Financial Statements and Independent Auditors' report

Triveni Energy Solutions Limited

(formerly known as GE Triveni Limited)

31 March 2021

Triveni Energy Solutions Limited

(formerly known as GE Triveni Limited)

Financial Statements and Independent Auditors' report

Table of Contents

Walker Chandiok & Co LLP

Walker Chandiok & Co LLP
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Independent Auditor's Report

To the Members of Triveni Energy Solutions Limited

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of Triveni Energy Solutions Limited ('the Company') *(formerly known as GE Triveni Limited)*, which comprise the Balance sheet as at 31 March 2021, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Cash Flows, 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 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 Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

4. We draw attention to Note 42 to the accompanying financial statements, which describes the settlement of various matters and ongoing disputes subsequent to the balance sheet date, between the erstwhile joint venture partners, Triveni Turbine Limited (TTL) and General Electric Company and its affiliates including DI Netherlands BV (collectively "GE and its affiliates") and termination of joint venture agreement as per the Settlement Agreement entered between the aforementioned parties on 6 September 2021. Further, as per the said agreement, the Company's stake held by DI Netherlands BV has been acquired by TTL and consequently, the Company has become a wholly owned subsidiary of TTL from such date and the outstanding dues have been settled as further detailed in the referred note. Our opinion is not modified in respect of this matter.

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

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

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

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

   The Directors Report is not made available to us at the date of this auditor's report. We have nothing to report in this regard.

Responsibilities of Management for the Financial Statements

6. The accompanying financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these 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.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

9. 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.

10. 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;

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- 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;

11. 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.

Other Matter

12. The financial statements of the Company for the year ended 31 March 2020 were audited by the predecessor auditor, S.R. Batliboi & Associates LLP, who have expressed an unmodified opinion on those financial statements vide their audit report dated 6 September 2021.

Report on Other Legal and Regulatory Requirements

13. Based on our audit, we report that the Company has not paid or provided for any managerial remuneration during the year. Accordingly, reporting under section 197(16) of the Act is not applicable.

14. 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.

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

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

    e) the matter described in paragraph 4 under the Emphasis of Matter section, in our opinion, may have an adverse effect on the functioning of the Company;

    f) 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;

g) 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 financial statements of the Company for the year ended on that date and our report dated 15 November 2021 as per Annexure II expressed unmodified opinion; and

h) 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 33 to the financial statements, has disclosed the impact of pending litigations 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 were no amounts which were 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 financial statements. Hence, reporting under this clause is not applicable.

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

Vijay V Singh

Vijay Vikram Singh
Partner
Membership No.: 059139
UDIN: 21059139AAAAGS7041

Bengaluru
15 November 2021

WALKER CHANDIOK & CO LLP
BENGALURU
CHARTERED ACCOUNTANTS

Annexure I to the Independent Auditor's Report of even date to the members of Triveni Energy Solutions Limited *(formerly known as GE Triveni Limited)*, on the 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 fixed assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification of the fixed assets is reasonable having regard to the size of the Company and the nature of its assets.

(c) The Company does not hold any immovable property (in the nature of 'fixed assets'). Accordingly, the provisions of clause 3(i) (c) of the Order are not applicable.

(ii) In our opinion, the management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies between physical inventory and book records were noticed on physical verification

(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 not entered into any transaction covered under Sections 185 and 186 of the Act. Accordingly, the provisions of clause 3(iv) of the Order are not applicable.

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

(vii)(a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax,duty of customs, goods and services tax, cess and other material statutory dues, as applicable, have generally been regularly deposited to the appropriate authorities, though there has been a slight delay in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

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Annexure I to the Independent Auditor's Report of even date to the members of Triveni Energy Solutions Limited *(formerly known as GE Triveni Limited)*, on the financial statements for the year ended 31 March 2021

(b) The dues outstanding in respect of income-tax, duty of customs, goods and services tax on account of any dispute, are as follows:

Statement of Disputed Dues

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
Income Tax Act, 1961	Income Tax	9.11	9.11	AY 2016-17	Commissioner of Income Tax (Appeals)

(viii) The Company has no loans or borrowings payable to a financial institution or a bank or government and no dues payable to debenture-holders during the year. Accordingly, the provisions of clause 3(viii) of the Order are not applicable.

(ix) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments) and did not have any term loans outstanding during the year. Accordingly, the provisions of clause 3(ix) of the Order are not applicable.

(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) The Company has not paid or provided for any managerial remuneration. Accordingly, the provisions of Clause 3(xi) of the Order are not applicable.

(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 Section 188 of the Act, where applicable, and the requisite details have been disclosed in the financial statements, as required by the applicable Ind AS. Further, in our opinion, the Company is not required to constitute audit committee under Section 177 of the Act.

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

WALKER CHANDIOK & CO LLP
BENGALURU
CHARTERED ACCOUNTANTS

Walker Chandiok & Co LLP

Annexure I to the Independent Auditor's Report of even date to the members of Triveni Energy Solutions Limited *(formerly known as GE Triveni Limited)*, on the financial statements for the year ended 31 March 2021

(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 V Singh

Vijay Vikram Singh
Partner
Membership No.: 059139
UDIN: 21059139AAAAGS7041

WALKER CHANDIOK & CO LLP BENGALURU CHARTERED ACCOUNTANTS

Bengaluru
15 November 2021

Annexure II to the Independent Auditor's Report of even date to the members of Triveni Energy Solutions Limited *(formerly known as GE Triveni Limited)*, on the financial statements for the year ended 31 March 2021

Independent Auditor's Report on the internal financial controls with reference to the 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 financial statements of Triveni Energy Solutions Limited ('the Company') *(formerly known as GE Triveni Limited)* 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 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 Institute of Chartered Accountants of India ('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 on Audit of Internal Financial Controls Over Financial Reporting ('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

WALKER CHANDIOK & CO LLP BENGALURU CHARTERED ACCOUNTANTS

Chartered Accountants

Annexure II to the Independent Auditor's Report of even date to the members of Triveni Energy Solutions Limited *(formerly known as GE Triveni Limited)*, on the financial statements for the year ended 31 March 2021

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 V Singh

Vijay Vikram Singh
Partner
Membership No.: 059139
UDIN: 21059139AAAAGS7041

Bengaluru
15 November 2021

Triveni Energy Solutions Limited
(Formerly known as GE Triveni Limited)
Balance sheet as at March 31, 2021
(All amounts in ₹ million, except otherwise stated)

	Notes	March 31, 2021 ₹	March 31, 2020 ₹
ASSETS			
Non-current assets			
Property, plant and equipment	3	93.11	109.63
Intangible assets	4	7.50	12.79
Assets for current tax (net)	5	18.70	40.65
Deferred tax assets (net)	6	3.80	-
Financial assets			
Other financial assets	11	0.35	0.35
		123.46	163.42
Current assets			
Inventories	7	17.05	23.39
Financial assets			
Trade receivables	8	246.29	536.57
Cash and cash equivalents	9	240.34	70.50
Bank balance other than cash and cash equivalents	10	35.30	10.30
Other financial assets	11	27.17	4.22
Other current assets	12	220.51	204.01
		786.66	848.99
Total assets		910.12	1,012.41
EQUITY AND LIABILITIES			
Equity			
Equity share capital	13	160.00	160.00
Other equity	14	351.94	281.18
		511.94	441.18
Non-current liabilities			
Financial liabilities			
Other financial liabilities	16	14.42	5.41
Deferred tax liabilities (net)	6	-	3.24
Provisions	18	3.02	2.65
		17.44	11.30
Current liabilities			
Financial Liabilities			
Trade payables	15		
Total outstanding dues of micro and small enterprises		4.30	13.40
Total outstanding dues of creditors other than micro and small enterprises		202.62	355.50
Other financial liabilities	16	6.12	27.65
Other current liabilities	17	144.93	97.76
Provisions	18	22.77	65.62
		380.74	559.93
Total equity and liabilities		910.12	1,012.41
Summary of significant accounting policies and other explanatory information	2-44		

The accompanying notes are an integral part of these financial statements.

As per our report of even date

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

Vijay V Singh

Vijay Vikram Singh
Partner
Membership no.: 059139

Bengaluru
November 15, 2021

WALKER CHANDIOK & CO LLP BENGALURU CHARTERED ACCOUNTANTS

For and on behalf of the board of directors of
Triveni Energy Solutions Limited
(Formerly known as GE Triveni Limited)

Dhruv M. Sawhney
Director
DIN: 00102999

Arun Mote
Director
DIN: 01961162

Uday Naik
Chief Executive Officer

Padmini M.S.
Company Secretary

TRIVENI ENERGY SOLUTIONS LTD. 12-A, Peenya Indl. Area Peenya BANGALORE-58

Bengaluru
November 15, 2021

Bengaluru
November 15, 2021

Triveni Energy Solutions Limited
(Formerly known as GE Triveni Limited)
Statement of Profit and Loss for the year ended March 31, 2021
(All amounts in ₹ million, except otherwise stated)

	Notes	March 31, 2021 ₹	March 31, 2020 ₹
Income			
Revenue from operations	19	473.85	1,287.89
Other income	20	28.42	113.95
Total income		502.27	1,401.84
Expenses			
Purchase of traded goods	21	189.49	471.52
Decrease in inventories of traded goods	22	6.34	224.56
Employee benefits expense	23	37.96	47.04
Finance costs	24	0.79	2.18
Depreciation and amortisation expense	25	21.82	26.91
Impairment of non-current assets	4	-	17.21
Other expenses	26	151.06	451.80
Total expenses		407.46	1,241.22
Profit before tax		94.81	160.62
Tax expense:	27		
Current tax		31.33	67.07
Deferred tax credit		(7.08)	(20.39)
Total tax expense		24.26	46.68
Profit for the year		70.55	113.94
Other comprehensive income ('OCI')			
Items that will not be reclassified to profit or loss in subsequent years:			
Re-measurement gains on defined benefit plans		0.28	(0.25)
Income tax effect relating to above		(0.07)	0.07
Other comprehensive income for the year, net of tax		0.21	(0.18)
Total comprehensive income for the year		70.76	113.76
Earnings per equity share ['EPS']			
[nominal value per equity share ₹ 10 (March 31, 2020: ₹ 10)]			
Basic and diluted in ₹	28	4.41	7.12
Summary of significant accounting policies and other explanatory information	2-44		

The accompanying notes are an integral part of these financial statements.

As per our report of even date

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

Vijay V Singh

Vijay Vikram Singh
Partner
Membership no.: 059139

Bengaluru
November 15, 2021

For and on behalf of the board of directors of
Triveni Energy Solutions Limited
(Formerly known as GE Triveni Limited)

Dhruv M. Sawhney
Director
DIN: 00102999

Arun Mote
Director
DIN: 01961162

Uday Naik
Chief Executive Officer

Padmini M.S.
Company Secretary

Bengaluru
November 15, 2021

Bengaluru
November 15, 2021

WALKER CHANDIOK & CO LLP BENGALURU CHARTERED ACCOUNTANTS

TRIVENI ENERGY SOLUTIONS LTD. 12-A, Peenya Indl. Area Peenya BANGALORE-58

Triveni Energy Solutions Limited
(Formerly known as GE Triveni Limited)
Statement of cash flows for the year ended March 31, 2021
(All amounts in ₹ million, except otherwise stated)

	March 31, 2021 ₹	March 31, 2020 ₹
Operating activities		
Profit before tax	94.81	160.62
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation and amortisation expense	21.82	26.91
Impairment of non-current assets	-	17.21
Finance costs	0.79	2.18
Net foreign exchange differences	-	-
Interest income	(9.74)	(4.60)
Gain on sale of current investments	-	(4.06)
Fair value gain on derivative instruments	-	35.77
Unrealised foreign exchange gain/(loss)	2.06	(25.86)
Interest on income tax refund	(1.85)	-
Provision/(reversal) for doubtful debts	20.88	(1.96)
Working capital adjustments:		
Change in Trade payables	(162.38)	(428.42)
Change in Provisions	(40.53)	16.49
Change in Other liabilities	40.05	52.42
Change in Other financial liabilities	(13.07)	5.70
Change in Inventories	6.34	224.56
Change in Trade receivables	274.86	(63.15)
Change in Other current assets	(38.82)	41.41
Income tax paid (net of refund)	(9.85)	(43.73)
Net cash flows generated from operating activities (A)	185.38	11.49
Investing activities		
Purchase of property, plant and equipment	-	(0.09)
Investment in bank deposits (net)	(24.65)	(10.33)
Investments in mutual funds	-	(274.00)
Proceeds from sale of mutual funds	-	331.36
Interest received	9.11	4.26
Net cash flows (used in)/generated in investing activities (B)	(15.54)	51.20
Financing activities		
Net cash flows generated from financing activities (C)	-	-
Net increase in cash and cash equivalents (A + B + C)	169.84	62.69
Cash equivalents at the beginning of the year	70.50	7.81
Cash equivalents at the end of the year (refer note 9)	240.34	70.50

Summary of significant accounting policies and other explanatory information 2-44

As per our report of even date

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

Vijay V Singh

Vijay Vikram Singh
Partner
Membership no.: 059139

Bengaluru
November 15, 2021

WALKER CHANDIOK & CO LLP BENGALURU CHARTERED ACCOUNTANTS

For and on behalf of the board of directors of Triveni Energy Solutions Limited
(Formerly known as GE Triveni Limited)

Dhruv M. Sawhney
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TRIVENI ENERGY SOLUTIONS LTD. 12-A, Peenya Indl. Area Peenya BANGALORE-58

Uday Naik
Chief Executive Officer

Padmini M.S.
Company Secretary

Bengaluru
November 15, 2021

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November 15, 2021

Triveni Energy Solutions Limited
(Formerly known as GE Triveni Limited)
Statement of Changes in Equity for the year ended March 31, 2021
(All amounts in ₹ million, except otherwise stated)

	Notes	March 31, 2021	March 31, 2020
a. Equity Share Capital:	13		
16 million (March 31, 2020 : 16 million) equity shares of ₹ 10 each		160.00	160.00
Total issued, subscribed and fully paid-up share capital		160.00	160.00

	Notes	March 31, 2021	March 31, 2020
b. Other equity:	14		
Retained earnings			
Opening balance		281.18	167.42
Profit for the year		70.55	113.94
Other comprehensive income		0.21	(0.18)
Closing balance		351.94	281.18

Summary of significant accounting policies and other explanatory information 2-44

The accompanying notes are an integral part of these financial statements.

As per our report of even date

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

Vijay Vikram Singh
Partner
Membership no.: 059139

Bengaluru
November 15, 2021

For and on behalf of the board of directors of
Triveni Energy Solutions Limited
(Formerly known as GE Triveni Limited)

Dhruv M. Sawhney
Director
DIN: 00102999

Arun Mote
Director
DIN: 01961162

Uday Naik
Chief Executive Officer

Padmini M.S.
Company Secretary

Bengaluru
November 15, 2021

Bengaluru
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Triveni Energy Solutions Limited
(formerly known GE Triveni Limited)
Summary of significant accounting policies and other explanatory information for the year ended March 31, 2021
(All amounts in ₹ million, except otherwise stated)

1. Corporate information

Triveni Energy Solutions Limited ('the Company') *(formerly known as GE Triveni Limited)* was incorporated in Bangalore, India on May 28, 2010. The Company is a joint venture between Triveni Turbine Limited('TTL') and D.I. Netherlands B.V. (until September 06, 2021). Subsequently, the Company has ceased to be a joint venture pursuant to the settlement agreement between the joint venture partners from September 06, 2021 (refer note 42(i)). The registered office of the Company is located at 12-A, Peenya Industrial Area, Bangalore. On October 20, 2021 the company has received a certificate from Ministry of Corporate Affairs ('MCA') and the name of the Company has been changed to Triveni Energy Solutions Limited.

The Company is principally engaged in the sale of steam turbines and related products / services by way of sourcing the materials and components from TTL and other vendors and installing the same at the customer's site. The Company utilizes the technical and marketing know-how of the joint venture partners. Further, the joint venture partners are committed to provide financial and operational support to the Company as required.

The financial statements were authorized for issue in accordance with a resolution of the directors on November 15, 2021.

2. Basis of preparation

The Company has prepared and presented its financial statements in accordance with the Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act 2013, read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended).

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

2.1 Summary of significant accounting policies

(a) Use of estimates

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

In the process of applying the accounting policies, management makes various judgements, which have the most significant effect on the amounts recognized in the financial statements.

The Company bases its estimates and assumptions on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

(b) Current versus non-current classification

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

An asset is treated as current when it is:
- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

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

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has evaluated and considered its operating cycle as 12 months. Deferred tax assets/ liabilities are classified as non-current assets/ liabilities.

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12-A, Peenya Indl. Area Peenya

(c) Property, plant and equipment

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. This applies mainly to components for machinery. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in profit or loss as incurred.

Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it increases the future benefits from its previously assessed standard of performance. All other expenses on existing property, plant and equipment, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Borrowing costs directly attributable to acquisition of property, plant and equipment which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets.

An item of property, plant and equipment and any significant part initially recognized is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the property, plant and equipment is de-recognized.

Costs of assets not ready for use at the balance sheet date are disclosed under capital work- in- progress.

(d) Depreciation

Depreciation is calculated based on straight-line method ('SLM') using the rates arrived at based on the useful lives estimated by the management with residual value at 5%, which are equal to the corresponding rates prescribed under Schedule II of the Companies Act, 2013

Classification of assets	Useful life (in years)
Plant and equipment	15 years
Furniture and fixtures	10 years
Office equipment	5 years
Computers - end user devices	3 years

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

(e) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Internally generated intangibles, excluding capitalized development costs, are not capitalized and expenditure is reflected in the statement of profit and loss in the period in which the expenditure is incurred.

Intangible assets are amortized over the useful economic life estimated by the management and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset are reviewed at least at the end of each reporting period. The amortization expense on intangible assets is recognized in the statement of profit and loss.

Intangible assets are amortized on a straight line basis over its useful lives estimated by the management, which is detailed below:

Classification of assets	Useful life (in years)
Technical Know-how	10 Years
Computer Software	3 Years

Computer Software where the estimated useful life is one year or less, is charged to cost of revenue in the year of purchase.

TRIVENI ENERGY SOLUTIONS 12-A, Peenya Indl. Area Peenya BANGALORE-58

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

The residual values, useful lives and methods of amortization of intangible assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

(f) Impairment

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

__Non-financial assets__
The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

Impairment losses are recognized in the statement of profit and loss. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

(g) Leases

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

Where the Company is lessee
Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term

(h) Borrowing costs

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

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized / inventorized as part of the cost of the respective asset. All other borrowing costs are charged to statement of profit and loss.

(i) Inventories

Inventories are valued at the lower of cost and net realizable value.

Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on first in, first out basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

(j) Revenue from contract with customers.

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.

Triveni Energy Solutions Ltd. 12-A, Peenya Indl. Area Peenya Bangalore-58

Sale of goods
Revenue from sale of goods is recognised at the point in time when control of the asset is transferred to the customer, generally on dispatch of the goods.

Warranty obligations
The Company provides warranties for general repairs of defects that existed at the time of sale. These assurance-type warranties are accounted for under Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets. Refer to the accounting policy on warranty provisions in section (n) Provisions.

Sale of services
The Company provides engineering services that are either sold separately or bundled together with the sale of goods to a customer. The engineering services can be obtained from other providers and do not significantly customize or modify the goods.

Contracts for bundled sales of goods and engineering services are comprised of two performance obligations because the promises to transfer goods and provide engineering services are capable of being distinct and separately identifiable. Accordingly, the Company allocates the transaction price based on the relative stand-alone selling prices of the goods and engineering services.

The Company recognises revenue from engineering services 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.

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.

Interest income
Interest income, including income arising from other financial instruments measured at amortized cost, is recognized using the effective interest rate method.

(k) Foreign currencies

Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is the Company's functional and presentation currency.

Foreign currency transactions and balances

Initial recognition
Transactions in foreign currencies are initially recorded by the Company at their respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Company uses an average rate if the average approximates the actual rate at the date of the transaction.

Conversion
Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

Exchange differences
Exchange differences arising on settlement or translation of monetary items are recognized in profit or loss in the period in which they arise.

(l) Retirement and other employee benefits

Retirement benefits in the form of state governed Employee Provident Fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the scheme. The Company recognizes contribution payable to the scheme as expenditure, when an employee renders the related service.

Retirement benefit in the form of gratuity is a defined benefit obligations and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year.

TRIVENI ENERGY SOLUTIONS LTD. 12-A, Peenya Indl. Area Peenya BANGALORE-58

Long-term compensated absences are provided for based on the actuarial valuation carried out at year-end using the projected unit credit method. The Company presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

Gains and losses through re-measurements of the defined benefit liability are recognized in other comprehensive income which are not subsequently reclassified to statement of profit and loss. As required under Ind AS compliant Schedule III, the Company recognizes re-measurement gains and losses on defined benefit plans (net of tax) in retained earnings.

(m) Income taxes

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

Current income tax
Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for that period. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance sheet date.

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

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

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax relating to items recognized outside profit or loss is recognized in correlation to the underlying transaction either in OCI or directly in equity.

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

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax for the year. The deferred tax asset is recognized for MAT credit available only to the extent that it is probable that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset, it is created by way of credit to the statement of profit and loss and shown as part of deferred tax asset. The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent that it is no longer probable that it will pay normal tax during the specified period.

(n) Provisions

A provision is recognized when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Warranty provisions
Provisions for warranty-related costs are recognised when the product is sold provided to the customer. Initial recognition is based on historical experience. The initial estimate of warranty-related costs is revised annually.

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TRIVENI ENERGY SOLUTIONS LTD. 12-A, Peenya Indl. Area Peenya BANGALORE-58

(o) /Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

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

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

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

Debt instruments at amortized cost
A 'debt instrument' is measured at the amortized cost if both the following conditions are met:
- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables.

Financial liabilities at fair value through profit or loss
Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments as defined by Ind AS 109. Gains or losses on liabilities held for trading are recognized in the profit or loss.

Financial liabilities at amortized cost
Financial liabilities are subsequently carried at amortized cost using the effective interest ('EIR') method.

Interest-bearing loans and borrowings are subsequently measured at amortized cost using EIR method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

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

Reclassification of financial assets
The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial instruments.

Derivative financial instruments
The Company uses derivative financial instruments, such as forward currency contracts, interest rate swaps and foreign currency options, to hedge its foreign currency risks and interest rate risks. Such 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 at the end of each reporting period. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when

TRIVENI ENERGY SOLUTIONS LTD. 12-A, Peenya Indl. Area Peenya BANGALORE the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss.

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

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

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

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

(p) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, 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 period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

(r) 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.

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TRIVENI ENERGY SOLUTIONS 12-A, Peenya Indl. Area Peenya BANGALORE-58

Triveni Energy Solutions Limited
(Formerly known as GE Triveni Limited)
Notes to the Ind AS financial statements for the year ended March 31, 2021
(All amounts in ₹ million, except otherwise stated)

Note 3 - Property, plant and equipment

	Computers - End user devices	Office equipment	Furniture and fixtures	Plant and equipment	Total
Gross carrying amount					
As at April 1, 2019	2.54	1.37	1.03	187.98	192.92
Additions	-	0.09	-	-	0.09
Less: Deletions		-	-	-	-
At March 31, 2020	2.54	1.46	1.03	187.98	193.01
Additions	-	-	-	-	-
Less: Deletions	-	-	-	-	-
At March 31, 2021	2.54	1.46	1.03	187.98	193.01
Accumulated depreciation					
As at April 1, 2019	1.88	0.39	0.33	65.11	67.71
Charge for the year	0.18	0.24	0.09	15.16	15.67
Less: Deletions	-	-	-	-	-
At March 31, 2020	2.06	0.63	0.42	80.27	83.38
Charge for the year	0.09	0.25	0.09	16.09	16.52
Less: Deletions	-	-	-	-	
At March 31, 2021	2.15	0.88	0.51	96.36	99.90
Net Block					
At March 31, 2020	0.48	0.83	0.61	107.71	109.63
At March 31, 2021	0.39	0.58	0.52	91.62	93.11

Note 4 - Intangible assets

	Computer Software	Technical knowhow	Total
Gross carrying amount			
At April 1, 2019	5.95	78.99	84.94
Additions	-	-	-
Reversal	-	-	-
At March 31, 2020	5.95	78.99	84.94
Additions	-	-	-
Reversal	-	-	-
At March 31, 2021	5.95	78.99	84.94
Accumulated amortisation			
At April 01, 2019	4.08	39.62	43.70
Charge for the year	0.94	10.30	11.24
Impairment*	-	17.21	17.21
At 31 Mar 2020	5.02	67.13	72.15
Charge for the year	0.65	4.64	5.29
Reversal	-	-	
At March 31, 2021	5.67	71.77	77.44
Net Block			
At March 31, 2020	0.93	11.86	12.79
At March 31, 2021	0.28	7.22	7.50

* Represents impairment of technical knowhow purchased from Nuovo Pignone S.p.A consequent to non renewal of Technology License Agreement (TLA) dated November 01,2010 which was due for renewal on October 31,2020

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TRIVENI ENERGY SOLUTIONS LTD. 12-A, Peenya Indl. Area Peenya BANGALORE-58

Triveni Energy Solutions Limited
(Formerly known as GE Triveni Limited)
Notes to the Ind AS financial statements for the year ended March 31, 2021
(All amounts in ₹ million, except otherwise stated)

Note 5. Assets for current tax (net)

	March 31, 2021	March 31, 2020
Advance tax (net of provision for tax)	9.59	31.54
Income tax paid under protest (refer note 33)	9.11	9.11
	18.70	40.65

Note 6. Deferred tax assets / (liabilities) (net)

	March 31, 2021	March 31, 2020
Deferred tax assets:		
Deductible temporary difference - Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes in subsequent years	13.74	15.85
	13.74	15.85
Deferred tax liabilities:		
Fixed assets - Impact of difference in net block of property plant and equipment and intangible assets in balance sheet and net block of fixed asset for tax purposes.	9.94	14.43
Others - taxable temporary difference	-	4.66
	9.94	19.09
	3.80	(3.24)

Note 7. Inventories

	March 31, 2021	March 31, 2020
(Valued at lower of cost and net realisable value)		
Materials and components	17.05	23.39
	17.05	23.39

Note 8. Trade receivables

	March 31, 2021	March 31, 2020
Unsecured		
Due from related parties (refer note 37)	190.03	450.96
Other receivables	79.62	88.09
	269.65	539.05
Less: Allowance for doubtful debts	(23.36)	(2.48)
	246.29	536.57
	246.29	536.57
Movement in provision for doubtful debts		
Opening balance	2.48	4.44
Add/(Less): Provided/(reversed) during the year, net	20.88	(1.96)
	23.36	2.48

Note: Trade receivables are measured at amortised cost.

Note: Outstanding receivables at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees received for any related party receivables. The Company has recorded provision for doubtful debts as per expected credit loss policy formulated during FY 19-20.

Provision for expected credit losses :

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 realistic and hence, the provision of expected credit loss is determined for the total trade receivables outstanding as on the reporting date.

12-A, Peenya Indl. Area Peenya
TRIVENI ENERGY SOLUTIONS LTD * BANGALORE-58 *

Triveni Energy Solutions Limited
(Formerly known as GE Triveni Limited)
Notes to the Ind AS financial statements for the year ended March 31, 2021
(All amounts in ₹ million, except otherwise stated)

Note 9. Cash and cash equivalents

	March 31, 2021	March 31, 2020
Cash and cash equivalents		
Balances with banks:		
On current accounts	10.34	10.43
Deposits with original maturity of three months or less	230.00	60.00
Cash on hand (₹ 605)	0.00	0.07
	240.34	70.50

Note: Cash and bank balances are measured at amortised cost.

Note 10. Bank balance other than cash and cash equivalents

	March 31, 2021	March 31, 2020
Bank balances		
Deposits with original maturity of more than three months but not more than twelve months	35.30	10.30
	35.30	10.30

Note: Cash and bank balances are measured at amortised cost.

Note 11. Others financial assets

	March 31, 2021	March 31, 2020
Non current		
Other non-current bank balances	0.35	0.35
	0.35	0.35
Current		
Unbilled revenue	26.18	3.86
Interest accrued on bank deposits	0.99	0.36
	27.17	4.22

Others financial assets are measured at amortised cost.

Note 12. Other current assets

	March 31, 2021	March 31, 2020
Export incentive receivable	3.55	22.06
Security deposit	0.09	0.09
Travel advances	0.74	0.54
Vendor advances *	95.08	84.00
Prepaid expenses	18.74	7.28
Balances with government authorities	102.31	90.04
	220.51	204.01

* includes related party advances, refer note 37.

Note 13. Equity share capital

	March 31, 2021	March 31, 2020
Authorised share capital		
25 million (March 31, 2020 : 25 million) equity shares of ₹ 10 each	250.00	250.00
Issued, Subscribed and fully paid-up shares:		
16 million (March 31, 2020 : 16 million) equity shares of ₹ 10 each	160.00	160.00
Total issued, subscribed and fully paid share capital	160.00	160.00

TRIVENI ENERGY SOLUTIONS LTD. 12-A, Peenya Indl. Area Peenya BANGALORE-58

13.1 Reconciliation of shares outstanding at the beginning and at the end of reporting year

Equity shares

	March 31, 2021	March 31, 2020
At the beginning of the year		
16 million (March 31, 2020 : 16 million) equity shares of ₹ 10 each fully paid up	160.00	160.00
At the end of the year		
16 million (March 31, 2020 : 16 million) equity shares of ₹ 10 each fully paid up	160.00	160.00

13.2 Terms/ rights attached to equity shares

The Company has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend proposed by 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 will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

13.3 Shares held by holding/ ultimate holding company and/ or their subsidiaries/ associates

	March 31, 2021	March 31, 2020
Triveni Turbine Limited, the holding company		
8.001 million (March 31, 2020: 8.001 million) equity shares of Rs10 each fully paid up	80.01	80.01

Note: Triveni Turbine Limited is the holding company under the provisions of Companies Act, 2013. (Refer Note 43)

13.4 Details of shareholders holding more than 5% shares in the Company

Name of the shareholder	March 31, 2021	March 31, 2020
Triveni Turbine Limited		
8.001 million (March 31, 2020: 8.001 million) equity shares of ₹ 10 each fully paid up	50.01%	50.01%
DI Netherlands B.V		
7.999 million (March 31, 2020: 7.999 million) equity shares of ₹ 10 each fully paid up	49.99%	49.99%

Note: Information furnished above is as per records of the Company. With effect from September 06, 2021, Triveni Turbine Limited has acquired the entire stake of the DI Netherlands BV and holds 100% shareholding in the Company. (Refer Note 43)

Note 14. Other Equity

	March 31, 2021	March 31, 2020
Retained earnings		
Surplus in the statement of profit and loss		
Balance at the beginning of the year	281.18	167.42
Profit for the year	70.55	113.94
Other comprehensive income*	0.21	(0.18)
	351.94	281.18

Note: Other comprehensive income represents remeasurement gains/(losses) on defined benefit plans (net of taxes).

* As required under Ind AS compliant Schedule III, the Company has transferred remeasurement loss on defined benefit plans (net of tax) of ₹ 0.21 million (March 31, 2020 - Gain of ₹ (0.18) million) recognized in other comprehensive income to retained earnings.

12-A, Peenya Indl. Area Peenya BANGALORE-58

Note 15. Trade payables

	March 31, 2021	March 31, 2020
Trade Payables		
total outstanding dues of micro and small enterprises (refer note 41)	4.30	13.40
total outstanding dues of creditors other than micro and small enterprises		
- payable to related parties (refer note 37)	88.96	251.11
- payable to others	113.66	104.39
	206.92	368.90

Note: Trade payables are measured at amortised cost.

Note: Based on the available information/documents with the Company, the dues to Micro, Medium and Small Enterprises included in Trade payables is ₹ 4.30 million (March 31, 2020: ₹ 13.40 million).

Note 16. Other financial liabilities

	March 31, 2021	March 31, 2020
Non-current		
Liabilities towards purchase of fixed assets (refer note 37)	14.42	5.41
	14.42	5.41
Current		
Liabilities towards purchase of fixed assets	-	8.46
Liability towards derivative contracts	-	13.59
Liability towards employee related payables	6.12	5.60
	6.12	27.65

Note: Other financial liabilities are measured at amortised cost.

Note 17. Other current liabilities

	March 31, 2021	March 31, 2020
Advance from customers *	140.89	89.92
Statutory dues payable	4.04	7.84
	144.93	97.76

* includes advances from related parties, refer note 37

Note 18. Provisions

	March 31, 2021	March 31, 2020
Non current provisions:		
Provision for employee benefits		
Defined benefit schemes - gratuity	3.02	2.65
	3.02	2.65
Current provisions:		
Provision for employee benefits		
Defined benefit schemes - gratuity (refer note 29)	0.02	0.13
Compensated absences	0.94	0.72
Provision for warranties	20.41	61.42
Provision for income tax (net of advance tax)	1.40	3.35
	22.77	65.62

Provision for warranties

The Company gives warranty on products sold, undertaking to repair or provide items for satisfactory performance of the products during the warranty period. Provision made as at the balance sheet date represents the amount of the expected cost to meet such obligation. The timing of the outflow is expected to be within the period of one year. The table below gives information about movement in warranty provisions.

At the beginning of the year	61.42	45.85
Arising during the year *	3.22	27.44
Utilised during the year	(44.23)	(11.87)
At the end of the year	20.41	61.42

* Includes ₹ Nil (March 31,2020: ₹ 16.52 million) towards additional project specific warranty claims

TRIVENI ENERGY SOLUTIONS LTD.
12-A, Peenya Indl. Area
Peenya
BANGALORE-58

Trivent Energy Solutions Limited
(Formerly known as GE Trivent Limited)
Notes to the Ind AS financial statements for the year ended March 31, 2021
(All amounts in ₹ million, except otherwise stated)

Note 19. Revenue from operations

	March 31, 2021	March 31, 2020
Sale of goods (refer note 42)*	321.80	1,056.77
Sale of services (refer note 42)*	149.78	195.65
Other operating revenue		
Export incentives	2.27	35.47
	473.85	1,287.89

* includes revenue from related parties, refer note 37.

Note 20. Other income

	March 31, 2021	March 31, 2020
Interest income on bank deposits	9.74	4.60
Interest on income tax refund	1.85	-
Fair value gain on derivative instruments at fair value through profit or loss	13.59	-
Gain on sale of current investments	-	4.06
Exchange differences, net	-	58.91
Claims receivable	-	33.51
Liability no longer required written back	0.04	5.23
Miscellaneous income	3.20	7.64
	28.42	113.95

Note 21. Purchase of traded goods

	March 31, 2021	March 31, 2020
Materials and components	189.49	471.52
	189.49	471.52

Note 22. Decrease in inventories - traded goods

	March 31, 2021	March 31, 2020
Inventory at the beginning of the year		
Materials and components	23.39	247.95
Less: Inventory at the end of the year		
Materials and components	17.05	23.39
	-	
	6.34	224.56

Note 23. Employee benefits expense

	March 31, 2021	March 31, 2020
Salaries, wages and bonus	36.20	44.41
Contribution to provident fund (refer note 30)	1.38	1.51
Staff welfare expenses	0.38	1.12
	37.96	47.04

Note 24. Finance costs

	March 31, 2021	March 31, 2020
Interest expense - others	0.55	1.32
Interest on delay in payment of income tax	0.24	0.86
	0.79	2.18

BENGALURU

TRIVENI ENERGY SOLUTIONS LTD. 12-A, Peenya Indl. Area Peenya BANGALORE-58

Triveni Energy Solutions Limited
(Formerly known as GE Triveni Limited)
Notes to the Ind AS financial statements for the year ended March 31, 2021
(All amounts in ₹ million, except otherwise stated)

Note 25. Depreciation and amortisation expense

	March 31, 2021	March 31, 2020
Depreciation of property, plant and equipment		
Amortisation of intangible assets	16.53	15.67
	5.29	11.24
	21.82	26.91

Note 26. Other expenses

	March 31, 2021	March 31, 2020
Consumption of stores and consumables		
Rent ^	-	4.57
Rates and taxes	7.91	7.78
Insurance	0.89	9.36
Travel and conveyance	2.16	2.25
Communication and postage	6.94	14.52
Office maintenance	0.38	0.56
Printing and stationery	1.30	1.19
Legal and professional charges *^	0.06	0.11
Royalty ^	32.76	36.69
Commission and brokerage ^	5.70	37.01
Freight and forwarding charges	2.09	12.02
Payment to auditor	6.99	37.35
Audit fee		
Tax audit fee	0.75	1.23
Certification fee	0.20	0.28
Reimbursement of expenses	0.10	0.10
Software support and maintenance charges	0.07	0.09
Technology licence Fees	2.11	3.08
Engineering service charges ^	9.44	26.42
Bank charges	29.71	141.09
Exchange differences, net	1.01	3.00
Fair value loss on derivative instruments at fair value through profit or loss (net)	14.64	-
Provision/(reversal) for doubtful debts ^	-	35.77
Doubtful advances written-off ^	20.88	(1.96)
Warranty cost	-	12.86
Corporate social responsibility expenditure (refer below)	3.22	27.44
Charges towards liquidated damages	1.69	1.23
	0.06	37.76
	151.06	451.80

Expenses incurred on Corporate social responsibility (CSR) activities	March 31, 2021	March 31, 2020
Gross amount to be spent		
	0.38	1.22
Amount spent		
Amount unspent	1.69	1.23
Total	-	-
	1.69	1.23

* Includes deputation charges ₹ 29.60 million (March 31, 2019 : ₹ 32.22 million).
^ includes related party transactions, refer note 37.

TRIVENI ENERGY SOLUTIONS LTD.
12-A,
Peenya Indl. Area
Peenya
BANGALORE-58

Triveni Energy Solutions Limited
(Formerly known as GE Triveni Limited)
Notes to the Ind AS financial statements for the year ended March 31, 2021
(All amounts in ₹ million, except otherwise stated)

Note 27. Tax expense

	March 31, 2021	March 31, 2020
Current tax		
- Current tax charge	31.33	67.07
	31.33	67.07
Deferred tax charge/(credit)		
- Relating to the origination and reversal of temporary differences		
> Decrease/(increase) in deferred tax assets	2.11	(9.97)
> Decrease in deferred tax liabilities	(9.18)	(10.42)
	(7.07)	(20.39)
Tax expense reported in the Statement of profit or loss	24.26	46.68
Deferred tax related to items recognised in OCI		
Income tax relating to re-measurement gains on defined benefit plans	0.07	(0.07)
Tax expense reported in the Other comprehensive income	0.07	(0.07)

Notes:

1. Reconciliation of deferred tax (net):

	March 31, 2021	March 31, 2020
Opening balance of deferred tax asset/(liability)	(3.24)	9.92
Net deferred tax credit during the year recognized in statement of profit and loss	7.07	20.39
Deferred tax (expense)/credit during the year recognized in OCI	(0.07)	0.07
Minimum alternate tax utilisation	-	(33.62)
Others	0.04	-
Closing balance	3.80	(3.24)

2. Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate

	March 31, 2021	March 31, 2020
Accounting profit before tax	94.81	160.62
Tax expense on accounting profit at statutory income tax rate 25.17% (March 31, 2020: 29.12%)	23.86	46.77
Tax effect of other items, net	0.40	(0.09)
Tax expense reported in the Statement of profit or loss	24.26	46.68

Note 28. Earnings per share (EPS)

	March 31, 2021	March 31, 2020
Net profit attributable to equity shareholders	70.76	113.76
Weighted average number of equity shares in calculating basic and diluted EPS	16,000,000	16,000,000
Basic and diluted EPS in ₹	4.42	7.11

TRIVENI ENERGY SOLUTIONS LTD. 12-A, Peenya Indl. Area Peenya * BANGALORE-58 *

Triveni Energy Solutions Limited
(Formerly known as GE Triveni Limited)
Notes to the Ind AS financial statements for the year ended March 31, 2021
(All amounts in ₹ million, except otherwise stated)

Note 29. Gratuity

	March 31, 2021	March 31, 2020
Gratuity Plan - Current	0.02	0.13
Gratuity Plan - Non-current	3.02	2.65
	3.04	2.78

The Company has a defined benefit gratuity plan. Every employee gets a gratuity on termination at 15 days salary (last drawn salary) for each completed year of service. The plan is unfunded and hence, the disclosures with respect to plan assets are not applicable to the Company.

The following tables summarise the components of net benefit expense recognised in the statement of profit or loss and amounts recognised in the balance sheet for the plan:

Net benefit expense (recognised in profit or loss)

	March 31, 2021	March 31, 2020
Current service cost	0.57	0.61
Interest cost on benefit obligation	0.19	0.14
Net benefit expense	0.76	0.75

Defined benefit obligation:

	March 31, 2021	March 31, 2020
Opening Balance	2.78	1.83
Service cost	0.57	0.62
Net interest expense	0.18	0.14
Sub-total included in profit or loss	0.75	0.76
Benefits paid	(0.21)	(0.06)
	0.54	0.70
Remeasurement (gains)/losses in other comprehensive income		
Actuarial changes arising from changes in financial assumptions	(0.03)	0.24
Experience adjustments	(0.25)	0.01
Sub-total included in OCI	(0.28)	0.25
Closing Balance	3.04	2.78

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

	March 31, 2021	March 31, 2020
Discount rate:	6.80	6.80
Future salary increases:	7.50	7.50
Life expectancy/mortality rate	*	*
Attrition rate	Upto 31 years - 0.39% 31-44 years - 0.17% Above 44 years- 0.05%	Upto 31 years - 0.44% 31-44 years - 0.15% Above 44 years- 0.08%
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

A quantitative sensitivity analysis for significant assumption is as shown below:

	Impact on defined benefit obligation	
	March 31, 2021	March 31, 2020
a. Discount rate		
Sensitivity level		
0.50% Increase	(0.18)	(0.17)
0.50% Decrease	0.20	0.19
b. Future salary increases		
Sensitivity level		
0.50% Increase	0.20	0.19
0.50% Decrease	(0.18)	(0.17)

The following payments are expected contributions to the defined benefit plan in future years:

	March 31, 2021	March 31, 2020
Within the next 1 year	0.01	0.13
Between 1 and 5 years	0.43	0.38
Beyond 5 years	2.60	2.27
Total expected payments	3.04	2.78

The average duration of the defined benefit plan obligation at the end of the reporting period is 17.70 years (March 31, 2020: 18.06 years).

Note 30. Employee benefit - Defined contribution plan

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.
The expense recognised during the period towards defined contribution plans are as follows:

	March 31, 2021	March 31, 2020
Company's contribution to Employee's Provident Fund	1.31	1.43
Administrative charges on above	0.07	0.08
	1.38	1.51

TRIVENI ENERGY SOLUTIONS LTD
12-A, Peenya Indl. Area
Peenya
BANGALORE-58

Note 31. Leases

The Company adopted Ind AS 116 with the date of initial application on 1 April 2019. The Company has taken its office premises on lease the balance lease term of which ends in 12 months from the date of initial application. Accordingly, the Company has identified such lease as 'short-term lease' and opted for recognition exemption as available under the aforesaid standard.The Company recognised lease rentals of ₹ 7.91 million (March 31, 2020: ₹ 7.78 million) on aforesaid lease as expense on straight-line basis over the lease term.

Note 32. Capital and other commitments

i) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) - ₹ Nil (March 31, 2020: ₹ Nil).
ii) For commitments relating to lease arrangements, refer aforesaid note on "Leases".

Note 33. Contingent liability

	March 31, 2021	March 31, 2020
Claims against the Company on account of pending litigation under appeal, not acknowledged as debts:		
- Income tax	9.11	9.11

Note 34. Segment Information

The Company's business activity falls within a single reportable segment, hence, there are no additional disclosures to be provided under Ind-AS 108 - Segment Information with respect to the single reportable segment, other than those already provided in financial statements.

The Company is domiciled in India. The amount of its revenue from external customers based on geographical area and nature of the products / services are shown below. All the non-current assets of the Company are located in India.

Revenue by nature of products / services	March 31, 2021	March 31, 2020
Sale of goods- Steam turbine and related parts (recognised at a point in time)	321.80	1,056.77
Sale of services- Engineering services (recognised over time)	149.78	195.65
Other operating revenue - Export Incentives (recognised at a point in time)	2.27	35.47
Total	473.85	1,287.89

Revenue by geographical area	March 31, 2021	March 31, 2020
India	168.49	116.46
Rest of the world	305.36	1,171.43
Total	473.85	1,287.89

Information about major customers

Revenues from major customers are ₹ 165.40 million, ₹ 97.89 million and ₹ 87.28, ₹ 61.98 million, ₹ 19.55 aggregating to ₹ 432.1 million (March 31, 2020: ₹ 850.23 million, ₹ 131.04 million and ₹ 81.18 million aggregating to ₹ 1,062.45 million).

Note 35. Derivatives outstanding and unhedged foreign currency exposure

a) Derivatives outstanding at the balance sheet date

Forward Contracts	Purpose
March 31, 2021: NIL (March 31, 2020: USD 4.28 million (₹ 310.78 million))	Hedging of export orders and trade receivable thereon

Note: The Company has measured the outstanding derivative contracts at fair value through profit or loss.

b) Particulars of unhedged foreign currency exposure as at the balance sheet date

	March 31, 2021	March 31, 2020
Trade payable		
USD 0.09 million (March 31, 2020: USD 0.73 million)	6.98	55.78
EUR 0.16 million (March 31, 2020: Nil)	14.47	-
GBP Nil (March 31, 2020: GBP 0.08 million)	-	7.21
Trade receivable		
USD 2.74 million (March 31, 2020: USD 2.53 million)	199.51	168.51
Advance from customer		
EUR 1.29 million (March 31, 2020: EUR 0.64 million)	113.00	52.85
USD 0.13 million (March 31, 2020: Nil)	9.67	-
Unbilled revenue		
USD 0.36 million (March 31, 2020: USD 0.05 million)	26.18	3.86

12-A, Peenya Indl. Area Peenya
TRIVENI ENERGY SOLUTIONS LTD. BANGALORE-58
BENGALURU

Note 36. Capital management

The Company's objectives of capital management is to maximize the shareholder value. In order to maintain or adjust the capital structure, the Company may adjust the return to shareholders, issue/ buyback shares or sell assets to reduce debt. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Company did not have any borrowings in the current and the previous year.

The Company monitors capital using a gearing ratio, which is total financial liabilities (net of cash and bank balances) divided by total equity plus total financial liability.

	March 31, 2021	March 31, 2020
Non-current financial liabilities	14.42	5.41
Current financial liabilities	213.04	396.55
Less: Cash and bank balances	(275.64)	(80.80)
Total financial liability (A)	(48.18)	321.16
Equity share capital	160.00	160.00
Other equity	351.94	281.18
Total equity (B)	511.94	441.18
Total financial liability + Total equity (C=A+B)	463.76	762.34
Gearing ratio	-10%	42%

No changes were made in the objectives, policies or processes for managing capital during the current and previous years.

Note 37. Related Party Disclosures

A. Name of related parties and related party relationship

a. Entities with joint control over the Company	Triveni Turbine Limited (Ultimate Holding Company w.e.f September 06, 2021) D.I. Netherlands B.V. (Ceased w.e.f September 06, 2021)
b. Key management personnel of the Company ("KMP")	
(i) Directors	Mr. Shekhar Datta Mr. Dhruv M Sawhney Mr. Nikhil Sawhney Mr. Tarun Sawhney Mr. Arun Mote Mr. Lionel Pouchepadass (resigned w.e.f. September 06, 2021) Ms. Kathryn Siebke (resigned w.e.f. September 06, 2021) Mr. Ashok Rodagi (resigned w.e.f. September 06, 2021) Mr. Luca Maria (resigned w.e.f. September 06, 2021) Mr. Alberto Matucci (resigned w.e.f. September 06, 2021)
(ii) Others	Mr. Uday Krishnaji Naik (Chief Executive Officer) Mr. Pradyumna Ghosh (Chief Financial Officer) (From August 01, 2019 upto May 04, 2021) Mr. Nigamananda Das (Company Secretary) (From March 16, 2018 upto May 26, 2020) Ms. Padmini M S (Company Secretary) (From June 30,2020)
c. Other related parties - Enterprises who are members of the group to which the major shareholders belong.	Nuovo Pignone S.r.l. Bently Nevada, LLC. GE India Business Services Private Limited Vetco Gray Indonesia, PT Triveni Engineering & Industries Ltd. GE International, Inc GE Oil & Gas India Private Limited Nuovo Pignone International S.r.l. GE Measurement & Control (SG) Pte Ltd GE Sensing & Inspection Technologies GMBH GE O & G Phillipines Inc General Electric Company GE Energy Power Conversion UK Ltd. GE Intelligent Platforms Pvt Ltd GE Power Sp. Z O.O. GE Energy Control Solutions, LLC GE Energy Parts, Inc General Electric Global Services Gmbh GE Energy Switzerland Gmbh Bently de Mexico S. de R.L. de C.V. GE Diesel Locomotive Private Limited GE Global Parts & Products GmbH

TRIVENI ENERGY SOLUTIONS LTD. 12-A, Peenya Indl. Area Peenya BANGALORE-58

Triveni Energy Solutions Limited
(Formerly known as GE Triveni Limited)
Notes to the Ind AS financial statements for the year ended March 31, 2021
(All amounts in ₹ million, except otherwise stated)

B. Transactions with related parties

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

	Entities with Joint Control		KMP		Other related parties		Total	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Purchase of materials and components								
Triveni Turbine Limited	115.53	266.09	-	-	-	-	115.53	266.09
GE Power Sp. Z O.O.	-	-	-	-	-	19.91	-	19.91
Triveni Engineering & Industries Ltd.	-	-	-	-	12.81	18.36	12.81	18.36
Bently Nevada LLC.	-	-	-	-	2.22	0.21	2.22	0.21
GE Energy Control Solutions, LLC					-	7.67	-	7.67
							130.56	312.24
Sale of goods								
Nuovo Pignone S.r.l.	-	-	-	-	19.55	816.14	19.55	816.14
GE Energy Parts, Inc	-	-	-	-	-	56.97	-	56.97
GE Diesel Locomotive Private Limited	-	-	-	-	7.47	-	7.47	-
							27.02	873.11
Sale of Services								
Nuovo Pignone S.r.l.	-	-	-	-	-	34.09	-	34.09
General Electric Global Services Gmbh	-	-			87.28	24.12	87.28	24.12
GE Energy Switzerland Gmbh	-	-			-	20.11	-	20.11
GE International, Inc	-	-			61.98	6.76	61.98	6.76
							149.26	85.08
Legal and Professional charges								
GE Oil & Gas India Private Limited	-	-	-	-	9.90	12.52	9.90	12.52
Triveni Turbine Limited	19.70	19.70	-	-	-	-	19.70	19.70
							29.60	32.22
Rent								
Triveni Turbine Limited	7.91	7.78	-	-	-	-	7.91	7.78
							7.91	7.78
Royalty								
Triveni Turbine Limited	-	5.28	-	-	-	-	-	5.28
Nuovo Pignone S.r.l.	-	-	-	-	4.75	31.13	4.75	31.13
General Electric Company	-	-	-	-	0.95	0.60	0.95	0.60
							5.70	37.01
Commission and brokerage								
Triveni Turbine Limited	-	2.10	-	-	-	-	-	2.10
Nuovo Pignone S.r.l.	-	-	-	-	2.09	9.92	2.09	9.92
							2.09	12.02
Engineering service charges								
Nuovo Pignone International S.r.l.	-	-	-	-	-	40.93	-	40.93
Vetco Gray Indonesia, PT	-	-	-	-	-	16.31	-	16.31
Triveni Turbine Limited	0.13	23.66	-	-	-	-	0.13	23.66
Nuovo Pignone S.r.l.	-	-	-	-	-	30.83	-	30.83
GE Energy Power Conversion UK Ltd.	-	-	-	-	-	16.00	-	16.00
Triveni Engineering & Industries Ltd.	-	-	-	-	-	1.23	-	1.23
							0.13	128.96
Reimbursement of expense paid by the Company								
Triveni Turbine Limited	-	9.15	-	-	-	-	-	9.15
							-	9.15
Allowance towards doubtful debts								
Nuovo Pignone S.r.l.	-	-	-	-	1.12	(1.49)	1.12	(1.49)
General Electric Global Services Gmbh	-	-	-	-	0.03	0.01	0.03	0.01
GE International, Inc	-	-	-	-	-	(0.18)	-	(0.18)
GE Sensing & Inspection Technologies GMBH	-	-	-	-	-	(0.02)	-	(0.02)
							1.15	(1.68)
Doubtful advances written-off								
Triveni Turbine Limited	-	12.86	-	-	-	-	-	12.86
							-	12.86

Triveni Energy Solutions Ltd. 12-A, Peenya Indl. Area Peenya Bangalore-58

	Entities with Joint Control		KMP		Other related parties		Total	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Freight, forwarding and warehousing charges								
Triveni Turbine Limited	-	19.34	-	-	-	-	-	19.34
GE Power Sp. Z O.O.	-	-	-	-	-	0.52	-	0.52
							-	19.86
Technology licence fees								
Nuovo Pignone S.r.l.	-	-	-	-	-	26.42	-	26.42
Triveni Turbine Limited	9.44	-	-	-	-	-	9.44	-
							9.44	26.42
Rental income								
Triveni Turbine Limited	3.06	3.38	-	-	-	-	3.06	3.38
							3.06	3.38
Remuneration - Short term benefits *								
Mr. Nigamananda Das	-	-	0.56	1.79	-	-	0.56	1.79
Ms.Padmini M S	-	-	0.98	-	-	-	0.98	-
							1.54	1.79

* 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 directors are not ascertainable and, therefore, not included above.

C. Balances with related parties

	Entities with Joint Control		KMP		Other related parties		Total	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Vendor advances								
Triveni Turbine Limited	61.77	45.22	-	-	-	-	61.77	45.22
GE India Business Services Private Limited	-	-	-	-	0.01	0.01	0.01	0.01
							61.78	45.23
Liabilities towards purchase of fixed assets								
Triveni Turbine Limited	14.42	13.87	-	-	-	-	14.42	13.87
							14.42	13.87
Trade payables								
Triveni Turbine Limited	69.80	191.89	-	-	-	-	69.80	191.89
GE Nuovo Pignone SRL	-	-	-	-	10.20	25.20	10.20	25.20
Nuovo Pignone International S.r.l.	-	-	-	-	-	23.09	-	23.09
GE Energy Power Conversion UK Ltd.	-	-	-	-	4.31	4.42	4.31	4.42
GE Oil & Gas India Private Limited	-	-	-	-	3.05	3.46	3.05	3.46
Bently De Mexico S. De R.L. De C.V.	-	-	-	-	1.59	1.63	1.59	1.63
GE Power Sp. Z O.O.	-	-	-	-	-	1.42	-	1.42
Triveni Engineering & Industries Ltd.	-	-	-	-	0.01	-	0.01	-
							88.96	251.11
Trade receivables								
Triveni Turbine Limited	2.55	-	-	-	-	-	2.55	-
Nuovo Pignone S.r.l.	-	-	-	-	111.85	373.41	111.85	373.41
GE Energy Parts, Inc	-	-	-	-	-	58.49	-	58.49
General Electric Global Services Gmbh	-	-	-	-	36.69	11.82	36.69	11.82
GE International, Inc	-	-	-	-	38.93	7.09	38.93	7.09
							190.03	450.81
Advance from Customer								
GE Global Parts & Products GmbH	-	-	-	-	113.00	52.85	113.00	52.85
							113.00	52.85

Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables.

TRIVENI ENERGY SOLUTIONS LTD.
12-A,
Peenya Indl. Area
Peenya
BANGALORE-58

Note 38. Fair value measurements
(i) Financial Instruments by category

	March 31, 2021			March 31, 2020		
Financial assets	FVTPL *	FVOCI	Amortised cost	FVTPL *	FVOCI	Amortised cost
Trade receivables	-	-	246.29	-	-	536.57
Cash and cash equivalents	-	-	240.34	-	-	70.50
Bank balance other than cash and cash equivalents	-	-	35.30	-	-	10.30
Other financial assets	-	-	27.52	-	-	4.57
Total Financial assets	-	-	549.45	-	-	621.94
Financial liabilities						
Trade payables	-	-	206.92	-	-	368.90
Derivative financial instruments (Level 2)	-	-	-	13.59	-	-
Other financial liabilities	-	-	20.54	-	-	19.47
Total Financial liabilities	-	-	227.46	13.59	-	388.37

* 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.
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 have been no transfers between levels during the year.

(iii) Valuation technique used to determine fair value
Specific valuation techniques used to value financial instruments include:
Foreign exchange forward contracts are valued using valuation techniques, which employs the use of market observable inputs using present value calculations. The models incorporate various inputs including the deal specific fundamentals, market conditions, maturity period, transaction size, comparable trades, interest rate curves, foreign exchange spot and forward rates, yield curves of the respective currencies, currency basis spreads between the respective currencies, etc.
All of the resulting fair value estimates are included in Level 2
The management assessed that the carrying values of trade receivables, cash and cash equivalents, bank balance other than cash and cash equivalents, other financial assets, borrowings and trade payables approximate their fair values largely due to the short-term maturities and are repriced frequently.

(iv) 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. Financial risk management objectives and policies
The Company's principal financial liabilities, other than derivatives, comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include investments, trade and other receivables, and cash and cash equivalents that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's management oversees the management of these risks and ensures that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. In order to minimize any adverse effects on the financial performance of the Company, derivative instruments, such as foreign exchange forward contracts are entered to hedge certain foreign currency risk exposures. Derivatives are used exclusively for hedging purposes and not as trading or speculative instruments.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and currency risk. Financial instruments affected by market risk include borrowings, loans and derivatives.

Interest rate risk is the risk that the fair value or future cash flows of the Company's financial instruments will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rate relating to the Company's borrowings is not significant and therefore the changes in the interest rate will not have a significant impact on future cash flows.

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's export and import orders and receivables/payables thereon, which are hedged by the Company by way of forward contracts and therefore the changes in the currency rates are not expected to have a significant impact on future cash flows.

The details of derivative instruments and unhedged foreign currency exposure are as disclosed in Note 35, which are subject to foreign currency risk variables and are expected to vary in line with the prevailing market conditions.

TRIVENI ENERGY SOLUTIONS LTD.
12-A,
Peenya Indl. Area
Peenya
BANGALORE-58

Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments if a counterparty default on its obligations. The Company's exposure to credit risk arises majorly from trade receivables. Other financial assets are mostly with government bodies and banks and hence, the Company does not expect any credit risk with respect to these financial assets. With respect to trade receivables, the Company's management reviews trade receivables on periodic basis and takes necessary mitigations, wherever required.

The Company creates allowance for all unsecured trade receivables based on lifetime expected credit loss. The summary of changes in allowance for doubtful receivables is disclosed in Note 8.

Liquidity risk
The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank borrowings.

The summary of the maturity profile of the Company's financial liabilities is as below:

	Maturity Period	March 31, 2021	March 31, 2020
Financial liabilities - Current			
Trade payables	Within 1 year	206.92	368.90
Other financial liabilities	Within 1 year	6.12	27.65
Financial liabilities - Non-current			
Other financial liabilities	Between 1 to 5 years	14.42	5.41

Note 40. Significant accounting estimates and assumptions
The preparation of the Company's standalone financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

In the process of applying the Company's accounting policies, management makes judgement, estimates and assumptions which have the most significant effect on the amounts recognized in the financial statements:

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

Revenue from contracts with customers

The Company applied the following judgements that significantly affect the determination of the amount and timing of revenue from contracts with customers with respect to identifying performance obligations in a bundled sale of goods and engineering services.

The Company provides engineering services that are either sold separately or bundled together with the sale of goods to a customer. The engineering services are a promise to transfer services in the future and are part of the negotiated exchange between the Company and the customer.

The Company determined that both the goods and engineering services are capable of being distinct. The fact that the Company regularly sells both goods and engineering services on a stand-alone basis indicates that the customer can benefit from both products on their own. The Company also determined that the promises to transfer the goods and to provide engineering services are distinct within the context of the contract. The goods and engineering services are not inputs to a combined item in the contract. The Company is not providing a significant integration service because the presence of the goods and engineering services together in this contract do not result in any additional or combined functionality and neither the goods nor the engineering services modify or customise the other. In addition, the goods and engineering services are not highly interdependent or highly interrelated, because the Company would be able to transfer the goods even if the customer declined engineering services and would be able to provide engineering services in relation to products sold by other distributors.

Consequently, the Company allocated a portion of the transaction price to the goods and the engineering services based on relative stand-alone selling prices.

Useful life and residual value of plant, property equipment and intangible assets
The useful life and residual value of plant, property equipment and intangible assets are determined based on 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.

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. Due to the judgements involved in such estimations the provisions are sensitive to the actual outcome in future period.

Provision for warranty:
The provision for warranty is determined based on evaluation made by the management of the past experience of the level of repairs and returns, which involves estimation of the expected warranty claims on products sold. Due to the judgements involved in such estimations, the provisions are sensitive to actual outcome in future period.

TRIVENI ENERGY SOLUTIONS LTD. 12-A, Peenya Indl. Area Peenya BANGALORE-58

Note 41. Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

	March 31, 2021	March 31, 2020
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
- Principal amount	4.30	13.40
- Interest due on above	0.05	0.43
Total	4.35	13.83
The amount of interest paid by the buyer in terms of Section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period 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 MSMED Act, 2006.	-	0.43
The amount of interest accrued and remaining unpaid at the end of each accounting year	0.05	0.43
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act 2006	-	-

Note: The information furnished above is based on the information available with the Company.

Note 42. Ind AS 115 - Revenue from Contracts with Customers

A. Disaggregated revenue information

The disaggregation of the Company's revenue from contracts with customers, which is in agreement with the amounts disclosed in the segment information and the contracted price are provided in Note 33.

B. Contract balances

	March 31, 2021	March 31, 2020
Trade receivables	246.29	536.57
Contract assets – Unbilled revenue	26.18	3.86
Contract liabilities – Advance from customers	140.89	89.92
	413.36	630.35

Trade receivables are non-interest bearing and are generally on credit terms of upto 90 days. The decrease in trade receivables is primarily on decrease in the collection period and impact of COVID-19 lockdown in the previous year. During the year, provision/(reversal) for expected credit losses on trade receivables was recognised as below.

	March 31, 2021	March 31, 2020
Provision/(reversal) for doubtful debts ^	20.88	(1.96)

Contract assets are initially recognised for revenue earned from engineering services as receipt of consideration is based on agreed milestone billing terms. The amounts recognised as contract assets are reclassified to trade receivables upon billing.

Contract liabilities include advances received from customers. The outstanding balances of these accounts has decreased primarily on account of satisfaction of performance obligation as at the year-end against which the advances were received.

Set out below is the amount of revenue recognised from:

	March 31, 2021	March 31, 2020
Amounts included in contract liabilities at the beginning of the year	19.33	22.37
	19.33	22.37

C. 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 payment is generally due within period upto 90 days from shipment. 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 (i.e., engineering services).

Sale of services

The performance obligation is satisfied over-time 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.

TRIVENI ENERGY SOLUTIONS LTD. 12-A, Peenya Indl. Area Peenya BANGALORE-58

Note 43. Subsequent events

(i) A Settlement Agreement has been executed on September 6, 2021 between the Company, Triveni Turbine Ltd, DI Netherlands B.V, General Electric ("GE") and Baker Hughes ("BH"), including respective affiliates of GE and BH to settle and end all claims, allegations, disputes, litigations and arbitration proceedings pending before various legal forums. Accordingly, the parties have taken all necessary actions required for withdrawal or quashing/disposal of all respective pending litigations in terms of the Settlement Agreement and most of the litigations have been withdrawn/disposed off from the respective legal forums.

Further, pursuant to such agreement, the joint Venture agreement dated 15 April 2010, and other ancillary agreements entered into by the Company with GE/Affiliate of GE has been terminated and entire equity stake of DI Netherlands BV, in TESL has been purchased by Triveni Turbine Limited at ₹ 000 lakhs as a result of which, TESL has become a wholly owned subsidiary with effect from September 6, 2021.

As per the terms of the settlement agreement, if TESL remits 50% of the outstanding dues to Nuovo Pignone S.R.L within the prescribed time limit, the Company can avail the waiver of the balance outstanding amount. Accordingly, subsequent to the balance sheet date, the Company has remitted 50% of the outstanding dues of Nuovo Pignone S.R.L and has recorded an income from such waiver amounting to ₹ 36.7 million.

(ii) Subsequent to March 31, 2021, the Company has received a demand notice pertaining to AY 2017-18 amounting to ₹ 10.25 million and for AY 2018-19 amounting to ₹ 106.27 million under section 143(3) of the Income Tax Act, 1961. The Company is contesting the demands and has filed an appeal before the Commissioner of Income Tax (Appeals). The company believes that its position is likely to be upheld in the aforesaid forum.

Note 44. There was a delay on the part of the Company to approve audited accounts for the year ended March 31, 2020 and to hold the Annual General Meeting ("AGM") due to pending litigation between parties as stated in note 42 above. Subsequently, the AGM for the year ended March 31, 2020 was convened on September 17, 2021. The Company shall apply for compounding of offence under section 441, if required at an appropriate stage and the management is of the view that the impact of such non-compliances would not be material and also does not impact the functioning of the Company.

As per our report of even date

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

Vijay Vikram Singh
Partner
Membership no.: 059139

Bengaluru
November 15, 2021

For and on behalf of the board of directors of
Triveni Energy Solutions Limited
(Formerly known as GE Triveni Limited)

Dhruv M. Sawhney
Director
DIN: 00102999

Arun Mote
Director
DIN: 01961162

Uday Naik
Chief Executive Officer

Padmini M.S.
Company Secretary

Bengaluru
November 15, 2021

Bengaluru
November 15, 2021

WALKER CHANDIOK & CO LLP
BENGALURU
CHARTERED ACCOUNTANTS

TRIVENI ENERGY SOLUTIONS LTD.
12-A, Peenya Indl. Area Peenya
BANGALORE-58