

TRIVENI TURBINES DMCC

Dubai – United Arab Emirates

Separate Financial Statements and
Independent Auditor's Report
For the year ended March 31, 2021

**Triveni Turbines DMCC
Dubai – United Arab Emirates**

**Separate Financial Statements and Independent Auditor's Report
For the year ended March 31, 2021**

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Company Information: Triveni Turbines DMCC

Legal Status:

Free zone company with limited liability registered with Dubai Multi Commodities Centre Authority, Dubai, United Arab Emirates

Date of Incorporation:

December 21, 2014, license issued on December 29, 2014

Activities:

Trading in power generation, transmission and distribution equipment

Directors:

Mr. Dhruv Manmohan Sawhney

Ms. Nina Angela Sooranna Auchoybur

Mr. Johnathan Stephen Leevyn Isabel

Business Address:

Unit No. 4502-016,

Mazaya Business Avenue BB2,

Plot No. JLTE-PH2-BB2,

Jumeirah Lakes Towers,

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Web: www.triveniturbines.com

Banks:

Bangkok Bank

Dubai Islamic Bank

Standard Chartered Bank

Directors' Report

The Board of Directors have a pleasure in presenting their 6th annual report and the audited separate financial statements for the year ended March 31, 2021.

1. Financial results

	in US Dollars		
	2020-2021	2019-2020	Change %
Revenue from operations	4,307,989	3,792,126	13.60%
Profit for the year	985,357	1,090,822	(9.70%)

Revenue from operations is higher than previous year by 13.60%. In current year, the spread of Covid-19 has severely impacted the businesses around the globe especially first part of the year. Similarly, Company's business was also impacted due to restricted travel and slowdown in economic environment. However, towards later part of the year consequent to gradually opening of the economic activity across the nation the demand picked up. Despite impact of Covid-19, the Company's performance for the full year is satisfactory.

In terms of profitability, the performance is lower than previous year by 9.7% despite of higher revenue from operations. This is mainly on account of lower reimbursement claim towards marketing due to lower order booking for both product and customer care segment. Both segments have been significantly affected due to restricted travel and lockdown imposed across the globe on account of Covid-19.

The business environment is challenging due to onset of second wave of Covid-19, the management is cautious and is making all efforts to have a better performance for the upcoming financial year.

2. Events after the reporting period

No material changes and commitments affecting the financial position of the Company occurred between the ends of the financial year to which these financial statements relate on the date of this report. However, subsequent to year end, the impact of second wave of Covid-19 infections has been experienced by the people across globe which impacted the Company's operation. This escalation of second wave of corona virus infection may impact the growth forecast of the Company for 2021-2022.

Directors' Report (continued)

3. Dividend

Given the current condition of global economic environment on account of ongoing pandemic of Covid-19, the director believes that it would be more appropriate for the Company to conserve Cash and maintain adequate headroom to ensure that the company is best placed to withstand any prolonged adverse economic conditions. Therefore, the directors have decided not to declare a dividend for the financial year ended March 31, 2021.

4. Board Meetings during the year

During the year, 4 numbers of meetings of the Board of Directors were held. The board members reviewed business operations, financials, related party transactions, statutory compliances and other important matters necessary for running business operations in an effective and efficient manner.

5. Auditors

The separate financial statements have been audited by Jaxa Chartered Accountants, who retire and, being eligible, offer themselves for reappointment.

6. Acknowledgements


The Board of Directors would like to express their gratitude and appreciation to shareholder, banks, clients, business partners, regulatory and government authorities and staff whose continued support has been a source of great strength and encouragement during this difficult time.

We look forward to their continued support and encouragement going forward.

For the Board of Directors


Dhruv Manmohan Sawhney
Director




Nina Angela Sooranna-Auchoybur
Director

May 26, 2021

Independent Auditor's Report

To The Shareholder of
Triveni Turbines DMCC
Dubai – United Arab Emirates

Opinion

We have audited the separate financial statements of **Triveni Turbines DMCC (the "Company")**, which comprise the separate statement of financial position as at March 31, 2021, and the separate statement of comprehensive income, separate statement of changes in equity and separate statement of cash flows for the year then ended, and notes to the separate financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying separate financial statements present fairly, in all material respects, the financial position of the Company as at March 31, 2021, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *auditor's responsibilities for the audit of the separate financial statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the separate financial statements in the United Arab Emirates, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of management and those charged with governance for the separate financial statements

Management is responsible for the preparation and fair presentation of the separate financial statements in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of separate financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Independent Auditor's Report (continued)

Auditor's responsibilities for the audit of the separate financial statements

Our objectives are to obtain reasonable assurance about whether the separate 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 ISAs 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 separate financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- 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 separate 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 separate financial statements, including the disclosures, and whether the separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Independent Auditor's Report (continued)

Report on other legal and regulatory requirements

As required by the U.A.E. Federal Law No. 2 of 2015, we report that:

1. we have obtained all the information we considered necessary for the purpose of our audit;
2. the separate financial statements of the Company have been prepared and comply, in all material respects, with the applicable provisions of the U.A.E. Federal Law No. 2 of 2015;
3. the Company has maintained proper books of account and records of the Company are in agreement with it;
4. the Company has investments in shares in subsidiary as detailed under note 5;
5. the financial information included in the *directors' report* is consistent with the Company's books of account;
6. note 16 reflects the disclosures relating to related party transactions and the terms under which they were conducted;
7. based on the information that has been made available to us nothing has come to our attention which causes us to believe that the Company has contravened during financial year ended March 31, 2021 any of the applicable provisions of the U.A.E. Federal Law No. 2 of 2015 or its Memorandum and Articles of Association and Dubai Multi Commodities Centre DMCC Company Regulations, 2020 and its amendments which would materially affect its activities or its financial position as at March 31, 2021.

Dubai

May 26, 2021

Ref: DXB/176/NM/321335

JAXA CHARTERED ACCOUNTANTS

Reg. No. 142



Triveni Turbines DMCC
Dubai – United Arab Emirates

Separate Statement of Financial Position as at March 31, 2021
(In US Dollars)

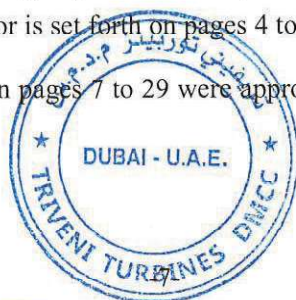
	Note	<u>2021</u>	<u>2020</u>
Assets			
Non-current assets			
Property and equipment	4	22,894	629
Investment in subsidiary	5	<u>50,008</u>	<u>50,008</u>
Total non-current assets		<u>72,902</u>	<u>50,637</u>
Current assets			
Trade and other receivables	6	245,720	1,193,519
Cash and cash equivalents	7	<u>3,309,426</u>	<u>1,553,096</u>
Total current assets		<u>3,555,146</u>	<u>2,746,615</u>
Total assets		<u>3,628,048</u>	<u>2,797,252</u>
Equity and Liabilities			
Equity			
Share capital	1	190,736	190,736
Retained earnings		<u>2,879,606</u>	<u>1,894,249</u>
Total equity		<u>3,070,342</u>	<u>2,084,985</u>
Non-current liabilities			
Provision for employees' end of service benefits	8	<u>190,828</u>	<u>149,116</u>
Total non-current liabilities		<u>190,828</u>	<u>149,116</u>
Current liabilities			
Lease liabilities	9	12,605	-
Trade and other payables	10	<u>354,273</u>	<u>563,151</u>
Total current liabilities		<u>366,878</u>	<u>563,151</u>
Total liabilities		<u>557,706</u>	<u>712,267</u>
Total equity and liabilities		<u>3,628,048</u>	<u>2,797,252</u>

The accompanying notes form an integral part of these separate financial statements.

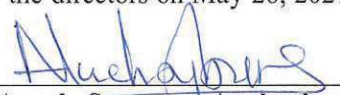
The report of the independent auditor is set forth on pages 4 to 6.

The separate financial statements on pages 7 to 29 were approved by the directors on May 26, 2021 and signed on its behalf by:

Dhruv Manmohan Sawhney
Director

Nina Angela Sooranna-Auchoybur
Director



Triveni Turbines DMCC
Dubai – United Arab Emirates

Separate Statement of Comprehensive Income
For the year ended March 31, 2021
(In US Dollars)

	Note	<u>2021</u>	<u>2020</u>
Revenue from operations	11	4,307,989	3,792,126
Cost of trading revenue	12	(2,095,483)	(1,363,670)
Other income	13	5,413	4,053
General and administrative expenses	14	(505,397)	(707,851)
Allowance for impairment		(82,000)	-
Depreciation	4	(3,280)	(2,465)
Finance costs	15	(<u>126</u>)	-
Profit before managerial remuneration		1,627,116	1,722,193
Managerial remuneration	16	(<u>641,759</u>)	(<u>631,371</u>)
Profit for the year		985,357	1,090,822
Other comprehensive income		-	-
Total comprehensive income for the year		<u>985,357</u>	<u>1,090,822</u>

The accompanying notes form an integral part of these separate financial statements.
The report of the independent auditor is set forth on pages 4 to 6.


Dhruv Manmohan Sawhney
Director




Nina Angela Sooranna-Auchoybur
Director

Triveni Turbines DMCC
Dubai – United Arab Emirates

Separate Statement of Changes in Equity
For the year ended March 31, 2021
(In US Dollars)

	<u>Share capital</u>	<u>Retained earnings</u>	<u>Total</u>
Balance as at March 31, 2019	190,736	803,427	994,163
Profit for the year	<u>-</u>	<u>1,090,822</u>	<u>1,090,822</u>
Balance as at March 31, 2020	190,736	1,894,249	2,084,985
Profit for the year	<u>-</u>	<u>985,357</u>	<u>985,357</u>
Balance as at March 31, 2021	<u>190,736</u>	<u>2,879,606</u>	<u>3,070,342</u>

The accompanying notes form an integral part of these separate financial statements.
The report of the independent auditor is set forth on pages 4 to 6.

Triveni Turbines DMCC
Dubai – United Arab Emirates

Separate Statement of Cash Flows
For the year ended March 31, 2021
(In US Dollars)

	<u>2021</u>	<u>2020</u>
Cash flows from operating activities		
Profit for the year	985,357	1,090,822
<i>Adjustments for:</i>		
Depreciation	3,280	2,465
Finance costs	126	-
Interest on fixed deposits	(5,413)	(4,053)
Provision for impairment loss on trade receivables	82,000	-
Provision for employees' end of service benefits	41,712	32,555
Operating cash flows before movements in working capital	1,107,062	1,121,789
Inventory	-	4,400
Trade and other receivables	865,799	(484,804)
Trade and other payables	(208,878)	264,485
Operating cash flows after movements in working capital	1,763,983	905,870
Employees' end of service benefits paid	-	(6,032)
Net cash generated from operating activities	1,763,983	899,838
 Cash flows from investing activities		
Fixed deposits (Note: 7)	(548,778)	(219,188)
Interest on fixed deposits	5,413	4,053
Net cash used in investing activities	(543,365)	(215,135)
 Cash flows from financing activities		
Lease liabilities (Note: 9)	(12,940)	-
Finance costs	(126)	-
Net cash used in financing activities	(13,066)	-
 Net increase in cash and cash equivalents	1,207,552	684,703
Cash and cash equivalents at the beginning of the year (Note: 7.2)	1,228,747	544,044
Cash and cash equivalents at the end of the year (Note: 7.2)	2,436,299	1,228,747

The accompanying notes form an integral part of these separate financial statements.
The report of the independent auditor is set forth on pages 4 to 6.

Triveni Turbines DMCC
Dubai – United Arab Emirates

Notes to the Separate Financial Statements
For the year ended March 31, 2021

1. Legal status and operations

Triveni Turbines DMCC (the “Company”), free zone company with limited liability, is registered with Dubai Multi Commodities Centre Authority, Dubai, United Arab Emirates under the license no: DMCC-096338 issued on December 29, 2014.

The registered address of the Company is Unit No. 4502-016, Mazaya Business Avenue BB2, Plot No. JLTE-PH2-BB2, Jumeirah Lakes Towers, P. O. Box: 393509, Dubai, United Arab Emirates.

Authorized, issued and fully paid up share capital of the Company is **AED 700,000/-** divided into 700 shares of AED 1,000/- each.

The details of the shareholder as at March 31, 2021 are as follows:

Sl. No.	Name	Nationality	Shares	Amount AED	%
1	M/s. Triveni Turbines Europe Private Limited	U.K.	700	700,000	100
	Total		700	700,000	100

Activities

The Company has a license for trading in power generation, transmission and distribution equipment.

The Company is having representative office in Thailand and the legal and other operational expenses of this representative office are included in these separate financial statements.

2. Significant accounting policies

2.1 Statement of compliance

The separate financial statements have been prepared in accordance with International Financial Reporting Standards including International Accounting Standards and Interpretations, issued or adopted by the International Accounting Standards Board (IASB) and applicable provisions of U.A.E. laws.

2.2 Basis of preparation

The separate financial statements have been prepared on the historical cost basis, except for financial instruments. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

These separate financial statements are presented in US Dollar (USD), which is the functional currency of the Company.

Triveni Turbines DMCC
Dubai – United Arab Emirates

Notes to the Separate Financial Statements (continued)
For the year ended March 31, 2021

2. Significant accounting policies (continued)

2.2 Basis of preparation (continued)

Separate financial statements of the Company

The Company has a subsidiary viz, M/s. Triveni Turbines Africa Proprietary Limited, South Africa in which the Company holds 100% of the share capital.

The management decided to use the exemption from consolidation of subsidiary since consolidation will be done in the ultimate holding company and hence these financial statements are presented as separate financial statements.

2.3 Revenue recognition

The Company recognizes revenue based on the five step model as set out in IFRS 15: *Revenue from Contracts with Customers*. Revenue is measured based on the consideration specified in a contract with a customer. Revenue is recognized when the Company transfers control over a product or service to a customer.

When the Company satisfies a performance obligation by delivering the promised goods or services, it creates a contract asset based on the amount of consideration earned by the performance. Where the amount of consideration received from a customer exceeds the amount of revenue recognized, this gives rise to a contract liability.

All revenue is measured at the fair value of the consideration receivable, excluding discounts and rebates.

Interest income

Interest income is accrued on a time basis, by reference to the principal outstanding and effective interest rate applicable.

2.4 Foreign currencies

Transactions denominated in foreign currencies are initially recorded at the rates of exchange prevailing on the dates of transactions. Monetary assets and liabilities denominated in foreign currencies are converted into US Dollar at the rates of exchange prevailing at the end of the reporting period and gain or loss arising thereon was charged to profit or loss. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of the initial transaction and are not subsequently restated.

**Triveni Turbines DMCC
Dubai – United Arab Emirates**

**Notes to the Separate Financial Statements (continued)
For the year ended March 31, 2021**

2. Significant accounting policies (continued)

2.5 Property and equipment

Property and equipment are carried at cost, less accumulated depreciation and identified impairment loss, if any. Cost includes expenditure that is directly attributable to the acquisition of property and equipment.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance expenses are charged to the profit or loss in the period in which they are incurred.

Depreciation is charged to the profit or loss on a straight line basis over the estimated remaining useful lives of property and equipment. The estimated useful lives are as follows:

Leasehold building	:	2-3 years
Computer and accessories	:	3 years
Office equipment	:	3 years

The gain or loss arising on the disposal or retirement of an item of property and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognized in the profit or loss.

2.6 Investment in subsidiary

A subsidiary is an entity which is controlled by the Company. Control exists when the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights presently exercisable are taken into account. Investment in subsidiary is stated at cost.

2.7 Impairment of non-financial assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any.

The recoverable amount is the higher of fair value less costs to sell and value in use.

Triveni Turbines DMCC
Dubai – United Arab Emirates

Notes to the Separate Financial Statements (continued)
For the year ended March 31, 2021

2. Significant accounting policies (continued)

2.7 Impairment of non-financial assets (continued)

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognized immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset in prior years. A reversal of an impairment loss is recognized immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

2.8 Leases

The Company has recognized right-of-use asset and related lease liability in connection with all operating leases except for those identified as low-value or having a lease term of less than 12 months as per IFRS 16: *Leases*.

The Company as a lessee

For any contracts entered into, the Company considers whether a contract is, or contains a lease. A lease is defined as “a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration”.

Measurement and recognition of leases as a lessee

For each lease, the Company recognizes a right-of-use asset and a lease liability on the separate statement of financial position. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Company, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received).

The Company depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Company also assesses the right-of-use asset for impairment when such indicators exist.

At the commencement date, the Company measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Company’s incremental borrowing rate.

Triveni Turbines DMCC
Dubai – United Arab Emirates

Notes to the Separate Financial Statements (continued)
For the year ended March 31, 2021

2. Significant accounting policies (continued)

2.8 Leases (continued)

Measurement and recognition of leases as a lessee (continued)

The weighted average incremental borrowing rate applied to lease liabilities recognized under IFRS 16 was 4%.

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed), variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is re-measured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is re-measured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

See Note 2.5 for the depreciation methods and useful lives for assets held under finance leases. The interest element of lease payments is charged to profit or loss, as finance costs over the period of the lease.

Operating leases

All other leases are treated as operating leases. Where the Company is a lessee, payments on operating lease agreements are recognized as an expense on a straight-line basis over the lease term. Associated costs, such as maintenance and insurance, are expensed as incurred.

2.9 Financial assets

The Company has the following financial assets: 'trade and other receivables excluding prepayments' and 'cash and cash equivalents'. The classification depends on the nature of the financial asset and is determined at the time of initial recognition.

Loans and receivables

Trade receivables are carried at original invoice amount less allowance made for impairment of these receivables. A provision for impairment of trade receivables is established where there is objective evidence that the Company will not be able to collect all amounts due according to the terms of receivables.

Triveni Turbines DMCC
Dubai – United Arab Emirates

Notes to the Separate Financial Statements (continued)
For the year ended March 31, 2021

2. Significant accounting policies (continued)

2.9 Financial assets (continued)

Loans and receivables (continued)

Other receivables are stated at their nominal value. Allowance for impairment is made against loans and receivables when their recovery is in doubt. Loans and receivables are written off only when all possible courses of action to achieve recovery have proved unsuccessful.

Due from related party

Due from related party is stated at its nominal value and is included in trade and other receivables.

Cash and cash equivalents

Cash and cash equivalents include balance with the banks in current accounts and deposits held with the banks (excluding deposits held under lien) with original maturities of three months or less.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

Objective evidence of impairment could include:

- significant financial difficulty of the issuer counterparty;
- breach of contract, such as a default or delinquency in interest or principal payments;
- it becoming probable that the borrower will enter bankruptcy or financial re-organization;
- the disappearance of an active market for that financial asset because of causes which are financial and non-financial.

For certain categories of financial assets such as trade receivables that are assessed as not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Company's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period, as well as observable changes in economic conditions that correlate with default on receivables.

Triveni Turbines DMCC
Dubai – United Arab Emirates

Notes to the Separate Financial Statements (continued)
For the year ended March 31, 2021

2. Significant accounting policies (continued)

2.9 Financial assets (continued)

Impairment of financial assets (continued)

For financial assets carried at amortized cost, the amount of the impairment loss recognized is the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate.

For the financial assets carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognized in profit or loss.

For financial assets measured at amortized cost, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed through profit or loss to the extent that the carrying amount of the assets at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized.

Derecognition of financial assets

The Company derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire; or it transfers the financial assets and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognize the financial asset.

Notes to the Separate Financial Statements (continued)
For the year ended March 31, 2021

2. Significant accounting policies (continued)

2.10 Equity instruments and financial liabilities

Equity instruments and financial liabilities of the Company are classified according to the substance of the contractual arrangements entered into and the definitions of an equity instrument and a financial liability.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the asset of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue cost.

Financial liabilities

Financial liabilities consist of 'provision for employees' end of service benefits', 'lease liabilities' and 'trade and other payables'. Trade and other payables include due to related party also. Financial liabilities, including bank borrowings are initially measured at fair value, net of transaction costs, and are subsequently measured at amortized cost using the effective interest method, with interest expenses recognized on an effective yield basis, except for the short-term payables when the recognition of interest would be immaterial.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

De-recognition of financial liabilities

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or has expired.

2.11 Provision for employees' end of service benefits

Provision for employees' end of service benefits is accounted as required by the U.A.E. Labour Law for accumulated period of service at the end of the reporting period and is disclosed as a non – current liability.

2.12 Provisions

Provisions are recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

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Notes to the Separate Financial Statements (continued)
For the year ended March 31, 2021

2. Significant accounting policies (continued)

2.13 New standards and interpretations not yet adopted

Certain new accounting standards, amendments to standards and interpretations have been published that are not mandatory for March 31, 2021 reporting periods and have not been early adopted by the Company. These are not expected to have a material impact on the Company in the current or future reporting periods and on foreseeable future transactions.

2.14 Impact of Covid-19

In January 2020, the World Health Organization (WHO) announced a global health emergency because of the new strain corona virus (the “Covid-19 outbreak”). Subsequently, in March 2020, the WHO classified Covid-19 outbreak as pandemic based on the rapid increase in exposure and infections across the world. The pandemic nature of this disease had necessitated global travel restrictions and total lockdown in most countries of the world, with negative implications on the global economy and social life. As a result of the above and the resulting disruptions to the social and economic activities, the Company continues to assess in a regular basis, the impact of Covid-19 outbreak on its business. The impact of Covid-19 continues to evolve; hence there are uncertainties that may impact the business in future.

3. Critical accounting judgment and key sources of estimation uncertainty

Critical judgments in applying the Company’s accounting policies

In the process of applying the Company’s accounting policies, which are described in note 2 to the separate financial statements, management has made the following judgments that have the most significant effect on the amounts recognized in the separate financial statements (apart from those involving estimations, which are dealt below):

Satisfaction of performance obligations

The Company is required to assess each of its contracts with customers to determine whether performance obligations are satisfied over time or at a point in time in order to determine the appropriate method of recognizing revenue as per IFRS 15: *Revenue from Contracts with Customers*. The Company has assessed that based on the contracts entered into with customers the Company does not create an asset with an alternative use to the Company and usually has an enforceable right to payment for performance completed to date. In these circumstances the Company recognizes revenue over time. Where this is not the case revenue is recognized at a point in time.

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Notes to the Separate Financial Statements (continued)
For the year ended March 31, 2021

3. Critical accounting judgment and key sources of estimation uncertainty (continued)

Critical judgments in applying the Company's accounting policies (continued)

Leases

Management applies judgment in considering the substance of a lease agreement and whether it transfers substantially all the risks and rewards incidental to ownership of the leased asset. Key factors considered include the length of the lease term in relation to the economic life of the asset, the present value of the minimum lease payments in relation to the asset's fair value, and whether the Company obtains ownership of the asset at the end of the lease term.

Employees' end of service benefits

The Company provides end of service benefits to its employees. The entitlement to these benefits is based upon the employees' final salary and length of service, subject to the completion of a minimum service period, calculated under the provisions of the Labour Law and is payable upon resignation or termination of the employee. The expected costs of these benefits are accrued over the period of employment.

Key estimates applied in preparing the separate financial statements

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

Property and equipment

The cost of property and equipment is depreciated over the estimated useful life of the assets. The estimated life is based on expected usage of the asset and expected physical wear and tear, which depends on operational factors. Management has not considered any residual value as it is deemed immaterial.

Impairment of financial assets

Management has estimated the recoverability of financial assets and has considered the impairment based on the current economic environment and past default history.

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Notes to the Separate Financial Statements (continued)
For the year ended March 31, 2021

4. Property and equipment	<u>Leasehold building</u> <u>USD</u>	<u>Computer and accessories</u> <u>USD</u>	<u>Office equipment</u> <u>USD</u>	<u>Total</u> <u>USD</u>
Cost				
As at March 31, 2019	-	7,243	1,074	8,317
Additions	-	-	-	-
As at March 31, 2020	-	7,243	1,074	8,317
Recognized as per IFRS 16	25,545	-	-	25,545
As at March 31, 2021	25,545	7,243	1,074	33,862
Depreciation				
As at March 31, 2019	-	4,560	663	5,223
For the year	-	2,161	304	2,465
As at March 31, 2020	-	6,721	967	7,688
For the year	2,736	437	107	3,280
As at March 31, 2021	2,736	7,158	1,074	10,968
Net book value				
As at March 31, 2021	22,809	85	-	22,894
As at March 31, 2020	-	522	107	629

5. Investment in subsidiary

	<u>March 31,</u>	
	<u>2021</u>	<u>2020</u>
	<u>USD</u>	<u>USD</u>
M/s. Triveni Turbines Africa Proprietary Limited, R.S.A.	<u>50,008</u>	<u>50,008</u>

This represents 614740 shares (with no par value) and the holding as at the end of the reporting period is 100%.

Investment in subsidiary is stated at cost.

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Notes to the Separate Financial Statements (continued)
For the year ended March 31, 2021

6. Trade and other receivables

	<u>March 31,</u>	
	<u>2021</u>	<u>2020</u>
	<u>USD</u>	<u>USD</u>
Trade receivables	250,247	497,650
Less: provision for impairment loss	(82,000)	-
	168,247	497,650
Due from related party (Note: 16)	57,190	664,917
Prepayments	8,683	18,428
VAT receivable	5,297	2,442
Deposits	4,875	6,862
Advances	1,428	3,220
	<u>245,720</u>	<u>1,193,519</u>

Ageing of trade receivables

	<u>March 31,</u>	
	<u>2021</u>	<u>2020</u>
	<u>USD</u>	<u>USD</u>
0 to 30 days	5,987	317,100
31 to 180 days	26,360	-
181 to 365 days	-	180,550
Above 365 days	217,900	-
	<u>250,247</u>	<u>497,650</u>

Geographical analysis of trade receivables

	<u>March 31,</u>	
	<u>2021</u>	<u>2020</u>
	<u>USD</u>	<u>USD</u>
Outside United Arab Emirates	<u>250,247</u>	<u>497,650</u>

In determining the recoverability of trade receivables, the Company considers any change in the credit quality of the trade receivables from the date credit was initially granted up to the end of the reporting period. As at March 31, 2021 four customers comprised 100% of gross trade receivables (March 31, 2020 three customers comprised 100%). Management believes that this concentration of credit risk is mitigated since the outstanding balances are due mainly from customers with whom there have been good relationships with a track record of regular payment.

Provision for impairment loss is based on estimated irrecoverable amounts determined by reference to past default experience of the counterparty and an analysis of the counterparty's current financial position.

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Notes to the Separate Financial Statements (continued)
For the year ended March 31, 2021

7. Cash and cash equivalents

7.1 Bank balances

	<u>March 31,</u>	
	<u>2021</u>	<u>2020</u>
	<u>USD</u>	<u>USD</u>
Bank balances: in current accounts	2,436,299	1,228,747
: fixed deposits	<u>873,127</u>	<u>324,349</u>
	<u><u>3,309,426</u></u>	<u><u>1,553,096</u></u>

Deposits with the banks earn interest at prevailing bank deposit rates. Short term deposits are made for a period up to one year. Deposits with the banks are held under lien against the guarantees issued by the banks.

7.2 Cash and cash equivalents

For the purpose of the separate statement of cash flows, cash and cash equivalents comprise:

	<u>March 31,</u>	
	<u>2021</u>	<u>2020</u>
	<u>USD</u>	<u>USD</u>
Bank balances	3,309,426	1,553,096
Less: fixed deposits	<u>(873,127)</u>	<u>(324,349)</u>
Cash and cash equivalents	<u><u>2,436,299</u></u>	<u><u>1,228,747</u></u>

8. Provision for employees' end of service benefits

	<u>March 31,</u>	
	<u>2021</u>	<u>2020</u>
	<u>USD</u>	<u>USD</u>
Balance at the beginning of the year	149,116	122,593
Charged for the year	41,712	32,555
Paid during the year	<u>-</u>	<u>(6,032)</u>
	<u><u>190,828</u></u>	<u><u>149,116</u></u>

9. Lease liabilities

	<u>March 31,</u>	
	<u>2021</u>	<u>2020</u>
	<u>USD</u>	<u>USD</u>
Lease liabilities recognized as per IFRS 16	<u><u>12,605</u></u>	<u>-</u>
Due within one year – current portion	<u><u>12,605</u></u>	<u>-</u>

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Notes to the Separate Financial Statements (continued)
For the year ended March 31, 2021

9. Lease liabilities (continued)

The Company has lease for the office. With the exception of short-term leases and leases of low-value underlying assets, each lease is reflected on the separate statement of financial position as a right-of-use asset and a lease liability.

For the purpose of the separate statement of cash flows, lease liabilities comprise:

	<u>March 31,</u>	
	<u>2021</u>	<u>2020</u>
	<u>USD</u>	<u>USD</u>
Lease liabilities	12,605	-
Less: lease liabilities recognized on transition to IFRS 16	(25,545)	-
	<u>(12,940)</u>	<u>-</u>

10. Trade and other payables

	<u>March 31,</u>	
	<u>2021</u>	<u>2020</u>
	<u>USD</u>	<u>USD</u>
Advance from customers	272,433	425,154
Staff payables	61,743	54,257
Accrued expenses	<u>20,097</u>	<u>83,740</u>
	<u>354,273</u>	<u>563,151</u>

11. Revenue from operations

	<u>Year ended March 31,</u>	
	<u>2021</u>	<u>2020</u>
	<u>USD</u>	<u>USD</u>
Revenue from trading	2,463,394	1,629,147
Reimbursement claims (Note: 16)	629,189	960,000
Other operating income (Note: 16)	<u>1,215,406</u>	<u>1,202,979</u>
	<u>4,307,989</u>	<u>3,792,126</u>

12. Cost of trading revenue

	<u>Year ended March 31,</u>	
	<u>2021</u>	<u>2020</u>
	<u>USD</u>	<u>USD</u>
Inventory at the beginning of the year	-	4,400
Purchases (Note: 16)	<u>2,095,483</u>	<u>1,359,270</u>
	<u>2,095,483</u>	<u>1,363,670</u>

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Notes to the Separate Financial Statements (continued)
For the year ended March 31, 2021

13. Other income

	<u>Year ended March 31,</u>	
	<u>2021</u>	<u>2020</u>
	<u>USD</u>	<u>USD</u>
Interest on fixed deposits	<u>5,413</u>	<u>4,053</u>

14. General and administrative expenses

	<u>Year ended March 31,</u>	
	<u>2021</u>	<u>2020</u>
	<u>USD</u>	<u>USD</u>
Employee cost	166,309	293,691
Rent	18,452	34,390
Business promotion	198,186	111,374
Legal, license and professional fees	49,303	74,778
Travelling and conveyance	37,513	170,665
Exchange loss	18,813	2,372
Bank charges	13,019	13,771
Communication	291	992
Others	3,511	5,818
	<u>505,397</u>	<u>707,851</u>

15. Finance costs

	<u>Year ended March 31,</u>	
	<u>2021</u>	<u>2020</u>
	<u>USD</u>	<u>USD</u>
Interest on lease liabilities	<u>126</u>	<u>-</u>

16. Related parties

The Company, in the ordinary course of business, entered into a variety of transactions at agreed terms and conditions, with companies, entities or individuals that fall within the definition of related party as contained in International Accounting Standard No. 24: *Related Party Disclosures*. Related parties comprise the Company's shareholder, directors and entities related to them, companies under common ownership and/or common management and control, their partners and key management personnel.

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Notes to the Separate Financial Statements (continued)
For the year ended March 31, 2021

16. Related parties (continued)

Due from related party at the end of the reporting period comprise of:

	<u>March 31,</u>	
	<u>2021</u>	<u>2020</u>
	<u>USD</u>	<u>USD</u>
M/s. Triveni Turbines Limited, India (ultimate holding company)	<u>57,190</u>	<u>664,917</u>

This is classified under trade and other receivables as given in Note: 6.

During the year the Company entered into the following transactions with related parties:

	<u>Year ended March 31,</u>	
	<u>2021</u>	<u>2020</u>
	<u>USD</u>	<u>USD</u>
Purchases	2,095,483	1,359,270
<i><u>Marketing support services (for power generation equipment)</u></i>		
Reimbursement claims	629,189	960,000
Other operating income	1,215,406	1,202,979
Business promotion expenses	<u>80,686</u>	<u>60,224</u>

Compensation of key management personnel

The remuneration of members of key management during the year was as follows:

	<u>Year ended March 31,</u>	
	<u>2021</u>	<u>2020</u>
	<u>USD</u>	<u>USD</u>
Salary and short term benefits	<u>641,759</u>	<u>631,371</u>

17. Contingent liabilities and commitments

	<u>March 31,</u>	
	<u>2021</u>	<u>2020</u>
	<u>USD</u>	<u>USD</u>
Bank guarantees	<u>47,550</u>	<u>-</u>

The bank guarantees were secured by lien over the fixed deposits with the banks as given under Note: 7.

Except the above, there has been no other known contingent liability or capital commitments on the Company as at the end of reporting period.

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Notes to the Separate Financial Statements (continued)
For the year ended March 31, 2021

18. Financial instruments

Fair value

The fair value of the Company's financial instruments is not materially different from their carrying amounts in the separate statement of financial position.

Risk management

The main risks arising from the Company's financial instruments are credit risk, currency risk, interest rate risk and liquidity risk.

a) Credit risk

The Company's exposure to credit risk at the end of the reporting period is indicated by the carrying amounts of its financial assets, net of any applicable allowance for losses. The Company is exposed to credit risk on its financial assets as follows:

	<u>March 31,</u>	
	<u>2021</u>	<u>2020</u>
	<u>USD</u>	<u>USD</u>
Trade receivables	168,247	497,650
Deposits	4,875	6,862
Advances	1,428	3,220
VAT receivable	5,297	2,442
Due from related party	57,190	664,917
Bank balances	<u>3,309,426</u>	<u>1,553,096</u>

The Company usually undertakes transactions with reputable customers and has established credit limits for its customers on periodic reviews it carries out for this purpose. The Company provides an allowance for impairment at the end of each reporting period that represents its estimate of incurred losses in respect of trade receivables. Deposits, advances and related party balances are held with reputable parties.

VAT receivable represents the amount receivable from the Federal Tax Authority, U.A.E.

The credit risk on bank balances is limited because the counterparties are banks with high credit ratings assigned by international credit rating agencies.

b) Currency risk

The Company's currency risk relates to the exposure to the fluctuations in the foreign currency rates. There is no significant impact on the USD as the AED is pegged to the USD. As at the end of the reporting period, the Company's foreign currency risk comprises of the following:

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Notes to the Separate Financial Statements (continued)
For the year ended March 31, 2021

18. Financial instruments (continued)

Risk management (continued)

b) Currency risk (continued)

	<u>Amount in</u> <u>Foreign currency</u>		<u>Amount in</u> <u>Functional currency</u>	
	<u>March 31,</u> <u>2021</u>	<u>March 31,</u> <u>2020</u>	<u>March 31,</u> <u>2021</u>	<u>March 31,</u> <u>2020</u>
1. Trade and other receivables				
Currency				
THB	-	59,508	-	1,823
	<u>Amount in</u> <u>Foreign currency</u>		<u>Amount in</u> <u>Functional currency</u>	
	<u>March</u> <u>31, 2021</u>	<u>March 31,</u> <u>2020</u>	<u>March 31,</u> <u>2021</u>	<u>March 31,</u> <u>2020</u>
2. Cash and cash equivalents				
Currency				
THB	737,138	619,374	23,604	18,954
	<u>Amount in</u> <u>Foreign currency</u>		<u>Amount in</u> <u>Functional currency</u>	
	<u>March 31,</u> <u>2021</u>	<u>March 31,</u> <u>2020</u>	<u>March 31,</u> <u>2021</u>	<u>March 31,</u> <u>2020</u>
3. Trade and other payables				
Currency				
INR	-	62,671	-	837
THB	341,288	-	10,971	-
			<u>10,971</u>	<u>837</u>
4. Summary			<u>Amount in</u> <u>Functional currency</u>	
			<u>March 31,</u> <u>2021</u>	<u>March 31,</u> <u>2020</u>
Trade and other receivables			-	1,823
Cash and cash equivalents			23,604	18,954
Trade and other payables			(10,971)	(837)
			<u>12,633</u>	<u>19,940</u>

A 10% increase in functional currency rates to the foreign currency can result in an exchange gain of USD 1,263/- as at March 31, 2021 (March 31, 2020: USD 1,994/-) and a 10% decrease can result in an exchange loss of USD 1,263/- as at March 31, 2021 (March 31, 2020: USD 1,994/-).

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Notes to the Separate Financial Statements (continued)
For the year ended March 31, 2021

18. Financial instruments (continued)

Risk management (continued)

c) Interest rate risk

Fixed deposits and lease liabilities are subject to fixed interest rates at levels generally obtained in the U.A.E. and are therefore exposed to fair value interest rate risk. Reasonably possible changes to the interest rates at the end of the reporting period are unlikely to have a significant impact on profit or equity.

d) Liquidity risk

Liquidity risk refers to the risk that an entity will encounter difficulty in meeting obligations associated with its short term financial liabilities at maturity date.


The Company manages the liquidity risk through risk management framework for the Company’s short, medium and long term funding and liquidity management requirements by maintaining adequate reserves, sufficient cash and cash equivalent to ensure funds are available to meet its commitments for liabilities as they fall due.

The table below analyses the Company’s remaining contractual maturity for its short term financial liabilities based on the remaining period at the end of the reporting period to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant. The contractual maturity is based on the earliest date on which the Company may be required to pay.

	<u>March 31,</u>	
	<u>2021</u>	<u>2020</u>
	<u>USD</u>	<u>USD</u>
Lease liabilities	12,605	-
Trade and other payables	<u>354,273</u>	<u>563,151</u>

19. Comparative figures

Certain amounts for the previous year were reclassified to conform to current year presentation.


Dhruv Manmohan Sawhney
Director




Nina Angela Sooranna-Auchoybur
Director