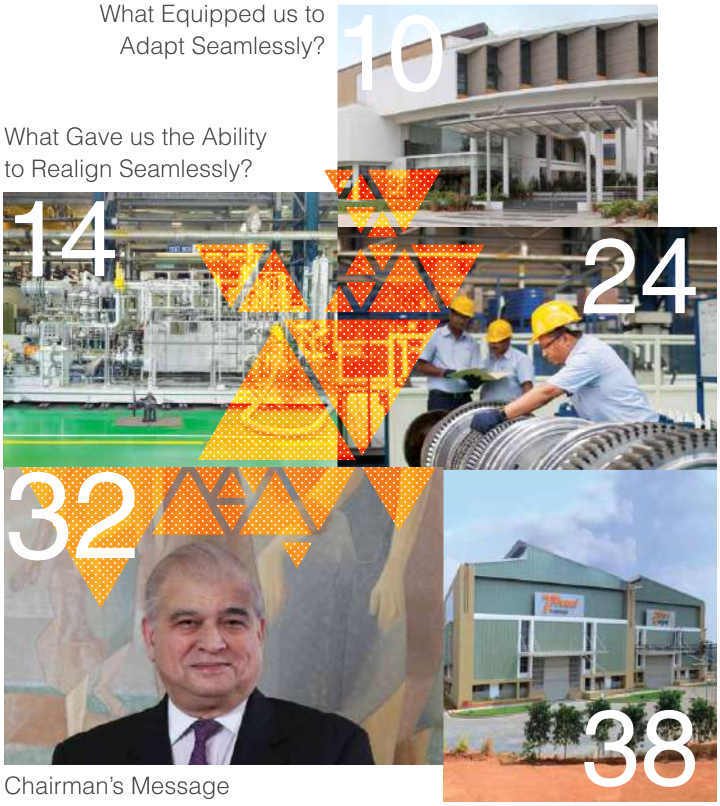
Able. Adaptable. Agile.

2020-21
Annual Report

Inside this Report



Corporate Overview

Statutory Reports

Financial Statements

Forward-looking statement

This report contains forward-looking statements, which may be identified by their use of words like 'plans', 'expects', 'will', 'anticipates', 'believes', 'intends', 'projects', 'estimates' or other words of similar meaning. All statements that address expectations or projections about the future, including but not limited to statements about the Company's strategy for growth, product development, market position, expenditures and financial results, are forward-looking statements. Forward-looking statements are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realised. The Company's actual results, performance or achievements could thus differ materially from those projected in any such forward-looking statements.

To view this report online, please visit:
www.triveniturbines.com

Able. Adaptable. Agile.

At Triveni Turbines, we believe we possess a deep-rooted **ability** to match the pace of the unprecedented transformation across industries.

The manner in which we transitioned to the new normal of business amid the COVID pandemic reflects our unparalleled **adaptability**.

The ease, speed and seamlessness with which we adjusted to the emerging and evolving situation, underscores our remarkable **agility**.

Led by our unmatched quality and on-time delivery ethos, we leveraged technology and digitalisation to steer an extraordinary transformation in our thinking and decisions in this transforming environment. And we moved fast to realign our organisational culture and people with the new way of operating.

The story of this Annual Report is centred on how Triveni Turbines successfully adapted to the massive change, and did so with remarkable agility and pace.

An Able Organisation

Triveni Turbine Limited (TTL) provides robust, reliable and efficient end-to-end steam turbine solutions in more than 70 countries across the world.

Largest

Manufacturer of industrial steam turbines in >5 to 30 MW range globally*

Innovation and manufacturing excellence are at the core of our ability to design and manufacture steam turbines up to 100 MW. We deliver cost-effective and efficient steam turbine solutions for Industrial, Captive and Renewable Power use to a growing global clientele, across diverse sectors.

Manufacturing Prowess

- World-class manufacturing facilities
- Strategically located in Bengaluru (India)

Aftermarket Support

- Supporting customers with Aftermarket requirements for turbines of own make & also makes of other companies
- Network of global representative offices manned by experienced & qualified engineers

Our spares, services and refurbishment offerings allow us to provide continuous support to the emerging requirements of customers, helping to reinforce our long-term relationships and enhance the future business potential.

**Source: As per McCoy Report based on no. of units*

Being Agile

Digital empowerment, supported by investments in Research & Development (R&D), gives us the agility to continuously expand our product portfolio in order to further diversify and de-risk our business. This strategic approach helps us stay connected with our customers at all times, wherever they may be located globally.

Key Facts

Market Leader

In steam turbines up to 30 MW in India

Largest

Manufacturer for industrial steam turbines globally **in >5 to 30 MW range**

5,000

Steam turbines installed globally

13GW+

Power generation capacity

70+

Countries of presence

20+

Industries served

GE Triveni Limited

GE Triveni Limited (GETL), Triveni's joint venture company with DI Netherlands BV, affiliates of GE, is engaged in the design, supply and service of advanced technology steam turbine generator sets, with generating capacity in the range of 30.1-100 MW.

Our Value Proposition

Our strong expertise and experience in Research & Development, coupled with our ability to deliver value-engineered offerings, lies at the core of our customer-centric value proposition. Our cutting-edge Design, Engineering and Manufacturing competencies enable us to ensure high levels of efficiency, robustness and uptime, across the turbine product lifecycle. The pioneering efforts of our qualified and skilled team are backed by our collaborative associations with globally leading design and research institutions.

Quality First & Foremost

Our products, systems and processes are benchmarked to the most stringent international quality standards.

- **AS 9100D-2016**
- **ISO 9001:2015 (QMS)**
- **ISO 14001:2015 (EMS)**
- **ISO 45001:2018 (OHSAS)**

Differentiated product portfolio

Our well-balanced and diversified product portfolio of robust and dependable turbines, up to 100 MW, is crafted for a wide range of pressure and flow applications across industries. Triveni Turbines is armed with both Impulse and Reaction technologies to cater to the entire range. Our large variety of back-pressure and condensing steam turbines are designed for easy and effective customisation to cater to the niche needs of customers and sectors. We provide turbines in above 30 MW to 100 MW category through GETL

Sub-30 MW

Condensing Steam Turbines

- Straight Condensing Type
- Extraction Condensing Type
- Bleed Condensing Type
- Injection Condensing Type
- Double Extraction Condensing

Back Pressure Steam Turbines

- Straight Back Pressure Type
- Extraction Back Pressure Type
- Bleed Back Pressure Type

above 30.1 MW – 100 MW

Condensing Steam Turbines

- Uncontrolled Extraction
- Controlled Extraction
- Reheat Turbines
- Injection Condensing Turbines

Back Pressure Steam Turbines

- Uncontrolled Extraction
- Controlled Extraction

Sector-Adaptability

Our ground-breaking products are capable of easy adaptation to the varied needs of customers and applications across diverse industries.

- Sugar
- Cement
- Chemicals
- Palm Oil
- Textiles
- Paper
- Steel
- Biomass Power
- Independent Power Producers (IPP) – Barge Mount
- Distillery
- Waste to Energy
- Carbon Black
- Oil & Gas
- Food
- District Heating
- Defence

We are pre-qualified for products and solutions by large number of global consultants and companies in Oil & Gas sector.

American Petroleum Institute (API) is a new market segment for us. The Company's foray into Oil & Gas (O&G) market is gaining momentum, from getting qualified with large number of customers/consultants to executing breakthrough orders.

Triveni Turbines are manufactured in a state-of-the-art facility in accordance with international quality standards namely American Petroleum Institute (API) (General Purpose – API 611) and (Special Purpose – API 612) ranging from 10 kW to 30 MW in Backpressure and Condensing models suitable for applications in Petroleum Refineries, Chemical, Petrochemical, and Fertiliser Industries. Our steam turbines are designed for installation in high hazard zones as well as open weather conditions and perform under any load condition. Currently, our steam turbines are installed in major oil producing regions such as Middle East, Central Americas, Europe and South East Asia.

Our enquiry base is getting larger, with more than 1,000 MW enquiries generated from both domestic and international regions, as on March 2021. We believe this segment will be able to generate more orders and enquiries going forward.

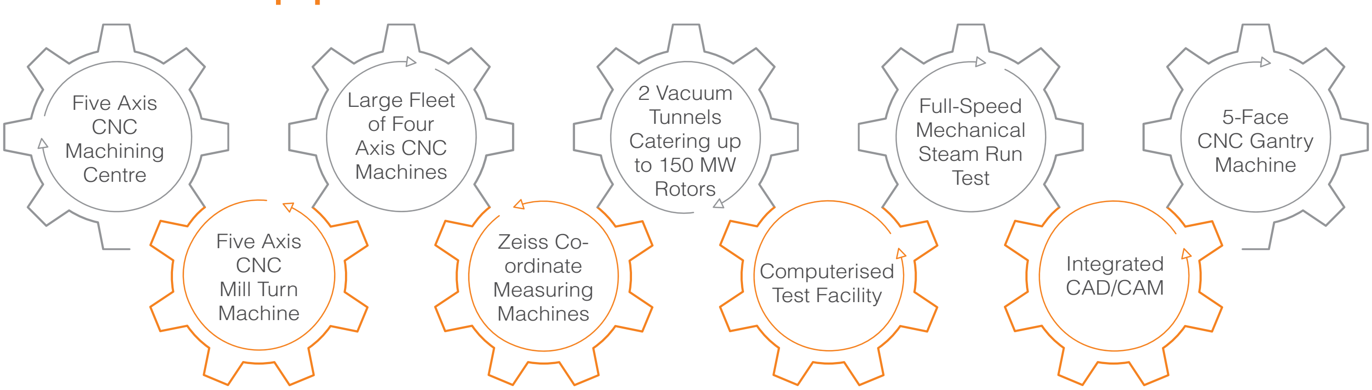
Our manufacturing systems are aligned to IoT-enabled Industry 4.0 systems and processes that ensure best-in-class products and solutions.

Manufacturing Agility

Our two state-of-the-art manufacturing facilities in Bengaluru (Karnataka) are equipped for flexible, sustainable, lean and efficient manufacturing operations. World-class machinery and equipment, backed by our ability to handle diverse and complex processes, ensure production and delivery of critical quality components across the value chain.

Designed for scale, the facilities have in-built efficiencies to drive operational and cost optimisation in environmentally safe conditions. Minimum wastage, industry-best practices and globally benchmarked quality standards are imbued into our manufacturing systems.

World-Class Equipment



Our Global Footprint

The Triveni edge continues to be sharpened year after year through our global delivery network, and our footprint now spans:

Headquarters – Bengaluru, India Subsidiaries/Representative Office Turbine Installation

Note: Map for representation purpose and not to scale

Designing, Manufacturing & Supplying
Steam Turbines for Over **50 Years**

Adapting Successfully... To Unprecedented Challenges

Amid the COVID pandemic that emerged in late FY 20, we moved with exceptional speed and agility to align our business strategy to the new normal, while sustaining our uncompromising focus on ensuring customer delight and satisfaction. The cultural and digital transformation we had unleashed in the last quarter of FY 20 was scaled even further to match the fast-paced changes in the business environment.

Our strategic approach during this unprecedented crisis was three-pronged:

- Continuous tracking of industry & market trends
- Quick response to new & evolving opportunities to connect more efficaciously with customers
- Automation & Digitalisation to drive operational & cost optimisation and rationalisation

In line with this strategic approach:

01 Our internal teams regularly tracked external trends to identify gaps, analyse their impact on industry/business and leverage our expertise and experience to fill the same with agility.

02 We used this information to harness the new and evolving opportunities across sectors and geographies. We found new ways of connecting with our customers and providing them with niche products and solutions designed for their specific & specialised needs.

03 We augmented our organisation-wide efforts to implement greater automation and digitalisation, thus boosting productivity through operational and cost optimisation.

Adapting to new customer connect tools

As travel was strictly curtailed, finding innovative ways of connecting with the customers became an imperative, rather than a choice. Sustained and close customer engagement was ensured in these difficult times through various initiatives:

- All systems were equipped with enhanced network securities, to facilitate secure work-from-home for our employees.
- Webinars, Internet and Social media were used extensively to showcase the Company's strengths and edge to customers.
- E&C (Erection & Commissioning) and Service were deployed to connect with customers remotely, for resolving their issues at the sites.
- Online technical discussions and finalisation of orders was streamlined and strengthened.
- Internal teams reviewed every step critically, with tracking of cost and time of implementation.

Accelerating the digital transformation

Looking at technology as a disruptor for our own market, we accelerated the digital transformation of key business activities amid the changing business environment. While adding new customer and employee touchpoints, we accelerated the process of operational and product transformation, to help align the Company with the transforming environment.

As part of the new normal, we implemented:

01 Adoption of various tools, such as augmented reality and virtual reality, thus lending us greater agility, as well as ability to boost efficiency and productivity.

02 Deployment of remote monitoring, along with data predictability and analytics, to support customers at every step of their problem resolution.

03 Greater automation on the operating floor, to reduce manpower costs, boost productivity, enhance efficiencies, lower the turnaround time and minimise wastage.

From Ability to Agility

Augmenting People Strengths

We initiated several focussed situational training programmes during the year to integrate our people with the transformed new way of working.

Sales Training

To enable Product and Aftermarket teams to generate more business.

Virtual Presentation Skills

To enable Sales and Service teams on Virtual Platforms.

Virtual Meeting Skills

To train employees to hold virtual discussions, manage order finalisation etc. with customers.

Cross-Functional Product Training

To provide teams with knowledge of multiple products for effective marketing, sales and resolution of problems.

Connect Platform for Sales – Product and Aftermarket

Various Digital Platforms are being used in equal measure at Triveni Turbines for:

- **Discussions with customers**
- **Webinars**
- **Presentations**
- **Trouble shooting**
- **Internal discussions**
- **Finalisation of orders**

What Equipped us to Adapt Seamlessly?

Led by our strong visionary outlook, our customer-centric approach, our innovation focus and our efficiencies-driven processes, we made significant investments during FY 21 in augmenting the levers of our transformation drive.

What Powered Our Adaptability?

Robust business model

Supply chain efficiencies

Strong quality proposition

Integrated value chain

These levers enabled us to achieve stronger forward and backward linkages, better supply chain efficiencies and improved quality.

Well-Structured Business Model

We have in place a robust business model pillared on:

- Customer-centricity
- Innovation capabilities
- Engineering excellence
- Sustainable sourcing
- Manufacturing prowess
- Efficient sales & marketing teams
- Aftermarket strength

We took several concerted actions during the year to make our business model more flexible and agile:

Strong customer insights

Our Business Development teams continue to engage deeply with customers to get insights into their transforming needs amid the new normal

Innovation edge

Based on the customer insights, our R&D teams work relentlessly to pioneer new, ground-breaking products & solutions aligned to their needs

Sales & marketing outreach

To ensure speedy & timely delivery of our innovative products and solutions, our Sales & Marketing teams are constantly expanding their customer outreach

Engineering prowess

Our skilled Engineering teams leverage their expertise to push the bar of precision excellence across the value chain

Sourcing quality

Quality of the raw material is ensured through stringent adherence to standards by suppliers, who are bound by our strict code of conduct

Manufacturing excellence

Focus on quality is maintained across the manufacturing process to deliver diverse products in line with customer insights

Aftermarket presence

Lending strength to our business model is our powerful Aftermarket presence across applications, sectors & geographies

Seamless & Efficient Supply Chain

Our in-built efficiencies enabled us to effectively tackle all sourcing, logistics, installation and maintenance challenges. Even during the unprecedented pandemic challenges, we found innovative new ways of engaging with our stakeholders to replace the conventional systems of dialogue and discussion. Besides helping us to swiftly reorient our business strategy to their evolving needs, this helped us sustain our uncompromising focus on shared long-term growth.

Triveni has constantly focussed to improve the development of global supply chain teams by getting them involved in early stage of new technology and product development; leveraging world-class supply chain management processes, tools and systems across the function.

Operating a world-class supply chain organisation means having twin goals: increasing competitiveness and helping customers to succeed.

We control inventory by improving the allocation of "available to promise" inventory. We have clear visibility into inventory transactions that has positively impacted the entire process of ordering, storing and using inventory from raw materials to finished product.

Triveni partners with its suppliers by supporting them with capacity building, customised participatory workshops, sharing best practices, jointly implemented collaborative programmes, and transfer of knowledge and expertise. During 2020, we designed and implemented number of participatory workshops for suppliers covering health, safety and environment and legal requirements related to labour conditions and COVID-19 protocol.

Triveni Supply Chain Management (SCM) has developed logistics relationships worldwide to strengthen our network, so that our reliable logistics partners ensure that turbines and other ancillaries are safely delivered to customers across the globe in a timely and safe manner.

Triveni SCM undertakes evaluation and prequalification for new suppliers before sourcing from them. The qualification process evaluates the performance of potential suppliers on broad sustainability parameters such as health & safety, environment and working conditions, as well as process capability, quality, compliance and financial factors. For existing suppliers, we have a robust programme that focusses on suppliers with a higher risk and manages them according to the risk matrix.

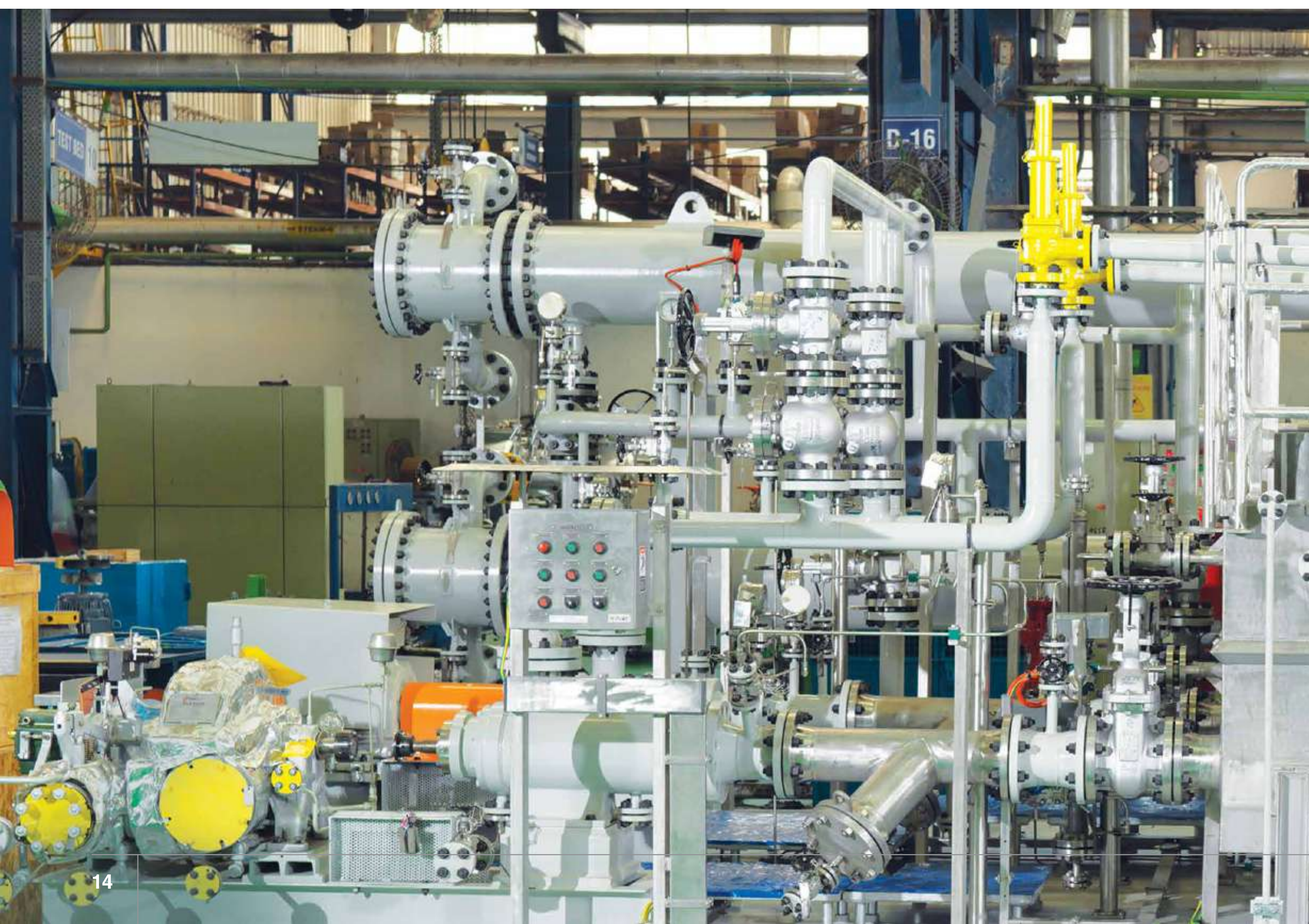
We also undertake periodic vendor-wise spend analysis and establish adequate control processes with suppliers to ensure compliance standards, desired quality, good ratings and loyal trade relations.

On the Integrated Supply Chain side, many initiatives have been undertaken keeping in mind substantial long-term benefits. Considerable investments in capability building, automation, plant and machinery and to significantly improve in-house share of total output.

Focussed quality programme intended to raise product quality to the world-class levels moved ahead visibly within manufacturing and all vendors. A robust rollout was carried out for a 'Responsible Sourcing' programme to all vendors to upgrade their units from the "Standard" level to the "World-Class" level.

What Gave us the Ability to Realign Seamlessly?

Strong R&D and Innovation, backed by continuous investments in Digitalisation and Automation, helped us in seamless realignment to the new norms during the year.



What Drove Our Agility?

R&D capabilities

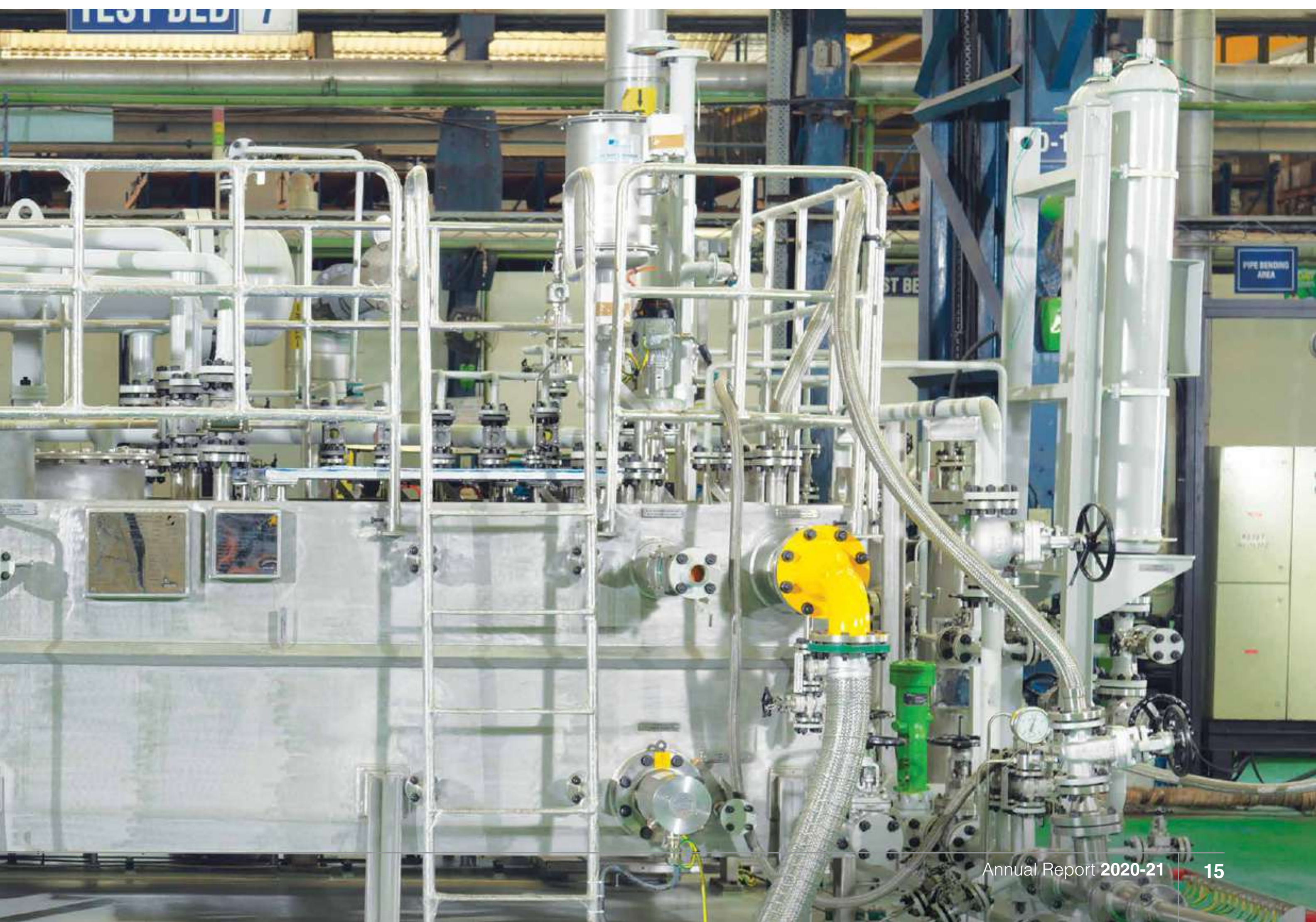
Innovation edge

Digital infrastructure & transformation

Focus on AI & Automation (Internet of Things)

Our R&D capabilities

Our strong Research & Development (R&D) capabilities enable us to create high-quality, precision-engineered products. Our R&D teams are armed with the necessary expertise and experience to ensure product lifecycle performance and optimisation, supported by cost rationalisation. The teams are technologically and digitally empowered to deliver customer and sector-specific solutions. They are also equipped with state-of-the-art Computational Fluid Dynamics (CFD) software and Finite Element Analysis (FEA) platform. Latest software tools help them design and develop innovative products and solutions. High-tech testing facilities are used for design validation, thus ensuring total efficiency, safety and reliability, along with functional excellence. Our advanced R&D product programme has over 60 field proven models/variants, ideally suited to the varied needs of diverse customers across industries. The R&D function is supported by in-house testing and field validation programmes.



The Triveni R&D core

01 Experienced design team with structural, Aero domain experts

02 Proven modular building blocks extensively tested for product life cycle performance

03 Customer Capex and Opex optimisation with extensive operability benefits

04 Service and solutions focussed on turbine uptime maximisation

05 Association with world-renowned design houses and academia – Indian Institute of Science, Cambridge, Polimi, Impact Tech. (Lockheed Martin), Concepts NREC - USA

06 Innovative product development concepts, such as design to cost, QFD (Quality Function Deployment), FMEA (Failure Mode & Effects Analysis) techniques, Design of Experiments (DOE)

07 Advanced Computational Fluid Dynamics (CFD), Finite Element Analysis (FEA), Neural network-based algorithms employed for aero performance and product reliability maximisation

08 Customised Plant Engineering solutions with PLM (Product Lifecycle Management), SAP (Systems, Applications & Products), advanced Computer Aided Design and Computer Aided Engineering

09 Thrust on futuristic technologies, such as super critical CO_2 power blocks & concentrated solar thermal applications

Leveraging R&D to propel efficiencies

During the year, we continued to upgrade our R&D capabilities not just in terms of rotating equipment technological expertise but also for steam turbine, flow path and computational fluid dynamics in terms of newer profiles of blades. These efforts have led to significant achievements in terms of efficiency enhancement across the entire turbine cycle, through multiple modules of development.

Powering Innovation during FY 21

Continued research on super critical CO_2 power blocks, focussed on reducing the cost of the installed system and boosting efficiency to enhance the turbine lifecycle value proposition.

In the combined cycle market segment, we are using a technology involving the bottoming cycle of a gas turbine or gas engine to take out waste heat and utilise it in a heat recovery steam generator to produce power through a steam turbine.

Overall augmentation of our Design and Development edge.

Development and commercialisation of API turbines.

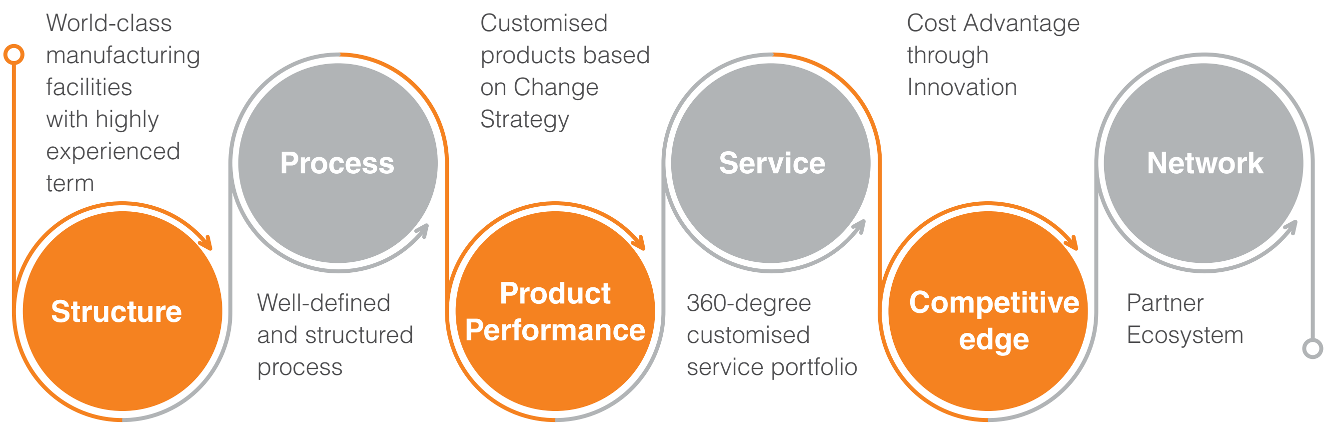
Our aim, going forward, is to invest further in new areas of fluid dynamics and rotating equipment. The thrust will be on utilising the best of our abilities, both from a manufacturing perspective as well as from supply chain and management view. With our new-age products benchmarked to the world's best and available at an affordable price point, we see our investments in R&D giving our Aftermarket and refurbishment capabilities a big leap in the coming years.

From Innovation to Value Engineering

With innovation central to our customer-centric business model, we are continuously striving to transform ourselves into an organisation driven by Intellectual Property (IP). We are continually working on breakthrough technological development for new products as well as for new components in the system, which are all IP protected.

In the last 11 years, we have filed for protection of intellectual property rights over 130 pioneering products/solutions developed in-house. These include 60 patent filings and more than 180 industrial design registrations. As of March 31, 2021, we had been awarded 202 intellectual property rights across various jurisdiction, including India, the European Union and the United States of America.

Innovation



Leading Edge Technology

Enhancing performance by developing latest design tools and software like Turbo-machinery CFD tools, lateral & torsional rotor dynamics software

Superior Design

Maximising efficiency and reliability by enhancing steam turbine designs for higher inlet temperature & pressure

Total Customer Satisfaction

Delivering more to the customer to help them to achieve unhindered performance and power self-sufficiency at optimal cost

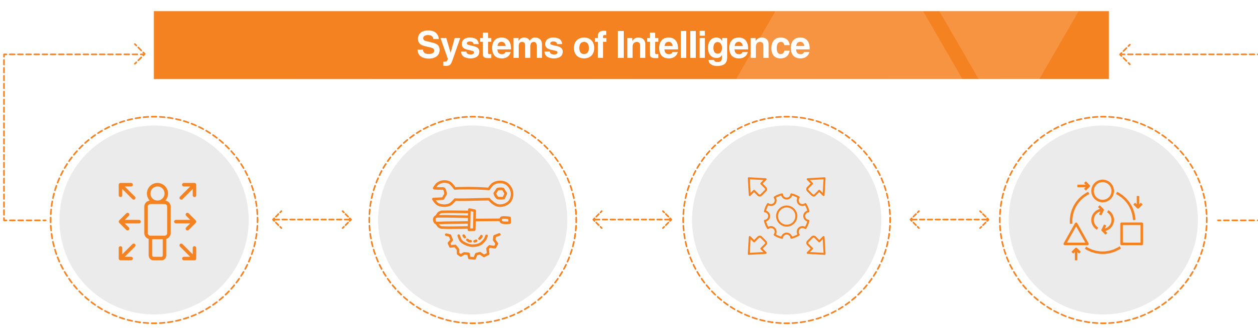
Cost-Efficiencies

Higher efficiencies and lower cost in terms of ownership and operations

Powering Digital Infrastructure & Transformation

The digital platforms we had built early in the lockdown period of FY 21 helped us maintain a steady enquiry flow, while also enabling us to remain connected with our customers, employees and other stakeholders through the year. They complemented our efforts to bolster operational efficiencies, with our technology-enabled operations and reporting structures helping in tracking and capturing Overall Equipment Effectiveness (OEE).

Digital Transformation



Engage your Customers

- Digital Platforms
- Webinars
- Remote Service
- Remote Monitoring of Assets (Triveni Touch)

Empower your Employees

- Training on the new normal
- AR/VR platforms
- Suitable hardware
- Travel instability
- Remote access

Optimise your Operations

- IoT in manufacture
- Remote Connect MRT CS&QA
- Supply chain
- Project Management
- Consultants on call

Transform your Products

- Design right first time
- Supply chain agility
- Optimise process
- Cost effectiveness

To protect our critical, cutting-edge turbine technologies, we also continue to file for trademark and copyright protections on a regular basis.

Digital Infrastructure

With digital becoming the new norm for operational excellence, we have strategically chosen to strengthen our digital capabilities, and empower our customers to meet the new and emerging business challenges. Our IT-enabled operations and reporting structures are helping in tracking and capturing Overall Equipment Effectiveness (OEE) and in boosting operator efficiency.

Our digital infrastructure encompasses the two key domains of:

Business Software

SAP – HANA
Salesforce.com
Primavera
IoT – Fleet RMD
IoT – CNC Shop
ITO – Cost Tools
OTR – Primavera

Our Digital Infrastructure

Technical Software

CFX
ANSYS
Concepts Aero Suite
Dyrobes, ARMD
PLM-Teamcentre
Pro-E, Unigraphics
Ax-turbo
MISES
Thermoflow, Gatecycle
Matlab

Transforming the Digital Core

We use the best-in-class digital technologies to facilitate seamless information flow through the entire value chain within the organisation - from sales and marketing to process planning, manufacturing, design, engineering, etc. - without human intervention. The transmission of data that results from use of cutting-edge digital technologies brought us closer to customers even during the pandemic. It gave us the ability to cater to customer requirements effectively even remotely, with lower costs and higher accuracy.

Deliver value to internal business teams and customers by helping them leverage the right software and process to improve efficiencies.

Our Digital Ethos

Benchmark systems and processes to industry leaders with similar technical background, to deliver smarter, cheaper and faster solutions.

Our Digital Focus is on 3 Core Areas:

Productivity
Boost productivity & operational efficiency for the internal workforce

Customer Engagement & Retention
Ensure better value for customer

Higher Profitability & Revenue Generation
Open up new streams of revenue generation

How we transformed our digital core in FY 21

During the year, we went in for large-scale digitalisation of Manufacturing & Assembly parameters to ensure sustained quality, efficiency, reliability and safety.

Cloud First Initiative:

We have successfully hosted around 80% applications on various Cloud platforms; we engaged a large IT Services company to develop Cloud-based application for better customer engagement and workforce productivity augmentation. We are continuously evaluating the application landscape and shall continue the digitalisation programme in FY 22.

Software & Automation suite:

We procured, and also developed in-house, a comprehensive suite of software and automation technologies for industrial applications, covering the entire lifecycle - from product design and production to Aftermarket services, as well as for commercial and financial applications. We shall continuously evaluate and benchmark our IT landscape with industry to see how we can leverage our strengths through use of best-in-class software products.

IoT & Industry 4.0:

We embarked on our journey to embrace the Internet of Things (IoT) and Industry 4.0 to upgrade our various customer-centric applications with the latest technology, as per business requirements, with the aim of optimising costs and enhancing business productivity.

Ensuring safety in the new normal

During the year, we enhanced data safety and strengthened home systems for our people who were working remotely, many of them on critical operations such as design, security and safety of network connectivity

Some of our data safety initiatives included

Introduction of Fortinet VPN to integrate higher level of security for design in product and refurbishment

Securing of Fortinet Client VPN with 256 bit RSA Encryption for protection of data download and copy by hiding IP address and locations of users and servers, capturing connection logs, and controlling access based on user requirement

Increasing Nexus Web Virtual Private Network (VPN) safety through SSL encryption, capturing of connection logs, enabling controlled access based on users requirements and protection of data copy

Operating Procedure (OP) workflow digitisation, with implementation of Standard Operating Procedure (SOP) and audits through workflow management system to ensure compliance to all process requirements

Triveni Touch

Making Remote Monitoring & Diagnostics More Agile

Leveraging our subscription-based remote monitoring solution - Triveni Touch, we effectively enhanced our Internet of Things (IoT) proposition to give our customers visibility of key performance indicators and health of their turbines. This enabled us to provide remote monitoring and diagnostics services, benchmarked to the best global standards, to our customers to address their urgent and complex needs in the pandemic situation.

What Lent us the Ability to Respond with Agility?

Amid the COVID crisis, we sharpened our ability to respond to the unique needs of diverse customers across industries. We harnessed our execution capabilities with speed and agility to deliver solutions and services to customers across the value chain

What Powered Our Agility?

Execution strength

360 degree service proposition

Execution Strength

Our execution capabilities enable us to move efficiently, to deliver to customer needs with maximum uptime and no delay. During the year, we successfully provided off-site support to our large expanse of customers worldwide, in the absence of on-site assistance amid the COVID travel constraints.

Our execution strength empowers us to take our products and solutions to customers across borders, sectors, applications and niche needs.

What makes us Execution-Efficient

Innovation-led, quality-driven design and development centres, backed by our world-class manufacturing processes and systems.

Extensive Sales & Marketing network, comprising our own teams and hired agents, who worked closely through the year to ensure uninterrupted execution of projects around the globe.

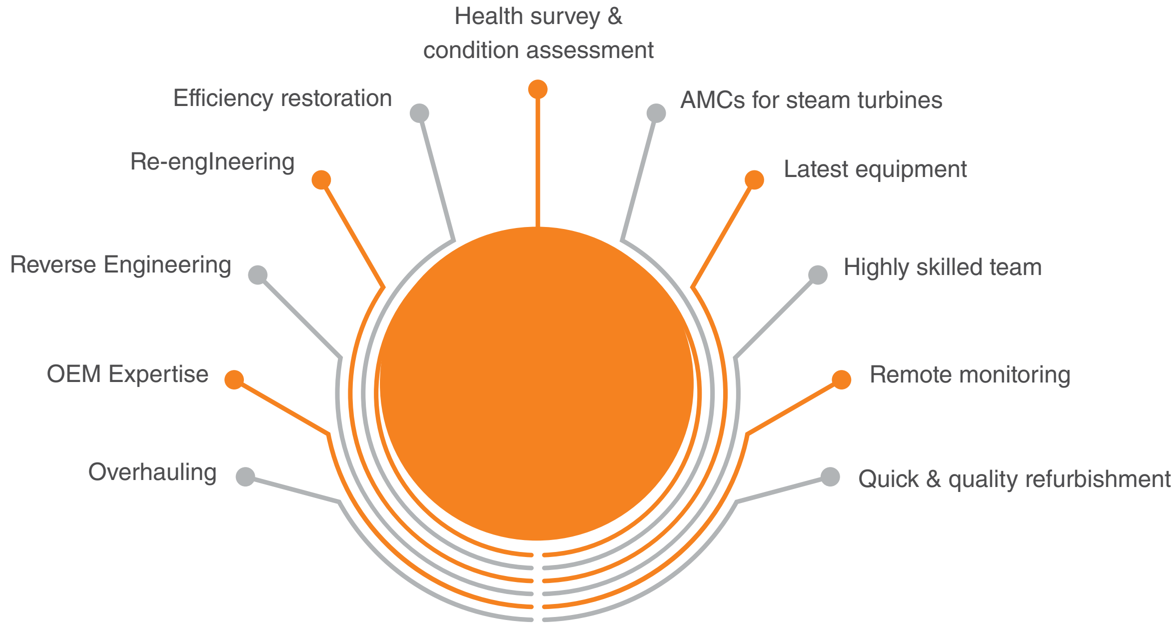
Quick adoption by our teams of the new way of functioning, to monitor and track KPIs remotely, across matrices and indices such as consumption, exports, costs, etc.

Customer proposition

As a customer-centric organisation, we have in place a sustained customer proposition built on:

Our service portfolio gives customers a competitive edge, translating into high levels of customer satisfaction, regular new customer additions, and customer retention. We provide end-to-end service offerings across the lifecycle of every turbine to ensure customer delight.

360° Customised Service Proposition



The Benefits

01 Quick support

02 Reliable & safe products

03 Effective, long-term solutions

04 Maximum uptime

05 Cost efficiencies

06 Design excellence

07 World-class infrastructure

08 24X7 connect

09 OEM Expertise

10 Maximum ROI

Our value-added services have enabled us to build close and long-lasting relationships with customers.

A network of service offices at strategic locations, with around 150 trained service personnel, enables us to reach out to customers quickly and efficiently.

Shortest Lead Time

Our industry experience, large manufacturing capacity, latest technology, strict adherence to procedures and compliance with Quality Assurance Procedures (QAPs) help us complete projects in the shortest lead time possible.

Our OEM Expertise

We have acquired global recognition for our custom-engineered, cost-effective products and solutions. Our lean manufacturing structure, cost leadership and on-time delivery performance ensure quick Return on Investment (ROI).

Our Refurbishment Edge

Our Refurbishment business delivers to customer needs across all makes of Turbo-machinery globally. We service turbines of other makes through a range of value-added offerings, extending from simple overhauling to more complex solutions, such as re-blading and upgradation of the power output from a turbine. We have set the gold standard in this business through our technical experts, who are qualified and equipped to handle refurbishment needs of turbines of all makes and ages. We share close and sustained relationships with our customers in the Aftermarket service of third-party turbines in both the domestic and international markets.

Our Power upgradation, efficiency enhancement and life extension services of existing steam turbines of any brand across the globe provide following benefits to the customers:

- Up to 15% improvement in efficiency
- Life extension of up to 100,000 hours
- ROI under 2 years resulting in increased profitability of operations
- Upgraded steam flow path
- Re-use existing steam turbine housing and auxiliaries
- No modification of civil foundation and structures

Lending Agility to Customers

A case study of our Aftermarket proposition

The Challenge

A major customer in the Steel industry segment had been operating their 8MW German OEM Turbine for more than 15 years. However, changes in their power requirements had brought inefficiencies into the turbine and needed an innovative solution to enhance its efficiencies.

Our Response

After reviewing the turbine, we informed the customer that we would not only modify the parameters as per their current requirement but also ensure availability of 1 MW of extra power.

Triveni REFURB provided a solution to route the additional steam to the existing turbine with an upgraded steam flow path design. The turbine was commissioned and handed over to the customer with enhanced efficiencies.

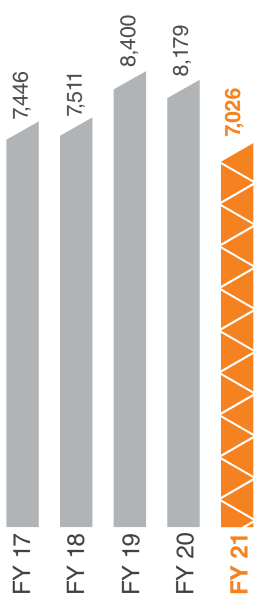
By simply modifying the Turbine internals (Rotor with high efficient blades, Diaphragms, Bearings and Gear Internals) with the new design, the customer could achieve a power enhancement of 9 MW with lower Specific Steam Consumption than the normal running condition.

The Benefit

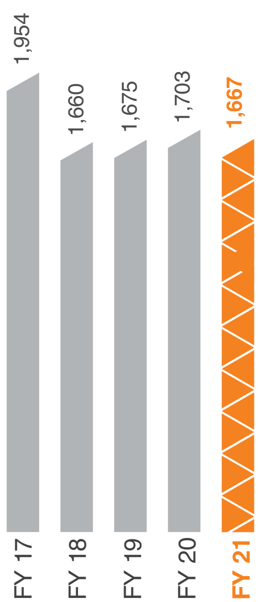
The overall project cost was significantly low, as there was no modification to the civil foundation involved in the process and the turbine housing was also retained. With a 1 MW power addition and process stabilisation, the payback was under a year.

Key Performance Highlights*

Net Sales
(₹ in Million)



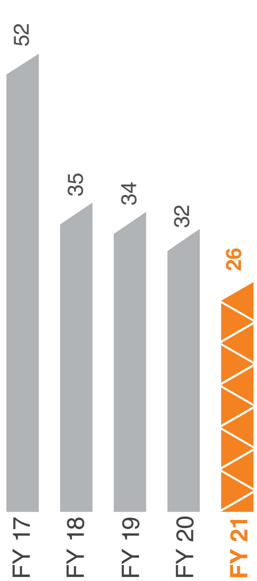
EBITDA
(₹ in Million)



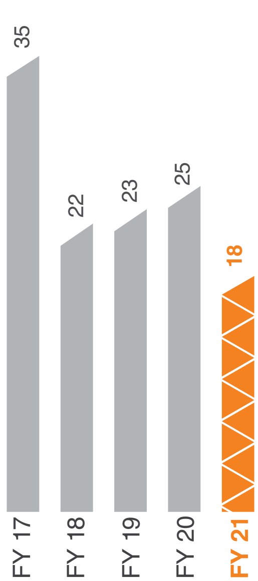
PAT
(₹ in Million)

Earnings Per Share
(₹ / Share)

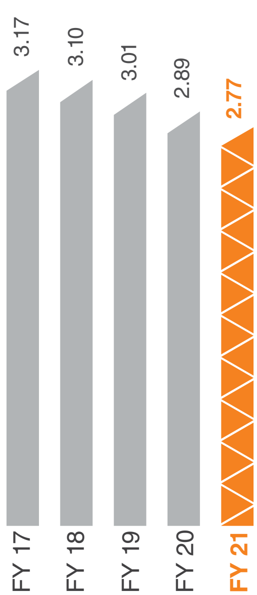
ROCE
(in %)



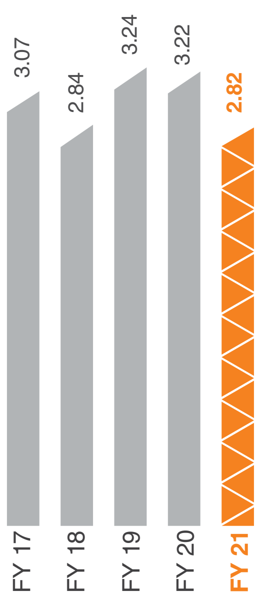
ROE
(in %)



Inventory Turnover Ratio
(in times)



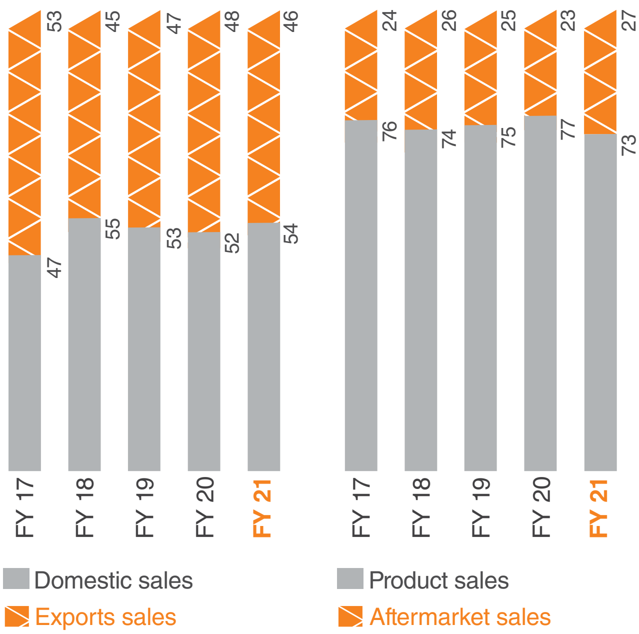
Assets Turnover Ratio
(in times)



*On Consolidated basis

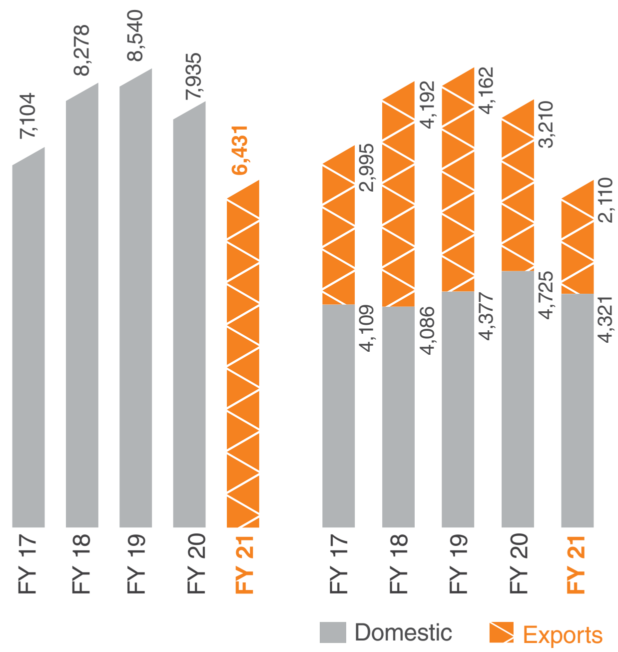
Share in Net Sales

(in %)



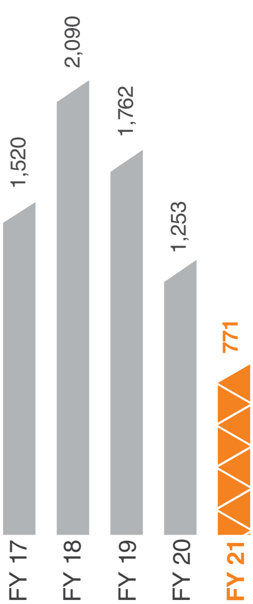
Order Booking

(₹ in Million)



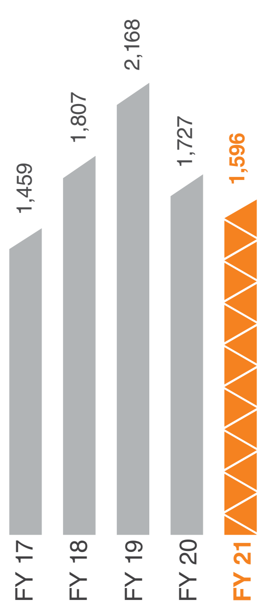
Receivables

(₹ in Million)



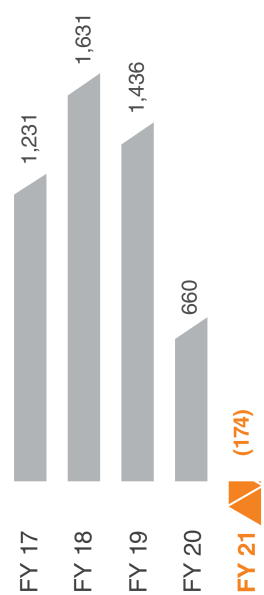
Inventory

(₹ in Million)



Working Capital*

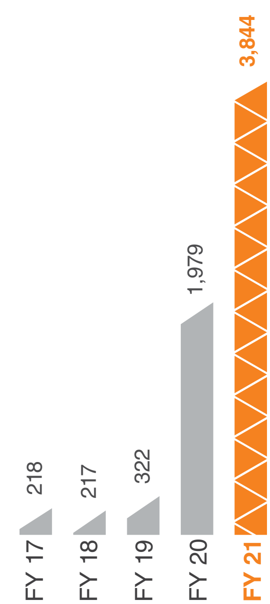
(₹ in Million)



Working Capital without Cash & Investments

Investments including Cash

(₹ in Million)



Chairman's Message

Dear Shareholders,

An organisation's success is not mapped by its performance alone. In a difficult business environment, which FY 21 definitely was, it is also a measure of a company's ability to adapt to the transforming eco-system. It is defined by the speed and agility with which an organisation aligns itself to the new systems and processes. By this yardstick, FY 21 will go down in the history of your Company as quite a remarkable one. Given the backdrop of restrictions in both, the domestic and international markets, and the emergence of Coronavirus variants leading to lockdowns in first quarter of the year and then the emergence of second wave in India, your Company's performance has been quite satisfactory.

During the year, we were faced with some of the most unprecedented challenges, but effectively managed each one of them with exemplary dexterity. We moved rapidly to adapt ourselves, and respond to the changing needs of our customers. And we did this despite the lockdowns in many countries and the extreme travel restrictions which obstructed us from on-site service delivery. As a result, I am pleased to share that the Company has maintained its leadership position both in the Indian market and internationally. Though the Company did suffer in terms of order booking, production and general growth, the situation was kept largely under control with initiatives taken to continue operations and ensure the safety of employees.

Notwithstanding the 40% decline in the global market and 52% in the domestic market in 2020, in megawatt (MW) terms, the Company was able to cut down the decline in revenue and profits for FY 21 to 14% and 16%, from the 21% and 27% reported for the first nine months of the year. EBIDTA margins showed an improvement from 20.8% in FY 20 to 23.7% in FY 21 – underscoring our sharp cost focus in these difficult times. Profit margin was also largely maintained, versus the previous year, at 14.6%.

Global markets, where we have an extensive presence, saw very high volatility amid the lockdowns and travel curbs. Order bookings were severely impacted, as customers found themselves struggling to cope with the challenges of the new business norms, leading to deferment of orders. This naturally had an adverse impact on the turnover, but considering the overall situation, I am happy to say the Company has weathered it quite well, at the back of the cost reduction measures taken during the year, which led to improved EBIDTA margins.

As far as the Aftermarket was concerned, it contributed to 27% of the total turnover in FY 21, up from 23% in the previous year. The key driver of this growth was the rapidity with which we aligned our strategic approach to the unique needs of customers around the world amid the pandemic and effectively seized the emerging opportunity in this area. Responding to the burgeoning demand, we catalysed a bigger organisation-wide push towards digitalisation and automation to cater to the customers' requirements remotely. We believe Aftermarket to be a major segment of growth for the Company, as the international market from the spares, services and the refurbishment sectors starts opening up gradually over the coming quarters. Our expertise in this segment positions us exceptionally well to secure some large orders in the space in the near future.

The 35% growth in enquiry generation in the domestic market augurs well for the Company, and we see a significant percentage of this translating into order finalisation in the coming years. Process co-generation and waste-to-heat recovery segments are expected to continue to power growth in the domestic market. In the international segment, thermal renewable based IPP power plant and process co-generation dominated the total export enquiry in FY 21, and we are optimistic about stable order inflow at the back of our strong enquiry book.

We are confident that the learnings of the past one year will steer the Company through the uncertainty that continues to overwhelm Indian and global markets. Coupled with our sustained focus design and development, as well as technology upgradation, this will enable us to drive product differentiation and service excellence, going forward. We shall leverage these strengths and learnings to consolidate our leadership position in the domestic market, as well as in sub-30 Megawatts steam turbines in the international market.

EBIDTA margins showed an improvement from 20.8% in FY 20 to 23.7% in FY 21 – underscoring our sharp cost focus in these difficult times. Profit margin was also largely maintained, versus the previous year, at 14.6%.

The prospects for the coming quarters are strong as we see most industries enter investment phases after the lull of the last 12-18 months. We remain vigilant of the new variants and waves of the Coronavirus. We believe order booking in FY 22 will improve from FY 21 levels, specifically from sectors such as API. Overall, we expect the global markets, and our market share in the same, to improve in the short-medium term, driven by resurgence in global businesses after over a year of pandemic-led lull in economic activity. This will be well supported by our technological expertise, strong customer-centric focus, healthy order book and pipeline, strong balance sheet and liquidity position. We remain excited for the Company's future in an improving macro environment.

With best regards,

Dhruv M. Sawhney
Chairman & Managing Director

Q&A with Vice Chairman & MD

Nikhil Sawhney
Vice Chairman & MD

Q How do you rate the Company's overall performance in FY 21, given the impact of the COVID-19 pandemic? Are there any positives that you would like to highlight about the performance?

Considering the unprecedented challenges triggered by the COVID-19 pandemic onslaught globally, the Company's performance has been quite satisfactory. FY 21 was, without doubt, an extremely difficult year for businesses across sectors and geographies. Restrictions in domestic and international markets through the year had a significant impact on the Company's business, with stringent travel restrictions resulting in considerable loss of opportunities for order booking, especially in the international market. Even after the lockdowns were lifted, several customers continued to face difficulty in arranging financing with their banks, forcing them to hold despatches. This affected our sales, profit and cash flows during the fiscal.

The situation was clearly not conducive to new order booking, which saw a decline of 19% year-on-year. The Company was able to reduce the decline in revenue and profits for FY 21 to 14% and 16% as compared to a 21% and 27% decline for 9M FY 21 respectively, driven by both orders in hand and pipeline. I would also like to highlight here that the Company was able to register these figures while reporting a significant improvement in EBITDA margins from 20.8% in FY 20 to 23.7% in FY 21, as a result of the strong cost focus. Profit margin was also largely maintained vs the previous fiscal - at 14.6% in FY 21. Overall, I am happy to share that the Company continued to maintain its leadership position in both the domestic and international markets during the year.

The Company did well in distillery orders in sugar segment, waste to heat recovery, process co-generation and cement segment. Although the international market slipped due to the pandemic and travel restrictions, enquiry pipeline and new opportunities are gradually improving, showing a sign of recovery.

In the Aftermarket segment, refurbishment has gained traction both in international and domestic markets. Further, this segment has made major inroads in new markets, resulting in healthy order intake and future prospects. Our Refurbishment business expansion was strengthened into adjacencies such as turbo-compressors and Gas Turbines during the year. We also made in-roads into new customer segments, such as Geothermal turbines in Africa and South East Asia. The Company has also successfully executed a Refurbishment job on a large Utility Turbine, paving the way for more such orders in the large turbine space in the future. Overall, the mix of Aftermarket business in the total sales improved by 400 bps at 27% during FY 21.

In the API segment, we managed to finalise orders – an endorsement of our strong expertise and capabilities in this arena, which enabled us to secure market space despite the challenging macro environment.

I am happy to share that the Company's Board of Directors has recommended payment of dividend of 120% (₹ 1.20 per equity share of ₹ 1 each) for the financial year 2020-21.

Q Can you provide some insight into the Company's results in terms of the segments and markets?

Overall, the performance was satisfactory, with our concerted strategic interventions helping to partially mitigate the impact of the pandemic. While Net Income from Operations stood at ₹ 7.03 billion, a decline of 14.1% y-o-y, EBITDA at ₹ 1.67 billion was only marginally lower by 2.1%. PAT at ₹ 1.02 billion marked a decline of 15.9% y-o-y.

Total consolidated outstanding order book stood at ₹ 6.39 billion as of March 31, 2021, which is lower by 9% as compared to previous year's closing order book. While export order booking showed a 37% decline, owing to restrictions resulting from continued impact of COVID-19 across many countries, the domestic order booking fared relatively better, with only a 5% decline as compared to last year. The total domestic outstanding order book, at ₹ 4.49 billion, was actually up 14% as on March 31, 2021. The domestic market, in fact, supported the Company in a big way during these uncertain times, primarily on account of our strong presence and dominant market share in the Indian market.

During FY 21, the Aftermarket registered an order booking of ₹ 2.02 billion, which was lower by 7% when compared with the corresponding period of previous year. The Aftermarket turnover was ₹ 1.92 billion, a growth of 3% over previous year, driven mainly by refurbishment. Aftermarket contributed to 27% of the total turnover in FY 21, up from 23% in the previous year.

On the Product side, the Company registered an order booking of ₹ 4.41 billion, which was lower by 24% over the previous year. The product segment turnover was ₹ 5.11 billion, a decline of 19% over previous year. Despite the slowdown across the globe, the Company was able to secure orders both from India and from major international markets Central America, South America, North America, Turkey, South East Asia, Europe, Middle East and North Africa, together with the domestic market, during the year.

During FY 21, the enquiry generation in the domestic market grew by 35% as compared to FY 20, which we believe augurs well for order finalisation in the coming quarters. This was driven by process co-generation and waste-to-heat recovery segments that contribute approximately 60% and 25%, respectively, to the overall domestic enquiries. In the international segment, enquiry generation was dominated by thermal renewable based IPP power plant and process co-generation, contributing to 43% and 30% of the total export enquiry respectively, during the year.

> We successfully navigated the various challenges through the year with the support of our people, who pushed the bar to deliver to business needs and customer requirements in these extraordinarily difficult times.

Q What, in your opinion, were the factors that enabled you to deliver this satisfactory performance? How did you manage the various challenges triggered by the pandemic outbreak?

The Company's strong ability to adapt with speed and agility to the new normal was a key driver of its performance. We successfully navigated the various challenges through the year with the support of our people, who pushed the bar to deliver to business needs and customer requirements in these extraordinarily difficult times.

Even though operations at both our factories and service centres functioned normally, occasional supply chain bottlenecks due to localised lockdown and non-availability of manpower at suppliers'

We shall continue to evaluate and benchmark our IT landscape with those of our competitors, to leverage opportunities through the use of best-in-class software products. To further strengthen our digitalisation and automation endeavours, we shall explore the path of embracing IoT and Industry 4.0 in a big way, going forward.

end impacted normal flow of manufacturing activities from time to time. However, we ensured that day-to-day operations were not affected. We were quick to adopt the Work from Home strategy, supported by the necessary IT infrastructure to all employees, with adequate IT security features. The hindrances faced due to travel restriction, especially foreign travel, were to a large extent overcome through digital marketing efforts, including marketing and servicing through video conferencing with customers and utilisation of services from foreign subsidiaries.

Further, there was significant reduction in manufacturing cost on account of cost management and value engineering initiatives undertaken in manufacturing processes. Certain administration expenses, such as travelling etc., also saw a decline, along with decline in employee expenses due to realisation of VRS benefit and reduction of manpower. All these factors, in addition to the increased share of Aftermarket in the revenue mix, helped push the EBIDTA margins for the Company.

Q Digitalisation was clearly a major priority and driver of business continuity during the year. What were the major steps taken by the Company to scale up its digital strength, in keeping with the transforming external environment?

While we have continuously invested in more digitally advanced software and automation-led platforms over the past several years, FY 21 saw the Company take digital adoption to a new level. With the pandemic obstructing in-person connect and on-site support for customers, we moved quickly to devise plans of "Virtual Customer Connect" to closely track and engage with customers through webinars and techno-commercial meetings. We also hosted around 80% of our applications on various Cloud platforms during the year.

During the lockdown, we supported customers across the world by leveraging digital platforms and Augmented Reality (AR) tools. The remote monitoring solution, which we had successfully implemented in previous years, was very well complemented by the IoT tools. In the domestic market, the Company's field service engineers covered each and every customer operating under the essential services guidelines. We ensured strict compliance with COVID-19 safety protocols, as per the guidelines issued by the Government. Breakdown repairs were also carried out during the lockdown, either in person or through AR-enabled remote support.

Our digitalisation focus is aimed at boosting productivity and operational efficiencies, thus enhancing the customer value proposition and opening new streams of revenue generation to increase profitability. We shall continue to evaluate and benchmark our IT landscape with those of our competitors, to leverage opportunities through the use of best-in-class software products. To further strengthen our digitalisation and automation endeavours, we shall explore the path of embracing IoT and Industry 4.0 in a big way, going forward.

Q Ensuring the health and safety of employees and others was clearly a major challenge with the resumption of normal activities. What steps did the Company take to address these?

Since our operations continued even during the lockdown periods, this was actually a big challenge for us throughout the year. Keeping our people safe in the pandemic times was our top priority. We took all possible measures at workplace and offices, with strict adherence to Government guidelines, to ensure the health and safety of our people and other stakeholders, such as vendors and contractors.

The Company was quick to implement the COVID-19 Workplace Procedures and Guidelines to manage operations efficiently, while protecting employee health and life. All protocols required for safe working place were implemented, enabling the Company to run operations at optimal level and prevent the spread of infection among the employees. With these interventions, early detection of COVID-19 was ensured, thus minimising the number of employees getting infected or hospitalised. Fortunately, there was no loss of life due to the pandemic among the Company's workforce.

We also actively encouraged employees to work from home and attend office only on need-based work and on rotation basis during the year. This helped ensure minimum attendance in office, thus enabling employee safety. Further, we organised a vaccination camp through reputed hospital for all employees and other stakeholders. Vaccination was also arranged for the family members of the employees – a move which was well appreciated not just by the employees but also our customers.

Through all these measures, we continued to engage closely with our employees, and continued with their training through online and other modes. Employees were encouraged to build their capabilities through e-learning modules, webinars, and relevant training programmes available online.

Q How do you perceive the Company's prospects in FY 22, in the backdrop of the prevailing domestic and international market situation?

The surge in COVID cases in the first quarter of FY 22 is a matter of serious concern for business in the domestic market. At the same time, global economies in many parts also continue to be affected by the pandemic, thus impacting the Company's business. However, we believe that with vaccination drives and decline in cases, the situation should improve. With the expected improvement in the domestic business environment, gradual opening up of trade and commerce, improvements in health infrastructure, and a generally conducive consumer and trade climate, coupled with prompt and decisive corporate action, we believe should help in an improved level of performance in FY 22.

We believe that our supply chain strategy, formulated to reduce the impact on margins, will help us ease the pressure of increase in commodity prices and transportation cost, resulting from the hike in fuel prices. While we expect some costs, such as travel, to increase as global markets open up in the coming quarters, we believe that the advancements made in automation will continue to drive productivity improvement and help the margin profile of the Company.

We believe that our supply chain strategy, formulated to reduce the impact on margins, will help us ease the pressure of increase in commodity prices and transportation cost, resulting from the hike in fuel prices.

Our new and efficient models, our technological expertise, strong customer-centric focus, healthy order book and pipeline, strong balance sheet and liquidity position, trained manpower and aggressive marketing strategy for products and Aftermarket are expected to push significant improvement in business volumes for the Company in FY 22 and beyond.

Management Discussion and Analysis

The global trade growth is expected to rebound to 3.2%, in 2021. The projection assumes that trade uncertainties will persist but not escalate further.

Economy

After an estimated contraction of ~3.3% in 2020, the global economy is projected to grow in 2021 and beyond. This growth projection is attributable to the additional fiscal support in a few large economies, as well as the anticipated vaccine-powered recovery in the second half of 2021, according to the United Nations report on World Economic Situation and Prospects 2020. The recession caused by COVID-19 is likely to leave smaller scars than the 2008 global financial crisis. However, emerging market economies and low-income developing countries have been hit harder, and are expected to suffer more significant medium-term losses.

The global trade growth is also expected to rebound to 3.2%, in 2021. The projection assumes that trade uncertainties will persist but not escalate further.

The Indian GDP growth has contracted by 7.3% in FY 21, according to the National Statistics Office (NSO), an undertaking of the Ministry of Statistics and Programme Implementation. This has pulled the manufacturing sector growth down by 7.2% in FY 21.

Trends in Global Power Sector

The transformation in the Power Generation Industry over the last few years is expected to continue in the coming years as well. This transformation has resulted in a change in the energy generation mix, and also a shift from conventional energy sources to renewable energy sources. The industry has witnessed some key trends, such as sustainable power development and focus towards various concerns related to climate change, through eco-friendly policies. It is largely expected that the industry may witness greater acceleration towards eco-friendly "Green Power" solutions, going forward.

Indian Power Sector Outlook

The country's need for energy is increasing rapidly, owing to economic growth and overall industrialisation and urbanisation over the past few years, taking the gross electricity consumption to 1,208 kWh per capita as on March 2020, from 1,181 kWh per capita as on March 2019, according to the Central Electricity Authority (CEA) – Ministry of Power.

India's total installed power generation capacity is 379 gigawatts (GW), as of March 2021, compared to 370 GW as of March 2020. This includes 94 GW of capacity from Renewable Energy Sources (RES), as against 91 GW as of March 2020. Of this, 10 GW capacity is from biomass power (Bagasse and Non-Bagasse), marginally up from 9.8 GW as of March 2020, followed by 168.6 MW from Waste-to-Energy, compared to 147.6 MW as of March 2020, as per the Ministry of New and Renewable Energy (MNRE), Government of India.

According to the 19th Electric Power Survey conducted by CEA, the all-India installed power generation capacity is projected to grow to 619 GW by the end of FY 27. The International Energy Agency (IEA) estimates also indicate that India will add between 600 GW to 1200 GW of power generation capacity before 2050.

Captive Power Generation

Globally, captive power generation is a key growth enabler for many manufacturing industries, where grid disturbances in the supply of power can affect operations. Owing to the increasing demand for power from emerging industrialised economies, such as China, India, Africa and the Middle East, investment in captive power plants is expected to remain strong.

In India, increasing focus on the industrial sector, driven by the 'Make in India' initiatives, rising input costs (energy) and electricity prices, coupled with stringent Government regulations, are expected to drive investment in the establishment of captive power plants for continued uninterrupted power supply, leading to sustainable industrial operations.

In India, the MNRE has set a target of 175 GW of renewable power capacity by FY 22. As per the CEA's strategy blueprint, the country is aiming for an even more ambitious target of 57% of the total electricity capacity from renewable sources by FY 27.

The power generation units run by both Captive Power Producers (CPPs) and Independent Power Producers (IPPs) can be fired by using both fossil fuel as well as renewables. The largest market for captive power generation in the country is the industrial sector, mainly on account of the increasing demand for electricity from energy-intensive industries, such as Cement, Iron & Steel, Petroleum Refineries and Chemicals etc.

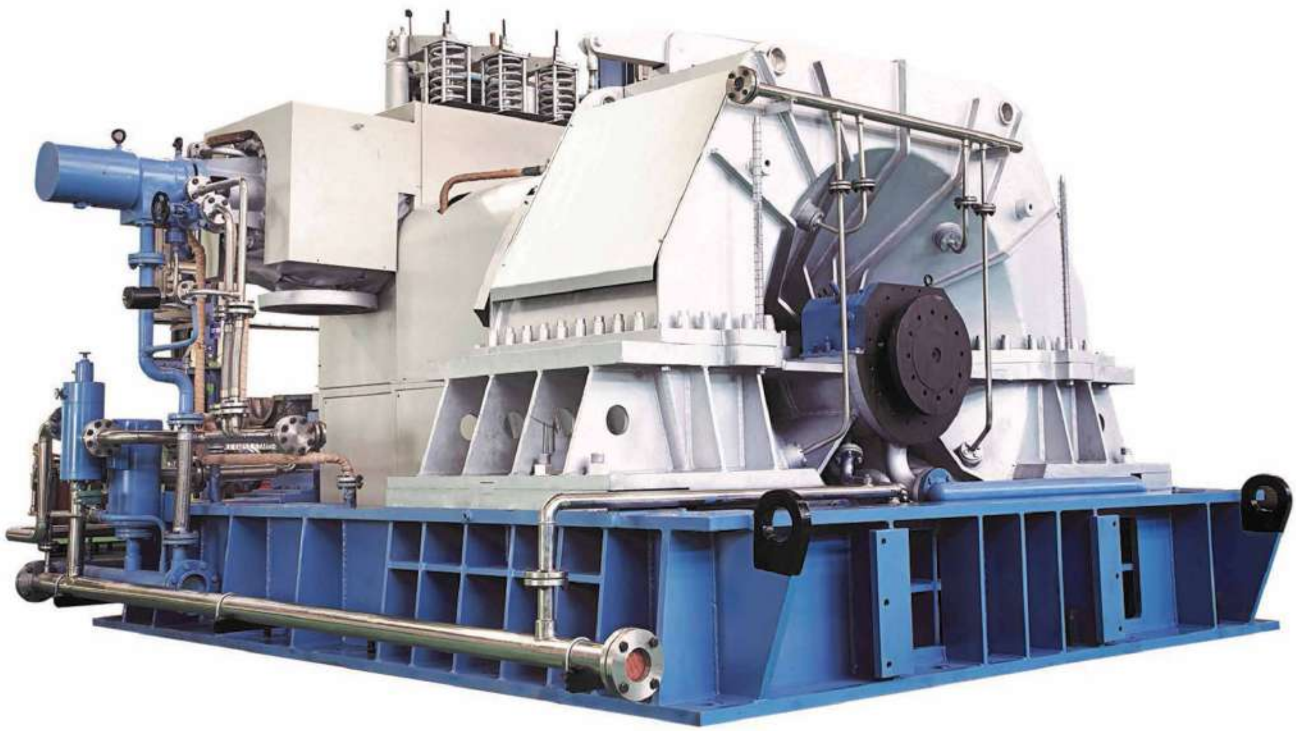
Improvement in coal supply, growing awareness about renewable energy, besides eco-friendly power generation policies, will enhance the captive power additions in the country. According to the Ministry of Power, the installed captive power generation capacity (above 1 MW capacity) associated with industry-owned plants is estimated to be 80 GW as of March 2021, compared to 78 GW as of March 2020. The installed captive power generation capacity in India is estimated to grow at the rate of 5-6% annually over the next 2 years, till March 2023.

Renewable Energy Industry

Globally, there is an increasing focus on the replacement of existing coal-fired power plants with clean fuel generation in order to reduce carbon footprint. This will further augment the demand for renewable power generation in the future. The global renewable power capacity (excluding hydro) increased by 6.8% in 2020 to 1,438 GW, compared to 1,347 GW in 2019, according to the Renewables 2020 Global Status Report.

In India, the MNRE has set a target of 175 GW of renewable power capacity by FY 22. As per the CEA's strategy blueprint, the country is aiming for an even more ambitious target of 57% of the total electricity capacity from renewable sources by FY 27. According to the 2027 blueprint, India aims to have between 275 and 350 GW of electricity from renewable energy by FY 27. This will, in turn, increase the demand for thermal renewable energy (biomass-based power projects) in the country, and concurrently trigger greater opportunity for the installation of steam turbines in the future.

The Combined Heat and Power (CHP) system or Co-generation system generates electricity or mechanical power with lower carbon emissions compared to conventional power generation systems (fired using fossil fuels). Thus, CHP systems/technologies are widely preferred for captive power generation using thermal renewable energy sources, such as Bioenergy, Waste Heat, Residual Waste, Solar Thermal and Geothermal, for applications such as District Heating and Data Centres (for cooling purpose) etc. The bulk of the demand for CHP is expected to come from markets like Asia-Pacific, South and Central America, the Middle East and Africa.



Thermal Renewable Energy Industry

For thermal renewable energy, bio-energy will remain the prime source of fuel going forward. Its share is expected to decline due to the expansion of alternate renewable power generation technologies, namely Solar Photovoltaic and Wind. The bio-energy industry turns many potential feed stocks into solid fuels (biomass pellets, sugarcane bagasse), liquid biofuels (ethanol etc.) and gaseous fuels (biogas, landfill gas), which are then used to produce electricity, heat and transport fuels.

Global bio-energy capacity increased by 1.8% in 2020 to around 142 GW, up from 139 GW in 2019, according to the Renewables 2020 Global Status Report. China remains the largest capacity in operation as of 2020, followed by Brazil, the United States, India, Germany, the United Kingdom, Sweden and Japan. Higher acceptance of bio-energy will lead to increase of investment in biomass power plants globally.

According to an international report on Solid Biomass, in early 2020, there were nearly 4,200 active biomass based power plants worldwide, with an installed power generation capacity of around 72.5 GW. The installed power generation potential through biomass-based power plants is expected to reach 90.9 GW by the end of 2029, with the addition of around 1,250 plants. Strong potential exists for biomass in South East Asia, where the biomass-based power generation capacity is expected to increase from 90.9 to 109.9 GW by 2040.

The bio-energy potential in India has been estimated at 25 GW in FY 22, and the Government of India (GoI) has been consistently promoting the Biomass Power and Bagasse Co-generation programme. According to MNRE, a total capacity of 10 GW is installed in Biomass Power and Bagasse Co-generation Sector, as of March 2021.

India's current bagasse-based co-generation target from Sugar industry in FY 22 is estimated at 10 GW, and by FY 27, it is projected to reach 16 GW, according to MNRE estimates. This target is possible if there is a significant increase in sugarcane crushing capacity, coupled with favourable weather conditions and increased yields of sugarcane, leading to higher bagasse-based co-generation target in the future.

The CHP/Co-generation facilities produce both heat and power from the combustion of fossil and/or biomass fuels, as well as from geothermal and solar thermal energy sources. The term is also applied to plants that recover "waste heat" from thermal power generation processes.

Biomass (bagasse and non-bagasse) as fuel helps the CHP system generate power that is sustainable. Industrial use of bagasse-based co-generation, particularly from sugar and palm oil mills, as well as wood waste from Pulp & Paper mills, is conducive to the production of power from biomass.

The waste heat that is recovered from other industrial sources/ processes is commonly found to generate steam and electricity in Cement processing, Iron and Steel processing, Petroleum Refining and Chemical processing etc. The total estimated energy generation potential from waste heat in India across various industrial sectors is around 5.0 to 7.5 GW, according to a report published by MNRE.

Waste heat recovery (WHR) power plant installed in cement plants uses the heat generated through rotary kiln preheater (PH), after quenching cooler (AQC) exhaust hot gases for power generation. According to industry sources, the waste heat recovery potential in the Indian cement industry alone is close to 0.75 to 1.0 GW, indicating huge opportunity for the adoption of WHR system. Despite its high initial cost of investment, the concept of WHR is slowly picking up across the country.

Residual waste is another source of input from the disposal of Municipal Solid Waste (MSW) and is treated with various Waste-to-Energy (WtE) technologies (such as incineration and gasification) for electricity generation.

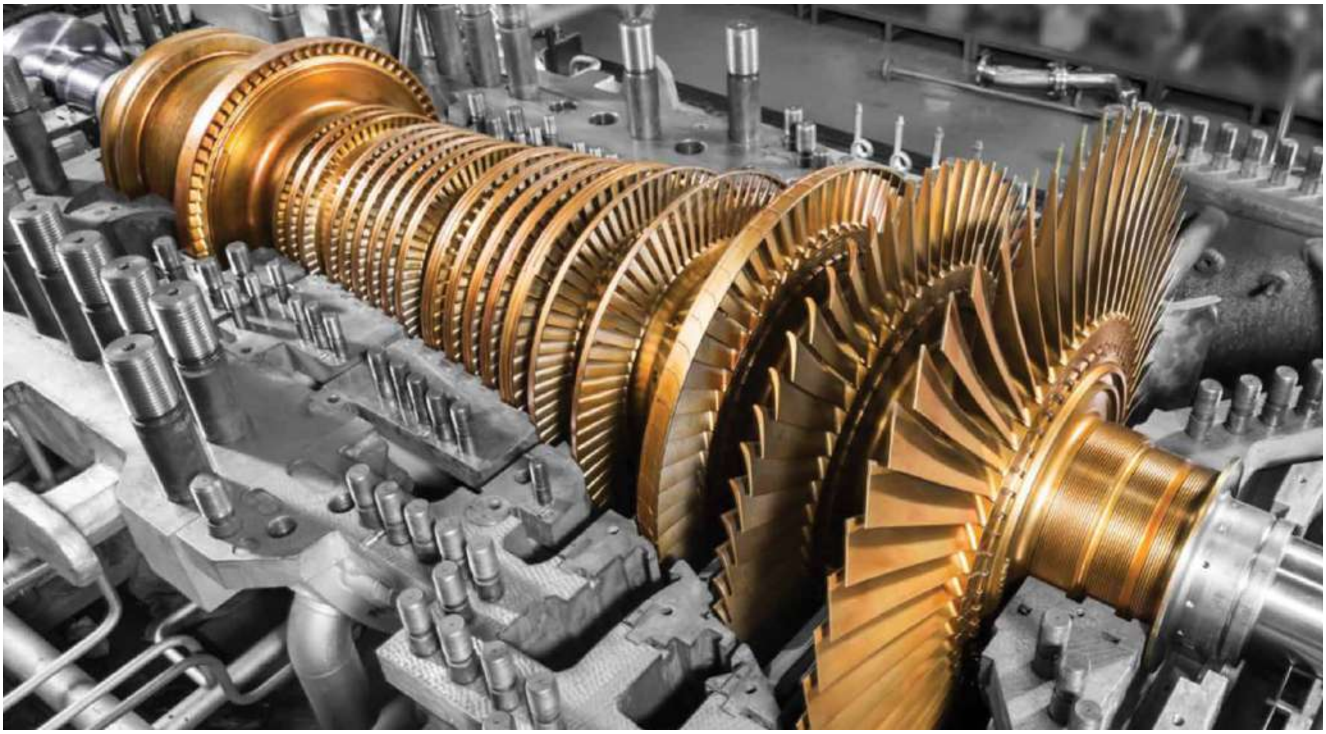
Rapidly increasing industrial waste, along with stringent EU-wide waste legislations, have been the key drivers for the growth of WtE technology in Europe – one of the largest markets for these technologies. Countries like Switzerland, Germany, Sweden, Austria and Netherlands lead installation capacity within Europe. The Asia-Pacific market is also expanding rapidly, owing to significant increase in waste generation by the two big developing nations, i.e. China and India, leading to higher investment thrust by Government organisations in India.

To conclude, rapid increase in electricity consumption, along with enhanced focus on electricity generation through thermal renewable energy sources, is expected to unleash sustainable power generation in the country.

Indian Manufacturing Sector

Manufacturing has emerged as one of the high growth sectors in India. The 'Make in India' programme is aimed at placing the country on the world map as a manufacturing hub, and bringing global recognition to the Indian manufacturing. Under the 'Make in India' initiative, the Government aims to increase the share of the manufacturing sector in the Gross Domestic Product (GDP) from 17-18% at present to 25% by FY 25. Improvements, such as ease of doing business, coupled with continuing augmentation in infrastructure and skilled workforce should support the spurt in manufacturing activities in the coming years.

Further, the Government focus on *Atmanirbhar Bharat*, i.e. a self-reliant India, envisions manufacturing to be a bigger



and more important part of the global economy; the policies are being directed towards making India more efficient, competitive, resilient, self-sustaining and self-generating.

India, with its large workforce, can utilise this opportunity to fill the gap created by the disruption in global supplies.

Industry Analysis – Manufacturing Sector Outlook

The largest market for captive power generation globally is the Industrial sector. The future growth of the global steam turbines market (5-100 MW power range) is mainly attributed to the increase in investment to promote energy efficiency in process industries, namely Sugar, Distilleries, Pulp & Paper, Cement, Steel, Chemical etc.

In the Sugar & Distillery industries, the Indian Government's focus on clean fuel has triggered significant potential for distilleries requiring captive power generation. With the launch of the National Biofuels Policy, as well as incentives offered by the Government (such as soft loans) for setting up of new distilleries and expansion of old/existing distilleries, huge investments are being made by the sugar companies in both Greenfield and Brownfield expansions. Investments are also being made for setting up grain-based distilleries to manufacture ethanol and supply the same to Oil Marketing Companies (OMCs).

The Central Government is focussed on reducing the country's dependence on imported crude oil while reducing the environmental impact of the pollution/emissions. In order to achieve this, the Government has been actively promoting the production and blending of fuel ethanol with petrol, and has targeted 20% blending (EBP20) by 2025. EBP20 which was earlier targeted by 2030, was advanced recently, which reaffirms the Government's focus and commitment. This augurs well for the steam turbine industry, as the demand for captive power generation in the country will also increase in the sector.

Globally, the demand for steam turbine from the process co-generation segment has grown, primarily due to increasing demand from Pulp and Paper, Cement, Steel and Chemicals industries, to name a few.

CHP Systems in Process Industries

The residues from Sugar and Palm oil mills in the form of Biomass (bagasse and non-bagasse) are used as fuel to generate power that is sustainable, with the help of Combined Heat and Power (CHP) system.

The Pulp and Paper industry constantly focusses on improving energy efficiency, which is attained through increased use of non-bagasse (e.g. wood waste biomass)

> **The Government has been actively promoting the production and blending of fuel ethanol with petrol, and has targeted 20% blending (EBP20) by 2025 which augurs well for the steam turbine industry.**

based fuel for power generation, and by appropriate usage of steam. The inclusion of CHP/Co-generation in Paper industry contributes to the growth in demand for steam turbines.

Despite the widespread use of CHP systems in the Indian Pulp and Paper industry (especially in large and medium plants), there continues to be significant potential for growth in CHP systems. According to ASSOCHAM and Indian Paper Manufacturers Association (IPMA), the Indian Paper Industry accounts for about 3% to 4% of the world's production of paper and paperboard, with approximately 600 paper mills, of which 12 are major players. The size of the Indian paper & paper products market is projected to reach USD 10 to USD 13 billion, and production to reach 22 million tonnes, by FY 25, from 15-17 million tonnes in FY 20.

The heat from the hot stream is recovered using Heat Recovery Steam Generator (HRSG) or Waste Heat Recovery Boiler (WHRB) for the generation of superheated steam, that can be used in process heating (co-generation) or to drive a steam turbine (combined cycle). The inclusion of CHP/cogeneration system in Cement, Steel and Chemical industries by the utilisation of hot exhaust gas from the production lines in order to reduce the operating cost.

India is the 2nd largest cement producer in the world. According to industry sources, cement production reached 329 million tonnes in FY 20 and is projected to reach 381 million tonnes by FY 22. The demand for cement in the construction industry drives production and is thus an important determinant of cement due to high energy consumption and CO_2 emissions. Of the more than 210 large cement plants in the country, only 70% of cement kilns have adopted WHR systems. Even though energy efficiency has become top priority for the Indian cement industry, the

Energy efficiency and CO_2 emission reduction plays a crucial role in driving the demand for thermal renewable based steam turbines in various process heating and power generation applications. With cheap coal prices and supportive policies for coal fired power plants in the country, the demand for fossil fuel steam turbines is also expected to grow.

adoption of WHR systems in cement facilities still has a long way to go, which will in turn create opportunities for steam turbines in the future.

The global crude steel production reached 1,829 million tonnes for the year 2020, down by 0.9% compared to 2019, according to the World Steel Association. India is the 2nd largest steel producer in the world. According to the Ministry of Steel, crude steel production reached 108.5 million tonnes in FY 20, and is expected to reach 125 million tonnes by FY 22. India's overall steel production capacity stood at ~140 million tonnes in FY 20, and is anticipated to reach 300 million tonnes by FY 30.

Power has been one of the major cost components for the steel industry. The steel industry is characterised by high load variations, due to many on and off conditions of furnace and kiln, causing load fluctuations in furnaces and kilns to affect the stability of the grid and quality of power supply. Triveni Turbines provides its customers a complete power plant solution for sustainable power. The Company offers total solutions for the Turbo generator operation (i.e. Supply of Steam Turbine, Steam Piping, Fire Fighting System & Entire Cables), thereby providing an end-to-end solution.

The global chemical industry is driven by the demand from its own consumption (Basic, Specialty and Knowledge chemicals) and from various end-user industries (Industrial, Agricultural and Consumer markets). The Indian chemical industry contributes 3.0% to 3.5% to the global chemical industry and is highly diversified. The market size of the Chemicals & Petrochemicals sector in India is expected to reach USD 300 billion by 2025 from USD 178 billion in 2020, according to the National Investment Promotion & Facilitation Agency. This growth should lead to fresh capacity creation, both in terms of Greenfield and Brownfield expansions, creating demand for steam turbines.

Most licensors and designers of new Refineries, Chemical and Petrochemical plants have become extremely conscious of the need for energy efficiency. This has paved the way for steam balancing and extreme utilisation of steam as a key design factor in the Oil & Gas – Downstream sector. 1) This has, over the past few decades, pushed the steam turbine manufacturers to adapt to various levels of steam conditions, ranging from very low pressure steam inlets (4 Bar) to supercritical steam (140 Bar), and power ranging from 10 kW and up to 30 MW or above as per the plant size; 2) This also puts pressure on the existing plants to look at their steam headers closely for available steam, and increase the utilisation by pressure reducing stations and removing dump condensers.

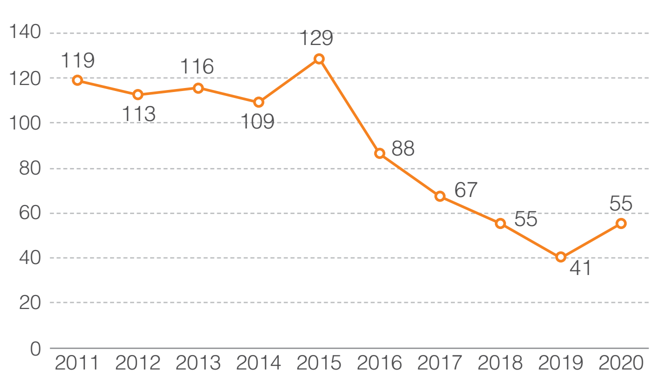
With this analysis in mind, and supported by their design capabilities, 1) The steam turbine manufacturers will be able to save on electrical power by using this technique in steam turbines; 2) The steam turbine manufacturers can increase the extent of variable adaptation. By doing so, all sizes of critical equipment, like process pumps, water pumps, small lube pumps, fans, blowers, air compressors and process compressors, can be driven by steam, thus boosting energy saving and utilisation.

Energy efficiency and CO_2 emission reduction plays a crucial role in driving the demand for thermal renewable based steam turbines in various process heating and power generation applications. With cheap coal prices and supportive policies for coal fired power plants in the country, the demand for fossil fuel steam turbines is also expected to grow.

Global Steam Turbine Market Analysis

The global steam turbine market declined from a level of 120 GW in 2011 to 55 GW in 2020 - a decline of 8% yearly over a period of 9 years.

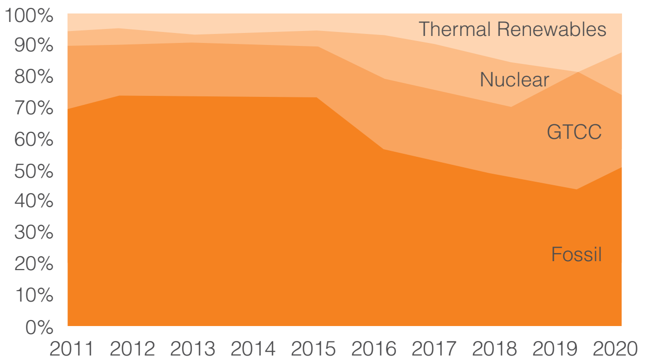
Global Steam Turbine Market (in GW)



Source: International Power Report, 2020

Fossil Fuel based power generation, which was earlier the main source of fuel, declined from 69% in 2011 to 52% in 2020, whereas Thermal Renewable based power generation increased from 6% in 2011 to 12% in 2020.

Global Steam Turbine Market, By Fuel



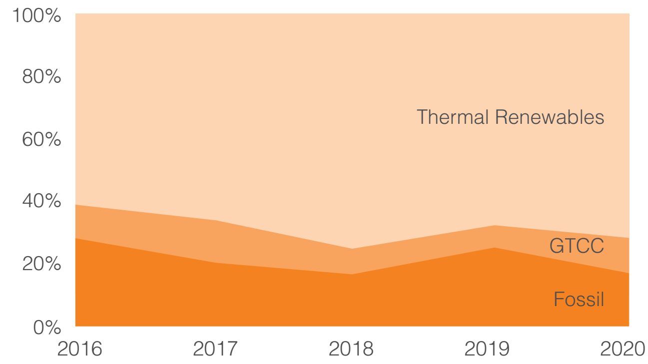
Source: International Power Report, 2020

The global steam turbine market is broadly classified into three power rating categories, namely <30 MW; 30.1 – 100 MW and >100.1 MW power range.

In terms of number of MWs sold during the last 5 years (2016 to 2020), the global steam turbine market has seen the sharpest decline in the > 100.1 MW range, at 13% CAGR. In the case of <30 MW range, the market has seen a decline of 0.66% CAGR. In the case of 30.1 to 100 MW range, the market has been steady and registered a CAGR of 4%.
Source: International Power Report, 2020

Unlike the global steam turbine market (full range), wherein Fossil Fuel dominates, in the <30 MW range, the growth of Thermal Renewables has been quite consistent and strong. Fossil Fuel's share has remained flat at 22%, while the dominance of Thermal Renewables is quite significant at 68%.

Global Steam Turbine Market, (<30 MW range), By Fuel



Source: International Power Report, 2020

In the five-year period (2016-2020), Triveni held a market leadership position in unit terms in the global market for <30 MW range. In 2020, Triveni held a market leadership position in both MW and unit terms in the global market for <30 MW range.

The global steam turbine market for <30 MW range in 2020, in terms of MW, de-grew by 14% compared to 2019. Increased economic and industrial activity in China, as well as positive market growth from Asia region, was seen as the most dominant geographic trend of 2020. The market was primarily driven by Thermal Renewable based power plants (including Biomass, Waste Heat and Waste-to-Energy), followed by Fossil Fuel fired power plants and Gas Turbine combined cycle (GT-CC) power plants.

Triveni continues to drive its market growth by establishing a strong global footprint and offering a wide range of state-of-the-art steam turbines, coupled with an excellent Aftermarket portfolio to meet the needs of its growing base of customers round the clock.

Steam Turbines Market in India

In 2020, the Indian steam turbine market for <30 MW range, in terms of MW, declined by 52% compared to 2019. The market was primarily driven by Thermal Renewable based power plants (including Biomass, Waste Heat and Waste-to-Energy), followed by Fossil Fuel fired power plants. Majority of the steam turbines' requirement in 2020 was from captive power generation, and from energy intensive segments like Steel, besides Process Co-generation segments like Cement, Pulp and Paper, Chemicals and Fertilisers, followed by Independent power generation.

With the Manufacturing sector on the growth trajectory, and industries like Sugar, Steel, Cement, Pulp and Paper and Chemicals expected to increase production, the demand for steam turbines should remain robust in the future.

Business Review

With sustained focus on adopting innovative technology, backed by seamless execution, Triveni has emerged as a trusted service provider for clients around the world. To ensure sustained growth in brand recall, the Company has consistently strengthened its position in the Industrial sector by meeting the captive power requirements of its customers in various Greenfield and Brownfield projects. Triveni continues to drive its market growth by establishing a strong global footprint and offering a wide range of state-of-the-art steam turbines, coupled with an excellent Aftermarket portfolio to meet the needs of its growing base of customers round the clock.

The overall order booking for FY 21 declined by 19% from the previous fiscal, on account of the COVID-19 pandemic, which led to lockdown in the country, forcing the closure of both our manufacturing units, as well as our sales & service offices, from March 2020. Logistic bottlenecks, closure of customers' sites, suspension of travel, and disruption in our supply chain network had an impact on despatches and order booking. However, the Company resumed operations in a phased manner from the third week of April 2020, and has been strictly following Government guidelines issued from time to time.

The Company witnessed a massive scaling up of its competitive strengths in Q1 FY 21, investing in more digitally advanced software and automation-led platforms. It was quick to devise plans of "Virtual Customer Connect", and is closely tracking and engaging with customers through webinars and techno-commercial meetings.

The performance of the Company from Q2 FY 21 onwards started showing signs of improvement, and turnover and profitability also increased, driven by its agility and adaptability to the new normal. This bodes well for the business, as the addressable markets have started showing positive momentum, although the pandemic is still impacting the overall global economy. However, despite the adverse impact of COVID-19 on the international order booking in FY 21, the Company's domestic order booking supported it in a big way amid the prevailing uncertainty, due to its strong presence and dominant market share in the Indian market.

In the domestic market, the Company witnessed postponement of order finalisation towards the latter part of Q4 FY 21, which resulted in higher order intake by 35% over the corresponding quarter of the previous year. However, overall for FY 21, domestic order booking declined by 5% as compared to FY 20. The key segments which created sufficient traction for order finalisation in FY 21 were Co-generation, including Sugar, Distillery and Process industries, followed by Waste-to-Energy and Waste Heat Recovery.

The domestic enquiry pipeline in FY 21 registered a growth of 35% compared to FY 20. In the domestic market, the Co-generation segment (both sugar and process industries) is driving demand, specifically from the Sugarcane Bagasse, Distillery, Chemical and Paper projects, followed by the Steel segment in Waste Heat Recovery projects. The international enquiry pipeline in FY 21 registered a growth of 1.1% compared to FY 20. In the export market, the Thermal Renewables segment is driving demand, especially from the Biomass and Waste-to-Energy projects, followed by the Co-generation segment.

The Company currently has orders / installations in over 70 countries and will be focussing on new markets in the coming years. Some of the segments of focus include Biomass, Paper, Process and Sugar co-generation, and Palm oil, apart from the newly entered segments of Waste-to-Energy, Combined Cycle, and Oil & Gas through API turbines.

Triveni Turbine Limited offers steam turbine solutions that meet every challenging requirement of the Oil & Gas industry. In the API segment, the Company managed to finalise orders from regions such as MENA and South East Asia in FY 21.

The Company believes that the order booking in FY 22 will be outstanding, at the back of its healthy enquiry pipeline.

Aftermarket Business

The Aftermarket business is an essential customer facing vertical. It is the custodian to manage the Company's relations with its customers throughout the life of the turbine, spanning several decades. It is responsible for driving customer satisfaction by ensuring designed performance of turbines through timely service and spares support, not just for the Triveni brand but also other brands.

The focus of this business is continuous modernisation, with regular upgrades and efficiency improvements. This helps the Company maximise its solutions for all makes of turbines, reinforcing customer-centricity and strengthening customer relationships.

FY 21 brought with it unprecedented challenges in the form of the global pandemic. The Aftermarket business was quick to adapt to the changed environment by strengthening its familiarity with digitisation. During the lockdown, customers were supported across the world by leveraging digital platforms and Augmented Reality (AR) tools. The remote monitoring solution, which was implemented in previous years, was well complemented by IoT tools. In the domestic market, the Company's field service engineers covered each and every customer that was operating as an essential service provider. The business quickly equipped the field force with Personal Protective Equipment (PPE) very early during the total lockdown period, with strict adherence to the due COVID protocols for movement as per the state authority's guidelines. Breakdown repairs were also carried out during the lockdown, either in person or through AR-enabled remote support.

During the year, the Company undertook turnkey Refurbishment projects for other makes of turbines, leading to significant growth in new markets, in addition to its conventional markets. The year saw expansion of the Refurbishment business into adjacencies, such as turbo-compressors and gas turbines. Apart from new markets, the Refurbishment business has made in-roads into new customer segments, such as Geothermal turbines in Africa and South East Asia. The Company has also successfully executed a Refurbishment job on a large Utility Turbine, giving the confidence and creating the reference to take on jobs in the large turbine space in the future.

Backed by the success in the target markets with large Refurbishment orders, revenue in FY 21 has grown y-o-y about 3% in spite of the pandemic, with exports contributing about 40% of the business.

The Company continues to invest in the Aftermarket business to secure long-term profitable growth.

Impact of COVID-19

FY 21 was burdened with the disastrous effects of the COVID-19 pandemic on world trade and economy, apart from the unparalleled loss of precious human lives. The imperative 68-day lockdown in India from March 25, 2020, to save catastrophic loss of lives, wreaked havoc on the Indian economy, which saw a 24% contraction in the first quarter. With judicious opening up of industrial sectors, especially in the beginning of the second half of the financial year when India helped the world with supplies of critical vaccine, there appeared to be a conviction shared by the world that the Indian economy would attain double-digit growth by the third quarter.

The shift from China began prior to the COVID-19 outbreak and was further accentuated by the pandemic. The movement of companies away from China to other developing countries would trigger a new wave of industrialisation.

While the Company did suffer in terms of order booking, production and general growth, the situation was kept under control with focussed initiatives taken to continue operations while ensuring the safety of employees. The Company quickly got into sync with the emerging trend, and took the initiative to vaccinate all employees and their family members, besides encouraging work-from-home wherever possible. The success of these measures has been validated by customers' comments in appreciation of customer-focussed webinars and virtual walk-through of Triveni's facilities.

With expected improvement in the domestic business environment, gradual opening up of trade and commerce, improvements in health infrastructure, and a generally conducive consumer and trade climate, coupled with prompt and decisive corporate action, Triveni is confident of returning a revenue growth in FY 22. Its innovative business model, strong balance sheet and debt-free status would definitely deliver adequate liquidity for growth, in spite of the tough prevailing circumstances.

Manufacturing

Manufacturing continues to be the core strength. State-of-the-art in-house manufacturing facilities coupled with dedicated & well-trained supplier base is well aligned to meet the ever-changing customer expectations (global and domestic) in terms of Quality, Cost and Delivery. Focus on 3Ps (People, Process and Planet) and Industry 4.0 help in seamless adoption of new Technologies, Tools and Techniques. a) People competencies are developed on a continuous basis, b) Manufacturing processes are reviewed and upgraded regularly, c) Environmental performance is sustained and improved.

Two world-class manufacturing facilities in Bengaluru subscribe the Green Factory guidelines and Sompura plant is certified as Platinum-rated factory by Indian Green Building Council. Both the plants are certified for AS 9100, ISO 9001, ISO 14001 and ISO 45001 standards for Quality Management, Environmental Management and Safety Management respectively.

Agile manufacturing processes with the state-of-the-art CNC machines for critical components provide the quick turnaround of the customer orders. Lean principles are adopted to achieve competitive edge. Kaizens and continuous improvements constitute the basis of daily work management. Customer focus is reinforced by aiming for First-Time-Right and avoiding repeat failures by taking appropriate corrective actions.

TTL is one of the few industrial steam turbine manufacturing companies that has in-house capability for complete manufacturing of critical components, such as blades, rotors and casings.

The Company has invested in appropriate and high-end Computer Aided Machining (CAM) software to ensure that production processes are aligned with the design requirements, without manual intervention.

Both the plants are equipped with facilities for carrying out High-Speed Balancing (HSB) of steam turbine rotors and other rotating equipment up to 500 MW capacity / 50 Tonne weight. Assembly and steam testing facilities are capable of handling condensing and backpressure turbines from 100 KW to 100 MW. Prototype testing of blade profiles, as an aid to validate the new designs, is successfully carried out by live steam testing in the dedicated facility.

Test facilities include live streaming of the test bed SCADA screens with all relevant parameters, to facilitate remote inspection by the domestic and overseas customers. This helped customers obtain first-hand experience of remote inspection from their respective offices amid the travel restrictions during the pandemic period. Similar approach is followed for the refurbishment jobs, thereby facilitating customers to complete testing and inspection at their convenience from the safety of their offices.

The Company is in a position to offer customised high-quality turbines in the range of 100 KW to 100 MW, completely made in India in line with the Indian Government's 'Make in India' initiative – across all stages of designing, engineering, sourcing, manufacturing and testing.

Technology and Research & Development

The state-of-the-art Research and Development unit of the Company is registered as an in-house R&D unit by the Department of Scientific and Industrial Research (DSIR), Government of India. It is engaged in developing energy-efficient and cost-effective turbo machinery that matches the latest global benchmarks. Based on the fast-evolving market demands and trends, the Company undertakes continuous upgradation of its products. This has resulted in high-power dense, cost-competitive, robust and efficient turbines, which meet the requirements of the global customer.

To build turbines with higher aero performance to meet the global market challenges in energy efficiency, Triveni continues collaborating with globally renowned research institutions, such as IISc Bangalore, Cambridge University UK, Politecnico Di Milano Italy and IIT Bombay, through various research programmes and joint studies. The Company continues to be a preferred Turbo machinery industrial partner for Indian Government-funded programmes of the Department of Science & Technology and the Indian Navy.

During the year, the Company continued extensive in-house validation and testing of newly developed rotary components, along with strict monitoring of load performance parameters before commercial deployment, in order to ensure high-level adherence.

Another thrust area of the Company has been the Oil and Gas market, where application-specific and API code compliant solutions are increasingly preferred by global customers. Triveni continues to develop cost-competitive and increasingly efficient models, with enhanced profiles and steam path to meet the global requirements. These include drive turbines for the petrochemical industry (API) market and turbines validated according to API standards.

Triveni product offerings and executed projects include customised solutions for specific industrial applications, such as Cement, Distillery, Oil and Gas, Naval and Government projects in new technology areas. The application segments of the Company encompass Waste-to-Energy, Combined Cycle, Process industries, Renewables, Captive and Co-generation, among others. In line with industry trends, the Company has been diversifying into different types of turbines and other renewable energy products that focus on high efficiency cycles, including injection applications and distillery processes.

Triveni R&D also focussed on alternative energy technologies, such as CO_2-based cooling solutions and supercritical CO_2 power blocks, as compact footprint solutions for the energy market. These initiatives include SCO_2 micro size Turbo machinery development for shipping, and a test loop setup in association with leading scientific institution in India. SCO_2 based Industrial scale (5-10 MW) Turbo machinery prototype projects for Solar / WHR / Combined cycle power plants are also under way, in association with leading scientific institutions in India and Tata Consulting Engineers.

Intellectual Property Rights

The latest technologies developed by the Company, research in newer variants, as well as continuous improvements, generate invaluable in-house intellectual property. Such technological innovations and improvements require quick protection, and therefore the creation and protection of the Intellectual Property (IP) portfolio is of utmost importance for the Company and all its stakeholders. A dedicated team of IP specialists work closely with R&D personnel, from the initial planning and conceptualisation stage to the manufacturing stage, so that the generated Intellectual Property is well captured and protected.

The Company has instituted a robust IP strategy for protection of its long-term IP assets, to secure and preserve its technological advantage over its competitors. In line with its global focus, the Company constantly undertakes patent and industrial design filings in various international jurisdictions, even while continuously enhancing its IP portfolio. The Company has filed for patent protection and product design protection in India, Europe, South East Asia, and in the United States of America, and plans to protect its IP in the new international markets that it serves. A substantial number of Intellectual Property Rights have already been awarded to the Company in India and other jurisdictions. The Company had filed 294 IPRs in the market globally till March 2021.

Digitalisation

The Company is focussed on delivering value to its internal teams and customers by helping them leverage the right software and technology to improve efficiency. It is continuously striving to ensure that it delivers greater value to customers, while working consistently on ways to deliver this value operationally at a profit. It is also constantly looking to exploit the possibilities offered by digital technologies to help it deliver smarter, cheaper and faster solutions, while looking at how similar industries have solved similar problems or taken advantage of similar opportunities.

Triveni is aggressively undertaking initiatives for digital transformation, with focus on **three core areas** viz.

1. **Productivity** – Increasing productivity & Operational efficiency for the internal workforce
2. **Customer engagement & retention** – Ensuring better value to customer
3. **Higher profitability & revenue generation** – Opening up new streams of revenue generation

Keeping these three parameters in mind, the Company took its first cloud initiative in FY 21, and successfully hosted close to 80% applications on various Cloud platforms. It is continuously evaluating the application landscape and shall remain engaged in its digitisation programme in FY 22.

In FY 22, Triveni's goal is to continuously evaluate and benchmark its IT landscape and see where and how it can leverage advantage with the use of best-in-class software products.

The Company is working to further its digitalisation and automation endeavours, with focus on exploring IoT and Industry 4.0 opportunities in a big way. Continuous upgrade of these applications, to bring them at par with the latest available technology, is being undertaken as per business requirements. The applications are mostly customer-centric, and aim to optimise costs while enhancing business productivity. The Company plans to further automate and upgrade its array of software with constant evaluation.

The product that the Company envisions to develop in FY 22 will have four key areas:

1. **Valuable** – Create value for customers
2. **Rare** – Assets and service offering that are rare and have unique value proposition
3. **Inimitable** – Ensuring that the product and digital offering are inimitable, and competitors cannot copy and beat Triveni
4. **Non-substitutable** – Product offerings that cannot be replaced with another offering by competitors

In FY 21, Triveni engaged a large-scale IT services company to develop Cloud-based applications needed for better customer engagement and enhancement of workforce productivity.

The Company is leveraging IoT and Industry 4.0 technologies to increase the productivity of its asset base and give better insights to its customers. In line with this, Triveni is designing its IoT offerings with focus on customer experience from the outside in, and increasing the reach and customer engagement where it matters, through digital channels.

Supply Chain

Triveni has constantly focussed on improving the development of its global supply chain teams by involving them in early stages of new technology and product development, leveraging world-class supply chain management processes, tools and systems across functions. It makes continuous investment in training and developing leaders to create one of the best supply chains in the industry.

Operating a world-class supply chain organisation means having twin goals: increasing competitiveness and helping customers to succeed.

Triveni controls inventory by improving the allocation of "available to promise" inventory. It has clear visibility of inventory transactions that have positively impacted the entire process of ordering, storing and using inventory from raw materials to finished product.

During FY 21, the Company designed and implemented a number of participatory workshops for suppliers, covering health, safety and environment requirements, as well as legal compliances related to labour conditions and COVID-19 protocol.

Triveni also undertakes periodic vendor-wise spend analysis, and has established adequate control processes with suppliers to ensure compliance standards, desired quality, good ratings and loyal trade relations.

On the Integrated Supply Chain side, many initiatives were undertaken with substantial long-term benefits during the year. Focussed quality programmes to raise product quality to world-class standards moved ahead visibly within manufacturing, and across all vendors. A robust roll-out was carried out of a 'Responsible Sourcing' programme for all vendors to upgrade their units from the "Standard" level to the "World-Class" level.

Quality Assurance (QA)

The Company continues with its AS9100D / ISO 9001:2015 certification, with matured quality management system elements implemented throughout the organisation. By more than doubling the Net Promoter Score (NPS®) during the year, the Company progressed closer to its goal of Total Customer Satisfaction. One of the reasons for this remarkable increase in NPS® is TTL's responsive service to customers. TTL was able to close customer issues faster than the year before.

Validation of new steam-path designs from recent installations has helped TTL respond to the growing demand for higher efficiency turbines. The success of its indigenous R&D efforts was the result of its Quality Operating System. The Company's **Design & Development processes** are tuned for refinements in turbine technology, to deliver world-class product designs to compete with global competition. With these agile, yet robust design processes, the Company developed more efficient airfoil designs, using cutting-edge design principles and tools. These designs were realised using reliable and quality conscious supplier base and TTL's in-house manufacturing prowess. Compliance throughout the design realisation stage was ensured with customised quality assurance practices.

More emphasis is put on analysing and preventing defects at source – whether it is at suppliers or in-house processes. For protecting TTL products from incoming defects, if any, multi-layered quality assurance practices are strengthened with digitisation. All QA processes are digitised by integrating them with the Company's Oracle-based, common project execution platform. The result has been increase in first-pass-yield of turbine's Factory Acceptance Testing (FAT).

Suppliers have been an integral part of TTL's success. During the year, focussed efforts on supplier quality and supplier development came to fruition, with value-added improvements in this area. Feedback from customers and TTL's on-site personnel is used as a primary source for driving improvement activities. Customer Satisfaction & Quality Assurance processes ensured all-hands-on-deck within TTL to address these feedbacks. Communication between top management of TTL and suppliers ensured that critical improvements were accorded the highest priority.

The Company was **quick to adapt in the pandemic period** by offering remote FAT inspection options to customers. This philosophy was also extended to supplier inspections. With completion of digitisation of QA processes, TTL is also poised for improved data-based decision-making for delivering better quality.

TTL leaders shared their views on "Creating Customer Value" with all employees through Digital Platform on World Quality Day 2020 during November 2020. This was well received across the organisation, and employees participated in various Quality Month events, maintaining COVID-19 guidelines. This, along with the Company's sustained Kaizen programme, ensured that all employees remained engaged in quality **compliance, improvements** and defect **prevention**.

The Company remains consistently focussed on building a robust **quality culture** at all levels.

Human Resources

The Company considers its people extremely critical to business success. It is TTL's firm belief that people enable business growth through delivery of quality products and services, which are made to order, designed, and delivered to meet the needs of customers.

The Company's HR strategy is aimed at achievement of short and long-term financial business objectives, and delivery of superior and unmatched customer value. The HR strategy focusses on driving business performance with the selection of the right employees, and nurturing a culture of continuous learning, innovation, and customer orientation. This strategy enables enhancement in employee engagement, motivation, growth, and welfare of its people. It includes augmenting the organisational capabilities that will enable sustained competitiveness in the global marketplace. The Company focusses on attracting, retaining and developing talent.

The Company's HR Processes are aligned to the goal of enhancing organisational capability and agility for constant innovation and change, as well as its readiness to seize the market opportunities. HR Processes are continuously reviewed for relevance and effectiveness. They are designed to ensure a good employee experience for effective contributions through efficient ways of working. The Company also continues to enhance safety and security at the workplace by prescribing policies and procedures, creating awareness and imparting trainings. It has institutionalised key policies, such as the Prevention of Sexual Harassment Policy.

The Company has always endeavoured to build in-house talent, and because of this, over 50% of its present workforce is homegrown. This has given the Company a strong competitive edge over Technology, Products, Services and Processes. The Company has created a dedicated, world-class, in-house training facility – the 'Learning Centre', which is housed in a green environment, conducive to learning. The 'Learning Centre' has facility for continuous and unobstructed learning for all employees, including the trainee engineers recruited from various engineering college campuses. Fresh engineers undergo a structured 2-year training programme, before being inducted into various departments. The Learning Centre is equipped with multiple classrooms, Computer Based Product Training Lab (CBT), a Library, as well as a highly trained in-house faculty. Subject experts and trainers are also engaged from outside the Company.

TTL's Performance Management System (PMS) is designed to achieve organisational and individual goals. PMS covers the process of annual objective setting, mid-term and annual reviews, leading to objective assessment of employee

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performance. The rewards and recognition process, as well as employee development, is an integral part of the PMS. The Company continues to drive a culture of high performance, development, and growth of employees.

The Company was quick to implement the COVID-19 workplace procedures and guidelines to manage its operations efficiently, while protecting the employees' health and life. All protocols required for safe working place were implemented, which resulted in optimal Company operations while protecting employees from COVID-19 infection. With these interventions, early detection of the Coronavirus was possible, thus minimising the number of employee infections.

The pandemic did not deter the Company from training employees. During the year, when classroom and physical training became difficult to conduct, the Company quickly migrated to online and other modes of training. It trained its entire Sales Team on Virtual Presentation and Sales Skills in the era of lockdown, yielding positive business results. Employees were encouraged to build their capabilities through e-learning modules, webinars, and relevant training programmes available online.

Environment, Health and Safety (EHS)

Both the manufacturing facilities at Peenya and Sompura have implemented Environmental Management System and Occupational Health and Safety System Standards as per the ISO standards, ISO 14001 and ISO 45001, respectively. The Management systems are audited and certified by accredited agencies, in accordance with international standards.

Manufacturing facilities are eco-friendly, with adequate green cover – with large trees, natural landscaping, rain water harnessing facilities, solar panels for harnessing renewable energy etc. Peenya factory has installed solar panels of 300 KW capacity, with net metering facility to export surplus energy. The entire sewage water is treated at the plant, and used for landscaping and gardening. Energy efficient LEDs are introduced in a phased manner to replace the conventional CFLs / Fluorescent lights. Variable frequency drives are used in power intensive areas, such as cranes, boiler etc., to reduce energy consumption. Power Factor at both the facilities is maintained at near 1.0 to conserve energy. The Company also has rainwater harvesting facilities, maintains natural water bodies, and recycles water for garden maintenance.

The Company constantly improves its environmental performance by focussing on conservation of water, energy and materials, as well as waste reduction. Ambient air quality is monitored and ensured as per the relevant Act. Employees are involved in ensuring good EHS practices through various joint management committees. Both units are also provided with recreational facilities, with indoor and outdoor games and fitness equipment for all employees.

The entire campus is covered with electronic surveillance through CCTV and IT-enabled security systems.

TTL has an impeccable record of zero reportable accidents over the past many years. Triveni has scaled up its safety regulations to address the COVID-19 pandemic. The premises are sanitised on regular basis. Social distancing

As per IMF World Economic Outlook update issued in April 2021, the global economy is expected to have contracted -3.3% in 2020, as against growth of 2.8% in 2019. The Advanced economy decline of 4.7% is steeper than Emerging market and Developing economy decline of 2.2%.

and wearing of mask are among the protocols strictly enforced in factories and offices. All safety directives issued by Central and State Governments, including adherence to the maximum number of employees permitted per day, are being followed. Thermal screening and hand sanitising are being done for all persons entering the office premises.

Business Outlook

Global economy faced an arduous journey in 2021, with the COVID-19 pandemic leading to significant loss of both lives and livelihood. As per IMF World Economic Outlook update issued in April 2021, the global economy is expected to have contracted -3.3% in 2020, as against growth of 2.8% in 2019. The Advanced economy decline of 4.7% is steeper than Emerging market and Developing economy decline of 2.2%. The severity of the economic dent was felt more in the first half of the fiscal year owing to lockdowns and restrictions. In the second half of the year, the economic momentum picked up on account of relaxation of restrictions and release of pent-up demand. The prompt measures taken by various Governments, including India, and the Central Banks protected the world from deeper global recession.

Meanwhile, vigorous efforts of medical and healthcare communities have helped in the development of vaccines in a relatively short period of time, raising hopes of saving lives and livelihood, and of early global emergence from the pandemic crisis. The recovery curve can quickly improve if manufacturing and distribution of vaccines is accelerated. The vaccine drive and effective coordination needs to be ahead of new virus mutations. However, effective vaccination drive alone may not be able to pull the world out of the economic crisis, which also depends upon the effectiveness of economic and fiscal policies of various government authorities in limiting the severe damages caused by COVID-19 and achieving turnaround. The global GDP projections, as published by IMF, of 6% in 2021 and 4.4% in 2022 are most encouraging in the present context.

The Indian economy, after a massive contraction of GDP by about 7.3% in FY 21 due to the impact of COVID-19, is expected to show a V-shaped recovery in FY 22 and beyond. The Union Budget 2021-22 envisages accelerating the pace of structural reforms under *Atmanirbhar Bharat*. The Budget intends to achieve a growth rate of 8.5% in FY 22, reversing the negative growth by about 7.3% in FY 21. Given the shrunk base and 4.2% growth rate in FY 20, the target of 8.5% in FY 21 is quite reasonable and achievable, but will need a lot of effort to achieve in the prevailing circumstances.

The recession across the globe, which severely affected all major economies barring China in 2020-21, has impacted the Company's International Business. Travel restrictions and non-availability of visa in several countries has compounded the problem. However, the Company quickly adopted a digital marketing strategy and gained traction in the international market. As the pandemic started receding and businesses across the globe begun bouncing back, the outlook of revival of international business became bright for 2021-22 and beyond. The green shoots are visible, and all attempts are being made for a sharp V-shaped recovery of the Company's International business.

The domestic market has already gained traction and the year 2021-22 looks bright. With investments, which were under hold due to the pandemic, reviving, the business outlook of domestic market also remains bright. With aggressive value engineering, cost-effective product development and efficiency improvement, the Company is well positioned to maintain its market leadership position.

Subsidiaries

The growth potential of foreign subsidiaries to expand in the international market is encouraging. Through these foreign subsidiaries, the Company has increased its capabilities to connect with global EPC players and industries. The subsidiary offices, being located in close proximity to customers and capable of providing specialised services, give confidence to customers. They also help promote the brand strongly, which is essential and helps the Company effectively pursue its strategy of achieving market penetration on a sustainable basis.

During the year, the Company engaged with industries of global scale from various segments, such as API, Waste-to-Energy, Combined Cycle, and Process industries, through its subsidiaries. The subsidiary in South Africa has been further strengthened, mainly to cater to the Aftermarket segment of the region.

The Company expects that the foreign subsidiaries will further augment business growth in the coming years.

Subsidiaries/Joint Ventures

The Company has a domestic subsidiary (considered as a Joint Venture for the purposes of consolidated financial statements), namely, GE Triveni Ltd (GETL). GETL is a joint venture Company with D I Netherland BV, affiliate of GE and is engaged in the design, supply and service of advanced technology steam turbine generator sets, with generating capacity in the range above 30 MW up to 100 MW. The flange to flange turbine is manufactured competitively at TTL's world-class facilities located at Peenya and Sompura in Bengaluru. The complete project is executed by GETL in accordance with GE's manufacturing quality and supply chain standards and processes, which include certification of suppliers, adherence to environment and health concerns, and other ethical requirements.

In FY 21, GETL achieved a total revenue of ₹ 474 million, with a profit after tax of ₹ 73 million.

As reported in FY 20 Annual Report, the Company has ongoing litigations/arbitration proceedings with DI Netherlands BV, joint venture (JV) partner and General Electric Company in GE Triveni Limited (GETL), joint venture company in relation to oppression and mismanagement claims in the said JV, violation of certain provisions of the joint venture agreement amongst others which are pending at various forums within and outside India.

During the period under review, the illegal termination of ancillary agreements with GETL and intention to terminate the JV with the Company and wilful breach of undertakings given by GE/affiliates of GE to the NCLT in relation to their obligations under aforesaid agreements, led to willful disobedience and defiance of National Company Law Appellate Tribunal (NCLAT) order dated August 27, 2019 read with the order dated February 17, 2020. Pursuant to the liberty granted by the NCLAT, the Company has filed a contempt petition before NCLT, Bengaluru on January 21, 2021 and the NCLT on April 20, 2021 has pronounced its final judgement in favour of the Company, holding the Respondents therein guilty of contempt of the NCLAT orders referred above. Being aggrieved by the NCLT order, GE / affiliates of GE have 04 filed writ petitions under Article 226 and 227 of the Constitution of India before the Honourable High Court of Karnataka at Bangalore. There has been no stay granted by the High Court till date on the NCLT order dated April 20, 2021.

DI Netherland BV, Joint Venture partner in GETL, has invoked separate arbitration proceedings before Arbitration Tribunal under the UNCITRAL Arbitration Rules, 1976 in United Kingdom and has filed a statement of claim on June 1, 2020, alleging violation of certain terms of the JV Agreement by the Company. The claims made are based on estimation and amounts are not quantified with precision. The Company firmly believes that the allegations raised are unsubstantiated, untenable, and unsustainable. The Company has submitted its statement of defence on March 06, 2021 with the Arbitration Tribunal. Respective parties are in the process to exchange their respective objections to various documents production requests.

The Company has invoked arbitration proceedings under Arbitration and Conciliation Act, 1996 ("Arbitration Act") against Nuovo Pignone S.P.A. ('GENP'), an affiliate of GE in relation to the dispute and differences relating to misappropriation of technical information of Company by GENP. An application has been submitted to the Supreme Court of India on March 1, 2021 under Section 11 of the Arbitration Act for appointing sole independent arbitrator. The said application is pending consideration before the Honourable Supreme Court.

In FY 21, GETL achieved a total revenue of ₹ 474 million, with a profit after tax of ₹ 73 million.

Corporate Social Responsibility (CSR)

The Company has proactively embraced social responsibility to create a positive impact in the communities in which it works and operates. Along with sustained economic performance, Triveni believes in the importance of social stewardship. The Company is committed to creating an environment that contributes to the well-being of communities and the conservation of nature. Towards this objective, the Company contributes to inclusive growth by empowering communities and accelerating development through interventions in water and sustainable environment, health, education and technology development.

CSR Objectives and Vision

The Company wishes to be perceived as a 'Company with Conscience', and to actively and continually contribute to the social and economic development of the communities for the benefit of the deprived, under-privileged and differently abled persons. Its approach is based on merit only, without any regard to religion, caste or creed.

CSR Focus Areas

Though there are numerous addressable areas where there are cultural prejudices, as well as lack of equity, social justice, awareness and affordability for basic rights in the society, the Company has identified the following areas for the well-being of people:

- Healthcare
- Education and Women Empowerment
- Environment Sustainability
- Technology & Innovation

Highlights of the CSR Initiatives undertaken during FY 21:

1) Healthcare

Prevention of Spread of Coronavirus

The Novel Coronavirus assault on the very existence of the human race has been declared a global pandemic, the like of which has not been experienced in the last four decades, the previous being the HIV rampage which haunts human beings even today, although it was not as deadly, infectious and widespread as this present pandemic. Therefore, as a part of its CSR plan, and in continuation of its annual thrust in the area of Corporate Social Responsibility, the Company identified a Project focussed on preventing the spread of Coronavirus.

Under this Project, the Company provided life-saving equipment like ventilators to a hospital, in order to upgrade infrastructure and enable treatment of a larger number of patients needing life support systems. This has helped immensely in the effort to save precious lives of Corona patients from the clutches of this deadly disease during these extremely difficult times. In addition, a lot of protective gear and kits were provided to the Doctors and Hospital Staff to protect themselves from getting infected through any patient, during their selfless war against this raging pandemic.

The availability of hospital beds in Bengaluru had been a big challenge during the present surge of Coronavirus cases, as the hospital infrastructure was inadequate to tackle this sudden flood of infected patients for treatment. To ease this problem, the Company provided Modular ICU Facilities to a Government hospital in Bengaluru. This facility helped the hospital to significantly increase the intake of patients.

2) Education and Women Empowerment

India-Israel Master-Classes Series on Emerging Technologies

As part of its Education and Women Empowerment focus, the Company provided financial support to a non-profit organisation, that focusses on value-based leadership development and open dialogue on important issues facing the Indian society, to help its transformation. This Centre connected Indian students from universities and colleges with experts from Israeli academic institutions, companies and entrepreneurs through webinars, to understand technologies to provide students the opportunity to understand emerging trends in technology, global standards, practices and augment capacity building in the field of emerging technologies. These classes were attended by students of 31 universities and colleges across India.

Other Educational Initiatives

As part of its sponsorship on education and training programmes for differently-abled students, the Company provided financial support to Institution for conducting various therapies such as speech therapy, occupational therapy, visual therapy, physiotherapy, orthopaedics treatment, and neurologist treatment to bring a qualitative change in the lives of differently-abled student. It also provided financial support to the Government Model Primary Schools to help them run pre-nursery schools for under-privileged children in Peenya, located near its factory. A total of more than 500 students benefited from these initiatives.

3) Environment Sustainability

Water Tool Applications for Sustainable Solutions, Enhanced Capacities, and Renewal (WASSER)

Environmental Sustainability has become one of the biggest challenges for sustaining life on this planet. Amongst various other factors, water continues to grow as a priority for India and Indian business in a scenario where there is an increased variability in water availability, combined with deteriorating resource quality. To facilitate appropriate decision-making among diverse stakeholders on water, it is important to integrate data, tools and water networks into a comprehensive, simple-to-use system that can readily be used by Industry, Government and diverse stakeholders, such as farmers, utilities and community at large. It becomes necessary, therefore, to broaden awareness and disseminate knowledge among various stakeholders on an effective tool to enhance and improve water security of an area.

It is in this context that Project WASSER was undertaken, in association with an implementation agency, with an intent to develop state-of-the-art tools and world-class techniques meeting international standards, to raise awareness, build capacities of diverse stakeholders on usage of innovative methods, and enable appropriate decision-making for water resource planning in India.

4) Technology and Innovation

Technological advancement and innovation are the catalysts in any growing economy. With this target in its spectrum of social responsibility, the Company encourages and supports technological developments and innovation undertaken by various reputed technological institutes of national importance. As part of a long-term project, the Company continued, during the year, to provide financial support to the Indian Institute of Science, Bangalore. The Company has provided support to the Institute in the extension of Energy Research Laboratory facilities which are involved in carrying out research programs in the new area of Power conversion.

The Company wishes to be perceived as a 'Company with Conscience', and to actively and continually contribute to the social and economic development of the communities for the benefit of the deprived, under-privileged and differently-abled persons.

Financial Review

The financial results of the Company for the financial year 2020-21, compared with the previous year, are summarised hereunder:

(₹ in Million)

Description	FY 21	FY 20	Change %
Revenue from operations (gross)	6,969.3	8,099.0	(13.9)
Other Income	196.9	218.4	(9.9)
EBITDA	1,594.4	1,655.9	(3.7)
EBITDA Margin	22.9%	20.4%	
Depreciation & Amortisation	201.8	200.8	0.5
Exceptional items	185.2	-	
PBIT	1,207.5	1,455.1	(17.0)
PBIT Margin	17.3%	18.0%	
Finance Cost	11.2	33.3	(66.3)
PBT	1,196.3	1,421.7	(15.9)
PBT Margin	17.2%	17.6%	
PAT	887.2	1,100.5	(19.4)
PAT Margin	12.7%	13.6%	(6.3)
Other Comprehensive Income (net of Tax)	50.1	(81.4)	
Total Comprehensive Income	937.4	1,019.2	(8.0)

The aforesaid summarised financial results are based on the standalone financial statements which have been prepared in accordance with Indian Accounting Standards (Ind AS), notified under the Companies Act, 2013 ("the Act") and other relevant provisions of the Act. No material changes and commitments affecting the financial position of the Company have occurred between the end of the financial year to which, these financial statements relate, and the date of this report.

Financial Performance

During the year, Revenue from Operations has been significantly impacted and was lower by 13.9% from the previous year. The dip in revenue was expected since the onslaught of COVID-19 pandemic set in at the beginning of FY 21, though the magnitude could not be accurately predicted due to various uncertainties. The Company's financial performance started getting impacted from the 4th quarter of the year 2019-20, due to nationwide lockdown from March 24, 2021, during which both factories and all service centres could not operate with full capacity. In addition, the travel restrictions, especially international travel and logistic bottlenecks, impacted the performances during the year. The loss was more skewed toward H1. The lockdown and travel restrictions in the international market also severely impacted export earnings. The global economy contracted by about 3.3% y-o-y. Indian economy also experienced a massive contraction of GDP, by about 7.3% in 2020-21. These economic contractions impacted the operations and revenue of the Company. The operations gradually started picking and gaining momentum from H2 of the financial year, yet performance was lower than the corresponding period of previous year.

The Company was prompt to adopt a suitable strategy to contain cost, and preserve margins and cash. Operations continued in factories, observing all mandated safety precautions and with restricted attendance.

Several newly developed cost-efficient and improved models were rolled out during the year, resulting in material cost reduction. Travelling and other overheads were substantially reduced, and manpower was suitably rationalised. Being an exceptional year, increments were skipped for all categories of employees to contain cost. All these actions resulted in reduction of operational cost, which arrested the possibility of significant drop in margins, in proportion to reduced revenue. Consequently, while the Revenue from Operations dropped by 13.9%, EBITDA declined by only 3.7%. However, the one-time VRS payment has impacted the PBIT and PAT.

There was no major capital expenditure or deletion, hence the depreciation and amortisation remains almost at the same level as in the previous year.

Despite the slowdown in operations, the working capital improved during the year. Collections were as per plan, and inventory was strategically kept low without affecting production schedule. The liquidity was comfortable, non-essential expenditure was curtailed, and cash was preserved. The Company continued to be debt-free, barring a small loan for vehicles.

There was no major impairment of assets arising due to the pandemic or any other reason. However, necessary provisions for old inventory and receivables were made as per the Company's policy.

Revenue from Operations

Revenue from Product has come down by 18.8% for the reasons as stated above, although there is slight increase in revenue from Aftermarket by 2.8%. The Revenue in Product as well as in Aftermarket Sales segment is shown below:

(₹ in Million)

Description	FY 21	FY 20	Change %
Product Sales	5,104.2	6,283.8	(18.8)
% to Total Sales	73.2%	77.6%	
Aftermarket Sales	1,865.1	1,815.2	2.8
% to Total Sales	26.8%	22.4%	
Total Sales	6,969.3	8,099.0	(13.9)

COVID-19 pandemic, and the consequent lockdown and restrictions, severely impacted Product Sales across all segments, especially exports. Although most of the opening orders in hand were billed and collected during the year, the book and bill hit almost rock bottom, due to steep decline in economic activities in first two quarters of the financial year. Although no orders under execution were cancelled, a significant amount of billing of few major customers was deferred to next year, and thus the sales and margins could not be realised.

The Aftermarket segment, specially Spares and Refurbishment, however, did well as compared to the previous year. The business of this segment revived rapidly after Q1, and specially in the second half of the year, as the economy was gradually opening up. This segment also contributed to profitability, which despite overall lower sales, was not eroded. However, the Service revenue stream was impacted due to travel restrictions and safety reasons.

The break-up of Exports and Domestic sales is shown in the chart below:

(₹ in Million)

Description	FY 21	FY 20	Change %
Export	3,207.4	3,841.5	(16.5)
% to Total Sales	46.0%	47.4%	
Domestic	3,761.9	4,257.5	(11.6)
% to Total Sales	54.0%	52.6%	
Total Sales	6,969.3	8,099.0	(13.9)

As explained above, both these segments were impacted during the year.

Other Income:

Other Income has decreased by 9.9% over the previous year. Income from investment of surplus fund has increased during the year by 60%, due to liquidation of working capital and good collection, leading to higher Investment surplus despite steep fall in interest rate. Further, the Company received a dividend income of ₹ 65 million in the previous year from its wholly-owned foreign subsidiary, Triveni Turbines Europe Pvt Ltd, UK. No such dividend was received in the current year. Further, there is a reduction of income from change of foreign exchanges during the year, due to lower exports and favourable hedge ratio.

Expenses

Raw Material Consumption

(₹ in Million)

Description	FY 21	FY 20	Change %
Raw material consumption and change in inventories	3,547.5	4,401.8	(19.4)
Percentage of sales	50.9%	54.4%	

Decrease in Raw Material cost by 19.4% over the previous year is a combined effect of lower sales by 13.9% and reduction in material costs arising from introduction of new cost-efficient improved models needed in the market. There is a pressure on input cost, which is partially offset through ongoing value engineering initiatives and adoption of appropriate make-or-buy strategy.

The impact of material cost reduction as stated above, and a favourable sales mix with higher content of Aftermarket revenues, improved the ratio of Material cost to Sales from 54.4% in the previous year to 50.9%. The Company is constantly focussing on delivering turbines at competitive prices with improved efficiency and higher customer satisfaction.

Personnel Cost, Other Expenses and Depreciation

(₹ in Million)

Description	FY 21	FY 20	Change %
Employee cost	801.5	943.9	(15.9)
% to Total Sales	11.5%	11.7%	
Other Expenses	1,163.8	1,271.1	(8.5)
% to Total Sales	16.7%	15.7%	
Depreciation & Amortisation	201.8	200.8	0.5
% to Total Sales	2.9%	2.5%	

Employee Cost

The Company is in process of higher automation and introduction of various digital initiatives to become a lean and efficient organisation. Various HR initiatives are undertaken towards achieving these objectives. Accordingly, the Company undertook rationalisation of its manpower cost to improve productivity, customer satisfaction, and better outsourcing strategy. A Voluntary Retirement Scheme was also introduced. Further, due to significant slowdown in business operations, the Company has decided to skip the annual increments for all categories of employees, FY 21 being an exceptional year. All these factors reduced manpower cost during the year by 15.9% over the previous year.

Exceptional Item

During the year, the Company announced a Voluntary Retirement Scheme (VRS) for all classes of workmen. The VRS scheme was aimed at trimming the workforce due to automation and improvement of production process, as stated above, and was satisfactorily implemented. The response to the scheme was encouraging, as several workmen opted for the VRS scheme. A total lump sum payment of ₹ 185.2 million was paid as per the terms of the scheme. This one-time cost of ₹ 185.2 million was fully charged off in statement of profit and loss, and disclosed under Exception Item in Financial Statements. Industrial relations remained cordial and the objective of productivity increase was achieved.

Other Expenses

Other expenses include manufacturing expenses, administrative expenses and selling expenses. Manufacturing expenses, such as Store, Spares & Tools consumed and Power & Fuel etc., are semi-variable in nature. The decrease in manufacturing cost is commensurate with level of operations and cost control measures taken during the year. Administrative expenses are lower due to reduction in travel cost, on account of various travel restrictions imposed due to the pandemic both in domestic and international markets. Other administrative expenses are also lower in the current year due to restricted office operations.

Depreciation and Amortisation

There are no material changes in Depreciation and Amortisation expenses as compared to the previous year.

Balance Sheet

Major items, including where significant changes have taken place during the year are, explained hereunder:

Non-Current Assets

Property, Plant and Equipment (PPE), Capital work-in-progress & Intangible assets

There was no major investment in Plant and Machinery or Civil Work made during the year, except capitalisation of extension of civil structure work in Sompura plant. Thus, the Capital work-in-progress now stands with nil balance. Intangible assets under development represent costing tool, and related software will be capitalised by next year upon completion of remaining activities.

Non-current Investment

The figure represents equity investment in Company's 100% owned foreign subsidiary in the UK and the joint venture in India. There is no further investment or disinvestment in the subsidiary or joint venture during the year.

Current Assets

Inventories

Total inventories at the year end stood at ₹ 1,591.9 million, as against ₹ 1,724.8 million in the previous year, a decrease of ₹ 132.9 million. The decrease is mainly in raw material and components by ₹ 129.0 million, as a result of the Company's planned efforts to improve working capital and liquidity. Part of the reduction is also due to lower volume of current production.

Trade Receivables

Trade receivables have significantly reduced to ₹ 763.6 million, as against ₹ 1,210.3 million in the previous year. This decrease of ₹ 446.7 million over the previous year is due to lower sales, aggressive collection drive of certain old receivables, and improved realisation of current dues. About 28% trade receivables are secured against Letter of Credit and about 29% is contractually not due. Necessary provisions against doubtful debts and expected credit loss are made after proper due diligence.

Other Financial Assets

Other financial assets have increased by ₹ 38.5 million over the previous year. This is due to increase in unbilled revenue of ₹ 22.6 million, which has been billed subsequently. Further, MTM gain on outstanding forward contract of ₹ 11.9 million on account of hedge accounting resulted into increase in other financial assets.

Other Current Assets

Other current assets have decreased by ₹ 68.5 million over the previous year. Decrease in other current assets is mainly due to receipt of GST refund. All other items under this head, including Export Incentive receivables and advance paid to vendors etc., are also lower as compared to the previous year. These balances are normal in nature and fully recoverable.

Non-Current Liabilities

These mainly comprise deferred tax liabilities (net) and certain long-term provisions towards employee benefits, as mandated by relevant provisions of Ind AS, warranty etc., which are made in normal course of business.

Current Liabilities

Current liabilities mainly consist of trade payable for purchase of goods and services and advances from customers. Trade payable has increased by ₹ 95.7 million to ₹ 733.0 million, in view of purchase of raw material and components to cater to production for orders in hand. The payments to these vendors are not contractually due till the year end, and will be paid by due date.

The other major components of Current Liabilities are advances from customers, which have marginally increased by ₹ 53.0 million.

Consolidated Financial Statements

Consolidated financial statements have been prepared consolidating the results of a wholly-owned foreign subsidiary, Triveni Turbines Europe Pvt. Ltd. (TTEPL), UK, its step-down subsidiary, Triveni Turbines DMCC (TTDMCC), Dubai and Triveni Turbines Africa (Pty) Ltd (TTAPL). The consolidation is made by adding line by line items complying relevant provisions of Ind AS. In addition, the Company has a domestic subsidiary company, namely GE Triveni Ltd. (GETL), which, in accordance with Ind AS, been considered as a Joint Venture, and is accordingly accounted by using equity method for preparation of consolidated financial statements.

Headline figures for consolidated financial statements duly compared with standalone are provided hereunder:

(₹ in Million)

	Financial Statements	
Description	**Consolidated**	**Standalone**
1. Revenue from operations	7,025.8	6,969.3
2. Profit before tax	1,268.4	1,196.3
3. Share of income of joint venture	52.5	-
4. Profit after tax	1,024.6	887.2

Risk Management and Internal Financial Control System

The Company has a robust risk management framework in place, which is aligned with the requirements of SEBI Regulations and ISO 31000. The Enterprise Risk Management (ERM) system of the Company aims to support the accomplishment of the organisation's objectives by addressing the full spectrum of risks and managing the impact of those risks. The ERM system is developed as an integral part of various organisational processes, and aligns them with the strategy and governance practices of the Company.

The Risk Management Policy is the core of the ERM system, and is reviewed and approved by the Board regularly. This Policy provides guidance for the Management on various business risks – encompassing strategic, emerging and operational risks across the organisation. This policy is adapted across the Company to promote risk-based thinking. The Policy lays down guiding principles framework and risk management process, as well as a risk governance structure for implementation and review. Pursuant to its Risk Management Policy, the Company has implemented risk management processes further into project and business reviews, to ensure that key aspects of risks are considered and contained to minimise their impact on business performance.

The outbreak of COVID-19 brought unprecedented threat to human life and halted economic activities across the world for the major part of FY 21. The Company implemented its business continuity plan, taking into consideration employee safety and regulatory guidelines. TTL was able to support various core industrial segments by successfully running its operations, both within its premises and at customer sites, without any impact to life of its employees or that of external partners.

Further, the Company is responsible for designing and implementation of sound Internal Financial Controls over Financial Reporting. The Company has laid down such procedure, and periodically assesses its operational effectiveness by conducting reviews of all Risk Control Matrices. This Control System provides reasonable assurance that the conduct of the business is operating in an orderly and efficient manner, including adherence to the Company's policies, safeguarding of assets, and prevention and detection of frauds and errors, if any, as well as the accuracy and completeness of accounting records and timely preparation of financial information. These are achieved through Delegation of Authority, Policies and Procedures, and other specifically designed controls, and their effectiveness is tested regularly as per well formulated mechanism, and through external agencies.

Directors' Report

Dear Shareholder,

Your directors are pleased to present the 26th Annual Report along with the audited financial statements for the financial year ended March 31, 2021.

Financial Results

(₹ in millions)

	Consolidated		Standalone	
	2020-21	**2019-20**	**2020-21**	**2019-20**
Revenue from operations (Gross)	7,025.8	8,178.7	6,969.3	8,099.0
Operating Profit (EBITDA)	1,667.0	1,702.9	1,594.4	1,655.9
Finance Cost	11.4	33.3	11.2	33.3
Depreciation and Amortisation	202.1	201.1	201.8	200.8
Profit before share of profit/loss of joint venture	1,453.6	1,468.5	1,381.5	1,421.8
Share of net profit/loss of joint venture accounted for using the equity method	52.5	91.0	-	-
Profit before exceptional items and tax	1,506.1	1,559.4	1,381.5	1,421.8
Exceptional Items*	185.2	-	185.2	-
Profit before Tax (PBT)	1,320.9	1,559.4	1,196.3	1,421.8
Tax Expenses	296.3	341.7	309.0	321.2
Profit after Tax (PAT)	1,024.6	1,217.8	887.2	1,100.6
Other Comprehensive income (net of tax)	49.4	(68.3)	50.1	(81.4)
Total Comprehensive income	1,074.0	1,149.5	937.4	1,019.2
Earning per equity share of Re. 1 each (in ₹)	3.17	3.77	2.74	3.40
Retained earnings brought forward	4,964.1	3,933.2	4,662.5	3,748.6
Appropriation:				
- Equity dividend (including dividend distribution tax)	-	181.5	-	181.5
Retained earnings carried forward	5,999.8	4,964.1	5,560.8	4,662.5

*represents payment towards Voluntary Retirement Scheme (VRS) for workmen.

No material changes and commitments affecting the financial position of the Company have occurred between the end of the financial year of the Company to which these financial statements are related to and the date of this report.

Business Operations

This year has been quite tough and challenging with continued onslaught of Covid-19 pandemic in many parts of world some faring worse than others in terms of loss of life and also in terms of economic impact. The Company's performance has been satisfactory considering the backdrop of restriction both in domestic and international market and emergence of variants that lead to a second wave.

On consolidated basis, the Revenue from operations of the Company during the year was ₹ 7,025.8 million, a decline by 14.1%. However, the operating profit (EBITDA) is lower by only 2.1% at ₹ 1,667.0 million as against previous year of ₹ 1,702.9 million.

The operating margins of the Company have not been impacted in proportion to decline in Revenues as the Company could carefully calibrate its operating and administrative expenses to control cost in these challenging times. Besides, the newly developed cost effective and high efficient models added values in material cost structure, as well as customer satisfaction. Thus, the overall cost structure in the current year was lighter compared to previous year, resulting improvement of operating profitability.

The cash flows from operations were satisfactory, working capital structure improved from previous year and liquidity is comfortable.

During the year, the Company implemented a Voluntary Retirement Scheme for Workmen and incurred a total expenditure of ₹ 185.2 million. The amount is charged off during the year and presented as an Exceptional Item in financial statements.

While the disruption caused by the pandemic initially impacted the operations, the Company addressed the dynamic operating environment with speed and agility and staged a resilient recovery during the latter part of the year.

In the domestic market, the Company witnessed good traction in order finalization towards the latter part of the year, which resulted in higher order intake by 35% over the corresponding quarter of the previous year quarter. However, during the year, domestic order booking declined by 5% as compared to the previous year. The key segments which created enough traction during order finalization in current year were co-generation, Sugar, Distillery and Process industries followed by waste to energy and waste heat recovery.

The Company witnessed a massive scaling up of its competitive strengths since first quarter of the year and invested in digitally advanced software and automation-led platforms. The Company was quick to devise plans of "Virtual Customer Connect" and are closely tracking and engaging with customers through webinars and techno-commercial meetings.

Impact of COVID-19

The first wave of Covid affected global market and operations. The Company did face operational disruption in the beginning of FY 2021, which impacted the business. However, it was agile enough to work on a mitigation plan to overcome the challenges and combat the impact of the economic slowdown induced by the pandemic. Adequate precautions were taken to limit the spread because of which the second wave did not have major impact. All steps have been taken to ensure the seamless business continuity and curtail the further impacts of Covid waves among the employees and the community.

Dividend

Pursuant to the requirements of the regulation 43A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Company has adopted a Dividend Distribution Policy. This Policy has been uploaded on the website of the Company and can be accessed at http://www.triveniturbines.com/key-policies.

The Board of Directors have recommended a dividend of 120% (₹ 1.20 per equity share) for the financial year ended March 31, 2021. The total outgo for the dividend would be ₹ 387.96 million.

Subsidiaries/Joint Ventures

The Company has a wholly-owned foreign subsidiary, namely, Triveni Turbines Europe Pvt. Ltd. (TTEPL), UK, two step-down foreign subsidiaries, namely, Triveni Turbines DMCC (TTDMCC), Dubai (a wholly-owned subsidiary of TTEPL) and Triveni Turbines Africa (Pty) Ltd. (TTAPL), South Africa, (a wholly-owned subsidiary of TTDMCC).

The Company has a domestic subsidiary (considered as a Joint Venture for the purposes of consolidated financial statements), namely, GE Triveni Ltd (GETL). GETL is a joint venture Company with D I Netherland BV, affiliate of GE and is engaged in the design, supply and service of advanced technology steam turbine generator sets, with generating capacity in the range above 30 MW upto 100 MW. The flange to flange turbine is manufactured competitively at TTL's world class facilities located at Peenya and Sompura in Bengaluru. The complete project is executed by GETL in accordance with GE's manufacturing quality and supply chain standards and processes, which include certification of suppliers, adherence to environment and health concerns, and other ethical requirements.

As reported in FY 20 Annual Report, the Company has ongoing litigations/ arbitration proceedings with DI Netherlands BV, joint venture (JV) partner and General Electric Company in GE Triveni Limited (GETL), joint venture company in relation to oppression and mismanagement claims in the said JV, violation of certain provisions of the joint venture agreement amongst others which are pending at various forums within and outside India.

During the period under review, the illegal termination of ancillary agreements with GETL and intention to terminate the JV with the Company and wilful breach of undertakings given by GE/affiliates of GE to the NCLT in relation to their obligations under aforesaid agreements, led to willful disobedience and defiance of National Company Law Appellate Tribunal (NCLAT) order dated August 27, 2019 read with the order dated February 17, 2020. Pursuant to the liberty granted by the NCLAT, the Company has filed a contempt petition before NCLT, Bengaluru on January 21, 2021 and the NCLT on April 20, 2021 has pronounced its final judgement in favour of the Company, holding the Respondents therein guilty of contempt of the NCLAT orders referred above. Being aggrieved by the NCLT order, GE / affiliates of GE have filed writ petitions under Article 226 and 227 of the Constitution of India before the Honourable High Court of Karnataka at Bangalore. There has been no stay granted by the High Court till date on the NCLT order dated April 20,2021.

DI Netherland BV, Joint Venture partner in GETL, has invoked separate arbitration proceedings before Arbitration Tribunal under the UNCITRAL Arbitration Rules, 1976 in United Kingdom and has filed a statement of claim on June 1, 2020, alleging violation of certain terms of the JV Agreement by the Company. The claims made are based on estimation and amounts are not quantified with precision. The Company firmly believes that the allegations raised are unsubstantiated, untenable, and unsustainable. The Company has submitted its statement of defence on March 06, 2021 with the Arbitration Tribunal. Respective parties are in the process to exchange their respective objections to various documents production requests.

The Company has invoked arbitration proceedings under Arbitration and Conciliation Act, 1996 ("Arbitration Act') against Nuovo Pignone S.P.A. ('GENP'), an affiliate of GE in relation to the dispute and differences relating to misappropriation of technical information of Company by GENP. An application has been submitted to the Supreme Court of India on March 1, 2021 under Section 11 of the Arbitration Act for appointing sole independent arbitrator. The said application is pending consideration before the Honourable Supreme Court.

During the year, no Company became or ceased to be your Company's subsidiary, joint venture, or associate. As required under the provisions of Section 129 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2013, a statement containing salient features of the financial statements of subsidiaries/joint ventures is provided in the prescribed format AOC-1 as **Annexure A** to the Board's Report.

Consolidated Financial Statements

In compliance with the provisions of Companies Act 2013 and Indian Accounting Standards (Ind AS) as specified in Section 133 of the Companies Act, 2013 and Regulation 34 of the Listing Regulations read with other applicable provisions, your directors have attached the Consolidated Financial Statements of the Company for financial year ended March 31, 2021, prepared in accordance with the applicable Ind AS, which form a part of the Annual Report.

The financial statements including consolidated financial statements and the accounts of each of the subsidiaries are available on the Company's website www.triveniturbines.com. These documents will be made available for inspection at the Registered Office of the Company during business hours.

Directors' Responsibility Statement

Pursuant to Section 134(5) of the Companies Act, 2013, your directors confirm that:

a) In the preparation of the annual accounts for the financial year ended March 31, 2021, the applicable accounting standards have been followed and there are no material departures;

b) The directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;

c) The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act,2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) The directors have prepared the annual accounts on a 'going concern' basis;

e) The directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and

f) The directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

Corporate Governance

In accordance with Listing Regulations, a separate report on Corporate Governance is given in **Annexure B** along with the Auditors' Certificate on its compliance in **Annexure C** to the Board's Report. The Auditors' Certificate does not contain any qualification, reservation and adverse remark.

Related Party Transactions

The Company has formulated a Related Party Transactions Policy which has been uploaded on its website at http://www.triveniturbines.com/key-policies. It is the endeavour of the Company to enter related party transactions on commercial and at an arms' length basis with a view to optimise the overall resources of the group.

All transactions entered with related parties during the year were in the ordinary course of business of the Company and at an arms-length basis. The Company had not entered any contract/arrangement/transaction with related parties which could be considered material in accordance with the policy of the Company on the materiality of related party transactions. Form AOC-2 is not attached with this Report as there was no such related party transaction for which disclosure in terms of Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is required.

Risk Management Policy and Internal Financial Controls

The Company follows a risk management policy, the objective of which is to lay down a structured framework and system to identify potential threats to the organisation and likelihood of their occurrences with a view to formulate effective mitigation with a clear accountability and ownership. It is endeavour of the Company to devise processes and control to improve the overall risk profile of the Company. The risk policy aims at controlling and minimising the risks through effective mitigation measures, internal controls and by defining risk limits and parameters.

Pursuant to the risk management policy, the Company has instituted a comprehensive risk management framework. Detailed identification of risks is carried out along with categorisation thereof based on the severity of the impact on the organisation, including on its reputation. Such categorisation gives highest weightage to the risks which have the potential to threaten the existence of the Company. The Board of Directors has constituted a Risk Management Committee, who oversees the risk management activities in the Company. At the operational level, the head of each business function owns the risks, reviews on regular intervals to plan and execute the risk mitigation aspects in a structured manner. The Chief Risk Officer coordinates the entire function and executes the decision of Risk Management Committee. The risk management policy and framework are regularly reviewed to assess and maintain its effectiveness and relevance.

As required under Section 134 (5) (e) of Companies Act, 2013 and integrated with the risk management framework, Internal Financial Controls System has been laid out which comprehensively deals with and elaborates financial controls, financial reporting and timely preparation of reliable financial statements. Additionally, clearly defined delegation of authority, policies and procedures for efficient conduct of the business, operating and financial controls have been put in place to safeguard the assets, identify and minimise leakages and wastages, and to detect and prevent frauds and errors. There is an inbuilt mechanism through self-certification, periodic testing and internal audit to ensure that all controls are working effectively.

Directors and Key Managerial Personnel (KMP)

As per the provisions of the Companies Act, 2013 (Act), Mr. Dhruv M Sawhney (DIN:00102999) will retire by rotation at the ensuing Annual General Meeting (AGM) of the Company and being eligible, seek re-appointment. The Board has recommended his re-appointment.

The term of appointment of Mr. Nikhil Sawhney, Vice Chairman and Managing Director was due to expire on May 9, 2021. As per the recommendation of the Nomination & Remuneration Committee, the Board of Directors re-appointed Mr Sawhney as Managing Director (designated as Vice Chairman and Managing Director) of the Company for a another term of 5 years w.e.f. May 10, 2021 and fixed his remuneration. The Board has recomended his re-appointment and remuneration at the ensuing AGM.

The Company has received declarations of Independence in terms of Section 149 of the Act and also under the Listing Regulations from all the Independent Directors and the same have been taken on record by the Board of Directors. As required under the provisions of Section 203 of the Act, the Key Managerial Personnel, namely, the Chairman & Managing Director, the Vice Chairman & Managing Director, the Executive Director, the Vice President & CFO and the Company Secretary continue to hold that office as on the date of this report.

Employees Stock Option

There are no outstanding stock options and no stock options were either issued or allotted during the year.

Auditors

Statutory Auditors

M/s Walker Chandiok & Co LLP (ICAI Firm Registration No.001076N)/N500013 (WCC), were appointed as Statutory Auditors of the Company at the 22nd AGM to hold office for a period of five consecutive years from the conclusion of that

AGM until the conclusion of 27th AGM of the Company to be held in the year 2022.

The Auditors report for FY 21 does not contain any qualification, reservation or adverse remark. Further pursuant to Section 143(12) of the Act, the Statutory auditors of the Company have not reported any instances of fraud committed in the Company by its officers or employees, the details of which would need to be mentioned in the Board's Report.

Cost Auditor

In terms of the provisions of Section 148 of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014 and the Companies (Cost Records and Audit) Rules, 2014 duly amended, cost audit is applicable to the Company for the FY 21. The Company has been maintaining cost accounts and records in respect of applicable products. M/s J.H & Associates, Cost Accountants, Bengaluru have been appointed as the Cost Auditors to conduct the cost audit of your Company for the FY22. The Board recommends the ratification of the remuneration to the Cost Auditors.

Secretarial Auditor

In terms of Section 204 of the Companies Act, 2013, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board appointed M/s Sanjay Grover & Associates, a firm of Company Secretaries in practice to undertake the Secretarial Audit of the Company for FY 21. The report on secretarial audit is annexed as **Annexure D** to the Board's Report. The report does not contain any qualification, reservation or adverse remark.

Corporate Social Responsibility (CSR)

A revised CSR policy was formulated by the CSR committee which on its recommendation, was approved by the Board. The revised CSR Policy is available on the Company's website at http://www.triveniturbines.com/key-policies. The composition of the CSR Committee and Annual Report on CSR Activities during FY 21 as recomended by the CSR Committee and approved by the Board is provided in **Annexure E** to the Board's Report.

Audit Committee

The composition of the Audit Committee is provided in the Corporate Governance Report that forms part of this Annual Report.

Vigil Mechanism

The Company has established a vigil mechanism through a Whistle Blower Policy and through the Audit Committee to oversee genuine concerns expressed by the employees and other directors. The Company has also provided adequate safeguards against victimisation of employees and directors who may express their concerns pursuant to this policy. The Company has also provided a direct access to the Chairman of the Audit Committee on reporting issues concerned with the interests of the employees and the Company. The policy has been uploaded on the website of the Company at http://www.triveniturbines.com/key-policies.

Disclosure under the Sexual harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act 2013

The Company has an Anti-Sexual Harassment policy in line with the requirements of Sexual Harassment Of Women At The Workplace (Prevention, Prohibition and Redressal) Act 2013. The Internal Complaint Committee (ICC) has been set up to address complaints received regarding sexual harassment. During the period under review, no complaint was received by the ICC.

Board Meetings

During the year, six Board Meetings were held, the details of which are given in the Corporate Governance Report that forms part of the Board's Report. The maximum interval between the two meetings did not exceed 120 days as prescribed in the Companies Act, 2013 and the Listing Regulations.

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

Note 5 of the standalone financial statements of the Company included in the Annual Report, provides the particulars of the investments made by the Company in the security of other corporate bodies. The Company has not given any loans or guarantees nor provided any security in connection with a loan to any corporate body or person.

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

The particulars required under Section 134(3) (m) of the Companies Act, 2013, read with the relevant rules, are provided in **Annexure F** to the Board's Report.

Particulars of Employees

The information as required under Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided in **Annexure G** to the Board's Report. The particulars of employees drawing remuneration in excess of limits set out in the Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are provided in **Annexure H** to the Board's Report. However, as per the provisions of Section 136 of the Companies Act, 2013, the Annual Report is being sent to all the members of the Company, excluding the aforesaid information. The said information is available for inspection by the members at the registered office of the Company, up to the date of the ensuing Annual General Meeting. Any member interested in obtaining such particulars may write to the Company Secretary at the registered office of the Company.

Management's Discussion and Analysis

In terms of provisions of Regulation 34 of the Listing Regulations, the Management's discussion and analysis is detailed out in this Annual Report.

Business Responsibility Report

The Listing Regulations mandate top 1000 listed entities based on the market capitalisation as on March 31 of every financial year, to include the Business Responsibility Report as part of the Director's Report of the Company. The report in the prescribed form is annexed as **Annexure I** to the Board Report.

Secretarial Standards

The Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems are adequate and operating effectively.

Deposits

The Company has not accepted any public deposits under Section 73 of the Companies Act, 2013.

Extracts of Annual Return

The Annual Return of the Company for the financial year 2020-21 is available on the Company's website at www.triveniturbines.com

Significant and material orders

There are no significant and material orders passed by regulators or courts or tribunals impacting the going concern status and the Company's future operations.

Human Resources

The Company believes that its people are the prime movers of growth. They play a critical role in the Company that operates in a niche segment of engineering, while competing with global brands in India and internationally. The Company is proud to have a highly trained and motivated team skilfully conducting business across global markets in sales and service, manufacturing, technology and product development.

The expertly-designed HR processes ensure that people are well taken care of in terms of their personal well-being and at the same time, ascertaining that they are contributing to the growth of the organization. The various processes of evaluation, rewards and recognition have enabled the performance-driven culture in the organization.

The Company believes in the development of personal talent. The Company recruits trainees (GET/DETs) through a rigorous selection process from reputed colleges and these remarkable individuals undergo an intensive 2-year structured training program. The program includes both classroom and on-the-job training in the various departments and as well as customer locations.

Training is a robust process that covers all levels of employees. Since Covid-19 made it impossible to train people in a classroom setting, the emphasis was placed on enhancing their skills online through external and internal facilitators.

The Company has set up an in-house state-of-the-art Learning Centre to enable continuous learning and development within its system. The centre aims at imparting focused learning on Product and augmentation of competencies in technical, managerial and leadership skills.

The Company has dynamic and effective HR processes of Performance and Talent management. These processes enable the Company to identify, nurture and develop abilities. The focus is on professional development of capabilities through a variety of processes and initiatives including, Career Planning, Job Enrichment, Rewards and Recognition etc. These assure that the personal growth aspirations of employees are met. Effective HR processes over the years have yielded better productivity and low attrition levels that have led to improved longevity of the people in the Company.

Policy on Directors' appointment and remuneration

The policy of the Company on the appointment and remuneration of the directors as approved by the Board, including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under sub-section (3) of Section 178 of the Companies Act, 2013 and the Listing Regulation has been uploaded on the website of the Company at http://www.triveniturbines.com/key-policies. There has been no change in the policy since the last fiscal year and the remuneration paid to the directors is as per the terms laid out in the policy.

Board Evaluation Mechanism

Pursuant to the provisions of Companies Act 2013 and the Listing Regulations, the Board has carried out an annual performance evaluation of its own performance, those of individual directors, as well as, of its committees.

The evaluation criteria as defined in the Nomination and Remuneration Policy of the Company, covered various aspects of the Board, such as composition, performance of specific duties, obligations and governance.

The performance of individual directors was evaluated on parameters, such as number of meetings attended, contribution made in the discussions, contribution towards formulation of the growth strategy of the Company, independence, application of judgement, safeguarding the interest of the Company and minority shareholders, time devoted apart from attending the meetings of the Company, active participation in long term strategic planning, ability to contribute by introducing best practices to address business challenges and risks etc. The directors have expressed their satisfaction with the evaluation process.

Appreciation

Your directors wish to take this opportunity to express their sincere appreciation to all the stakeholders, customers, suppliers, shareholders, employees, the Central Government, the Karnataka Government, financial institutions, banks and all other business associates for their whole-hearted support and co-operation. We look forward to their continued support and encouragement.

For and on behalf of the Board of Directors,

Dhruv M Sawhney
Chairman & Managing Director
DIN 00102999

Date: June 28, 2021

Annexure-A

Statement Containing Salient Features of the Financial Statement of Subsidiaries / Associate Companies/Joint Ventures

Part "A": Subsidiaries

(₹ in Million)

Name of the subsidiary		GE Triveni Ltd. (GETL)(#)	Triveni Turbines Europe Pvt. Ltd. (TTE)	Triveni Turbines DMCC (TTD)	Triveni Turbines Africa (Pty) Ltd (TTA)
1.	Country of Incorporation	India	United Kingdom	Dubai, UAE	South Africa
2.	Date of becoming subsidiary/acquisition	28.05.2010	23.12.2014	31.03.2015	13.07.2017
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NA	NA	NA	NA
4.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	INR	Currency – GBP Exchange rate- 1GBP = INR 100.95	Currency-USD Exchange rate- 1USD=INR 73.5	Currency- ZAR Exchange rate- 1ZAR= INR 4.94
5.	Share capital	160.00	20.19	14.02	3.04
6.	Reserves & surplus	400.66	28.19	211.66	7.21
7.	Total assets	927.08	58.90	267.71	28.49
8.	Total Liabilities	366.42	10.52	42.02	18.25
9.	Investments	-	12.54*	3.68 **	-
10.	Turnover (Including other Income)	502.03	0.52	318.77	51.64
11.	Profit/(Loss) before taxation	95.74	(4.64)	73.14	3.03
12.	Provision for taxation	22.64	0.04	-	0.96
13.	Profit after taxation	73.10	(4.68)	73.14	2.08
14.	Proposed Dividend	-	-	-	-
15.	% of shareholding	50%+1 share	100%	100%	100%

(*) in the equity share capital of TTD which is a wholly owned subsidiary of TTE

(**) in the equity share capital of TTA which is a wholly owned subsidiary of TTD

(#) GETL has been considered as a joint venture for the purposes of consolidated financial statements. (Refer Part B below) and disclosure related to financial information has been taken based on latest unaudited financial statements as at and for the year ended March 31, 2021.

Part "B": Associates and Joint Ventures

For the purposes of Consolidated Financial Statements, GETL has been considered as a Joint Venture based upon control assessment carried out in accordance with Ind AS 110 *Consolidated Financial Statements* and Ind AS 111 *Joint Arrangements*. The details of Joint Venture are given below:

Name of Associates or Joint Ventures		GE Triveni Limited (GETL)
1.	Latest audited Balance Sheet Date	March 31, 2019
2.	Date on which the Associate of Joint Venture was associated or acquired	May 28, 2010
3.	Shares of Associates or Joint Ventures held by the Company on the year end	
	- No of shares	8000001
	- Amount of Investment in Associates or Joint Ventures	80.00
	- Extent of holding (in percentage)	50%+ 1 share
4.	Description of how there is significant influence	Due to holding of stake of more than 20%
5.	Reason why the associate / joint Venture is not consolidated	Being Consolidated based on Applicable Ind AS
6.	Net worth Attributable to shareholding as per latest audited Balance Sheet	138.29
7.	Profit / Loss for the year (after tax) (₹ million) –	73.10
8.	Total Comprehensive Income (₹ million) –	73.10
	i. Considered in Consolidation (₹ million)	52.52
	ii Not Considered in Consolidation	-

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

Dhruv M Sawhney
Chairman and Managing Director
DIN 00102999

Homai A. Daruwalla
Director & Chairperson Audit Committee
DIN 00365880

Lalit Kumar Agarwal
Vice President & CFO

Rajiv Sawhney
Company Secretary

Date: June 28, 2021

Annexure-B

Corporate Governance Report

Company's Philosophy on code of Governance

Your Company is of the belief that sound Corporate Governance is vital to enhance and retain stakeholders' trust. Good Governance underpins the success and integrity of the organisation, institutions and markets. It is one of the essential pillars for building efficient and sustainable environment, system and practices to ensure that the affairs of the Company are being managed in a way which ensures accountability, transparency, fairness in all its transactions in the widest sense and meet its stakeholder's aspirations and societal expectation. Your Company is committed to the adoption of best governance practices and its adherence in the true spirit at all times and envisages the attainment of a high level of transparency and accountability in the functioning of the Company and conduct of its business internally and externally.

In line with the above philosophy, your Company continuously strives for excellence through adoption of best governance and disclosure practices. The Company recognises that good governance is a continuing exercise and thus reiterates its commitment to pursue highest standard of Corporate Governance in the overall interest of its stakeholders.

Your Company is conscious of the fact that the success of a company is reflection of the professionalism, conduct and ethical values of its management and employees.

In addition to the compliance with the regulatory requirements as per Regulation 17 of Securities and Exchange Board of India (Listing obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), your Company's endeavours to ensure that the highest standard of ethical and responsible conduct are met throughout the organisation.

I Board of Directors ("Board")

The Company is managed and guided by the Board of Directors. The Board formulates the strategy and regularly reviews the performance of the Company. The Board has been entrusted with the requisite powers, authorities and duties to enable it to discharge its responsibilities and provide effective leadership to the Business.

The Company has an optimum combination of Executive, Non-Executive and Independent Directors who are eminent persons with professional expertise and valuable experience in their respective areas of specialisation and bring a wide range of skills and experience to the Board.

The Chairman and Managing Director of the Company provides vision and leadership for achieving the approved strategic plan and business objectives. He presides over the Board and the Shareholders' meetings. The Chairman and Managing Director with the support of the Vice Chairman and Managing Director, Executive Director and Senior Executives oversees the operations of the Company.

As on the date of this report the Board comprises of 8 (Eight) members which include 4 (four) Non-Executive Independent Directors including one Women Director, 1 (one) Non-Executive Non Independent Director and 3 (three) Executive Directors. None of the Independent Directors of the Company serve as an Independent Director in more than seven listed Companies.

Meetings of the Board

The Board of Directors met six times during the financial year 2020-21 ended on March 31, 2021. Board Meetings were held on April 22, 2020, June 13, 2020, August 5, 2020, November 2, 2020, February 1, 2021 and March 26, 2021. The maximum gap between any two Board Meetings was less than one hundred twenty days.

Independent Directors

The Company has received necessary declarations from each of the Independent Director under Section 149(7) of the Companies Act, 2013, (Act) that he /she meets the criteria of Independence laid down in Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations. Based on the confirmations / disclosures received from the Directors and on evaluation of the relationships disclosed as per the requirement of Regulation 25(8) of the Listing Regulations, the Board confirms, that the Independent Directors fulfill the conditions as specified under Schedule V of the Listing Regulations and are independent of the management.

The maximum tenure of Independent directors is in compliance with the Companies Act, 2013 and the terms and conditions of their appointment have been disclosed on the website of the Company (http://www.triveniturbines.com/key-policies).

Regulation 25(3) of Listing Regulations read with Schedule IV of the Companies Act, 2013 and the rules under it mandate that the Independent Directors of the Company hold at least one meeting in a year without the attendance of Non-Independent Directors and members of the management. During the year, separate meeting of the Independent Directors was held on March 26, 2021 without the attendance of non-independent directors and members of the management. All the Independent Directors attended the said meeting.The independent directors, inter-alia, reviewed the performance of non-independent directors, Chairman of the Company and the Board as a whole.

Familiarisation programme for Independent Directors

The Board/Committee members are provided with the necessary documents/brochures, reports and internal policies, codes of conduct to enable them to familiarise with the Company's procedure and practices. Directors are regularly updated on performance of the business of the Company, business strategy going forward and new initiative being taken/proposed to be taken by the Company through presentation. Deep Discussion are conducted by the Senior Executives including the Industry/Market (Domestic & International), competition, Company's performance, future outlook. Factory visits are organised as and when desirable/ expedient, for the Directors.

The details of the familiarisation programme of the Independent Directors are available on the Company's website at http://www.triveniturbines.com/key-policies

Succession planning for the Board and senior management

Board of Directors

The Nomination and Remuneration Committee (NRC) of the Board, shall identify the suitable person for appointment at Board level including from the existing top management. The NRC shall apply due diligence process to determine competency of person(s) being considered for appointment or re-appointment as a Director including Managing Director / Whole-time Director of the Company in accordance with the provisions of the Nomination and Remuneration Policy of the Company and the applicable provisions of the Companies Act, 2013 and the Rules made thereunder and the SEBI (LODR) Regulations, 2015, as amended from time to time.

Senior Management

The Managing Director(s)/Executive Director(s) are empowered to identify, appoint and remove the Senior Management Personnel in accordance with the provisions of the NRC Policy, and keeping in view the organization's mission, vision, values, goals and objectives.

Composition of Board

The composition of the Board of Directors, their attendance at the Meetings during the year and at the last Annual General Meeting as also the detail with regard to outside Directorships and committee positions are as under:–

Name of Director and DIN	Category	No. of Board Meeting attended (Total Meetings held:6)	Attendance at last AGM held on September 23, 2020	No. of other Directorships##	No. of Committee positions held in other companies###		Directorship in other listed entity (Category of Directorship)
					Chairman	Member	
Mr. Dhruv M. Sawhney# Chairman & Managing Director DIN-00102999	Promoter & Executive Director	6	Yes	3	1	1	1. Triveni Engineering and Industries Limited (Promoter and Executive Director)
Mr. Nikhil Sawhney# Vice Chairman and Managing Director DIN-00029028	Promoter & Executive Director	6	Yes	3	Nil	2	1. Triveni Engineering and Industries Limited (Promoter and Non-Executive)

Name of Director and DIN	Category	No. of Board Meeting attended (Total Meetings held:6)	Attendance at last AGM held on September 23, 2020	No. of other Directorships##	No. of Committee positions held in other companies###		Directorship in other listed entity (Category of Directorship)
					Chairman	Member	
Mr. Tarun Sawhney# DIN-00382878	Promoter & Non-Executive Director	6	Yes	3	Nil	2	1. Triveni Engineering and Industries Limited (Promoter and Executive Director)
Mr. Arun Prabhakar Mote Executive Director DIN-01961162	Executive Director	6	Yes	1	Nil	Nil	-
Ms. Homai A Daruwalla DIN 00365880	Independent Non-Executive Director	6	Yes	8	2	8	1. Triveni Engineering and Industries Limited (Independent Non-Executive Director) 2. Jaiprakash Associates Limited (Independent Non-Executive Director) 3. Gammon Infrastructure Projects Limited (Independent Non-Executive Director) 4. Rolta India Limited (Independent Non-Executive Director) 5. Associated Alcohol & Breweries Ltd (Independent Non-Executive Director)
Dr. Anil Kakodkar DIN 03057596	Independent Non Executive Director	6	No	1	1	2	1. Walchandnagar Industries Limited (Independent Non-Executive Director)
Dr. Santosh Pande DIN- 01070414	Independent Non Executive Director	6	Yes	2	1	2	1. Triveni Engineering and Industries Limited (Independent Non Executive Director)
Mr. Shailendra Bhandari DIN -00317334	Independent Non Executive Director	6	No	1	-	1	-

Mr. Tarun Sawhney and Mr. Nikhil Sawhney are sons of Mr. Dhruv M. Sawhney, Chairman & Managing Director of the Company and are thus related.

Excludes Directorships in Indian Private Limited Companies, Foreign Companies, Firms, Partnerships including LLPs, Section 8 Companies and membership of various Chambers and other non-corporate organisations.

The committees considered for the purpose are those prescribed under Regulation 26 of Listing Regulations i.e. Audit Committee and Stakeholders' Relationship Committee of public limited companies.

Board Functioning and procedure

Matrix of skills/ expertise/ competence of the Board of Directors

The Board comprises qualified members who bring in the required skills, competence and expertise that allow them to make effective contribution to the Board and its committees.

Details of the core skills/ expertise/ competencies identified by the board of directors as required in the context of the Company's business(es) and sector(s) in which it operates to function effectively.

General management and leadership experience*: This includes experience in the areas of general management practices and processes, business development, strategic planning, global business opportunities, manufacturing, engineering, financial management, information technology, research and development, senior level experience and academic administration.

Knowledge, Functional and managerial experience*: Knowledge and skills in accounting and finance, business judgment, crisis response and management, industry knowledge, formulating policies and processes, legal & administration, sales and marketing, supply chain, risk management & internal controls, financial & operational controls.

Diversity & Behavioural and Personal attributes: Diversity of thought, experience, perspective, gender and culture brought to the Board by individual members. Personal characteristics matching the Company's values, such as ethics & integrity, accountability, commitment, building relationship.

Corporate governance and Finance: Understanding of good corporate governance practices & regulatory framework applicable to the Company and its compliances, maintaining board and management accountability, protecting stakeholders' interests and Company's responsibilities towards customers, employees, suppliers, regulatory bodies and the communities in which it operates, financial skills, oversight for risk management and internal controls and proficiency in financial management.

*These skills/competencies are broad-based, encompassing several areas of expertise/ experience. Each Director may possess varied combinations of skills/experience within the described set of parameters, and it is not necessary that all Directors possess all skills/experience listed therein.

Given below is a list of core skills, expertise and competencies of the individual Directors:

Core Skills/Expertise	DS	NS	TS	HD	SP	SB	AK	AM
General Management and Leadership	✓	✓	✓	✓	✓	✓	✓	✓
Functional and managerial experience	✓	✓	✓	✓	✓	✓	✓	✓
Diversity behavioural and personal attributes	✓	✓	✓	✓	✓	✓	✓	✓
Corporate governance and Finance	✓	✓	✓	✓	✓	✓	✓	✓

DS- Mr. Dhruv M Sawhney, NS- Mr. Nikhil Sawhney, TS- Mr. Tarun Sawhney, HD – Ms Homai Daruwalla, SP – Dr Santosh Pande, SB- Mr. Shailender Bhandari, AK – Dr. Anil Kakodkar, AM –Mr. Arun Mote

Board Meeting Frequency and circulation of Agenda papers

The Board and its Committees meet at regular intervals for discussion on agenda circulated well in advance by the Company. All material information is incorporated in the agenda for facilitating meaningful and focused discussion at the meeting. Where it is not practical to attach or send the relevant information as a part of agenda papers, the same are tabled at the Meeting. To meet the business exigencies or urgent matters the resolutions are passed by the Directors by Circulation.

The Company has proper systems to enable the Board to periodically review compliance reports of all laws applicable to the Company, as prepared by the Company as well as steps taken by the Company to rectify instances of non-compliances. The Board reviewed compliance reports prepared by the Company on quarterly periodicity.

Presentations by the Management

The senior management of the Company is invited at the Board meetings to make presentations covering performance of the businesses of the Company, Strategy and Business Plans and to provide clarifications as and when necessary.

Access to Employees

The Directors bring an independent perspective on the issues deliberated by the Board. They have complete and unfettered access to any information of the Company and to any employees of the Company.

Availability of Information to Board members include:

- Performance of business, business strategy going forward, new initiatives being taken/proposed to be taken and business plans of the Company.
- Annual operating plans and budgets including capital expenditure budgets and any updates.
- Quarterly results of the Company.
- Minutes of the meetings of the committees of the Board.
- The information on recruitment and remuneration of senior officer just below the Board level, including appointment or removal of Chief financial officer and the Company Secretary
- Show cause, demand, prosecution notices and penalty notices which are materially important.
- Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems.
- Any material default in the financial obligations to and by the Company, or substantial non-payment for goods sold / services provided by the Company.
- Any issue, which involves possible public or product liability claims of substantial nature, including any judgment or order which, may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that can have negative implications on the Company.
- Details of any joint venture or collaboration agreement.
- Transactions that involve substantial payment towards goodwill, brand equity, or intellectual property.
- Significant labour problems and their proposed solutions. Any significant development in Human Resources/ Industrial Relations front like signing of wage agreement etc.
- Sale of material nature, of investments, subsidiaries, assets, which is not in normal course of business.
- Quarterly details of foreign exchange exposures and the steps taken by the management to limit the risks of adverse exchange rate movement, if material.
- Non-compliance of any regulatory, statutory nature or listing requirements and shareholders service such as non-payment of dividend, delay in share transfer etc.
- Statutory compliance report of all laws applicable to the Company.
- Details of the transactions with the related parties.
- General notices of interest of Directors.
- Appointment, remuneration and resignation of Directors.

Post Meeting follow up mechanism

The important decisions taken by the Board at its meetings are promptly communicated to the concerned departments/divisions. Action taken report on the decisions of the previous meeting(s) is placed at the immediately succeeding meeting of the Board for information and review by the Board.

Appointment/ Re-appointment of Director

The information/details pertaining to Director seeking appointment /re-appointment in ensuing Annual General Meeting (AGM), is provided in the notice for the AGM. The Notice contains the relevant information, like brief resume of the Director, nature of his expertise in specific functional areas and names of the companies in which he holds Directorship and membership of any Committee of the Board.

II Committees of the Board

The Board Committees play a crucial role in the governance structure of the Company and are constituted to deal with specific areas/activities which concern the Company and are considered to be performed by members of the Board. The Board supervises the execution of its responsibilities by the committees and is responsible for their action. The minutes of the meetings of all the committees are placed before the Board. The Board committees can request special invitees to join the meeting as appropriate. The Board has constituted the following committees with adequate delegation of powers to discharge business of the Company:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders' Relationship Committee
4. Corporate Social Responsibility Committee
5. Risk Management Committee

Details of the role and composition of these committees, including the number of meetings held during the financial year and the related attendance are provided below:

1. Audit Committee

Composition, Meetings and Attendance

The Audit Committee is headed by an Independent Director and consists of the members as stated below. During the year ended on March 31, 2021, the Committee held five meetings on June 13, 2020, July 14, 2020, August 5, 2020, November 2, 2020 and February 1, 2021. The maximum gap between any two meetings was less than one hundred and twenty days. The composition and attendance detail of each Committee member is as under:-

Name of the Members	Category	No. of meetings Held	No. of meetings Attended
Ms.Homai A Daruwalla-Chairperson	Independent Non Executive Director	5	5
Mr. Nikhil Sawhney	Promoter &Executive Director	5	5
Dr. Santosh Pande	Independent Non Executive Director	5	5

The Company Secretary acts as the Secretary of the Audit Committee. Ms Homai A Daruwalla Chairperson of the Audit Committee and Stakeholders Relationship Committee attended the 25th AGM held on September 23, 2020 to answer the shareholders queries.

The terms of reference of the Committee inter-alia include:-

- Reviewing the Company's financial reporting process and its financial statements.
- Reviewing the accounting and financial policies and practices and compliance with applicable accounting standards.
- Reviewing the efficacy of the internal control mechanism, monitor risk management policies adopted by the Company and ensure compliance with regulatory guidelines.
- Reviewing reports furnished by the internal and statutory auditors, and ensure that suitable follow-up action is taken.
- Examining accountancy and disclosure aspects of all significant transactions.
- Reviewing with management the quarterly, half yearly & annual financial statements including review of qualifications, if any, in the audit report before submission to the Board for approval.
- Recommending appointment of Statutory and Internal auditors and fixation of audit fees.
- Seeking legal or professional advice, if required.
- Approval or any subsequent modifications of transactions of the Company with related parties.
- Scrutiny of Inter-Corporate loans and investments.
- Valuation of undertakings or assets of the Company, wherever required.
- Reviewing the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding Rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investment.
- To consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc. on the listed entity and its shareholders.

The constitution and term of reference of the Audit Committee meet the requirements of Regulation 18 of the Listing Regulations read with the relevant provisions of the Companies Act, 2013.

Based on the discussion with the Management and auditors, the committee has recommended the following to the Board

1. Audited Standalone Financial statements prepared in accordance with Ind AS for the year ended March 31, 2021 be accepted by the Board as true and fair statement.

2. Audited Consolidated Financial statement prepared in accordance with Ind AS and its subsidiaries for the year ended March 31, 2021 be accepted as true and fair statement.

2. Nomination & Remuneration Committee (NRC)

Composition, Meetings and Attendance

The Nomination & Remuneration Committee is headed by an Independent Director and consists of the members as stated below. During the year ended on March 31, 2021, the Committee held two meetings on June 12, 2020 and November 2, 2020. The attendance details of each Committee member is as under:-

Name of the Members	Category	No. of meetings	
		Held	Attended
Ms Homai A Daruwalla – Chairperson	Independent Non Executive Director	2	2
Mr. Tarun Sawhney	Promoter and Non-Executive Director	2	2
Dr Santosh Pande	Independent Non Executive Director	2	2

The broad terms of reference of the Committee are to

- Identify persons who are qualified to become Directors (Executive, Non-Executive and Independent Directors) and who may be appointed in senior management in accordance with the criteria laid down.
- Recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance.
- Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board, a policy relating to the remuneration for the directors (Executive, Non-Executive and Independent Directors), Key Managerial Personnel and other employees.
- Plan for succession of Board members and Key Managerial Personnel;
- Devise a policy on Board diversity;
- Formulate and administer the Company's Employee Stock Option Scheme from time to time in accordance with SEBI guidelines; and
- Review the adequacy of aforesaid terms of reference and recommend any proposed change to the Board for its approval.

The constitution and term of reference of the NRC meet the requirements of Regulation 19 of the Listing Regulations read with the relevant provisions of the Companies Act, 2013 and the SEBI ESOP Guidelines/Regulations

Remuneration Policy

In terms of the provisions of the Companies Act, 2013 and the listing regulations the Board of Directors of the Company has adopted Nomination and Remuneration Policy for nomination and remuneration of Directors, KMP and Senior Management. The Nomination and Remuneration Policy is available on the website of the Company (http://www.triveniturbines.com/key-policies). There has been no change in the policy since last fiscal.

Board Evaluation

The Nomination and Remuneration Committee has laid down the criteria for evaluation of performance of Directors based on the indicators provided in the Remuneration Policy. The performance evaluation of Independent Directors (IDs) was done by the entire Board of Directors, excluding the ID being evaluated, based on parameters, such as, number of meetings attended, inputs and contribution made, independence of judgement, effectiveness etc. The Chairman and Managing Director, Vice Chairman and Managing Director and the Executive Director evaluates the Senior Management Personnel, including KMPs considering the competencies/indicators provided in the Remuneration policy.

Remuneration to Executive Directors

The remuneration to the Executive Director is recommended by the Nomination and Remuneration Committee to the Board and after approval by the Board, the same is put up for the shareholder approval. Executive Directors do not receive any sitting fees for attending the Board and Committee meetings.

During the financial year 2020-21, the Company had three (3) Executive Directors viz. Mr. Dhruv M. Sawhney, Chairman & Managing Director (CMD), Mr. Nikhil Sawhney, Vice Chairman & Managing Director (VCMD) and Mr. Arun Prabhakar Mote, Executive Director (ED).

The details of remuneration paid/payable to CMD, VCMD & ED during the financial year 2020-2021 are as under:

(₹ in million)

Name of the Executive Director	Mr. Dhruv M. Sawhney CMD	Mr. Nikhil Sawhney VCMD	Mr. Arun Prabhakar Mote ED
No. of shares held as on March 31, 2021	23386813	14760246	70291
Service Period	10.05.2019 to 09.05.2024	10.05.2016 to 09.05.2021*	1.11.2019 to 31.10.2022
Salary	Nil	33.82	24.99
Performance Bonus/ Commission	Nil	16.00	3.50
Contribution to PF and other Funds	Nil	5.40	1.30
Other Perquisites	Nil	1.27	0.17
Total	Nil	56.49	29.96

* The Board of Director of the Company at their meeting held on 8.5.2021 on the recommendation of Nomination and Remuneration committee re-appointed him as Managing Directors designated as Vice Chairman and Managing Director of the Company for 5 years w.e.f 10.5.2021 to 9.5.2026.

In accordance with shareholders' approval Mr. Dhruv M. Sawhney has not been drawing any remuneration from this Company (in his capacity as Chairman and Managing Director of the Company). He has been drawing remuneration from the foreign step-down subsidiary namely, Triveni Turbines DMCC, Dubai. As per the terms of contract he is entitled to a basic salary of 1,50,000 AEDs per month.

Remuneration to Non-Executive Directors (NEDs)

The Company pays sitting fee to its NEDs for attending the meetings of the Board and its Committees. In addition to the sitting fees, the Company pays commission to its NEDs within the limits approved by the shareholders of the Company. The said commission is decided by the Board and distributed to NEDs based on their contribution during Board/Committee meetings, as well as time spent on operational/ strategic matters other than at meetings. The details of the remuneration paid/provided during the financial year 2020-21 to NEDs are as under:-

(₹ in million)

Name of the Non-Executive Director	Sitting fees for the year ended March 31, 2021	Commission for the year ended March 31, 2021	No of Shares held as on March 31, 2021
Mr. Tarun Sawhney	0.44	1.15	13972088
Ms.Homai A Daruwalla	0.74	1.25	-
Dr. Anil Kakodkar	0.35	1.15	-
Dr. Santosh Pande	0.75	1.15	-
Mr. Shailendra Bhandari	0.35	1.15	-

None of the Independent / Non-Executive Directors has any pecuniary relationship or transactions with the Company, its promoters and its senior management, its subsidiaries and associate companies except for the payment of remuneration as stated above. Ms. Homai A Daruwalla and Dr. Santosh Pande Independent Directors are also on the Board of Directors of Triveni Engineering & Industries Ltd. (TEIL), one of the promoter companies and have received sitting fees as a Director/Committee member from that Company.Whereas Mr.Tarun Sawhney, Promoter & Non Executive Director is the Vice Chairman and Managing Director of TEIL and has drawn remuneration from that Company.

During the year, the Company has not issued any stock option to its Directors including Independent Directors under its ESOP Schemes.

3. Stakeholders' Relationship Committee (SRC)

Composition, Meetings and Attendance

The Stakeholders' Relationship Committee is headed by an Independent Director and consists of the members as stated below. During the year ended on March 31, 2021, the Committee held one meeting on March 26, 2021. The composition and attendance of each Committee Member is as under:-

Name of the Members	Category	No. of meetings	
		Held	Attended
Ms.Homai A Daruwalla–Chairperson	Independent Non Executive Director	1	1
Mr. Nikhil Sawhney	Promoter and Executive Director	1	1
Mr. Tarun Sawhney	Promoter and Non-Executive Director	1	1

Function and term of reference:

The Function and terms of reference of the SRC as specified in the Regulation 20 of the Listing Regulations and Section 178 of the Companies Act 2013 as amended form time to time and broadly include

- Resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the company in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/ annual reports/statutory notices by the shareholders of the Company.
- Review of the report(s) which may be submitted by the Company Secretary / RTA relating to approval/confirmation of requests for share transfer/ transmission/ transposition/ consolidation/issue of duplicate share certificates/ sub-division, consolidation, remat, demat etc. on quarterly basis.

The constitution and term of reference of the SRC meet the requirements of Regulation 20 of the Listing Regulations read with the relevant provisions of the Companies Act, 2013. Mr. Rajiv Sawhney Company Secretary has been designated as the Compliance Officer of the Company

Details of Investor complaints

During the Financial year ended March 31, 2021, the Company received complaints from various shareholders / investors relating to non-receipt of dividend, annual report etc. All of them were resolved / replied suitably by furnishing the requisite information /documents. Details of investor complaints received and resolved during the FY 20-21 are as follows:

Opening Balance	Received	Resolved	Pending
Nil	5	5	Nil

Further there were no pending share transfers and requests for dematerialisation as on March 31, 2021. Number of Complaints received during the year as a percentage of total number of members as on March 31, 2021 is 0.01 %.

4. Corporate Social Responsibility Committee

Composition, Meetings and Attendance

The Corporate Social Responsibility Committee is headed by an Executive Director and consists of the members as stated below. During the year ended on March 31, 2021, the Committee met two times on June 12, 2020 and September 28, 2020. The committee position and attendance detail of each Committee member is as under:-

Name of the Members	Category	No. of meetings	
		Held	Attended
Mr. Nikhil Sawhney-Chairman	Promoter and Executive Director	2	2
Mr. Tarun Sawhney	Promoter and Non Executive Director	2	2
Mr. Arun Prabhakar Mote	Executive Director	2	2
Ms. Homai A Daruwalla	Independent Non Executive Director	2.	2.

Function and term of reference:

In accordance with the provisions of Companies Act, 2013, the Committee is authorised to formulate and recommend to the board, a CSR policy indicating the activity or activities to be undertaken by the Company as specified in Schedule VII of the Companies Act 2013; recommend amounts to be spent on these activities; review the Company's CSR policy periodically and monitor the implementation of the CSR projects by instituting a structured and effective monitoring mechanism.

The constitution and term of reference of the CSR Committee meet the requirements of relevant provisions of the Companies Act, 2013.

5. Risk Management Committee

The Risk Management Committee is headed by an Executive Director and consists of the members as stated below. During the year ended on March 31, 2021, the Committee met one time on August 1, 2020.The committee position and attendance detail of each Committee member is as under:-

Name of the Members	Category	No. of meetings	
		Held	Attended
Mr. Nikhil Sawhney-Chairman	Promoter and Executive Director	1	1
Mr. Santosh Pande	Independent Non Executive Director	1	1
Mr. Arun Prabhakar Mote	Executive Director	1	1
Mr. Lalit Kumar Agarwal*	Chief Financial officer	N. A.	N. A.
Mr. Deepak Kumar Sen*	Ex -Chief Financial officer	1	1

*Mr. Lalit Kumar Agarwal joined as member of the committee on superannuation of Mr. Deepak Kumar Sen w.e.f 01.11.2020 on expiry of his term.

The Function and term of reference of the Committee are

- To formulate a detailed risk management policy which shall include:
  - (a) A framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as determined by the Committee.
  - (b) Measures for risk mitigation including systems and processes for internal control of identified risks.
- Business continuity plan.
- To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company.
- To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems.
- To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity.
- To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken.
- To review the appointment, removal and terms of remuneration of the Chief Risk officer of the Company (if any).
- To coordinate the activities of the committee with other committees, in instances where there is any overlap with activities of other such committees, as per the framework laid down by the board of directors.
- To pursue such other activities and functions as may be provided under the relevant provisions of the Companies Act, 2013 or SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 duly amended from time to time.

The constitution and term of reference of the Risk Management Committee meet the requirements of Regulation 21 of the Listing Regulations.

Other Functional Committees

Operations Committee

Apart from the above statutory committees, the Board of Directors has constituted an Operations Committee comprising of three (3) Directors to oversee routine items that are in the normal course of the business. The Board of Directors have delegated certain powers to this Committee to facilitate the working of the Company. The Committee met 2 times during the Financial year ended March 31, 2021 on September 11, 2020 and December 14, 2020.

III General Body Meetings

Particulars of the last three Annual General Meetings are as follows:

Year	Date & Day	Location	Time	Special Resolution
2019-20	September 23, 2020 Wednesday	Company conducted AGM through Video conferencing/other audio visual means.	**11.00 a.m.**	Payment of remuneration by way of commission etc. to Directors of the Company within the limits specified under Companies Act, 2013 for 5 years w.e.f. April 1, 2020.
2018-19	September 23, 2019 Monday	Stardom Convention, Ground Floor, C-1, Word TradeTower, Sector 16, Noida	**12.30 p.m.**	Re- appointment of Mr. Arun Prabhakar Mote as Whole-time Director of the Company for a period of three years with effect from November 1, 2019.
2017-18	September 10, 2018 Monday	Stardom Convention, Ground Floor, C-1, Word TradeTower, Sector 16, Noida 201301	**11.00 a.m.**	No Special Resolution was passed at the 23rd Annual General Meeting of the Company.

There was no Extra-Ordinary General Meeting held during the financial year ended March 31, 2021.

Postal Ballot

a. **Details of the special/ordinary resolutions passed by the Company through postal ballot:**
During the financial year ended March 31, 2021, the Company has not sought approval from its shareholders for passing of any special resolution through Postal Ballot on or before ensuing Annual General Meeting.

b. **Whether any special resolution is proposed to be conducted through postal ballot and the procedure thereof**
There is no immediate proposal for passing any special resolution through Postal Ballot on or before ensuing Annual General Meeting.

c. **Procedure for Postal Ballot:**
The Company endeavours to follow the procedure laid down under the relevant provisions of the Act read with relevant rules and the provisions of Listing Regulations as and when there is any proposal for passing resolutions by Postal Ballot.

Means of Communication

(a) **Quarterly Results:** The Unaudited quarterly/ half yearly financial results and the annual audited financial results of the Company were published in National English and Hindi newspapers which include Business Standard (English and Hindi) and The Hindu Business Line(English). The results are also displayed on the website of the Company at www.triveniturbines.com and the same were also sent to all the Stock Exchanges where the equity shares of the Company are listed. The Investor's brief were also sent to Stock Exchanges.

(b) **Website www.triveniturbines.com:** Detailed information on the Company's business and products; quarterly/half yearly/nine months and annual financial results, Investor brief and the quarterly distribution of Shareholding are displayed on the Company's website.

(c) **Teleconferences and Press conferences, Presentation etc.:** The Company held quarterly Investors Teleconferences and Press Conferences for the investors of the Company after the declaration of the Quarterly/Annual Results. The Company made presentations to institutional investors/ analysts during the period which are available on the Company's website.

(d) **Exclusive email ID for investors:** The Company has designated the email id shares.ttl@trivenigroup.com exclusively for investor servicing, and the same is prominently displayed on the Company's website www.triveniturbines.com. The Company strives to reply to the Complaints within a period of 6 working days.

(e) **Annual Report:**
Annual Report contains inter-alia Audited Annual Standalone Financial Statements/Consolidated Financial Statements, Directors' Report, and Auditors' Report. The Management Perspective, Business Review and Financial Highlights are also part of the annual report.

(f) The Management Discussion & Analysis: The Management Discussion & Analysis Report forms part of the Annual Report.

(g) Intimation to Stock Exchanges: The Company intimates stock exchanges all price sensitive information or such other information which in its opinion are material & of relevance to the shareholders. The Company also submits electronically various compliance reports/ statements periodically in accordance with the provisions of the Listing Regulations on NSE and BSE's Electronic Filing Systems.

General Shareholder Information

(a) Annual General Meeting

Date & Day	:	Wednesday, September 15, 2021
Time	:	03:00 p.m.
Venue	:	The Company is conducting the meting through Video Conferencing / Other Audio Visual Means facility. The deemed Venue for Meeting will be registered Office of the Company.

(b) Financial Year: April to March

Financial Calendar for the financial year 2021-22 (tentative)

Financial Reporting for the 1st Quarter ending June 30, 2021	By mid of August, 2021
Financial Reporting for the 2nd Quarter ending September 30, 2021	By mid of November, 2021
Financial Reporting for the 3rd Quarter ending December 31, 2021	By mid of February, 2022
Financial Reporting for the Annual Audited Accounts ending March 31, 2022	By the end of May, 2022

(c) Listing on Stock Exchanges

The Company's equity shares are listed at the following Stock Exchanges:

Sl. No.	Name and Address of Stock Exchanges	Stock Code
1.	BSE Ltd. Phiroze Jeejeebhoy Towers Dalal Street, Fort, Mumbai – 400 001.	533655
2.	National Stock Exchange of India Ltd. Exchange Plaza, 5th Floor Plot No. C/1, G Block, Bandra (E) Mumbai – 400 051.	TRITURBINE

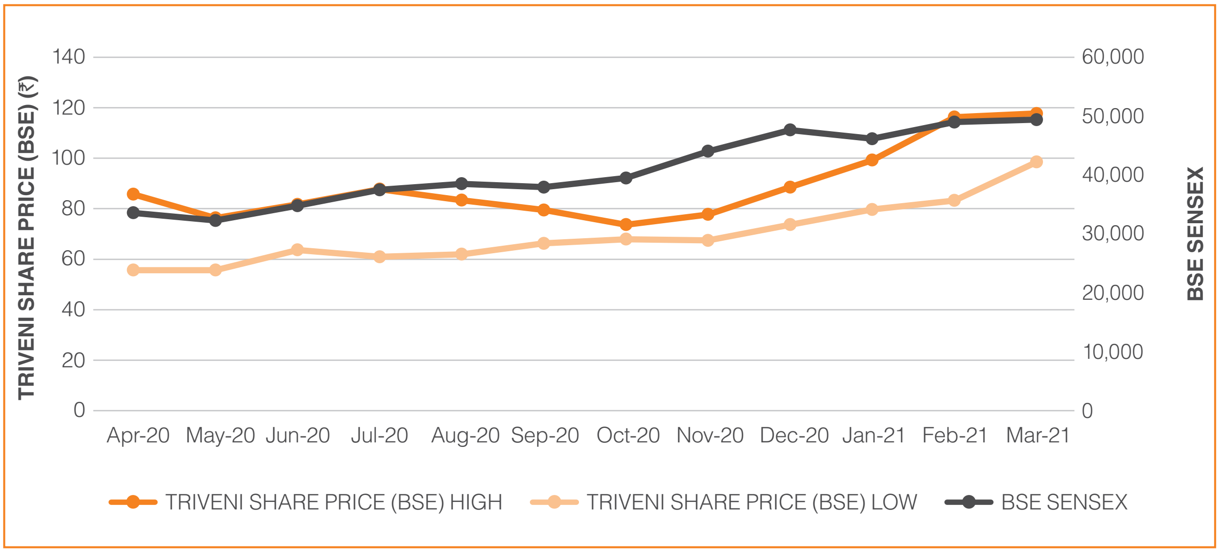
The Company has paid the listing fees upto the Financial Year 2021-2022 to both the aforesaid Stock Exchanges.

(d) Market Price Data/Stock Performance: year ended on March 31, 2021

During the year under report, the trading in Company's equity shares was from April 1, 2020 to March 31, 2021. The high & low price during this period on the BSE and NSE was as under:-

Month	Bombay Stock Exchange (BSE) (in ₹)		National Stock Exchange (NSE) (in ₹)	
	High	Low	High	Low
April, 2020	86.00	56.00	86.00	54.00
May, 2020	76.65	56.00	74.95	58.95
June, 2020	82.00	64.00	82.30	61.00
July, 2020	88.05	61.25	88.20	61.75
August, 2020	83.65	62.30	83.90	62.50
September, 2020	79.80	66.60	79.65	66.70
October, 2020	74.00	68.25	74.85	66.80
November, 2020	78.05	67.75	79.50	66.00
December, 2020	88.80	74.00	88.95	74.00
January, 2021	99.50	80.00	99.50	79.65
February, 2021	116.55	83.55	116.70	83.50
March, 2021	118.00	98.75	118.25	98.55

(e) Performance of the Share Price of the Company in comparison to the BSE Sensex



(f) Registrar & Share Transfer Agent

M/s Alankit Assignments Ltd.,
Alankit Heights
Unit: Triveni Turbine Limited
4E/2,Jhandewalan Extension, New Delhi-110 055.
Phone: 011-42541234, 23541234,
Fax: 011-42541967
Email: rta@alankit.com

(g) Share Transfer System

The Company's share transfer authority has been delegated to the Company Secretary/ Registrar and Transfer Agent M/s Alankit Assignments Ltd. who generally approves and confirm the request for share transfer/ transmission/ transposition/ consolidation/ issue of duplicate share certificates/ sub-division, consolidation, remat, demat and perform other related activities in accordance with the Listing Regulations and SEBI (Depositories and Participants) Regulations, 1996 and submit a report in this regard to Stakeholders' Relationship Committee at every meeting.

The shares sent for physical transfer are registered and returned within the stipulated period from the date of receipt of request, if the documents are complete in all respects. In terms of amended Regulation 40 of Listing Regulations w.e.f. April 1, 2019, transfer of securities in physical form, except in case of request received for transmission or transposition of securities, shall not be processed unless the securities are held in the dematerialised form with a depository. As per the requirement of regulation 40(9) of the Listing Regulations, a certificate on half yearly basis confirming due compliance of share transfer/transmission formalities by the Company from Practicing Company Secretary has been submitted to Stock Exchanges within stipulated time.

(h) Distribution of Equity Shareholding as on March 31, 2021

Category (Shares)	No. of Holders	% to total shareholders	No. of Shares	% to total shares
1 - 500	29121	91.478	2847443	0.881
501 - 1000	1371	4.307	1062994	0.329
1001 - 2000	631	1.982	932681	0.288
2001 - 3000	212	0.666	532779	0.165
3001 - 4000	109	0.342	387595	0.120
4001 - 5000	84	0.264	390870	0.121
5001 - 10000	129	0.405	930186	0.288
10001 & Above	177	0.556	316220936	97.809
Total	**31834**	**100.000**	**323305484**	**100.000**

(i) Shareholding Pattern of Equity Shares as on March 31, 2021

Category	Number of Shares held	Shareholding %
Indian Promoters	219142811	67.78
Mutual Funds/UTI	46077245	14.25
Banks, Financial Institutions, Insurance Cos	0	0
FIIs	0	0
Foreign Portfolio Investor	42364584	13.11
Bodies Corporate	2394028	0.74
Indian Public(*)	12473243	3.86
NRIs/OCBs	597183	0.19
Others – Clearing Members & Trust/IEPF	256390	0.07
Total	323305484	100.00

(*) Includes 81783 equity shares held by directors and their relatives.

(j) Dematerialisation of Shares & Liquidity

The Company's equity shares are compulsorily traded in the electronic form. The Company has entered into an Agreement with NSDL and CDSL to establish electronic connectivity of its shares for scripless trading. Both NSDL & CDSL have admitted the Company's equity share on their system.

The system for getting the shares dematerialized is as under:

Share Certificate(s) along with Demat Request Form (DRF) are to be submitted by the shareholder to the Depository Participant (DP) with whom he/she has opened a Depository Account.

DP will process the DRF and generates a unique number DRN.

DP will forward the DRF and share certificates to the Company's Registrar and Share Transfer Agent.

The Company's Registrar and Share Transfer Agent after processing the DRF will confirm or reject the request to the Depositories.

Upon confirmation, the Depository will give the credit to shareholder in his/her depository account maintained with DP.

As on March 31, 2021, 99.97 % of total equity share capital of the Company were held in dematerialised form. The ISIN allotted in respect of equity shares of ₹ 1/- each of the Company by NSDL/CDSL is INE152M01016. Confirmation in respect of the requests for dematerialisation of shares is sent to NSDL and CSDL within the stipulated period.

(k) Outstanding GDR/ADR or Warrants

As on date there are no Global Depository Receipts (GDR), American Depository Receipt (ADR), Warrants or any other convertible instrument.

(l) Commodity price risk or foreign exchange risk and hedging activities

Based on the products manufactured or dealt with by the Company, the Company is not exposed to any material commodity price risks. The Company is exposed to foreign exchange risk mainly in respect of exposures relating to export orders. The Company remains substantially hedged through appropriate derivative instruments to minimize the risk and to take advantage of forward premium. The details of unhedged foreign currency exposures and hedging are disclosed in notes to the financial statements.

(m) Reconciliation of Share Capital Audit

As stipulated by SEBI, a qualified Practising Company Secretary carries out Reconciliation of Share Capital Audit to reconcile the total admitted capital with NSDL and CDSL and the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges. The Audit confirms that the total listed and paid-up capital is in agreement with the aggregate of the total number of shares in dematerialised form and in physical form.

(n) Unclaimed Dividend

Section 124 of the Companies Act, 2013 read with Investor Education and Protection Fund(Accounting, Audit, Transfer and Refund Rules, 2016 mandates that Company transfer the dividend that has remained unclaimed for a period of 7 years from the unpaid dividend account to the Investor Education and Protection Fund (IEPF).

Further the Rules mandate that the shares in respect of such dividend has not been claimed for a period of seven consecutive years are also liable to be transferred to IEPF. In the interest of shareholders, the Company sends reminders to the shareholders to claim their dividends in order to avoid transfer of dividend/ shares to IEPF Authority. Notices in this regard are also published in the Newspapers and the details of unclaimed dividends and shareholders whose shares are liable to be transferred to the IEPF Authority, are uploaded on the Company's website

In compliance with these requirements the Company has transferred equity shares of all such shareholders whose dividends had remained unclaimed for seven consecutive years to the Demat Account of IEPF. The detail of the same has been uploaded on the company's website at https://www.triveniturbines.com/transfer-shares-iepf.html. However, the shareholders are entitled to claim their equity shares including all the corporate benefits accruing on such shares, if any, from the IEPF Authority by submitting an online application in prescribed Form IEPF-5 and sending a physical copy of the said Form duly signed by all the joint shareholders, if any, as per the specimen signatures recorded with the Company along with requisite documents enumerated in the Form IEPF-5, to the Company's Registrar & Transfer Agent, M/s Alankit Assignments Ltd, New Delhi. The Rules and Form IEPF-5 for claiming back the equity shares are available on the website of IEPF www.iepf.gov.in. It may please be noted that no claim shall lie against the Company in respect of equity shares transferred to IEPF pursuant to the said Rules.

The following table provides a list of years for which unclaimed dividend and their corresponding shares which would be eligible to be transferred to IEPF on the dates mentioned below. Shareholders who have not so far encashed their dividend warrant(s) or have not received the same are requested to seek issuance of duplicate warrant(s) by writing to the Company confirming non-encashment/non-receipt of dividend warrant(s).

Financial Year/Period	Whether Interim/Final	Date of declaration of dividend	Due date for transfer to IEPF*1
2013-14	Final Dividend	08.08.2014	05.09.2021
2014-15	Interim Dividend	08.09.2014	13.10.2021
2014-15	Final Dividend	06.08.2015	08.09.2022
2015-16	1st Interim Dividend	06.11.2015	09.12.2022
2015-16	2nd Interim Dividend	16.03.2016	19.04.2023
2016-17	Interim Dividend	04.08.2016	08.09.2023
2016-17	Final Dividend	09.08.2017	08.08.2024
2017-18	Interim Dividend	08.11.2017	10.12.2024
2017-18	Final Dividend	10.09.2018	14.10.2025
2018-19	No Dividend	-	-
2019-20	Interim Dividend	06.11.2019	9.12.2026

* Indicative dates, actual dates may vary

The Company during the FY 2020-21 transferred ₹ 181346/- towards unclaimed dividend to the IEPF Account.

Equity shares of the Company lying in IEPF suspense account

In accordance with the requirement of Regulation 34(3) and Part F of Schedule V to the SEBI (Listing Regulations, detail of the equity shares in the suspense account are as follows

Particulars	Number of Shareholders	No of Equity shares
aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year	488	39586
number of shareholders who approached listed entity for transfer of shares from suspense account during the year	Nil	Nil
number of shareholders to whom shares were transferred from suspense account during the year	Nil	Nil
aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year	529	42016

The voting rights on the shares outstanding in the said account as on March 31, 2021 shall remain frozen till the rightful owner of such shares claims the shares.

o) Locations

Registered Office
A-44, Hosiery Complex,
Phase II Extension,
Noida-201305, (U.P.)
STD Code: 0120
Phone: 4748000, Fax: 4243049

Share Department

Triveni Turbine Ltd. 8th Floor, Express Trade Towers,
15-16, Sector 16A, Noida-201 301, (U.P.)
Phone: 0120-4308000; Fax:- 0120-4311010-11
Email: shares.ttl@trivenigroup.com

Detailed information on plant/business locations is provided elsewhere in the Annual Report.

Please contact the Compliance Officer of the Company at the following address regarding any questions or concerns:

Mr. Rajiv Sawhney
Company Secretary
Triveni Turbine Ltd.
8th Floor, Express Trade Towers,
15-16, Sector 16A, Noida-201 301.
Tel. :- 0120-4308000; Fax :- 0120-4311010-11
mail :- shares.ttl@trivenigroup.com

p) Credit Rating

During the financial year 2020-21, ICRA has reaffirmed the rating for long term and short term facilities of the Company at AA- and A1+ respectively with positive outlook.

OTHER DISCLOSURES

- **Related Party Transactions**

  During the year there was no materially significant related party transaction which may have potential conflict with the interest of the Company. The Company has formulated a Related Party Transaction policy which has been uploaded on its website at http://www.triveniturbines.com/key-policies Details of related party information and transactions are being placed before the Audit Committee from time to time. The details of the related party transactions during the year have been provided in Note no 35 to the financial statements.

- **Disclosures of Accounting Treatment**

  In the financial statements for the year ended March 31, 2021, the Company has followed the treatment as prescribed in the applicable Accounting Standards.

- **Disclosures on acceptance of recommendations made by the Board Committees**

  During the financial year under review, there was no such instance wherein the Board had not accepted any recommendation of the any Committee of the Board. All the recommendations made by the Committees of the Board were accepted by the Board.

- **Details of Non-Compliance by the Company, penalties, stricture imposed on the Company by the Stock Exchanges, SEBI or any statutory authorities or any matter related to capital markets.**

  The Company has complied with all the requirements of the Stock Exchanges/the Regulations and guidelines of SEBI and other Statutory Authorities on all matters relating to capital markets. No penalties or strictures have been imposed by SEBI, Stock Exchanges or any statutory authorities on matters relating to capital markets during the last three years.

- **Whistle Blower Policy and Affirmation that no personnel has been denied access to the Audit Committee**

  The Company has established a vigil mechanism through a Whistle Blower Policy for directors and employees to report concerns about unethical behaviour, actual or suspected fraud or violation of the company's code of conduct or ethics policy. The mechanism provides for adequate safeguards against victimisation of director(s) / employee(s) who express their concerns and also provides for direct access to the Chairman of the Audit Committee in exceptional cases. During the year under review, no personnel was denied access to the Audit Committee. Further no complaint of sexual harassment was received from any women employee.

- **Code for prevention of Insider Trading**

  The Company has formulated comprehensive Code of Conduct to regulate, monitor and report trading by Insiders in line with the SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended. The Code lays down the guidelines which advise on procedures to be followed and disclosures to be made, while dealing in shares of the Company and the consequences of non-compliances, including the policy for enquiry in case of leak or suspected leak of Unpublished Price Sensitive Information ('UPSI'). The Company has also adopted Code for Fair Disclosure of UPSI along with Policy for Determination of Legitimate Purposes and the same is available on the Company's website at https://www.triveniturbines.com/key-policies

Code of conduct for Directors and Senior Executives

The Company has laid down a Code of Conduct for all Board Members and the Senior Executives of the Company. The Code of conduct is available on the

Company's website www.triveniturbines.com. The code of conduct was circulated to all the members of the Board and senior management personnel and they have affirmed their compliance with the said code of conduct for the financial year ended March 31, 2021. A declaration to this effect signed by the Chairman & Managing Director is given below:

To the Shareholders of Triveni Turbine Ltd.
Sub.: Compliance with Code of Conduct

I hereby declare that all the Board Members and the Senior Management Personnel have affirmed compliance with the Code of Conduct as adopted by the Board of Directors and applicable to them for the Financial Year ended March 31, 2021.

Dhruv M. Sawhney
Chairman and Managing Director
DIN 00102999

Certification

The Chairman and Managing Director, Executive Director and Vice President & CFO have certified to the Board of Directors, inter-alia, the accuracy of financial statements and adequacy of internal controls for the financial reporting purpose as required under Regulation 17 (8) of Listing Regulations, for the year ended March 31, 2021. The said certificate forms part of the Annual Report.

Further, as required under Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 a certificate from the Company Secretary in Practice has been received stating that none of the Directors on the Board have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Board / Ministry of Corporate affairs or any such statutory authority. The said certificate forms part of the Annual Report.

Remuneration to Statutory Auditors

M/s Walker Chandiok & Co LLP (ICAI Firm Registration No. 001076N)/N500013 (WCC), are holding the office of Statutory Auditors of the Company. The particulars of payment of Statutory Auditors fees on consolidated basis is given below.

Particulars	(₹ in Million)
Service as Statutory Auditor (including quarterly audit)	3.19
Other matters	0.22
Re-imbursement of out of pocket expenses	0.03
Total	**3.44**

Details of compliance with mandatory requirements and adoption of the non-mandatory requirements

The details of mandatory requirements are mentioned in this Report. The Company is in compliance with the requirements specified under regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of the Listing Regulations, as applicable, with regard to corporate governance.

Further, as required under the SEBI Regulations, the Company has adopted Policy on Preservation of Documents, Archival Policy and Policy for determination of Materiality. The status of adoption of the discretionary requirement as prescribed in Schedule II Part E of the Listing Regulations is as under

Modified opinion(s) in audit report

The opinion expressed by the Auditor in the audit report on the financial statements for the year ended March 31, 2021 is unmodified.

Subsidiary Companies

The Company has three unlisted International subsidiary/step down subsidiary companies i.e. Triveni Turbines Europe Pvt. Ltd. (TTE), domiciled in the UK, Triveni Turbines DMCC (TTD) domiciled in Dubai, UAE in which TTE holds its entire 100% shareholding and Triveni Turbines Africa (Pty) Ltd (TTA)domiciled in South Africa in which TTD holds its entire 100% shareholding. Besides the Company has an unlisted Indian subsidiary company i.e. GE Triveni Limited wherein the Company holds 50% plus one equity share. The Company has a policy for determining Material Subsidiary which can be viewed in the Company's web site at http://www.triveniturbines.com/sites/default/files/material-subsidiary-policy.pdf. The Company regularly places before the board, minutes of the Subsidiaries Companies.

Compliance Certificate on Corporate Governance from the Auditor

The certificate dated June 28, 2021 from the Statutory Auditors of the Company M/s Walker Chandiok & Co LLP confirming compliance with the Corporate Governance requirements as stipulated under Listing Regulations is annexed hereto.

The above report has been adopted by the Board of Directors of the Company at their meeting held on June 28, 2021.

Dhruv M. Sawhney
Chairman and Managing Director
DIN:00102999

Annexure-C

Independent Auditor's Certificate on Corporate Governance

To The Members of
Triveni Turbine Limited

1. This certificate is issued in accordance with the terms of our engagement letter dated April 26, 2021.

2. We have examined the compliance of conditions of corporate governance by Triveni Turbine Limited ('the Company') for the year ended on March 31, 2021, as stipulated in Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2), and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

Management's Responsibility

3. The compliance of conditions of corporate governance is the responsibility of the management. This responsibility includes the designing, implementing and maintaining operating effectiveness of internal control to ensure compliance with the conditions of corporate governance as stipulated in the Listing Regulations.

Auditor's Responsibility

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to express a reasonable assurance in the form of an opinion as to whether the Company has complied with the conditions of corporate governance as stated in paragraph 2 above. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

5. We have examined the relevant records of the Company in accordance with the applicable Generally Accepted Auditing Standards in India, the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India ('ICAI'), and Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

7. Based on the procedures performed by us and to the best of our information and according to the explanations provided to us, in our opinion, the Company has complied, in all material respects, with the conditions of corporate governance as stipulated in the Listing Regulations during the year ended March 31, 2021.

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

Restriction on use

8. This certificate is issued solely for the purpose of complying with the aforesaid regulations and may not be suitable for any other purpose.

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

Vijay Vikram Singh
Partner
Membership No.: 059139
UDIN: 21059139AAAADH5139

Place: Bengaluru
Date: June 28, 2021

CEO/CFO Certification

To
The Board of Directors
Triveni Turbine Limited

Sub: CEO/CFO certification under Regulation 17 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

We, Dhruv M. Sawhney, Chairman and Managing Director, Arun Prabhakar Mote, Executive Director and Lalit Kumar Agarwal Vice President & CFO certify to the Board that:

(a) We have reviewed financial statements and the cash flow statement for the year ended March 31, 2021 and that to the best of our knowledge and belief:

  (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

  (ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

(b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violate of the Company's code of conduct.

(c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

(d) We have indicated to the auditors and the Audit Committee:

  (i) That there were no significant changes in internal control over financial reporting during the year;

  (ii) There were no significant changes in accounting policies during the year; and

  (iii) That there were no instances of significant fraud, of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Lalit Kumar Agarwal
Vice President & CFO

Arun Prabhakar Mote
Executive Director
DIN: 01961162

Dhruv M. Sawhney
Chairman and Managing Director
DIN: 00102999

Date: June 28, 2021

Certificate of Non-Disqualification of Directors

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
Triveni Turbine Limited
A-44, Hosiery Complex Phase-II, Extension,
Noida, Uttar Pradesh- 201305

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of TRIVENI TURBINE LIMITED having CIN-L29110UP1995PLC041834 and having registered office at A-44, HOSIERY COMPLEX PHASE-II EXTENSION, NOIDA UP 201305 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal (www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India and Ministry of Corporate Affairs or any such other Statutory Authority.

Sl. No.	Name of Director	DIN	Date of appointment in Company
1	Mr. Dhruv Manmohan Sawhney	00102999	10/05/2011
2	Mr. Nikhil Sawhney	00029028	10/05/2011
3	Mr. Tarun Sawhney	00382878	03/12/2007
4	Ms. Homai Ardeshir Daruwalla	00365880	01/11/2018
5	Mr. Santosh Pande	01070414	19/07/2017
6	Mr. Arun Prabhakar Mote	01961162	01/11/2012
7	Mr. Anil Purushottam Kakodkar	03057596	01/11/2018
8	Mr. Shailendra Bhandari	00317334	20/05/2019

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

For **Suresh Gupta & Associates**
Company Secretaries

Sd/-
Suresh Gupta
(Proprietor)
M. No. 5660
C.P. No. 5204
UDIN: F005660C000485911

Place: Noida
Date : June 18, 2021

Annexure-D

Secretarial Audit Report

For the Financial Year Ended March 31, 2021

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

To,
The Members,
Triveni Turbine Limited
(CIN: L29110UP1995PLC041834)
A-44 Hosiery Complex Phase II, Extension,
Noida, Uttar Pradesh-201305

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

We report that-

a) Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

b) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

c) We have not verified the correctness and appropriateness of the financial statements of the Company.

d) Wherever required, we have obtained the Management representation about the compliances of laws, rules, regulations and standards and happening of events etc.

e) The compliance of the provisions of the corporate and other applicable laws, rules, regulations and standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.

f) The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

g) We adhered to best professional standards and practices as could be possible while carrying out audit during the lock-down conditions due to Covid-19. The Company made due efforts to make available the relevant records and documents which were verified through online means to conduct and complete the audit in the aforesaid lock-down conditions.

Based on our verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2021 ("Audit Period") complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2021 according to the provisions of:-

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings, where applicable;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; [Not applicable to the Company during the audit period]

(d) The Securities and Exchange Board of India (Share based Employee Benefits) Regulations, 2014; [Not applicable to the Company during the audit period]

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; [Not applicable to the Company during the audit period]

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act, 2013 and dealing with client;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; [Not applicable to the Company during the audit period]

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018, to the extent applicable; [Not applicable to the Company during the audit period] and

(i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(vi) The Company is a leading manufacturer of industrial steam turbine. As informed by the management of the Company, the following are laws specifically applicable to the Company based on its businesses:

- Batteries (Management and Handling) Rules, 2001 made under Environment (Protection) Act, 1986; and
- Petroleum Act, 1934 and rules made there under.

We have also examined compliance with the applicable clauses of the Secretarial Standards on Meetings of the Board of Directors and on General Meetings issued by the Institute of Company Secretaries of India as well as listing agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited.

During the audit period, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines and Standards to the extent applicable, as mentioned above.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

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

Board decisions were carried out with unanimous consent, as recorded in the minutes of the meetings of the Board of Directors.

We report further that in our opinion based on verification done on test basis and to the best of our information and according to explanations given to us, there are adequate systems and processes in the Company commensurate with its size and operations, to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

For **Sanjay Grover & Associates**
Company Secretaries
Firm Registration No.: P2001DE052900

Mohinder Paul Kharbanda
Partner
FCS No.: F2365, CP No.: 22192
UDIN: F002365C000524579

Place: New Delhi
Date: June 28, 2021

Annexure-E

Annual Report on Corporate Social Responsibility (CSR) Activities

For the Financial Year Ended March 31, 2021

1. Brief outline on CSR Policy of the Company:

In accordance with the provisions of the Companies Act, 2013 and the rules framed there under, the Board of Directors of the Company have, on the recommendation of the CSR Committee, adopted a CSR Policy for undertaking and monitoring the CSR programmes, projects in the areas stated in Schedule VII of Act. The policy has been uploaded on the website of the Company at http://www.triveniturbines.com/key-policies.

During the year under review, CSR initiatives have been made mainly in the areas of healthcare, education and environment sustainability.

2. Composition of CSR committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Nikhil Sawhney	Vice Chairman and Managing Director – Executive Director	2	2
2.	Ms Homai A Daruwalla	Independent Non Executive Director	2	2
3.	Mr Tarun Sawhney	Promoter & Non Executive Director	2	2
4.	Mr. Arun P Mote	Executive Director	2	2

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company:

Particular	Web-link
Composition of Committee	https://www.triveniturbines.com/committee.html
CSR Policy	https://www.triveniturbines.com/key-policies.html

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report):

Not Applicable

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

Not applicable

6. Average net profit of the company as per section 135(5):

The average net profit of the Company for the preceding three financial years was ₹ 1409.65 million

7.

(a) Two percent of average net profit of the company as per section 135(5)**: ₹ 28.19 million**

(b) Surplus arising out of the CSR projects or programs or activities of the previous financial years: **Nil**

(c) Amount required to be set off for the financial year, if any **: Nil**

(d) Total CSR obligation for the financial year (7a+7b-7c)**: ₹ 28.19 million**

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (in ₹ Million)	Amount Unspent (in ₹ Million)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
28.52	-	-	-	-	-

(b) Details of CSR amount spent against ongoing projects for the financial year: Nil

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	**Name of the Project**	**Item from the list of activities in schedule VII to the Act**	**Local area (Yes/ No)**	**Location of the project**		**Amount spent for the project (in ₹ Million)**	**Mode of implementation – Direct (Yes/ No)**	**Mode of Implementation - Through Implementing Agency**	
				State	**District**			**Name**	**CSR registration number**
1.	Caring for the disabled children	Promoting education including special education among the differently abled	Yes	Karnataka	Bengaluru Urban	0.90	No	Dharithree Trust	CSR00008191
2.	Caring for the differently abled children	Education and Training for Special/ Differently-abled children	Yes	Karnataka	Bengaluru Urban	0.90	No	Aruna Chetna	CSR00002826
3.	Providing education to under-privileged children at Pre-Nursery school	Promoting education among children	Yes	Karnataka	Bengaluru Urban	0.36	No	Govt Model Primary School, Peenya	-
4.	Providing Master class series on emerging Technology	Promoting education and leadership development and open dialogue on important issue facing Indian Society	No	Delhi	Delhi	1.20	No	Ananta Aspen Centre	-
5.	Water tool Applications for Sustainable Solutions, Enhanced capacities, and Renewal Phase	Ensuring environmental sustainability, ecological balance, conservation of natural resources and maintaining quality of water	No	Delhi	Delhi	4.00	No	CII-Triveni Water Institute, Gurgaon	-
6.	Support for new SCO2 based power generator project	Ensuring environmental sustainability; conservation of natural resources	Yes	Karnataka	Bengaluru Urban	10.00	No	Indian Institute of Science, Bengaluru	CSR00007370
7.	Covid 19 related disaster management expenses	Promoting healthcare including preventive health care	Yes	Karnataka	Bengaluru Urban	2.50	Direct	--	-
8.	Covid 19 preventive Sanitation Program	Promoting healthcare including preventive health care	No	Delhi	Delhi	8.02	No	Tirath Ram Shah Charitable Trust	CSR00008746
	Total					**27.88**			-

(d) Amount spent in Administrative Overhead**: ₹ 0.64 Million.**

(e) Amount spent on Impact Assessment, if applicable: **Not applicable**

(f) Total amount spent for the Financial Year (8b+8c+8d+8e):₹ **28.52 million**

(g) Excess amount for set off, if any:

Sl. No.	Particular	Amount (in ₹) Million
(i)	Two percent of average net profit of the company as per section 135(5)	28.19
(ii)	Total amount spent for the Financial Year	28.52
(iii)	Excess amount spent for the financial year [(ii)-(i)]	-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	**-**

9. **(a)** **Details of Unspent CSR amount for the preceding three financial years:** Not Applicable

(b) **Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):** Not Applicable

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details):

Not Applicable

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5):

Not Applicable

Dhruv M Sawhney
Chairman and Managing Director
DIN 00102999

Nikhil Sawhney
Chairman CSR Committee
DIN 00029028

Annexure-F

(A) Conservation of Energy

I) Steps taken or impact on conservation of energy:

Manufacturing Facilities at both Peenya and Sompura are Green Factories. Awareness is the key for sustained energy conservation. Periodical training programs are organised for the employees on energy conservation and responsible use of fuel and electrical power. Managers continuously look out for newer methods and technologies for conservation of energy by market scanning and peer group meeting with external and internal contacts. Any new equipment selection undergoes scrutiny for its energy efficiency at the procurement stage.

EMPs (Environmental Management Programs) and OCPs under the ISO 14001 Environmental Management System provides the frame work for Conservation of Energy and sustaining the improvements achieved in the area of Energy savings.

a. All conventional lights removed from office and shop floor and replaced by more energy efficient LED lamps.

b. Implementation of VFDs in large capacity motors

c. Periodical audit and control of compressed air leakages

d. Scheduling of steam activities along with Mechanical Run Test of turbines to ensure efficient use of boilers

e. Energy optimisation benefit due to reduction in Cycle time of assembly and machining.

f. Use of polycarbonate sheets to maximise use of natural day light.

g. Ensuring power factor is maintained above 0.95 through capacitor banks.

h. Use of Timer control for street lights to save electric power.

i. Regular awareness programs to all employees on conservation of Energy.

Company is able to save about 400 MWH of electrical power during the year through the above approaches

2) The steps taken by the Company for utilizing alternate sources of energy;

a. Installation of roof top solar power plant of 300 KW capacity with net metering facility resulted in savings of 312 MWH renewable energy during FY21. The excess power thus generated after plant usage is fed back to Grid through net metering.

b. Natural light being utilized to the maximum extent during day time both in office as well as shop floor. In addition, factory roof is also provided with translucent sheets to utilise the natural light during day time.

c. Usage of fans is minimized on the shop floor as the area is kept cooler by self-driven, natural draft operated roof turbo ventilator and working areas covered under natural ventilation

3) The capital investment on energy conservation equipment.

No Capital investment made during FY 2020-21

(B) Technology Absorption

As Triveni Turbine is the leading product supplier in both domestic and global market, the Company carries out technology upgrades on regular basis to meet market needs of high energy efficiency and low carbon targets. These programs are structured to achieve product competitiveness on critical to success parameters viz cost, efficiency, robustness and operability which translate into customer higher revenue and operation benefits. Triveni products are made for increasingly high power density and lower opex machines.

As part of continuous product upgrade, high efficiency compact series impulse and reaction turbines are introduced which reduces carbon footprints, running and maintenance cost of the TG set. To meet market needs, sector specific product upgrades for chemical industries, process co-generation, cement, waste heat and distillery application has been introduced Triveni has also increased focus on the products for Oil & Gas sector by executing drive turbine projects. Product solutions are provided in this sector which is expected to grow both in domestic and global markets.

Triveni has developed case specific solutions for retrofit market of other OEM aging fleet. Above help in widening the product and service offerings to diverse segments and enables customers to achieve higher plant operational efficiency with less capex.

The Company has leveraged in-house R&D expertise along with institutional association reputed technical institutes such as IISc, IITs, and domain expert consultants from India and abroad to provide innovative product solutions. Triveni has carried out experimental validation of upgraded blade-path to de-risk field variations.

(a) The efforts made towards technology absorption:

i. Development of compact reaction turbines for process industries.

ii. Executing steam turbine projects with single stage turbines in Oil & Gas sector for drive applications

iii. Internal testing as per API standards.

iv. Development of pump drive turbines for defence application

v. Development of abradable coatings to improve sealing efficiency

vi. Development of laser cladding to reclaim journals of refurbishing rotors and blade hardening

vii. Upgrade of HVOF process for LP blade coating.

viii. Development of laser welding for seats and valves

ix. Development of LP blade edge laser hardening process

x. Employing injection steam cycles for waste heat recovery in cement projects

xi. Upgrade of blade-path aero design for better efficiency.

xii. Executing compressor drive turbine projects for process industries.

xiii. Internal Load testing of upgraded blade profiles and feedback implementation.

xiv. Footprint replacement of old fleet.

xv. Development of processes for machining of compressor rotors and impellers.

b) The benefits derived like product improvement, cost reduction, product development or import substitution:

i Improvement of field performance of turbines by focused programs which involves knowledge absorption from domain experts, state-of-the-art CFD, experimental validations.

ii. Improvement in operability through remote monitoring of turbine systems.

iii. Improvement in productivity & faster delivery time which enabled higher throughput.

iv. Improvement in reliability by robustness features.

v. Contribution towards environmental sustainability through reduction in carbon footprints of energy conversion equipment like turbine.

vi. Achieve competitiveness in product offerings by improved cost and efficiency levels.

(c) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):

a) the details of technology imported
- Not applicable

b) the year of import;
- Not applicable

c) whether the technology been fully absorbed;
- Not applicable

d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof
- Not applicable

(d) The expenditure incurred on Research and Development.
Expenditure on R&D

(₹ in Million)

Particulars	31-Mar-2021	31-Mar-2020
a) Capital	17.50	23.73
b) Recurring	56.34	62.50
c) Total	73.84	86.23
d) Total R&D expenditure as percentage of turnover	1.06%	1.06%

(C) Foreign Exchange Earnings and Outgo

(₹ in Million)

Particulars	31-Mar-2021	31-Mar-2020
Foreign Exchange earned in terms of actual inflows	3230.88	3736.81
Foreign Exchange outgo in terms of actual outflows	444.42	543.43

For and on behalf of the Board of Directors

Dhruv M Sawhney
Chairman and Managing Director
DIN: 00102999

Annexure-G

Particulars of Employees Pursuant to Section 197(12) of the Companies Act, 2013 Read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

(i) The ratio of the remuneration of each Director to the median remuneration of the employee of the Company for the Financial Year 2020-21 and percentage increase in remuneration of each Director, CFO and CS in the Financial year 2020-21.

Name of Director/KMP and Designation	Ratio of remuneration of Directors to Median Remuneration	% of increase/(decrease) of remuneration in the Financial Year 2020-21
Mr. Dhruv M. Sawhney* Chairman and Managing Director	NA	NA
Mr. Nikhil Sawhney Vice Chairman and Managing Director	74.91	31.5%
Mr. Arun Prabhakar Mote Executive Director	39.73	6.7%
Mr. Tarun Sawhney Non Executive Director	2.12	15.2%
Dr Santosh Pande Non Executive Independent Director	2.52	26.7%
Ms. Homai A. Daruwalla Non Executive Independent Director	2.65	34.3%
Dr. Anil Kakodkar Non Executive Independent Director	1.99	36.4%
Mr. Shailendra Bhandari Non Executive Independent Director	1.99	20.0%
Mr. Deepak Kumar Sen** Chief Financial Officer	7.28	(7.8%)
Mr. Lalit Kumar Agarwal*** Chief Financial Officer	3.48	NA
Mr. Rajiv Sawhney Company Secretary	4.53	10.6%

*No Salary is being drawn by the CMD.
**Ceased to be KMP due to retirement w.e.f November 1, 2020.
*** W.e.f. November 1, 2020

Notes:

(i) The remuneration to Non-Executive Independent Directors includes commission in accordance with the relevant provisions of the Companies Act, 2013 due to better profitability.

(ii) In the financial year 2020-21, the annual median remuneration of employees was ₹ 0.76 million and there was a decrease of 1.5 % in the median remuneration of employees as compared to last year.

(iii) There were 597 permanent employees (other than trainees) on the rolls of the Company as on March 31, 2021.

(iv) The average percentage salary increase of employees other than managerial personnel was 0.6% against 21.7% in the managerial remuneration. The increase in managerial remuneration is mainly on account of higher performance bonus as per the approvals of Board and Shareholders' in accordance with the relevant provisions of the Companies Act, 2013, and is in line with considerable management efforts to plan, implement and achieve improvement in operational efficiencies, which would help the Company to better withstand the challenging time due to Covid 19 Pandemic.

(v) As the liability for gratuity and leave encashment is provided on an actuarial basis for the Company as a whole, the amount pertaining to the key managerial personnel are not ascertainable and, therefore, not included.

(vi) It is hereby affirmed that the remuneration paid during the financial ended March 31, 2021 is as per the Nomination and Remuneration policy of the Company.

For and on behalf of the Board of Directors

Dhruv M Sawhney
Chairman and Managing Director
DIN 00102999

Annexure-I

Business Responsibility Report : 2020-21

Section A: General Information about the Company

1. **Corporate Identity Number (CIN) of the Company** - L29110UP1995PLC041834
2. **Name of the Company** - Triveni Turbine Limited.
3. **Registered Address** - A-44, Hosiery Complex, Phase –II Extn., Noida – 201 305, U.P
4. **Website** - www.triveniturbines.com
5. **E-mail ID** – shares.ttl@trivenigroup.com
6. **Financial Year reported** – 2020-21
7. **Sector(s) that the Company engaged in**

NIC CODE	PRODUCT DESCRIPTION
281	Steam Turbine and Accessories and parts thereof
331	Servicing Operations and Maintenance of Steam Turbines

8. **List three key products/services that the Company manufactures/provides:**

1	Steam Turbine and Accessories
2	Supply of Parts
3	Refurbishing and Services

9. **Total number of location where business activity is undertaken by the Company**

The Company carries out its business directly and through its subsidiary companies, including through their network of offices.

i. **Number of International Locations (Provide details of major 5)**

The Company operates in the following locations through its foreign subsidiaries and their network of offices London, UK; Dubai, UAE; Johannesburg, South Africa and Bangkok, Thailand

ii. **National Locations:**

The manufacturing facilities are situated in Peenya & Sompura, both in the state of Karnataka and its corporate and registered office is situated in Noida, UP. Further, it has Sales and Service offices at Bengaluru, Noida, Naini, Raipur, Ahmedabad, Mumbai, Pune, Kolkata, and Hyderabad. These offices serve customers in domestic market in their respective territories.

10. **Markets served by the Company: Local/State /National/ International**

Local	State	National	International
✓	✓	✓	✓

The Company serves in both domestic and international market extensively. In domestic market, the Company serves across the country in all States and UTs. In International market, the Company has already installations in more than 70 countries and the number is growing.

Section B:

Sl. No.		Triveni Turbine Limited FY-21 Standalone ₹ million	FY-21 Consolidated ₹ million
1.	Paid-up Capital	**323.30**	**323.30**
2.	Total Turnover		
	(a) Revenue from operations	**6,969.32**	**7,025.84**
	(b) Other income	**196.88**	**190.99**
3.	Total Comprehensive Income for the year	**937.36**	**1,074.01**

Total Spending on Corporate Social Responsibility (CSR) as percentage of profit before tax:

The Company has spent an amount of ₹ 28.52 million during the financial year 2020-21 which amounts to 2%of average net profit before tax for previous three years on standalone basis. Thus the total CSR spent for the year 2020-21 is 3.21% of Profit After Tax for the year.

The CSR Committee of the Company deliberates and selects most appropriate CSR proposals as per Company's CSR policy and recommends those proposals to the Board of Directors for approval. The Company spends on CSR projects upon approval by the Board. The Committee periodically reviews and monitor the progress of all approved CSR projects.

Additionally, during financial year 2020-21, the Joint Venture Company, GE Triveni Ltd, Bengaluru has spent ₹ 1.69 million for CSR activities as per its obligations.

4. List of activities in which expenditure in (4) above has been incurred: -

(i) Health care- Preventive and critical care for women and children

(ii) Education

(iii) Technology and Innovation

(iv) Environment and sustainable solutions for renewable energy & water resources.

Section C: Other Details

1. Does the Company have any Subsidiary Company/Companies?

Yes,the Company has a wholly owned foreign subsidiary, two foreign step down subsidiaries and a Joint Venture Company in India.

2. Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s).

There are no formalized arrangements but in respect of most of the issues relating to business responsibility, the values, policies and thinking of the parent company are practiced in the normal conduct of the business by the subsidiary companies.

3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company?

The Company does not mandate its suppliers to follow its BR initiatives but they are explained about such initiative and are encouraged to adopt such initiatives. There are quite a few large suppliers and other business partners which pursue their own BR initiatives.

If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%].

Not Applicable

Section D: BR Information

1. Details of Director/Directors responsible of BR

a) Details of the Director/Director responsible for implementation of the BR policy/policies

The BR initiatives are informally led by the Executive Director under guidance of the CSR Committee and under overall supervision of Board of Directors.

b) Details of the BR head*

Sl. No.	Particulars	Details
1.	DIN Number (if applicable)	01961162
2.	Name	Mr. Arun Mote
3.	Designation	Executive Director
4.	Telephone number	080-2216-4000
5.	e-mail id	ceo@triveniturbines.com

2. Principle-wise (as per NVGs) BR Policy/Policies (Reply in Y/N)

The National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs) released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility. These briefly are as follows:

P1	Business should conduct and govern themselves with ethics, Transparency and Accountability.
P2	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.
P3	Businesses should promote the well being of all employees.
P4	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.
P5	Businesses should respect and promote human rights
P6	Business should respect, protect, and make efforts to restore the environment.
P7	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.
P8	Businesses should support inclusive growth and equitable development.
P9	Businesses should engage with and provide value to their customers and consumers in a responsible manner.

Sl. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have policy/policies for BR	Yes. The Company has policy for Business Responsibility. Besides, the Company has formulated policies and standard operating procedure (SOP) to provide clarity to its personnel at various operating level.								
2.	Has the policy being formulated in consultation with the relevant stakeholder?	The Company has formulated the policies, SOPs and adopted best practices by considering inputs, feedback and sensitivities of the stake holders, wherever practicable.								
3.	Does the policy conform to any national/ international standards? If yes, specify? (50 words)	Yes, the policies/practices broadly conform to the National Voluntary Guidelines (NVGs) issued by the Ministry of Corporate Affairs, Government of India, July 2011.								
4.	Has the policy being approved by the Board? If yes, has it been signed by MD/ owner/CEO/appropriate Board Director?	Policies have been approved by the Board wherever it is mandatorily required and signed by the Executive Director/authorized signatories.								
5.	Does the company have a specified committee of the Board/Director/Official to oversee the implementation of the policy?	The BR initiatives are led by the Executive Director of the Company under guidance of CSR Committee and overall supervision of the Board of Directors.								
6.	Indicate the link for the policy to be viewed online?	The BR initiatives are presently governed by various Policies(such as Code of conduct, whistle blower policy, Corporate Social Responsibility Policy, Code of Fair Disclosure). These policies can be viewed at: www.triveniturbines.com on the Company's website.								
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	These policies are digitalized and accessible to all internal stakeholders through shared portal. Further, the relevant policies are also encrypted in CRM and Project management software External Stakeholders are communicated to the extent applicable and relevant. The mandatory policies are also updated on the website of the Company.								
8.	Does the company have in-house structure to implement the policy/policies	Y	Y	Y	Y	Y	Y	Y	Y	Y
9.	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	The Company has Customer Compliant Resolution System, a digital platform through which comments / complaints of all stake holders are recorded relating to above policies, as well as other matters, and there is a time bound approach to resolve such complaints in a fair manner.								
10.	Has the Company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	Apart from self-certification, discussions in meetings of cross-functional teams, certain areas related to EHS, customer satisfaction and quality are subject to internal audit by independent third party agencies and domain expert consultants. The compliance is also evaluated during the process of certification of various international quality standards. The spending and controls of corporate social responsibility are audited by statutory auditors.								

2a. If answer to Sl. No. 1 against any principle, is "No" please explain why: (Tick up to 2 options):

Sl. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8
1.	The company has not understood the Principles	NOT APPLICABLE							
2.	The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles.								
3.	The Company does not have financial or manpower resources available for the task.								
4.	It is planned to be done within next 6 months								
5.	It is planned to be done within next 1 year								
6.	Any other reason (please specify)								

3. Governance related to BR

- **Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, annually, more than I year.**

  The Vice Chairman and Executive Director review and assess the BR performance of the Company at least once a year. Other senior officers of the company review them more frequently.

- **Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?**

  The Company publish annual Business Responsibility Report on yearly basis and publish it in Company's Annual Report. The same is hosted in Company's website www.triveniturbines.com

Section E: Principle-wise performance

Principle 1: Ethics, Transparency and Accountability

The Company's commitment to ethical and lawful business conduct is a fundamental shared value of the Board of Directors, senior management and all employees of the Company and its subsidiaries. The Corporate Governance philosophy of the Company is anchored on the values of integrity, transparency, building efficient and sustainable environment, system and practices to ensure accountability, transparency, fairness in all the transactions in the widest sense to meet stakeholders and societal expectations. The Code of Conduct and other policies adopted by the Company apply to the employees of the Company. In addition, the Company has a Whistle Blower Policy through which the Company seeks to provide a mechanism to the employees and directors to disclose any unethical and/or improper practice(s) suspected to be taking place in the Company for appropriate action and reporting. Further, no employee is denied access to the Audit Committee and all disclosures, non-compliances if any, are reported to the Chairman of the Audit Committee. The Code of Conduct and Whistle Blower Policy are uploaded on the Company's website- www.triveniturbines.com.

1. **Does the Policy relating to ethics, bribery and corruption cover only the Company? Does it extend to the Group / Joint Ventures / Suppliers/ Contractors / Others?**

   The policy relating to ethics, bribery and corruption is applicable to the Company as well as its wholly owned foreign subsidiaries. Such matters are reviewed by the Board of Directors of the subsidiaries. The policies hosted in Companies website are applicable also to all wholly owned subsidiaries. GE Triveni Ltd., a joint venture of the company, has framed its own policies in this regards. The Company also encourages its suppliers and contractors to adopt such practices and follow the concept of being a responsible business entity.

2. **How many stakeholders' complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof.**

   In the course of business, the Company has received 5 nos queries from shareholders during the year, which were all resolved. Further, 29 Customer queries/ complaints were received during the year relating to functionality and quality of the steam turbines of which 26 were resolved satisfactorily, 1 attended by the Company and awaiting customer confirmation and two complaint was pending as of March 31, 2021. With a view to achieve maximum customer satisfaction, the Company gives utmost importance to resolve such inputs and absorbs the learning in the system and processes to avoid recurrence. Other than the aforesaid, the Company did not receive any major complaints and none of the major complaints is outstanding at the end of the year.

Principle 2: Sustainability of Products & Services across Life –Cycle

1. **List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and / or opportunities**

   The Company manufactures Steam turbines, spare parts and provides services relating thereto, including refurbishment of steam turbines of other makes. The products supplied by the company are environmental friendly and help industries to lower costs through cost competitive generation of power for captive consumption and/or for external sale.

   The Company supports environment sustainability with significant focus on thermal efficiency improvements to meet key customer expectations. The Steam Turbines supplied in power plants are run on non-fossil/ renewable fuels like sugarcane bagasse, biomass, municipal waste and waste heat from process plants. The Company has a well-equipped Research and Development department which is engaged in continually developing highly efficient turbines keeping in view the social and environmental concerns. With higher efficiency turbine solutions, on which the Company is consistently concentrating, there will be considerable reduction in carbon foot print.

   The ongoing research program of the company involves aero design enhancements which results in high energy conversion efficiency of it's products.

   The Company has introduced Hybrid (Reaction –Impulse) design which combines the unique advantages of both reaction and impulse technologies for fuel efficiency, robustness and compactness. The customers are benefitted in terms of less fuel consumption, automated turbine control system, high density turbine with lower foot print with same power output. These high power density turbines are used in process applications in chemical industries.

   The Company has also upgraded product offerings for Oil & Gas industry with expanded addressable market globally.

   Keeping in view the scarcity and cost of fossil fuel the Company has designed Turbine solutions for energy efficient district heating plants, to generate Combined Heat and Power using Biomass fuel. District Heating System distributes thermal energy from a central source to residential, commercial and industrial consumers for use in space heating, water heating and process heating.

   The Company offers steam turbines that can help industries produce clean energy solutions from waste heat from industrial equipment's like boilers, furnaces, process heaters among others. Waste heat recovery improves energy efficiency of the cycle and recovering waste heat losses provides an attractive opportunity for an emission free and less costly energy resource.

   The Company is developing alternate fluid turbines which will address emerging clean energy market.

2. **For each such product provide the following details in respect of resource use (energy, water, raw material etc) per unit of product (Optional).**

   a) Reduction during sourcing/ production/ distribution achieved since the previous year throughout the value chain?

      The R & D, Mechanical Design and Electrical Engineering Departments is engaged in value engineering to achieve reduction of material and consumables usage per turbine in partnership with major supply chain suppliers and sub-contractors. The aim is to generate optimum energy at least cost per MW of power generation, including reduction in consumption of fossil fossils fuels.

   b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?

      The Company is continually engaged in upgradation of its products to bring about energy conservation to optimize the resource use. Further, it is involved in reducing wastages/ rejections during the manufacturing process (including that of its suppliers & subcontractors) and value engineering activities with a view to reduce costs of products and be competitive, without compromising in any manner on the quality and benchmark efficiencies.

      The Company has roof top Solar PV Power Panels as part of the ambitious goal of securing 15% electricity from renewable sources. The installed capacity of the plant is 300 KW (solar photovoltaic (PV) plant) and is capable of generating 0.38 million units annually which resulted in reduction of the carbon footprints of about 400 tonnes annually.

   Various other steps taken for conservation of energy are provided in Annexure G to Directors Report.

3. **Does the Company have procedures in place for sustainable sourcing (including transportation)? IF yes, what percentage of your inputs was sourced sustainably?**

   Yes. The Company is increasingly building its capabilities for effective sustainable sourcing. The company understands the growing expectations of stakeholders (including customers, shareholders, employees, NGOs, trade associations, government agencies, etc.) to take responsibility for their supplier's environmental, social and ethical practices. Accordingly, company is increasingly making responsible sourcing an integral part of procurement and supply chain management processes and managing these risks in the supply chain.

   Though it is difficult to quantify exactly in terms of percentage of inputs that was sourced sustainably, the Company is increasingly focused on sustainable sourcing and it is on rise.

4. **Has the Company taken any steps to procure goods and services from local and small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?**

   i. Yes, the Company encourages highly skilled willing retired employees to develop small or micro companies, around its vicinity, for supply of components to the Company and provide related services. Further, the Company also develops several job workers locally, mostly small producers, for sourcing components. The Company imparts necessary training and engineering skills to the local job workers for their development and ensures sustainable quality deliverables. During the year the Company has procured above 60% of total procurement in terms of value from local sources, where local source is defined as at the State in which the manufacturing plant is established.

   ii. The Company also believes in long term partnership with the vendors by having rate contracts with them and providing periodical feedback on their performances in terms of quality, delivery, services, environmental health and safety, which helps the vendors to improve their performance by taking corrective actions on the parameters where they are found lacking. Transparency and fair approach are maintained while dealing with the vendors during the entire procurement cycle.

5. **Does the Company have a mechanism to recycle products and waste? If yes,what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also provide details thereof in about 50 words**

   Yes, the Company have a mechanism to recycle products and waste. Lubricating oil is recycled using centrifuge filtering process to remove suspended solids and impurities. About 85% to 88% lubricating oil is recovered and reused by this process. Further the steel scrap arising out of the manufacturing process are sent back for recycling and reuse. The Company thus ensures almost 100% recycle of steel waste during production with negligible waste.

   Paper consumption is monitored and targets set for reduction in usage. Waste paper is recycled. Entire organic waste is composted in house and used as manure. Domestic effluent is recycled and used for gardening purposes.

Principle 3: Employee Well-being

Sl. No.	Category	Response
1.	Total number of employees	831* (Includes Permanent, Temporary, Trainee and Contractual employees)
2.	Total numbers of employees hired on temporary / contractual / casual basis	197*
3.	Total number of permanent women employees	23*
4.	Total number of permanent employees with disabilities	Nil
5.	Do you have employee association that is recognized by management?	No
6.	What percentages of your permanent employees are members of this recognized employee association?	Not applicable

* as on March 31, 2021.

7. **Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.**

   There were no such complaints during the year.

8. **What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year ?**

Category	Safety (%)	Skill Up-gradation (%)
Permanent employees	69%	82%
Permanent Women Employees	82%	66%
Casual / Temporary / Contractual employees	65%	NA
Employees with disabilities	NA	NA

Principle 4: Stake Holder Engagement

1. **Has the Company mapped its internal and external stakeholders?**

   Yes, the key stakeholders of the Company are employees, customers, government authorities, suppliers & contractors, financial Institutions, charitable organizations, trade & chamber associations, shareholders and society.

2. **Out of the above, has the Company identified the disadvantaged, vulnerable & marginalized stakeholders?**

   For the Company all the stakeholders are equally significant. However, the Company encourages to associate and develop small and micro suppliers and job workers and assist them to provide requisite engineering skill and access to resources. In addition, the company engages in various CSR activities, mostly for vulnerable and marginalized stakeholders.

3. **Are there any special initiative taken by the Company to engage with the disadvantage, vulnerable and marginalized stakeholders? If so, provide details thereof, in about 50 words**

   As a part of the CSR initiatives of the Company, considerable importance is given to disadvantage, vulnerable and marginalized stakeholders – Please refer to Annexure E of the Director's Report.

Principle 5: Human Rights

1. **Does the policy of the Company on human rights cover only the Company or extend to the Group/ Joint Ventures/ Suppliers/ Contractors/ Others?**

   The Company has the Human Rights Policy which is primarily applicable to the Company. However, the Company encourages its Joint Ventures, suppliers, contractors and other stake holders to follow its Human Rights Policy and engages with them to elaborate the salient points.

2. **How many stakeholders' complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?**

   During FY 2020-21, the Company has not received any complaints pertaining to human rights from any stakeholder.

Principle 6: Protection & Restoration of the Environment

1. **Does the Policy related to Principle 6 cover only the Company or extend to the Group/ Joint Ventures/ Suppliers/ Contractors/ Others.**

   The Company's Policy on Safety, Health & Environment extend, to the extent practicable, to its subsidiaries, Joint Venture, Suppliers and Contractors as well.

2. **Does the Company have strategies / initiatives to address global environmental issues such as climate change, global warming etc.? (Y/N) If yes, please give hyperlink for webpage:**

   Yes, as a responsible Corporate entity, the Company conducts Legal and Environmental Audits on a periodic basis**.** The Environmental Management System (EMS) is a comprehensive approach to environmental management and continual improvement, which is certified in line with ISO 14001:2015 & OHSAS 18001:2007 standards. Audits are being conducted on periodical basis by a certifying bodies, which is recognized by over 50 accreditation bodies. The products of the Company are based on renewable energy and are instrumental in generating green power. Please refer to Management Discussion and Analysis section of Annual Report 2021, which is also provided at www.triveniturbines.com.

   Under Company's various "Green initiatives", the Company's manufacturing plants have more than 4500 trees, zero discharge facility with 100% waste water getting treated and used for gardening along with Kitchen Waste Compost unit. The employees of the Company and its vendors are encouraged to do tree planting in their respective houses, vicinity and factories by free distribution of saplings.

3. **Does the Company identify and assess potential environmental risks? (Y/N)**

Yes, it is the endeavor of the Company to continually evaluate and subject its processes to stringent scrutiny to minimize the impact of its manufacturing operations on the environment. Further, the same philosophy is practiced in the development of new products, the objective of which is to improve thermal efficiency levels, use renewable energy and be involved in projects linked to green power and alternate power such as power from municipal waste etc.,

4. **Does the Company have any Project related to clean development mechanism? If yes, whether any environmental compliance report is filed.**

No, the Company is not directly associated with any project related to clean development mechanism (CDM). However, in view of its product being environment friendly and related to renewable energy, it must have supplied its products to CDM projects, the details of which are not available with the Company.

At present, under Clean Development Mechanism, company subscribes to create Green Factories. Company's Peenya Facility has been awarded prestigious "PLATINUM RATING FOR GREEN FACTORY" under the Indian Green Building Council's certification scheme. This award is for implementing the green practices in Design of building and facilities, Energy conservation, Water Conservation, Optimization of process parameters towards conservation of natural resources, Green cover, use of non conventional energy sources etc., Presently Company is working with Indian Green Building Council (IGBC) for certification of its Sompura facility" and hence continues to demonstrate Company's commitment to green buildings.

5. **Has the Company undertaken any other initiatives on clean technology, energy efficiency, renewable energy, etc.**

Renewable energy forms significant portion of the electrical energy consumed by the Unit. Energy Conservations measures have been implemented at all the plants and offices of the Company and special efforts are being put on undertaking specific energy conservation projects. Most importantly, the steam turbines manufactured by the Company largely operate on non-fossil fuel, renewable in nature, to meet the steam and power requirements of its customers.

The Company is also engaged in development of alternate medium turbines which are designed to be coupled with solar energy recovery systems.

The Peenya plant generates 300 KW using solar power which meets 30% of the power consumption of the Peenya plant.

6. **Are the Emissions/ Waste generated by the Company within the permissible limits given by CPCB/ SPCB for the financial year being reported?**

Yes, the Emissions / waste generated by the Company are within the permissible limits given by Central Pollution Control Board ("CPCB") / State Pollution Control Board ("SPCB").

7. **Number of show cause / legal notices received from CPCB/ SPCB which are pending (ie not resolved to satisfaction) as on end of financial year.**

No such notices were received during the year or pending at the end of the financial year.

Principle 7: Responsible Advocacy

1. **Is your Company a member of any trade and chamber or association? If yes, name only the ones that your business deals with:**

The Company is a member of various trade and chamber associations. The major ones are:

a. Confederation of Indian Industries (CII)

b. Federation of Indian Chambers of Commerce and Industry (FICCI)

c. The Sugar Technologists' Association of India (STAI)

2. **Have you advocated / lobbied through above associations for the advancement or improvement of public good? Yes/ No if yes specify the broad areas.**

The Company approaches from time to time with various organization, namely, CII, FICCI for improvement of various economic and social policies for sustainable growth in the value chain.

Principle 8: Supporting inclusive Growth & Equitable Development

1. **Does the Company have specified programs / initiatives/ projects in pursuit of the Policy related to Principle 8?**

Yes, the details are forming part of the CSR Report – Annexure-E to the Director's Report. This is in addition to the Company's efforts to support small and micro suppliers and job workers.

2. **Are the Programs/ Projects undertaken through in house team / own foundation/ external NGO/ Government structures / any other organization?**
The Company's social projects are carried on under its CSR Policy for community welfare, providing education for employment opportunities and rural development. Collaborative partnerships are formed with external implementation agencies having requisite competence.

3. **Have you done any impact assessment of your initiatives?**
Yes, for each of the CSR project undertaken, impact analysis is carried out by external implementation agency as well as in-house CSR team. All such assessments are carried out after completion of the project.

4. **What is your Company's direct contribution to community development projects – amount in INR and the details of the project undertaken?**
The Company has directly spent on CSR expenditure amounting to ₹ 28.52 million during the financial year. Please refer to Annexure -E of the Director's Report for details. This includes Covid 19 related contribution of ₹ 10.52 million.

5. **Have you taken steps to ensure that this community development initiative is successfully adopted by the Community?**
Yes, the CSR activities were pursued in line with the Company's policy and framework. The first step in the process is to identify target class of the community that requires intervention. The Company continuously monitors community development initiatives through various parameters such as health indicators, literacy levels, sustainable livelihood processes, population data and state of infrastructure among others. From the data generated, rolling plans are developed for short to medium term. The projects are assessed under the agreed strategy and are monitored on a quarterly basis. Wherever necessary, mid-course corrections are carried out.

Principle 9: Providing value to Customers and Consumers

1. **What percentage of customer complaints / consumer cases are pending as on the end of the financial year**
The company has a robust customer complaint handling system which runs in a digital platform. As on March 31, 2021, 10% of customer complaints are pending of which 3% complaints are attended by the Company and awaiting customer confirmation. The Company is in process to attend the balance 7% complaint

2. **Does the Company display product information on the product label, over and above what is mandated as per local laws?**
The Company displays product information as per International Standards (IEC 60045-1) and general industry practice.

3. **Is there any case filed by any stakeholders against the Company regarding unfair trade practices, irresponsible advertising/ or anti-competitive behavior during the last five years and pending as on end of financial year? If so, provide details thereof in about 50 words or so**
Nil.

4. **Did your Company carry out any consumer survey/ consumer satisfaction trends?**
The Company has a well-established system in place for dealing with customer feedback through "Customer Complain Resolution System" (CCRS). There is also system for soliciting customer satisfaction (C-SAT) feedback and net promoter score (NPS) survey feedback from customer at regular interval. This is headed by a senior officer. Results of abovementioned customer feedbacks are circulated as a periodic MIS to senior management and concerned stakeholder depicting the customer satisfaction trend. Customer engagement processes have been aligned across the value chain to monitor customer satisfaction and feedback. Customers are provided multiple options to connect with the Company through email, telephone, website, feedback forms etc. The Company also has a dedicated customer care response cell to address customer queries and feedback on product.

Dhruv M Sawhney
Chairman and Managing Director
DIN 00102999

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 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement, 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 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act, of the state of affairs of the Company as at 31 March 2021,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.

Key Audit Matters

4. 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.

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

Key audit matter	How our audit addressed the key audit matter
Litigations, arbitrations, claims and other contingencies **Refer notes 2(b) (v) and 42 to the accompanying standalone financial statements.** The Company has ongoing litigations/ arbitration proceedings with DI Netherlands BV, joint venture (JV) partner in GE Triveni Limited (GETL) in relation to oppression and mismanagement claims in the said JV, violation of certain provisions of the joint venture agreement amongst others which are pending against it at various forums within and outside India and could have a significant impact on the accompanying standalone financial statements, if such arbitrations were to materialize in cash outflows, if any.	Our audit procedures included, but were not limited to the following: a. Obtained an understanding of the management process for: • identification of legal matters initiated by / against the Company, • assessment of accounting treatment for each such litigation identified as per the applicable accounting standards, and • for measurement of amounts involved; b. Tested the design and operating effectiveness of the controls put in place by the management in relation to identification of litigations, assessment of the outcome of these pending litigations and completeness of disclosures;

Key audit matter	How our audit addressed the key audit matter
Whether a liability is recognised as a provision or disclosed as a contingent liability in the financial statements involves inherent judgments dependent upon a number of significant assumptions and assessments. These include assumptions relating to the likelihood and / or timing of the cash outflows from the business and the interpretation of contracts and local laws and pending assessments at various levels of the statute, thus a risk that such cases may not be adequately provided for or disclosed in the standalone financial statements. The outcome of such litigations/arbitrations proceedings are currently uncertain and such assessment requires significant judgement by the management. Further, due to complexity of subject matter of the cases, time lines for resolution, range of possible outcomes, involvement of management's legal experts, the determination of the need for creating a provision or disclosing as a contingent liability in the financial statements is inherently subjective and therefore has been considered to be a key audit matter in the current year. The above matter is also considered fundamental to the understanding of the users of the accompanying standalone financial statements on account of the uncertainties relating to the final outcome of the proceedings/litigation.	c. Obtained an understanding of the nature of these pending litigations and discussed the developments during the year for these litigations with the management, in-house legal team. This involved obtaining and reading the summary of the various litigations, statement of claims and statement of defenses filed with the authorities; e. Obtained relevant third-party legal confirmations on the likelihood of the outcome of the said litigations and potential impact on the financial statements, together with follow up discussions, where appropriate. Evaluated the objectivity, competence and relevant experience of such third party legal counsel; f. Verified other evidences such as correspondence with the legal counsels, interim orders and appeals, letters exchanged between the parties to the litigations to corroborate management's assessment of the these litigations; g. Obtained specific management representations as necessary in relation to such arbitrations/litigations and management's assessment of the impact of such matters on GETL; and h. Evaluated the appropriateness and adequacy of the disclosures made in the standalone financial statements for such litigations and arbitrations in accordance with the applicable accounting standards.

Key audit matter	How our audit addressed the key audit matter
Write-downs of inventories to net realisable value Refer notes 2(b)(i) and 10 in the accompanying standalone financial statements As at 31 March 2021, the Company's inventories amounted to ₹ 1,591.87 million representing 17.86% of the Company's total assets as at 31 March 2021 and write-down of inventories amounted to ₹ 63.72 million 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.	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 2021 and evaluated the assessment prepared by the management including forecasted uses of these inventories on a test check basis;

Key audit matter	How our audit addressed the key audit matter
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.	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

6. The Company's Board of Directors is 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 do 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 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

7. The accompanying standalone financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone 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 accounting principles generally accepted in India, including the Ind AS specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate 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.

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

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

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

10. 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.

11. As part of an audit in accordance with Standards on Auditing, 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 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;

12. 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.

13. 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.

14. 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

15. 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.

16. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of Section 143(11) of the Act, we give in

the Annexure I a statement on the matters specified in paragraphs 3 and 4 of the Order.

17. 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 2021 from being appointed as a director in terms of Section 164(2) of the Act;

    f) we have also audited the internal financial controls with reference to financial statements of the Company as on 31 March 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date and our report dated 28 June 2021 as per Annexure II expressed 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 and 42 to the standalone financial statements, has disclosed the impact of pending litigation on its financial position as at 31 March 2021;

        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 2021;

        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 2021; and

        iv. the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016, which are not relevant to these standalone financial statements. Hence, reporting under this clause is not applicable.

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

Vijay Vikram Singh
Partner
Membership No.: 059139
UDIN: 21059139AAAADF3344

Bengaluru
28 June 2021

Annexure I 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 2021

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The Company has a regular program of physical verification of its fixed assets under which fixed assets are 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 fixed assets were verified during the year and no material discrepancies were noticed on such verification.

(c) The title deeds of the immovable properties (which are included under the head 'Property, plant and equipment') are held in the name of the Company. Immovable property 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. In respect of immovable properties in the nature of land (included under 'Property, plant and equipment' as Leasehold Land) that has been taken on lease, as further described in note 3(i) of the standalone financial statements, the lease agreements are in the name of the Company, where the Company is the lessee as per the agreement.

(ii) In our opinion, the management has conducted physical verification of substantial inventory at reasonable intervals during the year, except for stocks lying with third parties. For stocks lying with third parties at the year-end, written confirmations have been obtained by the management. No material discrepancies between physical inventory and book records were noticed on the physical verification of inventory.

(iii) The Company has not granted any loan, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clauses 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order are not applicable.

(iv) In our opinion, the Company has complied with the provisions of Section 186 in respect of investments. Further, in our opinion, 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, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

(vi) 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 under sub-section (1) of Section 148 of the Act in respect of Company's products/services 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) The Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, goods and services tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, to the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they become payable.

(b) There are no dues in respect of sales-tax, goods and service tax, duty of customs, duty of excise and value added tax that have not been deposited with the appropriate authorities on account of any dispute. The dues outstanding in respect of income-tax and service-tax on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount (₹ millions)	Amount paid under Protest (₹ millions)	Period to which the amount relates	Forum where dispute is pending
Finance Act, 1994	Service tax	54.58	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
Income Tax Act, 1961	Income Tax	2.89	-	AY 2013-14	Commissioner of Income Tax (Appeal)
Income Tax Act, 1961	Income Tax	6.17	-	AY 2015-16	Assessing officer
Income Tax Act, 1961	Income Tax	11.98	-	AY 2016-17	Commissioner of Income Tax (Appeal)
Income Tax Act, 1961	Income Tax	69.20	-	AY 2017-18	Commissioner of Income Tax (Appeal)
Income Tax Act, 1961 *	Income Tax	836.58	-	AY 2018-19	Assessing officer / Commissioner of Income Tax (Appeal)
Income Tax Act, 1961 *	Income Tax	600.86	-	AY 2019-20	Assessing officer / Commissioner of Income Tax (Appeal)

* Refer note 41(iii) to the standalone financial statements

(viii) The Company has not defaulted in repayment of loans or borrowings to any bank or financial institution during the year. The Company has no loans or borrowings to government and did not have any outstanding debentures during the year.

(ix) In our opinion, the Company has applied moneys raised by way of the term loans for the purposes for which these were raised. The Company did not raise moneys by way of initial public offer/ further public offer (including debt instruments).

(x) No fraud by the Company or on the Company by its officers or employees has been noticed or reported during the period covered by our audit.

(xi) Managerial remuneration has been paid / provided by the Company in accordance with the requisite approvals mandated by the provisions of Section 197 of the Act read with Schedule V to the Act.

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

(xiii) In our opinion all transactions with the related parties are in compliance with Sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the financial statements etc., as required by the applicable Ind AS.

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

(xv) In our opinion, the Company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act.

(xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

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

Vijay Vikram Singh
Partner
Membership No.: 059139
UDIN: 21059139AAAADF3344

Bengaluru
28 June 2021

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 2021

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 2021, 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 2021, 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: 21059139AAAADF3344

Bengaluru
28 June 2021

Balance Sheet

As at March, 31, 2021

(₹ in Million)

	Note No.	31-Mar-21	31-Mar-20
ASSETS			
Non-current assets			
Property, plant and equipment	3	2,437.36	2,426.43
Capital work-in-progress	3	-	63.72
Intangible assets	4	39.50	38.45
Intangible assets under development		9.54	8.71
Investments in subsidiary and joint venture	5 (a)	98.47	98.47
Financial assets			
i. Trade receivables	6	-	-
ii. Loans	7	-	0.16
iii. Other financial assets	8	8.94	8.41
Other non-current assets	9	4.44	21.02
Income tax assets (net)	20	37.41	49.31
Total non-current assets		**2,635.66**	**2,714.68**
Current assets			
Inventories	10	1,591.87	1,724.84
Financial assets			
i. Investments	5 (b)	2,679.31	1,295.03
ii. Trade receivables	6	763.62	1,210.32
iii. Cash and cash equivalents	11 (a)	129.12	502.48
iv. Bank balances other than cash and cash equivalents	11 (b)	729.89	1.20
v. Loans	7	0.02	1.95
vi. Other financial assets	8	77.96	39.47
Other current assets	9	303.16	371.67
Total current assets		**6,274.95**	**5,146.96**
Total assets		**8,910.61**	**7,861.64**
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	12	323.30	323.30
Other equity	13	5,601.03	4,663.67
Total equity		**5,924.33**	**4,986.97**
Liabilities			
Non-current liabilities			
Financial liabilities			
i. Borrowings	14	-	9.56
ii. Other financial liabilities	18	20.27	23.58
Provisions	15	29.84	66.34
Deferred tax liabilities (net)	21	50.92	58.07
Total non-current liabilities		**101.03**	**157.55**
Current liabilities			
Financial liabilities			
i. Borrowings	16	-	-
ii. Trade payables	17		
a) Total outstanding dues of micro enterprises and small enterprises		111.81	68.46
b) Total outstanding dues of creditors other than micro enterprises and small enterprises		621.16	568.86
iii. Other financial liabilities	18	233.64	201.51
Other current liabilities	19	1,733.49	1,677.43
Provisions	15	127.31	149.67
Income tax liabilities (net)	20	57.84	51.19
Total current liabilities		**2,885.25**	**2,717.12**
Total liabilities		**2,986.28**	**2,874.67**
Total equity and liabilities		**8,910.61**	**7,861.64**

The accompanying notes 1 to 48 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 : June 28, 2021

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

Rajiv Sawhney
Company Secretary [ACS: 8047]

Place : Noida (U.P.)
Date : June 28, 2021

Statement of Profit and Loss

for the year ended March 31, 2021

(₹ in Million)

	Note No.	31-Mar-21	31-Mar-20
Revenue From Operations	22	6,969.32	8,098.99
Other income	23	196.88	218.42
Total income		**7,166.20**	**8,317.41**
EXPENSES			
Cost of materials consumed	24	3,565.90	4,221.43
Changes in inventories of finished goods and work-in-progress	25	(18.36)	180.35
Employee benefits expense	26	801.48	943.93
Finance costs	27	11.22	33.33
Depreciation and amortisation expense	28	201.75	200.83
Impairment loss on financial assets (including reversals of impairment losses)	29	58.98	44.65
Other expenses	30	1,163.77	1,271.12
Total expenses		**5,784.74**	**6,895.64**
Profit before exceptional items and tax		**1,381.46**	**1,421.77**
Exceptional items	46	(185.20)	-
Profit before tax		**1,196.26**	**1,421.77**
Tax expense:			
- Current tax	31	333.02	370.04
- Deferred tax	31	(24.00)	(48.87)
Total tax expense		**309.02**	**321.17**
Profit for the year		**887.24**	**1,100.60**
Other Comprehensive Income			
A (i) Items that will not be reclassified to profit or loss			
- Remeasurements of the defined benefit plan	34	14.79	(7.00)
		14.79	**(7.00)**
A (ii) Income tax relating to items that will not be reclassified to profit or loss	31	(3.72)	1.76
		11.07	**(5.24)**
B (i) Items that will be reclassified to profit or loss			
- Effective portion of gain/(loss) on designated portion of hedging instruments in a cash flow hedges	37(iii)(b)	52.18	(108.36)
		52.18	**(108.36)**
B (ii) Income tax relating to items that will be reclassified to profit or loss	31	(13.13)	32.20
		39.05	**(76.16)**
Other comprehensive income/(loss) for the year, net of tax		**50.12**	**(81.40)**
Total comprehensive income for the year		**937.36**	**1,019.20**
Earnings per equity share of ₹ 1 each			
Basic earnings per share (in ₹)	32	2.74	3.40
Diluted earnings per share (in ₹)	32	2.74	3.40

The accompanying notes 1 to 48 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 : June 28, 2021

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

Rajiv Sawhney
Company Secretary [ACS: 8047]

Place : Noida (U.P.)
Date : June 28, 2021

Statement of Changes in Equity

for the year ended March 31, 2021

A. Equity share capital

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

(₹ in Million)

As at April 1, 2019	**323.30**
Changes in equity share capital during the year	-
As at March 31, 2020	**323.30**
Changes in equity share capital during the year	-
As at March 31, 2021	**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, 2019	**34.67**	**3,748.63**	**42.70**	**3,826.00**
Profit for the year	-	1,100.60	-	1,100.60
Other comprehensive income/(loss) net of income tax	-	(5.24)	(76.16)	(81.40)
Total comprehensive income for the year	**-**	**1,095.36**	**(76.16)**	**1,019.20**
Transactions with owners in their capacity as owners:				
Dividend paid	-	(161.66)	-	(161.66)
Dividend distribution tax (DDT)	-	(19.87)	-	(19.87)
Balance as at March 31, 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	-	-	-	-
Dividend distribution tax (DDT)	-	-	-	-
Balance as at March 31, 2021	**34.67**	**5,560.77**	**5.59**	**5,601.03**

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 : June 28, 2021

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

Rajiv Sawhney
Company Secretary [ACS: 8047]

Place : Noida (U.P.)
Date : June 28, 2021

Statement of Cash Flows

for the year ended March 31, 2021

(₹ in Million)

	31-Mar-21	31-Mar-20
Cash flows from operating activities		
Profit before tax	1,196.26	1,421.77
Adjustments for		
Depreciation and amortisation expense	201.75	200.83
(Profit) /loss on sale/write off of property, plant and equipment	(0.60)	0.29
Net profit on sale/redemption of current investments	(88.47)	(69.94)
Net fair value (gains) on current investments	(39.50)	(20.44)
Dividend received	-	(64.99)
Interest income	(16.71)	(1.54)
Provision for doubtful advances	8.39	4.54
Amount written off of non financial assets	2.10	0.25
Allowance for non moving inventories	22.26	7.55
Impairment loss on financial assets (including reversals of impairment losses)	58.98	44.65
Finance costs	11.22	33.33
Unrealised foreign exchange (gain)	(7.93)	(19.12)
Credit balances written back	(5.98)	(4.85)
Mark-to-market (gains)/losses on derivatives	(20.13)	52.85
Working capital adjustments :		
Change in inventories	110.69	435.14
Change in trade receivables	404.63	513.91
Change in other financial assets	(29.24)	(6.04)
Change in other assets	62.30	(148.38)
Change in trade payables	100.74	(547.57)
Change in other financial liabilities	78.21	3.86
Change in other liabilities	56.05	287.23
Change in provisions	(44.07)	65.04
Cash generated from operations	**2,060.95**	**2,188.37**
Income tax paid (net of refunds)	(314.47)	(405.39)
Net cash inflow from operating activities	**1,746.48**	**1,782.98**
Cash flows from investing activities		
Purchase of property, plant and equipment	(131.86)	(115.04)
Proceeds from sale of property, plant and equipment	2.27	0.19
Net (increase) in current investment	(1,216.31)	(1,154.60)
Investment in deposits with financial institutions	(40.00)	-
Dividend received	-	64.99
Proceeds from sale of assets classified as held for sale	-	2.52
Interest received	12.98	1.54
Net cash outflow from investing activities	**(2,101.72)**	**(1,200.40)**

Statement of Cash Flows

for the year ended March 31, 2021

(₹ in Million)

	31-Mar-21	31-Mar-20
Cash flows from financing activities		
Proceeds from long term borrowings	-	12.00
Repayment of long term borrowings	(2.13)	(0.81)
Payment of principal portion of lease liabilities	(4.56)	(5.23)
Interest paid on lease liabilities	(2.66)	(3.22)
Interest paid	(8.56)	(30.03)
Dividend paid to Company's shareholders	(0.21)	(161.84)
Dividend distribution tax	-	(19.87)
Net cash outflow from financing activities	**(18.12)**	**(209.00)**
Net (decrease)/increase in cash and cash equivalents	(373.36)	373.58
Cash and cash equivalents at the beginning of the year (refer note 11 (a))	502.48	128.90
Cash and cash equivalents at the end of the year (refer note 11 (a))	**129.12**	**502.48**

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 (including DDT)
Balance as at April 1, 2019	-	0.51	-	1.48
Cash flows	(8.45)	11.18	(30.03)	(181.71)
Finance costs accruals	3.22	-	30.11	-
Non cash movement (addition/disposal)	34.01	-	-	-
Dividend distributions (including DDT) accruals	-	-	-	181.53
Balance as at March 31, 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 (including DDT) accruals	-	-	-	-
Balance as at March 31, 2021	**24.75**	**9.56**	**0.07**	**1.09**

The accompanying notes 1 to 48 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 : June 28, 2021

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

Rajiv Sawhney
Company Secretary [ACS: 8047]

Place : Noida (U.P.)
Date : June 28, 2021

Notes to the Financial Statements

for the year ended March 31, 2021

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;

Notes to the Financial Statements
for the year ended March 31, 2021

- operation and maintenance revenue is recognised over time using an input method to measure progress towards complete satisfaction of the service because the 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

Notes to the Financial Statements

for the year ended March 31, 2021

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.

(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

Notes to the Financial Statements

for the year ended March 31, 2021

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.

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 capitalised 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

Notes to the Financial Statements

for the year ended March 31, 2021

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 setoff 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.

Notes to the Financial Statements

for the year ended March 31, 2021

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

Notes to the Financial Statements

for the year ended March 31, 2021

(l) Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset and its sale is highly probable. Management must be committed to the sale. They are measured at the lower of their carrying amount and fair value less costs to sell. Non-current assets classified as held for sale are presented separately in the Balance Sheet.

Property, plant and equipment and intangible assets once classified as held for sale are not depreciated or amortised.

(m) 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.

(n) 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.

Notes to the Financial Statements
for the year ended March 31, 2021

(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 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.

(o) 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.

(p) 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.

Notes to the Financial Statements

for the year ended March 31, 2021

(q) 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.

(r) 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

Notes to the Financial Statements

for the year ended March 31, 2021

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.

Notes to the Financial Statements

for the year ended March 31, 2021

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.

(s) 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

Notes to the Financial Statements

for the year ended March 31, 2021

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.

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.

(t) 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.

(u) 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;

Notes to the Financial Statements
for the year ended March 31, 2021

- 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.

(v) 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.

(w) Recent pronouncements

On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through a notification amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

i. Additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.

ii. Specified format for disclosure of shareholding of promoters.

iii. Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.

iv. Additional disclosures relating to Corporate Social Responsibility (CSR)

The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

Notes to the Financial Statements

for the year ended March 31, 2021

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) Critical accounting judgements

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

(i) Classification of GE Triveni Limited as a Joint Venture

The Company holds more than 50% stake in the equity share capital (i.e. holding 8,000,001 equity shares out of total 16,000,000 equity shares) of GE Triveni Limited (GETL) and the balance share capital is being held by DI Netherland B.V. By virtue of agreements between the shareholders, relevant terms of which are enshrined in the Articles of Association of GETL, it has been considered that the Company has joint control over GETL alongwith the other shareholder since unanimous consent of both the shareholders is required in respect of significant financial, operating, strategic and managerial decisions. Accordingly investments in equity shares of GETL is classified as investment in joint venture.

(b) 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 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

Notes to the Financial Statements

for the year ended March 31, 2021

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.

(vii) Tax charge on intangible assets recognised at time of vesting of turbine business

The Company has been claiming allowance for depreciation on written down value method on certain intangibles recognised upon vesting of the steam turbine business in earlier years pursuant to a scheme of demerger. While such claims for certain years have been adjudicated in favor of the Company at the first appellate stage, the Revenue department has consistently disallowed the same in tax assessments. In view of uncertainty with regard to the ultimate decision in such matter at higher judicial forums, the Company has not considered the benefit of the aforesaid favorable decisions and has continued to recognise charge for tax without considering depreciation benefits on such intangible assets, the tax effect of which aggregates to ₹ 175.38 Million till March 31, 2021 (March 31, 2020: ₹ 183.38 Million)

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

(₹ in Million)

	Property, plant and equipment										Capital work-in-progress
	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 2020											
Gross carrying amount											
Opening gross carrying amount	36.42	388.65	1,170.04	1,319.78	24.43	59.99	42.33	53.37	-	3,095.01	43.34
Additions	-	-	4.45	37.86	2.06	2.51	14.19	1.71	-	62.78	31.51
Impact on account of transition to Ind AS 116 [refer note (iv) below]	-	-	-	-	-	-	-	-	34.01	34.01	-
Disposals	-	-	-	(36.93)	-	-	(1.06)	(1.42)	-	(39.41)	-
Transfer	-	-	-	-	-	-	-	-	-	-	(11.13)
Closing 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**
Accumulated depreciation											
Opening accumulated depreciation	-	-	94.86	404.76	12.41	21.23	18.42	34.78	-	586.46	-
Depreciation charge during the year	-	-	39.20	110.73	3.90	5.92	5.39	6.09	7.13	178.36	-
Disposals	-	-	-	(36.90)	-	-	(0.55)	(1.41)	-	(38.86)	-
Closing accumulated depreciation	**-**	**-**	**134.06**	**478.59**	**16.31**	**27.15**	**23.26**	**39.46**	**7.13**	**725.96**	**-**
Net carrying amount	**36.42**	**388.65**	**1,040.43**	**842.12**	**10.18**	**35.35**	**32.20**	**14.20**	**26.88**	**2,426.43**	**63.72**
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**	**-**

(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 accordancewith Ind AS 116 "(Leases") [Refer note 39 (ii)]

Notes to the Financial Statements
for the year ended March 31, 2021

Note 4: Intangible assets

(₹ in Million)

	Computer software	Website	Design and drawings	Total
Year ended March 31, 2020				
Gross carrying amount				
Opening gross carrying amount	87.14	1.42	43.27	131.83
Additions	22.32	-	2.92	25.24
Disposals	-	-	-	-
Closing gross carrying amount	**109.46**	**1.42**	**46.19**	**157.07**
Accumulated amortisation				
Opening accumulated amortisation	62.96	1.42	31.77	96.15
Amortisation charge for the year	16.97	-	5.50	22.47
Disposals	-	-	-	-
Closing accumulated amortisation	**79.93**	**1.42**	**37.27**	**118.62**
Closing net carrying amount	**29.53**	**-**	**8.92**	**38.45**
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
Disposals	-	-	-	-
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**

(i) All intangible assets disclosed above represents acquired intangible assets.

Note 5: Investments

(a) Investments in subsidiary and joint venture

(₹ in Million)

	31-Mar-21	31-Mar-20
At cost		
Unquoted investments (fully paid-up)		
Investments in equity instruments		
- **of subsidiary**		
200,000 (March 31, 2020: 200,000) Ordinary shares of GBP 1/- each of Triveni Turbines Europe Private Ltd	18.47	18.47
- **of joint venture**		
8,000,001 (March 31, 2020: 8,000,001) Equity shares of ₹10/- each of GE Triveni Limited (refer note 2 (a) (i) and note 16 (ii))	80.00	80.00
Total investments in subsidiary and joint venture	**98.47**	**98.47**
Total investments in subsidiary and joint venture	**98.47**	**98.47**
Aggregate amount of quoted investments and market value thereof		
Aggregate amount of unquoted investments	98.47	98.47
Aggregate amount of impairment in the value of investments	-	-

Notes to the Financial Statements

for the year ended March 31, 2021

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-21	31-Mar-20
Subsidiary			
Triveni Turbines Europe Private Ltd	United Kingdom	100%	100%
Joint venture			
GE Triveni Limited	India	50%	50%

(b) Current investments

(₹ in Million)

	31-Mar-21	31-Mar-20
Unquoted investments		
Investments in mutual funds at fair value through profit or Loss:	2,639.31	1,295.03
Deposits with financial institutions at amortised cost	40.00	-
Total current investments	**2,679.31**	**1,295.03**
Aggregate amount of quoted investments and market value thereof	-	-
Aggregate amount of unquoted investments	2,679.31	1,295.03
Aggregate amount of impairment in the value of investments	-	-

Note 6: Trade receivables

(₹ in Million)

	31-Mar-21		31-Mar-20	
	Current	Non- current	Current	Non- current
Trade receivables (at amortised cost)	812.71	11.38	1,252.14	11.38
Less: Allowance for bad and doubtful debts	(49.09)	(11.38)	(41.82)	(11.38)
Total trade receivables	**763.62**	**-**	**1,210.32**	**-**
Trade receivables				
Secured, considered good	211.10	-	319.51	-
Unsecured, considered good	552.52	-	890.81	-
Trade receivables which have significant increase in credit Risk	12.79	-	8.26	-
Trade receivables - credit impaired	36.30	11.38	33.56	11.38
	812.71	**11.38**	**1,252.14**	**11.38**
Impairment allowance (allowance for bad and doubtful debts)				
Trade receivables which have significant increase in credit Risk	12.79	-	8.26	-
Trade receivables - credit impaired	36.30	11.38	33.56	11.38
	49.09	**11.38**	**41.82**	**11.38**

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

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

Notes to the Financial Statements
for the year ended March 31, 2021

(₹ in Million)

	31-Mar-21	31-Mar-20
Balance at beginning of the year	53.20	40.33
Additional provisions recognised	19.98	22.76
Amounts used during the year	(12.21)	(9.56)
Unused amounts reversed during the year	(0.50)	(0.33)
Balance at the end of the year	**60.47**	**53.20**

Note 7: Loans

(₹ in Million)

	31-Mar-21		31-Mar-20	
	Current	Non- current	Current	Non- current
Unsecured, considered good (at amortised cost)				
- Loan to employees	0.02	-	1.95	0.16
Total loans	**0.02**	**-**	**1.95**	**0.16**

Note 8: Other financial assets

(₹ in Million)

	31-Mar-21		31-Mar-20	
	Current	Non- current	Current	Non- current
At amortised cost				
Security deposits	0.02	8.94	0.02	8.41
Earnest money deposits	7.35	-	7.94	-
Interest accrued on bank deposits	3.73	-	-	-
Amount recoverable from banks (related to hedging transactions)	0.79	-	-	-
Contract assets (refer note 45)	54.14	-	31.51	-
Total other financial assets at amortised cost [A]	**66.03**	**8.94**	**39.47**	**8.41**
At fair value through Other Comprehensive Income (OCI)				
Derivatives financial instruments carried at fair value				
- Foreign-exchange forward contracts	11.93	-	-	-
Total other financial assets at fair value through OCI [B]	**11.93**	**-**	**-**	**-**
Total other financial assets ([A]+[B])	**77.96**	**8.94**	**39.47**	**8.41**

Notes to the Financial Statements

for the year ended March 31, 2021

Note 9: Other assets

(₹ in Million)

	31-Mar-21		31-Mar-20	
	Current	Non- current	Current	Non- current
Capital advances	-	0.84	-	13.15
Advances to suppliers				
Considered good	64.06	-	93.55	-
Considered doubtful	6.90	-	4.52	-
	70.96	-	98.07	-
Less: Provision for doubtful advances	(6.90)	-	(4.52)	-
	64.06	**-**	**93.55**	**-**
Indirect tax and duties recoverable				
Considered good	188.77	1.80	205.88	7.24
Considered doubtful	-	7.99	-	2.64
	188.77	**9.79**	**205.88**	**9.88**
Less: Provision for doubtful indirect taxes and duties recoverable	-	(7.99)	-	(2.64)
	188.77	**1.80**	**205.88**	**7.24**
Export incentives receivable				
Considered good	10.58	-	47.66	-
Considered doubtful	-	12.34	-	11.68
	10.58	**12.34**	**47.66**	**11.68**
Less: Provision for doubtful export incentives receivable	-	(12.34)	-	(11.68)
	10.58	**-**	**47.66**	**-**
Prepaid expenses	32.04	1.80	18.73	0.63
Due from customers (Turbine extended scope turnkey project revenue adjustment)	6.21	-	5.85	-
Gratuity fund receivable (refer note 34)	1.50	-	-	-
Total other assets	**303.16**	**4.44**	**371.67**	**21.02**

Note 10: Inventories

(₹ in Million)

	31-Mar-21	31-Mar-20
Raw materials and components [includes stock in transit ₹ 2.76 Million (March 31, 2020 :₹ Nil]	653.95	782.94
Less: Allowance for non moving inventories	(42.45)	(27.06)
Work-in-progress	772.31	816.82
Less: Allowance for non moving inventories	(21.27)	(14.39)
Finished goods [includes stock in transit ₹ 216.72 Million (March 31, 2020: ₹ 136.06 Million)]	229.32	166.45
Others - scrap and low value patterns	0.01	0.08
Total Inventories	**1,591.87**	**1,724.84**

Notes to the Financial Statements

for the year ended March 31, 2021

(i) The cost of inventories recognised as an expense during the year was ₹ 4,268.87 Million (March 31, 2020: ₹ 5,289.89 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.

Note 11: Cash and bank balances

(a) Cash and cash equivalents

(₹ in Million)

	31-Mar-21	31-Mar-20
At amortised cost		
Balances with banks		
- in current accounts	129.00	352.18
- Deposits with original maturity of less than three months	-	150.00
Cash on hand	0.12	0.30
Total cash and cash equivalents	**129.12**	**502.48**

(b) Bank balances other than cash and cash equivalents

(₹ in Million)

	31-Mar-21	31-Mar-20
At amortised cost		
Balances with banks		
-Deposits with maturity with less than 12 months	728.80	-
Earmarked balances with banks		
- unpaid dividend account	1.09	1.20
Total other bank balances	**729.89**	**1.20**

Note 12: Equity share capital

	31-Mar-21		31-Mar-20	
	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**

Notes to the Financial Statements
for the year ended March 31, 2021

(i) Movements in equity share capital

	Number of shares	Amount (₹ in Million)
As at April 1, 2019	323,305,484	323.30
Movement during the year	-	-
As at March 31, 2020	**323,305,484**	**323.30**
Movement during the year	-	-
As at March 31, 2021	**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.

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

	31-Mar-21		31-Mar-20	
	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*	20,522,403	6.35	17,708,974	5.48
SBI Mutual Fund	20,086,681	6.21	18,049,447	5.58

* Formerly known as Reliance Capital Trustee Co. Ltd.

(iii) 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, 2021. Further, the Company has not issued any shares for consideration other than cash during five years immediately preceding March 31, 2021.

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.

Notes to the Financial Statements

for the year ended March 31, 2021

Note 13: Other equity

(₹ in Million)

	31-Mar-21	31-Mar-20
Capital redemption reserve	34.67	34.67
Retained earnings	5,560.77	4,662.46
Cash flow hedging reserve	5.59	(33.46)
Total other equity	**5,601.03**	**4,663.67**

(i) Capital redemption reserve

(₹ in Million)

	31-Mar-21	31-Mar-20
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-21	31-Mar-20
Opening balance	4,662.46	3,748.63
Net profit for the year	887.24	1,100.60
Other comprehensive income arising from the remeasurements of defined benefit obligation net of income tax	11.07	(5.24)
Dividend paid	-	(161.66)
Dividend distribution tax (DDT)	-	(19.87)
Closing balance	**5,560.77**	**4,662.46**

(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 made & proposed:

(₹ in Million)

	31-Mar-21	31-Mar-20
Cash dividend on equity shares declared and paid:		
Interim Dividend : Nil (₹ Nil per equity share of ₹ 1/- each) [March 31, 2020: 50% (₹ 0.50 per equity share of ₹ 1/- each)]	-	161.66
Dividend distribution tax (DDT) on interim dividend	-	19.87
Total cash dividend on equity shares declared and paid	**-**	**181.53**
Proposed dividend on equity shares:		
Proposed Dividend : 120% (₹ 1.20 per equity share of ₹ 1/- each) [March 31, 2020: Nil (₹ Nil per equity share of ₹ 1/- each)]	387.96	-
Dividend distribution tax (DDT) on Proposed dividend	-	-
Total proposed dividend on equity shares	**387.96**	**-**

Notes to the Financial Statements

for the year ended March 31, 2021

Proposed dividend on equity shares as on March 31, 2021 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-21	31-Mar-20
Opening balance	(33.46)	42.70
Other comprehensive gain/(loss) arising from effective portion of loss on designated portion of hedging instruments in a cash flow hedge	52.18	(108.36)
Income tax on above	13.13	(32.20)
Closing balance	5.59	(33.46)

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, theses 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-21		31-Mar-20	
	Current	Non- current	Current	Non- current
Secured- at amortised cost				
Term loans				
- from other parties	9.56	-	2.13	9.56
	9.56	**-**	**2.13**	**9.56**
Less: Amount disclosed under the head Other financial liabilities" (refer note 18)	(9.56)	-	(2.13)	-
Total non-current borrowings	**-**	**-**	**-**	**9.56**

Term loans from other parties represents vehicles loan which are secured by hypothecation of vehicles acquired under the respective vehicle loans. These loans carry interest @ 8.90% p.a . The loans are 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 falls due in Jan'22.

Note 15: Provisions

(₹ in Million)

	31-Mar-21		31-Mar-20	
	Current	Non- current	Current	Non- current
Provision for employee benefits				
Gratuity (refer note 34)	-	-	-	30.97
Compensated absences	30.66	-	37.91	-
Employee retention bonus	8.77	2.69	6.67	7.05
Other provisions				
Warranty	57.34	27.15	79.61	28.32
Liquidated damages	30.54	-	25.48	-
Total provisions	**127.31**	**29.84**	**149.67**	**66.34**

Notes to the Financial Statements
for the year ended March 31, 2021

(i) Information about individual provisions and significant estimates

(a) Compensated absences

Compensated absences comprises earned leaves and sick 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, 2019	60.59	15.93
Additional provisions recognised	83.98	22.88
Amounts used during the year	(23.54)	(7.70)
Unused amounts reversed during the year	(13.10)	(5.63)
Balance as at March 31, 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**

Notes to the Financial Statements
for the year ended March 31, 2021

Note 16: Current borrowings

(₹ in Million)

	31-Mar-21	31-Mar-20
Secured- at amortised cost		
Repayable on demand		
- Cash credits from banks#	-	-
Total current borrowings	-	-

As at March 31, 2021 and March 31, 2020, 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 7.40% to 8.90% per annum for the year ended March 31, 2021 (March 31, 2020: 8.75% to 9.65%)

(ii) In respect of working capital facilities sanctioned by a bank to the joint venture company, M/s GE Triveni Ltd (GETL), the Company has given an undertaking not to dispose of its investments in the equity shares of GETL aggregating to ₹ 80.00 Million (March 31, 2020: ₹ 80.00 Million) during the tenure of the facilities.

Note 17: Trade payables

(₹ in Million)

	31-Mar-21	31-Mar-20
Trade payables		
- Total outstanding dues of micro enterprises and small enterprises (refer note 43)	111.81	68.46
- Total outstanding dues of creditors other than micro enterprises and small enterprises	621.16	568.86
Total trade payables	**732.97**	**637.32**

Note 18: Other financial liabilities

(₹ in Million)

	31-Mar-21		31-Mar-20	
	Current	Non- current	Current	Non- current
At amortised cost				
Current maturities of long-term borrowings (refer note 14)	9.56	-	2.13	-
Interest accrued	0.07	-	0.08	-
Lease liability [refer note 39(ii)]	4.48	20.27	5.20	23.58
Capital creditors	24.71	-	16.90	-
Employee benefits and other dues payable	193.73	-	115.15	-
Unpaid dividends (see (i) below)	1.09	-	1.30	-
Total other financial liabilities at amortised cost [A]	**233.64**	**20.27**	**141.13**	**23.58**
At fair value through Other Comprehensive Income (OCI)				
Derivatives financial instruments carried at fair value				
- Foreign-exchange forward contracts	-	-	60.38	-
Total other financial liabilities at fair value through OCI [B]	**-**	**-**	**60.38**	**-**
Total other financial liabilities ([A]+ [B])	**233.64**	**20.27**	**201.51**	**23.58**

(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.

Notes to the Financial Statements

for the year ended March 31, 2021

Note 19: Other current liabilities

(₹ in Million)

	31-Mar-21	31-Mar-20
Advance from customers	1,661.08	1,608.00
Deferred income	42.36	39.88
Amount due to customers (Turbine extended scope turnkey project revenue adjustment)	-	2.97
Statutory remittances	30.05	26.58
Total other liabilities	**1,733.49**	**1,677.43**

Note 20: Income tax balances

(₹ in Million)

	31-Mar-21		31-Mar-20	
	Current	Non- current	Current	Non- current
Income tax assets				
Tax refund receivable (net)		37.41	-	49.31
	-	**37.41**	**-**	**49.31**
Income tax liabilities				
Provision for income tax (net)	57.84	-	51.19	-
	57.84	**-**	**51.19**	**-**

Note 21: Deferred tax balances

(₹ in Million)

	31-Mar-21	31-Mar-20
Deferred tax assets	(120.36)	(98.70)
Deferred tax liabilities	171.28	156.77
Net deferred tax liabilities (net)	**50.92**	**58.07**

(i) Movement in deferred tax balances

For the year ended March 31, 2021

(₹ 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	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, 2021

For the year ended March 31, 2020

(₹ 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	27.54	(5.91)	1.76	23.39
- Other contractual provisions	21.86	15.45	-	37.31
Impairment provisions on financial/other assets made in books, but tax deductible only on actual write-off	30.94	(5.50)	-	25.44
Fair valuation of financial assets/(liabilities)	(30.52)	10.88	32.20	12.56
Difference in carrying values of property, plant & equipment and intangible assets	(191.48)	39.88	-	(151.60)
Difference in carrying value and tax of investments measured at FVTPL	0.76	(5.93)	-	(5.17)
Net deferred tax assets/(liabilities)	**(140.90)**	**48.87**	**33.96**	**(58.07)**

Note 22: Revenue from operations

(₹ in Million)

	31-Mar-21	31-Mar-20
Sale of products (refer note 45)		
Finished goods		
- Turbines (including related equipments and supplies)	4,808.52	5,965.77
- Spares	1,342.50	1,241.56
Sale of Services		
Servicing, operation and maintenance	522.49	558.56
Erection and commissioning	210.42	197.90
Turbine extended scope turnkey project	3.33	1.16
Other operating revenue		
Sale of scrap	2.76	3.17
Selling commission	-	3.86
Technology transfer fee	9.44	-
Royalty	-	5.28
Export incentives	69.86	121.73
Total revenue from operations	**6,969.32**	**8,098.99**

Notes to the Financial Statements

for the year ended March 31, 2021

Note 23: Other income

(₹ in Million)

	31-Mar-21	31-Mar-20
Interest income (at amortised cost)		
Interest income from bank deposits	16.71	-
Interest income from customers	-	1.54
	16.71	**1.54**
Other non-operating income (net of expenses directly attributable to such income)		
Rental income	8.02	7.88
Dividend income	-	64.99
Miscellaneous income	4.37	2.06
	12.39	**74.93**
Other gains		
Net profit on sale/redemption of current investments	88.47	69.94
Net fair value gain on current investments	39.50	20.44
Profit on sale of property, plant and equipment	0.60	-
Net foreign exchange rate fluctuation gains	33.23	43.97
Credit balances written back	5.98	4.85
Excess provision for liquidated damages reversed (net) (refer note 15)	-	2.75
	167.78	**141.95**
Total other income	**196.88**	**218.42**

Note 24: Cost of materials consumed

(₹ in Million)

	31-Mar-21	31-Mar-20
Stock at the beginning of the year	782.94	1,037.69
Add: Purchases	3,436.91	3,966.68
Less: Stock at the end of the year	(653.95)	(782.94)
Total cost of materials consumed	**3,565.90**	**4,221.43**

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

(₹ in Million)

	31-Mar-21	31-Mar-20
Inventories at the beginning of the year:		
Work-in progress	816.82	959.95
Finished goods	166.45	203.67
Total inventories at the beginning of the year	**983.27**	**1,163.62**
Inventories at the end of the year:		
Work-in progress	772.31	816.82
Finished goods	229.32	166.45
Total inventories at the end of the year	**1,001.63**	**983.27**
Total changes in inventories of finished goods and work-in-progress	**(18.36)**	**180.35**

Notes to the Financial Statements

for the year ended March 31, 2021

Note 26: Employee benefits expense

(₹ in Million)

	31-Mar-21	31-Mar-20
Salaries and wages	718.53	848.08
Contribution to provident and other funds (refer note 34)	51.21	58.83
Staff welfare expenses	31.74	37.02
Total employee benefit expense	**801.48**	**943.93**

Note 27: Finance costs

(₹ in Million)

	31-Mar-21	31-Mar-20
Interest costs		
- Interest on borrowings	6.68	28.57
- Interest on lease liabilities [refer note 39(ii)]	2.66	3.22
- other interest expense	0.61	0.46
Other borrowing costs		
- Processing/renewal fees	1.27	1.08
Total finance costs	**11.22**	**33.33**

Note 28: Depreciation and amortisation expense

(₹ in Million)

	31-Mar-21	31-Mar-20
Depreciation of property, plant and equipment (refer note 3)	180.51	178.36
Amortisation of intangible assets (refer note 4)	21.24	22.47
Total depreciation and amortisation expense	**201.75**	**200.83**

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

(₹ in Million)

	31-Mar-21	31-Mar-20
Bad debts written off of trade receivables and other financial assets carried at amortised cost	39.50	22.22
Impairment loss allowance on trade receivables (net of reversals) (refer note 6)	19.48	22.43
Total impairment loss on financial assets (including reversal of impairment losses)	**58.98**	**44.65**

Notes to the Financial Statements
for the year ended March 31, 2021

Note 30: Other expenses

(₹ in Million)

	31-Mar-21	31-Mar-20
Stores, spares and tools consumed	85.25	103.89
Power and fuel	33.50	34.10
Design and engineering charges	10.15	11.20
Repairs and maintenance		
- Machinery	18.60	18.91
- Building	4.33	6.38
- Others	26.29	24.42
Travelling and conveyance	101.40	176.02
Rent and hire charges [refer note 39(ii)]	10.82	8.29
Rates and taxes	4.71	3.77
Insurance	8.82	8.22
Directors' fee	2.64	2.72
Directors' commission	5.85	7.00
Legal and professional charges	115.67	103.48
Group shared service cost	36.21	41.65
Bank charges and guarantee commission	15.68	18.86
Amount written off of non financial assets	2.10	0.25
Provision for doubtful advances	8.39	4.54
Warranty expenses [includes provision for warranty (net) ₹ 31.83 Million [March 31, 2020: ₹ 70.88 Million) (refer note 15)]	47.71	82.81
Payment to auditors [see (i) below]	3.91	3.84
Corporate social responsibility expenses [see (ii) below]	28.52	30.66
Allowance for non moving inventories (refer note 10)	22.27	7.55
Loss on sale / write off of property, plant and equipment	-	0.29
Packing expenses	29.75	30.35
Freight outward	198.23	192.88
Selling commission	81.49	56.86
Marketing support expenses and incentives	136.11	153.27
Miscellaneous expenses	125.37	138.91
Total other expenses	**1,163.77**	**1,271.12**

(i) Detail of payment to auditors

(₹ in Million)

	31-Mar-21	31-Mar-20
Statutory Auditor		
Audit fee	2.27	1.85
Limited review fee	0.92	0.90
Certification charges	0.22	0.36
Reimbursement of expenses	0.03	0.27
	3.44	**3.38**
Cost Auditor		
Audit fee	0.09	0.08
	0.09	**0.08**
Tax Auditor		
Audit fee	0.38	0.38
	0.38	0.38
Total payment to auditors	**3.91**	**3.84**

Notes to the Financial Statements

for the year ended March 31, 2021

(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-21	31-Mar-20
a)	**Gross amount required to be spent during the year**	28.19	30.51
b)	**Amount spent during the year**	**28.52**	**30.66**
	In cash		
	i) Construction/acquisition of any asset	-	-
	ii) On purposes other than (i) above	28.52	30.66

Note 31: Income tax expense

(i) Income tax recognised in profit or loss

(₹ in Million)

	31-Mar-21	31-Mar-20
Current tax		
In respect of the current year	329.06	374.76
In respect of the prior years	3.96	(4.72)
Total current tax expense	**333.02**	**370.04**
Deferred tax		
In respect of current year	(19.54)	(50.89)
In respect of prior years	(4.46)	2.02
Total deferred tax expense/(income)	**(24.00)**	**(48.87)**
Total income tax expense recognised in profit or loss	**309.02**	**321.17**

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

(₹ in Million)

	31-Mar-21	31-Mar-20
Profit before tax from continuing operations	1,196.26	1,421.77
Income tax expense calculated @ 25.168%	301.08	357.83
Effect of expenses that is non-deductible in determining taxable profit	8.44	6.13
Effect of tax expenses on items considered at special rate (dividend income from foreign subsidiary)	-	(5.20)
Adjustment on account of change in tax rate under Section 115BAA of the Income Tax Act, 1961	-	(34.89)
	309.52	**323.87**
Adjustments recognised in the current year in relation to the current tax of prior years	3.96	(4.72)
Adjustments recognised in the current year in relation to the deferred tax of prior years	(4.46)	2.02
Total income tax expense	**309.02**	**321.17**

Notes to the Financial Statements

for the year ended March 31, 2021

(ii) Income tax recognised in other comprehensive income

(₹ in Million)

	31-Mar-21	31-Mar-20
Deferred tax related to items recognised in other comprehensive income during the year:		
Remeasurement of defined benefit obligations	3.72	(1.76)
Effective portion of (loss)/gain on designated portion of hedging instruments in a cash flow hedge	13.13	(32.20)
Total income tax expense recognised in other comprehensive income	**16.85**	**(33.96)**
Bifurcation of the income tax recognised in other comprehensive income into:		
Items that will not be reclassified to Statement of Profit or Loss	3.72	(1.76)
Items that will be reclassified to Statement of Profit or Loss	13.13	(32.20)
Total income tax expense recognised in other comprehensive income	**16.85**	**(33.96)**

Note 32: Earnings per share

(₹ in Million)

	31-Mar-21	31-Mar-20
Profit for the year attributable to owners of the Company [A]	887.24	1,100.60
Weighted average number of equity shares for the purposes of basic EPS/ diluted EPS [B]	323,305,484	323,305,484
Basic earning per share (face value of ₹ 1 per share) [A/B] (in ₹)	2.74	3.40
Diluted earning per share (face value of ₹ 1 per share) [A/B] (in ₹)	2.74	3.40

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, 2021 (March 31, 2020 : ₹ 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-21	31-Mar-20
India	3,749.68	4,245.17
Rest of the world	3,137.58	3,719.78
Total	**6,887.26**	**7,964.95**

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

(₹ in Million)

	31-Mar-21	31-Mar-20
Sale of products [refer note 45]		
Finished goods		
- Turbines (including related equipments and supplies)	4,808.52	5,965.77
- Spares	1,342.50	1,241.56
Sale of Services		
Servicing, operation and maintenance	522.49	558.56
Erection and commissioning	210.42	197.90
Turbine extended scope turnkey project	3.33	1.16
Total	**6,887.26**	**7,964.95**

There is no single customer who has contributed 10% or more to the Company's revenue for both the years ended March 31, 2021 and March 31, 2020.

Notes to the Financial Statements

for the year ended 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.

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

(₹ in Million)

	31-Mar-21	31-Mar-20
Company's contribution to Employee's Provident Fund	29.09	35.69
Administrative charges on above	1.22	1.49
Company's contribution to Employee State Insurance	0.23	0.72
Company's contribution to Superannuation Scheme	7.30	7.49

(ii) Defined benefit plans

(a) 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.

(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.

Notes to the Financial Statements

for the year ended March 31, 2021

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.

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

	Valuation as at	
	31-Mar-21	**31-Mar-20**
Discounting rate	6.50%	6.25%
Future salary growth rate	5.5% for next 1 years and 8% thereafter	5.5% for next 2 years and 8% thereafter
Life expectancy/ Mortality rate	*	*
Attrition rate	- Below 31 years - 14.00% - 31-44 years - 10.00% - Above 44 years - 6.50.%	- Below 31 years - 12.00% - 31-44 years - 7.00% - Above 44 years - 5.00%
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-21	**31-Mar-20**
Current service cost	11.65	11.88
Net interest expense	1.73	1.55
Components of defined benefit costs recognised in Statement of Profit or Loss	13.38	13.43
Remeasurement on the net defined benefit liability		
- Return on plan assets (excluding amount included in net interest expense)	(1.43)	(1.28)
- Actuarial (gain)/loss arising form changes in financial assumptions	(2.79)	10.79
- Actuarial (gain)/loss arising form changes in demographic assumptions	(2.15)	(1.50)
- Actuarial (gain)/loss arising form experience adjustments	(8.42)	(1.01)
Components of defined benefit costs recognised in Other Comprehensive Income	(14.79)	7.00
Total	**(1.41)**	**20.43**

Notes to the Financial Statements
for the year ended March 31, 2021

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-21	31-Mar-20
Present value of defined benefit obligation as at the end of the year	139.23	149.85
Fair value of plan assets	140.73	118.88
Funded status	**1.50**	**(30.97)**
Net asset /(liability) arising from defined benefit obligation recognised in the Balance Sheet	**1.50**	**(30.97)**

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

(₹ in Million)

	31-Mar-21	31-Mar-20
Present value of defined benefit obligation at the beginning of the year	149.85	132.70
Expenses recognised in Statement of Profit and Loss		
- Current service cost	11.65	11.88
- Interest expense	9.15	9.93
Remeasurement (gains)/ losses recognised in Other Comprehensive Income		
- Actuarial (gain)/loss arising from:		
i. Demographic assumptions	(2.15)	(1.50)
ii. Financial assumptions	(2.79)	10.79
iii. Experience adjustments	(8.42)	(1.01)
Benefit payments	(18.06)	(12.94)
Present value of defined benefit obligation at the end of the year	**139.23**	**149.85**

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

(₹ in Million)

	31-Mar-21	31-Mar-20
Fair value of plan assets at the beginning of the year	118.88	109.22
Expenses recognised in Statement of Profit and Loss		
- Expected return on plan assets	7.42	8.38
Remeasurement gains / (losses) recognised in Other Comprehensive Income		
- Actual Return on plan assets in excess of the expected return	1.43	1.28
Contributions by employer	31.06	12.94
Benefit payments	(18.06)	(12.94)
Fair value of plan assets at the end of the year	**140.73**	**118.88**

Notes to the Financial Statements

for the year ended March 31, 2021

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

(₹ in Million)

	31-Mar-21			31-Mar-20		
	Quoted	Unquoted	Total	Quoted	Unquoted	Total
Cash and cash equivalents	-	0.68	0.68	-	0.57	0.57
Group Gratuity Plans with Insurance Companies	-	140.05	140.05	-	118.31	118.31
Total plan assets	**-**	**140.73**	**140.73**	**-**	**118.88**	**118.88**

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. There has been no change in the process used by the Company to manage its risks from prior years.

(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-21	31-Mar-20	31-Mar-21	31-Mar-20
Discounting rate	0.5%	₹ in Million	(4.58)	(5.94)	4.87	6.37
		in %	-3.29%	-3.96%	3.50%	4.25%
Future salary growth rate	0.5%	₹ in Million	4.80	6.26	(4.55)	(5.90)
		in %	3.45%	4.18%	-3.27%	-3.94%
Mortality rate	10%	₹ in Million	(0.02)	(0.05)	0.03	0.03
		in %	-0.02%	-0.03%	0.02%	0.02%
Attrition rate	0.5%	₹ in Million	(0.44)	(0.51)	0.46	0.49
		in %	-0.31%	-0.34%	0.33%	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 ₹ 6.30 Million to the defined benefit plan during the year ending March 31, 2022.

The weighted average duration of the defined obligation as at March 31, 2021 is 7 years.

The expected maturity analysis of undiscounted defined benefit obligation as at March 31, 2021 is as follows:

(₹ in Million)

	Less than a year	Between 2-5 years	Between 6-10 years	More than 10 years	Total
Defined benefit obligation (Gratuity)	15.78	70.02	50.75	102.18	238.73

Notes to the Financial Statements

for the year ended March 31, 2021

Note 35: Related party transactions

(i) Related parties where control exists

Subsidiaries

Triveni Turbines Europe Private Limited (wholly owned subsidiary)
Triveni Turbines DMCC (step-down subsidiary)
Triveni Turbines Africa Pty. Ltd. (step-down subsidiary)

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

(a) Investing company holding substantial interest

Triveni Engineering & Industries Limited (TEIL)

(b) Subsidiaries

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

GE Triveni Limited (GETL)

(d) Key Management Personnel (KMP)

Mr. D.M. Sawhney, Chairman & Managing Director (DMS)
Mr. Nikhil Sawhney, Vice Chairman and Managing Director (NS)
Mr. Arun Mote, Executive Director (AM)
Mr. Deepak Kumar Sen, Executive Vice President & CFO (DKS)*
Mr. Lalit Kumar Agarwal, Vice President & CFO (LKA)**
Mr. Tarun Sawhney, Promoter Non Executive Director (TS)
Mrs. Vasantha Bharucha, Independent Non Executive Director (VB)***
Mr. Shekhar Datta, Independent Non Executive Director (SD)***
Dr. Santosh Pande, Independent Non Executive Director (SP)
Ms. Homai A. Daruwalla, Independent Non Executive Director (HAD)
Dr. Anil Kakodkar , Independent Non Executive Director (AK)
Mr. .Shailendra Bhandari ,Independent Non Executive Director (SB)

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

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

(f) Post employment benefit plans

Triveni Turbine Limited Officers Pension Scheme (TTLOPS)
Triveni Turbine Limited Employees Gratuity Trust (TTLEGT)
* Ceased to be KMP, due to retirement, w.e.f November 1, 2020
** w.e.f. November 1, 2020
*** Ceased to be KMP, due to resignation w.e.f April 1, 2020

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for the year ended March 31, 2021

(iii) Details of transactions between the Company and related parties during the year and outstanding balances as on March 31, 2021:

(₹ in Million)

	Financial year	Investing company holding substantial interest	Subsidiary			Joint Venture	KMP												Parties in which KMP or their relatives have significant influence		Post employment benefit plans		Total
		TEIL*	TTEPL	TTD	TTAPL	GETL*	DMS	NS	AM	DKS	LKA	TS	VB	SD	SP	HAD	SB	AK	STFL	TRSCT	TTLOPS	TTLEGT	
Nature of transactions with Related Parties																							
Sales and rendering of services*	31-Mar-21	22.29	0.02	150.92	21.79	130.84	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	325.86
	31-Mar-20	29.36	64.26	95.74	45.78	357.68	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	592.82
Purchases and receiving services*	31-Mar-21	287.59	-	136.11	-	3.53	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	427.53
	31-Mar-20	353.92	-	153.27	-	3.95	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	511.14
Warranty expenses*	31-Mar-21	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	31-Mar-20	-	-	-	-	4.41	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4.41
Rent & other charges income	31-Mar-21	-	-	-	-	9.33	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	9.33
	31-Mar-20	-	-	-	-	13.73	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	13.73
Technology transfer fee*	31-Mar-21	-	-	-	-	11.14	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	11.14
	31-Mar-20	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Royalty Income*	31-Mar-21	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	31-Mar-20	-	-	-	-	6.23	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	6.23
Rent expenditure*	31-Mar-21	1.98	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.98
	31-Mar-20	2.18	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2.18
Remuneration expenditure	31-Mar-21	-	-	-	-	-	-	56.49	29.96	5.49	2.62	-	-	-	-	-	-	-	-	-	-	-	94.56
	31-Mar-20	-	-	-	-	-	-	42.95	28.08	5.95	-	-	-	-	-	-	-	-	-	-	-	-	76.98
Directors fee expenditure	31-Mar-21	-	-	-	-	-	-	-	-	-	-	0.45	-	-	0.75	0.75	0.35	0.35	-	-	-	-	2.65
	31-Mar-20	-	-	-	-	-	-	-	-	-	-	0.39	0.60	0.40	0.50	0.49	0.25	0.10	-	-	-	-	2.73
Directors commission expenditure	31-Mar-21	-	-	-	-	-	-	-	-	-	-	1.15	-	-	1.15	1.25	1.15	1.15	-	-	-	-	5.85
	31-Mar-20	-	-	-	-	-	-	-	-	-	-	1.00	1.00	1.00	1.00	1.00	1.00	1.00	-	-	-	-	7.00
Corporate social responsibility expenditure	31-Mar-21	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	8.02	-	-	8.02
	31-Mar-20	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	7.43	-	-	7.43
Contribution to post employment benefit plans	31-Mar-21	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	7.30	31.06	38.36
	31-Mar-20	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	7.49	12.94	20.43
Expenses incurred by the Company on behalf of party (net of expenses incurred by party on behalf of the Company)	31-Mar-21	0.34	-	-	-	23.45	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	23.79
	31-Mar-20	(2.39)	-	-	-	23.25	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	20.86
Dividend received	31-Mar-21	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	31-Mar-20	-	64.99	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	64.99
Dividend Paid	31-Mar-21	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	31-Mar-20	35.31	-	-	-	-	11.69	7.38	0.04	-	-	6.99	-	0.01	-	-	-	-	43.46	-	-	-	104.88
Outstanding balances																							
Receivable	31-Mar-21	50.18	-	-	9.97	74.62	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	134.77
	31-Mar-20	142.24	1.92	-	8.99	212.35	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	365.50
Payable	31-Mar-21	38.01	-	4.24	-	66.96	0.56	16.21	3.88	-	-	1.15	-	-	1.15	1.25	1.15	1.15	-	-	2.01	-	137.72
	31-Mar-20	31.93	-	50.67	-	62.61	0.56	0.21	0.33	-	-	1.00	1.00	1.00	1.00	1.00	1.00	1.00	-	-	1.80	-	155.11

* Including taxes

Notes to the Financial Statements
for the year ended March 31, 2021

(iv) Compensation of key managerial personnel:

(₹ in Million)

	31-Mar-21	31-Mar-20
Short-term employee benefits	86.50	69.92
Post-employment benefits	8.06	7.06
Total	**94.56**	**76.98**

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, 2021 of ₹ 29.73 Million (March 31, 2020: ₹ 14.22 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 by and large 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-21	31-Mar-20
Borrowings (note 14 & 16)	9.56	11.69
Trade payables (note 17)	732.97	637.32
Other financial liabilities (note 18)	219.60	194.18
Lease liabilities [note 39(ii)]	24.75	28.78
Total debt	986.88	871.97
Less: Cash and cash equivalent (note 11(a))	(129.12)	(502.48)
Net debt (A)	857.76	369.49
Total equity (note 12 & note 13)	5,924.33	4,986.97
Total equity and net debt (B)	6,782.09	5,356.46
Gearing ratio (A/B)	13%	7%

Further, no changes were made in the objectives, policies or process for managing capital during the years ended March 31, 2021 and March 31, 2020.

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

Notes to the Financial Statements

for the year ended March 31, 2021

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.

The trade receivables position is provided here below:

(₹ in Million)

	31-Mar-21	31-Mar-20
Total receivables	763.62	1,210.32
Receivables individually in excess of 10% of the total receivables	84.36	355.55
Percentage of above receivables to the total receivables of the Company	11%	29%

Notes to the Financial Statements
for the year ended March 31, 2021

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 forecasts 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-21	31-Mar-20
Expected credit loss (%)	1.67%	0.68%
Expected credit loss (₹ in Million)	12.79	8.26

(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-21	31-Mar-20
Current financial assets (CFA) (refer note 5, 6, 7, 8 & 11)	4,379.92	3,050.45
Non-current financial assets (NCFA) (refer note 6, 7 & 8)	8.94	8.57
Total financial assets (FA)	**4,388.86**	**3,059.02**
Current financial liabilities (CFL) (note 16, 17 & 18)	966.61	838.83
Non-current financial liabilities (NCFL) (note 14 & 18)	20.27	33.14
Total financial liabilities (FL)	**986.88**	**871.97**
Ratios		
CFA/ CFL	4.53	3.64
NCFA/NCFL	0.44	0.26
FA/FL	4.45	3.51

Maturities analysis of financial liabilities:

(₹ in Million)

	on demand	< 1 year	1-5 years	Total	Carrying amount
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**

Notes to the Financial Statements

for the year ended March 31, 2021

(₹ in Million)

	on demand	< 1 year	1-5 years	Total	Carrying amount
As at March 31, 2020					
Borrowings	-	2.13	9.56	11.69	11.69
Trade payables	-	637.32	-	637.32	637.32
Other financial liabilities	-	194.18	-	194.18	194.18
Lease Liabilities (refer note 39(ii))	-	5.20	23.58	28.78	28.78
	-	**838.83**	**33.14**	**871.97**	**871.97**

(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 low duration schemes. The Company is essentially exposed to currency risks as export sales forms substantial part of the total sales of the Company. While the Company is mainly exposed to US Dollars, the Company also deals in other currencies, such as, Euro, GBP etc.

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's exposure to foreign currency risk at the end of the reporting period are as follows:

		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	-	-
- Unbilled receivable	in foreign currency (Million)	-	-	-	-	-
	in equivalent ₹ (Million)	-	-	-	-	-
Derivative assets (in respect of underlying financial assets) - Foreign exchange forward contracts to sell foreign currency	in foreign currency (Million)	1.74	0.86	0.16	-	-
	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**

Notes to the Financial Statements

for the year ended March 31, 2021

		USD	EURO	GBP	JPY	CHF
As at March 31, 2020						
Financial assets						
- Trade receivables	in foreign currency (Million)	3.43	1.56	0.88	-	-
	in equivalent ₹ (Million)	255.86	127.40	80.60	-	-
- Unbilled receivable	in foreign currency (Million)	0.02	-	-	-	-
	in equivalent ₹ (Million)	1.36	-	-	-	-
Derivative assets (in respect of underlying financial assets) - Foreign exchange forward contracts to sell foreign currency	in foreign currency (Million)	2.68	1.48	0.74	-	-
	in equivalent ₹ (Million)	200.13	120.76	67.98	-	-
Net exposure to foreign currency risk (assets)	in foreign currency (Million)	**0.77**	**0.08**	**0.14**	**-**	**-**
	in equivalent ₹ (Million)	**57.09**	**6.64**	**12.62**	**-**	**-**
Financial liabilities						
- Trade payables	in foreign currency (Million)	1.01	0.16	0.02	0.57	0.02
	in equivalent ₹ (Million)	77.09	13.32	1.45	0.40	1.70
Net exposure to foreign currency risk (liabilities)	in foreign currency (Million)	**1.01**	**0.16**	**0.02**	**0.57**	**0.02**
	in equivalent ₹ (Million)	**77.09**	**13.32**	**1.45**	**0.40**	**1.70**

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, 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	-	-
As at March 31, 2020						
Foreign exchange forward contracts to sell foreign currency	in foreign currency (Million)	14.96	8.88	1.55	-	-
	in equivalent ₹ (Million)	1,117.15	726.77	142.46	-	-

(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.

(₹ in Million)

	31-Mar-21	31-Mar-20
Carrying amount of hedging instruments		
-Assets/ (Liabilities) (₹ in Million)	11.93	(60.38)
Line item affected in Balance sheet	Other financial assets	Other financial liability
Maturity date	April 2021 - January 2022	April 2020 - November 2020
Hedge ratio	84%	81%
Weighted average strike price/rate	US$ 1= INR 74.56 EURO 1= INR 90.01 GBP= INR 98.62	US$ 1= INR 73.55 EURO 1= INR 82.53 GBP= INR 92.28
Changes in fair value of hedging instruments (₹ in Million)	62.63	(158.87)
Change in the value of hedged item used as the basis for recognising hedge effectiveness (₹ in Million)	(62.63)	158.87

Notes to the Financial Statements

for the year ended March 31, 2021

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

(₹ in Million)

	31-Mar-21	31-Mar-20
Changes in the value of the hedging instrument recognised in other comprehensive income	62.63	(158.87)
Hedge ineffectiveness recognised in profit or loss	(8.77)	(34.05)
Amount reclassified from cash flow hedging reserve to profit or loss	(1.69)	84.56
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-21	31-Mar-20
Opening Balance	(33.46)	42.70
Add: Changes in discounted spot element of foreign exchange forward contracts, net	62.63	(158.87)
Less: Hedge ineffectiveness recognised in profit or loss	(8.77)	(34.05)
Less: Amount reclassified from cash flow hedging reserve to profit or loss	(1.69)	84.56
	18.72	(65.66)
Less: Deferred tax relating to above	13.13	(32.20)
Closing balance	**5.59**	**(33.46)**

(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 ₹ in Million)			
		Increase in FC exchange rates		Decrease in FC exchange rates	
		31-Mar-21	31-Mar-20	31-Mar-21	31-Mar-20
USD sensitivity	5%	0.52	(1.00)	(0.52)	1.00
EURO sensitivity	5%	(2.41)	(0.33)	2.41	0.33
GBP sensitivity	5%	-	0.56	-	(0.56)
JPY sensitivity	5%	(0.20)	(0.02)	0.20	0.02
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.

Notes to the Financial Statements
for the year ended March 31, 2021

Note 38: Fair value measurements

(i) Financial instruments by category

(₹ in Million)

	31-Mar-21			31-Mar-20		
	FVTPL *	FVOCI	Amortised cost	FVTPL *	FVOCI	Amortised cost
Financial assets						
Investments in mutual funds/ deposits	2,639.31	-	40.00	1,295.03	-	-
Trade receivables	-	-	763.62	-	-	1,210.32
Contract asset	-	-	54.14	-	-	31.51
Loans	-	-	0.02	-	-	2.11
Cash and bank balances	-	-	859.01	-	-	503.68
Security deposits	-	-	8.96	-	-	8.43
Earnest money deposits	-	-	7.35	-	-	7.94
Derivative financial assets	-	11.93	-	-	-	-
Other receivables	-	-	4.52	-	-	-
Total financial assets	**2,639.31**	**11.93**	**1,737.62**	**1,295.03**	**-**	**1,763.99**
Financial liabilities						
Borrowings	-	-	9.56	-	-	11.69
Trade payables	-	-	732.97	-	-	637.32
Capital creditors	-	-	24.71	-	-	16.90
Derivative financial liabilities	-	-	-	-	60.38	-
Lease liabilities	-	-	24.75	-	-	28.78
Other payables	-	-	194.89	-	-	116.90
Total financial liabilities	**-**	**-**	**986.88**	**-**	**60.38**	**811.59**

* 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 March 31, 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	18	-	-	-	-
		-	**-**	**-**	**-**
As at 31 March 2020					
Financial assets					
- Investments in mutual funds (Unquoted)	5 (b)	-	1,295.03	-	1,295.03
- Foreign exchange forward contracts at FVOCI	8	-	-	-	-
		-	**1,295.03**	**-**	**1,295.03**
Financial liabilities					
- Foreign exchange forward contracts at FVOCI	18	-	60.38	-	60.38
		-	**60.38**	**-**	**60.38**

Notes to the Financial Statements

for the year ended March 31, 2021

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

(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.

Notes to the Financial Statements
for the year ended March 31, 2021

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, 2019	-	-	-	-
Impact on account of transition to Ind AS 116	8.97	2.89	22.15	34.01
Depreciation expense	2.89	0.96	3.28	7.13
As at March 31, 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**

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

(₹ in Million)

	31-Mar-21	31-Mar-20
Opening Balance	28.78	-
Impact on account of transition to Ind AS 116	-	34.01
Addition	2.73	-
Deletion	(2.20)	-
Interest expense on lease liabilities	2.66	3.22
Payment of lease liabilities	(7.22)	(8.45)
Closing Balance	**24.75**	**28.78**
Current	4.48	5.20
Non- current	20.27	23.58
	24.75	**28.78**

(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-21	31-Mar-20
Depreciation expense of right-of-use assets	5.77	7.13
Interest expense on lease liabilities	2.66	3.22
Expense relating to short-term leases and low value assets (included in other expenses)	10.82	8.29

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-21	31-Mar-20
(i)	Estimated amount of contracts remaining to be executed on capital account and not provided for (against which advances paid aggregating to ₹ 0.84 Million (March 31, 2020: ₹ 13.15 Million)	14.97	86.31
(ii)	Other commitments:		
	(a) Derivative instruments	Refer note 37 (iii) (a) & (b)	
	(b) Non-disposal of investments in joint venture	Refer note 16 (ii)	

Notes to the Financial Statements

for the year ended March 31, 2021

Note 41: Contingent liabilities, contingent assets and litigations

Contingent liabilities

(₹ in Million)

		31-Mar-21	31-Mar-20
(i)	**Claims against the Company not acknowledged as debts:**		
	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, 2020: ₹ 1.67 Million), excluding interest, under protest pending final adjudication of the cases:	79.92	73.02

Sl. No.	Particulars	Amount of contingent liability		Amount paid	
		31-Mar-21	31-Mar-20	31-Mar-21	31-Mar-20
1	Service tax	54.02	52.66	1.67	1.67
2	Income tax	24.42	18.88	-	-
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) The Hon'ble Supreme Court of India had passed a judgement relating to definition of wages under the Provident Fund Act, 1952 on February 28, 2019. However, considering that there are numerous interpretative issues related to the judgement and in the absence of reliable measurement of the provision for the earlier period, the Company had made provision for provident fund contribution from the date of order. The Company will evaluate its position and update provision, if required, after receiving further clarity in this regard.

(iii) 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, 2021 (March 31, 2020: ₹ Nil).

Note 42: Petition and arbitration in relation to General Electric Company and its affiliates

The Company had filed a petition on June 10, 2019 under the provisions of Section 241, 242, 244 of the 2013 Act before National Company Law Tribunal, Bengaluru ("NCLT"), seeking specific reliefs to bring to an end the matters of oppression and mismanagement in the joint venture company viz. GE Triveni Ltd (GETL) by General Electric Company and its affiliates (GE). The grounds on which the Company was constrained to file the petition were certain actions of GE which were oppressive, fraudulent, prejudicial, harsh and burdensome to the interest of GETL including but not limited to lack of probity, diversion of business, violation of non-compete, conflict of interest by GE employees/nominee directors etc. Instead of submitting its objections on merits to the said Company Petition, two of GE's affiliates filed applications before the NCLT, praying to refer the dispute raised in Company Petition to arbitration. These matters are now pending adjudication.

The illegal termination of ancillary agreements with GETL and intention to terminate the JV with the Company and wilful breach of undertakings given by GE/affiliates of GE to the NCLT in relation to their obligations under aforesaid agreements, led to willful disobedience and defiance of National Company Law Appellate Tribunal (NCLAT) order dated August 27, 2019 read with the order dated February 17, 2020. Pursuant to the liberty granted by the NCLAT, the Company had filed a contempt petition before NCLT, Bengaluru on January 21, 2021 and the NCLT on April 20, 2021 has pronounced its

Notes to the Financial Statements
for the year ended March 31, 2021

order in favour of the Company, holding the GE/affiliates of GE therein guilty of contempt of the NCLAT orders referred above. Being aggrieved by the NCLT order, GE / affiliates of GE have filed writ petitions under Article 226 and 227 of the Constitution of India before the Honourable High Court of Karnataka at Bangalore. There has been no stay granted by the High Court till date on the NCLT order dated April 20,2021. These writ petitions are now pending adjudication.

DI Netherland BV, Joint Venture partner in GETL, has invoked separate arbitration proceedings before Arbitration Tribunal under the UNCITRAL Arbitration Rules, 1976 in United Kingdom and has filed a statement of claim on June 1, 2020, alleging violation of certain terms of the JV Agreement by the Company. The claims made are based on estimation and amounts are not quantified with precision. The Company firmly believes that the allegations raised are unsubstantiated, untenable, and unsustainable. The Company has submitted its Statement of Defence on March 6, 2021 with the Arbitration Tribunal. Such arbitration is in preliminary stages as the Tribunal would evaluate the defence and documents submission in the due course. Based on an internal assessment by the management in consultation with legal counsels, management has concluded that the Company has merit in such arbitration and accordingly, no provision is considered necessary in the standalone financial statements.

The Company has invoked arbitration proceedings under Arbitration and Conciliation Act, 1996 ("Arbitration Act') against Nuovo Pignone S.P.A. ('GENP'), an affiliate of GE in relation to the dispute and differences relating to misappropriation of technical information of Company by GENP. An application has been submitted to the Supreme Court of India on March 1, 2021 under Section 11 of the Arbitration Act for appointing sole independent arbitrator. The said application is pending consideration before the Honourable Supreme Court.

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-21	31-Mar-20
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of accounting year;		
(i) Principal amount	111.81	68.46
(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 and development expenses

During the year, the Company has incurred expenditure of ₹ 73.84 Million (March 31, 2020: ₹ 86.23 Million) on research and development activities as per following details :

(₹ in Million)

	31-Mar-21	31-Mar-20
Revenue expenses	56.34	62.50
Capital expenditure	17.50	23.73
Total	**73.84**	**86.23**

Notes to the Financial Statements

for the year ended March 31, 2021

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-21	31-Mar-20
Sale of products			
Finished goods			
- Turbines (including related equipments and supplies)	At point in time	4,808.52	5965.77
- Spares	At point in time	1,342.50	1241.56
Sale of Services			
Servicing, operation and maintenance	Over time	522.49	558.56
Erection and commissioning	At point in time	210.42	197.90
Turbine extended scope turnkey project	Over time	3.33	1.16
Other operating income			
Sale of scrap	At point in time	2.76	3.17
Selling commission	At point in time	-	3.86
Technology transfer fee		9.44	
Royalty	At point in time	-	5.28
Export incentives	At point in time	69.86	121.73
		6,969.32	**8,098.99**

ii) Contract balances

(₹ in Million)

	31-Mar-21	31-Mar-20
Trade receivables	763.62	1,210.32
Contract assets – Unbilled revenue	54.14	31.51
Contract assets – Amounts due from Customers under construction contracts	6.21	5.85
Contract liabilities – Advance from customers	1,661.08	1,608.00
Contract liabilities – Deferred revenue	42.36	39.88
Contract liabilities – Amount due to customers under construction contracts	-	2.97

Trade receivables have decreased by ₹ 446.70 million over previous year due to decrease in sales, collection of old certain old receivable and improved realization of dues in current year . During the year, provision for doubtful debts and expected credit losses on trade receivables was recognised as disclosed below.

(₹ in Million)

	31-Mar-21	31-Mar-20
Provision, net of reversal for doubtful debts	19.48	22.43
	19.48	**22.43**

Contract liabilities include advances received from customers, deferred revenue and amount due to customers. The outstanding balances of these accounts has increased by ₹ 52.59 million primarily on account of satisfaction of performance obligation subsequent to year-end against which the advances were received during the year.

During the year, the Company has recognised revenue of ₹ 1,339.76 million out of the contract liabilities outstanding at the beginning of the year.

(iii) Reconciliation of revenue recognised with contract price

(₹ in Million)

	31-Mar-21	31-Mar-20
Contract price	7,001.01	8,163.47
Adjustments for:		
Variable Considerations - Others	31.69	64.48
Total revenue from operations	**6,969.32**	**8,098.99**

Notes to the Financial Statements

for the year ended March 31, 2021

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: Exceptional Items

During the year ended March 31, 2021, the Company had implemented a Voluntary Retirement Scheme (VRS) for Workmen and total expenditure of ₹ 1,852 lakhs for VRS had been recognised in the Statement of Profit and Loss and presented as an Exceptional Item.

Note 47: Impact of COVID-19

The outbreak of Covid-19 pandemic severely impacted the world economy including India. The operations of the Company were also impacted during the year ending March 31, 2021, particularly the international business. Logistics bottleneck, restriction of international travel, and lockdown in various States from time to time impacted operations. The Company has considered the impact of COVID-19 pandemic on its business operations and financial statement based on its internal and external source of information including economic forecasts and estimates from market sources, on various elements of its standalone financial statements and expected future performance of the Company. Based on its review and current indicators of future economic conditions, the Company expects to recover the carrying value of the assets and does not anticipate any impairment to these financial and non-financial assets.

Note 48: Approval of Standalone Financial Statements

The Standalone financial Statements were approved for issue by the Board of Directors of the Company on June 28, 2021 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 : June 28, 2021

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

Rajiv Sawhney
Company Secretary [ACS: 8047]

Place : Noida (U.P.)
Date : June 28, 2021

Independent Auditor's Report

To the Members of Triveni Turbine Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of Triveni Turbine Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), and its joint venture, as listed in Annexure 1, which comprise the Consolidated Balance Sheet as at 31 March 2021, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement, the Consolidated 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 and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act, of the consolidated state of affairs of the Group and its joint venture, as at 31 March 2021, their consolidated profit (including other comprehensive income), consolidated cash flows and the consolidated 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 Consolidated 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 and the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph 15 of the Other Matters section below, is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries and joint venture, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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

Key audit matter	How our audit addressed the key audit matter
Litigations, arbitrations, claims and other contingencies **Refer notes 2(b) (v) and 44 to the accompanying consolidated financial statements.** The Company has ongoing litigations/ arbitration proceedings with DI Netherlands BV, joint venture (JV) partner in GE Triveni Limited (GETL) in relation to oppression and mismanagement claims in the said JV, violation of certain provisions of the joint venture agreement amongst others which are pending against it at various forums within and outside India and could have a significant impact on the accompanying consolidated financial statements, if such arbitrations were to materialize in cash outflows, if any.	Our audit procedures included, but were not limited to the following: a. Obtained an understanding of the management process for: • identification of legal matters initiated by / against the Company, • assessment of accounting treatment for each such litigation identified as per the applicable accounting standards, and • for measurement of amounts involved;

Key audit matter	How our audit addressed the key audit matter
Whether a liability is recognised as a provision or disclosed as a contingent liability in the financial statements involves inherent judgments dependent upon a number of significant assumptions and assessments. These include assumptions relating to the likelihood and / or timing of the cash outflows from the business and the interpretation of contracts and local laws and pending assessments at various levels of the statute, thus a risk that such cases may not be adequately provided for or disclosed in the consolidated financial statements. The outcome of such litigations/arbitrations proceedings are currently uncertain and such assessment requires significant judgement by the management. Further, due to complexity of subject matter of the cases, time lines for resolution, range of possible outcomes, involvement of management's legal experts, the determination of the need for creating a provision or disclosing as a contingent liability in the financial statements is inherently subjective and therefore has been considered to be a key audit matter in the current year. The above matter is also considered fundamental to the understanding of the users of the accompanying consolidated financial statements on account of the uncertainties relating to the final outcome of the proceedings/ litigation.	b. Tested the design and operating effectiveness of the controls put in place by the management in relation to identification of litigations, assessment of the outcome of these pending litigations and completeness of disclosures; c. Obtained an understanding of the nature of these pending litigations and discussed the developments during the year for these litigations with the management, in-house legal team. This involved obtaining and reading the summary of the various litigations, statement of claims and statement of defenses filed with the authorities; e. Obtained relevant third-party legal confirmations on the likelihood of the outcome of the said litigations and potential impact on the financial statements, together with follow up discussions, where appropriate. Evaluated the objectivity, competence and relevant experience of such third party legal counsel; f. Verified other evidences such as correspondence with the legal counsels, interim orders and appeals, letters exchanged between the parties to the litigations to corroborate management's assessment of the these litigations; g. Obtained specific management representations as necessary in relation to such arbitrations/litigations and management's assessment of the impact of such matters on GETL; and h. Evaluated the appropriateness and adequacy of the disclosures made in the consolidated financial statements for such litigations and arbitrations in accordance with the applicable accounting standards.

Key audit matter	How our audit addressed the key audit matter
Write-downs of inventories to net realisable value Refer notes 2(b)(i) and 10 in the accompanying consolidated financial statements As at 31 March 2021, the Company's inventories amounted to ₹ 1,596.23 million representing 16.95% of the Company's total assets as at 31 March 2021 and write-down of inventories amounted to ₹ 63.72 million 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.	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;

Key audit matter	How our audit addressed the key audit matter
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.	c. Inquired with the management about the slow moving and obsolete inventories as at 31 March 2021 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 consolidated financial statements in accordance with the applicable accounting standards.

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

6. The Holding 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 consolidated 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 consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

   In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated 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 Consolidated Financial Statements

7. The accompanying consolidated financial statements have been approved by the Holding Company's Board of Directors. The Holding Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group including its joint venture in accordance with the accounting principles generally accepted in India, including the Ind AS specified under Section 133 of the Act. The Holding Company's Board of Directors is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of consolidated Ind AS financial statements. Further, in terms of the provisions of the Act, the respective Board of Directors /management of the companies included in the Group, and its joint venture company covered under the Act are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets 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. These financial statements have been

used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

8. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its joint venture are responsible for assessing the ability of the Group and of its joint venture 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 Group or to cease operations, or has no realistic alternative but to do so.

9. Those Board of Directors are also responsible for overseeing the financial reporting process of the companies included in the Group and of its joint venture.

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

10. 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.

11. As part of an audit in accordance with Standards on Auditing, 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 Holding Company has adequate internal financial controls 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 ability of the Group and its joint venture 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 Group and its joint venture to cease to continue as a going concern; and
    - 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.
    - Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group, and its joint venture, to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the financial statements, of which we are the independent auditors. For the other entities included in the financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

12. 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.

13. 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.

14. 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.

Other Matters

15. We did not audit the financial statements of three subsidiaries, whose financial statements reflect total assets of ₹ 353.62 million and net assets of ₹ 284.31 million as at 31 March 2021, total revenues of ₹ 369.14 million and net cash inflows amounting to ₹ 59.97 million for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, are based solely on the reports of the other auditors.

    Further, these subsidiaries are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion on the consolidated financial statements, in so far as it relates to the balances and affairs of such subsidiaries located outside India, are based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

    Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matter with respect to our reliance on the work done by and the reports of the other auditors.

16. The consolidated financial statements also include the Group's share of net profit (including other comprehensive income) of ₹ 51.07 million for the year ended 31 March 2021, as considered in the consolidated financial statements, in respect of one joint venture, whose financial information have not been audited by us. These financial information are unaudited for the current and previous financial year and have been furnished to us by the Holding Company's management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the aforesaid joint venture and matters identified and disclosed under key audit matters section above and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid joint venture, are based solely on such unaudited financial information certified by the joint venture management.

    Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matter with respect to our reliance on the financial information certified by the joint venture management and provided to us by the Holding Company's management.

Report on Other Legal and Regulatory Requirements

17. As required by Section 197(16) of the Act, based on our audit we report that the Holding Company, paid remuneration to their respective directors during the year in accordance with the provisions of and limits laid down under Section 197 read with Schedule V to the Act. Further, as stated in paragraph 16, financial statements of one joint venture company covered under the Act are unaudited and have been furnished to us by the management, and as certified by the

joint venture management, such company have paid remuneration to their respective directors during the year in accordance with the provisions of and limits laid down under Section 197 read with Schedule V to the Act.

18. As required by Section 143 (3) of the Act, based on our audit and on the consideration of the reports of the other auditors on separate financial statements and other financial information of the subsidiaries, 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 aforesaid consolidated financial statements;

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

c) the consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

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

e) on the basis of the written representations received from the directors of the Holding Company and taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies covered under the Act, none of the directors of the Group companies and joint venture company covered under the Act, are disqualified as on 31 March 2021 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 Holding Company, and its subsidiary companies, and joint venture company covered under the Act, and the operating effectiveness of such controls, refer to our separate report in 'Annexure II'; 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 and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries:

i. the consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its joint venture as detailed in Note 43 and 44 to the consolidated financial statements;

ii. the Holding Company, and its joint venture did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2021;

iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies and joint venture company covered under the act during the year ended 31 March 2021; and

iv. the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016, which are not relevant to these consolidated financial statements. Hence, reporting under this clause is not applicable.

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

Vijay Vikram Singh
Partner
Membership No.: 059139
UDIN: 21059139AAAADG8183

Bengaluru
28 June 2021

Annexure I to the Independent Auditor's Report

of even date to the members of Triveni Turbine Limited on the consolidated financial statements for the year ended 31 March 2021

List of entities included in the consolidated financial statements

Subsidiaries:

(a) Triveni Turbines Europe Private Limited

(b) Triveni Turbines DMCC

(c) Triveni Turbines Africa (Pty) Ltd

Joint venture:

(a) GE Triveni Limited

Annexure II to the Independent Auditor's Report

of even date to the members of Triveni Turbine Limited on the consolidated financial statements for the year ended 31 March 2021

Independent Auditor's Report on the internal financial controls with reference to 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 consolidated financial statements of Triveni Turbine Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), and its joint venture as at and for the year ended 31 March 2021, we have audited the internal financial controls with reference to financial statements of the Holding Company, and its joint venture company, which is a company covered under the Act, as at that date.

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

2. The respective Board of Directors of the Holding Company, and its joint venture company, which is a company covered under the Act, are 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 internal financial controls with reference to financial statements of the Holding Company, and its joint venture company, as aforesaid, 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 internal financial controls with reference to financial statements of the Holding Company and its joint venture company as aforesaid

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 Holding Company, and its joint venture company, which is a company covered under the Act, have in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2021, based on the internal financial control with reference to financial reporting framework established by the Holding Company and its Joint Venture Company, considering the essential components of internal control stated in the Guidance Note issued by the ICAI .

Other Matter

9. We did not audit the internal financial controls with reference to financial statements in so far as it relates to one joint venture company, which is a company covered under the Act, in respect of which, the Group's share of net profit (including other comprehensive income) of ₹ 51.07 million for the year ended 31 March 2021 has been considered in the consolidated financial statements. The internal financial controls with reference to financial statements of the joint venture company, which is a company covered under the Act, is unaudited for the current and previous financial year and our opinion under Section 143(3)(i) of the Act on adequacy and operating effectiveness of the internal financial controls with reference to financial statements insofar as it relates to the aforesaid joint venture, which is a company covered under the Act, is solely based on the internal financial controls with reference to joint venture's financial statements as certified by the management of such company. Our opinion is not modified in respect of the above matter with respect to our reliance on the internal financial controls with reference to financial statements report certified by the joint venture management and provided to us by the Holding Company's management

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

Vijay Vikram Singh
Partner
Membership No.: 059139
UDIN: 21059139AAAADG8183

Bengaluru
28 June 2021

Consolidated Balance Sheet

As at March, 31, 2021

(₹ in Million)

	Note No.	31-Mar-21	31-Mar-20
ASSETS			
Non-current assets			
Property, plant and equipment	3	2,439.73	2,426.49
Capital work-in-progress	3	-	63.72
Intangible assets	4	39.54	38.49
Intangible assets under development		9.54	8.72
Investments accounted for using the equity method	5 (a)	281.65	229.12
Financial assets			
i. Trade receivables	6	-	-
ii. Loans	7	-	0.16
iii. Other financial assets	8	8.94	8.41
Other non-current assets	9	4.44	21.03
Income tax assets (net)	20	37.41	49.31
Total non-current assets		**2,821.25**	**2,845.45**
Current assets			
Inventories	10	1,596.23	1,727.44
Financial assets			
i. Investments	5 (b)	2,679.31	1,295.03
ii. Trade receivables	6	771.27	1,253.49
iii. Cash and cash equivalents	11 (a)	370.53	658.05
iv. Bank balances other than cash and cash equivalents	11 (b)	793.84	25.63
v. Loans	7	0.02	1.95
vi. Other financial assets	8	78.53	38.73
Other current assets	9	307.48	375.88
Total current assets		**6,597.21**	**5,376.20**
Total assets		**9,418.46**	**8,221.65**
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	12	323.30	323.30
Other equity	13	6,052.49	4,978.48
Total equity		**6,375.79**	**5,301.78**
Liabilities			
Non-current liabilities			
Financial liabilities			
i. Borrowings	14	-	9.56
ii. Other financial liabilities	18	20.27	23.58
Provisions	15	43.87	77.58
Deferred tax liabilities (net)	21	50.86	71.79
Total non-current liabilities		**115.00**	**182.51**
Current liabilities			
Financial liabilities			
i. Borrowings	16	-	-
ii. Trade payables	17		
a) Total outstanding dues of micro enterprises and small enterprises		111.81	68.46
b) Total outstanding dues of creditors other than micro enterprises and small enterprises		633.06	548.26
iii. Other financial liabilities	18	242.04	205.60
Other current liabilities	19	1,755.56	1,707.19
Provisions	15	127.31	149.67
Income tax liabilities (net)	20	57.89	58.18
Total current liabilities		**2,927.67**	**2,737.36**
Total liabilities		**3,042.67**	**2,919.87**
Total equity and liabilities		**9,418.46**	**8,221.65**

The accompanying notes 1 to 50 form an integral part of the consolidated 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 : June 28, 2021

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

Rajiv Sawhney
Company Secretary [ACS: 8047]

Place : Noida (U.P.)
Date : June 28, 2021

Consolidated Statement of Profit and Loss

for the year ended March 31, 2021

(₹ in Million)

	Note No.	31-Mar-21	31-Mar-20
Revenue From Operations	22	7,025.84	8,178.68
Other income	23	190.99	145.84
Total income		**7,216.83**	**8,324.52**
EXPENSES			
Cost of materials consumed	24	3,582.35	4,232.29
Changes in inventories of finished goods and work-in-progress	25	(20.12)	178.64
Employee benefits expense	26	869.50	1,015.50
Finance costs	27	11.36	33.33
Depreciation and amortisation expense	28	202.08	201.07
Impairment loss on financial assets (including reversals of impairment losses)	29	65.07	44.65
Other expenses	30	1,052.99	1,150.56
Total expenses		**5,763.23**	**6,856.04**
Profit before share of net profit of investments accounted for using equity method, exceptional items and tax		**1,453.60**	**1,468.48**
Share of net profit of joint venture accounted for using the equity method		52.52	90.95
Profit before exceptional items and tax		**1,506.12**	**1,559.43**
Exceptional items	48	(185.20)	-
Profit before tax		**1,320.92**	**1,559.43**
Tax expense:			
- Current tax	31	334.06	376.80
- Deferred tax	31	(37.78)	(35.15)
Total tax expense		**296.28**	**341.65**
Profit for the year		**1,024.64**	**1,217.78**
Other Comprehensive Income			
A (i) Items that will not be reclassified to profit or loss			
- Remeasurements of the defined benefit plan	34	14.79	(7.00)
- Share of other comprehensive income of joint venture accounted for using the equity method	39	-	(0.12)
		14.79	**(7.12)**
A (ii) Income tax relating to items that will not be reclassified to profit or loss	31	(3.72)	1.76
		11.07	**(5.36)**
B (i) Items that will be reclassified to profit or loss			
- Exchange differences arising on translating the foreign operations		(0.75)	13.19
- Effective portion of gain/(loss) on designated portion of hedging instruments in a cash flow hedge	37 (iii)(b)	52.18	(108.36)
		51.43	**(95.17)**
B (ii) Income tax relating to items that will be reclassified to profit or loss	31	(13.13)	32.20
		38.30	**(62.97)**
Other comprehensive income for the year, net of tax		**49.37**	**(68.33)**
Total comprehensive income for the year		**1,074.01**	**1,149.45**
Earnings per equity share of ₹ 1 each			
Basic earnings per share (in ₹)	32	3.17	3.77
Diluted earnings per share (in ₹)	32	3.17	3.77

The accompanying notes 1 to 50 form an integral part of the consolidated 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 : June 28, 2021

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

Rajiv Sawhney
Company Secretary [ACS: 8047]

Place : Noida (U.P.)
Date : June 28, 2021

Consolidated Statement of Changes in Equity

for the year ended March 31, 2021

A. Equity share capital

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

(₹ in Million)

As at April 1, 2019	**323.30**
Changes in equity share capital during the year	-
As at March 31, 2020	**323.30**
Changes in equity share capital during the year	-
As at March 31, 2021	**323.30**

B. Other equity

(₹ in Million)

	Reserves and surplus		Items of other comprehensive income		Total other equity
	Capital redemption reserve	Retained earnings	Foreign currency translation reserve	Cash flow hedging reserve	
Balance as at April 1, 2019	**34.67**	**3,933.20**	**(0.01)**	**42.70**	**4,010.56**
Profit for the year	-	1,217.78	-	-	1,217.78
Other comprehensive income/(loss) net of income tax	-	(5.36)	13.19	(76.16)	(68.33)
Total comprehensive income for the year	**-**	**1,212.42**	**13.19**	**(76.16)**	**1,149.45**
Transactions with owners in their capacity as owners:					
Dividend paid	-	(161.66)	-	-	(161.66)
Dividend distribution tax (DDT)	-	(19.87)	-	-	(19.87)
Balance as at March 31, 2020	**34.67**	**4,964.09**	**13.18**	**(33.46)**	**4,978.48**
Profit for the year	-	1,024.64	-	-	1,024.64
Other comprehensive income/(loss), net of income tax	-	11.07	(0.75)	39.05	49.37
Total comprehensive income for the year	**-**	**1,035.71**	**(0.75)**	**39.05**	**1,074.01**
Transactions with owners in their capacity as owners:					
Dividend paid	-	-	-	-	-
Dividend distribution tax (DDT)	-	-	-	-	-
Balance as at March 31, 2021	**34.67**	**5,999.80**	**12.43**	**5.59**	**6,052.49**

The accompanying notes 1 to 50 form an integral part of the consolidated 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 : June 28, 2021

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

Rajiv Sawhney
Company Secretary [ACS: 8047]

Place : Noida (U.P.)
Date : June 28, 2021

Consolidated Statement of Cash Flows

for the year ended March 31, 2021

(₹ in Million)

	31-Mar-21	31-Mar-20
Cash flows from operating activities		
Profit before tax	1,320.92	1,559.43
Adjustments for		
Share of net (profit)of joint venture accounted for using the equity method	(52.52)	(90.95)
Depreciation and amortisation expense	202.08	201.07
(Profit)/ loss on sale/write off of property, plant and equipment	(0.60)	0.29
Net profit on sale/redemption of current investments	(88.47)	(69.94)
Net fair value (gains) on current investments	(39.50)	(20.44)
Interest income	(17.15)	(1.99)
Provision for doubtful advances	8.39	4.54
Amount written off of non financial assets	2.10	0.25
Allowance for non moving inventories	22.27	7.55
Impairment loss on financial assets (including reversals of impairment losses)	65.07	44.65
Finance costs	11.36	33.33
Unrealised foreign exchange (gain)	(7.91)	(19.09)
Credit balances written back	(5.98)	(4.85)
Mark-to-market (gains)/losses on derivatives	(20.13)	52.85
Working capital adjustments :		
Change in inventories	109.53	433.01
Change in trade receivables	433.85	498.90
Change in other financial assets	(30.56)	(2.12)
Change in other assets	62.30	(146.88)
Change in trade payables	130.36	(545.96)
Change in other financial liabilities	82.77	3.85
Change in other liabilities	48.23	285.92
Change in provisions	(40.97)	66.92
Cash generated from operations	**2,195.44**	**2,290.34**
Income tax paid (net of refunds)	(322.81)	(413.61)
Net cash inflow from operating activities	**1,872.63**	**1,876.73**
Cash flows from investing activities		
Purchase of property, plant and equipment	(134.45)	(115.04)
Proceeds from sale of property, plant and equipment	2.27	0.24
Net (increase) in current investment	(1,216.31)	(1,154.60)
Investment in deposits with financial institutions	(40.00)	-
Proceeds from sale of assets classified as held for sale	-	2.52
Investment in bank deposits	(769.32)	(22.96)
Interest received	13.40	1.97
Net cash outflow from investing activities	**(2,144.41)**	**(1,287.87)**

Statement of Cash Flows

for the year ended March 31, 2021

(₹ in Million)

	31-Mar-21	31-Mar-20
Cash flows from financing activities		
Proceeds from long term borrowings	-	12.00
Repayment of long term borrowings	(2.13)	(0.81)
Payment of principal portion of lease liabilities	(4.76)	(5.23)
Interest paid on lease liabilities	(2.67)	(3.22)
Interest paid	(8.69)	(30.03)
Dividend paid to Company's shareholders	(0.21)	(161.84)
Dividend distribution tax	-	(19.87)
Net cash outflow from financing activities	**(18.46)**	**(209.00)**
Increase in cash and cash equivalents due to foreign exchange variation	2.72	8.03
Net (decrease)/increase in cash and cash equivalents	(287.52)	387.89
Cash and cash equivalents at the beginning of the year (refer note 11 (a))	658.05	270.16
Cash and cash equivalents at the end of the year (refer note 11 (a))	**370.53**	**658.05**

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 (including DDT)
Balance as at April 1, 2019	-	0.51	-	1.48
Cash flows	(8.45)	11.18	(30.03)	(181.71)
Finance costs accruals	3.22	-	30.11	-
Non cash movement (addition/disposal)	34.01	-	-	-
Dividend distributions (including DDT) accruals	-	-	-	181.53
Balance as at March 31, 2020	**28.78**	**11.69**	**0.08**	**1.30**
Cash flows	(7.43)	(2.13)	(8.57)	(0.21)
Finance costs accruals	2.67	-	8.56	-
Non cash movement (addition/disposal)	2.41	-	-	-
Dividend distributions (including DDT) accruals	-	-	-	-
Balance as at March 31, 2021	**26.43**	**9.56**	**0.07**	**1.09**

The accompanying notes 1 to 50 form an integral part of the consolidated 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 : June 28, 2021

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

Rajiv Sawhney
Company Secretary [ACS: 8047]

Place : Noida (U.P.)
Date : June 28, 2021

Notes to the Consolidated Financial Statements

for the year ended March 31, 2021

Corporate information

The Consolidated financial statements comprises of financial statements of Triveni Turbine Limited and its subsidiaries (collectively the "Group") and Group's interest in joint venture. Triveni Turbine Limited ("the Company" or the "Parent") 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 Group 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 Group 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.

(iii) Principles of consolidation and equity accounting

Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealized gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Joint Ventures

Interests in joint ventures are accounted for using the equity method, after initially being recognised at cost in the consolidated Balance Sheet.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2021

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit and loss, and the Group's share of Other Comprehensive Income of the investee in Other Comprehensive Income. Dividends received or receivable from joint ventures are recognised as a reduction in the carrying amount of the investment.

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

(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 Group 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 customer simultaneously receives and consumes the benefits provided by the Group.

(iii) Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group 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.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2021

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 Group to the Licensee (provided that it is probable that the economic benefits will flow to the Group and the amount of revenue can be measured reliably).

(vi) Rental income

The Group'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 Group 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 Group 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 Group 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 Group with no future related costs are recognised in the Statement of Profit and Loss in the period in which they become receivable.

(d) Leases

Group as a lessee

The Group 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 Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group 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 Group 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

Notes to the Consolidated Financial Statements

for the year ended March 31, 2021

(ii) Lease Liabilities

At the commencement date of the lease, the Group 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 Group 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 Group 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.

Group as a lessor

Lease income from operating leases where the Group 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

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The Consolidated financial statements are presented in Indian Rupee (₹) which is Group's 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.

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

(iii) Group companies

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities are translated at the closing rate at the date of that consolidated Balance Sheet
- income and expenses are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and
- all resulting exchange differences are recognised in Other Comprehensive Income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments

Notes to the Consolidated Financial Statements

for the year ended March 31, 2021

designated as hedges of such investments, are recognised in Other Comprehensive Income. When a foreign operation is sold, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

(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 capitalised 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 Group'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 consolidated 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.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and interests in joint ventures, except where Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary difference associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

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 Group 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 Group offsets current tax assets and current tax liabilities, where it has a legally enforceable right to setoff 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 Group 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 Group 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 Group 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

Notes to the Consolidated Financial Statements

for the year ended March 31, 2021

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.
  - 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 Group 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 Group 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.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2021

(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) Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset and its sale is highly probable. Management must be committed to the sale. They are measured at the lower of their carrying amount and fair value less costs to sell. Non-current assets classified as held for sale are presented separately in the Balance Sheet.

Property, plant and equipment and intangible assets once classified as held for sale are not depreciated or amortised.

(m) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group 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.

(n) 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 Group, 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

Notes to the Consolidated Financial Statements

for the year ended March 31, 2021

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 Group 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 Group 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 Group.

The liability or asset recognised in the consolidated 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 of plan assets. The present value of the defined benefit obligation in respect of employees of the Parent 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. In view of short duration of employment contracts, obligations under defined benefits plan for the employees of foreign subsidiary companies of the Parent is determined using management estimates based upon the laws applicable of the concerned country.

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 consolidated Balance Sheet.

Defined contribution plans

Defined contribution plans are retirement benefit plans under which the Group pays fixed contributions to separate entities (funds) or financial institutions or state managed benefit schemes. The Group 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 Group 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 Group makes prescribed monthly contributions towards Employees' State Insurance Scheme.

- Superannuation Scheme

  The Group contributes towards a fund established by the Group 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.

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- Other defined contribution plans

  The Group, in respect of employees engaged in foreign countries, contributes towards employee benefit plans, in accordance with prevailing laws in such countries, to funds which are administered and managed by the respective government authorities

(o) Dividends

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

(p) 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.

(q) 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.

(r) Financial assets

(i) Classification

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

(ii) Measurement

At initial recognition, the Group 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 Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group 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

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for the year ended March 31, 2021

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 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 Group subsequently measures all equity investments at fair value, except for equity investments in joint venture where the Group has the option to either measure it at cost or fair value. The Group has opted to measure equity investments in joint venture at cost. Where the Group'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 Group's right to receive payments is established.

(iii) Impairment of financial assets

In accordance with Ind AS 109 Financial Instruments, the Group 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 Group 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 Group 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 Group 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 Group determines expected credit loss.

Notes to the Consolidated Financial Statements
for the year ended March 31, 2021

(iv) Derecognition of financial assets

A financial asset is derecognised only when

- the Group 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 Group 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 Group has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the Group 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 Group has not retained control of the financial asset. Where the Group 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 Group 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 Group 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.

(s) Financial liabilities and equity instruments

(i) Classification

Debt and equity instruments issued by the Group 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 Group after deducting all of its liabilities.

Financial liabilities

The Group 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.

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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 Group 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 Group 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 Group 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 Group'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 Group's own equity instruments.

Financial liabilities

The Group derecognises financial liabilities when, and only when, the Group'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.

(t) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet where there

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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 Group or the counterparty.

(u) 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 Group 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.

(v) Derivative financial instruments and hedge accounting

The Group 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 Group 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 Group formally designates and documents the hedge relationship to which the Group contemplates to apply hedge accounting and the risk management objective and strategy for undertaking the hedge in compliance with Group's hedge policy. The documentation includes the Group'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

(w) Recent pronouncements

On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through a notification amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. Key amendments relating to

Notes to the Consolidated Financial Statements

for the year ended March 31, 2021

Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

i. Additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.

ii. Specified format for disclosure of shareholding of promoters.

iii. Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.

iv. Additional disclosures relating to Corporate Social Responsibility (CSR)

The amendments are extensive and the Group will evaluate the same to give effect to them as required by law.

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

The preparation of consolidated 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 Group'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 Group and that are believed to be reasonable under the circumstances.

(a) Critical accounting judgements

In the process of applying the Group's accounting policies, management has made the following judgement, which has the most significant effect on the amounts recognised in the financial statements:

(i) Classification of GE Triveni Limited as a Joint Venture

The Group holds more than 50% stake in the equity share capital (i.e. holding 8,000,001 equity shares out of total 16,000,000 equity shares) of GE Triveni Limited (GETL) and the balance share capital is being held by DI Netherland B.V. By virtue of agreements between the shareholders, relevant terms of which are enshrined in the Articles of Association of GETL, it has been considered that the Group has joint control over GETL alongwith the other shareholder since unanimous consent of both the shareholders is required in respect of significant financial, operating, strategic and managerial decisions. Accordingly investments in equity shares of GETL is classified as investment in joint venture and has been accounted for under equity method of accounting in the consolidated financial statements.

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

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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 Group. 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 Group, 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 Group'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.

(vii) Tax charge on intangible assets recognised at time of vesting of turbine business

The Group has been claiming allowance for depreciation on written down value method on certain intangibles recognised upon vesting of the steam turbine business in earlier years pursuant to a scheme of demerger. While such claims for certain years have been adjudicated in favor of the Group at the first appellate stage, the Revenue department has consistently disallowed the same in tax assessments. In view of uncertainty with regard to the ultimate decision in such matter at higher judicial forums, the Group has not considered the benefit of the aforesaid favorable decisions and has continued to recognise charge for tax without considering depreciation benefits on such intangible assets, the tax effect of which aggregates to ₹ 175.38 Million till March 31, 2021 (March 31, 2020: ₹ 183.38 Million)

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

(₹ in Million)

	Property, plant and equipment										Capital work-in-progress
	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 2020											
Gross carrying amount											
Opening gross carrying amount	36.42	388.65	1,170.04	1,319.77	24.98	59.99	42.33	53.62	-	3,095.80	43.34
Additions	-	-	4.45	37.85	2.07	2.51	14.19	1.73		62.80	31.50
Impact on account of transition to Ind AS 116 [refer note (iv) below]	-	-	-	-	-	-	-	-	34.01	34.01	
Disposals	-	-	-	(36.93)	-	-	(1.06)	(1.55)	-	(39.54)	-
Transfer	-	-	-	-	-	-	-	-	-	-	(11.12)
Closing gross carrying amount	**36.42**	**388.65**	**1,174.49**	**1,320.69**	**27.05**	**62.50**	**55.46**	**53.80**	**34.01**	**3,153.07**	**63.72**
Accumulated depreciation											
Opening accumulated depreciation	-	-	94.87	404.76	12.82	21.23	18.42	34.80	-	586.90	-
Depreciation charge during the year	-	-	39.20	110.73	4.08	5.92	5.39	6.15	7.13	178.60	-
Disposals	-	-	-	(36.90)	-	-	(0.55)	(1.47)	-	(38.92)	-
Closing accumulated depreciation	**-**	**-**	**134.07**	**478.59**	**16.90**	**27.15**	**23.26**	**39.48**	**7.13**	**726.58**	**-**
Net carrying amount	**36.42**	**388.65**	**1,040.42**	**842.10**	**10.15**	**35.35**	**32.20**	**14.32**	**26.88**	**2,426.49**	**63.72**
Year ended 31 March 2021											
Gross carrying amount											
Opening gross carrying amount	36.42	388.65	1,174.49	1,320.69	27.05	62.50	55.46	53.80	34.01	3,153.07	63.72
Additions	-	-	113.18	66.59	9.98	1.14	1.31	1.14	4.61	197.95	110.51
Disposals	-	-	-	-	-	-	(3.62)	-	(4.97)	(8.59)	-
Transfer	-	-	-	-	-	-	-	-	-	-	(174.23)
Closing gross carrying amount	**36.42**	**388.65**	**1,287.67**	**1,387.28**	**37.03**	**63.64**	**53.15**	**54.94**	**33.65**	**3,342.43**	**-**
Accumulated depreciation											
Opening accumulated depreciation	-	-	134.07	478.59	16.90	27.15	23.26	39.48	7.13	726.58	-
Depreciation charge during the year	-	-	39.27	114.85	4.96	5.02	5.08	5.71	5.95	180.84	-
Disposals	-	-	-	-	-	-	(1.95)	-	(2.77)	(4.72)	-
Closing accumulated depreciation	**-**	**-**	**173.34**	**593.44**	**21.86**	**32.17**	**26.39**	**45.19**	**10.31**	**902.70**	**-**
Net carrying amount	**36.42**	**388.65**	**1,114.33**	**793.84**	**15.17**	**31.47**	**26.76**	**9.75**	**23.34**	**2,439.73**	**-**

(i) Leased assets

The leasehold land above represents land at Sompura, acquired by the Group 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 Group [refer note 41(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 42 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 41 (ii)]

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for the year ended March 31, 2021

Note 4: Intangible assets

(₹ in Million)

	Computer software	Website	Design and drawings	Total
Year ended March 31, 2020				
Gross carrying amount				
Opening gross carrying amount	87.17	1.42	43.28	131.87
Additions	22.33	-	2.92	25.25
Disposals	-	-	-	-
Closing gross carrying amount	**109.50**	**1.42**	**46.20**	**157.12**
Accumulated amortisation				
Opening accumulated amortisation	62.97	1.42	31.77	96.16
Amortisation charge for the year	16.97	-	5.50	22.47
Disposals	-	-	-	-
Closing accumulated amortisation	**79.94**	**1.42**	**37.27**	**118.63**
Closing net carrying amount	**29.56**	**-**	**8.93**	**38.49**
Year ended March 31, 2021				
Gross carrying amount				
Opening gross carrying amount	109.50	1.42	46.20	157.12
Additions	21.78	0.51	-	22.29
Disposals	-	-	-	-
Closing gross carrying amount	**131.28**	**1.93**	**46.20**	**179.41**
Accumulated amortisation				
Opening accumulated amortisation	79.94	1.42	37.27	118.63
Amortisation charge for the year	18.53	0.13	2.58	21.24
Disposals	-	-	-	-
Closing accumulated amortisation	**98.47**	**1.55**	**39.85**	**139.87**
Closing net carrying amount	**32.81**	**0.38**	**6.35**	**39.54**

(i) All intangible assets disclosed above represents acquired intangible assets.

Note 5: Investments

(a) Investments in subsidiary and joint venture

(₹ in Million)

	31-Mar-21	31-Mar-20
At cost		
Unquoted investments (fully paid-up)		
Investments in equity instruments		
- of joint venture		
8,000,001 (March 31, 2020: 8,000,001) Equity shares of ₹ 10/- each of GE Triveni Limited (refer note 2 (a) (i) and note 16 (ii) and note 39(ii))	281.65	229.12
Total investments in subsidiary and joint venture	**281.65**	**229.12**
Total investments in subsidiary and joint venture	**281.65**	**229.12**
Aggregate amount of quoted investments and market value thereof	-	-
Aggregate amount of unquoted investments	281.65	229.12
Aggregate amount of impairment in the value of investments	-	-

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(b) Current investments

(₹ in Million)

	31-Mar-21	31-Mar-20
Unquoted investments		
Investments in mutual funds at fair value through profit or Loss:	2,639.31	1,295.03
Deposits with financial institutions at amortised cost	40.00	-
Total current investments	**2,679.31**	**1,295.03**
Aggregate amount of quoted investments and market value thereof	-	-
Aggregate amount of unquoted investments	2,679.31	1,295.03
Aggregate amount of impairment in the value of investments	-	-

Note 6: Trade receivables

(₹ in Million)

	31-Mar-21		31-Mar-20	
	Current	Non-current	Current	Non-current
Trade receivables (at amortised cost)	826.39	11.38	1,295.31	11.38
Less: Allowance for bad and doubtful debts	(55.12)	(11.38)	(41.82)	(11.38)
Total trade receivables	**771.27**	**-**	**1,253.49**	**-**
Trade receivables				
Secured, considered good	211.10	-	319.51	-
Unsecured, considered good	560.17	-	933.98	-
Trade receivables which have significant increase in credit Risk	12.79	-	8.26	-
Trade receivables - credit impaired	42.33	11.38	33.56	11.38
	826.39	**11.38**	**1,295.31**	**11.38**
Impairment allowance (allowance for bad and doubtful debts)				
Trade receivables which have significant increase in credit Risk	12.79	-	8.26	-
Trade receivables - credit impaired	42.33	11.38	33.56	11.38
	55.12	**11.38**	**41.82**	**11.38**

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

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

Notes to the Consolidated Financial Statements
for the year ended March 31, 2021

(₹ in Million)

	31-Mar-21	31-Mar-20
Balance at beginning of the year	53.20	40.33
Additional provisions recognised	26.01	22.76
Amounts used during the year	(12.21)	(9.56)
Unused amounts reversed during the year	(0.50)	(0.33)
Balance at the end of the year	**66.50**	**53.20**

Note 7: Loans

(₹ in Million)

	31-Mar-21		31-Mar-20	
	Current	Non- current	Current	Non- current
Unsecured, considered good (at amortised cost)				
- Loan to employees	0.02	-	1.95	0.16
Total loans	**0.02**	**-**	**1.95**	**0.16**

Note 8: Other financial assets

(₹ in Million)

	31-Mar-21		31-Mar-20	
	Current	Non- current	Current	Non- current
At amortised cost				
Security deposits	0.34	8.94	0.63	8.41
Earnest money deposits	7.35	-	7.94	-
Interest accrued on bank deposits	3.97	-	-	-
Amount recoverable from banks (related to hedging transactions)	0.79	-	-	-
Contract assets (refer note 47)	54.14	-	30.16	-
Total other financial assets at amortised cost [A]	**66.59**	**8.94**	**38.73**	**8.41**
At fair value through Other Comprehensive Income (OCI)				
Derivatives financial instruments carried at fair value				
- Foreign-exchange forward contracts	11.94	-	-	-
Total other financial assets at fair value through OCI [B]	**11.94**	**-**	**-**	**-**
Total other financial assets ([A]+[B])	**78.53**	**8.94**	**38.73**	**8.41**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2021

Note 9: Other assets

(₹ in Million)

	31-Mar-21		31-Mar-20	
	Current	Non- current	Current	Non- current
Capital advances	-	0.84	-	13.15
Advances to suppliers				
Considered good	64.50	-	94.07	-
Considered doubtful	6.90	-	4.52	-
	71.40	-	98.59	-
Less: Provision for doubtful advances	(6.90)	-	(4.52)	-
	64.50	**-**	**94.07**	**-**
Indirect tax and duties recoverable				
Considered good	189.99	1.80	207.21	7.24
Considered doubtful	-	7.99	-	2.64
	189.99	**9.79**	**207.21**	**9.88**
Less: Provision for doubtful indirect taxes and duties recoverable	-	(7.99)	-	(2.64)
	189.99	**1.80**	**207.21**	**7.24**
Export incentives receivable				
Considered good	10.58	-	47.66	-
Considered doubtful	-	12.34	-	11.68
	10.58	**12.34**	**47.66**	**11.68**
Less: Provision for doubtful export incentives receivable	-	(12.34)	-	(11.68)
	10.58	**-**	**47.66**	**-**
Prepaid expenses	34.70	1.80	21.09	0.64
Due from customers (Turbine extended scope turnkey project revenue adjustment)	6.21	-	5.85	-
Gratuity fund receivable (refer note 34)	1.50	-	-	-
Total other assets	**307.48**	**4.44**	**375.88**	**21.03**

Note 10: Inventories

(₹ in Million)

	31-Mar-21	31-Mar-20
Raw materials and components [includes stock in transit ₹ 2.76 Million (March 31, 2020 :₹ Nil)]	653.95	782.94
Less: Allowance for non moving inventories	(42.45)	(27.06)
Work-in-progress	776.67	819.42
Less: Allowance for non moving inventories	(21.27)	(14.39)
Finished goods [includes stock in transit ₹ 216.72 Million (March 31, 2020: ₹ 136.06 Million)]	229.32	166.45
Others - scrap and low value patterns	0.01	0.08
Total Inventories	**1,596.23**	**1,727.44**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2021

(i) The cost of inventories recognised as an expense during the year was ₹ 4,285.31 Million (March 31, 2020: ₹ 5,300.72 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.

Note 11: Cash and bank balances

(a) Cash and cash equivalents

(₹ in Million)

	31-Mar-21	31-Mar-20
At amortised cost		
Balances with banks		
- in current accounts	370.41	507.75
- Deposits with original maturity of less than three months	-	150.00
Cash on hand	0.12	0.30
Total cash and cash equivalents	**370.53**	**658.05**

(b) Bank balances other than cash and cash equivalents

(₹ in Million)

	31-Mar-21	31-Mar-20
At amortised cost		
Balances with banks		
-Deposits with maturity with less than 12 months	792.75	24.43
Earmarked balances with banks		
- unpaid dividend account	1.09	1.20
Total other bank balances	**793.84**	**25.63**

Note 12: Equity share capital

	31-Mar-21		31-Mar-20	
	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**

Notes to the Consolidated Financial Statements
for the year ended March 31, 2021

(i) Movements in equity share capital

	Number of shares	Amount (₹ in Million)
As at April 1, 2019	323,305,484	323.30
Movement during the year	-	-
As at March 31, 2020	**323,305,484**	**323.30**
Movement during the year	-	-
As at March 31, 2021	**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.

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

	31-Mar-21		31-Mar-20	
	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*	20,522,403	6.35	17,708,974	5.48
SBI Mutual Fund	20,086,681	6.21	18,049,447	5.58

* Formerly known as Reliance Capital Trustee Co. Ltd.

(iii) 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, 2021. Further, the Company has not issued any shares for consideration other than cash during five years immediately preceding March 31, 2021.

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.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2021

Note 13: Other equity

(₹ in Million)

	31-Mar-21	31-Mar-20
Capital redemption reserve	34.67	34.67
Retained earnings	5,999.80	4,964.09
Cash flow hedging reserve	5.59	(33.46)
Foreign currency translation reserve	12.43	13.18
Total other equity	**6,052.49**	**4,978.48**

(i) Capital redemption reserve

(₹ in Million)

	31-Mar-21	31-Mar-20
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-21	31-Mar-20
Opening balance	4,964.09	3,933.20
Net profit for the year	1,024.64	1,217.78
Other comprehensive income arising from the remeasurement of defined benefit obligation net of income tax	11.07	(5.36)
Dividend paid	-	(161.66)
Dividend distribution tax (DDT)	-	(19.87)
Closing balance	**5,999.80**	**4,964.09**

(a) It represents undistributed profits of the Group which can be distributed by the Group 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 Group has recognised remeasurement of defined benefit plans (net of tax) as part of retained earnings.

(c) Details of dividend distributions made and proposed:

(₹ in Million)

	31-Mar-21	31-Mar-20
Cash dividends on equity shares declared and paid:		
Interim Dividend : Nil (₹ Nil per equity share of ₹ 1/- each) [March 31, 2020: 50% (₹ 0.50 per equity share of ₹ 1/- each)]	-	161.66
Dividend distribution tax (DDT) on interim dividend	-	19.87
Total cash dividends on equity shares declared and paid	**-**	**181.53**
Proposed dividend on equity shares:		
Proposed Dividend : 120% (₹ 1.20 per equity share of ₹ 1/- each) [March 31, 2020: Nil (₹ Nil per equity share of ₹ 1/- each)]	387.96	-
Dividend distribution tax (DDT) on Proposed dividend	-	-
Total proposed dividend on equity shares	**387.96**	**-**

Notes to the Consolidated Financial Statements
for the year ended March 31, 2021

Proposed dividend on equity shares as on March 31, 2021 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-21	31-Mar-20
Opening balance	(33.46)	42.70
Other comprehensive gain/(loss) arising from effective portion of loss on designated portion of hedging instruments in a cash flow hedge	52.18	(108.36)
Income tax on above	13.13	(32.20)
Closing balance	**5.59**	**(33.46)**

The Group 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 Group uses foreign currency forward contracts which are designated as cash flow hedge. To the extent, theses 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 in profit and loss when hedge items effects profit or loss i.e. sales.

(iv) Foreign currency translation reserve

(₹ in Million)

	31-Mar-21	31-Mar-20
Opening balance	13.18	(0.01)
Exchange differences arising on translating the foreign operations	(0.75)	13.19
Closing balance	**12.43**	**13.18**

Exchange differences relating to the translation of the foreign operations are recognised in other comprehensive income and accumulated in the foreign currency translation reserve. The cumulative amount is reclassified to profit or loss when the net investment is disposed-off.

Note 14: Non-current borrowings

(₹ in Million)

	31-Mar-21		31-Mar-20	
	Current	Non- current	Current	Non- current
Secured- at amortised cost				
Term loans				
- from other parties	9.56	-	2.13	9.56
	9.56	**-**	**2.13**	**9.56**
Less: Amount disclosed under the head Other financial liabilities" (refer note 18)	(9.56)	-	(2.13)	-
Total non-current borrowings	**-**	**-**	**-**	**9.56**

Term loans from other parties represents vehicles loan which are secured by hypothecation of vehicles acquired under the respective vehicle loans. These loans carry interest @ 8.90% p.a . The loans are 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 falls due in Jan'22.

Notes to the Consolidated Financial Statements
for the year ended March 31, 2021

Note 15: Provisions

(₹ in Million)

	31-Mar-21		31-Mar-20	
	Current	Non- current	Current	Non- current
Provision for employee benefits				
Gratuity (refer note 34)	-	14.03	-	42.21
Compensated absences	30.66	-	37.91	-
Employee retention bonus	8.77	2.69	6.67	7.05
Other provisions				
Warranty	57.34	27.15	79.61	28.32
Liquidated damages	30.54	-	25.48	-
Total provisions	**127.31**	**43.87**	**149.67**	**77.58**

(i) Information about individual provisions and significant estimates

(a) Compensated absences

Compensated absences comprises earned leaves and sick 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 Group 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 Group, 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 Group, 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.

Notes to the Consolidated Financial Statements
for the year ended March 31, 2021

(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, 2019	60.59	15.93
Additional provisions recognised	83.98	22.88
Amounts used during the year	(23.54)	(7.70)
Unused amounts reversed during the year	(13.10)	(5.63)
Balance as at March 31, 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**

Note 16: Current borrowings

(₹ in Million)

	31-Mar-21	31-Mar-20
Secured- at amortised cost		
Repayable on demand		
- Cash credits from banks#	-	-
Total current borrowings	-	-

As at March 31, 2021 and March 31, 2020 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 7.40% to 8.90% per annum for the year ended March 31, 2021 (March 31, 2020: 8.75% to 9.65%)

(ii) In respect of working capital facilities sanctioned by a bank to the joint venture company, M/s GE Triveni Ltd (GETL), the Company has given an undertaking not to dispose of its investments in the equity shares of GETL aggregating to ₹ 80.00 Million (March 31, 2020: ₹ 80.00 Million) during the tenure of the facilities.

Note 17: Trade payables

(₹ in Million)

	31-Mar-21	31-Mar-20
Trade payables		
- Total outstanding dues of micro enterprises and small enterprises (refer note 45)	111.81	68.46
- Total outstanding dues of creditors other than micro enterprises and small enterprises	633.06	548.26
Total trade payables	**744.87**	**616.72**

Notes to the Consolidated Financial Statements
for the year ended March 31, 2021

Note 18: Other financial liabilities

(₹ in Million)

	31-Mar-21		31-Mar-20	
	Current	Non- current	Current	Non- current
At amortised cost				
Current maturities of long-term borrowings (refer note 14)	9.56	-	2.13	-
Interest accrued	0.07	-	0.08	-
Lease liability [refer note 41(ii)]	6.16	20.27	5.20	23.58
Capital creditors	24.70	-	16.90	-
Employee benefits and other dues payable	200.46	-	119.24	-
Unpaid dividends (see (i) below)	1.09	-	1.30	-
Total other financial liabilities at amortised cost [A]	**242.04**	**20.27**	**145.22**	**23.58**
At fair value through Other Comprehensive Income (OCI)				
Derivatives financial instruments carried at fair value				
- Foreign-exchange forward contracts	-	-	60.38	-
Total other financial liabilities at fair value through OCI [B]	**-**	**-**	**60.38**	**-**
Total other financial liabilities ([A]+ [B])	**242.04**	**20.27**	**205.60**	**23.58**

(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-21	31-Mar-20
Advance from customers	1,681.09	1,628.06
Deferred income	43.86	42.67
Amount due to customers (Turbine extended scope turnkey project revenue adjustment)	-	2.97
Statutory remittances	30.61	33.49
Total other liabilities	**1,755.56**	**1,707.19**

Note 20: Income tax balances

(₹ in Million)

	31-Mar-21		31-Mar-20	
	Current	Non- current	Current	Non- current
Income tax assets				
Tax refund receivable (net)	-	37.41	-	49.31
	-	**37.41**	**-**	**49.31**
Income tax liabilities				
Provision for income tax (net)	57.89	-	58.18	-
	57.89	**-**	**58.18**	**-**

Note 21: Deferred tax balances

(₹ in Million)

	31-Mar-21	31-Mar-20
Deferred tax assets	(120.36)	(98.70)
Deferred tax liabilities	171.22	170.49
Net deferred tax liabilities (net)	**50.86**	**71.79**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2021

(i) Movement in deferred tax balances

For the year ended March 31, 2021

(₹ 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	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)	(2.62)	-	(154.22)
Difference in carrying value and tax base of investments measured at FVTPL	(5.17)	(9.94)	-	(15.11)
Other temporary differences	(13.72)	13.72	-	-
Net deferred tax assets/(liabilities)	**(71.79)**	**37.78**	**(16.85)**	**(50.86)**

For the year ended March 31, 2020

(₹ 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	27.54	(5.91)	1.76	23.39
- Other contractual provisions	21.86	15.45	-	37.31
Impairment provisions on financial/other assets made in books, but tax deductible only on actual write-off	30.94	(5.50)	-	25.44
Fair valuation of financial assets/(liabilities)	(30.52)	10.88	32.20	12.56
Difference in carrying values of property, plant & equipment and intangible assets	(191.48)	39.88	-	(151.60)
Difference in carrying value and tax base of investments measured at FVTPL	0.76	(5.93)	-	(5.17)
Other temporary differences	-	(13.72)	-	(13.72)
Net deferred tax assets/(liabilities)	**(140.90)**	**35.15**	**33.96**	**(71.79)**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2021

Note 22: Revenue from operations

(₹ in Million)

	31-Mar-21	31-Mar-20
Sale of products (refer note 47)		
Finished goods		
- Turbines (including related equipments and supplies)	4,810.33	5,965.77
- Spares	1,373.99	1,260.32
Sale of Services		
Servicing, operation and maintenance	545.72	582.22
Erection and commissioning	210.42	235.17
Turbine extended scope turnkey project	3.33	1.16
Other operating revenue		
Sale of scrap	2.76	3.17
Selling commission	-	3.86
Technology Transfer fee	9.44	-
Royalty	-	5.28
Export incentives	69.85	121.73
Total revenue from operations	**7,025.84**	**8,178.68**

Note 23: Other income

(₹ in Million)

	31-Mar-21	31-Mar-20
Interest income (at amortised cost)		
Interest income from bank deposits	17.15	0.45
Interest income from customers	-	1.54
	17.15	**1.99**
Other non-operating income (net of expenses directly attributable to such income)		
Rental income	8.02	7.88
Miscellaneous income	4.38	2.06
	12.40	**9.94**
Other gains		
Net profit on sale/redemption of current investments	88.47	69.94
Net fair value gain on current investments	39.50	20.44
Profit on sale of property, plant and equipment	0.60	-
Net foreign exchange rate fluctuation gains	26.89	35.93
Credit balances written back	5.98	4.85
Excess provision for liquidated damages reversed (net) (refer note 15)	-	2.75
	161.44	**133.91**
Total other income	**190.99**	**145.84**

Note 24: Cost of materials consumed

(₹ in Million)

	31-Mar-21	31-Mar-20
Stock at the beginning of the year	782.94	1,037.69
Add: Purchases	3,453.36	3,977.54
Less: Stock at the end of the year	(653.95)	(782.94)
Total cost of materials consumed	**3,582.35**	**4,232.29**

Notes to the Consolidated Financial Statements
for the year ended March 31, 2021

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

(₹ in Million)

	31-Mar-21	31-Mar-20
Inventories at the beginning of the year:		
Work-in progress	819.42	960.84
Finished goods	166.45	203.67
Total inventories at the beginning of the year	**985.87**	**1,164.51**
Inventories at the end of the year:		
Work-in progress	776.67	819.42
Finished goods	229.32	166.45
Total inventories at the end of the year	**1,005.99**	**985.87**
Total changes in inventories of finished goods and work-in-progress	**(20.12)**	**178.64**

Note 26: Employee benefits expense

(₹ in Million)

	31-Mar-21	31-Mar-20
Salaries and wages	786.51	918.76
Contribution to provident and other funds (refer note 34)	51.23	59.49
Staff welfare expenses	31.76	37.25
Total employee benefit expense	**869.50**	**1,015.50**

Note 27: Finance costs

(₹ in Million)

	31-Mar-21	31-Mar-20
Interest costs		
- Interest on borrowings	6.68	28.57
- Interest on lease liabilities [refer note 41(ii)]	2.67	3.22
- other interest expense	0.74	0.46
Other borrowing costs		
- Processing/renewal fees	1.27	1.08
Total finance costs	**11.36**	**33.33**

Note 28: Depreciation and amortisation expense

(₹ in Million)

	31-Mar-21	31-Mar-20
Depreciation of property, plant and equipment (refer note 3)	180.84	178.60
Amortisation of intangible assets (refer note 4)	21.24	22.47
Total depreciation and amortisation expense	**202.08**	**201.07**

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

(₹ in Million)

	31-Mar-21	31-Mar-20
Bad debts written off of trade receivables and other financial assets carried at amortised cost	39.50	22.22
Impairment loss allowance on trade receivables (net of reversals) (refer note 6)	25.57	22.43
Total impairment loss on financial assets (including reversal of impairment losses)	**65.07**	**44.65**

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for the year ended March 31, 2021

Note 30: Other expenses

(₹ in Million)

	31-Mar-21	31-Mar-20
Stores, spares and tools consumed	85.25	103.89
Power and fuel	33.50	34.10
Design and engineering charges	10.15	11.20
Repairs and maintenance		
- Machinery	18.60	18.91
- Building	4.33	6.38
- Others	26.29	24.42
Travelling and conveyance	104.95	189.71
Rent and hire charges [refer note 41(ii)]	11.96	10.67
Rates and taxes	5.44	4.29
Insurance	8.86	8.42
Directors' fee	2.64	2.72
Directors' commission	5.85	7.00
Legal and professional charges	124.04	111.55
Group shared service cost	36.21	41.65
Bank charges and guarantee commission	16.80	20.06
Amount written off of non financial assets	2.10	0.25
Provision for doubtful advances	8.39	4.54
Warranty expenses [includes provision for warranty (net) ₹ 31.83 Million [March 31, 2020: ₹ 70.88 Million) (refer note 15)]	47.71	82.81
Payment to auditors [see (i) below]	4.54	5.34
Corporate social responsibility expenses [see (ii) below]	28.52	30.66
Allowance for non moving inventories (refer note 10)	22.27	7.55
Loss on sale / write off of property, plant and equipment	-	0.29
Packing expenses	29.75	30.35
Freight outward	198.23	192.88
Selling commission	90.21	56.86
Miscellaneous expenses	126.40	144.06
Total other expenses	**1,052.99**	**1,150.56**

(i) Detail of payment to auditors

(₹ in Million)

	31-Mar-21	31-Mar-20
Statutory Auditor		
Audit fee	2.91	3.35
Limited review fee	0.92	0.90
Certification charges	0.22	0.36
Reimbursement of expenses	0.02	0.27
Total payment to statutory auditors	**4.07**	**4.88**
Cost Auditor		
Audit fee	0.09	0.08
	0.09	**0.08**
Tax Auditor		
Audit fee	0.38	0.38
	0.38	0.38
Total payment to auditors	**4.54**	**5.34**

Notes to the Consolidated Financial Statements

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(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-21	31-Mar-20
a)	**Gross amount required to be spent during the year**	28.19	30.51
b)	**Amount spent during the year**	**28.52**	**30.66**
	In cash		
	i) Construction/ acquisition of any asset	-	-
	ii) On purposes other than (i) above	28.52	30.66

Note 31: Income tax expense

(i) Income tax recognised in profit or loss

(₹ in Million)

	31-Mar-21	31-Mar-20
Current tax		
In respect of the current year	330.10	381.52
In respect of the prior years	3.96	(4.72)
Total current tax expense	**334.06**	**376.80**
Deferred tax		
In respect of current year	(33.32)	(37.17)
In respect of prior years	(4.46)	2.02
Total deferred tax expense/(income)	**(37.78)**	**(35.15)**
Total income tax expense recognised in profit or loss	**296.28**	**341.65**

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

(₹ in Million)

	31-Mar-21	31-Mar-20
Profit before tax	1,320.92	1,559.43
Income tax expense calculated @ 25.168%	332.45	392.48
Effect of expenses that are non-deductible in determining taxable profit	8.45	6.13
Tax expenses on dividend income from foreign subsidiary eliminated at consolidation		11.15
Adjustment on account of change in tax rate under Section 115BAA of the Income Tax Act, 1961	-	(34.89)
Effect of tax on share of net profit of joint venture	(13.22)	(22.89)
Effect of different tax rates of subsidiaries operating in other jurisdictions	(17.15)	(21.53)
Effect of tax expenses on undistributed profit at subsidiaries	(13.73)	13.73
Others	(0.02)	0.17
	296.78	**344.35**
Adjustments recognised in the current year in relation to the current tax of prior years	3.96	(4.72)
Adjustments recognised in the current year in relation to the deferred tax of prior years	(4.46)	2.02
Total income tax expense	**296.28**	**341.65**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2021

(ii) Income tax recognised in other comprehensive income

(₹ in Million)

	31-Mar-21	31-Mar-20
Deferred tax related to items recognised in Other Comprehensive Income during the year:		
Remeasurement of defined benefit obligations	3.72	(1.76)
Effective portion of loss on designated portion of hedging instruments in a cash flow hedge	13.13	(32.20)
Total income tax expense recognised in Other Comprehensive Income	**16.85**	**(33.96)**
Bifurcation of the income tax recognised in Other Comprehensive Income into:		
Items that will not be reclassified to Statement of Profit or Loss	3.72	(1.76)
Items that will be reclassified to Statement of Profit or Loss	13.13	(32.20)
Total income tax expense recognised in Other Comprehensive Income	**16.85**	**(33.96)**

Note 32: Earnings per share

(₹ in Million)

	31-Mar-21	31-Mar-20
Profit for the year attributable to owners of Triveni Turbine Limited [A]	1,024.64	1,217.78
Weighted average number of equity shares for the purposes of basic EPS/ diluted EPS [B]	323,305,484	323,305,484
Basic earning per share (face value of ₹ 1 per share) [A/B] (in ₹)	3.17	3.77
Diluted earning per share (face value of ₹ 1 per share) [A/B] (in ₹)	3.17	3.77

Note 33: Segment information

The Group primarily operates in one business segment- Power generating equipment and solutions. The Group's non-current assets are located in/relates to India (Country of domicile of the Company) except following:

(i) PPE of foreign subsidiaries having net carrying value of ₹ 2.41 Million as at March 31, 2021 (March 31, 2020: ₹ 0.11 Million)

(ii) Income tax assets of foreign subsidiaries having net carrying value of ₹ Nil as at March 31, 2021 (March 31, 2020: ₹ 1.07 Million)

The amount of Group'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-21	31-Mar-20
India	3,749.68	4,245.17
Rest of the world	3,194.11	3,799.47
Total	**6,943.79**	**8,044.64**

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

(₹ in Million)

	31-Mar-21	31-Mar-20
Sale of products [refer note 47]		
Finished goods		
- Turbines (including related equipments and supplies)	4,810.33	5,965.77
- Spares	1,373.99	1,260.32
Sale of Services		
Servicing, operation and maintenance	545.72	582.22
Erection and commissioning	210.42	235.17
Turbine extended scope turnkey project	3.33	1.16
Total	**6,943.79**	**8,044.64**

There is no single customer who has contributed 10% or more to the Company's revenue for both the years ended March 31, 2021 and March 31, 2020.

Notes to the Consolidated Financial Statements

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Note 34: Employee benefit plans

(i) Defined contribution plans

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

Provident Fund Plan and Employee Pension Scheme: The Group 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 Group makes prescribed monthly contributions towards Employees State Insurance Scheme.

Superannuation Scheme: The Group 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.

Other defined contribution plans: The Group makes contributions to certain schemes for the benefit of employees in United Kingdom, Africa and Indonesia which are administered and managed by respective government authorities.

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

(₹ in Million)

	31-Mar-21	31-Mar-20
Group's contribution to provident fund	29.09	35.69
Administrative charges on above	1.22	1.49
Group's contribution to employee state insurance	0.23	0.72
Group's contribution to superannuation scheme	7.30	7.49
Group's contribution to other defined contribution plan	0.02	1.74

(ii) Defined benefit plans

(a) The Group 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. In respect of certain employees of the foreign subsidiaries, the gratuity benefit is accrued on the basis of their current salary and length of service as per the extant rules of the particular jurisdiction where such subsidiaries operate. The gratuity plan in respect of the employees of such foreign subsidiaries is unfunded. The disclosures mentioned herein below do not include the gratuity obligation of ₹ 14.00 Million as at March 31, 2021 (March 31, 2020: ₹ 11.24 Million) and gratuity expenses of ₹ 3.11 Million for the year ended March 31, 2021 (March 31, 2020: ₹ 2.31 Million) which pertains to employees of such foreign subsidiaries.

(b) Risk exposure

These plans typically expose the Group 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

Notes to the Consolidated Financial Statements
for the year ended March 31, 2021

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 Group has a risk management strategy which defines exposure limits and acceptable credit risk rating.

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 plan's 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 best estimate of the mortality of plan participants. A change in the life expectancy of the plan participants will impact 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.

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

	Valuation as at	
	31-Mar-21	**31-Mar-20**
Discounting rate	6.50%	6.25%
Future salary growth rate	5.5% for next 1 years and 8% thereafter	5.5% for next 2 years and 8% thereafter
Life expectancy/ Mortality rate	*	*
Attrition rate	- Below 31 years - 14.00% - 31-44 years - 10.00% - Above 44 years - 6.50.%	- Below 31 years - 12.00% - 31-44 years - 7.00% - Above 44 years - 5.00%
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.

Notes to the Consolidated Financial Statements

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(d) In addition to the expense related to employees of foreign subsidiaries as mentioned in (ii) (a) above, amounts recognised in statement of profit and loss in respect of defined benefit plan (Gratuity Plan) are as follows :

(₹ in Million)

	31-Mar-21	31-Mar-20
Current service cost	11.65	11.88
Net interest expense	1.73	1.55
Components of defined benefit costs recognised in Statement of Profit or Loss	**13.38**	**13.43**
Remeasurement on the net defined benefit liability		
- Return on plan assets (excluding amount included in net interest expense)	(1.43)	(1.28)
- Actuarial loss/(gain) arising form changes in financial assumptions	(2.79)	10.79
- Actuarial (gain)/loss arising form changes in demographic assumptions	(2.15)	(1.50)
- Actuarial (gain)/loss arising form experience adjustments	(8.42)	(1.01)
Components of defined benefit costs recognised in Other Comprehensive Income	(14.79)	7.00
Total	**(1.41)**	**20.43**

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) In addition to the obligation related to employees of foreign subsidiaries as mentioned in (ii) (a) above, amounts included in the Balance Sheet arising from the Group's obligation in respect of its defined benefit plan (Gratuity Plan) is as follows:

(₹ in Million)

	31-Mar-21	31-Mar-20
Present value of defined benefit obligation as at the end of the year	139.23	149.85
Fair value of plan assets	140.73	118.88
Funded status	**1.50**	**(30.97)**
Net asset/liability arising from defined benefit obligation recognised in the Balance Sheet	**1.50**	**(30.97)**

(f) Movement in the present value of the defined benefit obligation (Gratuity Plan obligation), in respect of Group's employees other than employees of foreign subsidiaries as mentioned in (ii) (a) above, are as follows:

(₹ in Million)

	31-Mar-21	31-Mar-20
Present value of defined benefit obligation at the beginning of the year	149.85	132.70
Expenses recognised in Statement of Profit and Loss		
- Current service cost	11.65	11.88
- Interest expense	9.15	9.93
Remeasurement (gains)/ losses recognised in Other Comprehensive Income		
- Actuarial (gain)/loss arising from:		
i. Demographic assumptions	(2.15)	(1.50)
ii. Financial assumptions	(2.79)	10.79
iii. Experience adjustments	(8.42)	(1.01)
Benefit payments	(18.06)	(12.94)
Present value of defined benefit obligation at the end of the year	**139.23**	**149.85**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2021

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

(₹ in Million)

	31-Mar-21	31-Mar-20
Fair value of plan assets at the beginning of the year	118.88	109.22
Expenses recognised in Statement of Profit and Loss		
- Expected return on plan assets	7.42	8.38
Remeasurement gains / (losses) recognised in Other Comprehensive Income		
- Actual Return on plan assets in excess of the expected return	1.43	1.28
Contributions by employer	31.06	12.94
Benefit payments	(18.06)	(12.94)
Fair value of plan assets at the end of the year	**140.73**	**118.88**

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

(₹ in Million)

	31-Mar-21			31-Mar-20		
	Quoted	Unquoted	Total	Quoted	Unquoted	Total
Cash and cash equivalents	-	0.68	0.68	-	0.57	0.57
Group Gratuity Plans with Insurance Companies	-	140.05	140.05	-	118.31	118.31
Total plan assets	**-**	**140.73**	**140.73**	**-**	**118.88**	**118.88**

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. There has been no change in the process used by the Group to manage its risks from prior years.

(h) Sensitivity analysis

The sensitivity of the defined benefit obligation, in respect of Group's employees other than employees of foreign subsidiaries as mentioned in (ii) (a) above, 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-21	31-Mar-20	31-Mar-21	31-Mar-20
Discounting rate	0.5%	₹ in Million	(4.58)	(5.94)	4.87	6.37
		in %	-3.29%	-3.96%	3.50%	4.25%
Future salary growth rate	0.5%	₹ in Million	4.80	6.26	(4.55)	(5.90)
		in %	3.45%	4.18%	-3.27%	-3.94%
Mortality rate	10%	₹ in Million	(0.02)	(0.05)	0.03	0.03
		in %	-0.02%	-0.03%	0.02%	0.02%
Attrition rate	0.5%	₹ in Million	(0.44)	(0.51)	0.46	0.49
		in %	-0.31%	-0.34%	0.33%	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.

Notes to the Consolidated Financial Statements
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(i) Defined benefit liability and employer contributions

The Group expects to contribute ₹ 6.30 Million to the defined benefit plan during the year ending March 31, 2022.

The weighted average duration of the defined obligation as at March 31, 2021 is 7 years.

The expected maturity analysis of undiscounted defined benefit obligation as at March 31, 2021 is as follows:

(₹ in Million)

	Less than a year	Between 2-5 years	Between 6-10 years	More than 10 years	Total
Defined benefit obligation (Gratuity)	15.78	70.02	50.75	102.18	238.73

Note 35: Related party transactions

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

(a) Investing company holding substantial interest

Triveni Engineering & Industries Limited (TEIL)

(b) Joint Venture

GE Triveni Limited (GETL)

(c) Key Management Personnel (KMP)

Mr. D.M. Sawhney, Chairman & Managing Director (DMS)
Mr. Nikhil Sawhney, Vice Chairman and Managing Director (NS)
Mr. Arun Mote, Executive Director (AM)
Mr. Deepak Kumar Sen, Executive Vice President & CFO (DKS)*
Mr. Lalit Kumar Agarwal, Vice President & CFO (LKA)**
Mr. Tarun Sawhney, Promoter Non Executive Director (TS)
Mrs. Vasantha Bharucha, Independent Non Executive Director (VB)***
Mr. Shekhar Datta, Independent Non Executive Director (SD)***
Dr. Santosh Pande, Independent Non Executive Director (SP)
Ms. Homai A. Daruwalla, Independent Non Executive Director (HAD)
Dr. Anil Kakodkar , Independent Non Executive Director (AK)
Mr. Shailendra Bhandari ,Independent Non Executive Director (SB)

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

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

(e) Post employment benefit plans

Triveni Turbine Limited Officers Pension Scheme (TTLOPS)
Triveni Turbine Limited Employees Gratuity Trust (TTLEGT)
* Ceased to be KMP, due to retirement, w.e.f November 1, 2020
** w.e.f. November 1, 2020
*** Ceased to be KMP, due to resignation w.e.f April 1, 2020

(ii) Details of transactions between the Company and related parties during the year and outstanding balances as on March 31, 2021:

(₹ in Million)

	Financial year	Investing company holding substantial interest	Joint Venture	KMP												Parties in which KMP or their relatives have significant influence		Post employment benefit plans		Total
		TEIL*	GETL*	DMS	NS	AM	DKS	LKA	TS	VB	SD	SP	HAD	SB	AK	STFL	TRSCT	TTLOPS	TTLEGT	
Nature of transactions with Related Parties																				
Sales and rendering of services*	31-Mar-21	22.29	130.84	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	153.13
	31-Mar-20	29.36	357.68	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	387.04
Purchases and receiving services*	31-Mar-21	287.59	3.53	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	291.12
	31-Mar-20	353.92	3.95	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	357.87
Warranty expenses*	31-Mar-21	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	31-Mar-20	-	4.41	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4.41
Rent & other charges income	31-Mar-21	-	9.33	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	9.33
	31-Mar-20	-	13.73	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	13.73
Technology transfer fee*	31-Mar-21	-	11.14	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	11.14
	31-Mar-20	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Royalty Income*	31-Mar-21	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	31-Mar-20	-	6.23	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	6.23
Rent expenditure*	31-Mar-21	1.98	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.98
	31-Mar-20	2.18	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2.18
Remuneration expenditure	31-Mar-21	-	-	44.63	56.49	29.96	5.49	2.62	-	-	-	-	-	-	-	-	-	-	-	139.19
	31-Mar-20	-	-	42.66	42.95	28.08	5.95	-	-	-	-	-	-	-	-	-	-	-	-	119.64
Directors fee expenditure	31-Mar-21	-	-	-	-	-	-	-	0.45	-	-	0.75	0.75	0.35	0.35	-	-	-	-	2.65
	31-Mar-20	-	-	-	-	-	-	-	0.39	0.60	0.40	0.50	0.49	0.25	0.10	-	-	-	-	2.73
Directors commission expenditure	31-Mar-21	-	-	-	-	-	-	-	1.15	-	-	1.15	1.25	1.15	1.15	-	-	-	-	5.85
	31-Mar-20	-	-	-	-	-	-	-	1.00	1.00	1.00	1.00	1.00	1.00	1.00	-	-	-	-	7.00
Corporate social responsibility expenditure	31-Mar-21	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	8.02	-	-	8.02
	31-Mar-20	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	7.43	-	-	7.43
Contribution to post employment benefit plans	31-Mar-21	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	7.30	31.06	38.36
	31-Mar-20	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	7.49	12.94	20.43
Expenses incurred by the Company on behalf of party (net of expenses incurred by party on behalf of the Company)	31-Mar-21	0.34	23.45	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	23.79
	31-Mar-20	(2.39)	23.25	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	20.86
Dividend Paid	31-Mar-21	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	31-Mar-20	35.31	-	11.69	7.38	0.04	-	-	6.99	-	0.01	-	-	-	-	43.46	-	-	-	104.88
Outstanding balances																				
Receivable	31-Mar-21	50.18	74.62	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	124.80
	31-Mar-20	142.24	212.35	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	354.59
Payable	31-Mar-21	38.01	66.96	0.56	16.21	3.88	-	-	1.15	-	-	1.15	1.25	1.15	1.15	-	-	2.01	-	133.48
	31-Mar-20	31.93	62.61	0.56	0.21	0.33	-	-	1.00	1.00	1.00	1.00	1.00	1.00	1.00	-	-	1.80	-	104.44

* Including taxes

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(iii) Compensation of key managerial personnel:

(₹ in Million)

	31-Mar-21	31-Mar-20
Short-term employee benefits	131.13	112.57
Post-employment benefits	8.06	7.07
Total	**139.19**	**119.64**

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

(iv) Terms & conditions:

The sales to and purchases from related parties, including rendering / availment of services, are made on terms which are at 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 regard to experience, performance and market trends. The outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. The Group has recorded impairment of receivables relating to amounts owned by related parties for the year ended March 31, 2021 of ₹ 29.73 Million (March 31, 2020: ₹ 14.22 Million)

(v) 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 Group.

Note 36: Capital management

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

The business model of the Group 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 Group, therefore, prefers low gearing ratio. The Group 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 Group is cash positive and does not require any equity infusion or borrowings.

(₹ in Million)

	31-Mar-21	31-Mar-20
Borrowings (note 14 & 16)	9.56	11.69
Trade payables (note 17)	744.87	616.72
Other financial liabilities (note 18)	226.32	198.27
Lease liabilities [note 41 (ii)]	26.43	28.78
Total debt	1,007.18	855.46
Less: Cash and cash equivalent [note 11(a)]	(370.53)	(658.05)
Net debt (A)	636.65	197.41
Total equity (note 12 & note 13)	6,375.79	5,301.78
Total equity and net debt (B)	7,012.44	5,499.19
Gearing ratio (A/B)	9%	4%

Further, no changes were made in the objectives, policies or process for managing capital during the years ended March 31, 2021 and March 31, 2020.

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

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Note 37: Financial risk management

The Group'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 Group's operations. The Group's principal financial assets include trade receivables, other receivables and cash and bank balances that derive directly from its operations. The Group also holds FVTPL investments and loans. The Group 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 Group uses extensive derivatives to hedge its foreign exchange exposures which arise from export orders.

The Group'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 Group and there are appropriate policies and procedures in place through which such financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. The Group has specialized teams to undertake derivative activities for risk management purposes and such team has appropriate skills, experience and expertise. It is the Group 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 Group. The Group 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 Group'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 Group 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 Group 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 customers. 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. Additionally, considering the COVID-19 situation, the Company has also assessed the performance and recoverability of trade receivable. The Group'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.

The trade receivables position is provided here below:

(₹ in Million)

	31-Mar-21	31-Mar-20
Total receivables (Note 6)	771.27	1,253.49
Receivables individually in excess of 10% of the total receivables	84.36	355.55
Percentage of above receivables to the total receivables of the Group	11%	28%

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for the year ended March 31, 2021

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 Group provides for expected credit losses (ECL) for other receivables based on historical data of losses, current conditions forecasts and future economic conditions, including loss of time value of money due to delays. In view of the business model of the Group, 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-21	31-Mar-20
Expected credit loss (%)	1.66%	0.68%
Expected credit loss (₹ in Million)	12.79	8.26

(ii) Liquidity risk

The Group uses liquidity forecast tools to manage its liquidity. As per the business model of the Group, the requirement of working capital is not intensive. The Group 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 Group has even been able to fund substantial capital expenditure from internal accruals.

(₹ in Million)

	31-Mar-21	31-Mar-20
Current financial assets (CFA) (refer note 5, 6, 7, 8 & 11)	4,693.50	3,272.88
Non-current financial assets (NCFA) (refer note 6, 7 & 8)	8.94	8.57
Total financial assets (FA)	**4,702.44**	**3,281.45**
Current financial liabilities (CFL) (note 16, 17 & 18)	986.91	822.32
Non-current financial liabilities (NCFL) (note 14 & 18)	20.27	33.14
Total financial liabilities (FL)	**1,007.18**	**855.46**
Ratios		
CFA/ CFL	4.76	3.98
NCFA/NCFL	0.44	0.26
FA/FL	4.67	3.84

Maturities analysis of financial liabilities:

(₹ in Million)

	on demand	< 1 year	1-5 years	Total	Carrying amount
As at March 31, 2021					
Borrowings	-	9.56	-	9.56	9.56
Trade payables	-	744.87	-	744.87	744.87
Other financial liabilities	-	226.32	-	226.32	226.32
Lease Liabilities [refer note 41 (ii)]		6.16	20.27	26.43	26.43
	-	**986.91**	**20.27**	**1,007.18**	**1,007.18**

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(₹ in Million)

	on demand	< 1 year	1-5 years	Total	Carrying amount
As at March 31, 2020					
Borrowings	-	2.13	9.56	11.69	11.69
Trade payables	-	616.72	-	616.72	616.72
Other financial liabilities	-	198.27	-	198.27	198.27
Lease Liabilities (refer note 41(ii))	-	5.20	23.58	28.78	28.78
	-	**822.32**	**33.14**	**855.46**	**855.46**

(iii) Market risk

The Group 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 low duration schemes. The Group is essentially exposed to currency risks as export sales forms substantial part of the total sales of the Group. While the Group is mainly exposed to US Dollars, the Group also deals in other currencies, such as, Euro, GBP etc.

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

(a) Foreign currency risk exposure

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

		USD	EURO	GBP	Other foreign currencies
As at March 31, 2021					
Financial assets					
- Trade receivables	in foreign currency (Million)	2.17	0.90	0.16	-
	in equivalent ₹ (Million)	157.88	75.71	16.33	-
- Cash and bank balances	in foreign currency (Million)	0.14	0.04	-	*
	in equivalent ₹ (Million)	10.15	3.77	-	44.68
- Other financial assets	in foreign currency (Million)	-	-	-	*
	in equivalent ₹ (Million)	-	-	-	0.32
Derivative assets (in respect of underlying financial assets) - Foreign exchange forward contracts to sell foreign currency	in foreign currency (Million)	1.74	0.86	0.16	-
	in equivalent ₹ (Million)	126.23	72.90	16.33	-
Net exposure to foreign currency risk (assets)	in foreign currency (Million)	**0.57**	**0.08**	**-**	*****
	in equivalent ₹ (Million)	**41.80**	**6.58**	**-**	**45.00**
Financial liabilities					
- Trade payables	in foreign currency (Million)	0.36	0.58	0.00	*
	in equivalent ₹ (Million)	31.16	51.11	0.03	7.09
- Other financial liabilities	in foreign currency (Million)	-	-	-	*
	in equivalent ₹ (Million)	-	-	-	3.99
Net exposure to foreign currency risk (liabilities)	in foreign currency (Million)	**0.36**	**0.58**	**0.00**	*****
	in equivalent ₹ (Million)	**31.16**	**51.11**	**0.03**	**11.08**

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		USD	EURO	GBP	Other foreign currencies
As at March 31, 2020					
Financial assets					
- Trade receivables	in foreign currency (Million)	3.32	1.56	0.88	-
	in equivalent ₹ (Million)	248.30	127.40	80.60	-
- Cash and bank balances	in foreign currency (Million)	0.10	0.04	-	*
	in equivalent ₹ (Million)	7.26	3.67	-	2.42
- Other financial assets	in foreign currency (Million)	-	-	-	*
	in equivalent ₹ (Million)	-	-	-	0.52
Derivative assets (in respect of underlying financial assets) - Foreign exchange forward contracts to sell foreign currency	in foreign currency (Million)	1.74	0.86	0.16	-
	in equivalent ₹ (Million)	126.23	72.90	16.33	-
Net exposure to foreign currency risk (assets)	in foreign currency (Million)	**1.68**	**0.74**	**0.72**	*
	in equivalent ₹ (Million)	**129.33**	**58.17**	**64.27**	**2.94**
Financial liabilities - Trade payables	in foreign currency (Million)	1.01	0.16	0.02	*
	in equivalent ₹ (Million)	77.09	13.32	1.45	2.84
- Other financial liabilities	in foreign currency (Million)	-	-	-	*
	in equivalent ₹ (Million)	-	-	-	4.09
Net exposure to foreign currency risk (liabilities)	in foreign currency (Million)	**1.01**	**0.16**	**0.02**	*
	in equivalent ₹ (Million)	**77.09**	**13.32**	**1.45**	**6.93**

* In view of diversed foreign currencies involved, only the equivalent amount in ₹ has been disclosed

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

		USD	EURO	GBP	Other foreign currencies
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	-
As at March 31, 2020					
Foreign exchange forward contracts to sell foreign currency	in foreign currency (Million)	14.96	8.88	1.55	-
	in equivalent ₹ (Million)	1,117.15	726.77	142.46	-

(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-21	31-Mar-20
Carrying amount of hedging instruments		
-Assets/ (Liabilities) (₹ in Million)	11.93	(60.38)
Line item affected in Balance sheet	Other financial assets	Other financial liability
Maturity date	April 2021 - January 2022	April 2020 - November 2020
Hedge ratio	84%	81%
Weighted average strike price/rate	US$ 1= INR 74.56 EURO 1= INR 90.01 GBP= INR 98.62	US$ 1= INR 73.55 EURO 1= INR 82.53 GBP= INR 92.28
Changes in fair value of hedging instruments (₹ in Million)	62.63	(158.87)
Change in the value of hedged item used as the basis for recognising hedge effectiveness (₹ in Million)	(62.63)	158.87

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

(₹ in Million)

	31-Mar-21	31-Mar-20
Changes in the value of the hedging instrument recognised in other comprehensive income	62.63	(158.87)
Hedge ineffectiveness recognised in profit or loss	(8.77)	(34.05)
Amount reclassified from cash flow hedging reserve to profit or loss	(1.69)	84.56
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-21	31-Mar-20
Opening Balance	(33.46)	42.70
Add: Changes in discounted spot element of foreign exchange forward contracts, net	62.63	(158.87)
Less: Hedge ineffectiveness recognised in profit or loss	(8.77)	(34.05)
Less: Amount reclassified from cash flow hedging reserve to profit or loss	(1.69)	84.56
	18.72	**(65.66)**
Less: Deferred tax relating to above	13.13	(32.20)
Closing balance	**5.59**	**(33.46)**

(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 ₹ in Million)			
		Increase in FC exchange rates		Decrease in FC exchange rates	
		31-Mar-21	31-Mar-20	31-Mar-21	31-Mar-20
USD sensitivity	5%	0.53	2.61	(0.53)	(2.61)
EURO sensitivity	5%	(2.23)	2.24	2.23	(2.24)
GBP sensitivity	5%	-	3.14	-	(3.14)
Other foreign currencies sensitivity	5%	1.70	(0.20)	(1.70)	0.20

In addition to the above, an increase in exchange rates of subsidiaries' functional currency by 5% will result in increase in foreign currency translation reserve (a component of other equity) for the year ended March 31, 2021 by ₹ 9.33 Million (March 31, 2020: ₹ 7.47 Million). A decrease in such exchange rates will have a reverse impact with equivalent amounts. There is no impact on the profits of the Group.

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.

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Note 38: Fair value measurements

(i) Financial instruments by category

(₹ in Million)

	31-Mar-21			31-Mar-20		
	FVTPL *	FVOCI	Amortised cost	FVTPL *	FVOCI	Amortised cost
Financial assets						
Investments in mutual funds/ deposits	2,639.31	-	40.00	1,295.03	-	-
Trade receivables	-	-	771.27	-	-	1,253.49
Contract asset	-	-	54.14	-	-	30.16
Loans	-	-	0.02	-	-	2.11
Cash and bank balances	-	-	1,164.37	-	-	683.68
Security deposits	-	-	9.28	-	-	9.04
Earnest money deposits	-	-	7.35	-	-	7.94
Derivative financial assets	-	11.93	-	-	-	-
Other receivables	-	-	4.76	-	-	-
Total financial assets	**2,639.31**	**11.93**	**2,051.19**	**1,295.03**	**-**	**1,986.42**
Financial liabilities						
Borrowings	-	-	9.56	-	-	11.69
Trade payables	-	-	744.87	-	-	616.72
Capital creditors	-	-	24.70	-	-	16.90
Derivative financial liabilities	-	-	-	-	60.38	-
Lease liabilities	-	-	26.43	-	-	28.78
Other payables	-	-	201.62	-	-	120.99
Total financial liabilities	**-**	**-**	**1,007.18**	**-**	**60.38**	**795.08**

* 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 Group 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 March 31, 2021					
Financial assets					
- Investments in mutual funds (Unquoted)	5 (b)	-	2,639.31	-	2,679.31
- Foreign exchange forward contracts at FVOCI	8	-	11.93	-	11.93
		-	**2,651.24**	**-**	**2,691.24**
Financial liabilities					
- Foreign exchange forward contracts at FVOCI	19	-	-	-	-
		-	**-**	**-**	**-**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2021

(₹ in Million)

	Note No.	Level 1	Level 2	Level 3	Total
As at 31 March 2020					
Financial assets					
- Investments in mutual funds (Unquoted)	5 (b)	-	1,295.03	-	1,295.03
- Foreign exchange forward contracts at FVOCI	8	-	-	-	-
		-	**1,295.03**	**-**	**1,295.03**
Financial liabilities					
- Foreign exchange forward contracts at FVOCI	19	-	60.38	-	60.38
		-	**60.38**	**-**	**60.38**

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

(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.

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Note 39: Interest in other entities

(i) Subsidiary

Details of the Group's subsidiary at the end of the reporting period is as follows:

Name of Subsidiary	Principal activities	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Group	
			31-Mar-21	31-Mar-20
Triveni Turbines Europe Private Limited	Trading & services of steam turbines	United Kingdom	100%	100%
Triveni Turbines DMCC (step-down subsidiary)	Trading of steam turbines	Dubai, United Arab Emirates	100%	100%
Triveni Turbines Africa Pvt. Ltd. (step-down subsidiary)	Trading & services of steam turbines	South Africa	100%	100%

(ii) Interest in joint venture (refer note 2(a)(i))

Details of the Group's joint venture at the end of the reporting period is as follows:

Name of joint venture	Principal activities	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Group	
			31-Mar-21	31-Mar-20
GE Triveni Limited	Trading and services of steam turbines	India	50%	50%

The above joint venture is accounted for using the equity method in these consolidated financial statements.

(a) Summarised financial information for joint venture

The summarised financial information below represents amounts shown in the joint venture's financial statements prepared in accordance with Ind AS adjusted by the Group for equity accounting purposes.

Summarised Balance Sheet of GE Triveni Limited

(₹ in Million)

	31-Mar-21	31-Mar-20
Current assets		
Cash and cash equivalent	275.99	81.15
Other assets	537.57	779.74
Total current assets	**813.56**	**860.89**
Total non-current assets	**113.52**	**149.10**
Current liabilities		
Financial liabilities (excluding trade payables and provisions)	20.54	19.22
Other liabilities	345.88	521.13
Total current liabilities	**366.42**	**540.35**
Non-current liabilities		
Financial liabilities (excluding trade payables and provisions)	-	8.23
Other liabilities	-	2.89
Total non-current liabilities	**-**	**11.12**
Net assets	**560.66**	**458.52**

Summarised Statement of Profit and Loss of GE Triveni Limited

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(₹ in Million)

	31-Mar-21	31-Mar-20
Revenue	473.65	1,285.22
Interest income	11.59	4.60
Depreciation and amortisation	21.80	26.91
Interest expense	0.86	1.20
Income tax expense	22.64	43.58
Profit from continuing operations	73.10	131.33
Profit from discontinued operations	-	-
Profit for the year	73.10	131.33
Other comprehensive income	-	(0.23)
Total comprehensive income	73.10	131.10
Dividend received from the joint venture	-	-

Reconciliation of the above summarised financial information to the carrying amount of the interest in the joint venture recognised in consolidated financial statements:

(₹ in Million)

	31-Mar-21	31-Mar-20
Net assets of GE Triveni Limited	560.66	458.52
Group's share in %	50%	50%
Group's share in ₹ in Million	280.33	229.26
Adjustments:		
Group's share in adjustment for unrealised profits on inter-company transactions (net of tax)	1.32	(0.14)
Carrying amount	**281.65**	**229.12**

Notes to the Consolidated Financial Statements

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Note 40: Additional information required by Schedule III

	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount (₹ in Million)	As % of consolidated profit or loss	Amount (₹ in Million)	As % of consolidated other comprehensive income	Amount (₹ in Million)	As % of consolidated total comprehensive income	Amount (₹ in Million)
Parent								
Triveni Turbine Limited								
March 31, 2021	92.55%	5,900.14	88.00%	901.58	104.70%	51.69	88.76%	953.27
March 31, 2020	94.21%	4,994.52	83.86%	1,021.16	118.36%	(80.89)	81.80%	940.27
Subsidiaries (Group's share)								
Foreign								
Triveni Turbines Europe Private Ltd								
March 31, 2021	0.56%	35.84	-0.46%	(4.68)	-4.70%	(2.32)	-0.65%	(7.00)
March 31, 2020	0.74%	39.18	2.31%	28.13	-18.54%	12.68	3.55%	40.81
Triveni Turbines DMCC								
March 31, 2021	3.42%	217.81	7.14%	73.14	-	-	6.81%	73.14
March 31, 2020	1.95%	103.28	6.35%	77.32	-	-	6.73%	77.32
Triveni Turbines Africa Pvt. Ltd.								
March 31, 2021	0.32%	20.35	0.20%	2.08	-	-	0.19%	2.08
March 31, 2020	0.30%	15.67	0.02%	0.22	-	-	0.02%	0.22
Joint ventures (Investments as per the equity method)								
Indian								
GE Triveni Limited								
March 31, 2021	3.15%	201.65	5.12%	52.52	0.00%	-	4.89%	52.52
March 31, 2020	2.80%	149.13	7.46%	90.95	0.18%	(0.12)	7.90%	90.83
Total								
March 31, 2021	**100%**	**6,375.79**	**100%**	**1,024.64**	**100%**	**49.37**	**100%**	**1,074.01**
March 31, 2020	100%	5,301.78	100%	1,217.78	100%	(68.33)	100%	1,149.45

Notes to the Consolidated Financial Statements

for the year ended March 31, 2021

Note 41: Leases

Company as a Lessee

(i) During financial year 2014-15, the Group 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 Group.(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 Group'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 Group 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 Group 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 Group 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)

	Motor Vehicle	Office Equipment	Office Premises	Total
As at April 1, 2019	-	-	-	-
Impact on account of transition to Ind AS 116	8.97	2.89	22.15	34.01
Depreciation expense	2.89	0.96	3.28	7.13
As at March 31, 2020	6.08	1.93	18.87	26.88
Addition	2.73	-	1.88	4.61
Deletion	(0.26)	(1.48)	(0.46)	(2.20)
Depreciation expense	2.97	0.45	2.53	5.95
As at March 31, 2021	**5.58**	**-**	**17.76**	**23.34**

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

(₹ in Million)

	31-Mar-21	31-Mar-20
Opening Balance	28.78	-
Impact on account of transition to Ind AS 116	-	34.01
Addition	4.61	-
Deletion	(2.20)	-
Interest expense on lease liabilities	2.67	3.22
Payment of lease liabilities	(7.43)	(8.45)
Closing Balance	**26.43**	**28.78**
Current	6.16	5.20
Non- current	20.27	23.58
	26.43	**28.78**

(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

Notes to the Consolidated Financial Statements
for the year ended March 31, 2021

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

(₹ in Million)

	31-Mar-21	31-Mar-20
Depreciation expense of right-of-use assets	5.95	7.13
Interest expense on lease liabilities	2.67	3.22
Expense relating to short-term leases & low value assets (included in other expenses)	11.96	10.67

Group as a lessor

The Group 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. There are no minimum future lease payments as there are no non-cancellable leases. 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 42: Commitments

(₹ in Million)

		31-Mar-21	31-Mar-20
(i)	Estimated amount of contracts remaining to be executed on capital account and not provided for (against which advances paid aggregating to ₹ 0.84 Million (March 31, 2020: ₹ 13.15 Million)	14.97	86.31
(ii)	Other commitments:		
	(a) Derivative instruments	Refer note 37 (iii) (a), (b)	
	(b) Non-disposal of investments in joint venture	Refer note 16 (ii)	

Note 43: Contingent liabilities, contingent assets and litigations

Contingent liabilities

(₹ in Million)

		31-Mar-21	31-Mar-20
(i)	**Claims against the Company not acknowledged as debts:**		
	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, 2020: ₹ 1.67 Million), excluding interest, under protest pending final adjudication of the cases:	79.92	73.02

Sl. No.	Particulars	Amount of contingent liability		Amount paid	
		31-Mar-21	31-Mar-20	31-Mar-21	31-Mar-20
1	Service tax	54.02	52.66	1.67	1.67
2	Income tax	24.42	18.88	-	-
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 Group or the claimants, as the case may be, and therefore cannot be predicted accurately. The Group engages reputed professional advisors to protect its interests and has been advised that it has strong legal position against such disputes.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2021

(ii) The Hon'ble Supreme Court of India has passed a judgement relating to definition of wages under the Provident Fund Act, 1952 on February 28, 2019. However, considering that there are numerous interpretative issues related to the judgement and in the absence of reliable measurement of the provision for the earlier period, the Group has made provision for provident fund contribution from the date of order. The Group will evaluate its position and update provision, if required, after receiving further clarity in this regard.

(iii) 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, 2021 (March 31, 2020: Nil).

Note 44: Petition and arbitration in relation to General Electric Company and its affiliates

The Company had filed a petition on June 10, 2019 under the provisions of Section 241, 242, 244 of the 2013 Act before National Company Law Tribunal, Bengaluru ("NCLT"), seeking specific reliefs to bring to an end the matters of oppression and mismanagement in the joint venture company viz. GE Triveni Ltd (GETL) by General Electric Company and its affiliates (GE). The grounds on which the Company was constrained to file the petition were certain actions of GE which were oppressive, fraudulent, prejudicial, harsh and burdensome to the interest of GETL including but not limited to lack of probity, diversion of business, violation of non-compete, conflict of interest by GE employees/nominee directors etc. Instead of submitting its objections on merits to the said Company Petition, two of GE's affiliates filed applications before the NCLT, praying to refer the dispute raised in Company Petition to arbitration. These matters are now pending adjudication.

The illegal termination of ancillary agreements with GETL and intention to terminate the JV with the Company and wilful breach of undertakings given by GE/affiliates of GE to the NCLT in relation to their obligations under aforesaid agreements, led to willful disobedience and defiance of National Company Law Appellate Tribunal (NCLAT) order dated August 27, 2019 read with the order dated February 17, 2020. Pursuant to the liberty granted by the NCLAT, the Company had filed a contempt petition before NCLT, Bengaluru on January 21, 2021 and the NCLT on April 20, 2021 has pronounced its order in favour of the Company, holding the GE/affiliates of GE therein guilty of contempt of the NCLAT orders referred above. Being aggrieved by the NCLT order, GE / affiliates of GE have filed writ petitions under Article 226 and 227 of the Constitution of India before the Honourable High Court of Karnataka at Bangalore. There has been no stay granted by the High Court till date on the NCLT order dated April 20,2021. These writ petitions are now pending adjudication.

DI Netherland BV, Joint Venture partner in GETL, has invoked separate arbitration proceedings before Arbitration Tribunal under the UNCITRAL Arbitration Rules, 1976 in United Kingdom and has filed a statement of claim on June 1, 2020, alleging violation of certain terms of the JV Agreement by the Company. The claims made are based on estimation and amounts are not quantified with precision. The Company firmly believes that the allegations raised are unsubstantiated, untenable, and unsustainable. The Company has submitted its Statement of Defence on March 6, 2021 with the Arbitration Tribunal. Such arbitration is in preliminary stages as the Tribunal would evaluate the defence and documents submission in the due course. Based on an internal assessment by the management in consultation with legal counsels, management has concluded that the Company has merit in such arbitration and accordingly, no provision is considered necessary in the consolidated financial statements.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2021

The Company has invoked arbitration proceedings under Arbitration and Conciliation Act, 1996 ("Arbitration Act') against Nuovo Pignone S.P.A. ('GENP'), an affiliate of GE in relation to the dispute and differences relating to misappropriation of technical information of Company by GENP. An application has been submitted to the Supreme Court of India on March 1, 2021 under Section 11 of the Arbitration Act for appointing sole independent arbitrator. The said application is pending consideration before the Honourable Supreme Court.

Note 45: Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Based on the intimation received by the Group 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-21	31-Mar-20
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of accounting year; as at the end of the year		
(i) Principal amount	111.81	68.46
(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 46: Research and development expenses

During the year, the Group has incurred expenditure of ₹ 73.84 Million (March 31, 2020: ₹ 86.23 Million) on research and development activities.

(₹ in Million)

	31-Mar-21	31-Mar-20
Revenue expenses	56.34	62.50
Capital expenditure	17.50	23.73
Total	**73.84**	**86.23**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2021

Note 47: 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-21	31-Mar-20
Sale of products			
Finished goods			
- Turbines (including related equipments and supplies)	At point in time	4,810.33	5,965.77
- Spares	At point in time	1,373.99	1,260.32
Sale of Services			
Servicing, operation and maintenance	Over time	545.72	582.22
Erection and commissioning	At point in time	210.42	235.17
Turbine extended scope turnkey project	Over time	3.33	1.16
Other operating income			
Sale of scrap	At point in time	2.76	3.17
Selling commission	At point in time	-	3.86
Technology transfer fee		9.44	-
Royalty	At point in time	-	5.28
Export incentives	At point in time	69.85	121.73
		7025.84	**8,178.68**

ii) Contract balances

(₹ in Million)

	31-Mar-21	31-Mar-20
Trade receivables	771.27	1,253.49
Contract assets – Amounts due from Customers under construction contracts	6.21	5.85
Contract assets – Unbilled revenue	54.14	30.16
Contract liabilities – Advance from customers	1,681.09	1,628.06
Contract liabilities – Deferred revenue	43.86	42.67
Contract liabilities – Amount due to customers under construction contracts	-	2.97

Trade receivables have decreased by ₹ 482.22 million over previous year due to decrease in sales, collection of old certain old receivable and improved realization of dues in current year . During the year, provision for doubtful debts and expected credit losses on trade receivables was recognised as disclosed below.

(₹ in Million)

	31-Mar-21	31-Mar-20
Provision, net of reversal for doubtful debts	25.57	22.43
	25.57	**22.43**

Contract liabilities include advances received from customers, deferred revenue and amount due to customers. The outstanding balances of these accounts has increased by ₹ 57.19 million primarily on account of satisfaction of performance obligation subsequent to year-end against which the advances were received during the year.

During the year, the Group has recognised revenue of ₹ 1362.61 million out of the contract liabilities outstanding at the beginning of the year.

(iii) Reconciliation of revenue recognised with contract price

(₹ in Million)

	31-Mar-21	31-Mar-20
Contract price	7,057.53	8,243.16
Adjustments for:		
Variable Considerations - Others	31.69	64.48
Total revenue from operations	**7025.84**	**8,178.68**

Notes to the Consolidated Financial Statements
for the year ended March 31, 2021

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 Group 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 Group 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 48: Exceptional Items

During the year ended March 31, 2021, the Group had implemented a Voluntary Retirement Scheme (VRS) for Workmen and total expenditure of ₹ 1,852 lakhs for VRS had been recognised in the Statement of Profit and Loss and presented as an Exceptional Item.

Note 49: Impact of COVID-19

The outbreak of Covid-19 pandemic severely impacted the world economy including India. The operations of the Group were also impacted during the year ending March 31, 2021, particularly the international business. Logistics bottleneck, restriction of international travel, and lockdown in various States from time to time impacted operations. The Group has considered the impact of COVID-19 pandemic on its business operations and financial statement based on its internal and external source of information including economic forecasts and estimates from market sources, on various elements of its consolidated financial statements and expected future performance of the Group. Based on its review and current indicators of future economic conditions, the Group expects to recover the carrying value of the assets and does not anticipate any impairment to these financial and non-financial assets.

Note 50. Approval of Consolidated Financial Statements

The Consolidated financial Statements were approved for issue by the Board of Directors of the Company on June 28, 2021 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 : June 28, 2021

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

Rajiv Sawhney
Company Secretary [ACS: 8047]

Place : Noida (U.P.)
Date : June 28, 2021

Notes

Information on the Company's Business Locations

Registered Office
A-44, Hosiery Complex,
Phase II Extension,
Noida - 201 305 (U.P.)
STD Code: 0120 Phone: 4748000 Fax: 4243049
CIN: L29110UP1995PLC041834
Website: www.triveniturbines.com

Corporate Office
'Express Trade Towers',
8th Floor 15-16, Sector - 16A
Noida - 201 301 (U.P.)
STD Code: 0120
Phone: 4308000, Fax: 4311010-11

Share Department / Investors' Grievances
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8th Floor 15-16, Sector - 16A
Noida - 201 301 (U.P.)
STD Code: 0120
Phone: 4308000, Fax: 4311010-11
Email: Shares.ttl@trivenigroup.com

Registrar and Share Transfer Agents
For Equity Shares held in physical and electronic mode
(Correspondence Address)
M/s Alankit Assignments Ltd.,
Alankit Heights
Unit: Triveni Turbine Limited
4E/2, Jhandewalan Extension,
New Delhi - 110 055.
STD Code: 011 Phone: 42541234, 23451234
Fax: 011- 41543474
Email: rta@alankit.com

Manufacturing Facility
1) 12-A, Peenya Industrial Area,
Peenya, Bengaluru - 560 058
STD Code: 080
Phone: 22164000 Fax: 22164100

2) No. 491, Sompura 2nd Stage
KIADB Sompura Industrial Area
Nelamangala Taluk
Bengaluru - 562123
STD Code: 080
Phone: 28060700

Subsidiary Companies
GE Triveni Limited
12-A, Peenya Industrial Area, Peenya, Bengaluru - 560 058
STD Code: 080 Phone: 22164000, Fax: 22164100

Triveni Turbines Europe Private Limited
Foreign Subsidiary
U.K.

Triveni Turbines DMCC
Foreign Subsidiary
Dubai, UAE

Triveni Turbines Africa (Pty) Ltd
Foreign Subsidiary
South Africa

Corporate Information
Chairman and Managing Director
Mr. Dhruv M Sawhney (DIN 00102999)

Vice Chairman and Managing Director
Mr. Nikhil Sawhney (DIN 00029028)

Executive Director
Mr. Arun Prabhakar Mote (DIN 01961162)

Directors
Mr. Tarun Sawhney (DIN 00382878)
Ms. Homai A Daruwalla (DIN 00365880)
Dr. Anil Kakodkar (DIN 03057596)
Dr. Santosh Pande (DIN 01070414)
Mr. Shailendar Bhandari (DIN 00317334)

Vice President & CFO
Mr. Lalit Kumar Agarwal

Company Secretary
Mr. Rajiv Sawhney

Bankers
Axis Bank Ltd
IDBI Bank Ltd
Punjab National Bank
Yes Bank Ltd
Standard Chartered Bank
Barclays Bank PLC

Auditors
M/s Walker Chandiok & Co. LLP

Website: www.triveniturbines.com

Triveni
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