Independent Auditor's Report

To the Members of Triveni Turbine Limited

Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of Triveni Turbine Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow, the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2022, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the 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.

Emphasis of Matter – Settlement of litigations with joint venture partner

4. We draw attention to Note 42 to the accompanying standalone financial statements, relating to the settlement of various ongoing disputes between the Company and General Electric Company and its affiliates including DI Netherlands BV, its joint venture partner in the joint venture company, Triveni Energy Solution Limited (formerly GE Triveni Limited)('TESL') pursuant to the Settlement Agreement entered between aforesaid parties on 6 September 2021 pursuant to which, the Company has received settlement consideration of ₹ 2,080 million which has been disclosed in the aforesaid note as exceptional item. Further the joint venture agreement has been terminated and the remaining equity stake in TESL has been acquired by the Company which has resulted in TESL becoming a wholly owned subsidiary of the Company from such date. Our opinion is not modified in respect of this matter.

Key Audit Matter

5. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

6. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matters	How our audit addressed the key audit matter
Write-downs of inventories to net realisable value Refer notes 1(k) and 10 in the accompanying standalone financial statements. As at 31 March 2022, the Company's inventories amounted to ₹ 1,532.97 million representing 12.57% of the Company's total assets as at 31 March 2022 and write-down of inventories amounted to ₹ 163.93 million as at 31 March 2022 on account of obsolescence and slow moving inventory. Inventories are valued at lower of cost and net realization value. The Company has a policy for write-down of inventories to net realisable value on account of obsolescence and slow moving inventory which is recognised on a case to case basis based on the management's assessment. Write-down of inventories to net realisable value is subjective owing to the nature of inventories and is dependent on significant judgments around probability of decrease in the realisable value of slow moving inventory due to obsolesce or lack of alternative use as well as the consideration of the need to maintain adequate inventory levels for aftersales services considering the long useful life of the product. Assessing net realizable value of inventory and identification of slow moving and obsolete inventory are areas requiring the use of significant judgements and owing to the inherent complexities and materiality of the balances, we have considered this area to be a key audit matter for current year audit.	Our audit procedures for assessing the write-downs of inventories to net realisable value as per Company's policy included, but were not limited to the following; a) Obtained an understanding from the management about the process for determining net realizable value of inventories and identification of slow moving or obsolete inventories and tested whether the same is consistently applied; b) Evaluated the design and tested the operating effectiveness of key controls around inventory valuation operating within the Company on a test check basis; c) Inquired with the management about the slow moving and obsolete inventories as at 31 March 2022 and evaluated the assessment prepared by the management including forecasted uses of these inventories on a test check basis; d) Tested the computation for write down of inventories with the assessment provided by the management and performed independent ageing analysis of the inventory line-items along with specific inquiries with the management to evaluate completeness of the inventory identified as slow moving or obsolete; e) Reviewed the historical trends of inventory write-downs to compare and assess the actual utilization or liquidation of inventories to the previous assessment done by the management to determine the efficacy of the process of estimation by the management; and f) Assessed the appropriateness of disclosures in the accompanying standalone financial statements in accordance with the applicable accounting standards.

Information other than the Financial Statements and Auditor's Report thereon

7. The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the standalone financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

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

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

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

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

8. The accompanying standalone financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS specified under Section 133 of the Act and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

9. In preparing the financial statements, the Board of Directors are 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 the Board of Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

11. 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 Standards on Auditing 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.

12. As part of an audit in accordance with Standards on Auditing, specified under Section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

    - Identify and assess the risks of material misstatement of the 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 with reference to financial statements 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation;

13. 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.

14. 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.

15. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

16. As required by Section 197(16) of the Act based on our audit, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under Section 197 read with Schedule V to the Act.

17. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of Section 143(11) of the Act we give in the Annexure I a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

18. Further to our comments in Annexure I, as required by Section 143(3) of the Act based on our audit, we report, to the extent applicable, that:

    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying standalone financial statements;

    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 standalone financial statements dealt with by this report are in agreement with the books of account;

    d) in our opinion, the aforesaid standalone financial statements comply with Ind AS specified under Section 133 of the Act;

    e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 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 with reference to financial statements of the Company as on 31 March 2022 and the operating effectiveness of such controls, refer to our separate Report in Annexure II wherein we have expressed an unmodified opinion; and

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

   i. the Company, as detailed in note 41 to the standalone financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2022;

   ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2022;

   iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31 March 2022;

   iv. a. The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person or entity, including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;

      b. The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person or entity, including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

      c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our attention that causes us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.

   v. The interim dividend declared and paid by the Company during the year ended 31 March 2022 and until the date of this audit report is in compliance with Section 123 of the Act.

   vi. The final dividend paid by the Company during the year ended 31 March 2022 in respect of such dividend declared for the previous year is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.

   vii. As stated in note 13(ii)(c) to the accompanying standalone financial statements, the Board of Directors of the Company have proposed final dividend for the year ended 31 March 2022 which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Vijay Vikram Singh
Partner
Membership No.: 059139
UDIN: 22059139AIYLLO7229

Bengaluru
13 May 2022

Annexure I

referred to in Paragraph 17 of the Independent Auditor's Report of even date to the members of Triveni Turbine Limited on the standalone financial statements for the year ended 31 March 2022

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and right of use assets.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a regular program of physical verification of its property, plant and equipment, right of use assets under which the assets are physically verified in a phased manner over a period of two years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this program, certain property, plant and equipment and right of use assets were verified during the year and no material discrepancies were noticed on such verification.

(c) The title deeds of all the immovable properties (including investment properties) held by the Company (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company. However, for title deeds of immovable properties in the nature of land (included under 'Property plant and equipment' as Freehold Land) whose title deeds have been pledged as security for banking facilities are held in the name of the Company, which is verified from confirmation directly received by us from lenders.

(d) The Company has not revalued its Property, Plant and Equipment (and Right of Use assets) or intangible assets during the year.

(e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Accordingly, reporting under clause 3(i)(e) of the Order is not applicable to the Company.

(ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year, except for inventory lying with third parties. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed. In respect of inventory lying with third parties, these have substantially been confirmed by the third parties.

(b) The Company has a working capital limits in excess of ₹ 5 crore sanctioned by banks based on the security of current assets. The quarterly returns/statements, in respect of the working capital limits have been filed by the Company with such banks and such returns/statements are in agreement with the books of account of the Company for the respective periods, which were subject to review.

(iii) (a) The Company has not provided any loans or provided any advances in the nature of loans, or guarantee, or security to any other entity during the year. Accordingly, reporting under clause 3(iii)(a) of the Order is not applicable to the Company.

(b) The Company has not provided any guarantee or given any security or granted any loans or advances in the nature of loans during the year. However, the Company has made investment in one subsidiary, amounting to ₹ 80 million (year-end balance ₹ 160 million) and in our opinion, and according to the information and explanations given to us, the investments made are, prima facie, not prejudicial to the interest of the Company.

(c) The Company does not have any outstanding loans and advances in the nature of loans at the beginning of the current year nor has granted any loans or advances in the nature of loans during the year. Accordingly, reporting under clauses 3(iii)(c), 3(iii)(d), 3(iii)(e) and 3(iii)(f) of the Order is not applicable to the Company.

(iv) In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of section 186 of the Act in respect of investments, as applicable. Further, the Company has not entered into any transaction covered under section 185 and section 186 of the Act in respect of loans, guarantees and security.

(v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there is no amount which has been considered as deemed deposit within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.

(vi) The Central Government has specified maintenance of cost records under sub-section (1) of Section 148 of the Act in respect of the products of the Company. We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) (a) In our opinion, and according to the information and explanations given to us, undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited with the appropriate authorities by the Company, though there have been slight delays in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no statutory dues referred in sub-clause (a) which have not been deposited with the appropriate authorities on account of any dispute except for the following:

Name of the statute	Nature of dues	Amount (₹ in million)	Amount paid under Protest (₹ in million)	Period to which the amount relates	Forum where dispute is pending
Finance Act, 1994	Service tax	56.49	1.67	AY 2007-08 to AY 2012-13	CESTAT, Bengaluru
Income Tax Act, 1961	Income Tax	36.62	-	AY 2013-14	Income Tax Appellate Tribunal
		2.89	-	AY 2013-14	Commissioner of Income Tax (Appeal)
		6.17	-	AY 2015-16	Assessing officer
		11.98	-	AY 2016-17	Commissioner of Income Tax (Appeal)
		69.20	-	AY 2017-18	
		836.58	-	AY 2018-19	Commissioner of Income Tax (Appeal)*
		605.83	-	AY 2019-20	Commissioner of Income Tax (Appeal)*

*Refer note 41 to the standalone financial statements

(viii) According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been recorded in the books of accounts.

(ix) (a) According to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest there on to any lender.

(b) According to the information and explanations given to us and representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or other lender.

(c) In our opinion and according to the information and explanations given to us, the Company has not raised any money by way of term loans during the year and there has been no utilisation during the current year of the term loans obtained by the Company during any previous years. Accordingly, reporting under clause 3(ix)(c) of the Order is not applicable to the Company.

(d) In our opinion and according to the information and explanations given to us, and on an overall examination of the financial statements of the Company, funds raised by the Company on short term basis have not been utilised for long term purposes.

(e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

(f) According to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries.

(x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the period covered by our audit.

(b) No report under Section 143(12) of the Act has been filed with the Central Government for the period covered by our audit.

(c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.

(xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.

(xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable. Further, the details of such related party transactions have been disclosed in the standalone financial statements, as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under Section 133 of the Act.

(xiv) (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system as required under Section 138 of the Act which is commensurate with the size and nature of its business.

(b) We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.

(xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with them and accordingly, provisions of Section 192 of the Act are not applicable to the Company.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clauses 3(xvi)(a),(b) and (c) of the Order are not applicable to the Company.

Further under clause 3(xvi)(d), based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) has 2 CICs as part of the Group.

(xvii) The Company has not incurred any cash loss in the current as well as the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the plans of the Board of Directors and management and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

(xx) According to the information and explanations given to us, the Company does not have any unspent amount in respect of any ongoing or other than ongoing project as at the expiry of the financial year. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.

(xxi) The reporting under clause 3(xxi) is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Vijay Vikram Singh
Partner
Membership No.: 059139
UDIN: 22059139AIYLLO7229

Bengaluru
13 May 2022

Annexure II

to the Independent Auditor's Report of even date to the members of Triveni Turbine Limited on the standalone financial statements for the year ended 31 March 2022

Independent Auditor's Report on the internal financial controls with reference to the standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the standalone financial statements of Triveni Turbine Limited ('the Company') as at and for the year ended 31 March 2022, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on internal financial control with reference to 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 the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, 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.

5. 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 with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

6. A company's internal financial controls with reference to financial statements 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 controls with reference to financial statements include 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 with Reference to Financial Statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2022, based on internal financial control with reference to financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **Walker Chandiok& Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Vijay Vikram Singh
Partner
Membership No.: 059139
UDIN: 22059139AIYLLO7229

Bengaluru
13 May 2022

Triveni TURBINES

Balance Sheet

As at March 31, 2022

(₹ in Million)

	Note No.	31-Mar-22	31-Mar-21
ASSETS			
Non-current assets			
Property, plant and equipment	3	2,364.03	2,437.36
Capital work-in-progress	3	32.52	-
Intangible assets	4	31.39	39.50
Intangible assets under development		0.75	9.54
Investments in subsidiary and joint venture	5 (a)	178.47	98.47
Financial assets			
i. Trade receivables	6	-	-
ii. Other financial assets	8	88.55	8.94
Other non-current assets	9	42.67	4.44
Income tax assets (net)	20	37.49	37.41
Total non-current assets		**2,775.87**	**2,635.66**
Current assets			
Inventories	10	1,532.97	1,591.87
Financial assets			
i. Investments	5 (b)	4,480.73	2,679.31
ii. Trade receivables	6	921.13	763.62
iii. Cash and cash equivalents	11 (a)	66.55	129.12
iv. Bank balances other than cash and cash equivalents	11 (b)	2,004.48	729.89
v. Loans	7	0.17	0.02
vi. Other financial assets	8	77.43	77.96
Other current assets	9	339.40	303.16
Total current assets		**9,422.86**	**6,274.95**
Total assets		**12,198.73**	**8,910.61**
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	12	323.30	323.30
Other equity	13	7,388.66	5,601.03
Total equity		**7,711.96**	**5,924.33**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
i. Borrowings	14	-	-
ii. Lease liabilities	39(ii)	15.45	20.27
Provisions	15	52.19	29.84
Deferred tax liabilities (net)	21	44.27	50.92
Total non-current liabilities		**111.91**	**101.03**
Current liabilities			
Financial liabilities			
i. Borrowings	16	-	9.56
ii. Lease liabilities	39(ii)	4.82	4.48
iii. Trade payables	17		
a) Total outstanding dues of micro enterprises and small enterprises		129.19	111.81
b) Total outstanding dues of creditors other than micro enterprises and small enterprises		919.62	621.16
iv. Other financial liabilities	18	212.93	219.60
Other current liabilities	19	2,834.85	1,733.49
Provisions	15	140.36	127.31
Income tax liabilities (net)	20	133.09	57.84
Total current liabilities		4,374.86	2,885.25
Total liabilities		4,486.77	2,986.28
Total equity and liabilities		**12,198.73**	**8,910.61**

The accompanying notes 1 to 49 form an integral part of the standalone financial statements

As per our report of even date attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

For and on behalf of the Board of Directors of **Triveni Turbine Limited**

Vijay Vikram Singh
Partner
Membership No.: 059139

Dhruv M. Sawhney
Chairman & Managing Director
DIN: 00102999

Homai A. Daruwalla
Director & Audit Committee Chairperson
DIN: 00365880

Place: Bengaluru
Date: May 13, 2022

Lalit Kumar Agarwal
Vice President & CFO
Place: Noida (U.P.)
Date: May 13, 2022

Rajiv Sawhney
Company Secretary [ACS: 8047]

Statement of Profit and Loss

for the year ended March 31, 2022

(₹ in Million)

	Note No.	31-Mar-22	31-Mar-21
Revenue from operations	22	8,113.67	6,969.32
Other income	23	264.93	196.88
Total income		**8,378.60**	**7,166.20**
Expenses			
Cost of materials consumed	24	4,439.71	3,565.90
Changes in inventories of finished goods and work-in-progress	25	59.61	(18.36)
Employee benefits expense	26	915.82	801.48
Finance costs	27	7.90	11.22
Depreciation and amortisation expense	28	200.22	201.75
Impairment loss on financial assets (including reversals of impairment losses)	29	24.20	58.98
Other expenses	30	1,222.87	1,163.77
Total expenses		**6,870.33**	**5,784.74**
Profit before exceptional items and tax		**1,508.27**	**1,381.46**
Exceptional items	42	1,888.99	(185.20)
Profit before tax		**3,397.26**	**1,196.26**
Tax expense:			
- Current tax	31	910.30	333.02
- Deferred tax	31	(7.98)	(24.00)
Total tax expense		**902.32**	**309.02**
Profit for the year		**2,494.94**	**887.24**
Other comprehensive income			
A (i) Items that will not be reclassified to profit or loss			
- Remeasurements of the defined benefit plans	34	(3.70)	14.79
		(3.70)	**14.79**
A (ii) Income tax relating to items that will not be reclassified to profit or loss	31	0.93	(3.72)
		(2.77)	**11.07**
B (i) Items that will be reclassified to profit or loss			
- Effective portion of gain on designated portion of hedging instruments in a cash flow hedges	37(iii)(b)	8.99	52.18
		8.99	**52.18**
B (ii) Income tax relating to items that will be reclassified to profit or loss	31	(2.26)	(13.13)
		6.73	**39.05**
Other comprehensive income for the year, net of tax		**3.96**	**50.12**
Total comprehensive income for the year		**2,498.90**	**937.36**
Earnings per equity share of ₹ 1 each			
Basic earnings per share (in ₹)	32	7.72	2.74
Diluted earnings per share (in ₹)	32	7.72	2.74

The accompanying notes 1 to 49 form an integral part of the standalone financial statements
As per our report of even date attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Vijay Vikram Singh
Partner
Membership No.: 059139

Place: Bengaluru
Date: May 13, 2022

For and on behalf of the Board of Directors of **Triveni Turbine Limited**

Dhruv M. Sawhney
Chairman & Managing Director
DIN: 00102999

Homai A. Daruwalla
Director & Audit Committee Chairperson
DIN: 00365880

Lalit Kumar Agarwal
Vice President & CFO
Place: Noida (U.P.)
Date: May 13, 2022

Rajiv Sawhney
Company Secretary [ACS: 8047]

Statement of Changes in Equity

for the year ended March 31, 2022

A. Equity share capital

Equity shares of ₹ 1 each issued, subscribed and fully paid up

(₹ in Million)

As at April 1, 2020	**323.30**
Changes in equity share capital during the year	-
As at March 31, 2021	**323.30**
Changes in equity share capital during the year	-
As at March 31, 2022	**323.30**

B. Other equity

(₹ in Million)

	Reserves and surplus		Items of other comprehensive income	Total other equity
	Capital redemption reserve	Retained earnings	Cash flow hedging reserve	
Balance as at April 1, 2020	**34.67**	**4,662.46**	**(33.46)**	**4,663.67**
Profit for the year	-	887.24	-	887.24
Other comprehensive income/(loss) net of income tax	-	11.07	39.05	50.12
Total comprehensive income for the year	**-**	**898.31**	**39.05**	**937.36**
Transactions with owners in their capacity as owners:				
Dividend paid	-	-	-	-
Balance as at March 31, 2021	**34.67**	**5,560.77**	**5.59**	**5,601.03**
Profit for the year	-	2,494.94	-	2,494.94
Other comprehensive income/(loss), net of income tax	-	(2.77)	6.73	3.96
Total comprehensive income for the year	**-**	**2,492.17**	**6.73**	**2,498.90**
Transactions with owners in their capacity as owners:				
Dividend paid	-	(711.27)	-	(711.27)
Balance as at March 31, 2022	**34.67**	**7,341.67**	**12.32**	**7,388.66**

As per our report of even date attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Vijay Vikram Singh
Partner
Membership No.: 059139

Place: Bengaluru
Date: May 13, 2022

For and on behalf of the Board of Directors of **Triveni Turbine Limited**

Dhruv M. Sawhney
Chairman & Managing Director
DIN: 00102999

Homai A. Daruwalla
Director & Audit Committee Chairperson
DIN: 00365880

Lalit Kumar Agarwal
Vice President & CFO
Place: Noida (U.P.)
Date: May 13, 2022

Rajiv Sawhney
Company Secretary [ACS: 8047]

Statement of Cash Flows

for the year ended March 31, 2022

(₹ in Million)

	31-Mar-22	31-Mar-21
Cash flows from operating activities		
Profit before tax	3,397.26	1,196.26
Adjustments for:		
Depreciation and amortisation expense	200.22	201.75
(Profit) /loss on sale/write off of property, plant and equipment	3.87	(0.60)
Net profit on sale/redemption of current investments	(54.61)	(88.47)
Net fair value (gains) on current investments	(97.35)	(39.50)
Interest income	(81.23)	(16.71)
Provision for doubtful advances	2.51	8.39
Amount written off of non financial assets	-	2.10
Allowance for non moving inventories (refer note 42)	100.22	22.26
Impairment loss on financial assets (including reversals of impairment losses)	24.20	58.98
Finance costs	7.90	11.22
Unrealised foreign exchange (gain)	(4.30)	(7.93)
Credit balances written back	(12.88)	(5.98)
Mark-to-market (gains)/losses on derivatives	9.28	(20.13)
Working capital adjustments:		
Change in inventories	(41.30)	110.69
Change in trade receivables	(177.53)	404.63
Change in other financial assets	41.23	(29.24)
Change in other assets	(37.48)	62.30
Change in trade payables	328.78	100.74
Change in other financial liabilities	0.66	78.21
Change in other liabilities	1,101.36	56.05
Change in provisions	31.71	(44.07)
Cash generated from operations	**4,742.52**	**2,060.95**
Income tax paid (net of refunds)	(835.11)	(314.47)
Net cash inflow from operating activities	**3,907.41**	**1,746.48**
Cash flows from investing activities		
Purchase of property, plant and equipment	(202.37)	(131.86)
Proceeds from sale of property, plant and equipment	9.09	2.27
Investment in subsidiary	(80.00)	-
Net (increase) in current investment	(1,459.45)	(1,216.31)
Investment in deposits with financial institutions	(190.00)	(40.00)
Investment in bank deposits	1,354.04	728.80
Interest received	39.92	12.98
Net cash outflow from investing activities	**(3,236.85)**	**(2,101.72)**

Statement of Cash Flows

for the year ended March 31, 2022

(₹ in Million)

	31-Mar-22	31-Mar-21
Cash flows from financing activities		
Repayment of long term borrowings	(9.56)	(2.13)
Payment of principal portion of lease liabilities	(4.48)	(4.56)
Interest paid on lease liabilities	(2.24)	(2.66)
Interest paid	(5.73)	(8.56)
Dividend paid to Company's shareholders	(711.12)	(0.21)
Net cash outflow from financing activities	**(733.13)**	**(18.12)**
Net (decrease) in cash and cash equivalents	(62.57)	(373.36)
Cash and cash equivalents at the beginning of the year (refer note 11 (a))	129.12	502.48
Cash and cash equivalents at the end of the year (refer note 11 (a))	**66.55**	**129.12**

Reconciliation of liabilities arising from financing activities:

(₹ in Million)

	Lease liabilities	Non-current borrowings (including current maturities)	Interest payable on borrowings	Dividend paid to Company's shareholders
Balance as at April 1, 2020	28.78	11.69	0.08	1.30
Cash flows	(7.22)	(2.13)	(8.57)	(0.21)
Finance costs accruals	2.66	-	8.56	-
Non cash movement (addition/disposal)	0.53	-	-	-
Dividend distributions	-	-	-	-
Balance as at March 31, 2021	**24.75**	**9.56**	**0.07**	**1.09**
Cash flows	(6.72)	(9.56)	(5.73)	(711.12)
Finance costs accruals	2.24	-	5.66	-
Non cash movement (addition/disposal)	-	-	-	-
Dividend distributions	-	-	-	711.27
Balance as at March 31, 2022	**20.27**	**-**	**-**	**1.24**

The accompanying notes 1 to 49 form an integral part of the standalone financial statements
As per our report of even date attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

For and on behalf of the Board of Directors of **Triveni Turbine Limited**

Vijay Vikram Singh
Partner
Membership No.: 059139

Dhruv M. Sawhney
Chairman & Managing Director
DIN: 00102999

Homai A. Daruwalla
Director & Audit Committee Chairperson
DIN: 00365880

Place: Bengaluru
Date: May 13, 2022

Lalit Kumar Agarwal
Vice President & CFO
Place: Noida (U.P.)
Date: May 13, 2022

Rajiv Sawhney
Company Secretary [ACS: 8047]

Notes to the Financial Statements

for the year ended March 31, 2022

Corporate information

Triveni Turbine Limited ("the Company") is a company limited by shares, incorporated, domiciled in India. The Company's equity shares are listed at two recognised stock exchanges in India (BSE and NSE). The registered office of the Company is located at A-44, Hosiery Complex, Phase II extension, Noida, Uttar Pradesh-201305. The Company is primarily engaged in business of manufacture and supply of power generating equipment and solutions and has manufacturing facilities at Bengaluru, Karnataka.

Note 1: Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

(a) Basis of preparation and presentation

(i) Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act), Companies (Indian Accounting Standards) Rules, 2015 (as amended) and other relevant provisions of the Act.

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis except for certain assets and liabilities (including derivative instruments) that 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.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 116 Leases, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 Inventories or value in use in Ind AS 36 Impairment of Assets.

(b) Revenue recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Revenue from Contracts is measured at transaction price net of variable consideration. Transaction price are net of returns, trade allowances, rebates, other similar allowances, goods & services tax and amounts collected on behalf of third parties, if any.

Recognising revenue from major business activities

(i) Sale of goods

Revenue from the sale of goods is recognised at point in time when controls of promised goods are transferred to the customer (i.e. upon satisfaction of performance obligation).

(ii) Rendering of services

Revenue from a contract to provide services is recognised when the outcome of a performance obligation involving the rendering of services can be estimated reliably. Satisfaction of performance obligation of the contract is determined as follows:

- erection and commissioning/service revenue is recognised by reference to the stage of completion of the erection & commissioning/ service, determined based on technical estimate of completion of physical proportion of the contract work;
- operation and maintenance revenue is recognised over time using an input method to measure progress towards complete satisfaction of the service because the

Notes to the Financial Statements

for the year ended March 31, 2022

customer simultaneously receives and consumes the benefits provided by the Company.

(iii) Interest income

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

(iv) Construction contracts

When the outcome of a construction contract can be estimated reliably, revenue is recognised by reference to the stage of completion of the contract activity at the end of the reporting period, measured based on the proportion of contract costs incurred for work performed to date relative to the estimated total contract costs, except where this would not be representative of the stage of completion. Variations in contract work, claims and incentive payments are included to the extent that the amount can be measured reliably and its receipt is considered probable.

When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised to the extent of contract costs incurred that it is probable will be recoverable. Contract costs are recognised as expenses in the period in which they are incurred.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

When contract costs incurred to date plus recognised profits less recognised losses exceed progress billings, the surplus is shown as amounts due from customers for contract work. For contracts where progress billings exceed contract costs incurred to date plus recognised profits less recognised losses, the surplus is shown as the amounts due to customers for contract work. Amounts received before the related work is performed are included in the Balance Sheet, as a liability, as advances received. Amounts billed for work performed but not yet paid by the customer are included in the Balance Sheet under trade receivables.

(v) Royalties

Income from royalty is recognised as per the contractual arrangement with the Licensee upon supply of turbine manufactured with the technical know-how provided by the Company to the Licensee (provided that it is probable that the economic benefits will flow to the Company and the amount of revenue can be measured reliably).

(vi) Rental income

The Company's policy for recognition of revenue from operating leases is described in note 1(d) below.

(vii) Export incentives

Export incentives are recognized as income when the Company is entitled to the incentive as per the terms of the scheme in respect of the exports made and where it is probable that the Company will collect such incentive proceeds.

(c) Government grants

Grants from the government are recognised where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the Statement of Profit and Loss over the period necessary to match them with the costs that they are intended to compensate and presented either within other income or net of related costs.

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

Notes to the Financial Statements

for the year ended March 31, 2022

(d) Leases

Company as a lessee

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.

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(i) Right-of-use assets

The Company recognises right-of-use (ROU) assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). ROU assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of ROU assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. ROU assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

- Office Premises: 2- 9 Years
- Vehicles and other equipments: 5 years

(ii) Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments less any amounts expected to be paid under residual value guarantees.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments.

(iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of premises taken on rent and office equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Company as a lessor

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the Balance Sheet based on their nature.

(e) Foreign currency translation

(i) Functional and presentation currency

The financial statements are presented in Indian rupee (₹), which is Company's functional and presentation currency unless stated otherwise.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in the Statement of Profit and Loss in the period in which they arise and these are deferred in equity if they relate to qualifying cash flow hedges.

Notes to the Financial Statements

for the year ended March 31, 2022

Foreign exchange gains and losses are presented in the Statement of Profit and Loss on a net basis within other gains/(losses).

(f) Impairment of non-financial assets

Non-financial assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

If, at the reporting date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount. Impairment losses previously recognised are accordingly reversed in the Statement of Profit and Loss.

(g) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Other borrowing costs are expensed in the period in which they are incurred.

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

(h) Income tax

Income tax expense represents the sum of the tax currently payable and deferred tax.

(i) Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

(ii) Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences, the carry forward of unused tax credits and unused tax losses to the extent that it is probable that taxable profits will be available against which those deductible temporary differences, the carry forward of unused tax credits and unused tax losses can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

(iii) Current and deferred tax for the year

Current and deferred tax are recognised in the Statement of Profit and Loss, except when they relate to items that are recognised in Other Comprehensive Income or directly in equity, in which case, the current and deferred tax are also recognised in Other Comprehensive Income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set-off the recognised amounts and where it intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

(i) Property, plant and equipment

Property, plant and equipment are tangible items that are held for use in the production or supply for goods and services, rental to others or for administrative purposes and are expected to be used during more than one period. The cost of an item of property, plant and equipment shall be recognised as an asset if and only if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Freehold land is carried at cost. All other items of property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Each part of item of property, plant and equipment, if significant in relation to the total cost of the item, is depreciated separately. Further, parts of plant and equipment that are technically advised to be replaced at prescribed intervals/period of operation, insurance spares and cost of inspection/overhauling are depreciated separately based on their specific useful life provided these are of significant amounts commensurate with the size of the Company and scale of its operations. The carrying amount of any equipment / inspection / overhauling accounted for as separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

Depreciation methods, estimated useful lives and residual value

Depreciation commences when the assets are ready for their intended use. Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives.

The management has estimated the useful lives and residual values of all property, plant and equipment and adopted useful lives as stated in Schedule II which are as follows:

Class of assets	Useful life
Building	5- 60 Years
Plant and Equipment	5- 15 Years
Office Equipment	5 Years
Furniture and Fixtures	10 Years
Vehicle	10 Years
Computers	3-6 Years

The residual value of property, plant and equipment has been considered 5% or less of the original cost of assets as applicable.

- On the basis of technical assessment involving technology obsolescence and past experience:
    - o patterns, tools, jigs, fixtures etc. are depreciated over three years.

Notes to the Financial Statements

for the year ended March 31, 2022

    o machinery spares are depreciated over a life ranging from three to five years.

- Assets costing less than ₹ 5,000/- are fully depreciated in the year of purchase.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

The property, plant and equipment acquired under finance leases is depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the Company will obtain ownership at the end of the lease term.

(j) Intangible assets

Intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Estimated useful lives of the intangible assets are as follows:

Assets	Estimated useful life
Computer software	3 – 5 Years
Website development cost	3 Years
Designs and drawings	6 Years

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in the Statement of Profit and Loss when the asset is derecognised.

Research and development costs

Research costs are expensed as incurred. Development expenditures on an individual project are recognised as an intangible asset when the Company can demonstrate:

- the technical feasibility of completing the intangible asset so that the asset will be available for use or sale;
- its intention to complete and its ability and intention to use or sell the asset;
- how the asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the asset; and
- the ability to measure reliably the expenditure attributable to asset during its development.

The amount initially recognised for intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no intangible assets can be recognised, development expenditure is recognised in the Statement of Profit and Loss in the period in which it is incurred. Subsequent to initial recognition, such intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as of acquired intangible assets.

(k) Inventories

(i) Inventories of raw materials, components, stores and spares are valued at lower of cost and net realizable value. Cost for the purpose of valuation of such inventories is determined on weighted average basis. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

(ii) Finished goods and work-in-progress are valued at lower of cost and net realizable value. The cost of finished goods and work-in-progress includes raw material costs, direct cost of conversion and proportionate allocation of indirect costs incurred in bringing the inventories to their present location and condition.

(l) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

(m) Employee benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the undiscounted amounts expected to be paid when the liabilities are settled. The liabilities are presented as current benefit obligations in the Balance Sheet.

(ii) Other long-term employee benefit obligations

Other long-term employee benefits include earned leaves, sick leaves and employee retention bonus.

Earned leaves and sick leaves

The liabilities for earned leaves and sick leaves are not expected to be settled wholly within twelve months after the end of the period in which the employees render the related service. They are therefore measured at the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the Statement of Profit and Loss. The obligations are presented as provisions in the Balance Sheet.

Employee retention bonus

The Company, as a part of retention policy, pays retention bonus to certain employees after completion of specified period of service. The timing of the outflows is expected to be within a period of five years. They are therefore measured at the present value of expected future payments at the end of each annual reporting period in accordance with management best estimates. This cost is included in employee benefit expense in the Statement of Profit and Loss with corresponding provisions in the Balance Sheet.

(iii) Post-employment obligations

The Company operates the following post-employment schemes:

- defined benefit plan towards payment of gratuity; and
- defined contribution plans towards provident fund & employee pension scheme, employee state insurance and superannuation scheme.

Defined benefit plans

The Company provides for gratuity obligations through a defined benefit retirement plan (the 'Gratuity Plan') covering all employees. The Gratuity Plan provides a lump sum payment to vested employees at retirement/termination of employment or death of an employee, based on the respective employees' salary and years of employment with the Company.

The liability or asset recognised in the Balance Sheet in respect of the defined benefit plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value

Notes to the Financial Statements

for the year ended March 31, 2022

of plan assets. The present value of the defined benefit obligation is determined using projected unit credit method by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation, with actuarial valuations being carried out at the end of each annual reporting period.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in Other Comprehensive Income. They are included in retained earnings in the statement of changes in equity and in the Balance Sheet.

Defined contribution plans

Defined contribution plans are retirement benefit plans under which the Company pays fixed contributions to separate entities (funds) or financial institutions or state managed benefit schemes. The Company has no further payment obligations once the contributions have been paid. The defined contributions plans are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

- **Provident Fund Plan & Employee Pension Scheme**
  The Company makes monthly contributions at prescribed rates towards Employees' Provident Fund / Employees' Pension Scheme to a Fund administered and managed by the Government of India.

- **Employee State Insurance**
  The Company makes prescribed monthly contributions towards Employees' State Insurance Scheme.

- **Superannuation Scheme**
  The Company contributes towards a fund established by the Company to provide superannuation benefit to certain employees in terms of Group Superannuation Policies entered into by such fund with the Life Insurance Corporation of India.

(n) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the Company, on or before the end of the reporting period but not distributed by the end of the reporting period.

(o) Cash and cash equivalents

Cash and cash equivalents includes cash on hand, other short-term, highly liquid investments with original maturities of three month or less that are readily convertible into known amount of cash and which are subject to an insignificant risk of changes in value.

(p) Earnings per share

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

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

(q) Financial assets

(i) Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through Other Comprehensive Income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or Other Comprehensive Income. For assets in the nature of debt instruments, this will depend on the business model. For assets in the nature of equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity instrument at fair value through Other Comprehensive Income.

The Company reclassifies debt instruments when and only when its business model for managing those assets changes.

(ii) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not measured at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is recognised using the effective interest rate method.

- **Fair value through Other Comprehensive Income (FVTOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through Other Comprehensive Income (FVTOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in Statement of Profit and Loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in other income using the effective interest rate method.

- **Fair value through profit or loss (FVTPL):** Assets that do not meet the criteria for amortised cost or FVTOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net in the in Statement of Profit and Loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

Equity instruments

The Company subsequently measures all equity investments at fair value, except for equity investments in subsidiary and joint venture where the Company has the option to either measure it at cost or fair value. The Company has opted to measure equity investments in subsidiary and joint venture at cost. Where the Company's management elects to present fair value gains and losses on equity investments in Other Comprehensive Income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the Company's right to receive payments is established.

(iii) Impairment of financial assets

In accordance with Ind AS 109 Financial Instruments, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss associated with its financial assets carried at amortised cost and FVTOCI debt instruments.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115 Revenue from contracts with customers, the Company applies simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected life time losses to be recognised after initial recognition of receivables. For recognition of impairment loss on other financial assets and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, twelve months ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on twelve-months ECL.

ECL represents expected credit loss resulting from all possible defaults and is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive, discounted at the original effective interest rate. While determining cash flows, cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms are also considered.

ECL is determined with reference to historically observed default rates over the expected life of the trade receivables and is adjusted for forward looking estimates. Note 37 details how the Company determines expected credit loss.

(iv) Derecognition of financial assets

A financial asset is derecognised only when

- the Company has transferred the rights to receive cash flows from the financial asset; or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Company has transferred an asset, it evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the Company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the Company has neither transferred a financial asset nor retained substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in Other Comprehensive Income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety, the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in Other Comprehensive Income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in Other Comprehensive Income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

(v) Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL.

(r) Financial liabilities and equity instruments

(i) Classification

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

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

Financial liabilities

The Company classifies its financial liabilities in the following measurement categories:

- those to be measured subsequently at fair value through profit or loss, and
- those measured at amortised cost.

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or it is designated as at FVTPL, other financial liabilities are measured at amortised cost at the end of subsequent accounting periods.

(ii) Measurement

Equity instruments

Equity instruments issued by the Company are recognised at the proceeds received. Transaction cost of equity transactions shall be accounted for as a deduction from equity.

Financial liabilities

At initial recognition, the Company measures a financial liability at its fair value net of, in the case of a financial liability not measured at fair value through profit or loss, transaction costs that are directly attributable to the issue of the financial liability. Transaction costs of financial liability carried at fair value through profit or loss are expensed in profit or loss.

Subsequent measurement of financial liabilities depends on the classification of financial liabilities. There are two measurement categories into which the Company classifies its financial liabilities:

- **Fair value through profit or loss (FVTPL):** Financial liabilities are classified as at FVTPL when the financial liability is held for trading or it is designated as at FVTPL. Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss.

- **Amortised cost:** Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

(iii) Derecognition

Equity instruments

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

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for the year ended March 31, 2022

Financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

(iv) Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the gross carrying amount of a financial liability.

(v) Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in 'Other income'. The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period.

(s) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

(t) Fair value of financial instruments

Fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

(u) Derivative financial instruments and hedge accounting

The Company uses derivative financial instruments i.e. forward currency contracts to hedge its foreign currency risks. These derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

For the purpose of hedge accounting, the Company has classified hedges as Cash flow hedges wherein it hedges the exposure to the variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment.

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company contemplates to apply hedge accounting and the risk management objective and strategy for undertaking the hedge in compliance with Company's hedge policy. The documentation includes the company's risk management objective and strategy for undertaking hedge, the hedging / economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated. Any hedge ineffectiveness is calculated and accounted for in Statement of profit or loss at the time of hedge relationship rebalancing.

The effective portion of changes in the fair value of the hedging instruments is recognised in Other Comprehensive Income and accumulated in the cash flow hedging reserve. Such amounts are reclassified in to the profit or loss when the related hedge items affect profit or loss, such as when the hedged financial income or financial expense is recognised or when a forecast sale occurs. When the hedged item is the cost of a non-financial asset or non-financial liability, the amounts recognised as OCI are transferred to the initial carrying amount of the non-financial asset or liability.

Any ineffective portion of changes in the fair value of the derivative or if the hedging instrument no longer meets the criteria for hedge accounting, is recognised immediately in profit or loss. If the hedging relationship ceases to meet the effectiveness conditions, hedge accounting is discontinued and the related gain or loss is held in cash flow hedging reserve until the forecast transaction occurs.

(v) Recent pronouncements

Ministry of Corporate Affairs ("MCA"), vide notification dated March 23, 2022, has made the following amendment to Ind AS which are effective from 1st April 2022

i. Ind AS 103 – Reference to conceptual framework

ii. Ind AS 109 -Annual improvement to Ind AS (2021)

iii. Ind AS 37 – Onerous Contract – Cost of Fulfilling a contract

iv. Ind AS 16 - Proceeds before intended use.

Based on the preliminary assessment, the Company does not expect these amendments to have any significant impact on its financial statements.

Note 2: Critical accounting judgements and key sources of estimation uncertainty

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Company's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

(a) Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

(i) Write –downs of Inventory

The Company write-downs the inventories to net realisable value on account of obsolete and slow-moving inventories, which is recognised on case to case basis based on the management's assessment.

The Company uses following significant judgements to ascertain value for write-downs of inventories to net realisable:

a) nature of inventories mainly comprise of iron, steel, forging and casting which are non-perishable in nature;

b) probability of decrease in the realisable value of slow moving inventory due to obsolesce or not having an alternative use

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for the year ended March 31, 2022

is low considering the fact that these can also be used after necessary engineering modification;

c) maintaining appropriate inventory levels for after sales services considering the long useful life of the product.

(ii) Employee benefit plans

The cost of the defined benefit plans and other long term employee benefits and the present value of the obligation thereon 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, attrition and mortality rates. Due to the complexities involved in the valuation and its long-term nature, obligation amount is highly sensitive to changes in these assumptions.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans, the management considers the interest rates of government bonds. Future salary increases are based on expected future inflation rates and expected salary trends in the industry. Attrition rates are considered based on past observable data on employees leaving the services of the Company. The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. See note 34 for further disclosures.

(iii) Provision for warranty claims

The Company, in the usual course of sale of its products, gives warranties on certain products and services, undertaking to repair or replace the items that fail to perform satisfactorily during the specified warranty period. Provisions made represent the amount of expected cost of meeting such obligations of rectifications / replacements based on best estimate considering the historical warranty claim information and any recent trends that may suggest future claims could differ from historical amounts. The assumptions made in relation to the current period are consistent with those in the prior years.

(iv) Provision for liquidated damages

It represents the potential liability which may arise from contractual obligation towards customers with respect to matters relating to delivery and performance of the Company's products. The provision represents the amount estimated to meet the cost of such obligations based on best estimate considering the historical trends, merits of the case and apportionment of delays between the contracting parties.

(v) Provision for litigations and contingencies

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

(vi) Useful life and residual value of plant, property and equipment and intangible assets

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

Note 3: Property, plant and equipment and capital work-in-progress

(₹ in Million)

	Property, plant and equipment										Capital work-in-progress (Note v)
	Freehold land	Leasehold land	Buildings	Plant and equipment	Office equipment	Furniture and fixtures	Vehicles	Computers	Right of use assets (Note iv)	Total	
Year ended 31 March 2021											
Gross carrying amount											
Opening gross carrying amount	36.42	388.65	1,174.49	1,320.71	26.49	62.50	55.46	53.66	34.01	3,152.39	63.72
Additions	-	-	113.18	65.86	9.97	1.14	1.31	1.12	2.73	195.31	110.51
Disposals	-	-	-	-	-	-	(3.62)	-	(4.97)	(8.59)	-
Transfer	-	-	-	-	-	-	-	-		-	(174.23)
Closing gross carrying amount	**36.42**	**388.65**	**1,287.67**	**1,386.57**	**36.46**	**63.64**	**53.15**	**54.78**	**31.77**	**3,339.11**	**-**
Accumulated depreciation											
Opening accumulated depreciation	-	-	134.06	478.59	16.31	27.15	23.26	39.46	7.13	725.96	-
Depreciation charge during the year	-	-	39.26	114.84	4.83	5.02	5.08	5.71	5.77	180.51	-
Disposals	-	-	-	-	-	-	(1.95)	-	(2.77)	(4.72)	-
Closing accumulated depreciation	**-**	**-**	**173.32**	**593.43**	**21.14**	**32.17**	**26.39**	**45.17**	**10.13**	**901.75**	**-**
Net carrying amount	**36.42**	**388.65**	**1,114.35**	**793.14**	**15.32**	**31.47**	**26.76**	**9.61**	**21.64**	**2,437.36**	**-**
Year ended 31 March 2022											
Gross carrying amount											
Opening gross carrying amount	36.42	388.65	1,287.67	1,386.57	36.46	63.64	53.15	54.78	31.77	3,339.11	-
Additions	-	-	9.99	77.78	2.38	0.40	20.62	4.64	-	115.81	32.52
Disposals	-	-	(2.93)	-	-	(0.33)	(17.18)	-	-	(20.44)	-
Transfer	-	-	-	-	-	-	-	-	-	-	-
Closing gross carrying amount	**36.42**	**388.65**	**1,294.73**	**1,464.35**	**38.84**	**63.71**	**56.59**	**59.42**	**31.77**	**3,434.48**	**32.52**
Accumulated depreciation											
Opening accumulated depreciation	-	-	173.32	593.43	21.14	32.17	26.39	45.17	10.13	901.75	-
Depreciation charge during the year	-	-	43.11	107.06	5.48	4.54	5.22	5.39	5.39	176.19	-
Disposals	-	-	(0.72)	-	-	(0.26)	(6.51)	-	-	(7.49)	-
Closing accumulated depreciation	**-**	**-**	**215.71**	**700.49**	**26.62**	**36.45**	**25.10**	**50.56**	**15.52**	**1,070.45**	**-**
Net carrying amount	**36.42**	**388.65**	**1,079.02**	**763.86**	**12.22**	**27.26**	**31.49**	**8.86**	**16.25**	**2,364.03**	**32.52**

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for the year ended March 31, 2022

(i) Leased assets

The leasehold land above represents land at Sompura, acquired by the Company during financial year 2014-15 from Karnataka Industrial Areas Development Board, on a lease-cum-sale basis. The land is under lease for initial period of ten years thereafter the ownership of the land will be transferred in favour of the Company. (refer note 39(i)).

(ii) Restrictions on property, plant and equipment

Refer note 14 and 16 for information on charges created on property, plant and equipment.

(iii) Contractual commitments

Refer note 40 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

(iv) Right of use assets

Right of use assets represents certain office premises, office equipment and vehicles taken on lease and has been accounted in accordance with Ind AS 116 ("Leases") [Refer note 39 (ii)]

(v) Capital work-in-progress

Capital work-in-progress mainly comprises of extension of factory building at Somapura manufacturing facility which is under progress aged within 1 year.

Note 4: Intangible assets

(₹ in Million)

	Computer software	Website	Design and drawings	Total
Year ended March 31, 2021				
Gross carrying amount				
Opening gross carrying amount	109.46	1.42	46.19	157.07
Additions	21.78	0.51	-	22.29
Closing gross carrying amount	**131.24**	**1.93**	**46.19**	**179.36**
Accumulated amortisation				
Opening accumulated amortisation	79.93	1.42	37.27	118.62
Amortisation charge for the year	18.53	0.13	2.58	21.24
Disposals	-	-	-	-
Closing accumulated amortisation	**98.46**	**1.55**	**39.85**	**139.86**
Closing net carrying amount	**32.78**	**0.38**	**6.34**	**39.50**
Year ended March 31, 2022				
Gross carrying amount				
Opening gross carrying amount	131.24	1.93	46.19	179.36
Additions	15.92	-	-	15.92
Closing gross carrying amount	**147.16**	**1.93**	**46.19**	**195.28**
Accumulated amortisation				
Opening accumulated amortisation	98.46	1.55	39.85	139.86
Amortisation charge for the year	21.63	0.17	2.23	24.03
Disposals	-	-	-	-
Closing accumulated amortisation	**120.09**	**1.72**	**42.08**	**163.89**

Notes to the Financial Statements

for the year ended March 31, 2022

Note 5: Investments

(a) Investments in subsidiary and joint venture

(₹ in Million)

	31-Mar-22	31-Mar-21
At cost		
Unquoted investments (fully paid-up)		
Investments in equity instruments		
- of subsidiary		
200,000 (March 31, 2021: 200,000) Ordinary shares of GBP 1/- each of Triveni Turbines Europe Private Ltd	18.47	18.47
16,000,000 (March 31, 2021: Nil) Equity shares of ₹ 10/- each of Triveni Energy Solutions Limited (formerly known as GE Triveni Limited (refer note 42)	160.00	-
- of joint venture		
Nil (March 31, 2021: 8,000,001) Equity shares of ₹ 10/- each of Triveni Energy Solutions Limited (formerly known as GE Triveni Limited (refer note 42)	-	80.00
Total investments in subsidiary and joint venture	**178.47**	**98.47**
Total investments in subsidiary and joint venture	**178.47**	**98.47**
Aggregate amount of quoted investments and market value thereof	-	-
Aggregate amount of unquoted investments	178.47	98.47
Aggregate amount of impairment in the value of investments	-	-

Details of the Company's subsidiaries and joint venture at the end of the reporting period are as follows:

(₹ in Million)

Name of Subsidiaries / Joint venture	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Company	
		31-Mar-22	31-Mar-21
Subsidiaries			
Triveni Turbines Europe Private Ltd	United Kingdom	100%	100%
Triveni Energy Solutions Limited*	India	100%	-
Joint venture			
Triveni Energy Solutions Limited*	India	-	50%

*Ceased to be joint venture and became wholly owned subsidiary of the Company w.e.f September 06, 2021 (refer note 42)

(b) Current investments

(₹ in Million)

	31-Mar-22	31-Mar-21
Unquoted investments		
Investments in mutual funds at fair value through profit or Loss	4,250.73	2,639.31
Deposits with financial institutions at amortised cost	230.00	40.00
Total current investments	**4,480.73**	**2,679.31**
Aggregate amount of quoted investments and market value thereof	-	-
Aggregate amount of unquoted investments	4,480.73	2,679.31
Aggregate amount of impairment in the value of investments	-	-

Notes to the Financial Statements

for the year ended March 31, 2022

Note 6: Trade receivables

(₹ in Million)

	31-Mar-22		31-Mar-21	
	Current	Non-current	Current	Non-current
Trade receivables (at amortised cost)	994.64	-	812.71	11.38
Less: Allowance for bad and doubtful debts	(73.51)	-	(49.09)	(11.38)
Total trade receivables	**921.13**	**-**	**763.62**	**-**
Trade receivables				
Secured, considered good	121.70	-	211.10	-
Unsecured, considered good	799.43	-	552.52	-
Trade receivables which have significant increase in credit Risk	21.41	-	12.79	-
Trade receivables - credit impaired	52.10	-	36.30	11.38
	994.64	**-**	**812.71**	**11.38**
Impairment allowance (allowance for bad and doubtful debts)				
Trade receivables which have significant increase in credit Risk	21.41	-	12.79	-
Trade receivables - credit impaired	52.10	-	36.30	11.38
	73.51	**-**	**49.09**	**11.38**

(i) Ageing analysis of trade receivables*

(₹ in Million)

Trade receivables	31-Mar-22					
	Outstanding for following periods from due date of Payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed						
- Considered good	726.10	48.57	30.19	36.38	101.30	942.54
- Considered doubtful	0.84	1.52	2.50	15.92	21.76	42.54
Disputed	-	-	-	-	-	-
- Considered good	-	-	-	-	-	-
- Considered doubtful	-	-	-	1.27	8.29	9.56
Total (A)	**726.94**	**50.09**	**32.69**	**53.57**	**131.35**	**994.64**
Allowance for receivables credit impaired						52.10
Allowance for expected credit loss						21.41
Total (B)						**73.51**
Total (A-B)						**921.13**

(₹ in Million)

Trade receivables	31-Mar-21					
	Outstanding for following periods from due date of Payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed						
- Considered good	354.80	76.20	160.38	37.27	147.76	776.41
- Considered doubtful	-	-	1.85	3.29	32.98	38.12
Disputed						
- Considered good	-	-	-	-	-	-
- Considered doubtful	-	-	-	1.27	8.29	9.56
Total (A)	**354.80**	**76.20**	**162.23**	**41.83**	**189.03**	**824.09**
Allowance for receivables credit impaired						47.68
Allowance for expected credit loss						12.79
Total (B)						**60.47**
Total (A-B)						**763.62**

*Includes retention money held back by the customers.

(ii) Refer note 37 for disclosures related to credit risk, impairment of trade receivables under expected credit loss model and related disclosures.

(iii) Reconciliation of loss allowance provision on trade receivables:

(₹ in Million)

	31-Mar-22	31-Mar-21
Balance at beginning of the year	60.47	53.20
Additional provisions recognised	35.14	19.98
Amounts used during the year	(10.72)	(12.21)
Unused amounts reversed during the year	(11.38)	(0.50)
Balance at the end of the year	73.51	60.47

Note 7: Loans

(₹ in Million)

	31-Mar-22		31-Mar-21	
	Current	Non- current	Current	Non- current
Unsecured, considered good (at amortised cost)				
Loan to employees	0.17	-	0.02	-
Total loans	**0.17**	**-**	**0.02**	**-**

Notes to the Financial Statements

for the year ended March 31, 2022

Note 8: Other financial assets

(₹ in Million)

	31-Mar-22		31-Mar-21	
	Current	Non- current	Current	Non- current
At amortised cost				
Security deposits	0.93	8.95	0.02	8.94
Earnest money deposits	7.50	-	7.35	-
Interest accrued on bank deposits	45.04	-	3.73	-
Bank deposits maturing beyond 12 months	-	79.60	-	-
Amount recoverable from banks (related to hedging transactions)	0.24	-	0.79	-
Contract assets (refer note 45)*	12.08	-	54.14	-
Total other financial assets at amortised cost [A]	**65.79**	**88.55**	**66.03**	**8.94**
At fair value through Other Comprehensive Income (OCI)				
Derivatives financial instruments carried at fair value				
- Foreign-exchange forward contracts	11.64	-	11.93	-
Total other financial assets at fair value through OCI [B]	**11.64**	**-**	**11.93**	**-**
Total other financial assets ([A]+[B])	**77.43**	**88.55**	**77.96**	**8.94**

*All contract assets are aged within 1 year.

Note 9: Other assets

(₹ in Million)

	31-Mar-22		31-Mar-21	
	Current	Non- current	Current	Non- current
Capital advances	-	40.34	-	0.84
Advances to suppliers				
Considered good	142.83	-	64.06	-
Considered doubtful	7.60	-	6.90	-
	150.43	**-**	**70.96**	**-**
Less: Provision for doubtful advances	(7.60)	-	(6.90)	-
	142.83	**-**	**64.06**	**-**
Indirect tax and duties recoverable				
Considered good	103.81	-	188.77	1.80
Considered doubtful	-	7.43	-	7.99
	103.81	**7.43**	**188.77**	**9.79**
Less: Provision for doubtful indirect taxes and duties recoverable	-	(7.43)	-	(7.99)
	103.81	**-**	**188.77**	**1.80**
Export incentives receivable				
Considered good	49.91	-	10.58	-
Considered doubtful	-	14.15	-	12.34
	49.91	**14.15**	**10.58**	**12.34**
Less: Provision for doubtful export incentives receivable	-	(14.15)	-	(12.34)
	49.91	**-**	**10.58**	**-**

Notes to the Financial Statements
for the year ended March 31, 2022

(₹ in Million)

	31-Mar-22		31-Mar-21	
	Current	Non- current	Current	Non- current
Prepaid expenses	42.85	2.33	32.04	1.80
Due from customers (Turbine extended scope turnkey project revenue adjustment)	-	-	6.21	-
Gratuity fund receivable (refer note 34)	-	-	1.50	-
Total other assets	**339.40**	**42.67**	**303.16**	**4.44**

Note 10: Inventories

(₹ in Million)

	31-Mar-22	31-Mar-21
Raw materials and components [includes stock in transit ₹ 14.34 Million (March 31, 2021: ₹ 2.76 Million)]	754.86	653.95
Less: Allowance for non moving inventories	(136.14)	(42.45)
Work-in-progress	722.12	772.31
Less: Allowance for non moving inventories	(27.79)	(21.27)
Finished goods [includes stock in transit ₹ 202.35 Million (March 31, 2021: ₹ 216.72 Million)]	219.90	229.32
Others - scrap and low value patterns	0.02	0.01
Total inventories	**1,532.97**	**1,591.87**

(i) The cost of inventories recognised as an expense during the year was ₹ 5,270.61 Million (March 31, 2021: ₹ 4,268.87 Million).

(ii) The mode of valuation of inventories has been stated in note 1 (k).

(iii) In view of the order-to-dispatch cycle being normally around twelve months, most of the inventories held are expected to be utilized during the next twelve months. However, there may be some exceptions on account of unanticipated cases where the dispatch is held up due to reasons attributable to the customers, slow movement in spares and advance manufacture in anticipation of orders. Accordingly, the same has been considered as current.

(iv) Refer note 16(i) for information on charges created on inventories.

(v) For write-downs of inventories to net realisable value on account of obsolescence and slow moving items refer note 30 and 42.

Note 11: Cash and bank balances

(a) Cash and cash equivalents

(₹ in Million)

	31-Mar-22	31-Mar-21
At amortised cost		
Balances with banks		
- in current accounts	66.25	129.00
Cash on hand	0.30	0.12
Total cash and cash equivalents	**66.55**	**129.12**

Notes to the Financial Statements

for the year ended March 31, 2022

(b) Bank balances other than cash and cash equivalents

(₹ in Million)

	31-Mar-22	31-Mar-21
At amortised cost		
Balances with banks		
- Deposits with maturity with less than 12 months	2,003.24	728.80
Earmarked balances with banks		
- unpaid dividend account	1.24	1.09
Total other bank balances	**2,004.48**	**729.89**

Note 12: Equity share capital

	31-Mar-22		31-Mar-21	
	Number of shares	Amount (₹ in Million)	Number of shares	Amount (₹ in Million)
AUTHORISED				
Equity shares of ₹ 1 each	450,000,000	450.00	450,000,000	450.00
8% Cumulative Redeemable Preference Shares of ₹ 10 each	5,000,000	50.00	5,000,000	50.00
		500.00		**500.00**
ISSUED, SUBSCRIBED AND FULLY PAID UP				
Equity shares of ₹ 1 each	323,305,484	323.30	323,305,484	323.30

(i) Movements in equity share capital

	Number of shares	Amount (₹ in Million)
As at April 1, 2020	323,305,484	323.30
Movement during the year	-	-
As at March 31, 2021	**323,305,484**	**323.30**
Movement during the year	-	-
As at March 31, 2022	**323,305,484**	**323.30**

Terms and rights attached to equity shares

The Company has only one class of equity shares with a par value of ₹ 1/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares are entitled to receive the remaining assets of the Company, after meeting all liabilities and distribution of all preferential amounts, in proportion to their shareholding.

Notes to the Financial Statements

for the year ended March 31, 2022

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

	31-Mar-22		31-Mar-21	
	Number of shares	% holding	Number of shares	% holding
Triveni Engineering & Industries Limited	70,627,980	21.85	70,627,980	21.85
Dhruv M. Sawhney	23,386,813	7.23	23,386,813	7.23
Nalanda India Fund Limited	18,170,454	5.62	18,170,454	5.62
Subhadra Trade & Finance Limited	86,929,264	26.89	86,929,264	26.89
Nippon Life India Trustee Limited	16,874,500	5.22	20,522,403	6.35
SBI Mutual Fund	20,561,470	6.36	20,086,681	6.21

(iii) Details of shares held by promoters in the Company

Sr. No.	Name of the promoter	31-Mar-22			31-Mar-21		
		Number of shares	% holding	% change	Number of shares	% holding	% change
1	Mr. Dhruv M. Sawhney	23,386,813	7.23	-	23,386,813	7.23	-
3	Mr. Tarun Sawhney	13,972,088	4.32	-	13,972,088	4.32	-
4	Mr. Nikhil Sawhney	14,760,246	4.57	-	14,760,246	4.57	-
2	Mrs. Rati Sawhney	5,838,707	1.81	-	5,838,707	1.81	-
5	Manmohan Sawhney (HUF)	3,603,229	1.11	-	3,603,229	1.11	-
6	Mrs. Tarana Sawhney	24,484	0.01	-	24,484	0.01	-
7	Triveni Engineering & Industries Ltd.	70,627,980	21.85	-	70,627,980	21.85	-
8	Subhadra Trade & Finance Limited	86,929,264	26.89	-	86,929,264	26.89	-
		219,142,811	**67.78**	**-**	**219,142,811**	**67.78**	**-**

(iv) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date

a) The Company has not issued any bonus shares during five years immediately preceding March 31, 2022. Further, the Company has not issued any shares for consideration other than cash during five years immediately preceding March 31, 2022.

b) The Company had bought back 6,666,666 equity shares of ₹ 1 each during the year ended March 31, 2019 from the shareholders of the Company.

Note 13: Other equity

(₹ in Million)

	31-Mar-22	31-Mar-21
Capital redemption reserve	34.67	34.67
Retained earnings	7,341.67	5,560.77
Cash flow hedging reserve	12.32	5.59
Total other equity	**7,388.66**	**5,601.03**

Notes to the Financial Statements

for the year ended March 31, 2022

(i) Capital redemption reserve

(₹ in Million)

	31-Mar-22	31-Mar-21
Opening balance	34.67	34.67
Add: Movement during the year	-	-
Closing balance	**34.67**	**34.67**

Capital Redemption Reserve of ₹ 28.00 Million was created consequent to redemption of preference share capital, as required under the provisions of the erstwhile Companies Act, 1956 and Capital Redemption Reserve of ₹ 6.67 Million was created during the year ended March 31, 2019 on account of buy-back of equity shares. This reserve shall be utilised in accordance with the provisions of Companies Act, 2013.

(ii) Retained earnings

(₹ in Million)

	31-Mar-22	31-Mar-21
Opening balance	5,560.77	4,662.46
Net profit for the year	2,494.94	887.24
Other comprehensive income arising from the remeasurements of defined benefit obligation net of income tax	(2.77)	11.07
Dividend paid	**(711.27)**	**-**
Closing balance	**7,341.67**	**5,560.77**

(a) It represents undistributed profits of the Company which can be distributed by the Company to its equity shareholders in accordance with the requirements of the Companies Act, 2013.

(b) As required under Schedule III (Division II) to the Companies Act, 2013, the Company has recognised remeasurement of defined benefit plans (net of tax) as part of retained earnings.

(c) Details of dividend distributions declared & proposed:

(₹ in Million)

	31-Mar-22	31-Mar-21
Cash dividends on equity shares declared and paid (Also refer note 18)		
Final dividend: 120% (₹ 1.20 per equity share of ₹ 1/- each) for the year March 31, 2021 [March 31, 2021: Nil (₹ Nil per equity share of ₹ 1/- each)]	387.97	-
Interim dividend: 40% (₹ 0.40 per equity share of ₹ 1/- each) for the year ended March 31, 2022 [March 31, 2021: Nil (₹ Nil per equity share of ₹ 1/- each)]	129.32	-
1st Special dividend: 60% (₹ 0.60 per equity share of ₹ 1/- each) for the year ended March 31, 2022 [March 31, 2021: Nil (₹ Nil per equity share of ₹ 1/- each)]	193.98	-
Total cash dividends on equity shares declared and paid	**711.27**	**-**
Proposed dividend on equity shares:		
Final dividend: 85% (₹ 0.85 per equity share of ₹ 1/- each) for the year ended March 31, 2022 [March 31, 2021: 120% (₹ 1.20 per equity share of ₹ 1/- each)]	274.81	387.96
2nd Special dividend: 70% (₹ 0.70 per equity share of ₹ 1/- each) for the year ended March 31, 2022 [March 31, 2021: Nil (₹ Nil per equity share of ₹ 1/- each)]	226.31	-
Total proposed dividend on equity shares	**501.12**	**387.96**

Notes to the Financial Statements
for the year ended March 31, 2022

Proposed dividend on equity shares as on March 31, 2022 is subject to approval by shareholders at the Annual General Meeting and has not been included as a liability in these financial statements. The proposed equity dividend is payable to all holders of fully paid equity shares.

(iii) Cash flow hedging reserve

(₹ in Million)

	31-Mar-22	31-Mar-21
Opening balance	5.59	(33.46)
Other comprehensive gain arising from effective portion of loss on designated portion of hedging instruments in a cash flow hedge	8.99	52.18
Income tax on above	(2.26)	(13.13)
Closing balance	**12.32**	**5.59**

The Company uses hedging instruments as a part of its management of foreign currency risk associated with its highly probable forecast sale. For hedging foreign currency risk, the Company uses foreign currency forward contracts which are designated as cash flow hedge. To the extent, these hedge are effective, the changes in fair value of hedging instruments is recognised in the cash flow hedging reserve. Amount recognised in the cash flow hedging reserve is reclassified to profit or loss when hedge items effects profit or loss i.e. sales.

Note 14: Non-current borrowings

(₹ in Million)

	31-Mar-22		31-Mar-21	
	Current	Non- current	Current	Non- current
Secured- at amortised cost				
Term loans				
- from other parties	-	-	9.56	-
	-	**-**	**9.56**	**-**
Less: Amount disclosed under the head "Current borrowings" (refer note 16)	-	-	(9.56)	-
Total non-current borrowings	**-**	**-**	**-**	**-**

Term loans from other parties represents vehicles loan which are secured by hypothecation of vehicles. These loans carried interest @ 8.90% p.a. The loans were repayable in 23 monthly instalments of ₹ 0.26 Million each and a bullet repayment of ₹ 7.91 Million at the end of tenor of the loan which has been repaid in full in Jan'22.

Note 15: Provisions

(₹ in Million)

	31-Mar-22		31-Mar-21	
	Current	Non- current	Current	Non- current
Provision for employee benefits				
Gratuity (refer note 34)	-	7.75	-	-
Compensated absences	33.04	-	30.66	-
Employee retention bonus	5.13	5.74	8.77	2.69
Other provisions				
Warranty	46.33	38.70	57.34	27.15
Liquidated damages	55.86	-	30.54	-
Total provisions	**140.36**	**52.19**	**127.31**	**29.84**

Notes to the Financial Statements

for the year ended March 31, 2022

(i) Information about individual provisions and significant estimates

(a) Compensated absences:

Compensated absences comprises earned leaves, the liabilities of which are not expected to be settled wholly within twelve months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. The Company presents the compensated absences as a current liability in the Balance Sheet wherever it does not have an unconditional right to defer its settlement beyond twelve months after the reporting date.

(b) Employee retention bonus:

The Company, as a part of retention policy, pays retention bonus to certain employees after completion of specified period of service. The timing of the outflows is expected to be within a period of five years. They are therefore measured as the present value of expected future payments, with management best estimates.

(c) Warranty:

The Company, in the usual course of sale of its products, gives warranties on certain products and services, undertaking to repair or replace the items that fail to perform satisfactorily during the specified warranty period. Provisions made represent the amount of expected cost of meeting such obligations of rectifications / replacements based on best estimate considering the historical warranty claim information and any recent trends that may suggest future claims could differ from historical amounts.

(d) Liquidated damages:

Represents the provision on account of contractual obligation towards customers in respect of certain products for matters relating to delivery and performance. The provision represents the amount estimated to meet the cost of such obligations based on best estimate considering the historical liquidated damages claim information and any recent trends that may suggest future claims could differ from historical amounts.

(ii) Movement in other provisions

Movement in each class of other provisions during the financial year, are set out below:

(₹ in Million)

	Warranty	Liquidated damages
Balance as at April 1, 2020	**107.93**	**25.48**
Additional provisions recognised	62.51	19.58
Amounts used during the year	(55.27)	(5.23)
Unused amounts reversed during the year	(30.68)	(9.29)
Balance as at March 31, 2021	**84.49**	**30.54**
Additional provisions recognised	69.47	41.31
Amounts used during the year	(44.73)	(9.54)
Unused amounts reversed during the year	(24.20)	(6.45)
Balance as at March 31, 2022	**85.03**	**55.86**

Notes to the Financial Statements
for the year ended March 31, 2022

Note 16: Current borrowings

(₹ in Million)

	31-Mar-22	31-Mar-21
Secured- at amortised cost		
Repayable on demand		
- Cash credits from banks#	-	-
Current maturities of long-term borrowings (refer note 14)	-	9.56
Total current borrowings	**-**	**9.56**

#As at March 31, 2022 and March 31, 2021, cash credit has a favourable bank balances, hence the same has been disclosed under cash and cash equivalent.

(i) Cash credit from banks is secured by hypothecation of entire current assets inclusive of stock-in-trade, raw materials, stores and spares, work-in-progress and trade receivables and a second charge on entire movable fixed assets of the Company and immovable fixed assets situated at Peenya Industrial Area, Bengaluru both present and future on a pari-passu basis. Interest rates ranges from 7.75% to 8.05% per annum for the year ended March 31, 2022 (March 31, 2021: 7.40% to 8.90%)

(ii) In respect of working capital facilities sanctioned by a bank to the wholly owned subsidiary M/s Triveni Energy Solution Limited (TESL) (formerly known as GE Triveni Ltd), the Company had given an undertaking not to dispose of its investments in the equity shares of TESL aggregating to ₹ 80.00 Million during the tenure of the facilities. This undertaking has been withdrawn by the Company and extinguished by the Bank during the year ended March 31, 2022.

Note 17: Trade payables

(₹ in Million)

	31-Mar-22	31-Mar-21
Trade payables		
- Total outstanding dues of micro enterprises and small enterprises (refer note 43)	129.19	111.81
- Total outstanding dues of creditors other than micro enterprises and small enterprises	919.62	621.16
Total trade payables	**1,048.81**	**732.97**

(i) Ageing analysis of trade payable

(₹ in Million)

Trade Payables	31-Mar-22				
	Outstanding for the following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed					
- Dues of micro enterprises and small enterprises	129.19	-	-	-	129.19
- Dues of other than micro enterprises and small enterprises	704.77	3.85	2.55	24.96	736.13
Disputed					
- Dues of micro enterprises and small enterprises	-	-	-	-	-
- Dues of other than micro enterprises and small enterprises	-	-	-	11.15	11.15
Unbilled dues	172.34	-	-	-	172.34
	1,006.30	**3.85**	**2.55**	**36.11**	**1,048.81**

Notes to the Financial Statements

for the year ended March 31, 2022

(₹ in Million)

Trade Payables	31-Mar-21				
	Outstanding for the following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed					
- Dues of micro enterprises and small enterprises	111.81	-	-	-	111.81
- Dues of other than micro enterprises and small enterprises	444.04	4.39	2.30	33.21	483.94
Disputed					
- Dues of micro enterprises and small enterprises	-	-	-	-	-
- Dues of other than micro enterprises and small enterprises	-	-	-	11.15	11.15
Unbilled dues	126.07	-	-	-	126.07
	681.92	**4.39**	**2.30**	**44.36**	**732.97**

Note 18: Other financial liabilities

(₹ in Million)

	31-Mar-22	31-Mar-21
At amortised cost		
Interest accrued	-	0.07
Capital creditors	17.30	24.71
Employee benefits and other dues payable	194.39	193.73
Unpaid dividends (see (i) below)	1.24	1.09
Total other financial liabilities	**212.93**	**219.60**

(i) There are no amounts as at the end of the year which are due and outstanding to be credited to the Investors Education and Protection Fund.

Note 19: Other current liabilities

(₹ in Million)

	31-Mar-22	31-Mar-21
Advance from customers	2,725.07	1,661.08
Deferred income	74.03	42.36
Amount due to customers (Turbine extended scope turnkey project revenue adjustment)	4.78	-
Statutory remittances	30.97	30.05
Total other liabilities	**2,834.85**	**1,733.49**

Note 20: Income tax balances

(₹ in Million)

	31-Mar-22		31-Mar-21	
	Current	Non- current	Current	Non- current
Income tax assets				
Tax refund receivable (net)		37.49	-	37.41
	-	**37.49**	-	**37.41**
Income tax liabilities				
Provision for income tax (net)	133.09	-	57.84	-
	133.09	-	**57.84**	-

Notes to the Financial Statements
for the year ended March 31, 2022

Note 21: Deferred tax balances

(₹ in Million)

	31-Mar-22	31-Mar-21
Deferred tax assets	(150.36)	(120.36)
Deferred tax liabilities	194.63	171.28
Net deferred tax liabilities (net)	**44.27**	**50.92**

(i) Movement in deferred tax balances
For the year ended 31 March 2022

(₹ in Million)

	Opening balance	Recognised in Profit and Loss	Recognised in OCI	Closing balance
Tax effect of items constituting deferred tax assets/ (liabilities)				
Liabilities and provisions tax deductible only upon payment/ actual crystallisation				
- Employee benefits	50.58	(5.30)	0.93	46.21
- Other contractual provisions	31.67	5.38	-	37.05
Impairment provisions on financial/other assets made in books, but tax deductible only on actual write-off	38.10	28.99	-	67.09
Fair valuation of financial assets/(liabilities)	(1.88)	1.75	(2.26)	(2.39)
Difference in carrying values of property, plant & equipment and intangible assets	(154.28)	1.66	-	(152.62)
Difference in carrying value and tax base of investments measured at FVTPL	(15.11)	(24.50)	-	(39.61)
Net deferred tax assets/(liabilities)	**(50.92)**	**7.98**	**(1.33)**	**(44.27)**

For the year ended 31 March 2021

	Opening balance	Recognised in Profit and Loss	Recognised in OCI	Closing balance
Tax effect of items constituting deferred tax assets/ (liabilities)				
Liabilities and provisions tax deductible only upon payment/ actual crystallisation				
- Employee benefits	23.39	30.91	(3.72)	50.58
- Other contractual provisions	37.31	(5.64)	-	31.67
Impairment provisions on financial/other assets made in books, but tax deductible only on actual write-off	25.44	12.66	-	38.10
Fair valuation of financial assets/(liabilities)	12.56	(1.31)	(13.13)	(1.88)
Difference in carrying values of property, plant & equipment and intangible assets	(151.60)	(2.68)	-	(154.28)
Difference in carrying value and tax base of investments measured at FVTPL	(5.17)	(9.94)	-	(15.11)
Net deferred tax assets/(liabilities)	**(58.07)**	**24.00**	**(16.85)**	**(50.92)**

Notes to the Financial Statements

for the year ended March 31, 2022

Note 22: Revenue from operations

(₹ in Million)

	31-Mar-22	31-Mar-21
Sale of products (refer note 45)		
Finished goods		
- Turbines (including related equipments and supplies)	5,614.07	4,808.52
- Spares	1,513.41	1,342.50
Sale of Services		
Servicing, operation and maintenance	605.71	522.49
Erection and commissioning	179.19	210.42
Turbine extended scope turnkey project	98.26	3.33
Other operating revenue		
Sale of scrap	4.71	2.76
Technology transfer fee	-	9.44
Export incentives	98.32	69.86
Total revenue from operations	**8,113.67**	**6,969.32**

Note 23: Other income

(₹ in Million)

	31-Mar-22	31-Mar-21
Interest income (at amortised cost)		
Interest income from bank deposits	81.23	16.71
Other non-operating income (net of expenses directly attributable to such income)		
Rental income	8.05	8.02
Miscellaneous income	3.14	4.37
	11.19	**12.39**
Other gains / (losses)		
Net profit on sale / redemption of current investments	54.61	88.47
Net fair value gains / (losses) on current investments	97.35	39.50
Profit on sale / write off of property, plant and equipment	-	0.60
Net foreign exchange rate fluctuation gains	7.67	33.23
Credit balances written back	12.88	5.98
	172.51	**167.78**
Total other income	**264.93**	**196.88**

Note 24: Cost of materials consumed

(₹ in Million)

	31-Mar-22	31-Mar-21
Stock at the beginning of the year	653.95	782.94
Add: Purchases	4,540.62	3,436.91
Less: Stock at the end of the year	(754.86)	(653.95)
Total cost of materials consumed	**4,439.71**	**3,565.90**

Notes to the Financial Statements
for the year ended March 31, 2022

Note 25: Changes in inventories of finished goods and work-in-progress

(₹ in Million)

	31-Mar-22	31-Mar-21
Inventories at the beginning of the year:		
Work-in progress	772.31	816.82
Finished goods	229.32	166.45
Total inventories at the beginning of the year	**1,001.63**	**983.27**
Inventories at the end of the year:		
Work-in progress	722.12	772.31
Finished goods	219.90	229.32
Total inventories at the end of the year	**942.02**	**1,001.63**
Total changes in inventories of finished goods and work-in-progress	**59.61**	**(18.36)**

Note 26: Employee benefit expense

(₹ in Million)

	31-Mar-22	31-Mar-21
Salaries and wages	827.71	718.53
Contribution to provident and other funds (refer note 34)	52.14	51.21
Staff welfare expenses	35.97	31.74
Total employee benefit expense	**915.82**	**801.48**

Note 27: Finance costs

(₹ in Million)

	31-Mar-22	31-Mar-21
Interest costs		
- Interest on borrowings	1.55	6.68
- Interest on lease liabilities [refer note 39(ii)]	2.24	2.66
- other interest expense	2.96	0.61
Other borrowing costs		
- Processing/renewal fees	1.15	1.27
Total finance costs	**7.90**	**11.22**

Note 28: Depreciation and amortisation expense

(₹ in Million)

	31-Mar-22	31-Mar-21
Depreciation of property, plant and equipment (refer note 3)	176.19	180.51
Amortisation of intangible assets (refer note 4)	24.03	21.24
Total depreciation and amortisation expense	**200.22**	**201.75**

Note 29: Impairment loss on financial assets (including reversals of impairment losses)

(₹ in Million)

	31-Mar-22	31-Mar-21
Bad debts written off of trade receivables and other financial assets carried at amortised cost	0.44	39.50
Impairment loss allowance on trade receivables (net of reversals) (refer note 6)	23.76	19.48
Total impairment loss on financial assets (including reversal of impairment losses)	**24.20**	**58.98**

Notes to the Financial Statements
for the year ended March 31, 2022

Note 30: Other expenses

(₹ in Million)

	31-Mar-22	31-Mar-21
Stores, spares and tools consumed	114.58	85.25
Power and fuel	39.48	33.50
Design and engineering charges	31.59	10.15
Repairs and maintenance		
- Machinery	18.91	18.60
- Building	20.68	4.33
- Others	26.51	26.29
Travelling and conveyance	131.41	101.40
Rent and hire charges [refer note 39(ii)]	12.65	10.82
Rates and taxes	12.21	4.71
Insurance	8.51	8.82
Directors' fee	3.83	2.64
Directors' commission	7.30	5.85
Legal and professional charges	98.81	115.67
Group shared service cost	24.73	36.21
Bank charges and guarantee commission	16.48	15.68
Amount written off of non financial assets	-	2.10
Provision for doubtful advances	2.51	8.39
Warranty expenses [includes provision for warranty (net) ₹ 45.27 Million [March 31, 2021: ₹ 31.83 Million) (refer note 15)]	60.38	47.71
Payment to auditors [see (i) below]	6.13	3.91
Corporate social responsibility expenses [see (ii) below]	26.34	28.52
Allowance for non moving inventories (refer note 10)	3.83	22.27
Loss on sale / write off of property, plant and equipment	3.87	-
Packing expenses	23.03	29.75
Freight outward	167.63	198.23
Selling commission	60.71	81.49
Marketing support expenses and incentives	159.07	136.11
Miscellaneous expenses	141.69	125.37
Total other expenses	**1,222.87**	**1,163.77**

(i) Detail of payment to auditors

(₹ in Million)

	31-Mar-22	31-Mar-21
Statutory Auditor		
Audit fee	2.77	2.27
Limited review fee	0.95	0.92
Certification charges	0.71	0.22
Other services	1.20	-
Reimbursement of expenses	0.04	0.03
	5.67	**3.44**
Cost Auditor		
Audit fee	0.08	0.09
	0.08	**0.09**
Tax Auditor		
Audit fee	0.38	0.38
	0.38	**0.38**
Total payment to auditors	**6.13**	**3.91**

Notes to the Financial Statements

for the year ended March 31, 2022

(ii) Corporate Social Responsibility (CSR)

(a) The Company has incurred CSR expenses mainly towards promoting education and healthcare, ensuring environmental sustainability and contributing to technological institutions which are specified in Schedule VII of the Companies Act, 2013.

(b) Details of CSR expenses

(₹ in Million)

		31-Mar-22	31-Mar-21
a)	Amount required to be spent by the Company during the year	26.24	28.19
b)	Amount of expenditure incurred	26.34	28.52
	In cash		
	i) Construction/acquisition of any asset	-	-
	ii) On purposes other than (i) above	26.34	28.52
c)	Shortfall at the end of the year	-	-
d)	Total of previous years shortfall	-	-
e)	Reason for shortfall	Not Applicable	Not Applicable
f)	Nature of CSR activities		
	(i) Promoting education, including special education	3.11	3.36
	(ii) Contribution to research and development projects in the field of technology	12.50	14.00
	(iii) Promoting healthcare including preventive health care	10.04	10.52
	(iv) Administrative overhead	0.69	0.64
		26.34	**28.52**
g)	Contribution to a trust having significant influence by key management personnel	7.83	8.02

Note 31: Income tax expense

(i) Income tax recognised in profit or loss

(₹ in Million)

	31-Mar-22	31-Mar-21
Current tax		
In respect of the current year	907.87	329.06
In respect of the prior years	2.43	3.96
Total current tax expense	**910.30**	**333.02**
Deferred tax		
In respect of current year	(4.29)	(19.54)
In respect of prior years	(3.69)	(4.46)
Total deferred tax expense/(income)	**(7.98)**	**(24.00)**
Total income tax expense recognised in profit or loss	**902.32**	**309.02**

Notes to the Financial Statements

for the year ended March 31, 2022

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

(₹ in Million)

	31-Mar-22	31-Mar-21
Profit before tax from continuing operations	3,397.26	1,196.26
Income tax expense calculated @ 25.168%	855.02	301.08
Effect of expenses that is non-deductible in determining taxable profit	8.85	8.44
Tax expenses on 56 (2) (x) of the Income Tax Act, 1961 being excess of fair value of shares purchase than consideration paid (refer note 42)	39.71	-
	903.58	**309.52**
Adjustments recognised in the current year in relation to the current tax of prior years	2.43	3.96
Adjustments recognised in the current year in relation to the deferred tax of prior years	(3.69)	(4.46)
Total income tax expense	**902.32**	**309.02**

(ii) Income tax recognised in other comprehensive income

(₹ in Million)

	31-Mar-22	31-Mar-21
Deferred tax related to items recognised in other comprehensive income during the year:		
Remeasurement of defined benefit obligations	(0.93)	3.72
Effective portion of (loss)/gain on designated portion of hedging instruments in a cash flow hedge	2.26	13.13
Total income tax expense recognised in other comprehensive income	**1.33**	**16.85**
Bifurcation of the income tax recognised in other comprehensive income into:		
Items that will not be reclassified to Statement of Profit or Loss	(0.93)	3.72
Items that will be reclassified to Statement of Profit or Loss	2.26	13.13
Total income tax expense recognised in other comprehensive income	**1.33**	**16.85**

Note 32: Earnings per share

	31-Mar-22	31-Mar-21
Profit for the year attributable to owners of the Company [A] (₹ in Million)	2,494.94	887.24
Weighted average number of equity shares for the purposes of basic EPS/ diluted EPS [B]	32,33,05,484	32,33,05,484
Basic earning per share (face value of ₹ 1 per share) [A/B] (in ₹)	7.72	2.74
Diluted earning per share (face value of ₹ 1 per share) [A/B] (in ₹)	7.72	2.74

Notes to the Financial Statements

for the year ended March 31, 2022

Note 33: Segment information

The Company primarily operates in one business segment- Power generating equipment and solutions. The Company is domiciled in India and all its non-current assets are located in/relates to India except following:

(i) Investment in foreign subsidiary of ₹ 18.47 Million as at March 31, 2022 (March 31, 2021: ₹ 18.47 Million)

The amount of Company's revenue from external customers based on geographical area and nature of the products/ services are shown below:

Revenue by geographical area

(₹ in Million)

	31-Mar-22	31-Mar-21
India	6,204.23	3,749.68
Rest of the world	1,806.41	3,137.58
Total	**8,010.64**	**6,887.26**

Revenue by nature of products / services (refer note 22)

(₹ in Million)

	31-Mar-22	31-Mar-21
Sale of products [refer note 45]		
Finished goods		
- Turbines (including related equipments and supplies)	5,614.07	4,808.52
- Spares	1,513.41	1,342.50
Sale of Services		
Servicing, operation and maintenance	605.71	522.49
Erection and commissioning	179.19	210.42
Turbine extended scope turnkey project	98.26	3.33
Total	**8,010.64**	**6,887.26**

There is no single customer who has contributed 10% or more to the Company's revenue for both the years ended March 31, 2022 and March 31, 2021.

Note 34: Employee benefit plans

(i) Defined contribution plans

(a) The Company operates defined contribution retirement benefit plans under which the Company pays fixed contributions to separate entities (funds) or financial institutions or state managed benefit schemes. The Company has no further payment obligations once the contributions have been paid. Following are the schemes covered under defined contributions plans of the Company:

Provident Fund Plan and Employee Pension Scheme: The Company makes monthly contributions at prescribed rates towards Employee Provident Fund/ Employee Pension Scheme to fund administered and managed by the Government of India.

Employee State Insurance: The Company makes prescribed monthly contributions towards Employees State Insurance Scheme.

Superannuation Scheme: The Company contributes towards a fund established to provide superannuation benefit to certain employees in terms of Group Superannuation Policies entered into by such fund with the Life Insurance Corporation of India.

Notes to the Financial Statements

for the year ended March 31, 2022

(b) The expense recognised during the period towards defined contribution plans are as follows:

(₹ in Million)

	31-Mar-22	31-Mar-21
Company's contribution to Employee's Provident Fund	31.28	29.09
Administrative charges on above	1.13	1.22
Company's contribution to Employee State Insurance	0.20	0.23
Company's contribution to Superannuation Scheme	7.47	7.30

(ii) Defined benefit plans

(a) The Company provides for gratuity obligations through a defined benefit retirement plan (the 'Gratuity Plan') covering all employees under the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement/termination of employment or death of an employee, based on the respective employees' salary and years of employment with the Company.

(b) Risk exposure

These plans typically expose the Company to a number of actuarial risks, the most significant of which are detailed below:

Investment risk: The plan liabilities are calculated using a discount rate set with references to government bond yields as at end of reporting period; if plan assets under perform compared to the government bonds discount rate, this will create or increase a deficit. The Plan assets comprise principally Group Gratuity Plans offered by the life insurance companies. Majority of the funds invested are under the traditional platform where the insurance companies declare a return at the end of each year based upon its performance. Certain investments are also made in funds (growth plans) managed by the life insurance companies under which the returns are based upon the accretion to the net asset value (NAV) of the particular fund, which are declared on a daily basis. The NAV based funds of the insurance companies are approved and regulated by the Insurance Regulatory and Development Authority of India and the investment risk is mitigated by investment in funds where the asset allocation is primarily in sovereign and debt securities. The Company has a risk management strategy which defines exposure limits and acceptable credit risk rating. There has been no change in the process used by the Company to manage its risks from prior years.

Interest risk: A decrease in government bond yields will increase plan liabilities, although this is expected to be partially offset by an increase in the value of the plans' debt instruments.

Life expectancy: The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants during their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

Attrition rate: The present value of the defined benefit plan liability is impacted by the rate of employee turnover, disability and early retirement of plan participants. A decrease in the attrition rate of the plan participants will increase the plan's liability. plan participants. A decrease in the attrition rate of the plan participants will increase the plan's liability.

(c) The significant actuarial assumptions used for the purposes of the actuarial valuation of gratuity were as follows:

	Valuation as at	
	31-Mar-22	31-Mar-21
Discounting rate	6.90%	6.50%
Future salary growth rate	8.00%	5.5% for next 1 years and 8% thereafter
Life expectancy/ Mortality rate	*	*
Attrition rate	- Below 31 years - 14.00% - 31-44 years - 9.00% - Above 44 years - 6.00.%	- Below 31 years - 14.00% - 31-44 years - 10.00% - Above 44 years - 6.50%
Method used	Projected unit credit method	Projected unit credit method

*Assumptions regarding future mortality are set based on actuarial advice in accordance with published statistics (i.e. IALM 2012-14 Ultimate). These assumptions translate into an average life expectancy in years at retirement age.

(d) Amounts recognised in Statement of Profit and Loss in respect of defined benefit plan (Gratuity Plan) are as follows:

(₹ in Million)

	31-Mar-22	31-Mar-21
Current service cost	12.37	11.65
Net interest expense	(0.31)	1.73
Components of defined benefit costs recognised in Statement of Profit or Loss	**12.06**	**13.38**
Remeasurement on the net defined benefit liability		
- Return on plan assets (excluding amount included in net interest expense)	0.44	(1.43)
- Actuarial (gain)/loss arising form changes in financial assumptions	(4.13)	(2.79)
- Actuarial (gain)/loss arising form changes in demographic assumptions	0.50	(2.15)
- Actuarial (gain)/loss arising form experience adjustments	6.89	(8.42)
Components of defined benefit costs recognised in Other Comprehensive Income	**3.70**	**(14.79)**
Total	**15.76**	**(1.41)**

The current service cost and the net interest expense for the year are included in the 'Employee benefits expense' line item in the Statement of Profit and Loss. The remeasurement of the net defined benefit liability is included in Other Comprehensive Income.

(e) Amounts included in the Balance Sheet arising from the entity's obligation in respect of its defined benefit plan (Gratuity Plan) is as follows:

(₹ in Million)

	31-Mar-22	31-Mar-21
Present value of defined benefit obligation as at the end of the year	157.18	139.23
Fair value of plan assets	149.43	140.73
Funded status	**(7.75)**	**1.50**
Net asset /(liability) arising from defined benefit obligation recognised in the Balance Sheet	**(7.75)**	**1.50**

Notes to the Financial Statements

for the year ended March 31, 2022

(f) Movement in the present value of the defined benefit obligation (Gratuity Plan obligation) are as follows:

(₹ in Million)

	31-Mar-22	31-Mar-21
Present value of defined benefit obligation at the beginning of the year	139.22	149.85
Expenses recognised in Statement of Profit and Loss		
- Current service cost	12.37	11.65
- Interest expense	8.83	9.15
Remeasurement (gains)/ losses recognised in Other Comprehensive Income		
- Actuarial (gain)/loss arising from:		
i. Demographic assumptions	0.50	(2.15)
ii. Financial assumptions	(4.13)	(2.79)
iii. Experience adjustments	6.89	(8.42)
Benefit payments	(6.50)	(18.06)
Present value of defined benefit obligation at the end of the year	**157.18**	**139.23**

(g) Movement in the fair value of plan assets are as follows:

(₹ in Million)

	31-Mar-22	31-Mar-21
Fair value of plan assets at the beginning of the year	140.73	118.88
Expenses recognised in Statement of Profit and Loss		
- Expected return on plan assets	9.14	7.42
Remeasurement gains / (losses) recognised in Other Comprehensive Income		
- Actual Return on plan assets in excess of the expected return	(0.44)	1.43
Contributions by employer	6.50	31.06
Benefit payments	(6.50)	(18.06)
Fair value of plan assets at the end of the year	**149.43**	**140.73**

The fair value of the plan assets at the end of the reporting period for each category, are as follows:

(₹ in Million)

	31-Mar-22			31-Mar-21		
	Quoted	Unquoted	Total	Quoted	Unquoted	Total
Cash and cash equivalents	-	0.72	0.72	-	0.68	0.68
Group Gratuity Plans with Insurance Companies	-	148.71	148.71	-	140.05	140.05
Total plan assets	**-**	**149.43**	**149.43**	**-**	**140.73**	**140.73**

Notes to the Financial Statements

for the year ended March 31, 2022

(h) Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

	Change in assumption by		Impact on defined benefit obligation			
			Increase in assumption		Decrease in assumption	
			31-Mar-22	31-Mar-21	31-Mar-22	31-Mar-21
Discounting rate	0.5%	₹ in Million	(5.22)	(4.58)	5.56	4.87
		in %	-3.32%	-3.29%	3.54%	3.50%
Future salary growth rate	0.5%	₹ in Million	5.49	4.80	(5.19)	(4.55)
		in %	3.49%	3.45%	-3.30%	-3.27%
Mortality rate	10%	₹ in Million	(0.02)	(0.02)	0.02	0.03
		in %	-0.01%	-0.02%	0.01%	0.02%
Attrition rate	0.5%	₹ in Million	(0.38)	(0.44)	0.40	0.46
		in %	-0.24%	-0.31%	0.26%	0.33%

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practise, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to prior years.

(i) Defined benefit liability and employer contributions

The Company expects to contribute ₹ 7.10 Million to the defined benefit plan during the year ending March 31, 2023.

The weighted average duration of the defined obligation as at March 31, 2022 is 7 years.

The expected maturity analysis of undiscounted defined benefit obligation as at March 31, 2022 is as follows:

	Less than a year	Between 2-5 years	Between 6-10 years	More than 10 years	Total
Defined benefit obligation (Gratuity)	29.71	64.76	54.02	130.71	279.21

Note 35: Related party transactions

(i) Related parties where control exists

Subsidiaries

Triveni Turbines Europe Private Limited (wholly owned subsidiary)
Triveni Energy Solutions Limited* (wholly owned subsidiary) (w.e.f. September 6, 2021)
Triveni Turbines DMCC (step-down subsidiary)
Triveni Turbines Africa Pty. Ltd. (step-down subsidiary)
TSE Engineering Pty. Ltd. (step-down subsidiary) (w.e.f March 1, 2022)

(ii) Related parties with whom transactions have taken place during the year:

(a) Investing company holding substantial interest

Triveni Engineering & Industries Limited (TEIL)

Notes to the Financial Statements
for the year ended March 31, 2022

(b) Subsidiaries

Triveni Energy Solutions Limited* (TESL) (wholly owned subsidiary) (w.e.f September 6, 2021)
Triveni Turbines Europe Private Limited (wholly owned subsidiary) (TTEPL)
Triveni Turbines DMCC (step-down subsidiary) (TTD)
Triveni Turbines Africa Pty. Ltd. (step-down subsidiary) (TTAPL)

(c) Joint Venture

Triveni Energy Solutions Limited* (TESL) (ceased w.e.f. September 6, 2021)

(d) Key Management Personnel (KMP)

Executive Directors

Mr. D.M. Sawhney, Chairman & Managing Director
Mr. Nikhil Sawhney, Vice Chairman and Managing Director
Mr. Arun Mote, Executive Director

Senior Management Personnel

Mr. Deepak Kumar Sen, Executive Vice President & CFO
(Ceased to be KMP, due to retirement, w.e.f November 1, 2020)
Mr. Lalit Kumar Agarwal, Vice President & CFO (w.e.f. November 1, 2020)

Non-Executive and Non-Independent Directors

Mr. Tarun Sawhney, Promoter Non Executive Director

Non-Executive and Independent Directors

Dr. Santosh Pande, Independent Non Executive Director
(ceased to be director, due to death, w.e.f. September 20, 2021)
Ms. Homai A. Daruwalla, Independent Non Executive Director
Dr. Anil Kakodkar, Independent Non Executive Director
Mr. Shailendra Bhandari, Independent Non Executive Director
Mr. Vijay Kumar Thadani, Independent Non Executive Director (w.e.f. December 15, 2021)

(e) Relative of key managerial personnel

Mrs. Rati Sawhney
Manmohan Sawhney (HUF)
Mrs. Tarana Sawhney

(f) Parties in which key management personnel or their relatives have significant influence

Subhadra Trade & Finance Limited (STFL)
Tirath Ram Shah Charitable Trust (TRSCT)

(g) Post employment benefit plans

Triveni Turbine Limited Officers Pension Scheme (TTLOPS)
Triveni Turbine Limited Employees Gratuity Trust (TTLEGT)

*formerly known as GE Triveni Limited

(iii) Details of transactions between the Company and related parties during the year and outstanding balances as on March 31, 2022:

(₹ in Million)

	Financial year	Investing company holding substantial interest	Subsidiary				Joint Venture	KMP	Relatives of KMP	Parties in which KMP or their relatives have significant influence		Post employment benefit plans		Total
		TEIL*	TTEPL	TTD	TTAPL	TESL*	TESL*			STFL	TRSCT	TTLOPS	TTLEGT	
Nature of transactions with Related Parties														
Sales and rendering of services*	31-Mar-22	289.57	-	72.48	30.73	5.08	310.87	-	-	-	-	-	-	708.73
	31-Mar-21	22.29	0.02	150.92	21.79	-	130.84	-	-	-	-	-	-	325.86
Purchases and receiving services*	31-Mar-22	391.18	-	158.98	-	2.29	1.83	-	-	-	-	-	-	554.28
	31-Mar-21	287.59	-	136.11	-	-	3.53	-	-	-	-	-	-	427.23
Purchase of fixed assets*	31-Mar-22	-	-	-	-	55.87	-	-	-	-	-	-	-	55.87
	31-Mar-21	-	-	-	-	-	-	-	-	-	-	-	-	-
Rent income	31-Mar-22	-	-	-	-	5.46	3.89	-	-	-	-	-	-	9.35
	31-Mar-21	-	-	-	-	-	9.33	-	-	-	-	-	-	9.33
Technology transfer fee*	31-Mar-22	-	-	-	-	-	-	-	-	-	-	-	-	-
	31-Mar-21	-	-	-	-	-	11.14	-	-	-	-	-	-	11.14
Rent expenditure*	31-Mar-22	1.89	-	-	-	-	-	-	-	-	-	-	-	1.89
	31-Mar-21	1.98	-	-	-	-	-	-	-	-	-	-	-	1.98
Remuneration	31-Mar-22	-	-	-	-	-	-	111.47	-	-	-	-	-	111.47
	31-Mar-21	-	-	-	-	-	-	94.56	-	-	-	-	-	94.56
Directors fee	31-Mar-22	-	-	-	-	-	-	3.83	-	-	-	-	-	3.83
	31-Mar-21	-	-	-	-	-	-	2.65	-	-	-	-	-	2.65
Directors commission	31-Mar-22	-	-	-	-	-	-	7.30	-	-	-	-	-	7.30
	31-Mar-21	-	-	-	-	-	-	5.85	-	-	-	-	-	5.85
Corporate social responsibility expenditure	31-Mar-22	-	-	-	-	-	-		-	-	7.83	-	-	7.83
	31-Mar-21	-	-	-	-	-	-	-	-	-	8.02	-	-	8.02
Contribution to post employment benefit plans	31-Mar-22	-	-	-	-	-	-	-	-	-	-	7.47	6.50	13.97
	31-Mar-21	-	-	-	-	-	-	-	-	-	-	7.30	31.06	38.36
Expenses incurred by the Company on behalf of party (net of expenses incurred by party on behalf of the Company)	31-Mar-22	1.15	-	-	-	15.53	5.81	-	-	-	-	-	-	22.49
	31-Mar-21	0.34	-	-	-	-	23.45	-	-	-	-	-	-	23.79
Dividend Paid	31-Mar-22	155.38	-	-	-	-	-	114.66	20.83	191.24	-	-	-	482.11
	31-Mar-21	-	-	-	-	-	-	-	-	-	-	-	-	-
Outstanding balances														
Receivable	31-Mar-22	41.99	-	-	9.98	31.46	-	-	-	-	-	-	-	83.43
	31-Mar-21	50.18	-	-	9.97	-	74.62	-	-	-	-	-	-	134.77
Payable	31-Mar-22	57.63	-	12.88	47.94	120.74	-	38.26	-	-	-	1.86	-	279.31
	31-Mar-21	38.01	-	4.24	-	-	66.96	26.50	-	-	-	2.01	-	137.72

*Including taxes

Notes to the Financial Statements

for the year ended March 31, 2022

(iv) Compensation of key managerial personnel:

(₹ in Million)

	31-Mar-22	31-Mar-21
Short-term employee benefits	104.17	86.50
Post-employment benefits	7.30	8.06
Total	**111.47**	**94.56**

The remuneration of directors and key executives is determined by the remuneration committee having regard to the performance of individuals and market trends.

(v) Terms & conditions:

The sales to and purchases from related parties, including rendering / availment of services, are made on terms which are on arm's length after taking into consideration market considerations, external benchmarks and adjustment thereof, terms of Joint Venture agreement and methodology of sharing common group costs. There has not been any transactions with key management personnel other than the approved remuneration having regards to the performance and market trends. The outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. The Company has recorded impairment of receivables relating to amounts owned by related parties for the year ended March 31, 2022 of ₹ Nil (March 31, 2021: ₹ 29.73 Million)

(vi) In respect of figures disclosed above:

(a) the amount of transactions / balances are without giving effect to the Ind AS adjustments on account of fair valuation / amortisation.

(b) Remuneration and outstanding balances of KMP does not include long term benefits by way of gratuity and compensated absences, which are currently not payable and are provided on the basis of actuarial valuation by the Company.

(vii)There are no reportable transactions / balances as required under regulation 34(3) of SEBI (Listing and Other Disclosure Requirements) Regulations, 2015.

Note 36: Capital management

For the purpose of capital management, capital includes total equity of the Company. The primary objective of the capital management is to maximize shareholder value. The Company is debt free.

The business model of the Company is not capital intensive and being in the engineered-to-order capital goods space, the working capital is largely funded by advances from customers. The Company, therefore, prefers low gearing ratio. The Company manages its capital structure and makes adjustments in light of changes in economic conditions which may be in the form of payment of dividend subject to benchmark pay-out ratio, return capital to the shareholders or issue of new shares. Currently, the Company is cash positive and does not require any equity infusion or borrowings.

(₹ in Million)

	31-Mar-22	31-Mar-21
Borrowings (note 14 & 16)	-	9.56
Trade payables (note 17)	1,048.81	732.97
Other financial liabilities (note 18)	212.93	219.60
Lease liabilities [note 39(ii)]	20.27	24.75
Total debt	**1,282.01**	**986.88**
Less: Cash and cash equivalent (note 11(a))	(66.55)	(129.12)
Net debt (A)	**1,215.46**	**857.76**
Total equity (note 12 & note 13)	7,711.96	5,924.33
Total equity and net debt (B)	**8,927.42**	**6,782.09**
Gearing ratio (A/B)	**14%**	**13%**

Further, no changes were made in the objectives, policies or process for managing capital during the years ended March 31, 2022 and March 31, 2021.

The Company is not subject to any externally imposed capital requirements.

Note 37: Financial risk management

The Company's principal financial liabilities comprises trade payables and other payables and by and large there are no borrowings, other than necessitated by temporary mismatch. The main purpose of the financial liabilities is to finance the Company's operations. The Company's principal financial assets include trade receivables, other receivables and cash and bank balances that derive directly from its operations. The Company also holds FVTPL investments and loans. The Company has substantial exports and is exposed to foreign currencies fluctuations during the contractual delivery period which is normally in the range of one year. The Company uses extensive derivatives to hedge its foreign exchange exposures which arise from export orders.

The Company's activities expose it mainly to market risk, liquidity risk and credit risk. The monitoring and management of such risks is undertaken by the senior management of the Company and there are appropriate policies and procedures in place through which such financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Company has specialized teams to undertake derivative activities for risk management purposes and such team has appropriate skills, experience and expertise. It is the Company policy not to carry out any trading in derivative for speculative purposes. The Audit Committee and the Board are regularly apprised of such risks every quarter and each such risk and mitigation measures are extensively discussed.

(i) Credit risk

Credit risk arises when a counterparty defaults on its contractual obligations to pay resulting in financial loss to the Company. The Company is exposed to credit risk from its operating activities, primarily trade receivables. The credit risks in respect of deposits with the banks, foreign exchange transactions and other financial instruments are only nominal.

(a) Credit risk management

The customer credit risk is managed subject to the Company's established policy, procedure and controls relating to customer credit risk management. In order to contain the business risk, prior to acceptance of an order from a customer, the creditworthiness of the customer is ensured through scrutiny of its financials, status of financial closure of the project, if required, market reports and reference checks. The Company remains vigilant and regularly assesses the financial position of customers during execution of contracts with a view to limit risks of delays and default. Further, in most of the cases, the Company prescribes stringent payment terms including ensuring full payments before delivery of goods. Retention amounts, if applicable, are payable after satisfactory commissioning and performance. In view of the industry practice and being in a position to prescribe the desired commercial terms, credit risks from receivables are well contained on an overall basis.

The impairment analysis is performed on each reporting period on individual basis for major customer. In addition a large number of receivables are grouped and assessed for impairment collectively. The calculation is based on historical data of losses, current conditions and forecasts and future economic conditions. The Company's maximum exposure to credit risk at the reporting date is the carrying amount of each financial asset as detailed in note 5, 6, 7, 8 and 11.

Notes to the Financial Statements
for the year ended March 31, 2022

The trade receivables position is provided here below:

(₹ in Million)

	31-Mar-22	31-Mar-21
Total receivables	921.13	763.62
Receivables individually in excess of 10% of the total receivables	-	84.36
Percentage of above receivables to the total receivables of the Company	0%	11%

From the above table, it can be observed that the concentration of risk in respect of trade receivables is well spread out and moderate. Further, its customers are located in several jurisdictions and industries and operate in largely independent markets.

(b) Provision for expected credit losses

Basis as explained above, apart from specific provisioning against impairment on an individual basis for major customers, the Company provides for expected credit losses (ECL) for other receivables based on historical data of losses, current conditions and forecasts and future economic conditions, including loss of time value of money due to delays. In view of the business model of the Company, engineered-to-order products and the prescribed commercial terms, the determination of provision based on age analysis may not be a realistic and hence, the provision of expected credit loss is determined for the total trade receivables outstanding as on the reporting date. Considering all such factors, ECL (net of specific provisioning) for trade receivables as at year end worked out as follows:

	31-Mar-22	31-Mar-21
Expected credit loss (%)	2.32%	1.67%
Expected credit loss (₹ in Million)	21.41	12.79

(ii) Liquidity risk

The Company uses liquidity forecast tools to manage its liquidity. As per the business model of the Company, the requirement of working capital is not intensive. The Company is able to substantially fund its working capital from advances from customers and from internal accruals and hence, its reliance on funding through borrowings is negligible. In view of free cash flows, the Company has even been able to fund substantial capital expenditure from internal accruals.

(₹ in Million)

	31-Mar-22	31-Mar-21
Current financial assets (CFA) (refer note 5, 6, 7, 8 & 11)	7,550.49	4,379.92
Non-current financial assets (NCFA) (refer note 6, 7 & 8)	88.55	8.94
Total financial assets (FA)	**7,639.04**	**4,388.86**
Current financial liabilities (CFL) (note 16, 17 & 18)	1,266.56	966.61
Non-current financial liabilities (NCFL) (note 14)	15.45	20.27
Total financial liabilities (FL)	**1,282.01**	**986.88**
Ratios		
CFA/CFL	5.96	4.53
NCFA/NCFL	5.73	0.44
FA/FL	5.96	4.45

Maturities analysis of financial liabilities: (₹ in Million)

	On demand	< 1 year	1-5 years	Total	Carrying amount
As at March 31, 2022					
Borrowings	-	-	-	-	-
Trade payables	-	1,048.81	-	1,048.81	1,048.81
Other financial liabilities		212.93	-	212.93	212.93
Lease Liabilities (refer note 39(ii))		4.82	15.45	20.27	20.27
	-	**1,266.56**	**15.45**	**1,282.01**	**1,282.01**
As at March 31, 2021					
Borrowings	-	9.56	-	9.56	9.56
Trade payables	-	732.97	-	732.97	732.97
Other financial liabilities	-	219.60	-	219.60	219.60
Lease Liabilities (refer note 39(ii))	-	4.48	20.27	24.75	24.75
	-	**966.61**	**20.27**	**986.88**	**986.88**

(iii) Market risk

The Company is virtually debt free and is largely insulated from interest rate risks. Even with respect to investments in mutual funds, the impact of interest rate risk is nominal as the investment is carried in liquid or substantially liquid funds. The Company is essentially exposed to currency risks as export sales forms substantial part of the total sales of the Company. The Company is mainly exposed to US Dollars and EURO while the Company also deals in other currencies.

The cycle from booking order to collection extends to about a year and the Company is exposed to foreign exchange fluctuation risks during this period. As a policy, the Company remains substantially hedged through forward exchange contracts or other simple structures. It considerably mitigates the risk and the Company is also benefitted in view of incidental forward premium. The policy of substantial hedging insulates the Company from the exchange rate fluctuation and the impact of sensitivity is nominal.

(a) Foreign currency risk exposure

The Company exposure to foreign currency risk at the end of the reporting period are as follows:

		USD	EURO	GBP	JPY	CHF
As at March 31, 2022						
Financial assets						
- Trade receivables	in foreign currency (Million)	1.31	1.33	0.01	-	-
	in equivalent ₹ (Million)	98.07	110.40	0.53	-	-
Derivative assets (in respect of underlying financial assets)						
- Foreign exchange forward contracts	in foreign currency (Million)	1.18	0.70	-	-	-
to sell foreign currency	in equivalent ₹ (Million)	88.25	58.50	-	-	-
Net exposure to foreign currency risk (assets)	in foreign currency (Million)	**0.13**	**0.63**	**0.01**	**-**	**-**
	in equivalent ₹ (Million)	**9.82**	**51.90**	**0.53**	**-**	**-**

Notes to the Financial Statements

for the year ended March 31, 2022

		USD	EURO	GBP	JPY	CHF
Financial liabilities						
- Trade payables	in foreign currency (Million)	0.77	0.34	0.06	18.50	0.02
	in equivalent ₹ (Million)	58.52	29.13	5.79	11.64	1.69
- Capital creditors	in foreign currency (Million)	-	0.18	-	-	-
	in equivalent ₹ (Million)	-	15.47	-	-	-
Net exposure to foreign currency risk (liabilities)	in foreign currency (Million)	**0.77**	**0.52**	**0.06**	**18.50**	**0.02**
	in equivalent ₹ (Million)	**58.52**	**44.60**	**5.79**	**11.64**	**1.69**

		USD	EURO	GBP	JPY	CHF
As at March 31, 2021						
Financial assets						
- Trade receivables	in foreign currency (Million)	2.31	0.90	0.16	-	-
	in equivalent ₹ (Million)	167.85	75.71	16.33	-	-
Derivative assets (in respect of underlying financial assets)						
- Foreign exchange forward contracts	in foreign currency (Million)	1.74	0.86	0.16	-	-
to sell foreign currency	in equivalent ₹ (Million)	126.23	72.90	16.33	-	-
Net exposure to foreign currency risk (assets)	in foreign currency (Million)	**0.57**	**0.04**	**-**	**-**	**-**
	in equivalent ₹ (Million)	**41.62**	**2.81**	**-**	**-**	**-**
Financial liabilities						
- Trade payables	in foreign currency (Million)	0.42	0.58	0.00	6.04	0.02
	in equivalent ₹ (Million)	31.16	51.11	0.03	4.07	1.60
Net exposure to foreign currency risk (liabilities)	in foreign currency (Million)	**0.42**	**0.58**	**0.00**	**6.04**	**0.02**
	in equivalent ₹ (Million)	**31.16**	**51.11**	**0.03**	**4.07**	**1.60**

The Company's foreign currency derivatives outstanding (including for firm commitments) at the end of the reporting period are as follows:

		USD	EURO	GBP	JPY	CHF
As at March 31, 2022						
Foreign exchange forward contracts to sell foreign currency	in foreign currency (Million)	26.24	5.22	-	-	-
	in equivalent ₹ (Million)	1,967.33	433.82	-	-	-
As at March 31, 2021						
Foreign exchange forward contracts to sell foreign currency	in foreign currency (Million)	9.31	3.83	0.82	-	-
	in equivalent ₹ (Million)	676.65	324.10	81.39	-	-

Notes to the Financial Statements

for the year ended March 31, 2022

(b) Impact of hedging activities

(i) Disclosure of effects of cash flow hedge accounting on financial position towards hedging foreign currency risk through foreign currency forward contracts.

	31-Mar-22	31-Mar-21
Carrying amount of hedging instruments		
Assets (₹ in Million)	11.64	11.93
Line item affected in Balance sheet	Other financial assets	Other financial assets
Maturity date	April 2022 - December 2023	April 2021 - January 2022
Hedge ratio	85%	84%
Weighted average strike price/rate	US$ 1= INR 77.91 EURO 1= INR 86.65	US$ 1= INR 74.56 EURO 1= INR 90.01 GBP= INR 98.62
Changes in fair value of hedging instruments (₹ in Million)	(6.20)	62.63
Change in the value of hedged item used as the basis for recognising hedge effectiveness (₹ in Million)	6.20	(62.63)

(ii) Disclosure of effects of cash flow hedge accounting on financial performance

(₹ in Million)

	31-Mar-22	31-Mar-21
Changes in the value of the hedging instrument recognised in other comprehensive income	(6.20)	62.63
Hedge ineffectiveness recognised in profit or loss	(1.92)	(8.77)
Amount reclassified from cash flow hedging reserve to profit or loss	17.11	(1.69)
Line item affected in statement of profit and loss because of the reclassification	Revenue	Revenue

(iii) Movements in cash flow hedging reserve

(₹ in Million)

	31-Mar-22	31-Mar-21
Opening Balance	5.59	(33.46)
Add: Changes in discounted spot element of foreign exchange forward contracts, net	(6.20)	62.63
Less: Hedge ineffectiveness recognised in profit or loss	(1.92)	(8.77)
Less: Amount reclassified from cash flow hedging reserve to profit or loss	17.11	(1.69)
	14.58	**18.72**
Less: Deferred tax relating to above	2.26	13.13
Closing balance	**12.32**	**5.59**

Notes to the Financial Statements

for the year ended March 31, 2022

(c) Sensitivity

The following table demonstrate the sensitivity of net unhedged foreign currency exposures to a reasonably possible changes in foreign currency exchange rates, with all other variables held constant.

	Change in FC exchange rate by	Impact on profit or loss and equity (₹ in Million)			
		Increase in FC exchange rates		Decrease in FC exchange rates	
		31-Mar-22	31-Mar-21	31-Mar-22	31-Mar-21
USD sensitivity	5%	(2.44)	0.52	2.44	(0.52)
EURO sensitivity	5%	0.37	(2.41)	(0.37)	2.41
GBP sensitivity	5%	(0.26)	-	0.26	-
JPY sensitivity	5%	(0.58)	(0.20)	0.58	0.20
CHF sensitivity	5%	(0.08)	(0.08)	0.08	0.08

Further, the change in foreign currency rates will impact the fair value of the derivatives and correspondingly impact the profit or loss, but there will not be any impact over the hedge period as the derivatives will enable capturing the hedged rates and the budgeted profitability would remain unchanged.

Note 38: Fair value measurements

(i) Financial instruments by category

(₹ in Million)

	31-Mar-22			31-Mar-21		
	FVTPL *	FVOCI	Amortised cost	FVTPL *	FVOCI	Amortised cost
Financial assets						
Investments in mutual funds	4,250.73	-	-	2,639.31	-	-
Deposits with financial institutions	-	-	230.00	-	-	40.00
Trade receivables	-	-	921.13	-	-	763.62
Contract assets	-	-	12.08	-	-	54.14
Loans	-	-	0.17	-	-	0.02
Cash and bank balances	-	-	2,071.03	-	-	859.01
Security deposits	-	-	9.88	-	-	8.96
Earnest money deposits	-	-	7.50	-	-	7.35
Derivative financial assets	-	11.64	-	-	11.93	-
Other receivables	-	-	124.88	-	-	4.52
Total financial assets	**4,250.73**	**11.64**	**3,376.67**	**2,639.31**	**11.93**	**1,737.62**
Financial liabilities						
Borrowings	-	-	-	-	-	9.56
Trade payables	-	-	1,048.81	-	-	732.97
Capital creditors	-	-	17.30	-	-	24.71
Lease liabilities	-	-	20.27	-	-	24.75
Other payables	-	-	195.63	-	-	194.89
Total financial liabilities	**-**	**-**	**1,282.01**	**-**	**-**	**986.88**

*Mandatorily measured at FVTPL, there is no financial instrument which is designated as FVTPL

(ii) Fair value hierarchy

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

Financial assets and liabilities measured at fair value - recurring fair value measurements

(₹ in Million)

	Note No.	Level 1	Level 2	Level 3	Total
As at 31 March 2022					
Financial assets					
- Investments in mutual funds (Unquoted)	5 (b)	-	4,250.73	-	4,250.73
- Foreign exchange forward contracts at FVOCI	8	-	11.64	-	11.64
		-	**4,262.37**	**-**	**4,262.37**
Financial liabilities					
- Foreign exchange forward contracts at FVOCI		-	-	-	-
		-	**-**	**-**	**-**
As at 31 March 2021					
Financial assets					
- Investments in mutual funds (Unquoted)	5 (b)	-	2,639.31	-	2,639.31
- Foreign exchange forward contracts at FVOCI	8	-	11.93	-	11.93
		-	**2,651.24**	**-**	**2,651.24**
Financial liabilities					
- Foreign exchange forward contracts at FVOCI		-	-	-	-
		-	**-**	**-**	**-**

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. No assets are classified in this category.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. No assets are classified in this category.

There are no transfers between levels 1 and 2 during the year.

(iii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the fair value of the mutual funds is determined using daily NAV as declared for the particular scheme by the Asset Management Company. The fair value estimates are included in Level 2.
- the fair value of foreign exchange forward contracts is determined using market observable inputs, including prevalent forward rates for the maturities of the respective contracts and interest rate curves as indicated by Banks and third parties.

All of the resulting fair value estimates are included in level 2

Notes to the Financial Statements

for the year ended March 31, 2022

(iv) Valuation processes

The finance team has requisite knowledge and skills. The team headed by CFO directly reports to the audit committee to arrive at the fair value of financial instruments.

(v) Fair value of financial assets and liabilities that are not measured at fair value (but fair value disclosures are required)

The management considers that the carrying amounts of financial assets and financial liabilities recognised in the financial statements approximate their fair values.

Note 39: Leases

Company as a Lessee

(i) During financial year 2014-15, the Company had acquired land at Sompura from Karnataka Industrial Areas Development Board (KIADB) on a lease-cum-sale basis. The land is under lease for initial period of ten years thereafter the ownership of the land will be transferred in favour of the Company (refer note 3(i)). Initial upfront lease payment (including slum cess and process fee) of ₹ 365.81 Million was made to the KIADB for acquisition of land and thereafter, the Company's obligations under lease is yearly recurring maintenance charges of ₹ 0.14 Million during the lease period. There is no contingent rent or restriction imposed in the lease agreement.

(ii) The Company has various lease contracts for vehicles, office equipment and office premises used in its operations. Leases of vehicles and office equipment generally have lease term of 5 years while office premises have lease terms between 2 and 9 years. The Company's obligations under its leases are secured by the lessor's title to the leased assets. The Company has given refundable interest-free security deposits under certain agreements. There is no contingent rent, sublease payments or restriction imposed in the lease agreement.

The Company also has certain leases of office premises with lease terms of 12 months or less and leases of office equipment with low value. The Company applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases as per Ind AS 116.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the year:

(₹ in Million)

	Vehicles	Office Equipment	Office Premises	Total
As at April 1, 2020	6.08	1.93	18.87	26.88
Addition	2.73	-	-	2.73
Deletion	(0.26)	(1.48)	(0.46)	(2.20)
Depreciation expense	2.97	0.45	2.35	5.77
As at March 31, 2021	**5.58**	**-**	**16.06**	**21.64**
Addition	-	-	-	-
Deletion	-	-	-	-
Depreciation expense	3.04	-	2.35	5.39
As at March 31, 2022	**2.54**	**-**	**13.71**	**16.25**

Set out below are the carrying amounts of lease liabilities and the movements during the year:

(₹ in Million)

	31-Mar-22	31-Mar-21
Opening Balance	24.75	28.78
Addition	-	2.73
Deletion	-	(2.20)
Interest expense on lease liabilities	2.24	2.66
Payment of lease liabilities	(6.72)	(7.22)
Closing Balance	**20.27**	**24.75**
Current	4.82	4.48
Non-current	15.45	20.27
	20.27	**24.75**

(i) The maturity analysis of lease liabilities are disclosed in note 37(ii)

(ii) The effective interest rate for lease liabilities is 9.5 %, with maturity between 2021-2028

The following are the amounts recognised in Statement of Profit and Loss:

(₹ in Million)

	31-Mar-22	31-Mar-21
Depreciation expense of right-of-use assets	5.39	5.77
Interest expense on lease liabilities	2.24	2.66
Expense relating to short-term leases and low value assets (included in other expenses)	12.65	10.82

Company as a Lessor

The Company has given certain portions of its office premises under leases. These leases are not non-cancellable and are extendable by mutual consent and at mutually agreeable terms. The gross carrying amount, accumulated depreciation and depreciation recognized in the Statement of Profit and Loss in respect of such portion of the leased premises are not separately identifiable. There is no impairment loss in respect of such premises. No contingent rent has been recognised in the Statement of Profit and Loss. Lease income is recognised in the Statement of Profit and Loss under "Other Income" (refer note 23). Initial direct costs incurred, if any, to earn revenues from a lease are recognised as an expense in the Statement of Profit and Loss in the period in which they are incurred.

Note 40: Commitments

(₹ in Million)

		31-Mar-22	31-Mar-21
(i)	Estimated amount of contracts remaining to be executed on capital account and not provided for (against which advances paid aggregating to ₹ 40.34 Million (March 31, 2021: ₹ 0.84 Million)	169.36	14.97
(ii)	Other commitments- Derivative instruments	Refer note 37 (iii) (a) & (b)	

Notes to the Financial Statements

for the year ended March 31, 2022

Note 41: Contingent liabilities, contingent assets and litigations

Contingent liabilities

(₹ in Million)

	31-Mar-22	31-Mar-21
Claims against the Group not acknowledged as debts:		
(i) Claims which are being contested by the company and in respect of which the company has paid amounts aggregating to ₹ 1.67 Million (March 31, 2021: ₹ 1.67 Million), excluding interest, under protest pending final adjudication of the cases:	82.39	79.93

Sl. No.	Particulars	Amount of contingent liability		Amount paid	
		31-Mar-22	31-Mar-21	31-Mar-22	31-Mar-21
1	Service tax	56.49	54.02	1.67	1.67
2	Income tax	24.42	24.42	-	-
3	Others	1.48	1.48	-	-

The amount shown above represent the best possible estimates arrived at on the basis of available information. The uncertainties, possible payments and reimbursements are dependent on the outcome of the different legal processes which have been invoked by the Company or the claimants, as the case may be, and therefore cannot be predicted accurately. The Company engages reputed professional advisors to protect its interests and has been advised that it has strong legal position against such disputes.

(ii) Demand of ₹ 836.58 million and ₹ 605.83 million for AY 2018-19 and AY 2019-20 respectively has been raised upon processing of the income tax returns filed by the company without giving credit for due taxes paid which are reflected in Form 26AS for the relevant years. Reprocessing request / rectification application has been filed for correction of the apparent errors. The management believes that upon due rectifications, the demand shall reduce to ₹ 8.83 million in AY 2018-19 and ₹ Nil in AY 2019-20. The relevant orders creating the demands are also the subject matter of appeals filed by the Company before the Commissioner of Income Tax (Appeals).

Contingent assets

Based on management analysis, there are no material contingent assets as on March 31, 2022 (March 31, 2021: ₹ Nil).

Note 42: Exceptional items

Exceptional items consist of the following Income / (Expenses)

(₹ in Million)

	31-Mar-22	31-Mar-21
Settlement consideration [refer note (i) below]	2,080.00	-
Associated expenses towards settlement [refer note (i) below]	(191.01)	-
Voluntary Retirement Scheme expenses [refer note (ii) below]	-	(185.20)
	1,888.99	**(185.20)**

(i) During the ended March 31, 2022, a Settlement Agreement had been executed on September 6, 2021 between the Company and General Electric Company and its affiliates including DI Netherlands BV, its joint venture partner in the joint venture company, Triveni Energy Solutions Limited (TESL) (Formerly known as GE Triveni Limited) to fully and finally settle and resolve all ongoing disputes, litigations and arbitrations pending before various legal forums, which have been withdrawn from respective legal forum.

Pursuant to such agreement, the Joint Venture Agreement dated April 15, 2010, and other Ancillary Agreements entered into by the Company with GE/Affiliate of GE has been terminated and entire equity stake of DI Netherlands BV, in TESL had been purchased by the Company at ₹ 80 million and resultantly, TESL has become a wholly owned subsidiary of the Company with effect from September 6, 2021.

Further, DI Netherlands Limited has paid a settlement consideration of ₹ 2,080 million to the Company. The settlement consideration, net of associated expenses aggregating to ₹ 191.01 million towards settlement such as legal and professional charges of ₹ 94.62 million and provision for obsolete / non-usable inventories of ₹ 96.39 million, has been recognised in the statement of profit and loss and presented as an exceptional item.

(ii) During the year ended March 31, 2021, the Company had implemented a Voluntary Retirement Scheme (VRS) for Workmen and total expenditure of ₹ 185.20 million for VRS had been recognised in the Statement of Profit and Loss and presented as an Exceptional Item.

Note 43: Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Based on the intimation received by the Company from its suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006, the relevant information is provided here below:

(₹ in Million)

	31-Mar-22	31-Mar-21
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of accounting year;		
(i) Principal amount	129.19	111.81
(ii) Interest due on above	-	-
The amount of interest paid by the buyer in terms of section 16 of Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-

Note 44: Research & development expenses

During the year, the Company has incurred expenditure of ₹ 65.79 Million (March 31, 2021: ₹ 73.84 Million) on research and development activities as per following details:

(₹ in Million)

	31-Mar-22	31-Mar-21
Revenue expenses	63.39	56.34
Capital expenditure	2.40	17.50
Total	**65.79**	**73.84**

Notes to the Financial Statements

for the year ended March 31, 2022

Note 45: Ind AS 115 – Revenue from Contracts with Customers

i) Disaggregated revenue information

In the following table, revenue is disaggregated by major products/service lines and timing of revenue recognition:

(₹ in Million)

	Timing of revenue recognition	31-Mar-22	31-Mar-21
Sale of products			
Finished goods			
- Turbines (including related equipments and supplies)	At point in time	5,614.07	4,808.52
- Spares	At point in time	1,513.41	1,342.50
Sale of Services			
Servicing, operation and maintenance	Over time	605.71	522.49
Erection and commissioning	At point in time	179.19	210.42
Turbine extended scope turnkey project	Over time	98.26	3.33
Other operating income			
Sale of scrap	At point in time	4.71	2.76
Technology transfer fee	At point in time	-	9.44
Export incentives	At point in time	98.32	69.86
		8,113.67	**6,969.32**

ii) Contract balances

(₹ in Million)

	31-Mar-22	31-Mar-21
Trade receivables	921.13	763.62
Contract assets – Unbilled revenue	12.08	54.14
Contract assets – Amounts due from Customers under construction contracts	-	6.21
Contract liabilities – Advance from customers	2,725.07	1,661.08
Contract liabilities – Deferred revenue	74.03	42.36
Contract liabilities – Amount due to customers under construction contracts	4.78	-

Trade receivables have increased by ₹ 157.51 million over previous year due to increase in sales. During the year, provision for doubtful debts and expected credit losses on trade receivables was recognised as disclosed below.

(₹ in Million)

	31-Mar-22	31-Mar-21
Provision, net of reversal for doubtful debts	23.76	19.48
	23.76	**19.48**

Contract liabilities include advances received from customers, deferred revenue and amount due to customers. The outstanding balances of these accounts has significantly increased by ₹ 1,100.44 million primarily on account of performance obligation to be satisfied in coming years against which the advances were received during the year.

During the year, the Company has recognised revenue of ₹ 1,382.65 million out of the contract liabilities outstanding at the beginning of the year.

Notes to the Financial Statements

for the year ended March 31, 2022

(iii) Reconciliation of revenue recognised with contract price

(₹ in Million)

	31-Mar-22	31-Mar-21
Contract price	8,150.12	7,001.01
Adjustments for:		
Variable Considerations - Others	(36.45)	(31.69)
Total revenue from operations	**8,113.67**	**6,969.32**

iv) Performance obligation

Information about the Company's performance obligations are summarised below:

Sale of goods

The performance obligation is satisfied upon shipment of the goods and transfer of control. The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price is allocated

Sale of services

The performance obligation is satisfied over-time or point in time based on the nature of services and payment is generally due upon completion of services

Obligation towards warranties

The Company provides for warranties to its customers in the nature of assurance-type. The assurance-type warranty is accounted for as obligation and provided for under Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets.

Note 46: Financial Ratios

	Ratio	Numerator	Denominator	31-Mar-22	31-Mar-21	%
1	Current ratio	Total current assets	Total current liabilities	2.15	2.17	(1.0)%
2	Debt-Equity ratio*	Debt consists of borrowings and lease liabilities	Total Equity	0.003	0.006	(54.6)%
3	Debt service coverage ratio**	Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses + Interest + Other non-cash adjustments	Debt service = Interest and lease payments + Principal repayments	129	66	94.5%
4	Return on equity ratio**	Profit for the year	Average total equity	36.59%	16.26%	125.0%
5	Trade receivables turnover ratio#	Revenue from operations	Average trade receivable	9.63	7.06	36.4%
6	Trade payables turnover ratio	Purchase of raw material+ other expenses	Average trade payables	6.47	6.71	(3.7)%
7	Net capital turnover ratio	Revenue from operations	Average working Capital (i.e. Total current assets - total current liabilities)	1.9	2.4	(19.7)%

Notes to the Financial Statements

for the year ended March 31, 2022

	Ratio	Numerator	Denominator	31-Mar-22	31-Mar-21	%
8	Net profit ratio**	Profit for the year after tax	Revenue from operations	30.75%	12.73%	141.5%
9	Return on capital employed	Profit before tax and finance cost	Capital employed = Net worth + Lease liabilities + Deferred tax liabilities	19.6%	23.4%	(16.2)%
10	Return on investment	Income generated from invested funds	Average invested funds in deposits and mutual funds	4.68%	5.96%	(21.6)%

*Debt equity ratio is lower as compared to previous year due to repayment of debts in current year and higher equity as on balance sheet date due to exceptional income earned by the Company during the year (refer note 42)

**Debt service coverage ratio, return on equity ratio and net profit ratio is higher due to exceptional income earned by the Company during the year (refer note 42)

#Trade receivable turnover ratio is higher due to increase in sales.

Note 47: Other Statutory information

(i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property

(ii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(iii) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(iv) The Company has not advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) to any person or entity, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company ("Ultimate Beneficiaries").

(v) The Company has not received any fund from any party(ies) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate beneficiaries.

(vi) The Company is not declared as willful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof or other lender in accordance with the guidelines on willful defaulters issued by the Reserve Bank of India.

(vii) The Company has complied with the number of layers for its holding in downstream companies prescribed under clause (87) of section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017.

Notes to the Financial Statements
for the year ended March 31, 2022

(viii) The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961

(ix) The Company did not have any material transactions with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956 during the financial year.

Note 48: Comparatives

The figures for the previous year have been regrouped/reclassified wherever necessary to confirm with the current year's classification.

Note 49: Approval of Standalone Financial Statements

The Standalone financial Statements were approved for issue by the Board of Directors of the Company on May 13, 2022 subject to approval of shareholders.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Vijay Vikram Singh
Partner
Membership No.: 059139

Place: Bengaluru
Date: May 13, 2022

For and on behalf of the Board of Directors of **Triveni Turbine Limited**

Dhruv M. Sawhney
Chairman & Managing Director
DIN: 00102999

Homai A. Daruwalla
Director & Audit Committee Chairperson
DIN: 00365880

Lalit Kumar Agarwal
Vice President & CFO
Place: Noida (U.P.)
Date: May 13, 2022

Rajiv Sawhney
Company Secretary [ACS: 8047]