee thereof) and Company Secretary of the Company, be and are hereby severally authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.”

**6. Appointment of Branch Auditors:**

To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution

**“RESOLVED THAT** pursuant to the provisions of Section 143(8) and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made there under, the Board of Directors be and is hereby authorized to appoint, such person or persons qualified for appointment as Auditor or Auditors of the Company’s Branch Offices in USA, UK and Canada to examine and audit the accounts for the financial year 2020-2021 on such remuneration, terms and conditions as the Board may deem fit or authorize the Statutory Auditors of the Company to audit the branch Accounts and comply with the provisions of the Companies Act 2013.”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company (including its committee thereof) and Company Secretary of the Company, be and are hereby severally authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.”

REGD. OFFICE  
80/2, Lusanne Court,  
Richmond Road  
Bangalore 560 025

Date: 02.06.2020

By Order of the Board

**RABINDRA SRIKANTAN**  
Managing Director  
(DIN 00024584)

## NOTES

1. The relative Statement (Explanatory Statement) pursuant to Section 102(1) of the Companies Act, 2013 with respect to the Special Business set out in the Notice is annexed.
2. Pursuant to the General Circular numbers 20/2020, 14/2020, 17/2020 issued by the Ministry of Corporate Affairs (MCA) and Circular number SEBI/HO/CFD/CMD1/CIR/P/2020/79 issued by the Securities and Exchange Board of India (SEBI) (hereinafter collectively referred to as “the Circulars”), companies are allowed to hold AGM through VC, without the physical presence of members at a common venue. Hence, in compliance with the Circulars, the AGM of the Company is being held through VC.
3. A member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his / her behalf and the proxy need not be a member of the Company. Since the AGM is being held in accordance with the Circulars through VC, the facility for appointment of proxies by the members will not be available.
4. Participation of members through VC will be reckoned for the purpose of quorum for the AGM as per section 103 of the Companies Act, 2013 (“the Act”).
5. Members of the Company under the category of Institutional Investors are encouraged to attend and vote at the AGM through VC. Corporate members intending to authorize their representatives to participate and vote at the meeting are requested to send a certified copy of the Board resolution / authorization letter to the Company or upload on the VC portal / e-voting portal.
6. Members holding shares in physical form are requested to notify any change in their address to the Company/ KFin Technologies Private Limited, Tower B, Plot No.31 & 32, Financial District, Nanakramguda , Serilingampally Mandal, Hyderabad - 500032. Members holding shares in electronic form are requested to direct change of address notifications and updation of their bank account details to their respective depository participants.
7. The Register of Members and Share transfer books of the Company will remain closed from 09.07.2020 to 10.07.2020 (both days inclusive) in terms of provisions of Section 91 of the Companies Act 2013 for the purpose of Annual General Meeting of the company .
8. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
9. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company. As per the provisions of Section 72 of the Act, facility for making nomination is available to the Members in respect of the shares held by them. Members holding shares in single name and who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to cancel the earlier nomination and record fresh nomination, he/ she may submit the same in Form No. SH-14. Members holding shares in physical form are requested to submit the forms to the Company. Members holding shares in dematerialised form are requested to submit their forms to their DPs
10. Non-Resident Indian Members are requested to inform KFin Technologies Private Limited, the Registrars, of:  
Change in their residential status on return to India for permanent settlement.  
Particulars of their bank A/c maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
11. Payment of Dividend through ECS:
  - a) Members holding shares in physical form are advised to submit particulars of their bank account , viz, name and address of the bank, 9 digit MICR code of the branch, type of account and account number to the Registrars, KFin Technologies Private Limited, Tower B, Plot No.31 & 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad 500032
  - b) Members holding shares in demat form are advised to inform the particulars of their bank account to their respective Depository participants.
12. Members may note that the Income Tax Act, 1961, (“the IT Act”) as amended by the Finance Act, 2020, mandates that dividends paid or distributed by a company after April 01, 2020 shall be taxable in the hands of members. The Company shall therefore be required to deduct tax at source (TDS) at the time of making the payment of final dividend. In order to enable us to determine the appropriate TDS rate as applicable, members are requested to submit the following documents in accordance with the provisions of the IT Act. For resident shareholders, taxes shall be deducted at source under Section 194 of the IT Act as follows

Members having valid PAN- 7.5% or as notified by the Government of India

Members not having PAN / valid PAN- 20% or as notified by the Government of India

However, no tax shall be deducted on the dividend payable to a resident individual if the total dividend to be received by them during Financial Year 2020-21 does not exceed ` 5,000 and also in cases where members provide Form 15G / Form 15H (applicable to individuals aged 60 years or more) subject to conditions specified in the IT Act. Resident shareholders may also submit any other document as prescribed under the IT Act to claim a lower / Nil withholding tax. Registered members may also submit any other document as prescribed under the IT Act to claim a lower / Nil withholding tax. PAN is mandatory for members providing Form 15G / 15H or any other document as mentioned above.

For non-resident shareholders, taxes are required to be withheld in accordance with the provisions of Section 195 and other applicable sections of the IT Act, at the rates in force. The withholding tax shall be at the rate of 20% (plus applicable surcharge and cess) or as notified by the Government of India on the amount of dividend payable. However, as per Section 90 of the IT Act, non-resident shareholders have the option to be governed by the provisions of the Double Tax Avoidance Agreement (DTAA) between India and the country of tax residence of the member, if they are more beneficial to them. For this purpose, i.e. to avail the benefits under the DTAA, non-resident shareholders will have to provide the following : Copy of the PAN card allotted by the Indian Income Tax authorities duly attested by the member Copy of Tax Residency Certificate (TRC) for the FY 2020-21 obtained from the revenue authorities of the country of tax residence, duly attested by member Self-declaration in Form 10F Self-declaration by the shareholder of having no permanent establishment in India in accordance with the applicable tax treaty Self-declaration of beneficial ownership by the non-resident shareholder Any other documents as prescribed under the IT Act for lower withholding of taxes if applicable, duly attested by member.

In case of Foreign Institutional Investors / Foreign Portfolio Investors, tax will be deducted under Section 196D of the IT Act @ 20% (plus applicable surcharge and cess).

The aforementioned documents are required to be submitted at [compliance.officer@asm ltd.com](mailto:compliance.officer@asm ltd.com) by the shareholder during the period commencing from June 19, 2020 and ending on June 30, 2020. No communication would be accepted from members after June 30, 2020 regarding the tax withholding matters.

13. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Companies (Management and Administration Rules), 2014, companies can serve Annual Reports and other communications through electronic mode to those members who have registered their e-mail address either with the company or with the Depository. Members who have not registered their e-mail address with the company are requested to submit their request with their valid e-mail address to M/s KFin Technologies Private Limited. Members holding shares in demat form are requested to register/update their e-mail address with their Depository Participant. For members holding shares in physical mode are requested to update their email addresses with the Company's Registrar, KFin Technologies Private Limited at [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) to receive copies of the Annual Report 2019-20 in electronic mode. Members may follow the process detailed below for registration of email ID to obtain the Annual Report, user ID / password for e-voting and updation of bank account mandate for the receipt of dividend.

Type of Holder	Process to be followed	
	Registering Email Address	Updating bank account details
Physical	Send a request to the Registrar of the Company, KFin Technologies Private Limited at <a href="mailto:einward.ris@kfintech.com">einward.ris@kfintech.com</a> providing Folio No., Name of member, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar card) for registering email address.	Send a request to the Registrar of the Company, KFin Technologies Private Limited at <a href="mailto:einward.ris@kfintech.com">einward.ris@kfintech.com</a> providing Folio No., Name of member, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar card) for updating bank account details. The following additional details need to be provided in case of updating bank account details:

Type of Holder	Process to be followed	
	Registering Email Address	Updating bank account details
		Name and branch of the bank in which you wish to receive the dividend, the bank account type, Bank account number allotted by their banks after implementation of core banking solutions 9 digit MICR Code Number 11 digit IFSC a scanned copy of the cancelled cheque bearing the name of the first member
Demat	Please contact your DP and register your email address and bank account details in your demat account, as per the process advised by your DP.	

14. Members wishing to claim dividends, which remain unclaimed, are requested to correspond with the Registrar & Transfer Agent or Company Secretary at the Company's Registered Office. Members are requested to note that dividends not encashed or claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account will as per Section 124 of the Companies Act 2013, be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government. All shares in respect of which dividend has not been claimed for seven consecutive years or more shall be transferred by the company in the name of Investor Education and Protection Fund. Shareholders whose shares or unclaimed dividend has been transferred to the Fund may claim the said shares or unclaimed dividend by making an application in Form IEPF 5 and submission of the prescribed documents to the Fund.

The company has vide notification dated 10th May 2012 of Ministry of Company Affairs, (MCA) uploaded the information in respect of unclaimed dividends as from the financial year 2008 on the website of the company.

15. Pursuant to the provisions of Section 124 (5) of the Companies Act 2013 unclaimed dividend pertaining to the dividend paid for the financial year 2012-2013 and Interim dividend 2013-14 are to be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government in August 2020 and January 2021 respectively. The company has transferred the unpaid or unclaimed dividend of the financial years 2007-2012 on the due dates to the IEPF established by the Central Government.
16. In compliance with Section 108 of the Companies Act 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, substituted by Companies (Management and Administration) Amendment, Rules 2015 and Regulation 44 (1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 the company is providing e-voting facility to the shareholders to enable them to cast their votes electronically on the items mentioned in the notice. The facility for e-voting will also be made available to members attending the AGM and who have not already cast their votes by remote e-voting. Members who have cast their votes by remote e-voting prior to the AGM may attend the AGM but shall not be entitled to cast their votes again. Instructions for e-voting are annexed to the Notice.
17. Additional information, pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in respect of the Directors seeking re-appointment at the AGM, is furnished as annexure to the Notice. The Director has furnished consent/declaration for their appointment/re-appointment as required under the Companies Act, 2013 and the Rules there under.
18. The Notice of 28th AGM and the Annual report 2019-20 will also be available on the Company's website, <https://www.asmltd.com>, website at stock exchange i.e BSE Limited at [www.bseindia.com](http://www.bseindia.com), for their download.

19. All documents referred to in the Notice will be available for inspection at the Company's registered office during normal business hours on working days upto the date of AGM.
20. The Securities and Exchange Board of India (SEBI) vide circular No. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated 20th April 2018 has mandated compulsory submission of Permanent Account Number (PAN) and bank details by every participant in the securities market. Members holding shares in the electronic form are, therefore requested to submit their PAN and bank details to their Depository Participant(s) and members holding shares in physical form shall submit the details to company.
21. In compliance with the provisions of Clause 14 of Secretarial Standards on General Meetings no gifts, gift coupons, or cash in lieu of gifts shall be distributed to Members at or in connection with the Meeting.

Since the AGM will be held through VC in accordance with the Circulars, the route map, proxy form and attendance slip are not attached to this Notice.

#### **EXPLANATORY STATEMENT IN PURSUANCE OF SECTION 102(1) OF THE COMPANIES ACT, 2013**

Statements with respect to items under Special Business covered in the Notice of Meeting are given below:

##### **Resolution No.4**

The members of the Company, had appointed Mr. M Lakshminarayan, as an Non executive, Non-Independent Director, liable to retire by rotation, of the company, pursuant to provisions of Section 152 of the Companies Act, 2013.

The Board is of the view that the continued association of Mr. M Lakshminarayan would benefit the Company, given the knowledge, experience and performance of Mr. M Lakshminarayan, and contribution to Board processes by him. Declaration has been received that he meets the criteria of Independence prescribed under Section 149 of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 25(8) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations 2015'). In the opinion of the Board, Mr. M Lakshminarayan fulfils the conditions specified in the Act and the Rules framed there under for appointment as an Independent Non-Executive Director of the company. Mr. M Lakshminarayan has also submitted, a declaration in prescribed Form DIR-8 to the effect that he is not disqualified from being appointed as Director in terms of Section 164 of the Act, consent to act as Director in prescribed Form DIR-2 and disclosure of interest in prescribed Form MBP-1. Consent of the Members is required for appointment of Mr. M Lakshminarayan as an Independent Non-Executive Director, in terms of Section 149 of the Act & Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Mr. M Lakshminarayan is deemed to be interested in the resolution set out respectively at resolution No. 04 of this Notice with regard to his respective appointment.

In terms of the recently notified Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, consent of the Members by way of Special Resolution is required for appointment / continuation as a Non-Executive Director who is aged above seventy five years. Mr. Lakshminarayan is 74 years of age Accordingly, the item is placed before the members for their approval.

Except M Lakshminarayan, none of the Director(s) and/or Key Managerial Personnel(s) and their relative(s) are either directly or indirectly concerned or interested, financially or otherwise in the aforesaid resolution.

Your Board recommends the said resolution, as special resolution, for your approval.

##### **Resolution No.5**

The Board of Directors (based on the recommendation of Nomination and Remuneration Committee) had appointed Mr. Ramesh Radhakrishnan (DIN: 02608916) as an Additional Director (Non-executive, Non Independent Director) from June 02, 2020. In terms of Section 161(1) of the Companies Act, 2013 read with Articles of Association of the Company, Mr. Ramesh Radhakrishnan (DIN: 02608916) holds office as an Additional Director only up to the date of the forthcoming Annual General Meeting. Mr. Ramesh Radhakrishnan (DIN: 02608916), being eligible has offered himself for appointment as a Director.

Brief profile of Mr. Ramesh Radhakrishnan

Ramesh has been a member of the founding entrepreneurial team in three startups. He has over 20 years of operational and business experience in the high technology industry, including networking, security and wireless

companies. Ramesh presently work with Artiman Capital India, and prior to that he was the VP of Engineering at FireEye, a network security company that uses virtualization technology to detect and combat the menace of malware, botnets and crimeware. Prior to that, Ramesh led the systems and software development team at Airgo Networks. Airgo pioneered and invented the 802.11n MIMO OFDM wireless LAN standards and was acquired by Qualcomm in 2005. Prior to Airgo, Ramesh was the Director of the Wireless Access Business Unit at Cisco Systems. This business unit was the result of the acquisition of Clarity Wireless, a startup company where Ramesh led the engineering team that pioneered and created the wireless last mile standard which is WiMax today. Prior to Clarity Wireless, Ramesh was a founding member at ZeitNet, acquired by Cabletron in 1996, where he led the engineering team which made high speed LAN products. Before this, Ramesh was an engineering manager at Adaptive Corporation that brought ATM technology to the LAN. Adaptive was acquired by NET in 1994. Ramesh started his career as a software engineer at Hewlett Packard's Network Division in Cupertino.

Ramesh holds two patents in the area of networking protocol technologies.

Ramesh holds a B.E. from the Indian Institute of Technology (IIT), Chennai and an M.E. in Systems Engineering from the University of Virginia, Charlottesville.

The other details of Mr. Ramesh Radhakrishnan in terms of Regulation 36(3) of the Listing Regulation and Secretarial Standard 2 is annexed to this Notice. The Board of Directors is of the opinion that his vast knowledge and varied experience will be of great value to the Company and has recommended the Resolution No. 5 of this Notice relating to his appointment as a Director, liable to retire by rotation as Ordinary Resolution for your approval.

Except, Mr. Ramesh Radhakrishnan, none of the other Directors, Key Managerial Personnel or their relatives are concerned or interested or concerned in the Resolution No.5 of the Notice.

Your Board recommends the said resolution, as ordinary resolution, for your approval

#### **Resolution No. 6**

The Company has branch offices in US, UK and Canada . It is necessary to appoint Auditors, under the provisions of Sec.143 of the Companies Act 2013 for auditing the accounts of the Branches of the company for the year 2020-2021. Your approval is sought by the proposed resolution to be passed authorizing the Board of Directors of the company to appoint, such person or persons qualified for appointment as Auditor or Auditors of the Company's Branch Offices in, USA., UK, and Canada to examine and audit the accounts for the financial year 2020-2021 on such remuneration, terms and conditions as the Board may deem fit or authorise the Statutory Auditors of the Company to audit the Branch Accounts and comply with the provisions of the Companies Act 2013.

None of the Directors, Key Managerial Persons of the Company and their relatives are concerned or interested in the resolution.

The Board recommends the Ordinary resolution set forth in Item No.6 for the approval of the members.

#### **Details of the Directors seeking appointment / re-appointment / alter in their tenure at the forthcoming Annual General Meeting of the Company (Pursuant to Para 1.2.5 of Secretarial Standard 2, and Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015).**

<b>Particulars</b>	
<b>Name</b>	<b>Ms. Preeti Rabindra (DIN 00216818)</b>
Date of Birth	17.10.1965
Date of First Appointment on the Board	14.08.2015
Qualifications	Maters in Commerce from Delhi University
Expertise in Specific functional Area	Ms. Preeti Rabindra is an avid sports enthusiast supporting various CSR activities.
Number of Shares held in Equity Capital of the Company	380524
Directorship held in other Indian Listed Companies	NIL
Chairman/Member of Committees of Board of Directors of other Listed companies	NIL
Disclosure of relationships between Directors/KMP inter-se	Ms Preeti Rabindra is the spouse of Mr. Rabindra Srikantan, Managing Director of the Company

<b>Particulars</b>	
<b>Name</b>	<b>Mr. M. Lakshminarayan (DIN 00064750)</b>
Date of Birth	07.09.1946
Date of First Appointment on the Board	31.3.2016
Qualifications	M.Tech from IIT Bombay,
Expertise in Specific functional Area	Mr.M.Lakshminarayan was the past Chairman of HARMAN International (India) Pvt. Ltd and rose to this position after being the Country Manager and Managing Director of HARMAN International (India) Pvt. Ltd. In this role, he was responsible for the overall development and execution of HARMAN's strategic intent and plans for India. His experience has spanned over 30 distinguished years in companies such as Bosch and Tata Motors. At Bosch, where he spent over 22 years, he held various leadership positions and was responsible for Bosch's tremendous growth in the automotive space in India. Prior to this, he served as a leader in the machine tools division at Tata Motors.
Number of Shares held in Equity Capital of the Company	NIL
Directorship held in other Indian Listed Companies	Kirloskar Oil Engines Limited, TVS Electronics Limited, WABCO India Limited, & Rane (Madras) Limited Wendt (India) Limited, Suprajit Engineering Limited
Chairman/Member of Committees of Board of Directors of other Listed companies	<p><b>CHAIRPERSON OF BOARD COMMITTEES:</b></p> <p>TVS Electronics Limited- Audit Committee, Rane ( Madras) Limited - Nomination &amp; Remuneration Committee, Kirloskar Oil Engines Limited - Risk Management Committee, Nomination &amp; Remuneration Committee TVS Electronics Limited - CSR Committee</p> <p><b>MEMBER OF BOARD COMMITTEE :</b></p> <p>Audit Committee</p> <ul style="list-style-type: none"> <li>● Rane ( Madras) Limited</li> <li>● Wabco India Limited</li> <li>● Wendt( India)Limited</li> </ul> <p>Nomination &amp; Remuneration Committee</p> <ul style="list-style-type: none"> <li>● Wabco India Limited</li> <li>● Wendt( India) Limited</li> </ul> <p>Corporate Social Responsibility Committee</p> <ul style="list-style-type: none"> <li>● TVS Electronics Limited</li> <li>● Wabco India Limited</li> </ul>
Disclosure of relationships between Directors/KMP inter-se	-

<b>Particulars</b>	
<b>Name</b>	<b>Mr. Ramesh Radhakrishnan (DIN 02608916)</b>
Date of Birth	24.05.1962
Date of First Appointment on the Board	02.06.2020
Qualifications	B.E. from the Indian Institute of Technology (IIT), Chennai and M.E. in Systems Engineering from the University of Virginia, Charlottesville
Expertise in Specific functional Area	Mr. Ramesh has over 20 year of operational and business experience in the high technology industry including networking, security & wireless companies.
Number of Shares held in Equity Capital of the Company	NIL
Directorship held in other Indian Listed Companies	NIL
Chairman/Member of Committees of Board of Directors of other Listed companies	NIL
Disclosure of relationships between Directors/KMP inter-se	-

REGD. OFFICE  
80/2, Lusanne Court,  
Richmond Road, Bangalore 560 025  
Date: 02.06.2020

By Order of the Board

**RABINDRA SRIKANTAN**  
Managing Director  
(DIN : 00024584)

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## ASM TECHNOLOGIES LIMITED

(CIN L85110KA1992PLC013421)

Regd Office: 80/2, Lusanne Court, Richmond Road, Bangalore- 560025

Tel:080-66962300-02, Fax-08066962304,

Email:info@asm ltd.com | Website: www.asmltd.com

# Instructions for E-voting & 28th e-AGM through Video Conferencing

Dear Shareholder(s)

Please find enclosed the Notice convening the 28th Annual General Meeting of the company to be held on Friday, July 10th 2020, at 10.00 A.M.

Pursuant to provisions of Section 108 of the Companies Act 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, substituted by Companies (Management and Administration) Amendment, Rules 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the company is providing the e-voting facility to the shareholders to enable them to cast their votes electronically on the items mentioned in the Notice. The company has appointed KFin Technologies Private Limited. ('KFin Technologies' or 'Service Provider') to provide the e-voting facility.

The instructions and other information relating to e-voting are as under:

1. A. In case a Member receives email from KFin Technologies [for Members whose email IDs are registered with the company/ Depository Participant(s)]:
  - (i) Launch internet browser by typing the URL: <https://evoting.karvy.com>.
  - (ii) Enter the login credentials (i.e. User ID and Password mentioned above). Your Folio No./ DP ID-Client ID will be your User ID. However, if you are already registered with KFin Technologies for e-voting, you can use your existing User ID and password for casting your vote.
  - (iii) After entering these details appropriately, Click on “LOGIN”.
  - (iv) You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,\$, etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
  - (v) You need to login again with the new credentials.
  - (vi) On successful login, the system will prompt you to select the “EVENT” i.e., ASM Technologies Limited.
  - (vii) On the voting page, enter the number of shares (which represents the number of votes) as on the Cut Off date under “FOR/AGAINST” or alternatively, you may partially enter any number in “FOR” and partially in “AGAINST” but the total number in “FOR/AGAINST” taken together should not exceed your total shareholding as mentioned herein above. If the shareholder does not indicate either “FOR” or “AGAINST” it will be treated as abstained and the shares held will not be counted under either head.
  - (viii) Shareholders holding multiple folios/demat accounts shall choose the voting process separately for each folios/demat accounts.

- (ix) Voting has to be done for each item of the Notice separately. In case you do not desire to cast your vote on any specific item it will be treated as abstained.
  - (x) You may then cast your vote by selecting an appropriate option and click on “Submit”.
  - (xi) A confirmation box will be displayed. Click “OK” to confirm else “CANCEL” to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).
  - (xii) Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI, etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter, etc. together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutinizer at e mail ID: [asmagnevoting@gmail.com](mailto:asmagnevoting@gmail.com) with a copy marked to [evoting@kfintech.com](mailto:evoting@kfintech.com). The scanned image of the above mentioned documents should be in the naming format “Corporate Name\_EVENT NO.”
- B. In case of Members receiving physical copy of the AGM Notice by Post [for Members whose email IDs are not registered with the company/Depository Participant(s)]:
- (i) **User ID and initial password** as provided.
  - (ii) Please follow all steps from Sr. No. (i) to (xii) as mentioned in (A) above, to cast your vote
2. The e-voting period commences on **Saturday, 4th July 2020 at 9.00 am and ends Thursday, 9th July 2020 at 5.00 pm**. During this period, the Members of the company holding shares in physical form or in dematerialized form, as on the cut-off date being **Thursday, 2nd July 2020**, may cast their vote by electronic means in the manner and process set out herein above. The e-voting module shall be disabled for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently. A member may participate in the AGM even after exercising his right to vote through remote e-voting, but shall not be allowed to vote again at the AGM.
  3. In case of any query pertaining to e-voting, please visit Help & FAQ's section of <https://evoting.karvy.com> (KFin Technologies website).
  4. The voting rights of the Members shall be in proportion to their shares of the paid up equity share capital of the company, as on the cut-off date, being Thursday, 2nd July, 2020.
  5. The Board of Directors has appointed M/s K. Dushyantha Kumar, Company Secretary in whole time practice, CPNo. 6003, FCS Membership No. 6662 as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
  6. At the AGM, at the end of the discussion on the resolutions on which voting is to be held the Chairman shall with the assistance of the Scrutinizer order voting through ballot paper for those members present but have not cast their votes electronically through remote e-voting facility.
  7. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, count the votes cast at the AGM and thereafter unblock the votes cast through remote e-voting in the presence of atleast two witnesses, not in employment of the Company. The Scrutinizer shall submit a consolidated Report of the votes cast in favour or against, if any, forthwith not later than 11th of July 2020 to the Chairman of the company. The Chairman, or any other person authorized by the Chairman shall declare the result of the voting forthwith.
  8. The Results declared along with the Scrutinizer's Report(s) will be available on the Website of the company ([www.asmltd.com](http://www.asmltd.com)) and on Service Provider's website (<https://evoting.karvy.com>) immediately after the result is declared by the Chairman or any other person authorized and the same shall be communicated to the BSE Limited.

**The instructions and other information relating to e-AGM through Video Conferencing:**

1. Member will be provided with a facility to attend the e-AGM through video conferencing platform provided by M/s KFin Technologies Private Limited. Members may access the same at <https://evoting.karvy.com/> under shareholders/members login by using the remote voting credentials. The link for e-AGM will be available in shareholder/members login where the EVENT and the name of the company can be selected. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions.
  2. Members are encouraged to join the Meeting through Laptops with Google Chrome for better experience.
  3. Further Members will be required to allow Camera, if any, and hence use Internet with a good speed to avoid any disturbance during the meeting.
  4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
  5. Shareholders who would like to join and view the AGM meeting may log into <https://evoting.karvy.com>, once login please check for the option available just below the user id and password section as “Click Here for eAGM – Video Conference and Streaming” and Shareholders who would like to register as speakers and post their queries/views/questions during the meeting may use option “Speaker Registration for eAGM”. Please note that, members questions will be answered only if the shareholder continue to hold the shares as of cut-off date benpos.
  6. Due to limitations of transmission and coordination during the Q&A session, the company may dispense with the speaker registration during the e-AGM conference.
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# ASM TECHNOLOGIES®

engineering innovation

#### REGISTERED OFFICE:

##### ASM Technologies Limited

80/2 Lusanne Court, Richmond Road, Bangalore 560 025, KA, INDIA  
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#### DEVELOPMENT CENTRES:

ASM Tower, 14/2, Wellington Street, Richmond Town, Bangalore 560 025, KA, INDIA  
Tel: +91 80 6696 2300 - 02

International Tech Park Bangalore

PS 19, Bridge+, Unit 02-02 to 15, 2nd Floor, Park Square Mall, ITPB Main Road, Bangalore 560066, KA, INDIA  
Tel: +91 80 6696 2300 - 02

#### MANUFACTURING FACILITY:

##### RV Forms & Gears LLP (Subsidiary)

MF 11, SIDCO Industrial Estate, Guindy  
Chennai, TN 600 032, INDIA  
Tel: +91 44 2250 1860

#### SUBSIDIARY / BRANCH:

##### ASM Technologies Limited

Techmart Center 5201  
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Fax: +1 630 799 1563  
E-mail: info@asm ltd.com

##### Pinnacle Talent Inc

2020 Calamos Court, Suite 200  
Naperville, IL 60563-2793, USA  
Phone: +1 630 799 1563  
Fax: +1 630 779 1562  
E-mail: usa@asm ltd.com

##### ESR Associates Inc

1715 Indian Woods Circle Suite 200,  
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Phone: +1 419 897 7902  
E-mail: info@asm ltd.com

##### Advanced Synergic Pte. Limited

#24-01, "Vision Exchange",  
2 Venture Drive,  
Singapore – 608526  
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Fax: +65 6248 6076  
E-mail: info@asm ltd.com

##### ASM Technologies (UK) Limited

Enterprise Centre, Coventry University,  
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United Kingdom  
Phone: 02476 15 8620  
E-mail: uk@asm ltd.com

##### ASM Technologies Limited

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##### ASM Technologies S. de R.L. de C.V

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Phone: +16 307991563  
E-mail: mexico@asm ltd.com

##### ASM Technologies KK

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Kyoto 600-8815, JAPAN  
E-mail: info@asm ltd.com