FORM A

Covering letter of the annual audit report to be filed with the stock exchanges

1.	Name of the Company:	Triveni Engineering & Industries Ltd.
2.	Annual financial statements for the extended financial year 2012-13 (18 months) ended	31st March, 2014
3.	Type of Audit observation	Un-qualified
4.	Frequency of observation	Not Applicable
5.	For J.C. Bhalla & Co. Chartered Accountants (FRN: 001111N) Sudhir Mallick Partner Membership No.80051 Noida (U.P.), May 28, 2014	For Triveni Engineering & Industries Ltd. Dhruv M. Sawhney Chairman & Managing Director Lt. Gen. K.K. Hazari (Retd.) Director & Chairman-Audit Committee Suresh Taneja Group CFO

ANNUAL REPORT 2012 - 14
(18 MONTHS)

Triveni
ENGINEERING & INDUSTRIES LTD.

Actions for a better Tomorrow

Forward looking statement

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

The Company's actual results, performance or achievements could thus differ materially from those projected in any such forward-looking statements. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent developments, information or events.

The Company has sourced the industry information from the publicly available resources and has not verified those information independently.

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Actions for a better Tomorrow

The period under review witnessed an extremely challenging business environment which impacted the growth and profitability of the entire sugar industry. Most of the companies in the sugar industry posted substantial losses owing to high sugarcane cost and declining domestic sugar prices.

In April 2013, the Cabinet Committee on Economic Affairs (CCEA) has partially accepted Dr. Rangarajan Committee's recommendations on decontrol of sugar Industry and removed major output controls while decision on other key recommendations like linking of sugarcane pricing with prices of sugar and saleable primary by-products have been left to the State Governments.

The capital goods and infrastructure sectors, which are catered to by the Company's Engineering Businesses, have been witnessing considerable slowdown in India due to factors such as land acquisition, environment clearances, fuel linkage policy, high inflation and interest rates.

With the new government in place, it is expected that the policy stagnation will cease thereby propelling growth in the user industries which in turn shall augment demand for the capital goods sector including Triveni's Engineering Businesses.

At Triveni, we believe that the inflection point has arrived – both in the Engineering Businesses and in the Sugar Business. This may well be the beginning of a new era. We are optimistic that the overdue reforms in the sugar industry will be well addressed by the Government so that the industry remains viable. Improvement of the business climate through positive governance may catalyse growth in the capital goods and infrastructure segments. We have a robust business mix and all our businesses have enormous potential, if not constrained by policy conundrum and economic slowdown. All indications suggest that a better tomorrow is around the corner.

Sustainable sugar industry

Despite being the world's second largest producer and largest consumer of sugar, it is quite an irony that country's sugar industry has been fighting for its commercial viability. The industry is confronted with multiple challenges which include lack of a viable mechanism for sugarcane pricing, uncertainties emanating from climatic factors on cane yields and recovery, inadequate propagation of modern cultivation and harvesting techniques, and financial constraints and erosion of net worth of sugar mills. These factors are collectively impacting the sustainability and viability of the Indian Sugar industry.

In order to revive the sugar industry, as per the recommendations of Dr. Rangarajan Committee Report, the Government has partially decontrolled the industry by removing levy sugar obligations and abolishing the monthly release mechanism of selling non-levy sugar. Further, to tide over immediate payment crisis of cane arrears and to correct surplus sugar stocks in the country, it provided interest free loans to sugar millers and allowed export subsidy. The Central Government has left decisions on some of the other key recommendations of the said committee to the State Governments which include linking sugarcane pricing with that of sugar, minimum distance between factories and reservation of area for factories from a medium term perspective and we believe the linking of sugarcane price with sugar price will happen in the coming years.

The Government, through the Ethanol Blending Program (EBP) has made it mandatory to blend 5% ethanol in petrol to contain fossil fuel imports and reduce current account and fiscal deficit. The improved tender prices of ethanol benefit sugar mills having captive distillery operations while offering significant cost reduction to OMCs. We expect that higher demand for ethanol will improve the overall realisations of all variants of distillery products, which will help cash-strapped sugar mills to boost their revenues.

We are optimistic that these policy reforms would continue to move in the right direction and create a viable and sustainable ecosystem in which the sugar millers, farmers and their other user industries will thrive together.

Sustained economic growth

The capital goods sector, which contributes around 12% to the total manufacturing activity of India (about 15% of the GDP), plays a vital role in the development of the country. The growth of the capital goods industry has a multiplier effect in the growth of the economy. During the last three years, the growth of the Indian capital goods sector has been sluggish owing to weak domestic demand, higher interest rates, low business sentiments, policy conundrum, delay in project execution and the slowdown in the global economy.

The year 2013-14 has seen decline in the macro-economic conditions of the country. With the new Government in place, the country is expected to witness fast-tracking of structural reforms aimed at supporting investment, removing inordinate delays in implementation of projects, improving policy framework and encouraging private & public investment. All of this shall improve the business and investment sentiments, which in turn should drive demand growth for the capital goods sector.

With complete readiness to participate in the growth phase, our Gears and Water Business shall improve their revenue growth and regain their profitability levels of earlier years.

Corporate Identity

With annualised turnover of over ₹ 2100 crore, we are a conglomerate having core competencies in the areas of Sugar and Engineering. We have business presence in sugar, power generation, distillery, gears & gearboxes and water & wastewater treatment.

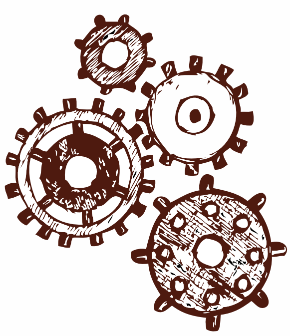
OUR BUSINESSES

Sugar Business

- We are one of the largest sugar manufacturers in India with seven sugar mills. Our three units at Khatauli, Deoband, Sabitgarh are in western UP, three at Chandanpur, Rani Nangal and Milak Narayanpur fall in central UP and one unit at Ramkola is located in eastern UP. We have converted two of our units, Khatauli and Sabitgarh, into refineries. This has helped us increase the share of refined sugar to 40% in our total production.
- We currently operate grid connected three co-generation plants and two incidental co-generation plants located across our four sugar units.
- We operate one of the largest single stream molasses based distilleries at Muzaffarnagar. Flexible manufacturing process allows us to produce Extra Neutral Alcohol (ENA), Rectified Spirit (RS), Special Denatured Spirit (SDS) & Ethanol.

Gears Business

- We are in the business of design, manufacture and marketing of customised Gears and Gearboxes (both high speed and niche low speed gears). Our state-of-the-art design and manufacturing facility at Mysore conforms to international standards.
- We have approximately 70% market share in high speed gear market. We manufacture high speed gears and gearboxes up to 70 MW capacity and speed of 70,000 rpm.
- Our strong in-house R&D team is constantly working towards developing new products.



Water Business

- We are a leading player in the high technology Water and Wastewater management business in India, having our manufacturing facility at Noida.
- We provide a wide range of products and offer end-to-end services in the technology spectrum of Water and Wastewater treatment.
- We have technology association with world's leading technology providers for various products, process and solutions.

Information on Company's business locations

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CORPORATE INFORMATION

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Mr. Dhruv M. Sawhney (DIN-00102999)

VICE CHAIRMAN & MANAGING DIRECTOR
Mr. Tarun Sawhney (DIN-00382878)

DIRECTORS
Mr. Nikhil Sawhney (DIN-00029028)
Dr. F.C. Kohli (DIN-00102878)
Lt. Gen. K.K. Hazari (Retd.) (DIN-00090909)
Mr. M.K. Daga (DIN-00062503)
Mr. Shekhar Datta (DIN-00045591)
Ms. H.A. Daruwalla (DIN-00365880)
Mr. Santosh Pande (DIN-01070414)

GROUP CHIEF FINANCIAL OFFICER
Mr. Suresh Taneja

GROUP GENERAL MANAGER & COMPANY SECRETARY
Ms. Geeta Bhalla

BANKERS
Axis Bank Ltd.
Canara Bank
Central Bank of India
IDBI Bank Ltd.
Indusind Bank Ltd.
Oriental Bank of Commerce
Punjab National Bank
State Bank of India
State Bank of Patiala
Yes Bank Ltd

AUDITORS
M/s J.C. Bhalla & Co.

BRANCH AUDITORS
M/s Virmani & Associates

TRIVENI GROUP WEBSITE
www.trivenigroup.com

Message from the Chairman

Dear Shareholders,

We witnessed one of the most challenging business environments of recent times during the period under review (October 2012 – March 2014). We utilised this phase in bringing about wholesome internal strengthening of our organisation, its business processes and prospects. We stayed focused in making ourselves more robust and less prone to external volatilities. We continue to remain optimistic and agile. With expected return of the growth momentum in the short to medium term, we will be in a good position to deliver positive results.

Sugar Business

The Indian sugar industry has been a victim of lack of vision and inappropriate policies. The potential is enormous in terms of its significance in world sugar trade, generation of clean power from renewable energy sources, substituting fossil fuel by Ethanol and improving agricultural productivity and augmenting the income of farmers. The worst sufferers are the sugar manufacturers operating out of UP. The rising input cost, moderate recoveries and falling sugar prices have all led to a significant weakening of their financial conditions. Owing to various factors including lower production in UP, delay in commencement of crushing, uncertainty of sugar pricing, lower sugarcane yields and higher diversion of sugarcane to alternate sweetener manufacturers, the industry has posted its worst performance in many years.

Based on the recommendations of Dr. Rangarajan Committee, the Central Government did take some welcome measures to abolish supply of levy sugar at subsidised rates and dispensing with the regulated release mechanism for non-levy sugar. The most critical part of the reform, that of realistic pricing of sugarcane, is still pending in Uttar Pradesh. We see some action on the ground with the Government of Uttar Pradesh finally constituting a Committee to look into this aspect. We are eagerly looking forward to its recommendations as it would decisively determine the future of the industry and its capacity to invest in growth and betterment of farmers of sugarcane in UP.

Notwithstanding the uncontrollable factors of weather and Government policies, the Company focuses on cane development to increase cane yields and improved sugar recovery. It is also judiciously investing in low cost capital expenditure with low pay back period to improve profitability and efficiency.

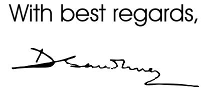
Engineering Business

In the Engineering Business, despite sluggish economic conditions, the Gears Business preserved its margins, though its annualised turnover and profitability were lower than the previous year. The business expects to achieve growth by aggressively entering export markets, introducing new product ranges under the License Agreement as well as from own development and broad basing its after-market and refurbishment business both in domestic and export markets. We are continually investing in R&D activities and have rolled out new products during the reporting period that augurs well for our future growth.

The Water and Wastewater treatment sector witnessed a challenging year too, as it has been affected by a host of policy related issues which forced majority of our clients to delay the execution of their projects. As a result, the performance of our Water Business declined and we suffered losses. We have used this opportunity to strengthen our project monitoring which will guard against cost overruns. It is heartening to note that our enquiry book and order book has grown despite the challenging market environment. We are optimistic that, going forward, our Water Business will grow as customers are embracing better technology solutions, both in the municipal and industrial segments. Our capability to provide efficient and cost effective solutions with technology reach, engineering and design skills will keep us in good stead to capitalise on the emerging opportunities which will arise once the sector revives.

Before concluding, I would like to thank all our stakeholders, partners, customers and employees for their continued support and patronage. I believe that our recent initiatives will help us to grow and realise our latent potential in the coming years.

With best regards,



Dhruv M. Sawhney
Chairman and Managing Director

Q&A with the Vice Chairman & Managing Director

Tarun Sawhney

Q.How would you describe the performance of the Company during the year 2012-14?

A: The period under review was one of the most challenging years for our Sugar Business. The business has suffered on three accounts - high cane price, much lower sugarcane yields leading to decreased crush volumes and abnormally lower recoveries in West UP, where our two large sized plants are located. Our continual efforts and focus on cane development were rewarded as our other plants in Central and Eastern UP performed well in terms of recovery. It is encouraging to note that the by-products have done exceedingly well during the period. However, this improved performance of by-products was not sufficient enough to offset the losses in sugar operations. Realistic cane pricing which is linked to the sugar prices is the key for the viability of the Sugar Business.

In the Engineering Businesses, the performance of the Gears Business has been satisfactory given the macro economic scenario. The capital goods sector was one of the worst performing sectors, but our focus on aftermarket coupled with foray into export markets helped the Gears Business post a healthy turnover and profitability. In the Water Business, the macroeconomic factors coupled with policy issues resulted into delays and deferment of customer projects, uncertainty in payment receipt and postponement of order finalisation etc. On account of the above factors and under absorption of overheads, the business incurred loss during the period under review.

Q. What were the key operational highlights of the Company's performance during the period under review?

A: During the period 2012-14, we converted two of our sugar plants into refineries capable of producing high quality refined sugar which now forms 40% of our total sugar production. It helped us to get empanelled with institutional buyers after meeting their stringent quality and compliance requirements. It enables us to get premium over normal bulk sale of sugar. The most significant accomplishment has been to achieve 42 basis points increase in recovery for five of our sugar plants. This has been as a result of our dedication and commitment to carry out cane development activities and to achieve optimum varietal balance. Further, we also implemented incidental co-generation projects at two of our plants at a competitive capital expenditure.

Our distillery achieved a capacity utilisation of 100%, which is a testament of our operational efficiency. Further, we also participated in the ethanol tenders issued by Oil Marketing Companies and supplied around 101 lakh litres of ethanol against the order of around 140 lakh litres.

In the light of sluggish domestic markets, our Gears Business focused on exports in a big way. Addition of new export OEMs helped the business in improving OEM market base. Furthermore, few OEMs from Japan and Europe have already approved our Gears Business unit. Orders are expected to start flowing from FY 15 onwards.

Q. What are the key challenges and opportunities you expect to face in FY 2014-15?

A: In respect of sugar, the foremost challenge is to make the Government of Uttar Pradesh agree on rationalisation of cane price. Industry association is working actively on this issue and we hope it is concluded satisfactorily in the long term interest of the industry and farmers. The planting schedule is taking place as per the plan and we hope that there are no adverse impact with respect to climate change. We would be watching the effect of El-Nino but it is unlikely to affect the production in Uttar Pradesh.

The Gears Business plans to make an aggressive foray into export market with several product offerings and value propositions – enlarging OEM base, new product range and aftermarket and retrofitting activities. We believe that such activities will provide a sustainable growth.

The Water Business will be completing several projects and resultantly, considerable retention amounts would be released thereby improving cash flows. Most importantly, the completed projects will provide much needed pre-qualification credential to the business to bid for large projects.

Q. How do you see the outlook of the Company for the coming year?

A: We are optimistic that the UP government will take initiatives to link sugar cane prices with the sugar prices which will be a game changer for the sugar industry. Our optimism comes from the fact that the Governments of Maharashtra and Karnataka have already enacted legislations and are in the process of linking cane prices with sugar prices. Moreover, the UP government has formed a Committee to review the possibility of linkage of cane prices. Once the prices are linked, we will be in a better position to improve our revenues and profitability. We expect to crush higher volume of cane during the Sugar Season 2014-15 which in turn will enable us to achieve strong performance in our co-generation and distillery segments.

On our Engineering Business front, we expect that the business environment will improve in 2014-15 in light of new Government in place at the Centre. Our focus in the Gears Business will be to introduce new products for the domestic as well as global market and penetrate further into new geographies in the export market. In the Water Business, we expect that the key priority for the new Government will be to boost water and waste water infrastructure. We believe that this will open up wider opportunities for our Water Business. Our key focus will be to execute the existing projects which will qualify us to bid for larger projects and capitalise on the emerging opportunities.

Management Discussion & Analysis

Sugar Industry Overview

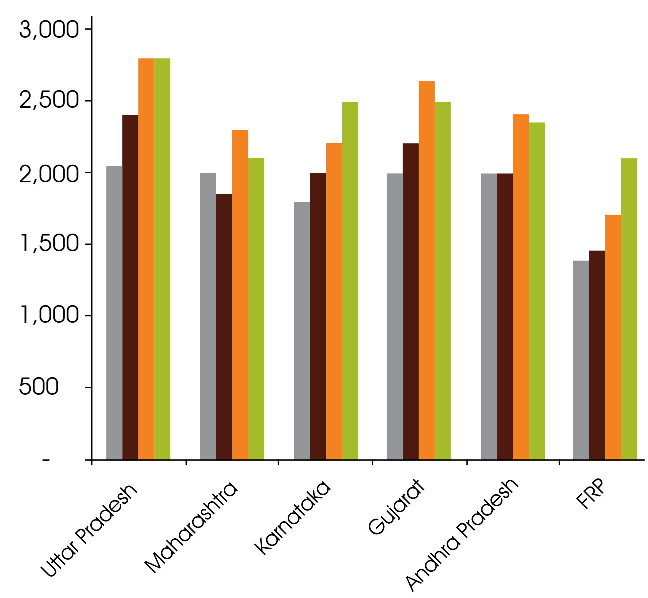
India, being the largest sugar consuming nation and second largest producer of sugar, has witnessed shift in sugar production over the past few years. After registering an increase in production by 7% in Sugar Season (SS) 2011-12 over the previous season, sugar production for the next two seasons showed a decline by 5% and 4% respectively. As per the current estimates, country's sugar production in the SS 2013-14 is estimated at over 24 million tonnes. This 4% decline was primarily driven due to lower sugar production in UP, which is estimated to be lower by about 13% year-on-year. Even though there has been marginal decline of 3% in area under sugarcane for SS 2013-14, the steep decline in production is attributed to various factors - delay in the starting of crush by sugar mills because of the uncertainty on the sugarcane pricing, lower sugarcane yields and higher diversion of sugarcane to alternate sweetener manufacturers.

On the demand side, the sugar consumption for SS 2012-13 was 22.8 million tonnes which is 3.6% higher than consumption of 22.0 million tonnes in SS 2011-12. The sugar consumption for SS 2013-14 has been estimated at 23.5 million tonnes. Further, in February 2014, the Government of India had announced an export incentive programme and it is estimated that approx. 3 million tonnes equivalent of white sugar will be exported upto September 2014. This will leave the sugar inventory as on September 30, 2014 at 7.81 million tonnes, which is a decline of around 13% from the inventory level at the beginning of SS 2013-14.

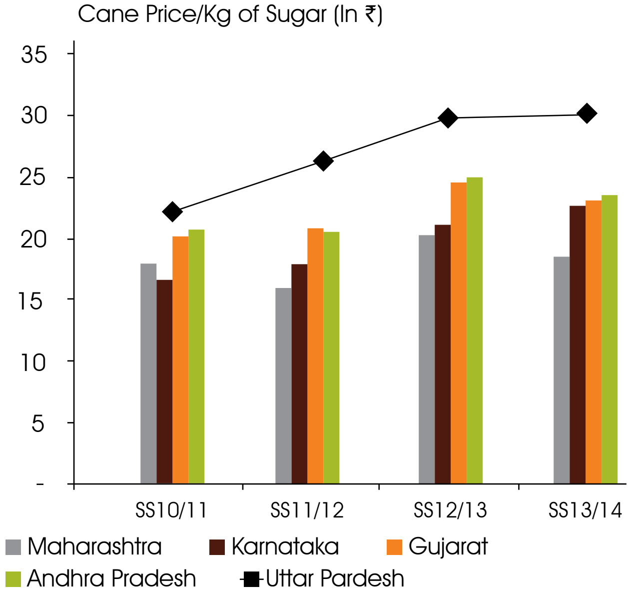
Sugarcane Pricing

The Central Government, based on the recommendation of Commission on Agricultural Cost and Prices (CACP) fixes the cane price called 'Fair and Remunerative Price (FRP)' at a recovery of 9.50% (with additional charge for recovery in excess of 9.50%). However, some of the major cane producing states, Uttar Pradesh, Tamil Nadu, Punjab and Haryana announces its own cane price called State Advised Price (SAP). During the SS 2012-13, FRP was increased from ₹ 145 to ₹ 170 per quintal and further to ₹ 210 for 2013-14. The SAP of Uttar Pradesh saw a steep increase from ₹ 240 per quintal in 2011-12 to ₹ 280 in 2012-13. Even though the cane price in SS 2013-14 remained at the same level as in the previous season, due to mounting losses incurred by the Sugar mills in UP and its inability to pay farmers, the Government of UP extended some additional concessions in the form of waiver of society commission and abolition of entry tax. The concessions offered were too meagre to materially alter the financial viability of UP mills.

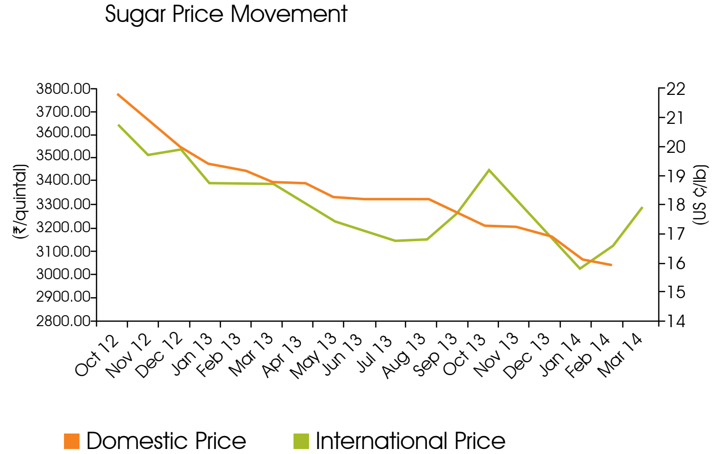
Sugarcane Price (₹/ tonne)



Source: Industry data



Source: Industry data



Source: Spot sugar prices – NCDEX Muzaffarnagar
International sugar prices – Industry data

Although rise in cost of cultivation for farmers in Uttar Pradesh is in-line with other states, the sugar mills in Uttar Pradesh pay the highest cane price in absolute terms and on account of lower sugar recovery from cane, the cane cost per kilogram of sugar produced is far higher than all other sugar producing states of India. The last two sugar seasons saw the sugar mills in Uttar Pradesh remain in serious financial constraints mainly due to uneven hike of SAP & poor sucrose yield.

Sugar Prices

With an increased opening inventory and strong initial production forecasts for SS 12-13, domestic sugar prices declined steadily from October 2012 till May 2013. It remained flat for the next three months on the cue of expected lower production on account of delayed commencement of the crushing season 2013-14. With an opening stock of approx. 9 million tonnes and projected sugar output of 24.2 million tonnes coupled with huge cane arrears, sugar mills were under intense financial stress and had to sell off their stocks at cost which was lower than cost of production. Sugar sentiments improved towards the end of February 2014, when the Central Government announced raw sugar export subsidy, which was followed with a downward revision of sugar output estimates by the industry association. The average sugar prices in March 2014 have increased by around 8% over the lowest

level touched in February 2014. The bullishness in prices could not be sustained longer as the Central Government did not promptly announce the raw sugar subsidy for April & May 2014. The all India production estimates had also gone up to over 24 million tonnes as against much lower estimates earlier. Further, the unfavourable differential between domestic and international prices also acted as a deterrent to exports of raw sugar even after considering export subsidy.

Going forward, sugar pricing is dependent on the climate, especially on the impact of El Nino and the extent it affects the sugar cane production of rain dependent areas. But for any major impact of El Nino, the sugar prices are expected to be range bound, with downward bias.

Similar to the trend of price movement in domestic market, the raw sugar prices in the international market was also on a downward slide with the prices declining steadily from October 2012 till August 2013. International raw sugar prices saw a sudden surge in September & October 2013 by 5% and 9%, month on month. The same could not be sustained longer and the prices declined sharply over the next few months. The prices again rallied upward in February and March 2014. The main reason for the surge in prices in September – October 2013 was on account of expectation of lower production from Brazil, fire in a major port in Brazil which impacted the exports and on account of prediction of wet weather in Brazil which may delay the start of the crushing season for the current year.

Decontrol of Indian Sugar Industry

In April 2013, the Cabinet Committee on Economic Affairs (CCEA) partially accepted Dr. Rangarajan Committee Report's recommendations on decontrol of sugar Industry. It removed major output controls like levy sugar obligation & regulated release mechanism for non-levy sugar while other key recommendations like decontrol of sugarcane command area, minimum distance criteria & sugarcane pricing have been left to the State Governments. Abolition of levy sugar obligation has indeed helped the sugar mills. It had the financial impact of around ₹ 2500 crore on the industry. However, the decontrol of release mechanism has expanded the supply pressures as financially stretched sugar mills resorted to distressed selling of their stocks for liquidity, which results in decline in sugar prices. However, the decontrol is perceived to be beneficial to the sugar mills in the long term by allowing flexibility to sugar mills to manage their working capital requirements in an optimal manner.

Government Support to Sugar Industry

1. Financial Support: In January 2014, Central Government announced interest free loan schemes to the mills under "Scheme for Extending Financial Assistance to Sugar Undertakings (SEFASU) 2014 (Scheme)" to support sugar mills to clear cane price arrears of previous sugar seasons and timely settlement of cane price of current sugar season. The terms of the Scheme stated that the loan would be extended through normal banking channels for an amount equivalent to excise duty paid by an eligible sugar mill in the preceding three seasons and the Interest subvention up to 12% was specified. The total duration of the loan would be for 5 years including 2 years of moratorium. The quantum of the package announced by the central government amounted to ₹ 6,600 crore. Triveni availed loan of ₹ 126 crore pursuant to the Scheme.

2. Raw Sugar Exports Subsidy: In order to reduce the overhang of inventory in the country and to arrest the falling prices of domestic sugar, the Central Government announced an export subsidy of ₹ 3,300/million tonne for February and March 2014 for raw sugar exports with a cap of 4 million tonnes to be produced and exported during SS 2013-14 and SS 2014-15. This incentive is to be revised and notified after every two months based on dollar exchange rate. The Government, through a notification on May 7, 2014, revised the export incentive downwards from ₹ 3300 per tonne to ₹ 2277 per tonne for the period April 1, 2014 to May 31, 2014 which impacted the exporting mills negatively as the earlier announcement was to keep the subsidy at the same level.

3. UP Government support to Sugar Industry: Even though the Government of UP fixed the SAP at the same level as last year at ₹ 280 per quintal, it has allowed the mills to make this payment in two instalments. The first instalment of ₹ 260 per quintal, as per the terms, is to be paid during the crushing period while the second instalment of ₹ 20 per quintal will be paid by the end of the crushing season. Similarly, on account of mismatch between the sugar prices and cost of production, the Government agreed to extend concessions in the form of waiver of entry tax on sugar, exemption of purchase tax and society commission, which aggregates to ₹ 11.03 per quintal. The Government may also consider further subsidy of ₹ 8.97 per quintal if the sugar economics so warrant. As a step towards that, the Government has constituted a committee under the chairmanship of Agriculture Production Commissioner to evaluate the rationale and work out the mechanism in this regard.

The UP Government also agreed for a Committee to evolve a long term mechanism for the fair determination of sugar cane price. It has been gathered that no further action in this regard has been initiated by the Government so far.

Indian Sugar Outlook

In SS 2013-14, as per the latest estimates, India is likely to produce over 24 million tonnes of sugar which reflects a 4% decrease over the previous season. A sharp decline of 13% is anticipated from Uttar Pradesh. In UP, early onset of monsoon impacted the tillering stage of plant cane which led to disappointing agricultural yield. Likewise, poor north east monsoon has impacted the planting season for Tamil Nadu. The production in Maharashtra is marginally lower than the previous season but Karnataka has been an over performer with increase in production by around one million tonne (22%).

As per the recent reports, the probability of El Nino has increased and may promote dry spell in South West of India and a wet spell in Brazil. Its impact is critical for the production estimate for the next season and the position is likely to become clearer in June - July 2014. We believe, the sugar prices will take a cue from these developments.

Global Sugar Outlook

Global sugar production peaked in SS 2012-13 with about 183 million tonnes, which has left a global surplus of around 10 million tonnes. This has led to a decline in sugar prices for both raw and refined. However, due to the adverse climatic conditions in Brazil & India, the surplus for SS 2013-14 has been significantly lower than the previous year and varying views were emerging regarding the quantum of surplus. This has brought stability in sugar prices. Global surplus situation is likely to stretch in SS 2013-14 with a decline in surplus close to 4.2 million tonnes. Even though certain estimates are forecasting higher sugar production in Thailand and South Africa, the estimates of a declining production from Brazil, India, China etc. will impact the global surplus negatively.

Brazil sugarcane crop is badly hit by climate, initially due to a severe dryness during vegetative growth phase and then due to above normal rainfall. It has been reported that Centre South (CS) Brazil has received around 350 mm of rainfall, roughly 50% of normal rains in December 2013 – February 2014 period which is likely to impact agricultural yield. It is estimated that the cane output in CS region will decrease to 626.6 million tonnes from a record 650 million tonnes in SS 2013-14 and sugar output falling from 37.5 million tonnes in SS 2013-14 to 36.5 million tonnes in 2014-15. SS 2013-14 harvest in Brazil's second producing region, North-Northeast, is almost complete. According to recent reports, the weaker cane crop in Brazil and sugar mills' preference for ethanol will contribute to a reduction of world sugar production by 1 - 2 million tonnes in SS 2014-15, potentially causing the market to return to deficit for the first time in five years.

Thai crop is all set for a new record for the 5th consecutive year in SS 2013-14. Till March end, cumulative crush was up by 6% year on year. Total sugar output is likely to be close to 11.5 million tonnes, up by 1.5 million tonnes. This incremental change is likely to go into raw sugar production. Meanwhile in SS 2014-15, sugar production is forecast to decline to 10.4 million tonnes, a decline of 9% from the previous year, in anticipation of El Nino related weather conditions. However, SS 2014-15 sugar exports are likely to increase to 9-10 million tonnes due to large inventories from SS 2012-13 and SS 2013-14.

SUGAR BUSINESS

Performance of Sugar Units

Triveni operates seven sugar units spread across the State of Uttar Pradesh. Most of its mills are located in the Western and adjoining Central UP areas while the Ramkola unit is located in Eastern UP. Command area for the 7 units of

Triveni accounts for 8% of total sugar cane grown in UP. Weightage of Cane crush by the Company is equivalent to 6.7% while sugar output is equivalent to 6.8% in the State.

While the cane crush and recovery has been higher in SS 2012-13 as compared to SS 2011-12, there has been a decline in cane crush by over 17% in SS 2013-14 with a marginal improvement in sugar recovery. The recovery of two Western UP mills has been lower by over 40 basis point in SS 2013-14 over the previous season, while it was higher by over 40 basis points for other five mills. Unseasonal rains and other climatic variations have resulted in lower yields and recovery in Western UP, which has affected the overall operational performance for SS 2013-14. Further, the delay in commencement of SS 2013-14 has resulted in harvesting of cane even prior to the commencement of the season, especially in Western UP, to facilitate wheat sowing and thus, the incidence of stale cane was all time high, thereby adversely affecting the recoveries.

Units	SS 2013-14			SS 2012-13			SS 2011-12		
	Sugarcane Crush (Million Tonnes)	Recovery (%)	Sugar Output (Million Tonnes)	Sugarcane Crush (Million Tonnes)	Recovery (%)	Sugar Output (Million Tonnes)	Sugarcane Crush (Million Tonnes)	Recovery (%)	Sugar Output (Million Tonnes)
Khatauli	1.26	8.79	0.11	1.49	9.02	0.13	1.31	8.75	0.11
Deoband	0.80	8.78	0.07	1.05	9.51	0.10	0.87	8.61	0.07
Sabitgarh	0.60	9.66	0.06	0.75	9.12	0.07	0.70	9.10	0.06
Chandanpur	0.47	9.86	0.05	0.58	9.31	0.05	0.58	9.26	0.05
Rani Nangal	0.45	9.62	0.04	0.59	9.41	0.06	0.54	9.22	0.05
Milak Narayanpur	0.36	9.39	0.03	0.47	8.89	0.04	0.54	9.04	0.05
Ramkola	0.70	9.99	0.07	0.71	9.74	0.07	0.59	10.29	0.06
TOTAL	**4.65**	**9.32**	**0.43**	**5.63**	**9.28**	**0.52**	**5.12**	**9.09**	**0.46**

The Government of UP had increased the sugarcane pricing for SS 2012-13 by ₹ 40 per quintal to ₹ 280 per quintal which had adversely affected the performance of all sugar mills in UP. The increased cane cost and subdued sugar prices resulted in UP mills incurring huge losses which in turn had impacted the cane price payment. The mounting cane arrears and weak output prices forced sugar industry in UP to take up the matter with the Government to link the cane price with sugar prices. Based on prolonged discussions, the cane price was fixed at the same level in SS 2013-14 as last year with certain additional concessions aggregating to ₹ 63 per tonne. On account of delayed start of cane crush in UP, there has been significant amount of diversion of cane for alternate sweetener manufacturers, which in turn affected the crush by Sugar mills.

In SS 2011-12, Triveni converted its Sabitgarh Sugar mill into a refinery at an optimum capital expenditure, as a part of its initiatives towards operational and profitability improvement. Similarly, in SS 2013-14, it converted its largest sugar mill at Khatauli into a refinery. Both these projects have low pay back period. Both these units have stabilised their operations and are producing highest quality of refined sugar which realises a premium over the sulphated sugar. With these two refineries, the Company today produces about 40% of its total sugar production as refined sugar.

Similarly, the Company has been proactive in marketing of sugar. Apart from packaged branded sugar, the refined sugar is also being supplied to high grade end users, thereby creating a niche customer profile. The units at Chandanpur & Rani Nangal are adhering to the best in class manufacturing process & quality and supply sugar to major multinational soft drink companies for their requirements. All these initiatives will lead to better realisation in comparison to bulk sale to traders. The Company has started pilot projects on maturity based harvesting which has resulted into phenomenal drop in staleness of cane & increase of sucrose content.

The Company's focus on its cane development initiatives continued unabated during the last two seasons. This has helped in bringing additional area under high yielding and high sugared varieties plantation and programme for yield enhancement, plant protection and reducing cane cultivation costs has been taken up vigorously with involvement and participation of farmers. The Company believes in working with the farmers to create a win-win proposition for the Sugar Business and farmers.

Co-Generation Business

Triveni currently operates grid connected three co-generation and two incidental co-generation capacities at its four sugar units namely Khatauli, Deoband, Chandanpur and Milak Narayanpur units. After meeting sugar factory's as well as auxiliary requirement, surplus power from these plants is exported to the grid. The Company has power purchase agreements with UPPCL.

- Co-generation plants utilise state-of-the-art technology and maximise efficient usage of bagasse (a fibrous residue left after sugarcane crushing and extraction of juice). Triveni's co-generation plants use highly efficient 87 ata / 515ºC steam cycle for its co-generation plant at Khatauli and Deoband units.
- Bagasse, being a renewable fuel, adds no net carbon dioxide in the atmosphere and, therefore, bagasse based co-generation plants are regarded as environment friendly, green fuel based plants.

Facilities

The existing co-generation plants at Khatauli and Deoband uses highly energy efficient high pressure boilers and turbines and are regarded amongst the most efficient co-generation plants in India. In December 2012, the Company commissioned incidental Co-generation facilities at Chandanpur and Milak Narayanpur units. These plants are designed to have fully automated operation using latest Distributed Control System (DCS). Highly skilled trained manpower operates these plants so as to ensure trouble free efficient operations and very high operating efficiencies.

Performance Overview

The operation of the co-generation plant to a large extent also depends on the efficient operations of the sugar factories (process steam consumption being low therefore maximising bagasse savings/availability for co-generation). Co-generation plants at Khatauli & Deoband continued to operate effciently and met the requirement of process steam and captive power. However, Triveni's Khatauli & Deoband units have witnessed a lower than expected bagasse availability for the co-generation plants in SS 2013-14 which resulted in limited average operation days of the co-generation plants after the end of the sugar crushing.

The Company continues to enhance energy efficiency of the sugar factories by making investments in various proven technologies /equipments to maximise the utilisation of the co-generation facilities. Some of the key improvements that were undertaken:

1. Various measures in the sugar units to reduce the process steam consumption
2. Installation of the electric drives in Khatauli
3. Installation of the planetary gear box along with ACVFD in Deoband unit
4. Installation of planetary gearboxes for various crystallizer drives and VFDs.

Deoband and Khatauli co-generation plants of the Company are registered as Clean Development Mechanism (CDM) projects with United Nations Framework Convention on Climate Change (UNFCCC). As the market for carbon credits continues to be depressed, the Company is holding about 90,000 issued CERs for the period June 2011–February 2012 and the same shall be transacted at an appropriate time.

Triveni's Deoband & Khatauli co-generation facilities are also eligible for Renewable Energy Certificates (REC) as these units are registered as per CERC REC regulations 2010. REC issuance in UP has also commenced and the Company has started getting revenue from the RECs transactions.

Awards & Recognition

The Company pays high level of management focus on the safety of the operating staff, plants & machinery. Greentech safety awards have been won by Khatauli (Greentech Platinum Safety Award) & Deoband (Greentech Silver Safety Award) in 2013.

Outlook

Current contract period for the applicable tariff in UP has ended on March 31, 2014. The process of tariff revision for the next contract period is underway and comments have been submitted by various stakeholders to UPERC as per the laid down procedures. Going forward, we expect higher applicable tariff for our co-generation plants.

We also expect some positive movement in enforceability of the Renewable Purchase Obligation (RPO) by the obligated entities including remaining states creating demand for the RECs.

Distillery Business

The Company operates a 160 KLPD capacity state-of-the-art distillery in Muzaffarnagar district in U.P. It is one of the largest single stream molasses based distilleries in India. Strategically located in close proximity to two of its largest sugar units, the distillery has an access to consistent supply of captive raw material. The unit extracts bio-gas from the effluent and uses it as main fuel in the boiler.

The distillery has a flexible manufacturing process allowing it to produce high quality Extra Neutral Alcohol (ENA), Rectified Spirit (RS), Special Denatured Spirit (SDS) and Ethanol, based on the requirements.

Performance Overview

During the period under review, distillery operated at 100% capacity and produced 698 lakhs litres.

- Extra Neutral Alcohol (ENA) - Triveni is a high quality producer of ENA and is the preferred supplier to all reputed Indian potable alcohol manufacturers. ENA fetches one of the highest realisations and has contributed 68% of the distillery sales in 2012-14.
- Ethanol – Also known as fuel alcohol, is blended with petrol as a green fuel. Apart from adding to fuel self-sufficiency measure with cost advantage, blending of ethanol with petrol helps the country to reduce its carbon footprint along with saving foreign exchange on import of crude oil. The Government of India has implemented 5% mandatory blending and therefore, the off-take by Oil Marketing Companies (OMCs) has been steadily improving. It is estimated that for 5% blending, the requirement would be in the range of 70- 80 crore litres. Procurement of ethanol by OMCs is through tenders. Triveni participated in all such tenders and have been successful in procuring sizeable quantities of supply of ethanol. During the current year, 16% of the sale of distillery products had been ethanol with high realisation. More importantly, the ethanol requirements by OMCs help in stabilising the prices of other forms of alcohol. Triveni's manufacturing capacity is flexible and can cater to the desired product mix.
- Industrial alcohol - This product is the residual output of the distillery during the manufacturing of ENA and therefore, fetches a lower realisation. The Company's main endeavour is to minimise its production so as to maximise the overall realisation from the distillery and maintain high margin. The quality of this product is excellent and major chemical companies are the customers for this product.
- Rectified Spirit - It is a potable grade alcohol which is used for manufacturing the front line products of Indian Made Foreign Liquor (IMFL).

Recognition

Triveni is the first company in UP which has obtained certificate from Food Safety and Standard Authority of India (FSSAI) for manufacture of RS (P) and ENA.

Awards

- Distillery business bagged Green Manufacturing Excellence Aspirant Award from Frost & Sullivan in the year 2013.
- Distillery business won Silver Safety Award Instituted by Green Tech Foundation, New Delhi in year 2013.
- Distillery business has been chosen for National Award for Manufacturing competitiveness for the year 2014 Instituted by International Research Institute for Manufacturing Competitiveness.

Engineering Businesses - Industry Section

Triveni's Engineering Businesses comprises of two distinct businesses namely Gears Business Group (GBG) and Water Business Group (WBG). Both the businesses cater to the requirements of the industrial & utility power sector. WBG additionally caters to the needs of the Municipal Sector. As a part of the industry analysis, brief analysis of capital goods sector including power sector and in general about water industry is given below.

Capital Goods Sector

Capital goods refer to products that are used in the production of machine tools, industrial machinery, process plant equipment, electrical equipment etc. Capital goods is considered as a strategic sector that results in the development of domestic manufacturing/production/generation capabilities from a nation's self-reliance and security perspective. The growth in capital goods sector has a multiplier effect in the user industries and it also serves as a barometer of state of health and growth of the user industries. Capital goods sector provides critical input, i.e., machinery and equipment to the remaining sectors covered under the manufacturing activity.

Since 2011, capital goods sector has been witnessing slowdown due to factors such as weak demand, higher raw material costs, interest rate hikes, low business sentiments and slow movement in implementation of reforms which have impacted the performance resulting in weak industrial activity. The slowdown in infrastructure as well as key user industries has negatively impacted the capital goods industry which in turn resulted in sluggish order inflows, delay in taking deliveries / execution of projects, delayed payments etc.

In the domestic market, all the key factors that have been contributing to the situation explained above still continue and we expect the situation to improve in a gradual manner in the coming quarters with a stable Government at the helm. The shrinking market size has also brought about high competitive activity among domestic players as well as imports resulting in pricing pressures, thereby impacting margins and cash flows negatively.

Outlook

India is still an emerging economy in terms of industrialisation and infrastructure, Capital Goods sector, hence plays a vital role in overall industrial and economic growth. Aided by growth promotion policies, the sector should grow and generate orders similar to the levels attained in 2005-10 period.

As per some industry reports, the Market Size of Capital Goods Sector is estimated to reach ₹ 919,900 Crore by FY17. The Government has initiated various measures to improve the investment climate in the country and we expect the sector could show signs of revival during the second half of FY 15 and post higher numbers in the medium term. In a growing economy like India, it is envisaged that the growth trajectory of capital goods industry may be inevitable and may resume shortly.

Water Industry

India's finite water resources are depleting and the multi-sectoral demands for water from sustained economic growth is driving the increased demand for water. India has 4% of water resources of the world, while it has to support 16% of world population and 15% of livestock. With increasing population, the per capita water availability has reduced to about one third since 1940's. While the total water availability exceeds the requirement by almost 50%, accessibility to clean usable water is only a fraction of the availability. Consequently, water and wastewater treatment segments will continue to offer huge business potential in India in future. Country's growing industrialisation coupled with stringent environmental norms is opening up newer possibilities in water and wastewater treatment.

The Ministry of Water Resources helps the State Governments in availing external assistance from different funding agencies to fill up the resource gap and adopting state-of-the-art technology for water resources development in the country.

Beyond the Government's push in improving the water sanitation and availability, the country is also attracting supplementary financial and technological contributions from private sector in the development of sustainable water solutions. Various estimates suggest that there is a 'billion-dollar market' in the construction segment and the equipment market is worth approximately USD 280-470 million, which is expected to maintain a double-digit growth rate every year. Industrial and municipal segments account for almost 90% of the water treatment market in India.

The Planning Commission has estimated an investment of USD 20 billion in the 12th Five Year Plan (2012-2017) for providing safe water to all the urban and rural population. To tackle the emanating water challenge, India will require consulting and engineering services across water technology including desalination and environment protection for treatment of wastewater, sewage and solid, liquid and chemical waste.

The recent adverse domestic economic conditions and policy conundrum is making effective investment in this critical infrastructure sector difficult to achieve, and this is affecting in realising the anticipated benefits from the water sector.

Wastewater management in India has become an extremely important area of focus due to increasing health awareness and population pressure. Currently, only 60% of industrial water and 26% of domestic water is treated in India. Metros and large cities are treating only about 29.2% of their wastewater; smaller cities treat only 3.7% of their wastewater.

The Indian water treatment market is now evolving from chemical treatment and demineralisation technologies to greater use of membrane technology; thereby enhancing the quality of water available for reuse. India has a long coastline of 7,600 kilometres and is most likely to witness high growth in desalinating water in the future.

The industrial segment uses water for its heating and cooling processes, after which 80% of it is discharged as wastewater and effluent. Water availability is critical for power generation as power plants need significant volume of water for steam generation and cooling. Thermal power, petroleum & refinery, textiles, pulp & paper and iron & steel are highly water-intensive sectors where water is primarily used in heat transfer. In power plants, refineries, chemical industries and steel plants, water is the most cost-effective medium to produce steam in boilers to produce electricity. As water availability and quality declines, companies may need to invest in water infrastructure projects to secure supplies, water treatment systems, and/or more advanced cooling systems.

The industrial sector is expected to drive future growth in the Indian water and wastewater treatment market over the next five years, with sectors like power, food and beverage, pharmaceuticals, likely to drive equipment sales. However, various factors like land clearances, fuel linkage, high inflation and interest rates have affected the overall business sentiments leading to project delays and lack of investments in utility power & other infrastructure projects in the country.

While various policies are being framed by the government to foster economic growth, an essential ingredient for progress lies in efficient water management. Favourable policies and investments are needed to propel the wastewater treatment market in India.

Water Business

Water Business Group (WBG) of Triveni has emerged as one of the major players in the water and waste water treatment segment in India. It has established its position over the years by providing efficient and cost effective solutions with its technological reach and engineering & design competence. The business continues to secure good orders on the back of its unique differentiators namely technology, design and engineering.

WBG has emerged as one of the most diversified solutions provider in waste water segment and it has been executing larger projects, some of which are technologically advanced and significantly larger in size. This will help the business to expand and grow over the coming years.

WBG further strengthened its crucial Project Management processes during the period under consideration through a slew of initiatives at all levels - from engineering stage to site activity level to macro management level. This has brought requisite momentum and speed in the project execution while maintaining control on costs.

Performance Overview

On account of the economic slowdown, last two years had been sluggish in terms of fresh capital expenditure in the country, which has affected the momentum of WBG. Even though, the business continued to get orders, many large orders, especially in the power sector, either got deferred or delayed due to customer's problems. During FY 14, WBG continued to focus on completion of old projects which have got delayed in the preceding years.

In the prevalent market conditions, WBG continues to refrain from taking up projects in private power sector and instead it is focusing on PSU industrial and other segments where customers have healthy financial position, financial closure of the project in place and there is a likelihood of timely completion of the project. The WBG has secured good contracts in its focus areas like Thermal Power, Hydrocarbon sector from the targeted customer group.

During the period under review, WBG continued its efforts in Product development for target markets including Municipal and Sludge treatment. Some of these designs are ready and plant scale trials have commenced and will be concluded in the coming year. Once field tested, these products will provide the Company unique positioning in target market segments.

Key Highlights of the projects completed

- 30 MLD Sewage Treatment Plant (STP) for Hyderabad Metropolitan Development Authority (HMDA) was put in regular operation after extensive guarantee test runs. The plant is provided with Biological Nutrient Removal (BNR) facility and is based on state-of-the-art A^2O process technology. The plant is provided with Tertiary filtration system to ensure separation of maximum impurities from raw sewage before discharging it into Hussain Sagar Lake. The plant is a part of the Lake Improvement project funded by Japan International Cooperation Agency (JICA). The STP's performance is excellent and is well exceeding its targeted treated sewage results. The plant is under comprehensive O&M by WBG and is the second plant after commissioning of 20 MLD STP earlier for HMDA for the same Lake Improvement program.
- 23 MLD Sewage Treatment Plant (STP) for Delhi Jal Board (DJB) has been completed and commissioned based on advanced Sequential Batch Reactor (SBR) technology in collaboration with our overseas partner. The STP is functioning very well meeting all the guaranteed parameters. This plant will also be operated and maintained by WBG for the next ten years.
- WBG's largest project, 144 MLD Advanced Water Treatment plant at Agra for Uttar Pradesh Jal Nigam (UPJN), has been commissioned. This plant is based on

Moving Bed Bio Reactor (MBBR) followed by Ultrafiltration (UF). Pre-commissioned trial results indicate and confirm that the studies done over 12 months on a Pilot plant at site were same as the actual process requirement. This process was selected as conventional treatment processes were not able to respond to contaminated Yamuna water quality to produce drinking water level quality. Globally this is the largest plant on state-of-the-art MBBR technology and also the largest UF based surface water treatment plant in India. The unique technology demonstration at Agra is likely to change the way forward and the technology may be replicated across other Municipal and Industrial applications.

Some of the major orders received during the period under review:

- Complete Water Treatment Plant for 3x800 MW Super Critical TPS for NTPC at Kudgi (Maharashtra) involving Pre-treatment, RO based DM Plant, Effluent Recycling system, Coal Slurry handling system etc.
- Complete Water Treatment Plant for Bharat Petroleum Corporation Limited for their Integrated Refinery Expansion project at their Kochi Refinery for expanded capacity to 15.5 MTPA.
- 50 MLD Effluent Treatment/Recycling Plant for a Textile industrial estate in Ludhiana (Punjab), managed by Punjab Dyers Association along with long-term comprehensive O&M contract.

Outlook

Over the last three years, there has been a slowdown in the market but it is expected to turn positive in the later part of the current year with the new government in place. In the interim, green-field Industrial projects were far and few except in public sector. In the Municipal sector, externally funded jobs were limited and availability of JNNURM funded large jobs was reduced as the scheme was not renewed for extended period. All this is likely to change in the coming years for better market outlook.

Investments in private thermal power generation sector should unlock in medium term with policy reforms in respect of coal availability and improved funding. Hydrocarbon sector will be mostly driven through expansion projects and more efficient effluent treatment schemes meeting updated regulatory discharge norms.

Municipal sector will get boost once fundings are firmed up. As the States are in not good financial health in funding water and wastewater infrastructure, Central Government may either extend JNNURM scheme or undertake some similar initiatives. With huge infrastructure gap, this is likely to be priority issue for the new government. There are large possibilities in water supply components and sewerage collection facilities and a large part of the investment will flow in these schemes as focus on sanitation will get impetus by combining it with health related issues across regions.

In the above likely scenarios, the coming years are expected to be conducive for the business. WBG is rightly positioned to seize these opportunities not only from most optimal technological standpoint but also from the viewpoint of efficient project management which will provide us an edge over the competition.

The business is carrying forward a strong pipeline of orders to be executed amounting to ₹ 525.6 crore including O&M, which will help the business to have steadily increasing turnover in the coming years. Further, WBG also has long term O&M contracts on the major projects and revenue from many of them will start accruing from FY 15 onwards. The total outstanding O&M contract value on all the projects is ₹ 204.5 crore.

Gears Business

Triveni's Gears Business Group (GBG) manufactures engineered-to-order high speed and niche low speed application gearboxes.

Domestic market witnessed major slowdown, high volatility and unpredictability during the period under review. The major market segments for GBG from Original Equipment Manufacturer (OEM) and retrofitting perspective are sugar, cement, captive power plants, independent power plants, thermal, steel, rubber (tyres manufacturers), mini hydel etc. From a product line perspective, both high speed and low speed markets were negatively impacted due to lack of investments for new projects and the OEM business witnessed a major decline. However, there is a large untapped potential of business in the export market for OEMs and the aftermarket, for which GBG has received encouraging response during the year 2013-14.

In low speed gears segment, particularly in engineered- to-order space, competition was intense. In Hydel segment, there were limited projects but GBG bagged few large project orders from OEMs thus maintaining its market share in high power Hydel space. Repair, retrofitting and aftermarket showed steady business growth due to high degree of focus, combined with mechanism adopted to have accurate forecasting supported by advance manufacturing.

Segments

- **OEM:** GBG has around 80% domestic market share across OEMs and around 30% in low power hydel segment. In the export market also (mainly South East Asia), GBG has gained substantial market share in the OEM segment.

- **Refurbishing, Replacement and Spares:** Traditionally this has been a dominant market segment for GBG as it enjoys the credibility of being an OEM.

  GBG proactively provides health monitoring services for all types of critical gearboxes, high speed and low speed, as well as maintains an inventory of dimension ready sites for

immediate solution. GBG's solutions are technologically at par and cost competitive as compared to international companies. This together with competitive lead time, have been the major drivers for capturing majority of opportunities.

Commercial and proactive marketing, expanding network and relationships are the key differentiators for spares, repair and replacement markets. The speed and quality of solution has always had a positive impact on improving our market share vis–a-vis the original equipment suppliers.

- **Loose Gearing:** Market dynamics in this segment is similar to the OEM segment. But this segment also demands a capacity availability of critical machines like hobbing, teeth grinding as well as surface grinding and this helped GBG in maintaining a strategic presence into the segment.

Performance Overview

Despite the slowdown in domestic market, GBG witnessed a reasonable order booking and significant growth in exports in the same period. A slew of proactive measures such as better forecasting of orders, initiation of supply chain activities based on forecast and faster throughput in terms of quick deliveries helped retrofitting maintain its performance. These initiatives helped in increasing the share of business from repair, spares and refurbishing, thereby enabling the Company to book and execute orders in relatively short span of time. The proportion of retrofitting, spares and loose gears share was maintained at 39% and 41% of turnover for the 12 months and 18 months period respectively.

In spite of a significant decline in overall market size, GBG's market share with all major OEM's remained at a dominant level. Addition of new export OEMs helped in improving OEM market base. Furthermore, few OEMs from Japan and Europe have already approved GBG, the orders from them are expected to start flowing upon such OEMs securing orders.

Another key development which shall fuel growth is the long term sourcing drive and approval by GE Oil & Gas - Lufkin. GBG expects supply of high power high speed complete units to be sourced during FY15 and growing further into FY16.

GBG continued on its journey of Business Excellence and was conferred 'Strong Commitment to Excel' recognition by CII Exim Bank in its first year of participation. In addition, GBG continued its journey to develop better compliance to EHS and was certified OHSAS 2001: 2008. Further the business has been able to develop a sustainable all around 5S and Kaizen activity across business processes.

In-house R&D efforts led to a significant achievement and GBG successfully developed horizontal planetary gearbox for sugar mill application. This development has helped GBG to expand its technology footprint in planetary space, a potentially high growth product line.

Exports

Focus on exports has started to yield positive results in spite of limited geographical territories available to GBG due to its technology license with GE–Lufkin. However under 7.5 MW segment, GBG achieved many breakthroughs from large key accounts. This was a result of focused marketing deployed for under 7.5 MW segments in regions like Japan, Europe and China.

GBG revisited its strategy on repair and refurbishing in export markets and appointed an international agent for four countries- Malaysia, Indonesia, Thailand and Philippines. GBG expects good results to flow in the coming years. GBG is also reviewing possibility and viability of service/ repair centres in South East Asia and Middle East regions to expand its export base to capture opportunities in repair space.

After successful commissioning of planetary mill gearbox for mill drives at Deoband, GBG is in the process of launching this product in 500 to 1500 KW power range for domestic and also in export markets.

Key Highlights

Highest power steam turbine gearboxes of 47 MW & 45 MW were built and tested successfully for GE Triveni Ltd during the period.

GBG successfully executed many critical high speed gearbox replacements like:

- Frame 5 load gearbox for Burma
- Two numbers 3.3 MW hydro gearboxes for Turkey.
- 25 MW gear internals for a Japanese manufacturer
- 4.3 MW replacement for integrally geared compressor gearbox of Flender make.
- Replacement for rubber mixer gearbox of Chinese make
- Replacement of coal mill bevel helical pulverizer gearbox for a European manufacturer.

Further some of the key highlights in OEM space were:

- 12 numbers 5.3/6.2 MW gearbox order
- 835 KW planetary mill drive gearbox.
- 12 large gear set order for mud pump applications.
- 15 MW test rig gearbox order.
- Signing of exclusive MOU with Siemens-India for integrally geared compressor gearbox.
- Breakthrough orders from major equipment manufacturers for BFWP drives

Outlook

Being a key player in the capital goods sector, GBG's outlook is clearly linked with the overall economic prospects of its operating geographies. With the expected revival of business sentiments after a new stable government at the centre, economic growth momentum is expected to revive. The efficiency measures and intensified sales efforts undertaken in tough times shall help GBG strengthen its market position in key geographies including the high potential exports market.

Corporate Social Responsibility

Triveni's community development initiatives are focused on five key areas - education, healthcare, environment, community enhancement and sports & recreation.

Education

The Company runs schools at three of its major sugar units namely Khatauli, Deoband and Ramkola. The Company has established Lala Puran Chand Sawhney Memorial Inter College, Deoband as a primary school in the year 1970. Now this school imparts education up to class 12th to the children of the factory employees as well as to the poorest of poor family's children in the vicinity of the factory at a very nominal fee. The Company has established a basic Prarambhik Pathshala and Rai Bahadur Ishwardas Sawhney Junior High School under the aegis of Rai Bahadur Ishwardas Sawhney Educational Society, Khatauli. The Company also runs Smt. Gopi Devi Girls Junior High School in factory premises of Ramkola unit to facilitate girls' education in the area. More than 1,600 students are enrolled in these schools out of which around 85% students are from the financially weaker section. These schools encourage activity based learning. For inclusive growth of students, the schools organise various activities like painting & drawing competition, essay writing competition, singing and dancing competition, sports activities etc.

Early childhood care and education is now being universally recognised as a crucial input for overall development of Pre-Primary child. Realising this, many Non Governmental

Organisations like Pratham, Mysore have come up with model Preschool centres called Balawadis which advocate and practice play-way methods. The Company supports Pratham in its effort to address the Pre-School needs of children in slums and narrow lanes in Mysore. Pratham Mysore's Balawadi programme targets children from low-income families in the age group of 3-5½ years and familiarises them with schooling such that "school-going" becomes a habit. The Company also sponsored education of under- privileged students studying in schools located in backward villages near Mysore.

Healthcare

Triveni provides financial and management support to one of Delhi's oldest and most reputed hospital, 'Tirath Ram Shah Charitable Hospital'. The hospital runs free OPD service where around 250 to 300 patients are examined daily. In addition, the investigations are done on highly subsidised rates. The hospital admits patients from the financially weaker section of the society free of cost and treatment including operation is carried out without any charge.

The Company established dispensaries for the employees and the nearby villagers since the time of commissioning of sugar units at Khatauli, Deoband and Ramkola in 1930s. This initiative was taken to provide free medical facilities to the employees and the villagers of the nearby areas who could not afford medical expenses and first aid facilities. These dispensaries provide free treatment for general ailments. The villagers from the nearby areas come for the first aid and routine checkups in the dispensary and get free medical aid. On an average, more than 200 patients are treated everyday at these dispensaries. The sugar units also organise health checkup camps, blood donation and vaccination camps from time to time for the employees and nearby villagers.

The Company sponsors Akshaya Patra Programme of ISKON, which offers free, nutritious mid-day meals to underprivileged children studying in Government primary school in and around Mysore. The programme helps in increased enrolment of children in schools, enhanced classroom performance of children and improves nutrition status.

The Company supports Rehabilitation Opportunities, Services & Health for the Neurologically Impaired (ROSHNIin Gwalior, Madhya Pradesh with the objective of providing direct services for persons with neurological and other impairments, raise awareness about disability, build capacities to increase the numbers and strengthen the knowledge and skills of the lay and the professional, family and community, to enable the inclusion of persons with disability into the community.

Environment, community enhancement and sports & recreation

The Company organises Inter unit sports activities for employees with the purpose of enhancing various skills like team building, managing stress & conflicts and thus helping employees to develop attitude for success. Various units of the Company also organise sports activities for residents of adjoining villages and support community fairs and festivities with useful contributions for organising such activities.The sugar units distribute blankets amongst underprivileged people of surrounding villages. Triveni recognises its responsibility towards environment protection and realises the importance of awakening and engaging public at large to achieve greater impact. All units of the Company regularly organise tree plantation campaigns throughout the year and ensure participation of local communities into it.

CII-Triveni Water Institute: A Centre of Excellence on Water

Triveni has partnered with CII for setting up of CII-Triveni Water Institute (CII-TWI), the first of its kind in the world where Government, industry and civil society have come together to address the water related issues in a holistic manner. The vision of CII-TWI is "to enable India make substantial progress towards achieving water security by 2022". Its core purpose is to transform water conservation and management in India by changing the mind-set and behaviour of stakeholders resulting in more effective and sustainable water management practices at the grassroots level.

CII-TWI, through its structured four verticals, namely Advisory Services (including Water Audits); Projects and Policy Advocacy; Training, Education and Capacity Building; and Communications and Events, is striving towards making the much desired change.

Impact and Achievements of CII-TWI include:

- Water Audits undertaken in over 100 companies resulting in the following benefits:
  - Achieved direct water saving of around 40 billion litres.
  - Immediate 20-30% reduction in water use through low cost interventions
  - Return period of on investments mostly <1 year
  - Reduction in wastewater generation through recycle and regeneration mechanisms
  - Identification of a roadmap for Zero Liquid Discharge (ZLD), a strategy for better preparedness for meeting futuristic regulatory compliances.
- Identified possibilities of around 20-30% water use efficiency and 20 water saving projects in ten industrial sectors by engaging with Municipalities and Industries for promoting Water Use efficiency.
- Published a Handbook on Water Use Efficiency in Urban India, and shared amongst Industry members, Government and other stakeholders for mass awareness creation.
- Prepared a Baseline Report on CETPs in India: Status, Issues and Case study.
- Sensitised 2000+ stakeholders to enable them to adapt to the impacts of climate variability.
- Contributed to Policy Advocacy and provided inputs to the National Water Policy 2012.

Financial Review

₹ lacs

Description	2012-14 18 months	2011-12 12 months	Change % Annualised
Net Turnover	315336	185954	13%
EBITDA	9282	19547	-68%
Depreciation & Amortisation	11878	8155	-3%
Finance Cost	18523	12279	1%
Profit Before Exceptional/Non recurring items & Tax	(21119)	(887)	
Exceptional /Non recurring items(Net)	(4382)	7896	
Tax	(1459)	(2112)	
Profit After Tax	(15278)	(6671)	-53%

The current accounting period ended March 31, 2014 is for a period of 18 months whereas the previous year is of 12 months. Thus, the figures of the current period are not comparable with the previous year. Further, current accounting period comprises of two sugar seasons and two co-generation seasons whereas the previous year comprises of only one season. Consequently, revenue, expenses and profitability of sugar and co-generation of the current accounting period are not comparable with those of the previous year.

During the year, accounting policy of off-season expenses has been changed for better presentation of financial statements and such expenses will now be charged over the season comprised in the financial year/accounting period and no such expenses would be deferred for the succeeding year. Impact of change in accounting policy on the profit before tax of sugar segment and of the Company is ₹10.37 crore. Further, MAT credit entitlement of ₹ 29.50 crore has been written off during the current accounting period in view of lack of convincing evidence that such entitlement will be utilised within the prescribed period. Consequently, the tax charged in the accounting period has increased correspondingly and the loss after tax is stated higher by ₹ 29.50 crore.

The major reason for losses in the sugar operations during the current accounting period has been the increase in cane price which has led to higher cost of production which could not be offset by increase in realisation price. Cane price per tonne of sugar in Uttar Pradesh (UP), where the Company's sugar units are located, is one of the highest in the country due to arbitrary high cane price announced by the State Government as well as due to abnormally low recovery, especially in Western UP. For the viability of sugar industry, it is essential that the issue of cane pricing be resolved rationally through a sound policy making and in accordance with Dr. Rangarajan Committee report which advocated linkage of cane price with the sugar price. In view of persistent demands of the industry, the UP State Government has finally constituted a high level committee to look into this matter. A rational and a well-balanced policy from the State Government will go a long way in making sugar industry in UP viable.

However, the performance of co-generation and distillery has been extremely good and to some extent, it has been able to mitigate losses of sugar.

The losses reported by Water Business are reflection of economic slow-down in the country and policy conundrum and as a direct consequence, some of the ongoing projects have been delayed due to financial, viability and/or regulatory issues. It has led to cost overruns and necessitated provisioning. However, the business continues to have a healthy order book.

The Gears Business caters to the capital goods industry which has also been adversely impacted by economic slow-down. The business, in terms of revenue and profitability, has underperformed as compared to the previous year but because of its robust product mix, it has been able to maintain its net profit margins.

Raw Material and Manufacturing Expenses

₹ lacs

Description	2012-14 18 months	2011-12 12 months	Change % Annualised
Raw material	318934	142906	49%
Percentage to sales	*101%*	*77%*	
Manufacturing expenses	27300	14548	25%
Percentage to sales	9%	8%	

As earlier stated, the current accounting period comprises of two sugar seasons as compared to only one season in the previous year. Further, material cost and manufacturing expenses in respect of sugar operations are linked to production rather than to sales. A majority of the sugar produced in the season 2013-14 is lying unsold as on March 31, 2014. It explains the higher percentage of cost of material and manufacturing expenses to sales.

Cane price during the current accounting period is higher by 15% over the previous year and further, the crush is higher by 95%. This has led to increase in material cost and manufacturing expenses during the current accounting period.

Personal Cost, Administration Expenses and Depreciation

₹ lacs

Description	2012-14 18 months	2011-12 12 months	Change % Annualised
Personnel cost	21453	13395	7%
Percentage to sales	*7%*	*7%*	
Administration	9083	6721	-10%
Percentage to sales	*3%*	*4%*	
Selling expenses	3572	2428	-2%
Percentage to sales	*1%*	*1%*	
Depreciation & Amortisation	11878	8155	-3%
Percentage to sales	*4%*	*4%*	

Personnel cost has increased by 7% on an annualised basis reflecting increments and wage increase. In view of cost control, administration and selling expenses have been kept in check.

Off Season Deferred Expenses

₹ lacs

Description	2012-14 18 months	2011-12 12 months	Change % Annualised
Off-season expenses deferred (net)	10047	538	1145%

There is an impact of ₹ 13.13 crore on account of change in accounting treatment of such expenses. Deferred expenses from previous year were charged off in the current accounting period and no expenses relating to current accounting period were deferred.

Finance Cost

₹ lacs

Description	2012-14 18 months	2011-12 12 months	Change % Annualised
Interest on term loans	9597	6258	2%
Interest on working capital funds	8408	5680	-1%
Others	518	341	1%
Net finance cost	18523	12279	1%

During the accounting period, there has been significant increase in interest rates on account of RBI policy to check inflation but the Company has still been able to maintain its cost of capital. Further, it is expected that RBI may soften its stance on interest rate with a view to promote growth, in which case the cost of capital would further reduce as most of our loans are on floating rate basis. Our debts as on March 31, 2014 comprise of interest free loan of ₹126.26 crore, which would further help in reducing the overall cost of capital.

Segment Analysis

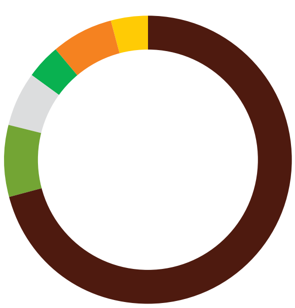
₹ lacs

	Revenue			PBIT*		
	2012-14 18 months	2011-12 12 months	Change % Annualised	2012-14 18 months	2011-12 12 months	Change % Annualised
Business Segments						
-Sugar	298475	173778	15%	(1893)	8248	
-Engineering	39510	27360	-4%	2556	4235	-60%
-Others	14175	2444	287%	390	12	
Unallocated/inter unit adjustment	(36824)	(17628)		(3649)	(1103)	
Total	315336	185954	13%	(2596)	11392	

**Before exceptional items*

The Company has two major business segments: Sugar Business and Engineering Business. Sugar Business comprises of sugar manufacturing operations across seven sugar mills, two incidental co-generation plants at two of its sugar mills, three Co-generation plants located at two of its sugar mills and a standalone Distillery; all located in the State of U.P. Co-generation plants and Distillery source captive raw material namely bagasse and molasses from the sugar mills. Engineering Business comprises of Gears manufacturing at Mysore and Water and Wastewater treatment business operated from Noida, U.P.

The percentage contribution of each business towards the total turnover is provided here below:



The sugar operations of the Company are integrated with co-generation that use captive bagasse and with distillery operations that use captive molasses. The profitability of sugar co-products helps the Company to mitigate cyclical Sugar Business. Further, profitable engineering businesses also help in mitigating overall risk profile of the Company.

Sugar Business Segments

Sugar Operations

₹ lacs

Description	2012-14 18 months	2011-12 12 months	Change % Annualised
Turnover	249298	148207	12%
PBIT*	(19193)	533	
PBIT/Turnover (%)	-8%	0.4 %	
Cane crush (MT)	9978300	5115700	30%
Cane cost (landed) (₹/MT)	2900	2525	15%
Production of sugar (MT)	926856	465017	33%
Volume of sugar sold (MT)	682962	437775	4%
Average realisation price (₹/MT)	31364	30288	4%

** Before exceptional items.*

The results of the current accounting period are not comparable with the previous year as current accounting period comprises of two sugar seasons as compared to only one season in the previous year. Further, the results of sugar operations include impact of ₹10.37 crore on account of change in the accounting policy for off-season expenses.

High losses of the sugar operations are mainly due to unrealistically high cane price which resulted in higher cost of production. The sugar inventories were written down by ₹ 55.36 crore to estimated net realisable value. The sugar industry in UP is looking forward to much needed reforms with respect to cane pricing policy, but for which, the industry will continue to languish.

During sugar season 2012-13 and 2013-14, the Company has set up refineries at two of its sugar units and also set up incidental co-generation plants at the other two sugar units. These are all low cost capital expenditure with pay back of less than two years. The Company will be exploring other possibilities to implement similar projects for better efficiency and profitability.

Co-Generation Business

₹ lacs

Description	2012-14 18 months	2011-12 12 months	Change % Annualised
Turnover	26397	12371	42%
Income from carbon credit/REC	171	556	
Total turnover	26568	12927	37%
PBIT	9935	4990	33%
PBIT/ Total Turnover (%)	37%	39%	

In view of two seasons comprised in the accounting period, the operational period of co-generation plant was higher during the current accounting period. During the current accounting period, the power generation was higher by 27% and the realisation price was marginally higher than the previous year. The co-generation has almost maintained its margin despite increase in bagasse price (input by about 11%).

The Company holds 86561 CERs but has not been able to sell due to sluggish prices. Further, out of the total RECs of 95752 granted to it, it has been able to sell 11402 REC with revenue of ₹1.71 crore in the current period.

Distillery Business

₹ lacs

Description	2012-14 18 months	2011-12 12 months	Change % Annualised
Turnover	22609	12644	19%
PBIT	7365	2725	80%
PBIT/Turnover (%)	33%	22%	
Avg. realisation price of alcohol ₹/litre (net of excise duty)	34.84	30.25	15%

During the current accounting period, the distillery has operated for 436 days, an increase of 72% over the previous year. It is mainly attributed to operations to the fullest statutory extent and due to two sugar seasons comprised in the current accounting period. The increased profitability, despite increase in raw material price by 11%, is attributed to higher realisation price by 15%, higher operating efficiency and best in class recovery.

Engineering Business Segment

Gears Business

₹ lacs

Description	2012-14 18 months	2011-12 12 months	Change % Annualised
Turnover	14209	10437	-9%
PBIT	3965	3007	-12%
PBIT/Turnover (%)	28%	29%	

As earlier stated, Gears Business was also affected due to sluggish demand as a result of economic slow-down. However, it was able to increase the proportion of aftermarket services and refurbishment in the total sales from 39% in the previous year to 41% in the current accounting period. The change in the product-mix helped it to restrict decline in margins. The business has been vigorously focusing on exports, especially, in respect of aftermarket and refurbishment and is also committed to develop new products for enhancing its product offerings. All these measures would help in achieving growth in future

Water and Waste treatment Business

₹ lacs

Description	2012-14 18 months	2011-12 12 months	Change % Annualised
Turnover	25301	16923	-0.33%
PBIT	-1409	1228	
PBIT/Turnover (%)	-6%	7%	

In view of subdued business sentiments and policy stalemate, the customers of Water Business faced various financial, regulatory, land acquisition and environmental issues and accordingly, several projects were put on hold or got delayed. This resulted in deferment of revenue recognition and also resulted in project cost overruns. In several cases, provisions were also necessitated to factor in possible non recoveries. During the FY 15, Water Business would be completing and handing over several projects which will enable it to pre-qualify for bigger projects. Further, in order to improve project management monitoring, it has taken a strategic decision of accepting orders only beyond a threshold amount. This will enable it to complete the projects efficiently and in a timely manner, thereby avoiding any cost overruns.

Review of Balance Sheet

Major changes in the Balance Sheet items are explained as hereunder:

Share Capital

During the year, share capital has increased by 0.20 lacs due to issue of equity shares pursuant to the Stock options.

Reserves

The reserves have reduced by 16% owing to losses during the year.

Long Term Borrowings

Total long term borrowings at the year-end including current maturities of long term borrowing are at ₹ 584 crore as against ₹ 599 crore at the end of the previous year. During the year, loans of ₹ 256.16 crore were repaid and loans of ₹ 241.26 crore were availed, including an interest free loan of ₹ 126.26 crore availed at the year-end under 'Scheme of Extending Financial Assistance to Sugar Undertakings 2014'

Deferred Tax Liability

Deferred tax liability has reduced from ₹ 66.09 crore as on 30.9.2012 to ₹ 24.49 crore as on 31.3.2014 due to recognition of deferred tax assets in respect of losses during the year.

Short Term Borrowings

Short term borrowings have significantly increased from ₹ 423.53 crore as on 30.9.2012 to ₹ 591.27 crore as on 31.3.2014 in view of higher sugar inventories held. Since the crushing season concludes closer to 31st March, higher stocks are held as compared to 30th September (previous year end).

Trade Payables

Trade payables have increased from ₹ 103.10 crore as on 30.9.2012 to ₹ 820.04 crore as on 31.3.2014. The increase is primarily due to higher cane dues outstanding. It is customary to have higher cane dues around the end of the season.

Fixed Assets

During the year, there have been additions to the fixed assets to the extent of ₹ 52.14 crore mainly due to setting up of two refineries, implementing incidental co-generation at two sugar units and incurring normal capital expenditure relating to upgrading / balancing manufacturing facilities.

Non Current Investments

During the year, investment of ₹ 2.80 crore in the preference shares issued by TTL was redeemed and further, the Company has divested its stake in two associate companies.

Other Non-Current Assets

Other Non-Current assets have increased from ₹ 8.46 crore as on 30.9.2012 to ₹ 40.39 crore as on 31.3.2014. The increase majorly represents retention amount mainly pertaining to water business.

Current Assets

- **Inventories** - Inventories have significantly increased from ₹ 538.18 crore as on 30.9.2012 to ₹ 1402.05 crore as on 31.3.2014. The increase is primarily due to higher quantum sugar inventories held.
- **Trade Receivables** - Trade receivables are higher at ₹ 228.07 crore as on 31st March, 2014 as against ₹ 209.82 crore as on 30.9.2012. The increase is mainly due to higher outstanding dues from UPPCL to which the power is sold.
- **Other current assets** - Other current assets have significantly reduced from ₹ 163.89 crore as on 30.9.2012 to ₹ 36.25 crore as on 31.3.2014. This is due to the fact that off-season deferred expenses as on 30.9.2012 were as high as ₹ 100.47 crore whereas such expenses have been fully expensed out in the current accounting period.

Risk Review

The Company manages its Sugar and Engineering businesses which have different risk profiles. While sugar, an agro based business, is largely dependent on Government regulations and policies and is also influenced by uncontrollable climatic factors, the Engineering business relates to capital goods and infrastructure sectors which is dependent on the economic growth of the country. The Company has identified key risks with respect to each of its business and has formulated a comprehensive risk management framework and mitigation procedure to manage incidental risks.

Sugar Business

Most of the major risks are from external sources and these are enumerated as hereunder:

- **Government policy**: While the obligation of levy sugar has been dispensed with and the monthly release mechanism of sugar has been deregulated, the sugar industry continues to remain highly sensitive to sugarcane pricing which is still vested with the Central/State Governments. An unrealistic cane price with reference to output pricing can render operations of Sugar Business unviable.
- **Climatic factors**: Climatic factors including monsoon, appropriate temperature, floods, drought, and crop diseases are cumulatively responsible for the yield and sugar recovery from sugarcane. In the event of lower sugarcane yield, the supply of sugar cane to sugar mills is affected and thus optimum utilisation of the capacity may not be achieved. Higher sugar content in sugar cane determines production of more sugar from sugarcane and thus, it has significant impact on the cost of production of sugar.
- **Output price risk**: It is dependent on the demand and supply position in the country, quantum of sugar inventories held, economics of international sugar trade

and their price trends as well as government regulations on international trade.

Risk Mitigation

There are several external risks which are not within the control of the Company and therefore the Company strives to achieve best possible efficiencies in respect of controllable risks to improve stability of earnings. Some of the initiatives of the Company are described here below:

- The Company lays emphasis and commits considerable management time on planting and propagation of desired varieties, improving cane intensity, educate famers on best sowing and cultivation practices with a view to increase the sugarcane yield and recovery. The cane development initiatives are carried out with full involvement of farmers and the Company strongly believes that such initiatives should result into win-win situation for the farmers and the Company.
- The Company focuses on best efficiencies in procurement of cane so as to optimise the cost of procurement as well as to ensure that the sugar content is not lost due to staleness.
- The Company focuses on best efficiencies in the manufacturing to ensure that sugar losses are at par with the best in the industry and there is optimal utilisation of utilities like steam and power in the production for maximisation of savings.
- The Sugar Business has implemented two incidental power projects at low capital cost with a view to generate additional income by way of power sale.
- With the setting-up of two refineries, 40% of the sugar produced is refined sugar, which commands premium in the market.
- The Company gives due importance to the quality of sugar and makes appropriate grades of sugar to benefit from the premium associated with such qualities/grades.
- In order to mitigate cyclicality of the Sugar Business, the Company has set up three co-generation plants, two incidental co-generation plants and a large 160 KLPD distillery. These sugar allied activities are based upon captive raw materials and have independent revenue streams which to a large extent mitigate the cyclicality in sugar operations.

Engineering Business

Our Gears and Water Business are in the capital goods and infrastructure sectors and are largely dependent on the industrial and economic growth of the country. These businesses are exposed to the following major risks:

- **Government policy**: Based on the criticality of a sector, the Government decides to promote investments by giving fiscal incentives which help in creating demand for the Company's products. Any reversal or paralysis of such policy may affect the business of the Company.
- **Risk of economic slowdown**: In the event of a slowdown in the economy, capital goods industry/infrastructure sectors will have low demand affecting the growth of the Engineering business.
- **Technology risk**: It is necessary for the Engineering Business to continually upgrade their products and services and be aligned with the prevailing technology in their respective sectors to have a competitive edge.
- **Project delay and payment risks**: The projects normally take 2-3 years to complete. Due to financial and regulatory reasons, the projects may get delayed resulting in cost overrun and payments risks.

Risk Mitigation

- India is an emerging market and therefore, on medium to long term basis, it needs to have high industrial infrastructure and economic growth to achieve its plans. Both our engineering businesses cater to critical sectors which are important for achieving growth. Further, in the case of Water business, there is a vast potential in view of scarcity of potable and feed stock water required for the industry. Therefore, growth of the Company's businesses is inevitable over a long term.
- In view of hardships in the industrial sector on account of uncertainty in the Government policies, the business is focusing on PSU industrials and municipality. Further, immediately after completing some large projects, the

Water Business will meet prequalification criteria for high value projects. It will enhance the market range of the business.

- Water Business has acquired 25% stake in an Israeli Company, M/s Aqwise-wise Water Technologies Ltd. which is involved in development and implementation of waste water treatment solutions for the industrial and municipal markets. As a result of its strategic investment, the Company has access to their technology for projects in India.
- Water Business has strengthened its focus on project management by only accepting orders beyond a threshold amount. It will enable it to monitor and execute the projects better.
- Gears Business has been continually investing in state-of-the- art equipment and machines to provide products of superior quality with focus on engineering and cost reduction thereby ensuring high margins and customer satisfaction. Further, it is focusing on aftermarket and Retrofitting business, including exports, by leveraging its domain knowledge. It endeavours to increase the proportion of aftermarket and Retro business to enhance its margins.
- Additionally, apart from the technology available under the License Agreement, it is investing in the development of new products to diversify the product offerings.

DIRECTORS' REPORT

Your Directors have pleasure in presenting the 78th Annual Report and audited accounts for the extended Financial Year (FY) ended March 31, 2014:-

(₹ in lacs)

Particulars	2012-14 (18M)*	2011-12 (12M)
Sales (Net)	3,15,336.40	1,85,954.06
Operating Profit (EBITDA)	9,282.21	19,546.84
Finance cost	18,522.93	12,278.52
Depreciation & amortisation	11,878.33	8,155.06
Profit before tax (before exceptional items)	(21,119.05)	(886.74)
Exceptional items/Non-Recurring items (Net)	(4,381.63)	7,895.80
Profit before Tax (PBT)	**(16,737.42)**	**(8,782.54)**
Tax Add/(less)	(1459.60)	(2,111.32)
Profit After Tax (PAT)	**(15,277.82)**	**(6,671.22)**
Surplus Brought Forward	-	1,822.44
Available for appropriation	**(15277.82)**	**(4,848.78)**
APPROPRIATIONS		
Equity dividend (incl. proposed dividend & dividend distribution tax)	-	299.72
Dividend adjustment of previous year (including tax)	0.03	-
Transfer to/(withdrawn from) Molasses storage fund reserve (Net)	(49.31)	27.25
Transfer to General Reserves	-	(5,175.75)
Surplus Carried forward	(15228.54)	-
Earning per equity share of ₹1 each (in ₹)	**(5.92)**	**(2.59)**

* The FY 2012-13, with the permission of the Registrar of Companies, was extended by six months to end on March 31, 2014.

PERFORMANCE

It has been a turbulent year both for the sugar and engineering businesses as the profitability of the Company was adversely affected due to unprecedented losses in the sugar operations. The Water Business also incurred losses due to a delay in projects which were mainly due to customers, and led to project overruns and lower revenue recognition. The Gears Business and the Sugar Co-Products performed well, somewhat mitigating the losses in Sugar operations and in Water Business.

SUGAR BUSINESS

The problems in the Sugar Business were two pronged. There were climatic factors which caused a steep decline in yield across the entire State of Uttar Pradesh and the sucrose content in cane, especially in Western UP, but more importantly, the cane price was arbitrarily announced by the UP Government at a very high level without considering open market sugar prices. Coupled with the lower recovery, the cost of cane as a component of sugar in Uttar Pradesh (UP) became one of the highest in the country. While deregulating sugar by abolishing monthly releases, the Central Government however, did not announce any reform on cane pricing and left this issue to the State Government. Losses have been mounting and the sugar industry in Uttar Pradesh has been pleading with the UP Government to link cane price with sugar prices in line with the recommendations of Dr. Rangarajan Committee Report. There was a stand-off between the industry and the State Government on the issue of cane pricing and commencement of crushing for the Season 2013-14 was considerably delayed. However, the cane price in the Season 2013-14 was announced with some minor additional concessions. Lately, the Government of UP has constituted a committee under the chairmanship of the Chief Secretary to recommend a process to prescribe cane pricing. We hope that a viable and sustainable solution emerges from the Committee's recommendations.

The cane yields in UP are one of the lowest in the country, one half of the yields in Maharashtra and one third of the yields in Tamil Nadu, and the way forward is to augment the income of the growers through better agronomical practices and enhancement of yields, rather than by increasing cane prices disproportionately. For the viability of the Sugar Industry across India, and the well-being of fifty million cane growers and their families, the structural imbalances in the industry need to be promptly corrected.

During the season 2013-14, cane crushed declined by 17% to 465 lac quintals and the recovery marginally improved to 9.32 %. In the Muzaffarnagar and Saharanpur districts, where our two larger sugar units are located, the decline of recovery has been to the extent of 43 basis points whereas for the other sugar units, recovery improved by 42 basis points. We are totally committed to cane development in our catchment area so that the impact of uncontrollable weather conditions and the influence of disease and pest are minimized. We have also set up refining capacities at two of our sugar units and incidental co-generation at two other units. These projects have a quick payback period and help the overall viability of the Sugar Business Group. The performance of our existing co-generation plants and distillery has been satisfactory.

ENGINEERING BUSINESS

Due to the slowdown in economic growth in the country, the Capital Goods and Infrastructure Sector have shown negative growth and our Gears and Water Businesses have suffered from a reduced inflow of orders. Some customers encountered cash flow problems which affected the performance of the Water Business group.

GEARS BUSINESS

To counter the weak domestic demand, the Gear Business Group (GBG) focused on exports and the results have been encouraging. This has resulted in a growth in the export turnover which has been 12% of the turnover. Concerted efforts were also made to enhance the share of the profitable sector of retrofitting and aftermarket services. During the year these formed 41% of total turnover. GBG's market share with all the major OEM's remained at a dominant level and the addition of new overseas OEMs helped in improving the market base.

In-house R&D efforts have led to successful development of horizontal planetary gearbox for sugar mill applications. Expanding the technology base to encompass planetary gears has given the Company another potentially high growth product line.

WATER BUSINESS

The performance of the Water Business Group (WBG) was affected by delays in several projects due to regulatory or financial reasons. However, we expect the business environment to improve with the new Government taking over our and the ongoing projects to move towards closure at a faster pace. After completion of certain projects during 2014-15, WBG will be qualified to bid for larger projects.

DIVIDEND

Owing to the losses in the period under review, directors are constrained not to declare any equity dividend.

CONSOLIDATED FINANCIAL STATEMENT

In accordance with Accounting Standard 21 on the Consolidated Financial Statement read with Accounting Standard 'AS-23' on Accounting for Investment in Associates in Consolidated Financial Statements, your directors have pleasure in attaching the Consolidated Financial Statement which forms a part of the Annual Report and Accounts.

SUBSIDIARIES

During the period under report, two new companies, Bhudeva Projects Limited and Svastida Projects Limited were incorporated as Wholly Owned Subsidiaries of the Company on March 19, 2014. Further, the Company acquired 4,35,270 equity shares of ₹10/- each of Triveni Entertainment Limited (TEL) at book value from the existing shareholders of TEL. With this acquisition, TEL has also become a wholly owned subsidiary of your Company.

During the period under review, the Board of Directors reviewed the affairs of subsidiary companies. As per section 212 of the Companies Act 1956, the Company is required to attach the balance sheet, statement of profit and loss and other documents of its subsidiaries. However, the Ministry of Corporate Affairs (MCA), General Circular No. 2/2011 dated February 8, 2011, granted general exemption to companies from annexing the individual financial statements of all the subsidiaries along with the audited financial statements of the Company, subject to fulfillment of conditions stipulated in the said circular. Your Company meets these conditions and, therefore, the financial statements of the subsidiaries are not annexed.

The annual report of the subsidiaries will be made available to the shareholders of the Company/subsidiary companies upon request. The annual report of the subsidiary companies will also be kept for inspection by investors at the Company's corporate office as well as the registered offices of the subsidiary companies. However, as per the said circular issued by MCA, financial data of the subsidiaries have been furnished in the consolidated financial statement forming part of the Annual Report.

Information relating to the subsidiary companies, as required under Section 212 of the Companies Act 1956, is provided in Annexure 'C' of this Report.

EMPLOYEE STOCK OPTIONS

During the period under report, corporate adjustment was made in the number of outstanding options granted to eligible employees under ESOP 2009, at the revised exercise price, being fair and reasonable, with the approval of the Compensation Committee, and in accordance with the Court approved Scheme of Arrangement and the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 ('the SEBI Guidelines') Further, pursuant to the approval of the shareholders, the Company has instituted TEIL ESOP 2013 providing for issuance of options resulting into not exceeding 30 lac equity shares of ₹1/- each. No stock options were issued under TEIL ESOP 2013.

The required disclosures of the ESOP 2009 are provided in Annexure 'D'.

CHANGE IN CAPITAL STRUCTURE

During the period under report, the Company had allotted 20,000 equity shares of ₹1/- each to the eligible employee under ESOP 2009. Subsequently on May 7, 2014, the Company made further allotment of 44,960 equity shares of Re 1/- each under ESOP 2009. These equity shares have been listed and admitted to dealings/ in the process of listing on the BSE Ltd. and National Stock Exchange of India Ltd.

As on the date of this report, the issued subscribed and paid-up equity share capital of the Company is ₹25,79,45,110/- divided into 25,79,45,110 equity shares of ₹1/- each.

DEBENTURES

During the period under report, the Company had partially redeemed the privately placed 1,000 – 12.45% Secured Redeemable Non-Convertible Debentures (NCDs) of the face value of ₹10 lac each, aggregating to ₹100 crore. The details of NCDs redeemed and outstanding are given hereunder:-

(₹ in crore)

Date of Redemption	Amount of Redemption	Amount Outstanding
December 26, 2012	30.00	70.00
December 26, 2013	30.00	40.00

CORPORATE GOVERNANCE

A separate report on Corporate Governance is given in Annexure 'E' along with the Auditors' statement on its compliance in Annexure 'F'.

AUDITORS

M/s J.C. Bhalla & Co., Chartered Accountants (JCB), Statutory Auditors of the Company and M/s Virmani & Associates, Chartered Accountants (VA) Branch Auditors of the Company's Gears Business and Water Business Groups, hold office till the conclusions of the ensuing Annual General Meeting of the Company and are eligible for re-appointment.

The Company has received letters from both of them to the effect that their re-appointment, as Statutory Auditors and Branch Auditors respectively if made, would be within the prescribed limits under Section 141 of the Companies Act, 2013 and that they are not disqualified for reappointment. They have consented to continue in office, if re-appointed.

COST AUDITOR

In pursuance of Section 233-B of the Companies Act, 1956 read with the directions issued by the MCA, M/s Rishi Mohan Bansal, T.L. Sangameswaran and RJ Goel & Co., Cost Accountants were appointed as Cost Auditors to conduct the cost audit of the sugar businesses (including cogen and distillery), gear business and water business respectively for the extended financial year ended on March 31, 2014.

The Cost Audit Report and the Compliance Reports for the financial year 2011-12 ended on September 30, 2012 were filed by the Cost Auditors with respect to the sugar, gear and water businesses of the Company within the prescribed time with MCA.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217(2AA) of the Companies Act, 1956, your Directors confirm that

i. In the preparation of the Annual Accounts, applicable accounting standards have been followed.

ii. Appropriate accounting policies have been selected and applied consistently, and judgments and estimates that are reasonable and prudent have been made so as to give a true and fair view of the statement of affairs of the Company as on March 31, 2014 and of the loss of the Company for the year ended March 31, 2014.

iii. Proper and sufficient care has been taken for the maintenance of adequate accounting records, in accordance with the provisions of the Companies Act, 1956, for safeguarding and detecting fraud and other irregularities.

iv. The Annual Accounts have been prepared on a going concern basis.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars required under Section 217 (1) (e) of the Companies Act, 1956, read with Companies (Disclosure of Particulars in the Report of the Board of Directors), Rules, 1988 are provided in Annexure 'A' to this Report.

PARTICULARS OF EMPLOYEES

As required under the provision of sub-section (2A) of section 217 of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended, the particulars of employees are set out in the Annexure 'B' to the Directors' Report. However, having regard to the provision of section 219(1) (b) (iv) of the Companies Act, 1956, the Annual Report is being sent to all the shareholders excluding the aforesaid information. Any shareholder desirous of obtaining the same may write to the Company Secretary at the registered/ corporate office of the Company.

DIRECTORS

As per the provisions of the Companies Act, 2013 (Act), Mr Nikhil Sawhney will retire by rotation at the ensuing Annual General Meeting (AGM) of the Company and being eligible seek reappointment. The Board of Directors recommends his re- appointment.

By virtue of provisions of Section 161(1) of the Act, Ms Homai A. Daruwalla and Mr Santosh Pande were appointed as Additional Directors by the Board w.e.f. November 7, 2013 and April 16, 2014 respectively and they shall hold office up to the date of the ensuing AGM. The Company has received notices, pursuant to Section 160 of the Act, from members signifying their intention to propose the appointment of Ms Daruwalla and Mr Pande as Independent Directors of the Company. Both being eligible, offer themselves for appointment.

To comply with the provisions of Section 149 and other applicable provisions of the Act, the Board has recommended the appointment of all the existing non-executive Independent Directors as Independent Directors viz. Lt. Gen. K.K. Hazari (Retd.), Dr. F.C. Kohli, Mr. M.K. Daga and Mr Shekhar Datta to hold office as per their tenure of appointment mentioned in the notice of the forthcoming Annual General Meeting of the Company.

With deep regret, we report the sad demise of Mr R.C. Sharma, Director on August 30, 2013. Your Directors would like to place on record their highest gratitude and appreciation for the guidance given by Mr Sharma to the Board during his tenure as a director.

PUBLIC DEPOSITS

The Company has discontinued the acceptance of deposits from the public and shareholders with effect from August 1, 2009. Accordingly, the Company has not accepted any deposits during the year and all the existing deposits are being and will be repaid as per the terms of the deposit.

As on March 31, 2014, fixed deposits amounting to ₹ 8.61 lacs remain unpaid, as the claims in respect thereof were not lodged with the company.

APPRECIATION

Your Directors wish to take the opportunity to express their sincere appreciation to the Central, Uttar Pradesh and Karnataka Governments, banks, financial institutions, farmers, and all other stakeholders for their whole-hearted support and co-operation. We look forward to their continued support and encouragement.

For and on behalf of the Board of Directors,

Place: Noida (U.P) **Dhruv M. Sawhney**
Date: May 28, 2014 Chairman and Managing Director

ANNEXURE TO THE DIRECTORS' REPORT
ANNEXURE-A

CONSERVATION OF ENERGY

(a) Energy Conservation Measures

- **Gears Business Group**
  - On Load Tap Changer (OLTC) made operative for maintaining constant voltage across plant.
  - Installed CFL lamps/LED lights for lighting systems at various places.
  - Installed VFD at test rig blower.
  - Installed bus bar coupling between two out-going feeders to avoid low load losses of power.
  - Quality power audit and implementation of harmonic filters.
- **Sugar and Co-Products Business Group**
  - Energy efficient planetary gear box installed for mill drive along with AC VFD at Deoband unit for significantly lower power consumption at Mill.
  - Installation of VFDs at boiler feed pump, ID fan and MOL pump at Deoband unit and at boiler feed pump at Chandanpur unit for conservation of electrical energy.
  - Installed HT and LT power capacitors at Milaknaraynpur unit.
  - Converted evaporator configuration into quintuple effect for reduced process steam consumption at Deoband unit.
  - Modified condensate flashing system at Deoband for reduction in steam consumption.
  - Some of air cooled crystallizer's conventional drives were replaced by planetary drives and one conventional dyno drive was replaced by AC VFD at Khatauli.
  - Installed new capacitors at Sabitgarh to improve power factor.
  - Incandescent lamps and other conventional lightings replaced by CFL/LED lights in offices and street lighting at Chandanpur, Milaknarayanpur, Raninangal and Alco-chemical units.
  - Reduced tube well running hours by using recycled water at Raninangal unit.
  - Installed VFD at the bagasse feeders at Alco-chemical unit.
  - Installed lower rating motor for use at the time of lower water demand at Alco-chemical unit.

(b) Additional Investment and Proposals for Reducing Energy Consumption

- **Gears Business Group**
  - Installation of VFDs at blowers and lubricating oil pump.
  - Replacement of reciprocating compressors with energy efficient screw type compressors.
- **Sugar and Co-Products Business Group**
  - Installation of VFDs at various applications in sugar units to save power.
  - Replacement of conventional drives at crystallizers by planetary drives at Deoband and Khatauli units.
  - Replacement of old one ton batch type centrifugal machine by new energy efficient batch type centrifugal machine at Khatauli to save power.
  - Replacement of dyno-drives at inline cane carrier and cane elevator at a Mill by AC VFD drives at Khatauli unit.
  - Installation of VFD at boiler feed pump at Alco-chemical unit.
  - Upgradation of DCS 500 drives with DCS 800 drives at mills and centrifugal machines, which are more energy efficient, at Milaknarayanpur.

(c) Impact of Above Measures

With the above measures, there will be substantial conservation of steam and electrical energy in our plants. In our sugar units, majority of power is generated through bagasse, a renewable source of energy.

FORM A

Disclosure of particulars with respect to conservation of energy

	Particulars	2012-14 (18M)	2011-12 (12M)
I.	**Power & Fuel Consumption**		
	Electricity		
a)	**Purchased**		
	Units (000's KWH)	5777	4041
	Total amount (₹ in lacs)	434.69	263.06
	Rate (₹/Unit)	7.52	6.51
b)	**Own generation**		
	i) Through Diesel Generators		
	Units (000's KWH)	3901	3884
	Units per litre of diesel oil	3.10	2.97
	Cost/Unit (₹)	17.80	14.57
	ii) Through Steam Turbine/Generator by use of own bagasse		
	Units (000's KWH)	718420	377525
II.	**Consumption per unit of production**		
	Sugar		
	Electricity (KWH/MT)	317.66	336.84
	Rectified Spirit		
	Electricity (KWH/KL)	245.10	247.83
	Note : In the case of other businesses, no standard products are manufactured and hence their figures have not been incorporated.		

FORM B

Disclosure of particulars with respect to technology absorption

(A) Research & Development (R&D)

No specific activity relating to research and development has been undertaken by the Company during the year.

(B) Technology absorption, adaptation and innovation

Information regarding technology imported during the last five years:

Technology imported	Year of import	Has technology been fully absorbed
High Speed – Gas turbine load gears	2011	Yes
Slow speed gears and gearboxes	2011	Under process

(C) Foreign Exchange Earning & Outgo

(₹ in lacs)

1)	**Earning in Foreign Exchange**	
	Value of exports on FOB basis	1770.88
	Others	18.44
2)	**Foreign Exchange Outgo**	2624.42

ANNEXURE-C
STATEMENT PURSUANT TO SECTION 212 OF COMPANIES ACT, 1956

(₹ in lacs)

	SUBSIDIARY COMPANIES	Triveni Engineering Limited	Triveni Energy Systems Limited	Triveni Entertainment Limited *	Bhudeva Projects Limited **	Svastida Projects Limited **
1.	Financial Year ended	31st March 2014	31st March 2014	31st March 2014	31st March 2014	31st March 2014
2.	Extent of holding Company's interest at the end of financial year of the subsidiary	100%	100%	100%	100%	100%
3.	The net aggregate amount of the subsidiaries Profit/(Loss), so far as it, concerns the members of the holding Company and is not dealt with in the Company's accounts					
	a) For the financial year ended 31.3.2014 of the subsidiary company	(0.18)	(0.18)	0.15	(0.28)	(0.28)
	b) For the previous financial years of the subsidiaries since these became the holding Company's subsidiary	(18.07)	(4.50)	--	--	--
4.	a) The net aggregate amount of the subsidiary's Profit/(Loss), for the financial year of the subsidiary so far as those Profit/(Loss) are dealt within the holding Company's accounts	--	--	--	--	--
	b) The net aggregate amount of the subsidiary's Profit/(Loss), for the previous financial years of the subsidiary since it became the holding Company's subsidiary so far as those Profit/(Loss) are dealt within the holding Company's accounts	--	--	--	--	--
5.	Changes in the holding Company's interest in the subsidiary between the end of the financial year of the subsidiary and holding Company	NA	NA	NA	NA	NA
6.	Material changes which have occurred between the end of the subsidiary Company's financial year and at the end of the holding Company's financial year in respect of :					
	i) The subsidiary's fixed assets	NA	NA	NA	NA	NA
	ii) Its investments	NA	NA	NA	NA	NA
	iii) The money lent by it	NA	NA	NA	NA	NA
	iv) The funds borrowed by the subsidiary	NA	NA	NA	NA	NA

* Became a wholly owned subsidiary of this company w.e.f. 20.3.2014 and the figures have been provided accordingly

** Incorporated as wholly owned subsidiaries of this company w.e.f. 19.3.2014.

ANNEXURE-D
DETAIL OF THE STOCK OPTION PLAN TEIL- ESOP 2009

Nature of disclosure		Particulars
a)	Options granted under the Scheme	
	- Originally - Revised (consequent to the corporate action of demerger of steam turbine undertaking)	2,00,000 1,57,360
b)	The pricing formula	Market price, which was the latest available closing price on the stock exchange, which recorded the highest trading volume in the Company's equity shares on the date prior to the date of the meeting of the Compensation Committee at which the options were granted.
c)	Options outstanding and vested at the beginning of the period	157,360
d)	Options granted during the period	Nil
e)	Options vested during the period	Nil
f)	Options lapsed during the period	89,920
g)	Options exercised during the period	20,000
h)	The total number of shares arising as a result of exercise of options	20,000
i)	Money realized by exercise of options	₹ 280,000
j)	Variation of terms of options	None, other than adjustment carried out consequent to corporate action of demerger of steam turbine undertaking, to keep the fair value of options unchanged.
k)	Total number of options in force at the end of the period	47,440
l)	Employee wise details of options granted during the year:	
	(i) Senior managerial personnel (ii) Any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during the year	None None
	(iii) Identified employees who were granted option, during one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant	None
m)	Diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of options calculated in accordance with Accounting Standard (AS) 20 'Earning Per Share'	(-) ₹ 5.92
n)	Method of calculation of employee compensation cost	The employee compensation cost has been calculated using the intrinsic value method to account for options issued under ESOP-2009. The stock-based compensation cost as per the intrinsic value method for the period 2012-14 is Nil.
	Difference between the employee compensation cost computed using the intrinsic value of the stock options and the employee compensation cost that shall have been recognised if the fair value of the options had been used and its impact on profits and EPS of the Company.	Had fair value method been adopted instead of the intrinsic value method, the impact would be : a) ESOP compensation charge debited to the P&L a/c would have been lower by ₹23.44 lacs and consequently the loss of the company would have been lower by ₹ 23.44 lacs. b) Basic as well as Diluted EPS would have remained the same at (-) ₹ 5.92 per share, as reported (ignoring fractional paise improvement).
o)	(i) Weighted average exercise prices and weighted average fair values of options whose exercise price equals the market price of the stock	Weighted average exercise price per option : ₹14 Weighted average fair value per option : ₹ 26.07

Nature of disclosure		Particulars
	(ii) Weighted average exercise prices and weighted average fair values of options whose exercise price exceeds the market price of the stock	No such grants
	(iii) Weighted average exercise prices and weighted average fair values of options whose exercise price is less than the market price of the stock	No such grants
p)	A description of the method and significant assumptions used during the year to estimate the fair values of options, including the following weighted-average information:	Black-Scholes Method
	(i) Risk-free interest rate	8.36%
	(ii) Expected life	1.99 years
	(iii) Expected volatility	49.02%
	(iv) Expected Dividend	0.63%
	(v) The price of the underlying share in market at the time of option grant	₹14/-

Note: The disclosures made above are after considering the effect of adjustment made to ESOP 2009 to give effect to the demerger of the steam turbine division. For details refer Note No. 33 of the audited financial statements.

Details of options granted to senior managerial personnel and outstanding as on 31-03-2014

S. No.	Name	No. of Options granted
1.	Mr. Sameer Sinha	11,240
2.	Mr. B.K. Agarwal	11,240
3.	Mr. Rajiv Rajpal	11,240
4.	Mr. Bharat Mehta	11,240
5.	Mr. Suresh Taneja	2,480
	Total	***47,440**

- Subsequent to March 31, 2014, 44,960 options have been exercised and the shares have been allotted to the respective option holder.

ANNEXURE-E
CORPORATE GOVERNANCE REPORT

Company's Philosophy On Code Of Governance

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

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

Your Company has been consistently working for the betterment of the governance system executed with the Stock Exchanges. We are committed to doing things in the right way which includes but not limited to compliance with its applicable legal requirement.

The highlight of the Corporate Governance system includes:

1. The Board of Directors of the Company is well represented with Executive, Non-Executive and Independent Non-Executive Directors with the Executive Chairman and Managing Director. The Independent & Non-Executive Directors form nearly 67% of the Board of Directors.

2. The Board has constituted several Committees viz. Audit Committee, Nomination and Remuneration Committee, Compensation Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee and Executive Sub Committee for more focused attention. The Board is empowered to constitute additional functional Committees from time to time, depending on the business needs.

3. The Company has established a Code of Conduct and Corporate Disclosure Policy for prevention of Insider Trading for Directors and Employees of the Company.

4. Whistle Blower Policy wherein the Employees may have the direct access to the Chairman and Managing Director of the Company and Chairman of Audit Committee.

5. Risk Management framework to identify the risk for its businesses, to assess the probability of its occurrence and its mitigation plans. The information about the framework is placed before the Audit Committee and the Board periodically.

Board of directors

The Company is managed and guided by the Board of Directors ("Board"). The Board formulates the strategy, regularly reviews the performance of the Company, determine the purpose and values of the Company. The Board provides and evaluates the strategic direction of the Company, management policies and their effectiveness and ensures that the long-term interests of the shareholders are being served. The Chairman and Managing Director with the support of the Vice Chairman and Managing Director and senior executives oversee the functional matters of the Company.

As on the date of this report, the Board comprises of nine (9) Directors - 6 (six) Non-Executive and Independent Directors including one Women Director, 1(one) Non Executive Non-Independent Director and 2 (two) Executive Directors. All the members of the Board are eminent persons with professional expertise and valuable experience in their respective areas of specialization and bring a wide range of skills and experience to the Board.

Independent Directors

The definition of independence of directors is derived from Clause 49 of the Listing Agreement executed with the stock exchanges. All the independent Directors of the Company have made declaration to the Company regarding their independence status. All such declarations were placed before the Board.

None of the Directors on the Board is a Member on more than 10 Committees, and Chairman of more than 5 Committees across the companies in which he is a Director. The necessary disclosures regarding Committee positions have been made by the Directors pursuant to Clause 49 of the Listing Agreement.

Composition of the Board

The composition of the Board of Directors and the number of Directorships and Committee Chairmanships/Memberships held in other companies are given below :-

Name of Director and DIN	Designation	Category	No. of Directorships in other companies ##	No. of Committee positions held in other companies###	
				Chairman	Member
Mr. Dhruv M. Sawhney# DIN-00102999	Chairman & Managing Director	Promoter & Executive Director	5	1	None
Mr. Tarun Sawhney# DIN-00382878	Vice-Chairman & Managing Director	Promoter & Executive Director	2	None	None
Mr. Nikhil Sawhney# DIN-00029028	Director	Promoter & Director	4	None	3
Dr. F.C. Kohli DIN-00102878	Director	Independent Non-Executive Director	3	None	None
Lt. Gen. K.K. Hazari (Retd.) DIN-00090909	Director	Independent Non-Executive Director	3	2	1
Mr. M. K. Daga DIN-00062503	Director	Independent Non-Executive Director	2	None	2
Mr. Shekhar Datta DIN- 00045591	Director	Independent Non-Executive Director	2	2	None
Mr. R.C. Sharma* DIN-00107540	Director	Independent Non-Executive Director	-	-	-
Ms. Homai A. Daruwalla**	Director	Independent Non-Executive Director	7	3	3
Mr. Santosh Pande*** DIN-01070414	Director	Independent Non-Executive Director	None	None	None

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

\## Excludes Directorships in Indian Private Limited Companies, Section 25 Companies and membership of various Chambers and other non-corporate organizations.

\### The committees considered for the purpose are those prescribed under Clause 49 of the Listing Agreement i.e. Audit Committee and Shareholders' Grievance Committee of public limited companies.

* Ceased to be Director on account of his death w.e.f. August 30, 2013.

** Appointed as an Additional Director w.e.f. November 7, 2013.

*** Appointed as an Additional Director w.e.f. April 16, 2014.

Board Functioning and procedure

- **Board Meeting Frequency and circulation of Agenda papers**

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

- **Presentation by the Management**

  The senior management of the Company is invited at the Board meetings to make presentations covering operations of the businesses of the Company, Strategy and Business Plans and to provide clarifications as may be required.

- **Access to Employees**

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

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

- **Post Meeting follow up Mechanism**

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

- **Attendance Record of the Directors**

The Board of Directors met 8 times during the financial year 2012-14 (18 months) ended on March 31, 2014. The interval between any two successive meetings did not exceed four months. Board Meetings were held on October 1, 2012, November 21, 2012, February 12, 2013, May 8, 2013, August 1, 2013, September 20, 2013, November 7, 2013 and February 11, 2014. The attendance record of all Directors at Board meetings and the last Annual General Meeting (AGM) during the year are as under:-

Name of Director	No. of Board Meetings		Attendance at last AGM held on 19.02.2013
	Held	Attended	
Mr. Dhruv M. Sawhney	8	6	Yes
Mr. Tarun Sawhney		8	Yes
Mr. Nikhil Sawhney		8	Yes
Dr. F. C. Kohli		5	No
Lt. Gen. K.K. Hazari (Retd.)		8	Yes
Mr. M. K. Daga		4	No
Mr. Shekhar Datta		6	No
Ms. Homai A. Daruwalla*		2	-
Mr. R. C. Sharma**		5	Yes

* Appointed as an Additional Director w.e.f. November 7, 2013.

** Ceased to be a Director on account of his death w.e.f. August 30, 2013.

- **Appointment/Re-appointment of Directors**

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

BOARD COMMITTEES

The Board of Directors have constituted following Committees with adequate delegation of powers to oversee business of the Company and to take decisions within the parameters defined by the Board:

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

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

(I) Audit Committee

The Committee comprises of four Directors which include three Non-Executive Independent Directors and one Executive Director of the Company. The Chairman of the Committee is an Independent Director. The constitution and term of reference of the Audit Committee meet the requirements of Clause 49 of the Listing Agreement read with the relevant provisions of the Companies Act, 2013. The Company Secretary is the Secretary to the Audit Committee.

Meetings & Attendance

The Audit Committee met 7 times during the financial year 2012-14 (18 months) ended on March 31, 2014 i.e. on November 20, 2012, February 12, 2013, May 8, 2013, May 17, 2013, July 31, 2013, November 7, 2013 and February 10, 2014.

The attendance of each Audit Committee Member is as under:-

Name of the Members	No. of Meetings	
	Held	Attended
Lt. Gen. K. K. Hazari (Retd.), Chairman	7	7
Mr. R. C. Sharma*		5
Mr. Tarun Sawhney		7
Mr. Shekhar Datta**		1
Ms. Homai A. Daruwalla***		1

* Ceased to be member on account of his death on August 30, 2013

** Appointed as member w.e.f. Sept 19, 2013

*** Appointed as member w.e.f. November 7, 2013

The Chairman of the Audit Committee attended the AGM held on February 19, 2013 to answer the shareholders query.

The broad terms of reference of the Committee include:-

(i) Reviewing the Company's financial reporting process and its financial statements.

(ii) Reviewing the accounting and financial policies and practices and compliance with applicable accounting standards.

(iii) Reviewing the efficacy of the internal control mechanism, monitor risk management policies adopted by the Company and ensure compliance with regulatory guidelines.

(iv) Reviewing reports furnished by the internal and statutory auditors, and ensure that suitable follow-up action is taken.

(v) Examining accountancy and disclosure aspects of all significant transactions.

(vi) Reviewing with management the quarterly, half yearly & annual financial statements including review of qualifications, if any, in the audit report before submission to the Board for approval.

(vii) Recommending appointment of external and internal auditors and fixation of audit fees.

(viii) Seeking legal or professional advice, if required.

(ix) Approval or any subsequent modifications of transactions of the Company with related parties.

(x) Scrutiny of Inter-Corporate loans and investments.

(xi) Valuation of undertakings or assets of the Company, wherever required.

(II) Nomination and Remuneration Committee

During the FY 2012-14 (18 months) ended on March 31, 2014, the Company had two separate committees viz. Remuneration and Nomination Committee. Subsequent to the end of the FY 2012-14, with the approval of the Board both the committees were merged and reconstituted under the nomenclature "Nomination and Remuneration Committee". The Committee now comprises of the following Directors:

(i) Lt. Gen. K. K. Hazari (Retd.)- Chairman

(ii) Mr. Shekhar Datta

(iii) Mr. Nikhil Sawhney

The constitution and term of reference of the Nomination and Remuneration Committee (NRC) meet the requirements of Clause 49 of the Listing Agreement read with the relevant provisions of the Companies Act, 2013.

Meetings and Attendance

The erstwhile Remuneration Committee and the Nomination Committee met only once separately i.e. on September 20, 2013 and November 06, 2013 respectively during the FY 2012-14 (18 months) ended on March 31, 2014 and Lt. Gen. K.K. Hazari & Mr. Shekhar Datta attended the said meetings.

Function and terms of reference of NRC:

The broad terms of reference of the Committee are:

- To identify persons who are qualified to become Directors (Executive, Non Executive and Independent Directors) and who may be appointed in senior management in accordance with the criteria laid down,
- To recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance.
- To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors (Executive, Non Executive and Independent Directors), key managerial personnel and other employees.
- Plan for succession of Board members and Key Managerial Personnel;
- Devising a policy on Board diversity; and
- To review the adequacy of aforesaid terms of reference and recommend any proposed change to the Board for its approval.

Remuneration to Executive Directors

During the FY 2012-14 (18 months) ended on March 31, 2014, the Company had two Executive Directors viz. Mr. Dhruv M Sawhney, Chairman and Managing Director (CMD) and Mr. Tarun Sawhney, Vice Chairman and Managing Director (VCMD).

The details of remuneration paid/payable to CMD and VCMD during the extended FY 2012-14 are as under:

Name of the Executive Director	Mr. Dhruv M. Sawhney	Mr. Tarun Sawhney
	CMD	**VCMD**
Service Period	31.03.2010 to 30.03.2015	01.10.2013 to 30.09.2018
Salary (in ₹)	2,40,00,000	1,82,27,624
Performance Bonus/ Commission	Nil	Nil
Other Perquisites (in ₹)	35,56,354	21,54,623
Total* (in ₹)	**2,75,56,354**	**2,03,82,247**

* *does not include contribution to Provident Fund, Gratuity and Pension Fund.*

The remuneration paid to CMD and VCMD was in accordance with the approval of the Central Government (Ministry of Corporate Affairs) granted vide its letters dated June 25, 2012.

On November 16, 2013, approval of the shareholders was sought for re-apointment of Mr. Tarun Sawhney as VCMD for a period of five years w.e.f. October 1, 2013 on the revised terms and conditions including his remuneration. The approval of Central Government for payment of revised remuneration to VCMD is awaited.

Remuneration to Non-Executive Directors (NEDs)

The Company pays sitting fee to its NEDs for attending the meetings of the Board and its Committees. In addition to the sitting fees, the NEDs are entitled to profit based commission within the limits approved by the shareholders of the Company. However, keeping in view the financial performance of the Company for the FY 2012-14 (18 months) ended on March 31, 2014, as decided by the Board, no provision for commission to NEDs has been made.

The details of the remuneration paid during the extended FY 2012-14 to NEDs are as follows:-

Name of the Non-Executive Director	Sitting fess for the 18 months financial year ended March, 31, 2014 (₹)	Commission for the year ended September 30, 2012 (₹)
Dr. F.C. Kohli	1,00,000	NIL
Lt. Gen. K. K. Hazari (Retd.)	4,70,000	NIL
Mr. M.K. Daga	1,00,000	NIL
Mr. R. C. Sharma*	2,60,000	NIL
Mr. Shekhar Datta	1,80,000	NIL
Mr. Nikhil Sawnhey	2,00,000	NIL
Ms. Homai A. Daruwalla**	60,000	N.A.

* Ceased to be Director on account of his death on August 30, 2013.

** Appointed as an Additional Director w.e.f. November 7, 2013.

None of the Independent Directors, have any pecuniary relationship or transactions with the Company, its promoters and its senior management, its subsidiaries and associate companies except for the payment of remuneration as stated above. Lt. Gen K.K. Hazari (Retd.) and Mr. Shekhar Datta have received sitting fee as Director and Member of Board Committee of an associate company viz. Triveni Turbine Ltd.

The Company has not issued any Stock Option to the Directors including Independent Directors under its ESOP Scheme.

(III) Stakeholders Relationship Committee

The nomenclature of the Investors' Grievance and Share Transfer Committee has been changed to 'Stakeholders Relationship Committee' w.e.f. April 16, 2014. The Committee has been re-constituted under the Chairmanship of a Non Executive Independent Director. The Committee now comprises of following Directors, namely:

(i) Lt. Gen. K. K. Hazari (Retd.) (Chairman)

(ii) Mr. Nikhil Sawhney

(iii) Tarun Sawhney

Ms. Geeta Bhalla, Group General Manager & Company Secretary is the Compliance Officer of the Company.

Meetings & Attendance

The Stakeholders Relationship Committee met 6 times during FY 2012-14 (18 months) ended on March 31, 2014 i.e. on November 20, 2012, February 12, 2013, May 8, 2013, July 31, 2013, November 6, 2013 and February 10, 2014. The attendance of each Committee Member is as under:-

Name of the Members	No. of Meetings	
	Held	Attended
Lt. Gen. K. K. Hazari (Retd.) (Chairman)	6	6
Mr. R. C. Sharma*		4
Mr. Tarun Sawhney**		2

* Ceased to be member on account of his death on August 30, 2013

** Appointed as member w.e.f. Sept. 19, 2013

Function and term of reference

The Committee is authorised to look into and review the actions for redressal of security holders grievances, such as non-receipt of transferred/ transmitted share certificates/ annual report/ refund orders/ declared dividend etc. as also to review the reports submitted by the Company Secretary relating to approval / confirmation of requests for share transfer/ transmission/ transposition/ consolidation/ issue of duplicate share certificates/ sub-division, remat, demat of shares etc. from time to time.

Complaints received / resolved

During the extended FY 2012-14 ended on March 31, 2014, the Company received 28 complaints from various shareholders/investors directly and/or through the Stock Exchanges/SEBI relating to non-receipt of dividend/ redemption money, demat of shares, implementation of the scheme of arrangement etc. All of them were resolved/ replied suitably by furnishing the requisite information/ documents.

Pending Complaint/Share Transfers

There was no investor complaint pending for redressal as on March 31, 2014. Further there are no pending share transfers and requests for dematerialization as on that date.

(IV) Compensation Committee

The Committee comprises of following Directors, namely:

(i) Lt. Gen. K. K. Hazari (Retd.) (Chairman)

(ii) Mr. Dhruv M. Sawhney

(iii) Mr. M. K. Daga

Meetings and Attendance

The Compensation Committee met twice during FY 2012-14 (18 months) ended on March 31, 2014 i.e. on March 26, 2013 and March 20, 2014. The attendance of each committee member is as under:

Name of the Members	No. of Meetings	
	Held	Attended
Lt. Gen. K. K. Hazari (Retd.) (Chairman)	2	2
Mr. Dhruv M. Sawhney		1
Mr. R. C. Sharma*		1
Mr. M. K. Daga		2

* Ceased to be member on account of his death on August 30, 2013

Function and term of reference:

The broad terms of reference of the Committee are finalization, administration, and supervision of granting of option under the ESOP Schemes to the permanent employees of the Company and matters prescribed under the SEBI guidelines.

(V) Corporate Social Responsibility Committee

In accordance with the provisions of Companies Act, 2013, a Corporate Social Responsibility Committee has been constituted w.e.f. April 16, 2014, comprising of following Executive and Non Executive Independent Directors:-

(i) Ms. Homai A. Daruwalla, Chairperson

(ii) Mr. Santosh Pande

(iii) Mr Tarun Sawhney

(iv) Mr Nikhil Sawhney

The Committee is authorized to formulate and recommend to the board, a CSR policy indicating the activity or activities to be undertaken by the company as specified in Schedule VII of the Companies Act, 2013; recommend the amount to be spent on such activities; monitor the Company's CSR policy periodically and institute a transparent monitoring mechanism for the implementation of CSR projects.

Other Functional Committee

Executive Sub-Committee

Apart from the above statutory committees, the Board of Directors have constituted an Executive Sub- Committee comprising of four (4) Directors to oversee routine items that are in the normal course of the business. The Board of Directors have delegated certain powers to this Committee to facilitate the working of the Company.

GENERAL BODY MEETINGS

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

Year	Date & Day	Location	Time	Special Resolution
2011-12	February 19, 2013, Tuesday	Company's Guest House at Deoband Sugar Unit Complex Deoband, District Saharanpur, U.P.	1:30 P.M.	None
2010-11	February 10, 2012, Friday	Company's Guest House at Deoband Sugar Unit Complex Deoband, District Saharanpur, U.P.	1:30 P.M.	1. Revision in the remuneration of Dhruv M. Sawhney, Managing Director (designated as Chairman and Managing Director). 2. Re-designation of Mr. Tarun Sawhney as Joint Managing Director of the Company. 3. Payment of remuneration by way of commission to all or any of the Directors of the Company, who is/are neither in the whole-time employment nor managing director
2009-10	February 18, 2011, Friday	Company's Guest House at Deoband Sugar Unit Complex Deoband, District Saharanpur, U.P.	12:30 P.M.	None

Particulars of the Extra-Ordinary General Meetings held during the FY 2012-2014 (18 months) ended on March 31, 2014:

Date & Day	Location	Time	Special Resolution
November 16, 2013, Saturday	Company's Guest House at Deoband Sugar Unit Complex Deoband, District Saharanpur, U.P.	11:30 a.m.	1. Re-appointment of Mr. Tarun Sawhney as Vice Chairman and Managing Director and deciding his remuneration w.e.f. October 01, 2013. 2. Issuance of further securities /stock options under Triveni Employees Stock Options Scheme-2013 3. Authorisation to the Board to borrow funds upto ₹ 3000 crore over and above the paid up share capital and free reserves of the Company.

The special resolutions as set out in the respective notices were unanimously passed by the shareholders present at the meeting.

Postal Ballot

I. **Details of the Special/Ordinary Resolutions passed by the Company through Postal Ballot:**

During the FY 2012-14 (18 months) ended on March 31, 2014, no special/ordinary resolution passed by the Company through postal ballot.

II. **Whether any special resolution is proposed to be conducted through postal ballot:**

There is no proposal for any special resolution to be put at the forthcoming Annual General Meeting for Shareholders' approval.

OTHER DISCLOSURES

- **Related Party Transactions**

  The details of related party information and transactions are being placed before the Audit Committee from time to time. The details of the related party transactions during the year have been provided in Note No.39 to the financial statements.

- **Disclosures of Accounting Treatment**

  No treatment different from that prescribed in Accounting Standards has been followed by the Company. However, the policy in relation to accounting treatment of off-season expenses has been changed in the year for better presentation of the financial statements, resulting in higher charge of ₹10.37 crore.

- **Risk Management**

  The Company has laid down adequate procedures to update the Board Members about the risk evaluation and risk mitigation.

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

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

- **Code for prevention of Insider Trading**

  The Company has comprehensive guidelines/code on prevention of insider trading in line with the SEBI (Prohibition of Insider Trading) Regulations, 1992. The Code for prevention of insider trading inter-alia prohibits purchase/sale of the equity shares of the Company by certain Designated Employees including directors, while in possession of unpublished price sensitive information in relation to the Company. Necessary disclosures are made by the Company to all the Stock Exchanges, where the shares of the Company are listed, within the prescribed period.

- **Whistle Blower Policy**

  The Company has implemented the whistle blower policy to provide an avenue to its employees to raise concerns and to bring to the attention of the management any issues which are perceived to be in violation or in conflict with the fundamental business principles of the Company. The policy lays down the process to be followed for dealing with the complaints and in exceptional cases, also provides for direct access to the Chairperson of the audit committee. During the year under review no complaint of sexual harassment has been filed by any women employee.

- **Code of conduct for Directors and Senior Executives**

  The Company has laid down a Code of Conduct for all Board Members and the Senior Executives of the Company. The Code of conduct is available on the Company's website www.trivenigroup.com.

The declaration of Chairman & Managing Director is given below:

To the Shareholders of Triveni Engineering & Industries Ltd.

Sub.: Compliance with Code of Conduct

I hereby declare that all the Board Members and the Senior Management Personnel have affirmed compliance with the Code of Conduct as adopted by the Board of Directors.

Date: Noida (U.P.) **Dhruv M. Sawhney**
Place: May 28, 2014 Chairman and Managing Director

- **CEO/CFO Certification**

A prescribed certificate as stipulated in clause 49(V) of the listing agreement duly signed by the Chairman & Managing Director, Group CFO was placed before the Board alongwith the financial statements for the FY 2012-14 (18 months) ended March 31, 2014. The said certificate is provided elsewhere in the Annual Report.

- **Subsidiary Companies**

There are five unlisted wholly owned Indian subsidiary companies viz. Triveni Engineering Ltd., Triveni Energy Systems Ltd., Triveni Entertainment Ltd., Bhudeva Projects Ltd and Svastida Projects Ltd. and none of these subsidiaries is the "Material Non-Listed Subsidiary" in terms of Clause 49 of the Listing Agreement. The Company regularly places before the Board, minutes of the subsidiary of the Company.

- **Details of the compliance with mandatory requirement and adoption of the non-mandatory requirement of this clause.**

The details of mandatory requirements are mentioned in this Report and adoptions of the non-mandatory requirement are mentioned below:

(a) Audit Qualification

It is always the Company's endeavour to present unqualified financial statements.

(b) Nomination and Remuneration Committee

The Company has constituted Nomination and Remuneration Committee, details of which has been described in the report elsewhere.

(c) Training of Board/Committee Members

The Board/Committee members are provided with the necessary documents/brochures, reports and internal policies, codes of conduct to enable them to familiarise with the Company's procedure and practices. Directors are regularly updated on performance of each line of business of the Company, business strategy going forward and new initiative being taken/proposed to be taken by the Company through presentation. Site/factory visits are organised from time to time for the Directors.

(d) Meeting of Independent Directors

The Company facilitates to the independent directors to have their meeting for the enrichment of the business and to enhance the corporate governance of the Company.

- **Means of communication**

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

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

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

(d) Exclusive email ID for investors: In terms of Clause 47 (f) of the Listing Agreement, the Company has designated the email id shares@trivenigroup.com exclusively for investor servicing, and the same is prominently displayed on the Company's website www.trivenigroup.com. The Company strives to reply to the Complaints within a period of 6 working days.

(e) Annual Report: Annual Report contains inter-alia Audited Annual Accounts, Consolidated Financial

Statement, Directors' Report and Auditors' Report. The Management Perspective, Business Review and Financial Highlights are also part of the annual report.

(f) **The Management Discussion & Analysis:** The Management Discussion & Analysis Report forms part of the annual report.

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

GENERAL SHAREHOLDER INFORMATION

(a) General Information

Annual General Meeting

Date & Day	August 6, 2014, Wednesday
Time	11.30 a.m.
Venue	Company's Guest House at Deoband Sugar Unit Complex, Deoband, Distt. Saharanpur, U.P. – 247 554.
Dates of Book Closure for the purpose of AGM	August 1, 2014 to August 6, 2014 (both days inclusive)
Financial Year	April to March

(b) Financial calendar for the financial year 2014-15 (tentative)

Financial Reporting for the quarter ending June 30, 2014	By mid of August 2014
Financial Reporting for the quarter / half year ending September 30, 2014	By mid of November 2014
Financial Reporting for the quarter / nine months ending December 31, 2014	By mid of February 2015
Financial Reporting for the annual audited accounts for the financial year ending March, 31, 2015	By the end of May, 2015

(c) Unclaimed Dividend

All unclaimed dividends upto the financial year 2006-07 (1st interim dividend) have been transferred to the Investor Education and Protection Fund (IEPF), administered by the Central Government.

The dividends for the succeeding years remaining unclaimed for 7 years will be transferred by the Company to the said IEPF on the due dates as given hereunder:

Financial Year/ Period	Whether Interim/ Final	Date of declaration of Dividend	Due date for transfer to IEPF
2006-2007	2nd Interim Dividend	25.05.2007	24.05.2014
2006-2007	Final Dividend	24.12.2007	23.12.2014
2007-2008	Final Dividend	29.12.2008	28.12.2015
2008-2009	Interim Dividend	25.04.2009	24.04.2016
2008-2009	Final Dividend	29.12.2009	28.12.2016
2009-2010	Interim Dividend	08.05.2010	07.05.2017
2009-2010	Final & Special Dividend	18.02.2011	17.02.2018
2010-2011	Final Dividend	10.02.2012	09.02.2019
2011-2012	Final Dividend	19.02.2013	18.02.2020

Shareholders who have not so far encashed their dividend warrant(s) or have not received the same are requested to seek issuance of duplicate warrant(s) by writing to the Company confirming non-encashment/ non-receipt of dividend warrant(s).

(d) Outstanding GDR/ADR or Warrants

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

(e) Listing on Stock Exchanges

The equity shares of the Company are listed at the following stock exchanges.

Sl. No.	Name and Address of Stock Exchanges	Stock Code
1.	Bombay Stock Exchange Ltd Phiroze Jeejeebhoy Towers Dalal Street, Fort, Mumbai - 400 023.	532356
2.	National Stock Exchange of India Ltd. Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra (E), Mumbai - 400 051.	TRIVENI

The Company has paid the listing fees for the Financial Year 2014-2015 to both the aforesaid Stock Exchanges. The Company has also paid the annual custodial fee for the year 2014-15 to both the depositories namely, National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

(f) Distribution of Equity Shareholding as on March 31, 2014

Group of Shares	Number of Share-holders	% to total share-holders	Number of Shares held	% to total shares
From 1-500	33224	83.54	4776298	1.85
501-1000	3045	7.66	2503156	0.97
1001-2000	1621	4.08	2473367	0.96
2001-3000	539	1.36	1385096	0.54
3001-4000	235	0.59	851685	0.33
4001-5000	252	0.63	1189895	0.46
5001-10000	388	0.98	2935078	1.14
10001& higher	466	1.17	241785575	93.75
Total	**39770**	**100.00**	**257900150**	**100.00**

g) Shareholding Pattern of Equity Shares as on March 31, 2014

Category	Number of Shares held	% to total shares
Indian Promoters	17,59,57,229	68.23
Mutual Funds/UTI	0	0.00
Banks, Financial Institutions, Insurance Cos.	0	0.00
FIIs	3,84,86,687	14.92
Bodies Corporate	71,86,885	2.79
Indian Public(*)	3,43,64,228	13.32
NRIs/OCBs	17,14,616	0.67
Other – Clearing Members & Trust	1,90,505	0.07
Total	**25,79,00,150**	**100.00**

(*) Includes (i) 9000 equity shares held by Mr. M. K. Daga, Director, (ii) 10000 equity shares held by Mr. Shekhar Datta , Director, (iii) 1000 equity shares held by a relative of Lt. Gen. K. K. Hazari (Retd.), Director.

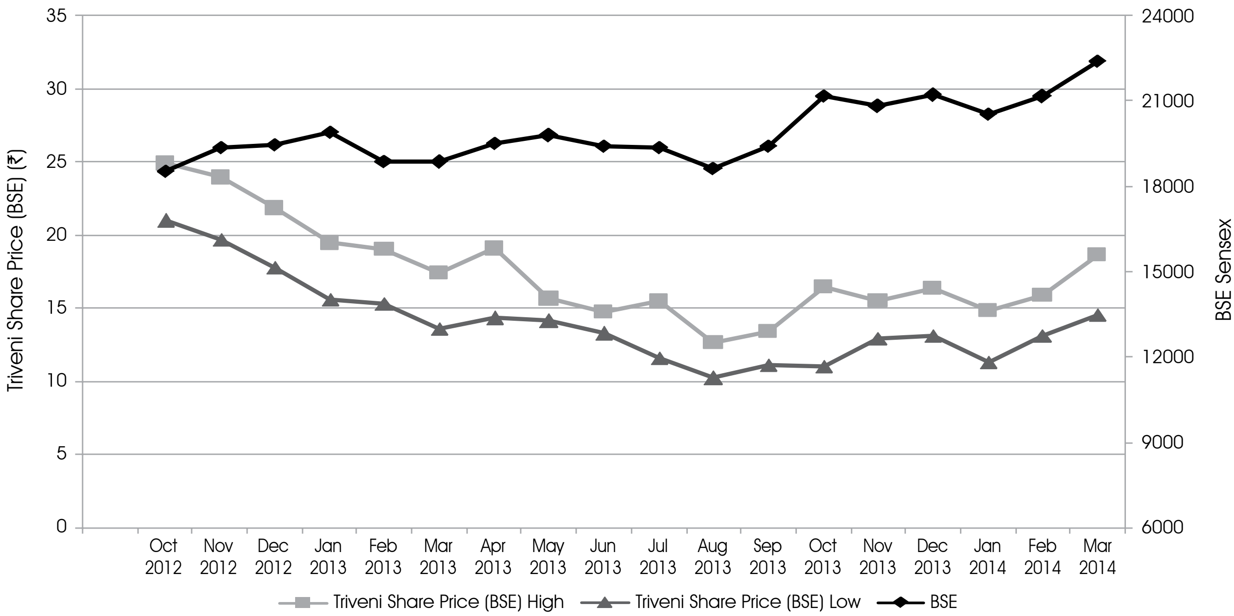
(h) Stock Price Data/Stock Performance: FY 2012-14 (18 months) ended March 31, 2014

During the year under report, the trading in Company's equity shares was from October 1, 2012 to March 31, 2014. The high low price during this period on the BSE and NSE was as under:-

(in ₹)

Month	Bombay Stock Exchange (BSE)		National Stock Exchange (NSE)	
	High	Low	High	Low
October, 2012	24.85	20.95	24.70	19.65
November, 2012	23.90	19.65	23.10	20.30
December, 2012	21.80	17.80	21.80	17.75
January, 2013	19.45	15.60	19.30	15.65
February, 2013	19.00	15.30	18.25	15.55
March, 2013	17.40	13.60	17.45	13.50
April, 2013	19.05	14.30	19.10	14.40
May, 2013	15.64	14.10	15.55	14.05
June, 2013	14.75	13.27	14.90	13.00
July, 2013	15.45	11.60	15.40	11.50
August, 2013	12.63	10.23	13.35	10.35
September, 2013	13.40	11.15	13.45	11.00
October, 2013	16.45	11.00	16.40	11.85
November, 2013	15.50	12.95	15.50	12.70
December, 2013	16.35	13.10	16.45	13.20
January, 2014	14.85	11.30	14.90	13.00
February, 2014	15.85	13.10	15.70	13.35
March, 2014	18.60	14.55	18.65	14.70

(i) Stock Performance:



j) Dematerialization of Shares & Liquidity

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

The system for getting the shares dematerialised is as under:

- Share Certificate(s) along with Demat Request Form (DRF) will be submitted by the shareholder to the Depository Participant (DP) with whom he/she has opened a Depository Account.
- DP will process the DRF and generates a unique number DRN.
- DP will forward the DRF and share certificates to the Company's Registrar and Share Transfer Agent.
- The Company's Registrar and Share Transfer Agent after processing the DRF will confirm or reject the request to the Depositories.
- Upon confirmation, the Depository will give the credit to shareholder in his/her depository account maintained with DP.

As on March 31, 2014, 99.89 % of total equity share capital of the Company was held in dematerialized form (including 100% of the promoter holding). The ISIN allotted by NSDL/CDSL is INE256C01024. Confirmation in respect of the requests for dematerialization of shares is sent to NSDL and CDSL within the stipulated period.

k) Share Transfer System

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

The shares sent for physical transfer are registered and returned within the stipulated period from the date of receipt of request, if the documents are complete in all respects. As per the requirement of clause 47(c) of the Listing Agreement with Stock Exchanges, a certificate on half yearly basis confirming due compliance of share transfer/transmission formalities by the Company from Practicing Company Secretary has been submitted to Stock Exchanges within stipulated time.

l) Reconciliation of Share Capital Audit

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

m) Registrar & Share Transfer Agent

M/s Karvy Computershare Pvt. Ltd.,
Unit: Triveni Engineering & Industries Limited
Plot No. 17 to 24, Vittal Rao Nagar, Madhapur
Hyderabad-500 081.
Tel. :- 040-23420815-825, Fax :- 040-23420814
Email : einward.ris@karvy.com

n) Debt Securities

Listing: The Wholesale Debt Market (WDM) of NSE.

Debenture Trustees

Unit Trust of India Investment Advisory Services Ltd.
Unit No.2, Block B, 1st Floor, JVPD Scheme,
Gulmohar Cross Road No.9, Andheri (West),
Mumbai-400 049.
Tel.: 022-26285289, Fax: 022-2628 5239

o) Locations

Registered Office

Triveni Engineering & Industries Limited
Deoband, Distt. Saharanpur
Uttar Pradesh - 247 554
Tel. :- 01336-222185, 222497
Fax :- 01336-222220

Share Department

Triveni Engineering & Industries Ltd.
8th Floor, Express Trade Towers,
15-16, Sector 16A, Noida-201 301.
Tel. :- 0120-4308000; Fax :- 0120-4311010-11
email :- shares@trivenigroup.com

Address for correspondence

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

Ms. Geeta Bhalla
Group General Manager & Company Secretary
Triveni Engineering & Industries Ltd.
8th Floor, Express Trade Towers,
15-16, Sector 16A, Noida-201 301.
Tel. :- 0120-4308000; Fax :- 0120-4311010-11
email :- shares@trivenigroup.com

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

p) Compliance Certificate on Corporate Governance from the Auditor

The certificate dated May 28, 2014 from Statutory Auditors of the Company (M/s J. C. Bhalla & Co.) confirming compliance with the Corporate Governance requirements as stipulated under clause 49 of the Listing Agreement is annexed hereto.

The above report has been adopted by the Board of Directors at their meeting held on May 28, 2014.

ANNEXURE-F
AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

Auditors' Certificate on Compliance of Conditions of Corporate Governance as per Clause 49 of the Listing Agreement with the Stock Exchanges

To

The Members of

Triveni Engineering & Industries Limited

We have examined the compliance of conditions of corporate governance by Triveni Engineering & Industries Ltd for the financial year 2012-14 (18 months) ended March 31, 2014 as stipulated in Clause 49 of the Listing Agreement of the said company with stock exchange(s) in India.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

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

For and on behalf of
J. C. Bhalla & Company
Chartered Accountants
FRN No.001111N

(Sudhir Mallick)
Partner
Membership No.80051

Place : Noida (U.P.)
Date : May 28, 2014

CEO/CFO CERTIFICATION

To

Board of Directors

Triveni Engineering & Industries Ltd.

Sub: CEO/CFO certification under Clause 49 of the Listing Agreement

We, Dhruv M. Sawhney, Chairman and Managing Director and Suresh Taneja, Group CFO certify to the Board that:

(a) We have reviewed financial statements and the cash flow statement for the extended financial year 2012-14 (18 months) ended March 31, 2014 and that to the best of our knowledge and belief:

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

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

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

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

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

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

  (ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

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

Suresh Taneja
Group CFO

Dhruv M. Sawhney
Chairman and Managing Director

Place : Noida (U.P.)
Date : May 28, 2014

STANDALONE FINANCIAL STATEMENTS

INDEPENDENT AUDITORS' REPORT

To the Members of Triveni Engineering and Industries Limited

Report on the Financial Statements

1. We have audited the accompanying financial statements of Triveni Engineering and Industries Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2014, the Statement of Profit and Loss and Cash Flow Statement for the eighteen months period then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

2. The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 of India (the `Act'), read with the General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control 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.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these 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. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

6. In our opinion and to the best of our information and according to the explanations given to us, the accompanying financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

   (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;

   (b) in the case of the Statement of Profit and Loss, of the loss for the eighteen months period ended on that date; and

   (c) in the case of the Cash Flow Statement, of the cash flows for the eighteen months period ended on that date.

Report on Other Legal and Regulatory Requirements

7. As required by 'the Companies (Auditor's Report) Order, 2003', as amended by `the Companies (Auditor's Report) (Amendment) Order, 2004', issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered

appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

8. As required by section 227(3) of the Act, we report that:
   a. we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit;
   b. in our opinion, proper books of account as required by law have been kept by the Company so far as appears from the examination of the books and proper returns adequate for the purpose of our audit have been received from Engineering units of the Company not visited by us.
   c. the report of the accounts of the Engineering Units of the Company audited under section 228 by a person other than the Company's auditor has been forwarded to us as required by clause (c) of sub-section (3) of Section 228 and have been dealt with in preparing our report in the manner considered necessary by us.
   d. the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of accounts and with the audited returns received from the Engineering Units of the Company.
   e. in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report comply with the Accounting Standards notified under the Act read with the General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013;
   f. on the basis of written representations received from the directors as on March 31, 2014 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.

For J C Bhalla & Company
Chartered Accountants
FRN : 001111N

Sudhir Mallick
Partner
Membership No. 80051

Place : Noida (U.P.)
Date : May 28, 2014

ANNEXURE TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 7 of the Independent Auditors' Report of even date to the members of Triveni Engineering and Industries Limited on the financial statements as of and for the Eighteen months period ended March 31, 2014

1. (a) The Company has generally maintained proper records showing full particulars including quantitative details and situation of fixed assets.

   (b) Major items of fixed assets have been physically verified by the management during the period as per information given to us. As explained to us, no material discrepancies were noticed on such verification as compared to the available book records. In our opinion the frequency of verification is reasonable having regard to the size of the Company and nature of its activities.

   (c) In our opinion, the Company has not disposed off substantial part of fixed assets during the period and hence, going concern status of the Company is not affected.

2. (a) Inventories have been physically verified by the Management to the extent practicable at reasonable intervals during the period. In our opinion the frequency of verification is reasonable.

   (b) According to information given to us, the procedures for physical verification of the inventories followed by the management are reasonable and adequate in relation to the size of the Company and nature of its business.

   (c) The Company is maintaining proper records of inventory. The discrepancies noticed on such verification as compared to the book records were not material having regard to the size and nature of the operations of the Company and have been properly adjusted in the books of account.

3. (a) According to the information and explanations given to us, the Company has not granted any loans secured or unsecured to parties covered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly, the provisions of clause 4(iii)(b) to 4(iii)(d) of the Companies (Auditors' Report) Order, 2003 are not applicable to the Company.

   (b) According to the information and explanations given to us, the Company has not taken any loans, secured or unsecured from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, the provisions of clause 4 (iii) (e) to (g) of the Order are not applicable to the Company.

4. According to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system.

5. (a) In our opinion and according to the information and explanations given to us, the particulars of contracts or arrangements referred to in Section 301 of the Companies Act, 1956 have been entered in the register required to be maintained under that section.

   (b) According to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956 exceeding the value of Rupees five lakhs or more in respect of any party have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time except that transactions in respect of sale of gear, gear boxes & spare parts, rendering of services, purchase of stores & spare parts, receiving services and sub-contract for turnkey project with a party for which no comparable quotations are available. We are informed by the management that the price and charges so received and paid for such transactions, are reasonable having regard to the volume of business, quality and the specialized nature of goods and services involved.

6. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 58A, 58AA or any other relevant provisions of Act, and the Companies (Acceptance of Deposits) Rules, 1975 with regard to the deposits accepted from the public in the earlier period. As per the information and explanations given to us, no order under the aforesaid sections has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other Tribunal on the Company in respect of deposits accepted.

7. In our opinion the Company has an internal audit system commensurate with the size and nature of its business.

8. We have broadly reviewed the books of accounts maintained by the Company in respect of the products where pursuant to the rules made by the Central Government the maintenance of cost records has been prescribed under Section 209(1)(d) of the Companies Act, 1956, and are of the opinion that prima facie the prescribed accounts and records have been maintained . However, we are not required to carry out and have not carried out a detailed examination of the records with a view to determine whether they are accurate or complete.

9. (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, employees state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess and other statutory dues applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect of aforesaid dues were in arrears as at March 31, 2014 for a period of more than six months from the date they became payable.

   (b) According to the information and explanations given to us, there are no dues of wealth tax, custom duty, and cess which have not been deposited on account of any dispute. Disputed income tax, sales tax, service tax and excise duty which have not been deposited on account of matters pending before appropriate authorities are as under:

S. No.	Name of Statute	Forum where dispute is pending	Nature of dues	Amount* (₹ in lacs)	Year
1	Income Tax Act, 1961	Commissioner Income Tax (Appeal)	Income Tax	1860.03	2004-05, 2005-06, 2006-07 & 2009-10
2	Central Sales Act & Sales/ Trade Tax Acts of various states	Assessing Authority	Sales Tax	68.39	1991-95, 1993-94, 1994-95, 1996-97 1997-98 & 2000-2003
		Commissioner (Appeal)	Sales Tax Penalty Interest	37.54 52.20 74.24	1977-1978, 1979-80, 2000 to 2010
		Appellate Tribunal	Sales Tax Penalty Interest	54.30 42.76 5.20	1987-1988, 1993-94, 2005 to 2008
		High Court	Sales Tax Penalty	9.91 0.21	1975-1977, 1979-1981, 1986-1987, 1993-1994, 1996-1997, 1998-99 to 2000-2001

S. No.	Name of Statute	Forum where dispute is pending	Nature of dues	Amount* (₹ in lacs)	Year
3	Excise Act, 1944	Commissioner (Appeals)	Excise Duty Penalty	51.80 46.76	1995-1996, 1999-2000 to 2002 - 2003, 2006-2007 to 2013-2014
		Appellate Tribunal**	Excise Duty Penalty	541.77 385.76	1996-1997, 2004-2005 to 2013
		High Court	Excise Duty Penalty	210.64 12.90	1998-1999, 1999-2000, 2001 to 2006
		Supreme Court	Excise Duty Penalty	1.70 1.73	2010-2011
4	The Finance Act, 1994	Appellate Tribunal**	Service Tax Penalty	46.74 9.99	2004-05, 2005-06 to 2011-12
		Commissioner (Appeal)	Service Tax Penalty	22.56 21.45	2007-08 to 2012-13
5	UP Sugar Promotion Policy 2004	High Court	Entry Tax Sales Tax	996.52 36.24	2006-07 to 2013-14

* Net of amounts paid under protest or otherwise.

** Includes demand aggregating to ₹10.23 lacs for which appeals will be filed within the prescribed time, as informed to us.

10. In our opinion, the accumulated losses of the Company are not more than fifty percent of its net worth. The Company has incurred cash losses during the period and in the immediately preceding financial year.

11. Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions, banks or debenture holders during the period.

12. In our opinion and according to the information and explanations given to us, no loans and advances have been granted by the Company on the basis of security by way of pledge of shares, debentures and other securities.

13. In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/ society. Therefore, provisions of clause 4(xiii) of the Companies (Auditors' Report) Order, 2003 are not applicable to the Company.

14. In our opinion, the Company is not dealing or trading in shares, securities, debentures and other investments. Accordingly, provisions of Clause 4(xiv) of the Companies (Auditors' Report) Order, 2003 are not applicable to the company.

15. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.

16. In our opinion, the term loans raised during the period have been applied for the purpose for which they were raised.

17. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the company, we report that no funds raised on short term basis have been used for long term investments.

18. During the period, the Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956.

19. According to the information and explanations given to us, during the period covered by our audit, the Company has not issued debentures requiring creation of any security or charge.

20. The Company has not raised any money by way of public issue during the period covered by our audit report.

21. During the course of our examination of the books of accounts and records carried out in accordance with the generally accepted auditing practice and according to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the period.

For J C Bhalla & Company
Chartered Accountants
FRN : 001111N

Sudhir Mallick
Partner
Membership No. 80051

Place : Noida (U.P.)
Date : May 28, 2014

Balance Sheet as at 31st March 2014

(₹ in Lacs)

Particulars	Note No.	31.03.2014	30.09.2012
I **EQUITY AND LIABILITIES**			
1. Shareholders' funds			
Share capital	2	2,579.02	2,578.82
Reserves and surplus	3	78,257.38	93,581.37
		80,836.40	**96,160.19**
2. Non - current liabilities			
Long-term borrowings	4	42,213.10	43,286.53
Deferred tax liabilities (net)	5	2,448.60	6,608.57
Other long term liabilities	6	1,353.77	353.89
Long-term provisions	7	2,576.83	2,370.83
		48,592.30	**52,619.82**
3. Current liabilities			
Short-term borrowings	8	59,127.24	42,353.09
Trade payables	9	82,004.44	10,310.54
Other current liabilities	10	22,781.09	24,130.42
Short-term provisions	7	5,515.61	3,457.29
		1,69,428.38	**80,251.34**
Total		**2,98,857.08**	**2,29,031.35**
II **ASSETS**			
1. Non-current assets			
Fixed assets			
(i) Tangible assets	11	94,884.75	1,01,647.86
(ii) Intangible assets	12	149.07	307.40
(iii) Capital work-in-progress		181.90	735.38
Non-current investments	13	3,813.48	4,103.24
Long-term loans and advances	14	22,920.53	25,125.65
Other non-current assets	18	4,039.05	846.24
		1,25,988.78	**1,32,765.77**
2. Current assets			
Inventories	15	1,40,205.51	53,817.56
Trade receivables	16	22,806.80	20,981.99
Cash and bank balances	17	1,391.88	1,048.44
Short-term loans and advances	14	4,838.63	4,029.04
Other current assets	18	3,625.48	16,388.55
		1,72,868.30	**96,265.58**
Total		**2,98,857.08**	**2,29,031.35**
Summary of Significant Accounting Policies	1		

The accompanying Note Nos.1 to 53 form an integral part of the financial statements.

As per our report of even date.

For and on behalf of
J. C. Bhalla & Company
Chartered Accountants
FRN : 001111N

Sudhir Mallick
Partner
Membership No. 80051
Place : Noida (U.P.)
Date : May 28, 2014

Dhruv M. Sawhney
Chairman & Managing Director

Lt.Gen.K.K.Hazari (Retd)
Director & Chairman Audit Committee

Geeta Bhalla
Company Secretary

Suresh Taneja
Group CFO

Statement of Profit and Loss for eighteen months ended 31st March 2014

(₹ in Lacs)

Particulars	Note No.	31.03.2014 (18 Months)	30.09.2012 (12 Months)
Continuing operations			
INCOME			
Revenue from operations (gross)	19	3,25,693.93	1,92,039.58
Less : Excise duty		10,357.53	6,085.52
Revenue from operations (net)		3,15,336.40	1,85,954.06
Other Income	20	2,919.94	1,841.04
Total revenue		**3,18,256.34**	**1,87,795.10**
EXPENSES			
Cost of raw material and components consumed	21	3,18,933.94	1,42,905.74
Purchase of traded goods	22	2,289.40	1,115.67
(Increase)/decrease in inventories of finished goods and work-in-progress	23	(83,761.87)	(13,457.94)
Employee benefit expenses	24	21,452.66	13,394.67
Other expenses	25	49,990.35	24,227.86
Prior period items (net)	26	69.65	62.26
Total		**3,08,974.13**	**1,68,248.26**
Earnings before exceptional items, extraordinary item, interest, tax, depreciation and amortisation (EBITDA)		**9,282.21**	**19,546.84**
Depreciation and amortisation expenses	27	11,878.33	8,155.06
Finance costs	28	18,522.93	12,278.52
Profit/(loss) before exceptional items, extraordinary item & tax		**(21,119.05)**	**(886.74)**
Exceptional items	29	(4,381.63)	7,895.80
Profit/(loss) before extraordinary item & tax		**(16,737.42)**	**(8,782.54)**
Extraordinary item		-	-
Profit/(loss) before tax		**(16,737.42)**	**(8,782.54)**
Tax expense	30	(1,459.60)	(2,111.32)
Profit/(loss) after tax		**(15,277.82)**	**(6,671.22)**
Earning per equity share of ₹1/ each	31		
Basic and diluted (in ₹)		(5.92)	(2.59)
Summary of Significant Accounting Policies	1		

The accompanying Note Nos.1 to 53 form an integral part of the financial statements.

As per our report of even date.

For and on behalf of
J. C. Bhalla & Company
Chartered Accountants
FRN : 001111N

Sudhir Mallick
Partner
Membership No. 80051
Place : Noida (U.P.)
Date : May 28, 2014

Dhruv M. Sawhney
Chairman & Managing Director

Lt.Gen.K.K.Hazari (Retd)
Director & Chairman Audit Committee

Geeta Bhalla
Company Secretary

Suresh Taneja
Group CFO

Cash Flow Statement for the eighteen months ended 31st March 2014

(₹ in Lacs)

	Particulars	31.03.2014 (18 Months)	30.09.2012 (12 Months)
A.	**Cash Flow from Operating Activities**		
	Profit before tax	**(16,737.42)**	**(8,782.54)**
	Non-cash adjustment to reconcile profit before tax to net cash flows		
	Depreciation/amortisation on continuing operation	11,878.33	8,154.64
	Loss/(profit) on sale of fixed assets	106.26	72.33
	Provision for diminution in value of investments in subsidiary company	0.30	0.48
	Net gain on sale of long term investments	-	(0.42)
	Exceptional item (Net gain on sale of long term investments)	(4,381.63)	-
	Interest Expense	18,523.20	12,333.59
	Interest Income	(119.75)	(94.91)
	Dividend Income	(749.76)	(493.06)
	Operating profit before working capital changes	**8,519.53**	**11,190.11**
	Movements in working capital :		
	Change in Liabilities	74,748.75	(700.91)
	Change in Inventories	(86,387.94)	(14,455.14)
	Change in Trade Receivables	(4,988.35)	(2,001.95)
	Change in Loans and Advances	(1,871.16)	(101.82)
	Change in Other Current Assets	12,860.01	4,878.90
	Cash generated from/(used in) operations	**2,880.84**	**(1,190.81)**
	Direct taxes paid (net of refunds)	(567.75)	(349.06)
	Net cash flow from/(used in) operating activities (A)	**2,313.09**	**(1,539.87)**
B.	**Cash flow from Investing Activities**		
	Purchase of fixed assets	(4,204.76)	(2,711.57)
	Proceeds from sale of fixed assets	82.10	72.12
	Proceeds of non-current investments		
	From disposal of subsidiary	-	5.42
	From others	4,711.63	-
	Purchase of non-current investments		
	Subsidiary	(10.00)	-
	Others	(30.55)	(3,006.19)
	Interest received	106.06	111.97
	Dividends received	749.76	493.06
	Net cash flow from/(used in) investing activities (B)	**1,404.24**	**(5,035.19)**
C.	**Cash Flow from Financing Activities**		
	Proceeds from issue of Equity Share capital under ESOP	2.80	-
	Proceeds from long-term borrowings	24,126.00	19,606.00
	Repayment of long-term borrowings	(25,616.12)	(13,015.01)
	Increase / (Decrease) in short-term borrowings	16,774.14	13,069.82
	Interest paid	(18,944.56)	(12,539.31)
	Dividend paid on equity shares	(260.13)	(515.30)
	Tax on equity dividend paid	(41.84)	(83.67)
	Net cash flow from / (used in) financing activities (C)	**(3,959.71)**	**6,522.53**
	Net increase/(decrease) in cash and cash equivalents (A + B+ C)	(242.38)	(52.53)
	Cash and cash equivalents at the beginning of the period/year	925.19	977.72
	Cash and cash equivalents at the end of the period/year	**682.81**	**925.19**

As per our report of even date.

For and on behalf of
J. C. Bhalla & Company
Chartered Accountants
FRN : 001111N

Sudhir Mallick
Partner
Membership No. 80051
Place : Noida (U.P.)
Date : May 28, 2014

Dhruv M. Sawhney
Chairman & Managing Director

Lt.Gen.K.K.Hazari (Retd)
Director & Chairman Audit Committee

Geeta Bhalla
Company Secretary

Suresh Taneja
Group CFO

Notes to Financial Statements for the eighteen months ended 31st March, 2014

1. **SIGNIFICANT ACCOUNTING POLICIES**

a) Basis of preparation of Financial Statements

The financial statements of the Company have been prepared on accrual basis of accounting under the historical cost convention in accordance with generally accepted accounting principles in India and comply in all material respects with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended), and the relevant provisions of the Companies Act, 1956, read with General Circular 15/2013 dated September 13, 2013 and General Circular 08/2014 dated April 4, 2014 issued by the Ministry of Corporate Affairs.

All assets and liabilities have been classified as current and non-current as per the criteria set out in the revised Schedule VI. In line with the normal operating cycle of the main products, the Company has considered a period of 12 months for the purpose of determination of classification between current and non-current assets and liabilities.

b) Use of Estimates

The presentation of financial statements requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/materialize.

c) Fixed Assets

i. Fixed assets are stated at their acquisition cost (except in the case of revaluation of certain assets where these are stated at revalued amounts) less accumulated depreciation. Acquisition cost includes taxes, duties (excluding excise duty, service tax and VAT for which CENVAT/VAT credit is available), freight and other incidental expenses relating to acquisition and installation. In case of certain machineries acquired under lease prior to 01.04.2001, the cost of acquisition represents the principal value of the respective lease (including the residual value at expiry of lease). In the acquisition of fixed assets involved in the establishment of a new project/factory, all direct expenses including borrowing costs are capitalized.

ii. Fixed assets pending disposal are stated at lower of net book value (at the time of discarding of assets) and net realizable value. Wherever, the net book value of the assets can not be reasonably determined, it is stated at net realizable value.

d) Recognition of Income/Expenditure

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria are applied for revenue recognition:

i. Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer. The Company collects sales taxes and value added taxes (VAT) on behalf of the government and therefore these are not economic benefits flowing to the Company and accordingly they are excluded from revenue.

ii. In contracts involving the rendering of services, revenue is recognized as and when the services are rendered. The Company collects service tax on behalf of the government and therefore, it is not an economic benefit flowing to the Company and is accordingly excluded from revenue.

iii. Income from sale of Certified Emission Reductions (CERs) and Renewable Energy Certificates (RECs) is recognized on the delivery of the CERs/RECs to the customers' account as evidenced by the receipt of confirmation of execution of delivery instructions.

iv. Revenue from construction contracts is recognized on the percentage of completion method, measured by the proportion that contract costs incurred for work performed till the reporting date bear to the estimated total contract cost. Contract costs for this purpose include :

a. Costs that relate directly to the specific contract;

b. Costs that are attributable to contract activity in general and can be allocated to the contract; and

c. Such other costs as are specifically chargeable to the customer under the terms of contract.

Foreseeable losses, if any, are provided for immediately.

v. Income/Expenditure relating to prior periods and prepaid expenses which do not exceed ₹10,000/- in each case, are treated as Income/Expenditure of current year.

vi. Compensation under Voluntary Retirement Scheme and all other termination benefits, if any, incurred during the year, are recognized as expense in the statement of profit and loss.

e) Foreign Currency Transactions

i. Transactions denominated in foreign currencies are initially recorded at the exchange rate prevailing at the date of transaction.

ii. Foreign currency monetary items (including forward contracts not relating to firm commitments or highly probable forecast transactions and not intended for trading or speculative purposes) are translated at year end rates. Exchange differences arising on settlement of transactions and translation of monetary items are recognized as income or expense in the year in which they arise.

iii. The premium or discount on forward exchange contracts not relating to firm commitments or highly probable forecast transactions and not intended for trading or speculative purposes is amortized as expense or income over the life of the contracts.

iv. In respect of derivative contracts relating to firm commitments or highly probable forecast transactions, provision is made for mark to market losses, if any, at the balance sheet date. Gains, if any, are not recognized till settlement.

f) Inventories

i. Inventories of raw materials, components, stores and spares are valued at lower of cost and net realizable value. By-products used as raw material are valued at transfer cost. Cost for the purpose of valuation of raw materials and components, stores and spares is considered on the following basis :

Raw Materials & Components

Business Units	Basis
Sugar	First in first out
Gears, Co-generation & Distillery	Weighted Average
Water Business Group	Specific Cost

Stores and Spares

Business Units	Basis
Water Business Group	Specific Cost
Other Units	Weighted Average

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

iii. Unsold certified emission reductions are recognized as inventory in accordance with the Guidance Note on Accounting for Self-generated Certified Emission Reductions (CERs), issued by the Institute of Chartered Accountants of India. Inventory of CERs is valued at lower of cost and net realizable value. The cost incurred on verification/certification of CERs is considered as the cost of inventories of CERs.

iv. Patterns, Loose tools, Jigs and Fixtures are written off equally over three years.

v. By-products (excluding those used as raw materials) and scrap are valued at estimated net realizable value.

g) Depreciation

i) Depreci.ation on fixed assets is provided on the straight line method at the rates specified in Schedule XIV of the Companies Act, 1956 other than the following assets which are depreciated at higher rates on the straight line basis over their estimated useful economic life as follows :

Particulars	Rates adopted
a) Plant & Machinery used in Co-Generation Plants (including captive Co-Generation Plants) installed after 1.4.2004	6.33%
b) Mobile phone costing above ₹5,000/-	50%

ii) Cost of leasehold land is amortized over the lease period.

iii) Fixture and fittings and improvements to leasehold buildings not owned by the Company are amortized over the lease period or estimated useful life of such fixture, fittings and improvements, whichever is lower.

iv) The additional depreciation on increase in cost on account of revaluation of certain assets, is adjusted against the Revaluation Reserve and is thus not charged to the statement of profit and loss.

h) Research & Development

Revenue expenditure on research & development is charged under respective heads of account. Capital expenditure on research and development is included as part of cost of fixed assets and depreciated on the same basis as other fixed assets.

i) Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as non-current / long-term investments. Current investments are carried at lower of cost and fair value. Long-term investments are carried at cost. However, provision is made to recognize a decline, other than temporary, in the value of long-term investments, such reduction being determined and made for each investment individually.

j) Employee Benefits

1) Short Term Employee Benefits:

All employee benefits payable wholly within 12 months after the end of the period in which the employees render the related services are classified as short term employee benefits and are recognized as expense in the period in which the employee renders the related service. The Company recognizes the undiscounted amount of short term employee benefits expected to be paid (including compensated absences) in exchange for services rendered, as a liability.

2) Long Term Employee Benefits:

i) Defined Contribution Plans

Defined contribution plans are retirement benefit plans under which the Company pays fixed contributions to separate entities (funds) or financial institutions or state managed benefit schemes. The Company's contribution to defined contribution plans is recognized in the statement of profit and loss in the financial year to which they relate.

The Company operates the following defined contribution plans.

- Provident Fund Plan & Employee Pension Scheme:

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

- Employee State Insurance

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

- Superannuation Scheme

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

ii) Defined Benefit Plans

Defined benefit plans are plans under which the Company pays certain defined benefits to its employees at the time of their retirement/resignation/death based on rules framed for such schemes. The Company operates following defined benefit plans:

- Provident fund (set-up by the Company and administered through trust)

  The Company also contributes to certain funds which were set-up by the

Company and administered through trust for the benefit of certain employees. The interest rate payable by the trust to the beneficiaries is regulated by statutory authorities. The Company has an obligation to make good the shortfall, if any, between the return on investments of the Trust and the notified interest rate.

- Gratuity

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

- Earned Leaves / Sick Leaves

  The Company provides for the liability at year end on account of un-availed accumulated leaves on the basis of actuarial valuation.

3) Employee Stock Options:

Compensation cost in respect of stock options granted to eligible employees is recognized using the intrinsic value of the stock options and is amortized over the vesting period of such options granted.

k) Borrowing costs

Borrowing costs attributable to the acquisition of qualifying assets are capitalized till the period such assets are ready for their intended use. All other borrowing costs are charged to the statement of profit and loss.

l) Operating leases

Lease payments under an operating lease are recognized as an expense in the statement of profit and loss on a straight line basis over the lease term.

m) Government Grants

Recognition

Government grants are recognised where:

i) There is reasonable assurance of complying with the conditions attached to the grant.

ii) Such grant/benefit has been earned and it is reasonably certain that the ultimate collection will be made.

Presentation in Financial Statements:

i) Government grants relating to specific fixed assets are adjusted with the value of such fixed assets.

ii) Government grants in the nature of promoters' contribution, i.e. which have reference to the total investment in an undertaking or by way of contribution towards total capital outlay, are credited to capital reserve.

iii) Government grants related to revenue items are either adjusted with the related expenditure/ revenue or shown under "Other Income", in case direct linkage with cost/income is not determinable.

n) Taxes on Income

i) Current tax on income is determined on the basis of taxable income computed in accordance with the applicable provisions of the Income Tax Act, 1961.

ii) Deferred tax is recognized for all timing differences between the accounting income and the taxable income for the year, and quantified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date.

iii) Deferred tax asset is recognized and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized, except in the case of unabsorbed depreciation or carry forward of losses under the Income Tax Act, 1961, where such deferred tax asset is recognized only to the extent that there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realized.

iv) Minimum Alternate Tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will be in a position to avail of such credit under the provisions of the Income Tax Act, 1961.

o) Intangible Assets

Intangible assets are recognized as per the criteria specified in Accounting Standard (AS) 26 "Intangible Assets" and are amortized on straight line basis as follows:

Particulars	Period of amortisation
Computer Software	36 months
Technical Know-how fees	72 months

p) Impairment of Asset

Impairment of individual assets/cash generating unit (a group of assets that generates identified independent cash flows) is identified using external and internal sources of information and impairment loss if any, is determined and recognized in accordance with the Accounting Standard (AS) 28 " Impairment of Assets".

q) Provisions, Contingent liabilities and Contingent assets

Provisions are recognized for liabilities that can be measured only by using a substantial degree of estimation, if:

i) the Company has a present obligation as a result of a past event;

ii) a probable outflow of resources is expected to settle the obligation; and

iii) the amount of the obligation can be reliably estimated.

Reimbursement expected in respect of expenditure required to settle a provision is recognized only when it is virtually certain that the reimbursement will be received.

Contingent liability is disclosed in the case of

i) a present obligation arising from a past event, when it is not probable that an outflow of resources will be required to settle the obligation.

ii) a possible obligation, unless the probability of outflow of resources is remote.

Contingent assets are not recognized.

2. Share Capital

(₹ in Lacs)

Particulars	31.03.2014	30.09.2012
AUTHORISED		
50,00,00,000 Equity shares of ₹ 1/- each	5,000.00	5,000.00
2,00,00,000 Preference shares of ₹ 10/- each	2,000.00	2,000.00
	7,000.00	**7,000.00**
ISSUED		
25,79,08,150 (25,78,88,150) Equity shares of ₹ 1/- each	2,579.08	2,578.88
	2,579.08	**2,578.88**
SUBSCRIBED AND PAID UP		
25,79,00,150 (25,78,80,150) Equity shares of ₹ 1/- each	2,579.00	2,578.80
Add :Paid up value of 8,000 Equity shares of ₹ 1/- each forfeited	0.02	0.02
	2,579.02	**2,578.82**

a) Reconciliation of the shares outstanding at the beginning and at the end of the period

Equity Shares

Particulars	As at 31.03.2014		As at 30.09.2012	
	No of Shares	₹ in lacs	No of Shares	₹ in lacs
At the beginning of the period	25,78,88,150	2,578.88	25,78,88,150	2,578.88
Add : Equity Shares issued pursuant to exercise of Employee Stock Options	20,000	0.20	-	-
Outstanding at the end of the period	25,79,08,150	2,579.08	25,78,88,150	2,578.88

b) Terms/rights attached to equity shares

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

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

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

Particulars	As at 31.03.2014		As at 30.09.2012	
	No of Shares	% holding	No of Shares	% holding
Dhruv M. Sawhney	3,83,91,756	14.89	3,83,91,756	14.89
Nalanda India Fund Limited	2,57,88,000	10.00	2,57,88,000	10.00
Umananda Trade & Finance Limited	2,09,91,589	8.14	2,09,91,589	8.14
Rati Sawhney	2,03,58,164	7.89	2,03,58,164	7.89
Tarnik Investments & Trading Limited	1,86,80,527	7.24	1,86,80,527	7.24
Subhadra Trade & Finance Limited	1,69,07,375	6.56	1,69,07,375	6.56
Nikhil Sawhney	1,52,77,653	5.92	1,52,77,653	5.92
Dhankari Investments Limited	1,47,14,901	5.71	1,47,14,901	5.71
Tarun Sawhney	1,46,95,375	5.70	1,46,95,375	5.70

d) Shares reserved for issue under options

Refer Note No. 33

3. Reserves and Surplus

(₹ in Lacs)

Particulars	31.03.2014	30.09.2012
Capital Reserve		
Balance as per the last financial statements	13,325.85	13,325.85
Less: Amount utilised	-	-
Closing Balance	**13,325.85**	**13,325.85**
Securities Premium		
Balance as per the last financial statements	26,538.49	26,538.49
Add: Amount received during the period pursuant to exercise of employee stock options	2.60	-
Less: Amount utilised	-	-
Closing Balance	**26,541.09**	**26,538.49**
Revaluation Reserve - Fixed Assets		
Balance as per the last financial statements	1,556.39	1,588.89
Less: Amount utilised *	48.74	32.50
Closing Balance	**1,507.65**	**1,556.39**

* Includes ₹ 48.74 lacs (₹ 32.49 lacs) transferred to the statement of profit and loss and ₹ Nil (₹ 0.01 lacs) adjusted on disposal of revalued assets.

Particulars	31.03.2014	30.09.2012
General Reserve		
Balance as per the last financial statements	48,602.09	53,777.84
Add/ (Less) : Amount transferred from surplus/ (to deficit) in the statement of profit and loss	-	(5,175.75)
Add: Amount transferred from Revaluation Reserve - Fixed Assets (previous year: ₹ 344/-)	-	0.00
Less: Amount utilised	-	-
Closing Balance	**48,602.09**	**48,602.09**
Capital Redemption Reserve		
Balance as per the last financial statements	397.40	397.40
Add: Amount transferred	-	-
Less: Amount utilised	-	-
Closing Balance	**397.40**	**397.40**
Amalgamation Reserve		
Balance as per the last financial statements	926.34	926.34
Add: Amount transferred	-	-
Less: Amount utilised	-	-
Closing Balance	**926.34**	**926.34**
Debenture Redemption Reserve		
Balance as per the last financial statements	2,000.00	2,000.00
Add: Amount transferred from surplus in statement of profit and loss	-	-
Less: Amount utilised	-	-
Closing Balance	**2,000.00**	**2,000.00**

(₹ in Lacs)

Particulars	31.03.2014	30.09.2012
Molasses Storage Fund Reserve		
Balance as per the last financial statements	234.81	207.56
Add: Amount transferred from surplus in statement of profit and loss	50.69	27.25
Less: Amount utilised	(100.00)	-
Closing Balance	**185.50**	**234.81**
Surplus/(deficit) in the statement of profit and loss		
Balance as per the last financial statements	-	1,822.44
Add: Net profit/(loss) after tax transferred from statement of profit and loss	(15,277.82)	(6,671.22)
Amount available for appropriation (A)	**(15,277.82)**	**(4,848.78)**
Appropriations:		
Transfer to (withdrawn from) General Reserve	-	(5,175.75)
Transfer to (withdrawn from) Molasses Storage Fund Reserve	(100.00)	-
Transfer to Molasses Storage Fund Reserve	50.69	27.25
Dividend adjustment of previous year (Prev. year ₹ 51/-)	0.03	0.00
Tax on Dividend of previous year : Current year ₹ 389/- (Prev. year ₹ 8/-)	0.00	0.00
Dividend proposed on equity shares	-	257.88
Provision for tax on proposed dividend on equity shares	-	41.84
Total appropriations (B)	**(49.28)**	**(4,848.78)**
Net surplus/(deficit) in the statement of profit and loss (A-B)	**(15,228.54)**	**-**
Total Reserves and Surplus	**78,257.38**	**93,581.37**

4. Long-Term Borrowings

Particulars	Non- Current portion		Current maturities	
	31.03.2014	30.09.2012	31.03.2014	30.09.2012
Bonds/Debentures	-	7,000.00	4,000.00	3,000.00
Term loans from banks	41,003.50	33,393.92	11,273.34	12,142.94
Term loans from others	1,209.60	2,892.61	918.50	1,465.59
	42,213.10	43,286.53	16,191.84	16,608.53
The above amount includes				
Secured loans	42,213.10	43,050.44	16,191.84	16,372.44
Unsecured loans	-	236.09	-	236.09
	42,213.10	43,286.53	16,191.84	16,608.53
Less: Amount disclosed under the head "other current liabilities" (Refer Note No. 10)			16,191.84	16,608.53
	42,213.10	**43,286.53**	**-**	**-**

Details of Securities and other terms :-

Name of the Bank / Others	Total loan outstanding (₹ in Lacs)	Repayment terms of loan outstanding	Rate of interest	Nature of Security
A) 400 (1,000) Non-Convertible Debentures of ₹ 10.00 lacs each issued to Life Insurance Corporation of India	4,000.00 (10,000.00)	Redeemable in three annual instalments at the end of 4th, 5th & 6th year in the ratio of 30:30:40 from the deemed date of allotment i. e. 26th December 2008.	12.45% p. a. fixed payable quarterly.	Secured by first pari-passu charge created / to be created by equitable mortgage on immoveable assets and hypothecation of all moveable assets, both present and future of the Company subject to bankers prior charges created / to be created on current assets for providing working capital facilities and excluding assets purchased under vehicle loan scheme.
B) Term loans				
From banks (Indian Rupee Loan)				
1. Bank of Maharashtra	Nil (937.50)	Nil (5) equal quarterly instalments upto October 2013.	At Banker's base rates plus applicable spread. The total interest rate as on 31.03.2014 range between 11.75% to 13.05% per annum.	Secured by first pari-passu charge created / to be created by equitable mortgage on immoveable assets and hypothecation of all moveable assets, both present and future of the Company subect to bankers prior charges created / to be created on current assets for providing working capital facilities and excluding assets purchased under vehicle loan scheme.
2. Canara Bank	Nil (834.60)	Nil (4) equal quarterly instalments upto September 2013.		
3. Central Bank of India	630.71 (4,443.08)	1 (7) equal quarterly instalments upto June 2014.		
4. Kotak Mahindra Bank	Nil (1,090.91)	Nil (4) equal quarterly instalments upto August 2013.		
5. Oriental Bank of Commerce	Nil (1,000.00)	Nil (4) equal quarterly instalments upto September 2013.		
6. Canara Bank	7,500.00 (Nil)	16 (Nil) equal quarterly instalments upto December 2018.		
7. State Bank of Patiala	Nil (1,498.46)	Nil (4) equal quarterly instalments upto August 2013.		
8. Axis Bank	5,000.00 (5,000.00)	12 (12) equal quarterly instalments upto August 2017.		
9. Axis Bank	Nil (980.00)	Nil (4) equal quarterly instalments upto September 2013.		
10. State Bank of Patiala	5,625.00 (7,500.00)	9 (12) equal quarterly instalments upto June 2016.		
11. Oriental Bank of Commerce	6,248.68 (7,500.00)	10 (12) equal quarterly instalments upto July 2016.		
12. Yes Bank	7,500.00 (7,500.00)	16 (16) equal quarterly instalments upto June 2018.		
13. Ratnakar Bank Limited	4,000.00 (Nil)	16 (Nil) equal quarterly instalments upto December 2018.		
14. Punjab National Bank	2,966.00 (7,106.00)	13 (31) equal monthly instalments upto April 2015.		Secured by first pari-passu charge on current assets and residual charge on the fixed assets of the Company
15. Punjab National Bank (Excise Duty Loan)	8,876.00 (Nil)	36 equated monthly instalments upto March 2019. (Nil)	Interest Free Loan	Secured by 2nd charge on all business units except Khatauli and Ramkola .
16. Central Bank of India (Excise Duty Loan)	3,750.00 (Nil)	12 equal quarterly instalments upto March 2019. (Nil)	Interest Free Loan	Secured by 2nd charge on all business units except Khatauli and Ramkola .
17. Vehicle Loans Axis Bank ICICI Bank	 94.47 (120.09) 85.98 (26.22)	In equated monthly instalments ranging from 3 to 55 months (8 to 36 months)	At fixed rates ranging from 9.35% to 11.00% p.a.	Secured by hypothecation of vehicle acquired under the respective vehicle loans.

Name of the Bank / Others	Total loan outstanding (₹ in Lacs)	Repayment terms of loan outstanding	Rate of interest	Nature of Security
From others (Indian Rupee Loan)				
1. Vehicle Loan Daimler Financial Services P Ltd.	15.23 (Nil)	In 21 (Nil) equated monthly instalments	At fixed rate of 9.38% p.a.	Secured by hypothecation of vehicle acquired under the respective vehicle loans.
2. Other Loans - Sugar Development Fund, Govt.of India	2,112.87 (3,886.02)	5 & 10 equal yearly and half yearly instalments upto September 2018.	2% below the Bank Rate at present 4%	Secured by exclusive second charge created over moveable/ immoveable assets of Khatauli and Ramkola units.
3. Other Loans - Sugar Development Fund, Govt.of India	Nil (472.18)	Nil (2) equal yearly instalments upto January 2014.	2% below the Bank Rate at present 4%	Unsecured
Total	**58,404.94** **(59,895.06)**			

Figures in brackets relate to previous year.

5. Deferred Tax Liabilities (Net)

(₹ in Lacs)

Particulars	31.03.2014	30.09.2012
Deferred Tax Liabilities :		
Difference in net book value of fixed assets as per books and tax laws	14,218.19	12,479.67
Expenses deferred in books but claimed in tax	-	153.73
Deferred Tax Assets :		
Unabsorbed business loss/depreciation	(8,287.21)	(2,651.57)
Expenses allowable on payment basis	(1,579.86)	(1,925.71)
Others (net)	(1,902.52)	(1,447.55)
Net Deferred Tax Liabilities	**2,448.60**	**6,608.57**

6. Other Long term liabilities

Interest accrued but not due	178.78	306.78
Lease Equalisation	28.00	14.83
Trade Payable (Retentions)- (Refer Note no. 34 for details of dues to micro and small enterprises)	1,146.99	32.28
	1,353.77	**353.89**

7. Provisions

(₹ in Lacs)

Particulars	Long-term		Short-term	
	31.03.2014	30.09.2012	31.03.2014	30.09.2012
Provision for Employee Benefits				
Gratuity (Refer Note No. 41)	1,816.16	1,691.94	123.89	51.89
Compensated Absences (Refer Note No. 41)	760.67	678.89	327.38	234.51
Other Provisions				
Proposed Dividend *	-	-	-	257.88
Tax on Proposed Dividend	-	-	-	41.84
Warranty	-	-	276.23	299.87
Cost to Completion	-	-	40.15	65.00
Arbitration/Court case claims	-	-	238.11	224.79
Administrative charges on molasses	-	-	-	323.50
Loss on Foreign Exchange Derivatives	-	-	0.20	-
Excise duty on closing stock	-	-	4,509.65	1,958.01
	2,576.83	**2,370.83**	**5,515.61**	**3,457.29**

* Represents dividend proposed by the Board of Directors at ₹ Nil (previous year: ₹ 0.10) per equity share of ₹ 1/- each, which is subject to the approval by the shareholders.

For Movement in provisions - Refer Note No.44

8. Short-Term Borrowings

Particulars	31.03.2014	30.09.2012
Repayable on demand		
Cash credits from banks	57,901.13	35,568.09
Other borrowings		
From Banks		
Rupee term loans	1,000.00	4,500.00
Foreign currency loans (Buyers' credits)	218.21	2,211.87
From Others	7.90	73.13
	59,127.24	**42,353.09**
The above amount includes :		
Secured borrowings	57,901.13	35,568.09
Unsecured borrowings	1,226.11	6,785.00

Cash credit from banks is secured by pledge/hypothecation of the stock-in-trade, raw material, stores and spare parts, work-in-progress and receivables and second charge created/to be created on the properties of all the Engineering units and third charge on the properties of Sugar, Co Generation and Distillery units of the Company on pari passu basis.

9. Trade Payables

Trade payables (Refer Note No 34 for details of dues to micro and small enterprises)	82,004.44	10,310.54
	82,004.44	**10,310.54**

10. Other Current Liabilities

(₹ in Lacs)

Particulars	31.03.2014	30.09.2012
Current maturities of long term borrowings (Refer Note No 4)	16,191.84	16,608.53
Capital creditors	464.54	531.22
Advance from customers	3,142.59	3,334.19
Security deposits	237.14	192.78
Interest accrued but not due on borrowings	242.18	614.60
Interest accrued and due on borrowings	90.65	11.60
Employee benefits & other dues payable	1,152.43	1,101.84
Statutory dues payable relating to employees	257.17	195.20
Other statutory dues payable	618.47	1,063.69
Other payables	267.77	342.71
Unclaimed preference shares redemption	90.87	93.13
Unpaid dividend *	14.68	16.90
Unclaimed matured depsoits *	8.61	20.12
Unclaimed interest on deposits *	2.15	3.91
	22,781.09	**24,130.42**

* There are no amounts as at the end of the period which are due and outstanding to be credited to the Investors Education and Protection Fund.

11. Tangible Assets

Particulars	Land Freehold*1	Land Lease Hold	Buildings & Roads	Railway Siding	Plant and Machinery	Office Equipments	Furniture and Fixtures	Vehicles	Computers	Total
Gross block										
As at October 1, 2011	**4,697.67**	**390.76**	**26,064.65**	**0.18**	**1,25,049.80**	**436.52**	**798.42**	**552.19**	**1,134.51**	**1,59,124.70**
Additions	39.88	-	558.64	-	1,831.31	60.14	75.37	164.28	79.06	2,808.68
Deductions	-	-	12.10	0.18	464.57	(90.40)	75.94	52.18	67.71	582.28
As at September 30, 2012	**4,737.55**	**390.76**	**26,611.19**	**-**	**1,26,416.54**	**587.06**	**797.85**	**664.29**	**1,145.86**	**1,61,351.10**
Additions	17.85	-	76.89	-	4,722.59	39.70	21.87	297.34	37.98	5,214.22
Deductions	-	-	27.94	-	1,005.71	16.30	(1.99)	155.68	33.70	1,237.34
As at March 31, 2014	**4,755.40**	**390.76**	**26,660.14**	**-**	**1,30,133.42**	**610.46**	**821.71**	**805.95**	**1,150.14**	**1,65,327.98**
Depreciation										
As at October 1, 2011	**-**	**23.95**	**4,281.40**	**0.17**	**46,356.92**	**182.93**	**436.25**	**226.39**	**763.85**	**52,271.86**
Charge for the year *2 & *3	-	4.65	699.49	-	6,961.43	30.49	41.69	50.18	123.61	7,911.54
Deductions	-	-	5.00	0.17	352.71	(2.46)	27.89	33.27	63.58	480.16
As at September 30, 2012	**-**	**28.60**	**4,975.89**	**-**	**52,965.64**	**215.88**	**450.05**	**243.30**	**823.88**	**59,703.24**
Charge for the year *2 & *3	-	6.97	1,010.44	-	10,307.86	47.98	55.75	104.73	142.72	11,676.45
Deductions	-	-	25.03	-	783.32	8.42	1.45	86.77	31.47	936.46
As at March 31, 2014	**-**	**35.57**	**5,961.30**	**-**	**62,490.18**	**255.44**	**504.35**	**261.26**	**935.13**	**70,443.23**
Net Block										
As at September 30, 2012	**4,737.55**	**362.16**	**21,635.30**	**-**	**73,450.90**	**371.18**	**347.80**	**420.99**	**321.98**	**1,01,647.86**
As at March 31, 2014	**4,755.40**	**355.19**	**20,698.84**	**-**	**67,643.24**	**355.02**	**317.36**	**544.69**	**215.01**	**94,884.75**

Includes

* 1 Land costing ₹ 376.74 lacs (previous year ₹ 358.90 lacs) pending transfer in the name of the Company.

* 2 Transferred to Revaluation Reserve ₹ 48.74 lacs (previous year ₹ 32.49 lacs).

* 3 Depreciation capitalised during the period amounting to ₹ Nil (previous year : ₹ 5.10 lacs).

12. Intangible Assets (Other than internally Generated)

(₹ in Lacs)

Particulars	Computer Software	Design and Drawings	Total
Gross block			
As at October 1, 2011	**1,481.98**	**30.81**	**1,512.79**
Additions	231.33	-	231.33
Disposals	203.89	-	203.89
As at September 30, 2012	**1,509.42**	**30.81**	**1,540.23**
Additions	92.29	-	92.29
Disposals	-	-	-
As at March 31, 2014	**1,601.71**	**30.81**	**1,632.52**
Amortisation			
As at October 1, 2011	**1,126.55**	**28.67**	**1,155.22**
Charge for the year	279.36	2.14	281.50
Disposals	203.89	-	203.89
As at September 30, 2012	**1,202.02**	**30.81**	**1,232.83**
Charge for the year	250.62	-	250.62
Disposals/Adjustments	-	-	-
As at March 31, 2014	**1,452.64**	**30.81**	**1,483.45**
Net Block			
As at September 30, 2012	**307.40**	**-**	**307.40**
As at March 31, 2014	**149.07**	**-**	**149.07**

13. Non-Current Investments

(₹ in Lacs)

Particulars	31.03.2014	30.09.2012
LONG TERM (At Cost)		
OTHER THAN TRADE		
GOVERNMENT SECURITIES		
UNQUOTED		
National Saving Certificates *1	0.11	0.11
OTHER SECURITIES		
SHARES - Fully paid-up		
QUOTED		
13,500 (13,500) Equity shares of ₹ 2/- each of Housing Development Finance Corporation Ltd	0.17	0.17
2,500 (2,500) Equity shares of ₹ 2/- each of HDFC Bank Ltd.	0.05	0.05
4,835 (4,835) Equity shares of ₹ 10/- each of Punjab National Bank	2.34	2.34
76 (76) Equity shares of ₹ 10/- each of Central Bank of India	0.08	0.08
UNQUOTED		
1,821 (1,821) Ordinary shares of ₹ 10/- each of NBI Industrial Finance Co. Ltd.	0.13	0.13
TRADE		
OTHER SECURITIES		
SHARES - Fully paid-up		
SUBSIDIARY COMPANIES (Wholly owned)		
UNQUOTED		
5,00,000 (5,00,000) Equity shares of ₹ 1/-each of Triveni Engineering Ltd.	5.00	5.00
Less : Provision for diminution	(5.00)	(5.00)
5,00,000 (5,00,000) Equity shares of ₹ 1/-each of Triveni Energy Systems Ltd.	5.00	5.00
Less : Provision for diminution	(4.68)	(4.38)
5,00,000 (Nil) Equity shares of ₹ 1/-each of Bhudeva Projects Limited	5.00	-
5,00,000 (Nil) Equity shares of ₹ 1/-each of Svastida Projects Limited	5.00	-
8,70,000 (Nil) Equity shares of ₹ 10/-each of Triveni Entertainment Limited	74.02	-
ASSOCIATE COMPANIES		
QUOTED		
7,20,00,000 (7,20,00,000) Equity shares of ₹ 1/- each of Triveni Turbine Ltd. (Refer Note No.46)	720.07	720.07
UNQUOTED		
Nil (28,00,000) Preference shares of ₹ 10/- each of Triveni Turbine Ltd.	-	280.00
Nil (4,34,730) Equity shares of ₹ 10/- each of Triveni Entertainment Ltd.	-	43.47
Nil (99,993) Equity shares of ₹ 10/- each of The Engineering & Technical Services Ltd.	-	10.00
Nil (4,00,060) Equity shares of ₹ 10/- each of TOFSL Trading & Investments Ltd.	-	40.01
13,008 (13,008) Equity shares of NIS 0.10 each of Aqwise-Wise Water Technologies Ltd.(Israel)	3,006.19	3,006.19
	3,813.48	**4,103.24**
Aggregate book value of quoted investments	722.71	722.71
Aggregate book value of unquoted investments	3,090.77	3,380.53
Market value of quoted investments	52,050.05	33,280.96
Aggregate amount of provision made for diminution in value of investments	9.68	9.38

*1 kept as security.

14. Loans and Advances

(₹ in Lacs)

Particulars	Long-term 31.03.2014	Long-term 30.09.2012	Short-term 31.03.2014	Short-term 30.09.2012
Capital advances				
Unsecured, considered good	83.59	631.84	-	-
Unsecured, considered doubtful	200.25	213.04	-	-
	283.84	844.88	-	-
Less: Provision for doubtful advances	200.25	213.04	-	-
(A)	**83.59**	**631.84**	-	-
Security deposit				
Unsecured, considered good	384.34	362.36	27.79	24.43
Unsecured, considered doubtful	2.70	4.97	-	-
	387.04	367.33	27.79	24.43
Less: Provision for doubtful security deposit	2.70	4.97	-	-
(B)	**384.34**	**362.36**	**27.79**	**24.43**
Loans and advances to related parties *1				
Unsecured, considered good				
Mobilisation advance	-	-	653.42	1,545.18
Unsecured, considered doubtful				
Other loans	13.76	13.41	-	-
	13.76	13.41	653.42	1,545.18
Less: Provision for doubtful loans and advances	13.76	13.41	-	-
(C)	**-**	**-**	**653.42**	**1,545.18**
Other loans and advances				
Unsecured, considered good				
Prepaid expenses	21.42	15.52	375.00	305.53
Loans and advances to employees *2	5.27	4.93	106.18	175.13
Advances to suppliers for purchases	10.13	21.29	640.67	704.62
Earnest money deposit	2.00	2.00	107.25	385.33
Service tax recoverable	498.43	409.14	185.82	252.83
Deposit with sales tax authorities	60.22	184.48	30.27	17.93
Sales tax refundable	-	-	67.43	67.90
Excise duty (Cenvat Balance)	3,276.40	2,769.31	389.76	163.26
Works contract tax recoverable	0.15	30.12	-	-
MAT credit entitlement	-	2,950.47	-	-
Advance payment of tax {net of provision for tax of ₹ 24.47 lacs (previous year: ₹ 203.97 lacs)}	3,958.18	3,140.33	-	-
VAT recoverable	57.44	68.27	377.31	158.96
Excise duty recoverable	325.13	301.85	41.79	38.07
Interest on excise loan recoverable	-	-	88.06	94.42
Incentives recoverable from UP Govt.{Refer Note No.42(a)}	14,002.46	14,002.46	-	-
Society Commission Recoverable	-	-	1,578.23	-
Others	235.37	231.28	169.65	95.45
Sub-total (considered good)	22,452.60	24,131.45	4,157.42	2,459.43
Unsecured, considered doubtful				
Excise duty / Sales tax recoverable	38.06	36.60	0.30	27.96
Custom duty recoverable	-	-	0.47	0.47
Loans and advances to employees	2.26	5.60	-	-
Advances to suppliers for purchases	42.50	34.67	2.14	-
Bank guarantee encashments recoverable	1,122.74	1,122.74	-	-
Others	336.14	174.05	7.90	-
Sub-total (considered doubtful)	1,541.70	1,373.66	10.81	28.43
Total Gross (other loans and advances)	**23,994.30**	**25,505.11**	**4,168.23**	**2,487.86**
Less: Provision for doubtful loans and advances	1,541.70	1,373.66	10.81	28.43
Total Net (other loans and advances) (D)	**22,452.60**	**24,131.45**	**4,157.42**	**2,459.43**
Total (A+B+C+D)	**22,920.53**	**25,125.65**	**4,838.63**	**4,029.04**
*1 Loans and advances to related parties include the following:				
Triveni Engineering Limited (subsidiary company)	13.76	13.41	-	-
Triveni Turbine Limited (Associate Company)	-	-	653.42	1,545.18
*2 Loans and advances to employees include amount due from Company Secretary	-	-	-	0.13

15. Inventories

(₹ in Lacs)

Particulars	31.03.2014	30.09.2012
(Valued at lower of cost and net realisable value)		
Raw material and components	2,084.75	2,345.12
Less: Provision for obsolescence/slow moving raw materials and components	(107.35)	(88.29)
Work-in-progress	3,032.73	669.80
Stores and spares	3,242.91	2,893.97
Less: Provision for obsolescence/slow moving stores and spares	(20.58)	(3.81)
Finished goods	1,31,729.16	47,759.43
Stock- in- trade	34.00	13.08
Certified emission reductions (Refer Note No.48)	8.24	22.13
Patterns, loose tools, jigs and fixtures	48.62	89.80
Others (Scrap)	153.03	116.33
	1,40,205.51	**53,817.56**

16. Trade Receivables

Particulars	Non-Current		Current	
	31.03.2014	30.09.2012	31.03.2014	30.09.2012
Over Six Months				
Secured, considered good	-	-	-	-
Unsecured, considered good	17.54	67.75	4,094.36	1,564.37
Considered doubtful	1,668.89	1,645.12	1,428.52	547.36
	1,686.43	1,712.87	5,522.88	2,111.73
Less : Provision for doubtful receivables	1,668.89	1,645.12	1,428.52	547.36
(A)	**17.54**	**67.75**	**4,094.36**	**1,564.37**
Others				
Secured, considered good	-	-	-	-
Unsecured, considered good	3,404.59	190.84	18,712.44	19,417.62
Considered doubtful	-	-	327.28	325.00
	3,404.59	190.84	19,039.72	19,742.62
Less : Provision for doubtful receivables	-	-	327.28	325.00
(B)	**3,404.59**	**190.84**	**18,712.44**	**19,417.62**
Total (A+B)	**3,422.13**	**258.59**	**22,806.80**	**20,981.99**
Less: Amount disclosed under other non-current assets (Refer Note No. 18)	3,422.13	258.59		
	-	**-**	**22,806.80**	**20,981.99**

17. Cash and Bank Balances

(₹ in Lacs)

Particulars	Non-Current 31.03.2014	Non-Current 30.09.2012	Current 31.03.2014	Current 30.09.2012
Cash and cash equivalents				
Balance with banks				
Current accounts	-	-	379.03	68.82
Demand deposits (original maturity of less than three months)	-	-	6.03	1.07
Cheques / drafts on hand	-	-	266.30	821.94
Cash on hand	-	-	31.45	33.36
(A)	**-**	**-**	**682.81**	**925.19**
Other bank balances				
Earmarked balances :				
Deposit against molasses storage fund	201.55	287.33	-	-
Unpaid dividend account	-	-	105.56	110.05
Balances under lien/margin/kept as security :				
Post office savings account	1.85	1.36	-	-
Fixed / margin deposits (original maturity up to one year)	42.87	155.34	1.01	1.01
Fixed / margin deposits (original maturity more than one year)	277.38	34.07	-	-
Other balances:				
Demand deposits (original maturity more than one year)	-	6.43	-	4.20
Demand deposits (original maturity exceeding three months but up to one year)	-	-	602.50	7.99
(B)	**523.65**	**484.53**	**709.07**	**123.25**
Total (A+B)	**523.65**	**484.53**	**1,391.88**	**1,048.44**
Less: Amount disclosed under other non-current assets (Refer Note No. 18)	523.65	484.53		
	-	**-**	**1,391.88**	**1,048.44**

18. Other Assets

Long-term trade receivables (Refer Note No. 16)	3,422.13	258.59	-	-
Non current cash and bank balances (Refer Note No. 17)	523.65	484.53	-	-
Interest accrued on bank deposits.	21.55	18.87	37.37	26.35
Duty drawback receivable	-	-	15.73	0.45
Forward premium /discount adjustable	-	-	0.73	15.66
Due from customers (Construction and project related activity)	-	-	3,343.65	6,142.33
Fixed assets pending disposal/sale	-	-	156.49	43.98
Insurance claim recoverable	-	-	19.05	69.06
Off-season expenses deferred	-	-	-	10,047.06
Unamortised front end charges	71.72	84.25	33.21	35.94
Others	-	-	19.25	7.72
	4,039.05	**846.24**	**3,625.48**	**16,388.55**

19. Revenue from Operations

(₹ in Lacs)

Particulars	31.03.2014 (18 Months)	30.09.2012 (12 Months)
Sale of products		
Finished goods	2,91,635.27	1,76,638.92
Traded goods	2,226.16	1,100.28
Sale of services		
Erection and commissioning	181.89	39.89
Servicing	218.61	45.29
Operation and maintenance	491.48	180.04
Others	20.84	12.36
Construction contract revenue	30,652.14	12,744.07
Other operating revenue		
Income from sale of certified emission reductions/renewable energy certificates	171.03	555.82
Income from third party exports	-	662.70
Sale of scrap	96.51	60.21
	3,25,693.93	**1,92,039.58**
Details of Sales (Finished Goods)		
Sugar	2,20,939.05	1,36,969.51
Molasses	8,091.19	979.68
Bagasse	6,898.96	3,883.97
Power	12,366.92	5,741.74
Alcohol	22,954.21	12,724.08
Mechanical equipment - Water/Waste-water	4,260.80	3,754.59
Gears/Gear Boxes	13,804.71	10,993.45
Bought outs and Spares	1,491.26	1,027.65
Others	828.17	564.25
	2,91,635.27	**1,76,638.92**
Details of Sales (Traded Goods)		
Diesel/Petrol/Lubricants	2,087.01	1,025.61
Other consumer goods	139.15	74.67
	2,226.16	**1,100.28**
Details of Sales (Construction Contract Revenue)		
Water,Waste-water and Sewage treatment	20,360.72	12,469.26
Power generation and evacuation system	10,291.42	274.81
	30,652.14	**12,744.07**

20. Other Income

Rent received	60.52	32.32
Interest income from		
Bank deposits	95.24	44.63
Related parties	-	29.42
Customers	6.78	1.89
Others	17.73	18.97
Dividend on long term investment	749.76	493.06
Profit on sale of long term investment (subsidiary company)	-	0.42
Provision for deficiency in PF Trust written back	-	50.76
Credit balances written back [net of amounts written off: ₹ 142.45 lacs (previous year: ₹ 50.18 lacs)]	316.18	68.79
Excess depreciation written back	-	0.80
Excess provision of Administrative charges on Molasses written back (Refer Note No 44)	323.50	-
Excess provision for warranty written back (net) (Refer Note No 44)	-	305.04
Excess provision for cost to completion reversed (net) (Refer Note No 44)	24.85	-
Excess provision of expenses written back	152.80	114.22
Miscellaneous income	1,172.58	680.72
	2,919.94	**1,841.04**

21. Material Consumed

(₹ in Lacs)

Particulars	31.03.2014 (18 Months)	30.09.2012 (12 Months)
Stock at commencement	2,345.12	1,587.52
Purchases	3,18,747.93	1,43,697.50
	3,21,093.05	1,45,285.02
Less : Amount capitalised	74.36	34.16
Less: Stock at close	2,084.75	2,345.12
	3,18,933.94	**1,42,905.74**
Details of raw material and components consumed		
Sugar cane	2,89,527.48	1,29,188.08
Construction contracts materials:		
Rotary vaccum drum filter	-	-
Clarifiers	1,438.70	659.16
RO plants	9,362.49	5,769.64
Operation and maintenance	105.37	173.34
Molasses	2,702.76	1,445.62
Forgings and castings	1,645.91	2,063.09
Sub contract charges	254.67	219.94
Others	13,896.56	3,386.87
	3,18,933.94	**1,42,905.74**

22. Purchase of Traded Goods

Diesel/Petrol/Lubricants	2,160.86	1,050.66
Other consumer goods	128.54	65.01
	2,289.40	**1,115.67**

23. (Increase)/Decrease in Work-in-Progress and Finished Goods

(₹ in Lacs)

Particulars	31.03.2014 (18 Months)	30.09.2012 (12 Months)
Stock at commencement		
Work-in-progress	669.80	523.52
Finished goods	47,759.43	33,942.26
Traded goods	13.08	17.92
Certified emission reductions	22.13	-
	48,464.44	34,483.70
Stock at close		
Work-in-progress	3,032.73	669.80
Finished goods	1,31,729.16	47,759.43
Traded goods	34.00	13.08
Certified emission reductions	8.24	22.13
	1,34,804.13	48,464.44
Add/(Less): Impact of excise duty on finished goods	2,577.82	522.80
	(83,761.87)	**(13,457.94)**
Details of Work in Progress		
Sugar	2,105.70	300.47
Molasses	287.12	2.07
Mechanical Equipment-Water/Waste Water	62.22	37.11
Gear/Gear Boxes	479.50	329.99
Others	98.19	0.16
	3,032.73	**669.80**
Details of Finished Goods		
Sugar	1,24,080.37	43,862.95
Molasses	5,429.66	3,597.70
Bagasse	382.52	56.42
Power	117.96	47.79
Alcohol	1,692.48	180.86
Others	26.17	13.71
	1,31,729.16	**47,759.43**
Details of Traded Goods		
Diesel/Petrol/Lubricants	30.38	11.54
Other consumer goods	3.62	1.54
	34.00	**13.08**

24. Employee Benefit Expenses

Salaries,wages and bonus	18,750.05	11,597.52
Compensation under VRS	-	118.15
Contributions to provident and other funds	1,401.55	947.61
Gratuity	600.70	379.17
Employee welfare	714.32	366.99
	21,466.62	13,409.44
Less : Amount capitalised	13.96	14.77
	21,452.66	**13,394.67**

25. Other Expenses

(₹ in Lacs)

Particulars	31.03.2014 (18 Months)	30.09.2012 (12 Months)
(A) Manufacturing/Operating Expenses		
Stores,spares and tools consumed	3,995.15	2,220.97
Power and fuel	2,939.96	2,091.26
Design and engineering charges	561.32	336.28
Cane development expenses	264.66	422.22
Machining/fabrication expenses	170.08	172.95
Erection and commissioning expenses	1,125.50	253.71
Civil construction charges	6,650.12	2,618.00
Packing and stacking expenses	4,122.05	1,986.99
Repairs and maintenance		
Machinery	4,821.15	2,752.29
Building	475.38	329.78
Others	515.00	259.42
Factory/operational expenses	1,659.42	1,104.33
	27,299.79	14,548.20
(B) Administration Expenses		
Travelling and conveyance	1,821.19	1,077.47
Rent	708.72	434.29
Rates and taxes	1,074.19	1,087.68
Insurance	367.75	183.21
Directors' fee	13.70	7.30
Legal and professional expenses	769.12	628.92
Security service expenses	974.80	571.61
Printing and stationery	236.08	155.42
Postage,telegram and telephone	313.50	207.11
Bank charges and guarantee commission	223.11	157.40
Warranty expenses [Includes provision for warranty (net) ₹ 2.18 lacs (previous year: ₹ Nil)] - Refer Note No. 44	8.35	1.80
Payment to Auditors (Refer Note No. 50)	146.89	96.03
Provision for Arbitration/Court case claims (Refer Note No. 44)	20.34	13.56
Provision for mark to market loss on foreign exchange derivatives (Refer Note No. 44)	0.20	-
Exchange rate fluctuation loss	39.19	11.34
[net of discount/premium received on F/E forward contracts : ₹ 110.29 lacs (Previous year: ₹ 103.38 lacs)]		
Provision for diminution in value of long term investments	0.30	0.48
Provision for non moving / obsolete inventory	35.83	1.23
Provision for bad and doubtful debts/advances (net)	1,042.92	1,321.13
Provision for cost to completion on construction contracts (net) (Refer Note No. 44)	-	23.00
Loss on sale/write off of fixed assets [Includes provision for diminution : ₹ 20.13 lacs (Previous Year : ₹ Nil)]	106.26	72.19
Loss on sale /write off of stores & spares	47.56	3.49
Miscellaneous expenses	1,132.81	666.66
	9,082.81	6,721.32
(C) Selling Expenses		
Selling commission	839.99	616.05
Royalty	293.69	249.49
Advertisement and sales promotion	67.41	48.42
Rebate and discount	61.31	26.40
Outward freight and forwarding	2,273.25	1,477.16
Other selling expenses	36.31	10.44
	3,571.96	2,427.96
(D) Off-season expenses deferred/charged (Net)		
Off-season expenses deferred (Refer Note No. 36)	10,047.06	537.83
Sub-total (A+B+C+D)	**50,001.62**	**24,235.31**
Less : Amount capitalised	11.27	7.45
Total Other Expenses	**49,990.35**	**24,227.86**

26. Prior Period Items

(₹ in Lacs)

Particulars	31.03.2014 (18 Months)	30.09.2012 (12 Months)
(A) Expenses		
Cost of raw material and components consumed	-	9.20
Stores,spares and tools consumed	-	1.90
Repairs and maintenance		
Machinery	11.73	(0.11)
Others	-	0.46
Rates & Taxes	71.56	-
Insurance	0.63	-
Legal and professional expenses	0.56	7.44
Security service expenses	-	0.17
Loss on sale/write off of fixed assets	-	0.13
Miscellaneous expenses	7.33	1.80
Royalty	0.52	2.09
Depreciation	-	0.39
Interest on fixed loans	-	38.88
Interest on cash credit	-	0.55
Other borrowing cost	0.28	15.64
	92.61	78.54
(B) Income		
Revenue from operations	-	9.51
Miscellaneous income	22.96	6.77
	22.96	16.28
Prior period items (net) (A) - (B)	**69.65**	**62.26**

27. Depreciation and Amortisation Expenses

Depreciation	11,627.71	7,873.56
Amortisation		
Intangible assets	250.62	281.50
	11,878.33	**8,155.06**

28. Finance Costs

Interest on		
Debentures	1,295.82	1,248.41
Fixed loans	8,523.65	5,210.88
Others	8,353.29	5,494.54
Other borrowing cost	232.74	174.58
Exchange fluctuation loss *	117.43	150.11
	18,522.93	**12,278.52**

* Includes premium/discount paid on foreign currency forward contracts to hedge buyers credit availed : ₹ 112.48 lacs (Previous year: ₹ 150.22 lacs)

29. Exceptional Items

Premium received on capital reduction of equity investment under the Scheme of Capital Reduction sanctioned by Hon'ble Allahabad High Court in respect of erstwhile Associate Companies.	(950.09)	-
Profit on sale of long term investments in erstwhile Associate Companies	(3,431.54)	-
Differential cane price relating to sugar season 2007-08 paid as per the order of Hon'ble Supreme Court	-	7,895.80
Exceptional items	**(4,381.63)**	**7,895.80**

30. Tax Expense

(₹ in Lacs)

Particulars	31.03.2014 (18 Months)	30.09.2012 (12 Months)
For Current Year		
Current Tax	-	-
Deferred Tax	(4,159.97)	(3,032.24)
	(4,159.97)	**(3,032.24)**
For Earlier Years (Net)		
Current Tax	(250.10)	21.61
Deferred Tax	-	-
	(250.10)	**21.61**
	(4,410.07)	**(3,010.63)**
Less/(Add):Entitlement / (Reversal) of MAT Credit (Refer Note No. 37)	(2,950.47)	(899.31)
	(1,459.60)	**(2,111.32)**

31. Earning Per Share (EPS)

Basic EPS		
Net loss after tax as per statement of profit and loss (A)	(15,277.82)	(6,671.22)
Weighted average number of equity shares of ₹ 1/- each outstanding during the period/year (B)	25,78,80,589	25,78,80,150
Basic EPS in ₹ (A/B)	**(5.92)**	**(2.59)**
Diluted EPS		
Net loss after tax as per statement of profit and loss (A)	(15,277.82)	(6,671.22)
Weighted average number of equity shares deemed to be issued under options without consideration, outstanding during the period/year	1,573	28,527
Weighted average number of equity shares outstanding during the period/year (B)	25,78,82,162	25,79,08,677
Diluted EPS in ₹ (A/B)	**(5.92)**	**(2.59)**

32. Contingent liabilities (to the extent not provided for)

(a) Claims against the Company not acknowledged as debts (as certified by the management)

(₹ in Lacs)

		31.03.2014	30.09.2012
i)	Claims which are being contested by the company and in respect of which the company has paid amounts aggregating to ₹ 468.89 lacs (previous year ₹ 613.76 lacs) excluding interest under protest pending final adjudication of the cases:	2,126.76	2,566.29

Sl. no.	Particulars	Amount of contingent liability	Amount paid
01.	Sales Tax	225.03 (430.29)	94.36 (226.43)
02.	Excise Duty	1,232.91 (1,451.82)	331.31 (327.90)
03.	Others	668.82 (684.18)	43.22 (59.43)

Figures in brackets relates to previous year.

		31.03.2014	30.09.2012
ii)	The Company is contingently liable in respect of short provision against disputed income tax liabilities of ₹ 4,409.28 lacs (previous year: ₹ 4,587.50 lacs) against which ₹ 2,711.88 lacs (previous year: ₹ 3,881.93 lacs) stands paid. The disputed income tax liability mainly arises from additions made on a/c of unrealized incentives against which the Company has filed appeals. In the event such liability finally materializes, ₹ 3,524.20 lacs will be adjusted against the capital reserve.	4,409.28	4,587.50
iii)	Statutory levies against which remission has been availed under U.P. Sugar Industry Promotion Policy 2004 issued by the State Government of Uttar Pradesh [refer Note No. 42(a)].	3,576.31	3,320.27
iv)	Liability arising from claims / counter claims/ Interest in arbitration/ Court cases, claims of some employees/ex-employees and in respect of service tax, if any, on certain activities of the Company which are being contested by the Company.	Indeterminate	Indeterminate

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

(b) Guarantees/surety given on behalf of certain associate companies ₹ 1,818.15 lacs (previous year ₹ 1,566.74 lacs), including a corporate guarantee of ₹ 1,777.15 lacs (GBP 17.62 lacs) given on behalf of an associate company as a surety for due performance of its obligations under a contract awarded by an overseas customer and in respect of which, the associate company has fully indemnified the Company against any claims, damages or expenses, including legal costs. The guarantees have been given in the normal course of operations of these companies and are not expected to result in any loss to the Company on the basis of such companies fulfilling their ordinary commercial obligations.

c) Outstanding commitments for capital expenditure are ₹ 48.70 lacs (previous year ₹ 1,168.11 lacs) after adjusting advance amounting to ₹ 83.59 lacs (previous year ₹ 631.84 lacs).

33. 2,00,000 stock options had been granted to certain employees of the Company on April 30, 2010, prior to the demerger of its steam turbine business and vesting of the same in M/s Triveni Turbine Ltd. (TTL). This included 40,000 options granted to an employee whose services were transferred to TTL. In respect of the remaining employees to whom stock options had been earlier granted, in accordance with the Scheme of Arrangement, and in line with the best practices, adjustment has been made by the Company for the corporate action of demerger, by adjusting the exercise price of such options, so as to ensure that the fair value of options immediately prior to and immediately subsequent to the corporate action remains unchanged.

Consequent to the adjustments carried out on account of the corporate action of demerger, in accordance with the Scheme of Arrangement, the revised options granted are deemed to have been granted from the appointed date of the Scheme of Arrangement i.e., 01.10.2010. The required disclosures of the options granted are as under:

a) Employee Stock Option Scheme:

No. of Options originally granted to the employees of the Company	1,60,000
No. of Options which lapsed upto the beginning of current period	20,000
No. of Options in force at beginning of the period	1,40,000
Original grant date of Options	30.04.2010
No. of Options granted consequent to corporate action	1,57,360
Date of grant (to give effect to corporate action)	10.04.2013
Number of equity shares entitlement in respect of the Options granted under the New Stock Option Scheme	1,57,360
Vesting Plan	Graded Vesting as under: 50% to vest on 30.04.2011 Balance 50% to vest on 30.04.2012
Normal Exercise Period	Within 2 years from the date of vesting
Exercise Price per share (consequent to corporate action) (₹)	14

b) Movement of Options Granted

	31.03.2014 (18 months)	30.09.2012 (12 months)
Outstanding at the beginning of the period/year	1,57,360	1,79,840
Granted during the period/year	Nil	Nil
Exercised during the period/year	20,000	Nil
Lapsed during the period/year	89,920	22,480
Outstanding at the end of the period/year	47,440	1,57,360
Unvested at the end of the period/year	Nil	Nil
Exercisable at the end of the period/year	47,440	1,57,360

The options outstanding as at the end of the period/year have a weighted average contractual life of 1 month (previous year: 12 months) and are exercisable at the grant price of ₹ 14.

c) Fair Valuation

The fair value of options used to compute proforma net income and earning per equity share has been done by an independent professional using the Black Scholes Options pricing formula.

The key assumptions in Black Scholes Options pricing for calculating fair value are as follows :

(a) Risk free rate	8.36%
(b) Option life	1.99 years
(c) Expected volatility	49.02%
(d) Expected dividend	0.63%
(e) Exercise price of each underlying share under the option	₹ 14

The weighted average fair value of each option of the Company, as considered on the date of the corporate adjustment was ₹ 26.07.

Had the compensation cost for the stock options granted been determined based on fair value approach, the Company's net profit/loss and earning per share would have been as per the proforma amounts indicated below:

(₹ in Lacs)

Particulars	31.03.2014 (18 months)	30.09.2012 (12 months)
Net Profit/ (Loss) (as reported)	(15,277.82)	(6,671.22)
Add : Compensation expense under ESOP considered in the net profit	Nil	Nil
Less/(Add) : Compensation cost/(reversals) under ESOP as per fair value *	(23.44)	0.98
Net Profit/(Loss) (fair value basis) attributable to equity shareholders	(15,254.38)	(6,672.20)
Basic earnings per share (as reported) – ₹/Share	(5.92)	(2.59)
Basic earnings per share (fair value basis) – ₹/Share	(5.92)	(2.59)
Diluted earnings per share (as reported) – ₹/Share	(5.92)	(2.59)
Diluted earnings per share (fair value basis) – ₹/Share	(5.92)	(2.59)

* The compensation expenses for the year on a fair value basis has been computed with reference to the fair value as on 03.05.2011, being the date with reference to which corporate adjustment was carried out in respect of the stock options originally granted.

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

(₹ in Lacs)

Sl. No.	Particulars	31.03.2014	30.09.2012
1	Amounts due to Micro and Small Enterprises as at the end of the period/year		
	i) Principal amount	19.02	23.45
	ii) Interest due on above	(Nil)	(Nil)
2	i) Principal amount paid after due date or appointed day during the period/year	(Nil)	(Nil)
	ii) Interest paid during the period/year on (i) above	(Nil)	(Nil)
3	Interest due & payable (but not paid) on principal amounts paid during the period/year after the due date or appointed day.	(Nil)	(Nil)
4	Total interest accrued and remaining unpaid as at the end of the period/year	(Nil)	(Nil)
5	Interest due and remaining payable pertaining to earlier years	(Nil)	(Nil)

35. a) The Company has taken various residential, office and godown premises under operating lease. These are generally not non-cancelable leases having unexpired period upto 5 years. The leases are renewable by mutual consent and on mutually agreeable terms. The Company has given refundable interest free security deposits under certain lease agreements. There is no contingent rent or restriction imposed in the lease agreement. Lease payments under operating lease are recognized in the statement of profit and loss under "Other expenses" in Note No. 25. The minimum future lease payments under non-cancellable leases are as under :

(₹ in Lacs)

Particulars	31.03.2014 (18 months)	30.09.2012 (12 months)
Not later than one year	90.00	Nil
Later than one year but not later than five years	214.50	Nil
Later than five years	Nil	Nil

b) The Company has given certain portion of its office/ factory premises under operating leases. These leases are not non cancelable and are extendable by mutual consent and at mutually agreeable terms. The gross carrying amount, accumulated depreciation and depreciation recognized in the statement of profit and loss in respect of such portion of the leased premises are not separately identifiable. There is no impairment loss in respect of such premises. No contingent rent has been recognised in the statement of profit and loss. There are no minimum future lease payments as there are no non-cancellable leases.

36. During the period, the accounting policy with respect to the accounting treatment of off-season expenses has been changed for a more realistic presentation of the financial statements and all such expenses have been charged over the season days comprised in the accounting period. As a result of such change, there is an additional charge of off-season expenses to the extent of ₹ 1,036.86 lacs in the statement of profit and loss and consequently, the loss (before tax) is stated higher to that extent.

37. On a review, MAT Credit entitlement of ₹ 2,950.47 lacs (Previous Year : ₹ 899.31 lacs) was written off in view of lack of convincing evidence to utilize the same within the prescribed period.

38. Information on Segment Reporting of the Company for the period ended 31.03.2014

(₹ in Lacs)

	SUGAR								ENGINEERING						OTHERS					
	Sugar		Co-generation		Distillery		Total Sugar		Gears		Water		Total Engineering		Other Operations		Eliminations		Total	
	31.03.14	30.09.12	31.03.14	30.09.12	31.03.14	30.09.12	31.03.14	30.09.12	31.03.14	30.09.12	31.03.14	30.09.12	31.03.14	30.09.12	31.03.14	30.09.12	31.03.14	30.09.12	31.03.14	30.09.12
REVENUE																				
External Sales	2,35,949.27	1,41,746.78	11,426.48	6,297.56	23,276.78	12,994.75	2,70,652.53	1,61,039.09	15,526.54	11,614.27	25,400.27	16,968.46	40,926.81	28,582.73	14,114.59	2,417.76	-	-	3,25,693.93	1,92,039.58
Inter-segment Sales	23,736.52	12,353.08	15,141.54	6,629.50	-	-	38,878.06	18,982.58	97.18	25.55	31.20	43.09	128.38	68.64	102.21	53.03	(39,108.65)	(19,104.25)	-	-
Total Sales	**2,59,685.79**	**1,54,099.86**	**26,568.01**	**12,927.06**	**23,276.78**	**12,994.75**	**3,09,530.58**	**1,80,021.67**	**15,623.72**	**11,639.82**	**25,431.47**	**17,011.55**	**41,055.19**	**28,651.37**	**14,216.80**	**2,470.79**	**(39,108.65)**	**(19,104.25)**	**3,25,693.93**	**1,92,039.58**
Other Income	924.04	434.41	37.82	17.07	344.27	19.73	1,306.13	471.21	124.26	48.00	121.72	296.29	245.98	344.29	1.93	0.91			1,554.04	816.41
Total Revenue	**2,60,609.83**	**1,54,534.27**	**26,605.83**	**12,944.13**	**23,621.05**	**13,014.48**	**3,10,836.71**	**1,80,492.88**	**15,747.98**	**11,687.82**	**25,553.19**	**17,307.84**	**41,301.17**	**28,995.66**	**14,218.73**	**2,471.70**	**(39,108.65)**	**(19,104.25)**	**3,27,247.97**	**1,92,855.99**
RESULT																				
Segment result	(19,193.11)	(7,363.17)	9,934.90	4,990.33	7,365.43	2,724.72	(1,892.78)	351.88	3,964.78	3,006.56	(1,409.00)	1,227.57	2,555.78	4,234.13	390.31	11.51	(1,768.52)	(292.10)	(715.21)	4,305.42
Unallocated expenses (Net)																			(2,750.42)	(1,397.83)
Operating profit																			**(3,465.63)**	**2,907.59**
Interest expense																			(18,522.93)	(12,278.52)
Interest income																			119.75	94.91
Other non-operating income																			5,131.39	493.48
Income taxes (including deferred tax)																			1,459.60	2,111.32
Net profit																			**(15,277.82)**	**(6,671.22)**
OTHER INFORMATION																				
Segment assets	2,13,406.72	1,37,934.42	16,389.47	18,406.03	15,523.29	13,457.46	2,45,319.48	1,69,797.91	9,905.38	11,501.25	20,906.60	22,489.04	30,811.98	33,990.29	3,503.75	2,110.46			2,79,635.21	2,05,898.66
Unallocated assets																			19,221.87	23,132.69
Total assets																			**2,98,857.08**	**2,29,031.35**
Segment liabilities	84,139.56	10,500.61	251.45	351.58	528.64	280.99	84,919.65	11,133.18	1,682.20	2,194.78	6,894.92	7,102.10	8,577.12	9,296.88	3,129.60	1,918.52			96,626.37	22,348.58
Unallocated liabilities																			1,21,394.31	1,10,522.58
Total liabilities																			**2,18,020.68**	**1,32,871.16**
Capital expenditure	4,077.79	868.18	2.91	66.63	143.96	167.58	4,224.66	1,102.39	74.37	875.32	215.89	236.31	290.26	1,111.63	-	-				
Depreciation	7,277.71	5,011.49	2,250.63	1,505.66	806.31	551.49	10,334.65	7,068.64	984.69	613.59	165.38	100.12	1,150.07	713.71	7.63	5.18				
Amortisation	25.60	111.48	0.02	13.76	2.16	9.32	27.78	134.56	107.94	35.09	106.51	93.21	214.45	128.30	-	-				

Notes :

(i) In accordance with the Accounting Standard (AS) 17 "Segment Reporting", the Company's operations have been categorized into 5 major business segments, which constitute 95.67% (98.74%) of the total turnover of the Company. These business segments are classified under the two major businesses in which the Company is engaged in, and are briefly described hereunder :

Sugar & Allied Businesses

a) Sugar : The Company is a manufacturer of white crystal sugar, having seven manufacturing plants situated in the State of Uttar Pradesh. After meeting the captive requirements,the Company sells the surplus molasses and bagasse, which are produced as a by-product in the manufacture of sugar. The Company also sells the surplus power produced at two of its sugar units.

b) Co-generation : The business segment, apart from meeting part of the power and steam requirements of the associated sugar units, also exports power to the State grid. It has installed capacity of 68 MW spread over Khatauli and Deoband sugar mills.

c) Distillery : The 160 kilo-liters per day capacity distillery located at Muzaffarnagar, Uttar Pradesh, uses the molasses produced in manufacture of sugar as the principal raw material in production of various categories of alcohol.

Engineering Businesses

a) High Speed Gears : This business segment manufactures high speed gears and gear boxes at the manufacturing facility located at Mysore, Karnataka.

b) Water/Wastewater Treatment : This business segment operates from Noida, Uttar Pradesh and provides engineered to order process equipment and comprehensive solutions in the water and wastewater management.

(ii) The 'Other Operations' mainly include execution of a turnkey project relating to installation of Steam Turbine based power evacuation system , trading of various packaged fast moving consumer goods under the Company's brand name (including sugar) and retailing of diesel/petrol through a Company operated fuel station.

(iii) There are no geographical segments as the volume of exports is not significant and the major turnover of the Company takes place indigenously. There is no major reliance on a few customers or suppliers.

(iv) Inter-segment transfers are priced based on competitive market prices or determined to yield a desired margin or agreed on a negotiated basis. These are then eliminated on consolidation.

(v) Segment result is the segment revenue less segment expenses. Segment expenses include all expenses directly attributable to the segments and portion of the enterprise expenses that can be allocated on a reasonable basis to the segments. Interest expense is not included in segment expenses and accordingly, segment liabilities do not include any corresponding borrowings.

(vi) Sugar segment result for the previous year includes exceptional item relating to differential cane price of sugar season 2007-08 amounting to ₹ 7,895.80 lacs.

39. Pursuant to compliance of Accounting Standard (AS) 18 "Related Party Disclosures", the relevant information is provided here below :

a) Related party where control exists

(i) Mr D.M. Sawhney, Chairman & Managing Director (Key Management Person).

(ii) Wholly owned subsidiaries

Triveni Energy Systems Limited
Triveni Engineering Limited
Triveni Entertainment Limited*1
Bhudeva Projects Limited*2
Svastida Projects Limited*2

b) The details of related parties with whom transactions have taken place during the Year :

i) Wholly owned Subsidiaries (Group A)

Triveni Energy Systems Limited (TESL)
Triveni Engineering Limited (TEL)
Triveni Entertainment Limited (TENL)*1
Bhudeva Projects Limited (BPL)*2
Svastida Projects Limited (SPL)*2
Upper Bari Power Generation Limited (UBPGL)*4

ii) Associates (Group B)

Triveni Turbine Limited (TTL)
Aqwise-Wise Water Technologies Limited (AWTL)
Triveni Entertainment Limited (TENL)*1
TOFSL Trading & Investments Limited (TOFSL)*3
The Engineering & Technical Services Limited (ETS) *3

iii) Key Management Person (Group C)

Mr D.M. Sawhney, Chairman & Managing Director (DMS)
Mr.Tarun Sawhney, Vice Chairman and Managing Director (TS)

iv) Relatives of Key Management Person (Group D)

Mrs Rati Sawhney (RS – Wife of DMS)
Mr Nikhil Sawhney (NS – Son of DMS)

v) Companies/Parties in which key management person or his relatives have substantial interest/significant influence (Group E)

Kameni Upaskar Limited (KUL)
The Engineering & Technical Services Limited (ETS)
TOFSL Trading & Investments Limited (TOFSL)
Subhadra Trade & Finance Limited (STFL)
Tirath Ram Shah Charitable Trust (TRSCT)

*1 Was an associate till 19.3.2014 and thereafter became a subsidiary company
*2 Incorporated during the year
*3 Ceased to be Associates during the year
*4 Ceased to be subsidiary during the previous year

c) Details of transactions with the related parties :

(₹ in Lacs)

Sr. No.	NATURE OF TRANSACTION	Group - A						Group - B					Group - C		Group - D		Group - E					TOTAL
		UBPGL *	BPL	SPL	TENL *2	TESL	TEL	TTL	AWTL	TOFSL *4	ETS *4	TENL	DMS	TS	NS	RS	KUL	ETS	TOFSL	STFL	TRSCT	
1	Sales and Rendering Services	- (-)	- (-)	- (-)	0.06 (-)	- (-)	- (-)	4,224.52 (3,130.35)	13.54 (-)	0.79 (1.69)	0.56 (1.20)	0.96 (1.20)	- (-)	- (-)	- (-)	- (-)	- (-)	0.45 (-)	0.63 (-)	- (-)	- (-)	4,241.51 (3,134.44)
2	Purchases and receiving Services	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	10,231.86 (348.72)	. (-)	. (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	1.47 (2.21)	10,233.33 (350.93)
3	Amount received on redemption of investment	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	280.00 (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	280.00 (-)
4	Rent Paid	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	0.29 (0.12)	- (-)	- (-)	- (-)	- (-)	52.86 (19.80)	- (-)	- (-)	- (-)	88.19 (54.71)	- (-)	- (-)	- (-)	- (-)	141.34 (74.63)
5	Rent & Other Charges Recd.	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	48.88 (30.13)	7.32 (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	56.20 (30.13)
6	Advance against purchase order	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (1,595.41)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (1,595.41)
7	Amount Advanced	- (-)	- (-)	- (-)	- (-)	- (-)	0.35 (0.60)	- (1,018.28)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	0.35 (1,018.88)
8	Rebate & Discount Paid	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (17.45)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (17.45)
9	Expenses incurred by the Company on behalf of party (net)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	75.11 (13.99)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	3.43 (5.45)	- (-)	- (-)	- (-)	- (-)	78.54 (19.44)
10	Recovery of Capital expenditure	- (33.79)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (33.79)
11	Interest Received	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (29.42)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (29.42)
12	Sale of Investment in Shares	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	2,718.16 (-)	- (-)	- (-)	750.30 (-)	- (-)	- (-)	- (-)	- (-)	- (-)	3,468.46 (-)
13	Remuneration *1	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	282.80 (221.48)	229.82 (152.21)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	512.62 (373.69)
14	Recoveries against leased accomodation	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	4.28 (5.70)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	4.28 (5.70)
15	Investment in Shares	- (-)	5.00 (-)	5.00 (-)	- (-)	- (-)	- (-)	- (-)	- (1,717.17)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	10.00 (1,717.17)
16	Provision against Investment/Advances	- (-)	- (-)	- (-)	- (-)	0.30 (-)	0.35 (0.92)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	0.65 (0.92)
17	Charity & Donations	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	15.00 (50.00)	15.00 (50.00)
18	Recoveries against remuneration	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (7.17)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (7.17)
19	Directors fee paid	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	2.00 (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	2.00 (-)
20	Shares purchased TENL	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	15.83 (-)	- (-)	14.63 (-)	- (-)	30.46 (-)
21	Guarantees given on behalf of party	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (1,525.74)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (1,525.74)
22	Outstanding balances as on 31.03.2014 A. Receivable	- (-)	- (-)	- (-)	- (-)	- (-)	13.76 (13.41)	1,309.84 (2,177.81)	- (-)	- (-)	- (-)	- (0.15)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	1,323.60 (2,191.37)
	B. Payable	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	2,391.41 (235.04)	42.52 (336.56)	- (-)	- (-)	- (-)	0.72 (21.98)	2.02 (0.13)	0.10 (-)	- (-)	- (-)	- (-)	- (-)	- (-)	0.39 (0.50)	2,437.16 (594.21)
	C. Guarantees / Surety Outstanding *3	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	1,778.15 (1,526.74)	- (-)	40.00 (40.00)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	1,818.15 (1,566.74)

* Ceased to be subsidiary during the previous year

*1 For TS gratuity is not included as it is provided on actuarial valuation for the entire Company.

*2 Converted from associate to subsidiary w. e. f. 20/3/2014.

*3 Refer Note 32 (b)

*4 Ceased to be associate w. e. f. 29/08/2013.

Figures in brackets relate to previous year.

40. Derivative Instruments :

a) Derivative instruments outstanding as on 31.03.2014 for hedging foreign currency risks (including firm commitments and highly probable forecasted transactions)

(Foreign Currency in Lacs)

Currency	As on 31.03.14		As on 30.09.12	
	Payables	Receivables	Payables	Receivables
Forward Contracts				
USD	11.31	2.90	44.53	-
(INR Equivalent)	(684.37)	(172.12)	(2,365.95)	(-)
EURO	-	-	1.00	-
(INR Equivalent)	(-)	(-)	(68.94)	(-)
EURO(hedged only to USD)	0.51	-	2.29	-
(USD Equivalent)	(0.70)	(-)	(2.97)	(-)
JPY	-	1,113.29	-	1,507.34
(INR Equivalent)	(-)	(639.70)	(-)	(1,010.82)
AUD(hedged only to USD)	4.93	-	4.48	-
(USD Equivalent)	(4.57)	(-)	(4.70)	(-)

b) Year end foreign exchange exposures that have not been hedged by a derivative instrument or otherwise:

Currency	As on 31.03.14			As on 30.09.12		
	Payables	Receivables	Net *1	Payables	Receivables	Net *1
USD	2.30	4.41	-2.11	8.50	1.83	6.67
(INR Equivalent)	(139.16)	(261.65)	(-122.49)	(451.41)	(95.58)	(355.83)
EURO	1.66	0.31	1.35	3.58	-	3.58
(INR Equivalent)	(138.76)	(24.88)	(113.88)	(246.88)	(-)	(246.88)
GBP	0.22	-	0.22	0.72	-	0.72
(INR Equivalent)	(21.80)	(-)	(21.80)	(62.45)	(-)	(62.45)
JPY	-	215.83	-215.83	1.10	515.83	-514.73
(INR Equivalent)	(-)	(124.01)	(-124.01)	(0.75)	(345.91)	(-345.16)
AUD (current year 72/-)	0.00	-	0.00	0.45	-	0.45
(INR Equivalent)	(0.04)	(-)	(0.04)	(25.15)	(-)	(25.15)

*1 Negative figures in net column indicate open receivables.

41. The Company has made a provision for the employee benefits in accordance with the Accounting Standard (AS) 15 “Employees Benefits”. During the period/year, the Company has recognized the following amounts in its financial statements:

I) Defined Contribution Plans

(₹ in Lacs)

Particulars	2012-14	2011-12
Employers’ Contribution to Employees’ Provident Fund*1	1,171.24	724.60
Employers’ Contribution to ESI	16.19	9.72
Employers’ Contribution to Superannuation Scheme	94.85	138.19

ii) Defined Benefit Plans

Disclosures required by Accounting Standard (AS) 15 are given hereunder :-

Changes in present value of obligation

(₹ in Lacs)

	Gratuity		Compensated Absence (unfunded)	
	2012-14	**2011-12**	**2012-14**	**2011-12**
Present value of obligation as at the beginning of the period	2,648.49	2,423.88	779.36	671.80
Interest cost	293.29	191.47	92.75	55.42
Current service cost	180.49	202.29	131.46	120.82
Contribution by plan participants/employees	-	-	-	-
Transfers from other funds	-	-	-	-
Benefits paid	(458.01)	(227.04)	(106.63)	(50.71)
Actuarial (gain)/loss on obligation	274.98	57.89	12.71	(17.97)
Present value of obligation as at the end of period	2,939.24	2,648.49	909.65	779.36

Change in the value of plan assets

	Gratuity		Compensated Absence (unfunded)	
	2012-14	**2011-12**	**2012-14**	**2011-12**
Fair value of the plan assets at the beginning of the period	904.66	861.07	-	-
Expected return on plan assets	115.34	68.89	-	-
Contributions	500.97	305.55	-	-
Contribution by plan participants/employees	-	-	-	-
Transfers from other funds	-	-	-	-
Benefits paid	(554.50)	(334.44)	-	-
Actuarial gain/(loss) on plan assets	32.72	3.59	-	-
Fair value of the plan assets at the end of the period	999.19	904.66	-	-

Amount recognised in balance sheet

	Gratuity		Compensated Absence (unfunded)	
	2012-14	**2011-12**	**2012-14**	**2011-12**
Present value of obligation as at the end of period	2,939.24	2,648.49	909.65	779.36
Fair value of plan assets as at the end of the period	999.19	904.66	-	-
Funded Status	(1,940.05)	(1,743.83)	(909.65)	(779.36)
Net Assets/(Liability) recognized in the balance sheet	(1,940.05)	(1,743.83)	(909.65)	(779.36)

Amounts recognised in the statement of profit and loss

(₹ in Lacs)

	Gratuity		Compensated Absence (unfunded)	
	2012-14	2011-12	2012-14	2011-12
Current service cost	180.49	202.29	131.46	120.82
Interest cost	293.29	191.47	92.75	55.42
Expected return of plan assets	(115.34)	(68.89)	-	-
Net actuarial (gain)/loss recognised during the period	242.26	54.30	12.71	(17.97)
Expenses recognised in the statement of profit and loss	600.70	379.17	236.92	158.27

Experience adjustment

	Gratuity				
	2012-14	2011-12	2010-11	2009-10	2008-2009
Present value of obligation as at the end of period	2,939.24	2,648.49	2,423.88	2,860.68	2,517.95
Fair value of plan assets at the end of the period	999.19	904.66	861.07	813.50	760.35
Surplus/(Deficit)	(1,940.05)	(1,743.83)	(1,562.81)	(2,047.18)	(1,757.60)
Experience adjustment on plan liabilities - (gain)/loss	116.43	57.90	(26.34)	273.92	58.78
Experience adjustment on plan assets -(gain)/loss	(25.93)	(3.59)	(6.31)	1.14	(6.77)

Experience adjustment

	Compensated Absence (unfunded)				
	2012-14	2011-12	2010-11	2009-10	2008-2009
Present value of obligation as at the end of period	909.65	779.36	671.80	880.58	668.65
Fair value of plan assets at the end of the period	-	-	-	-	-
Surplus/(Deficit)	(909.65)	(779.36)	(671.80)	(880.58)	(668.65)
Experience adjustment on plan liabilities - (gain)/loss	(48.03)	(17.97)	(126.74)	89.21	22.25
Experience adjustment on plan assets - (gain)/loss	N.A.	N.A.	N.A.	N.A.	N.A.

The amount of contribution expected to be made to the Gratuity Fund during the year ended March 31, 2015 is ₹ 167.00 lacs.

Major actuarial assumptions

	Gratuity		Compensated Absence (unfunded)	
	2012-14	2011-12	2012-14	2011-12
Discounting rate	8.50%	8.25%	8.50%	8.25%
Future Salary Incerase	6.50%	5.50%	6.50%	5.50%
Expected rate of return on plan Assets	8.50%	8.00%	N.A.	N.A.
Mortality table	2012-14 : IALM 2006-08 Ultimate 2011-12 : LIC (1994-1996) duly modified			
Method used	Projected unit credit method			

*1 Contributions to provident fund also include contributions in respect of certain employees which are made to trusts administered by the Company. In terms of the guidance note issued by the Institute of Actuaries of India, the actuary has provided a valuation of provident fund liability for the period ended 31.03.2014 and determined that there is no shortfall as at 31.03.2014. The disclosures and assumptions with respect to defined benefit provident fund plan are as under:

(₹ in Lacs)

Particulars	2012-14
Obligation / Plan Assets	
Present value of benefit obligation at balance sheet date	7,250.75
Fair value of plan assets as at balance sheet date	7,898.51
Liability recognised in balance sheet	-
Major actuarial assumptions	
Discounting rate	8.75%
Expected rate of return on plan assets	8.70%
Expected statutory interest rate	8.75%

42. (a) The Company had, in respect of eligible projects, accounted for capital subsidy as well as remissions and reimbursement of certain statutory levies and other expenses, in accordance with and as prescribed under the U.P. Sugar Industry Promotion Policy 2004 ("Policy") issued by the State Government of U.P. Till the beginning of the current financial year, the Company had accounted for recoverable incentives, including capital subsidy of ₹ 10,470.00 lacs credited to capital reserves, aggregating to ₹ 14,002.46 lacs (previous year ₹ 14,002.46 lacs) and had availed remission of ₹ 3,320.27 lacs (previous year ₹ 2,479.20 lacs).

On premature termination of the Policy by the State Government with effect from June 4, 2007, the Company has challenged the action of the State Government in withdrawing the said Policy and not granting the incentives to the Company, before the Lucknow Bench of the Allahabad High Court. Pending final adjudication in the matter, the High Court vide its interim order dated 09.05.2008 has permitted limited protection of remissions which were being enjoyed on the date when the Policy was revoked.

Accordingly, during the current period, the Company has accounted for only remissions of ₹ 256.04 lacs (previous year ₹ 841.07 lacs), net of reversals of ₹ 170.26 lacs (previous year Nil) in respect of certain incentives earlier excess booked, as permitted by the High Court in the interim order. Eligible reimbursements of ₹ 2,342.29 lacs (previous year ₹ 2,171.53 lacs) have however not been accounted for during the current period and the aggregate of such reimbursements not accounted for till the end of the current period aggregating to ₹ 7,339.17 lacs (previous year ₹ 4,996.88 lacs) shall be accounted for in accordance with the final order of the High Court.

(b) The Company has availed loan amounting to ₹ 12,626.00 lacs (previous year Nil) under the "Scheme for Extending Financial Assistance to Sugar Undertakings, 2014" notified by the Government of India. Under the said scheme interest subvention @ 12% per annum is granted by the Government on such loan. The outstanding loan as at the end of the year amounts to ₹ 12,626.00 lacs (previous year Nil).

(c) Financial statements of the Company include subsidy of ₹ 2,743.39 lacs towards amount reimbursed/reimbursable by the State Government of Uttar Pradesh in respect of commission on purchase of cane under notification dated 30.12.2013.

43. Disclosures under Accounting Standard (AS) 7 "Construction contracts" in respect of contracts in progress as at the end of the period/year, are provided here-below.

(₹ in Lacs)

Sl No.	Particulars of Disclosure	31.03.2014	30.09.2012
1	Amount of contract revenue recognized as revenue during the period/year	30,652.14	12,744.07
2	The aggregate amount of costs incurred and recognized profits (less recognized losses) upto the reporting date	71,602.18	44,684.50
3	Advances Received	6,680.29	6,055.57
4	Retentions	6,473.37	4,355.64
5	Gross amount due from customers for contract work as on asset	3,343.65	6,142.33
6	Gross amount due to customers for contract work as liability	-	-

44. Disclosures required by Accounting Standard (AS) 29 – Provisions, Contingent liabilities and Contingent assets:

a) Movement in provisions:

(₹ in Lacs)

Nature of provision	Opening balance	Made during the period/year	Used during the period/year	Reversed during the period/year	Closing balance
Warranty	299.87	172.07	25.82	169.89	276.23
	(670.30)	(121.05)	(65.39)	(426.09)	(299.87)
Cost to completion	65.00	40.15	-	65.00	40.15
	(42.00)	(65.00)	(-)	(42.00)	(65.00)
Administrative charges on molasses	323.50	-	-	323.50	-
	(206.78)	(116.72)	(-)	(-)	(323.50)
Arbitration/ Court-case claims	224.79	20.34	7.02	-	238.11
	(211.23)	(13.56)	(-)	(-)	(224.79)
Loss on foreign exchange derivatives	-	0.20	-	-	0.20
	(631.15)	(-)	(631.15)	(-)	(-)
Others	-	-	-	-	-
	(63.04)	(-)	(12.28)	(50.76)	(-)

Figures in brackets relate to previous year

b) Nature of provisions:

Warranties: The Company gives warranties on certain products and services, undertaking to repair or replace the items that fail to perform satisfactorily during the warranty period. Provisions made represent the amount of expected cost of meeting such obligations of rectifications / replacements. The timing of the outflows is expected to be within the period of two years.

Cost to completion: The provision represents costs of materials and services required for integration of water treatment package at the site, prior to commissioning.

Administrative charges on Molasses: The provision was made in respect of disputed liability towards administrative charges on molasses captively consumed by the Company. The issue has been settled during the current period by the Supreme Court and accordingly, provision has been reversed.

Arbitration / Court-case Claims: Represents the provision made towards certain claims awarded against the company in legal proceedings which have been challenged by the Company before appropriate authorities. The timing of the outflows is uncertain.

Loss on foreign exchange derivatives: Provision is made for mark-to-market losses on derivative contracts outstanding at the year-end which were entered into for hedging certain firm commitments or highly probable forecast transactions. The timing of the outflows is expected to be within the period of one year.

Others: Represents provision made for deficiency in company managed provident fund trusts for the benefit of its employees. The timing of the outflows is expected to be within the period of one year.

c) Disclosure in respect of contingent liabilities is given as part of Note No.32.

45. Pursuant to compliance of clause 32 of the Listing Agreement, on disclosure of loans/advances in the nature of loans, the relevant information is provided hereunder:

(₹ in Lacs)

Sl No.	Particulars	As at 31.03.2014	Maximum amount due during the period/year
1	Loans & advances to subsidiaries (Note 1)		
	Upper Bari Power Generation Ltd	Nil	Nil
		(Nil)	(33.79)
	Triveni Engineering Limited	13.76	13.76
		(13.41)	(13.41)
2	Loans & advances to associates		
	Triveni Turbine Limited	Nil	Nil
		(Nil)	(1,792.11)
3	Loans & advances to firms/companies in which directors are interested	Nil	Nil
		(Nil)	(Nil)
4	Investment by the loanee in the shares of Triveni Engineering & Industries Ltd. and its subsidiaries	Nil (Nil)	Nil (Nil)

Note 1. There are no repayment schedule for the loans and advances to subsidiary companies mentioned above, which are repayable on demand.

Figures in brackets relate to previous year.

46. Pursuant to the Undertaking given by the Company to SEBI in connection with granting relaxation of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules,1957 for listing of equity shares of Triveni Turbine Limited (TTL), the Company's investment in the equity shares of TTL will remain under a lock-in period upto November 29, 2014.

47. Plant and machinery at Deoband unit existing as on Ist November,1986 was revalued during the financial year 1986-87. The revaluation had been conducted by an approved valuer, to reflect the assets at their present value. A property of Delhi, earlier held as stock in trade was revalued during the financial year 1999-00, at estimated market value and converted to fixed assets. The increase in the value of such assets over their book values, consequent to the revaluation, had been credited to revaluation reserve in the respective year of revaluation. The revalued assets are stated net of accumulated depreciation thereon.

48. a) In accordance with the Guidance Note on Accounting for Self-generated Certified Emission Reductions (CERs), issued by the Institute of Chartered Accountants of India, the Company has recognized the CERs held by it as inventories in its financial statements. Disclosures as required under the Guidance Note are as under :

i) 86,562 CERs (net of fee for UNFCCC adaptation fund) have been held as inventory by the Company;

ii) There are no CERs under certification as on the date of the financial statements;

iii) The Company's Deoband and Khatauli Phase-I projects are registered as Clean Development Mechanism (CDM) projects with United Nations Framework Convention on Climate Change (UNFCCC) and it is not feasible to identify specific items of machinery/equipment as an "emission reduction equipment" . Accordingly, details of depreciation and operation & maintenance costs, pertaining to emission reducing equipment have not been provided.

b) During the period the National Load Despatch Centre (NLDC) has issued 95,752 Renewable Energy Certificates (RECs) to the Company for the period from November 2011 to March 2013 under the Central Electricity Regulatory Commission (CERC) Regulation on RECs. Out of 95,752 RECs so issued to the Company, 11,402 RECs have been sold till March 31,2014. Accordingly, 84,350 RECs remain unsold and are in inventory with the Company as on 31.3.2014. However, since no cost has been incurred by the Company in respect of RECs lying in inventory, the value of such inventories has been considered as Nil in accounts.

49. (a) The Company during the current year has acquired additional 4,35,270 equity shares in its associate company M/s Triveni Entertainment Limited, thereby making it a wholly owned subsidiary company w.e.f. 20/03/2014. The investments are held by the Company as long-term strategic investments.

(b) During the current year, the Company has made investments in the entire share capital of two newly incorporated companies, namely – M/s Bhudeva Projects Ltd and M/s Svastida Projects Ltd. on 19/3/2014. The investments made by the Company in these wholly owned subsidiary companies have been held as long term strategic investments.

50. Auditors' remuneration represents amount paid/payable to the auditors on account of :

(₹ in Lacs)

Sl. No.	Particulars	Statutory Auditors		Branch Auditors		Cost Auditors	
		2012-14	2011-12	2012-14	2011-12	2012-14	2011-12
1	Audit fee	49.36	31.56	7.18	4.45	5.21	2.89
2	Tax audit fee	29.63	22.04	4.65	3.35	-	-
3	Limited review fee	28.14	15.75	3.59	2.01	-	-
4	Other services						
	Certification	8.19	2.41	0.12	0.08	0.05	-
	Consultation	-	5.00	-	-	-	-
5	Reimbursement of expenses	5.68	3.79	4.90	2.50	0.19	0.20
	Total	**121.00**	**80.55**	**20.44**	**12.39**	**5.45**	**3.09**

51. Due to decline in the free sugar prices below the cost of production of sugar, the sugar inventories held by certain unit(s) of the Company as on 31.03.2014 have been valued at the net realizable value. Accordingly sugar inventories have been written down by ₹ 5,536.24 lacs (previous year ₹ 571.27 lacs).

52. Statement of Additional Information

(₹ in Lacs)

Particulars			2012-14	2011-12
a. Value of imports on CIF basis				
i) Raw materials			2,130.42	3,427.48
ii) Components and spare parts			54.81	24.45
iii) Capital goods			5.41	47.56
b. Expenditure in foreign currency				
i) Travelling			65.89	28.52
ii) Royalty			293.69	249.49
iii) Legal/Professional Charges			6.56	58.87
iv) Interest on loans			20.82	76.33
v) Others			46.82	37.56
c. Earnings in foreign currency				
i) Export of goods on FOB basis			1,770.88	418.96
ii) Sale of Certified Emission Reductions (CERs)			-	555.82
iii) Others			18.44	1.44
d. Consumption of raw materials, spare-parts and components	**2012-14**	**%**	**2011-12**	**%**
i) Raw material				
Directly imported	2,341.33	0.73	3,663.70	2.56
Indigenous	3,16,592.61	99.27	1,39,242.04	97.44
Total	**3,18,933.94**	**100.00**	**1,42,905.74**	**100.00**
ii) Spare-parts and components				
Directly imported	60.59	1.52	29.53	1.29
Indigenous	3,934.56	98.48	2,191.44	98.71
Total	**3,995.15**	**100.00**	**2,220.97**	**100.00**

e. Remittance in foreign currencies for dividend:

The Company has not remitted any amount in foreign currencies on account of dividend during the year and does not have information as to the extent to which remittances, if any, in foreign currencies on account of dividend have been made by/ on behalf of non-resident shareholders. The particulars of dividend payable to non-resident shareholders (including non-resident Indian shareholders) which were declared during the period/year are as under:

Particulars	2012-14	2011-12
(i) Number of non-resident shareholders	531	574
(ii) Number of Ordinary Shares held by them	3,50,53,586	19,00,962
(iii) Gross amount of dividend - ₹ in lacs	35.05	3.80

53. The figures of the previous year have been regrouped/rearranged to the extent necessary. The current financial year of the Company has been extended to end on 31/03/2014. Accordingly, figures relating to income and expenses and cash flows reported in these financial statements are of eighteen months and hence not comparable with the previous year figures. The words "current year", "current period", "period", and "2012-14" used in these financial statements represents the financial year beginning from 01/10/2012 and ending on 31/03/2014.

As per our report of even date.

For and on behalf of
J. C. Bhalla & Company
Chartered Accountants
FRN : 001111N

Sudhir Mallick
Partner
Membership No. 80051
Place : Noida (U.P.)
Date : May 28, 2014

Dhruv M. Sawhney	**Lt.Gen.K.K.Hazari (Retd)**	**Geeta Bhalla**	**Suresh Taneja**
Chairman & Managing Director	Director & Chairman Audit Committee	Company Secretary	Group CFO

CONSOLIDATED FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Triveni Engineering & Industries Limited.

1. We have audited the accompanying consolidated financial statements of **Triveni Engineering & Industries Limited** (the "Company") its subsidiaries and its associates (collectively referred to as "the Group"), which comprise the consolidated Balance Sheet as at March 31, 2014, the consolidated Statement of Profit and Loss and the consolidated Cash Flow Statement for the eighteen months period then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

2. Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with accounting principles generally accepted in India including Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these consolidated 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. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Group's preparation and presentation of the consolidated financial statements that give a true and fair view 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

6. In our opinion and to the best of our information and according to the explanations given to us, and based on consideration of the report of other auditors on financial statements of the subsidiaries and an associate and unaudited financial statements of its associates as referred to in paragraph 7 below, and to the best of our information and according to the explanations given to us, in our opinion, the accompanying consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India.

   (a) in the case of the consolidated Balance Sheet, of the state of affairs of the Group as at March 31, 2014;

   (b) in the case of the consolidated Statement of Profit and Loss, of the loss of the Group for the eighteen months period ended on that date; and

(c) in the case of the consolidated Cash Flow Statement, of the cash flows of the Group for the eighteen months period ended on that date.

7. Other Matters

(a) We did not audit the financial statements of subsidiaries Triveni Entertainment Limited, Bhudeva Projects Limited and Svastida Projects Limited, whose financial statements reflect total assets of ₹ 72.81 lacs as at 31st March 2014, total revenues of ₹ 0.18 lacs and the related cash flows of ₹ 9.95 lacs for the period ended disclosed in note IA(ii) of the consolidated financial statements. The financial statements of above subsidiaries have been audited by other auditor whose reports have been furnished to us and considered by us in preparing our report and our opinion, in so far as it relates to the amounts included in respect of the said subsidiaries is based solely on the reports of the other auditor.

(b) The financial statements of Indian Associate Triveni Entertainment Ltd. in which group share of net profit is ₹ 1.90 lacs for the period 1st October 2012 to 19th March 2014 have been audited by other auditor whose report has been furnished to us and considered by us in preparing our report and our opinion, in so far as it relates to the amounts included in respect of the associate is based solely on the report of the other auditor. The financial statements of Indian Associates Triveni Turbine Limited, The Engineering & Technical Services Limited, TOFSL Trading & Investments Limited and Foreign Associate Aqwise-Wise Water Technologies Limited in which Group's Share of Net Profit is ₹ 2,247.29 lacs for the period ended disclosed in note IA(ii) of the consolidated financial statements included in the consolidated financial statements are unaudited. These unaudited financial statements have been furnished to us by the Management and our report in so far as it relates to the amounts included in respect of above associates is based solely on such unaudited financial statements.

Our opinion is not qualified in respect of above mentioned other matters.

For and on behalf of
J C Bhalla & Company
Chartered Accountants
FRN : 001111N

(Sudhir Mallick)
Partner
Membership No. 80051

Place : Noida (U.P.)
Date : May 28, 2014

Consolidated Balance Sheet as at 31st March 2014

(₹ in Lacs)

Particulars	Note No.	31.03.2014	30.09.2012
I **EQUITY AND LIABILITIES**			
1. Shareholders' funds			
Share capital	2	2,579.02	2,578.82
Reserves and surplus	3	81,356.91	99,056.70
		83,935.93	**1,01,635.52**
2. Non - current liabilities			
Long-term borrowings	4	42,213.10	43,286.53
Deferred tax liabilities (net)	5	2,448.60	6,608.57
Other long term liabilities	6	1,353.77	353.89
Long-term provisions	7	2,576.83	2,370.83
		48,592.30	**52,619.82**
3. Current liabilities			
Short-term borrowings	8	59,127.24	42,353.09
Trade payables	9	82,004.44	10,310.54
Other current liabilities	10	22,781.93	24,130.48
Short-term provisions	7	5,515.61	3,457.29
		1,69,429.22	**80,251.40**
Total		**3,01,957.45**	**2,34,506.74**
II **ASSETS**			
1. Non-current assets			
Fixed assets			
(i) Tangible assets	11	94,884.75	1,01,647.86
(ii) Intangible assets	12	149.07	307.40
(iii) Capital work-in-progress		181.90	735.38
Non-current investments	13	6,840.07	9,577.44
Long-term loans and advances	14	22,921.80	25,125.85
Other non-current assets	18	4,039.05	846.24
		1,29,016.64	**1,38,240.17**
2. Current assets			
Inventories	15	1,40,205.51	53,817.56
Trade receivables	16	22,806.80	20,981.99
Cash and bank balances	17	1,463.13	1,049.43
Short-term loans and advances	14	4,838.63	4,029.04
Other current assets	18	3,626.74	16,388.55
		1,72,940.81	**96,266.57**
Total		**3,01,957.45**	**2,34,506.74**
Summary of Significant Accounting Policies	1		

The accompanying Note Nos.1 to 53 form an integral part of the consolidated financial statements.

As per our report of even date.

For and on behalf of
J. C. Bhalla & Company
Chartered Accountants
FRN : 001111N

Sudhir Mallick
Partner
Membership No. 80051
Place : Noida (U.P.)
Date : May 28, 2014

Dhruv M. Sawhney	**Lt.Gen.K.K.Hazari (Retd)**	**Geeta Bhalla**	**Suresh Taneja**
Chairman & Managing Director	Director & Chairman Audit Committee	Company Secretary	Group CFO

Consolidated Statement of Profit and Loss for eighteen months ended 31st March 2014

(₹ in Lacs)

Particulars	Note No.	31.03.2014 (18 Months)	30.09.2012 (12 Months)
Continuing operations			
INCOME			
Revenue from operations (gross)	19	3,25,693.93	1,92,039.58
Less : Excise duty		10,357.53	6,085.52
Revenue from operations (net)		3,15,336.40	1,85,954.06
Other Income	20	2,173.97	1,350.30
Income from Associates		2,249.19	1,932.23
Total revenue		**3,19,759.56**	**1,89,236.59**
EXPENSES			
Cost of raw material and components consumed	21	3,18,933.94	1,42,905.74
Purchase of traded goods	22	2,289.40	1,115.67
(Increase)/decrease in inventories of finished goods and work-in-progress	23	(83,761.87)	(13,457.94)
Employee benefit expenses	24	21,452.66	13,394.67
Other expenses	25	49,990.92	24,227.51
Prior period items (net)	26	69.65	62.26
Total		**3,08,974.70**	**1,68,247.91**
Earnings before exceptional items, extraordinary item, interest, tax, depreciation and amortisation (EBITDA)		**10,784.86**	**20,988.68**
Depreciation and amortisation expenses	27	11,878.33	8,155.06
Finance costs	28	18,522.93	12,278.52
Profit/(loss) before exceptional items, extraordinary item & tax		**(19,616.40)**	**555.10**
Exceptional items	29	(524.01)	7,895.80
Profit/(loss) before extraordinary item & tax		**(19,092.39)**	**(7,340.70)**
Extraordinary item		-	-
Profit/(loss) before tax		**(19,092.39)**	**(7,340.70)**
Tax expense	30	(1,459.60)	(2,111.29)
Profit/(loss) after tax		**(17,632.79)**	**(5,229.41)**
Earning per equity share of ₹ 1/ each	31		
Basic and diluted (in ₹)		(6.84)	(2.03)
Summary of Significant Accounting Policies	1		

The accompanying Note Nos.1 to 53 form an integral part of the consolidated financial statements.

As per our report of even date.

For and on behalf of
J. C. Bhalla & Company
Chartered Accountants
FRN : 001111N

Sudhir Mallick
Partner
Membership No. 80051
Place : Noida (U.P.)
Date : May 28, 2014

Dhruv M. Sawhney
Chairman & Managing Director

Lt.Gen.K.K.Hazari (Retd)
Director & Chairman Audit Committee

Geeta Bhalla
Company Secretary

Suresh Taneja
Group CFO

Consolidated Cash Flow Statement for the eighteen months ended 31st March 2014

(₹ in Lacs)

	Particulars	31.03.2014 (18 Months)	30.09.2012 (12 Months)
A.	**Cash Flow from Operating Activities**		
	Profit before tax	**(19,092.39)**	**(7,340.70)**
	Income from Associates	2,249.19	1,932.23
	Non-cash adjustment to reconcile profit before tax to net cash flows		
	Depreciation / amortisation on continuing operation	11,878.33	8,154.64
	Loss / (profit) on sale of fixed assets	106.26	72.33
	Loss / (Profit) on sale of long term investments (previous year : ₹ 117/-)	(524.01)	0.00
	Interest Expense	18,523.20	12,333.59
	Interest Income	(119.93)	(94.99)
	Dividend Income	(3.61)	(2.66)
	Operating profit before working capital changes	**8,518.66**	**11,189.98**
	Movements in working capital :		
	Change in Liabilities	74,749.35	(701.16)
	Change in Inventories	(86,387.94)	(14,455.14)
	Change in Trade Receivables	(4,988.35)	(2,001.95)
	Change in Loans and Advances	(1,857.77)	(102.14)
	Change in Other Current Assets	12,859.85	4,878.90
	Cash generated from / (used in) operations	**2,893.80**	**(1,191.51)**
	Direct taxes paid (net of refunds)	(567.75)	(349.06)
	Net cash flow from / (used in) operating activities (A)	**2,326.05**	**(1,540.57)**
B.	**Cash Flow from Investing Activities**		
	Purchase of fixed assets	(4,204.76)	(2,711.57)
	Proceeds from sale of fixed assets	82.10	72.12
	Proceeds of non-current investments		
	- From Associate (Dividend)	746.15	490.40
	- From disposal of subsidiary	-	5.42
	- From Others	4,711.63	-
	Purchase of non-current investments		
	- Others	(30.55)	(3,006.19)
	Interest received	106.24	111.97
	Dividends received	3.61	2.66
	Net cash flow from / (used in) investing activities (B)	**1,414.42**	**(5,035.19)**
C.	**Cash Flow from Financing Activities**		
	Proceeds from issuance of share capital	2.80	-
	Proceeds from long-term borrowings	24,126.00	19,606.00
	Repayment of long-term borrowings	(25,616.12)	(13,015.01)
	Increase / (Decrease) in short-term borrowings	16,760.73	13,069.82
	Interest paid	(18,944.56)	(12,539.31)
	Dividend paid on equity shares	(260.13)	(515.30)
	Tax on equity dividend paid	(41.84)	(83.67)
	Net cash flow from / (used in) financing activities (C)	**(3,973.12)**	**6,522.53**
	Net increase / (decrease) in cash and cash equivalents (A + B+ C)	(232.65)	(53.23)
	Cash and cash equivalents at the beginning of the period/year	926.18	980.13
	Adjustment of cash and cash equivalents pursuant to acquisition of associates / disposal of subsidiary	1.53	(0.72)
	Cash and cash equivalents at the end of the period/year	**695.06**	**926.18**

As per our report of even date.

For and on behalf of
J. C. Bhalla & Company
Chartered Accountants
FRN : 001111N

Sudhir Mallick
Partner
Membership No. 80051
Place : Noida (U.P.)
Date : May 28, 2014

Dhruv M. Sawhney
Chairman & Managing Director

Lt.Gen.K.K.Hazari (Retd)
Director & Chairman Audit Committee

Geeta Bhalla
Company Secretary

Suresh Taneja
Group CFO

Notes to Consolidated Financial Statements for the eighteen months ended 31st March, 2014

1. SIGNIFICANT ACCOUNTING POLICIES

A) Basis and Principles of Consolidation

i) The consolidated financial statements have been prepared on a going concern basis to comply with the requirements of Clause 32 of the Listing Agreement and in accordance with Accounting Standard (AS) 21 "Consolidated Financial Statements", Accounting Standard (AS) 23 "Accounting for Investments in Associates in Consolidated Financial Statements" and Accounting Standard (AS) 3 "Cash Flow Statements".

ii) The consolidated financial statements comprise the financial statements of Triveni Engineering & Industries Limited. (the holding company) incorporated in India, its 100% subsidiaries - Triveni Engineering Limited, Triveni Energy Systems Limited, Bhudeva Projects Limited (w.e.f. March 19, 2014), Svastida Projects Limited (w.e.f. March 19, 2014) and Triveni Entertainment Limited (w.e.f. March 20, 2014), all incorporated in India. The consolidated financial statements also incorporate proportionate share of income/losses of its following associate companies:

Name of associate company	Country of incorporation	Accounting period considered	Remarks
Triveni Turbine Ltd.	India	Eighteen months ended March 31, 2014	Unaudited
TOFSL Trading and Investments Ltd. (ceased to remain an associate from 29.12.2013)	India	For the period from October 1,2012 to August 29,2013	Unaudited
The Engineering and Technical Services Ltd. (ceased to remain an associate from 29.12.2013)	India	For the period from October 1,2012 to August 29,2013	Unaudited
Triveni Entertainment Ltd. (ceased to remain an associate from 19.03.2014)	India	For the period from October 1,2012 to March 19, 2014	Audited
Aqwise-Wise Water Technologies Ltd.	Israel	Eighteen months ended March 31, 2014	Unaudited

iii) The financial statements of the Company and its subsidiaries are combined on a line-by-line basis adding together the book values of like items of assets, liabilities, incomes and expenses. The effects of inter-company transactions are eliminated in consolidation.

iv) The Company accounts for its share in the change in net assets of the associates, post-acquisition, after eliminating unrealized profits and losses resulting from transactions between the Company and its associates to the extent of its share, through its statement of profit and loss and through its reserves for the balance, based on available information.

v) In case of foreign associates, being non-integral foreign operations, revenue items are consolidated at the average rate prevailing during the relevant period. All assets and liabilities are converted at rates prevailing at the end of the year. Any exchange difference arising on consolidation is recognized in the exchange fluctuation reserve.

vi) The difference between the cost of investment in the associates and the share of net assets at the time of acquisition of shares in the associates is identified in the financial statements as Goodwill or Capital Reserve as the case may be.

vii) The difference between the proceeds from disposal of investment in subsidiaries and the carrying amount of its assets less liabilities as of the date of disposal is recognized in the consolidated statement of profit and loss, being the profit or loss on disposal of investment in subsidiary.

viii) As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.

ix) Investments other than in subsidiaries and associates have been accounted as per Accounting Standard (AS) 13 "Accounting for Investments".

B) Basis of preparation of Financial Statements

The financial statements of the Company have been prepared on accrual basis of accounting under the historical cost convention in accordance with generally accepted accounting principles in India and comply in all material respects with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended), and the relevant provisions of the Companies Act, 1956, read with General Circular 15/2013 dated September 13, 2013 and General Circular 08/2014 dated April 4, 2014 issued by the Ministry of Corporate Affairs.

All assets and liabilities have been classified as current and non-current as per the criteria set out in the revised Schedule VI. In line with the normal operating cycle of the main products, the Company has considered a period of 12 months for the purpose of determination of classification between current and non-current assets and liabilities.

C) Use of Estimates

The presentation of financial statements requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/materialize.

D) Fixed Assets

i. Fixed assets are stated at their acquisition cost (except in the case of revaluation of certain assets where these are stated at revalued amounts) less accumulated depreciation. Acquisition cost includes taxes, duties (excluding excise duty, service tax and VAT for which CENVAT/VAT credit is available), freight and other incidental expenses relating to acquisition and installation. In case of certain machineries acquired under lease prior to 01.04.2001, the cost of acquisition represents the principal value of the respective lease (including the residual value at expiry of lease). In the acquisition of fixed assets involved in the establishment of a new project/factory, all direct expenses including borrowing costs are capitalized.

ii. Fixed assets pending disposal are stated at lower of net book value (at the time of discarding of assets) and net realizable value. Wherever, the net book value of the assets can not be reasonably determined, it is stated at net realizable value.

E) Recognition of Income/Expenditure

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria are applied for revenue recognition:

i. Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer. The Company collects sales taxes and value added taxes (VAT) on behalf of the government and therefore these are not economic benefits flowing to the Company and accordingly they are excluded from revenue.

ii. In contracts involving the rendering of services, revenue is recognized as and when the services are rendered. The Company collects service tax on behalf of the government and therefore, it is not an economic benefit flowing to the Company and is accordingly excluded from revenue.

iii. Income from sale of Certified Emission Reductions (CERs) and Renewable Energy Certificates (RECs) is recognized on the delivery of the CERs/RECs to the customers' account as evidenced by the receipt of confirmation of execution of delivery instructions.

iv. Revenue from construction contracts is recognized on the percentage of completion method, measured by the proportion that contract costs incurred for work performed till the reporting date bear to the estimated total contract cost. Contract costs for this purpose include :

   a. Costs that relate directly to the specific contract;

   b. Costs that are attributable to contract activity in general and can be allocated to the contract; and

   c. Such other costs as are specifically chargeable to the customer under the terms of contract.

   Foreseeable losses, if any, are provided for immediately.

v. Income/Expenditure relating to prior periods and prepaid expenses which do not exceed ₹10,000/- in each case, are treated as Income/Expenditure of current year.

vi. Compensation under Voluntary Retirement Scheme and all other termination benefits, if any, incurred during the year, are recognized as expense in the statement of profit and loss.

F) Foreign Currency Transactions

i. Transactions denominated in foreign currencies are initially recorded at the exchange rate prevailing at the date of transaction.

ii. Foreign currency monetary items (including forward contracts not relating to firm commitments or highly probable forecast transactions and not intended for trading or speculative purposes) are translated at year end rates. Exchange differences arising on settlement of transactions and translation of monetary items are recognized as income or expense in the year in which they arise.

iii. The premium or discount on forward exchange contracts not relating to firm commitments or highly probable forecast transactions and not intended for trading or speculative purposes is amortized as expense or income over the life of the contracts.

iv. In respect of derivative contracts relating to firm commitments or highly probable forecast transactions, provision is made for mark to market losses, if any, at the balance sheet date. Gains, if any, are not recognized till settlement.

G) Inventories

i. Inventories of raw materials, components, stores and spares are valued at lower of cost and net realizable value. By-products used as raw material are valued at transfer cost. Cost for the purpose of valuation of raw materials and components, stores and spares is considered on the following basis :

Raw Materials & Components

Business Units	Basis
Sugar	First in first out
Gears, Co-generation & Distillery	Weighted Average
Water Business Group	Specific Cost

Stores and Spares

Business Units	Basis
Water Business Group	Specific Cost
Other Units	Weighted Average

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

iii. Unsold certified emission reductions are recognized as inventory in accordance with the Guidance Note on Accounting for Self-generated Certified Emission Reductions (CERs), issued by the Institute of Chartered Accountants of India. Inventory of CERs is valued at lower of cost and net realizable value. The cost incurred on verification/certification of CERs is considered as the cost of inventories of CERs.

iv. Patterns, Loose tools, Jigs and Fixtures are written off equally over three years.

v. By-products (excluding those used as raw materials) and scrap are valued at estimated net realizable value.

H) Depreciation

i) Depreciation on fixed assets is provided on the straight line method at the rates specified in Schedule XIV of the Companies Act, 1956 other than the following assets which are depreciated at higher rates on the straight line basis over their estimated useful economic life as follows :

Particulars	Rates adopted
a) Plant & Machinery used in Co-Generation Plants (including captive Co-Generation Plants) installed after 1.4.2004	6.33%
b) Mobile phone costing above ₹5,000/-	50%

ii) Cost of leasehold land is amortized over the lease period

iii) Fixture and fittings and improvements to leasehold buildings not owned by the Company are amortized over the lease period or estimated useful life of such fixture, fittings and improvements, whichever is lower.

iv) The additional depreciation on increase in cost on account of revaluation of certain assets, is adjusted against the Revaluation Reserve and is thus not charged to the statement of profit and loss.

I) Research & Development

Revenue expenditure on research & development is charged under respective heads of account. Capital expenditure on research and development is included as part of cost of fixed assets and depreciated on the same basis as other fixed assets.

J) Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as non-current / long-term investments. Current investments are carried at the lower of cost and fair value. Long-term investments are carried at cost. However, provision is made to recognize a decline, other than temporary, in the value of long-term investments, such reduction being determined and made for each investment individually Investments in associate companies are accounted under the equity Method prescribed under Accounting Standard (AS) 23 "Accounting for investment in Associates in Consolidated Financial Statements".

K) Employee Benefits

1) Short Term Employee Benefits:

All employee benefits payable wholly within 12 months after the end of the period in which the employees render the related services are classified as short term employee benefits and are recognized as expense in the period in which the employee renders the related service. The Company recognizes the undiscounted amount of short term employee benefits expected to be paid (including compensated absences) in exchange for services rendered, as a liability.

2) Long Term Employee Benefits:

i) Defined Contribution Plans

Defined contribution plans are retirement benefit plans under which the Company pays fixed contributions to separate entities (funds) or financial institutions or state managed benefit schemes. The Company's contribution to defined contribution plans is recognized in the statement of profit and loss in the financial year to which they relate.

The Company operates the following defined contribution plans.

- Provident Fund Plan & Employee Pension Scheme:

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

- Employee State Insurance

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

- Superannuation Scheme

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

ii) Defined Benefit Plans

Defined benefit plans are plans under which the Company pays certain defined benefits to its employees at the time of their retirement/ resignation/death based on rules framed for such schemes. The Company operates following defined benefit plans:

- Provident fund (set-up by the Company and administered through trust)

  The Company also contributes to certain

funds which were set-up by the Company and administered through trust for the benefit of certain employees. The interest rate payable by the trust to the beneficiaries is regulated by statutory authorities. The Company has an obligation to make good the shortfall, if any, between the return on investments of the Trust and the notified interest rate.

- Gratuity

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

- Earned Leaves / Sick Leaves

  The Company provides for the liability at year end on account of un-availed accumulated leaves on the basis of actuarial valuation.

3) Employee Stock Options:

   Compensation cost in respect of stock options granted to eligible employees is recognized using the intrinsic value of the stock options and is amortized over the vesting period of such options granted .

L) Borrowing costs

Borrowing costs attributable to the acquisition of qualifying assets are capitalized till the period such assets are ready for their intended use. All other borrowing costs are charged to the statement of profit and loss.

M) Operating leases

Lease payments under an operating lease are recognized as an expense in the statement of profit and loss on a straight line basis over the lease term.

N) Government Grants

Recognition

Government grants are recognized where:

i) There is reasonable assurance of complying with the conditions attached to the grant.

ii) Such grant/benefit has been earned and it is reasonably certain that the ultimate collection will be made.

Presentation in Financial Statements:

i) Government grants relating to specific fixed assets are adjusted with the value of such fixed assets.

ii) Government grants in the nature of promoters' contribution, i.e. which have reference to the total investment in an undertaking or by way of contribution towards total capital outlay, are credited to capital reserve.

iii) Government grants related to revenue items are either adjusted with the related expenditure/ revenue or shown under "Other Income", in case direct linkage with cost/income is not determinable.

O) Taxes on Income

i) Current tax on income is determined on the basis of taxable income computed in accordance with the applicable provisions of the Income Tax Act, 1961.

ii) Deferred tax is recognized for all timing differences between the accounting income and the taxable income for the year, and quantified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date.

iii) Deferred tax asset is recognized and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized, except in the case of unabsorbed depreciation or carry forward of losses under the Income Tax Act, 1961, where such deferred tax asset is recognized only to the extent that there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realized.

iv) Minimum Alternate Tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will be in a position to avail of such credit under the provisions of the Income Tax Act, 1961.

P) Intangible Assets

Intangible assets are recognized as per the criteria specified in Accounting Standard (AS) 26 "Intangible Assets" and are amortized on straight line basis as follows:

Particulars	Period of amortisation
Computer Software	36 months
Technical Know-how fees	72 months

Q) Impairment of Asset

Impairment of individual assets/cash generating unit (a group of assets that generates identified independent cash flows) is identified using external and internal sources of information and impairment loss if any, is determined and recognized in accordance with the Accounting Standard (AS) 28 "Impairment of Assets".

R) Provisions, Contingent liabilities and Contingent assets

Provisions are recognized for liabilities that can be measured only by using a substantial degree of estimation, if:

i) the Company has a present obligation as a result of a past event;

ii) a probable outflow of resources is expected to settle the obligation; and

iii) the amount of the obligation can be reliably estimated.

Reimbursement expected in respect of expenditure required to settle a provision is recognized only when it is virtually certain that the reimbursement will be received.

Contingent liability is disclosed in the case of

i) a present obligation arising from a past event, when it is not probable that an outflow of resources will be required to settle the obligation.

ii) a possible obligation, unless the probability of outflow of resources is remote.

Contingent assets are not recognized.

2. Share Capital

(₹ in Lacs)

Particulars	31.03.2014	30.09.2012
AUTHORISED		
50,00,00,000 Equity shares of ₹ 1/- each	5,000.00	5,000.00
2,00,00,000 Preference shares of ₹10/- each	2,000.00	2,000.00
	7,000.00	**7,000.00**
ISSUED		
25,79,08,150 (25,78,88,150) Equity shares of ₹ 1/- each	2,579.08	2,578.88
	2,579.08	**2,578.88**
SUBSCRIBED AND PAID UP		
25,79,00,150 (25,78,80,150) Equity shares of ₹ 1/- each	2,579.00	2,578.80
Add :Paid up value of 8,000 Equity shares of ₹ 1/- each forfeited	0.02	0.02
	2,579.02	**2,578.82**

a) Reconciliation of the shares outstanding at the beginning and at the end of the period

Equity Shares

Particulars	As at 31.03.2014		As at 30.09.2012	
	No of Shares	₹ in lacs	No of Shares	₹ in lacs
At the beginning of the period	25,78,88,150	2,578.88	25,78,88,150	2,578.88
Add: Issued during the period pursuant to exercise of employee stock options	20,000	0.20	-	-
Outstanding at the end of the period	25,79,08,150	2,579.08	25,78,88,150	2,578.88

b) Terms/rights attached to equity shares

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

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

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

Particulars	As at 31.03.2014		As at 30.09.2012	
	No of Shares	% holding	No of Shares	% holding
Dhruv M. Sawhney	3,83,91,756	14.89	3,83,91,756	14.89
Nalanda India Fund Limited	2,57,88,000	10.00	2,57,88,000	10.00
Umananda Trade & Finance Limited	2,09,91,589	8.14	2,09,91,589	8.14
Rati Sawhney	2,03,58,164	7.89	2,03,58,164	7.89
Tarnik Investments & Trading Limited	1,86,80,527	7.24	1,86,80,527	7.24
Subhadra Trade & Finance Limited	1,69,07,375	6.56	1,69,07,375	6.56
Nikhil Sawhney	1,52,77,653	5.92	1,52,77,653	5.92
Dhankari Investments Limited	1,47,14,901	5.71	1,47,14,901	5.71
Tarun Sawhney	1,46,95,375	5.70	1,46,95,375	5.70

d) Shares reserved for issue under options

Refer Note No. 34

3. Reserves and Surplus

(₹ in Lacs)

Particulars	31.03.2014	30.09.2012
Capital Reserve		
Balance as per the last financial statements	13,325.85	13,325.85
Add: Excess nominal value of share capital over investments in a subsidiary	12.98	-
Less: Amount utilised	-	-
Closing Balance	**13,338.83**	**13,325.85**
Securities Premium		
Balance as per the last financial statements	26,538.49	26,538.49
Add: Amount received during the period pursuant to exercise of employee stock options	2.60	-
Add: Proportinate share of Associates	11.61	-
Less: Amount utilised	-	-
Closing Balance	**26,552.70**	**26,538.49**
Revaluation Reserve - Fixed Assets		
Balance as per the last financial statements	1,556.39	1,588.89
Less: Amount utilised *	48.74	32.50
Closing Balance	**1,507.65**	**1,556.39**
* Includes ₹ 48.74 lacs (₹ 32.49 lacs) transferred to the statement of profit and loss and ₹ Nil (₹ 0.01 lacs) adjusted on disposal of revalued assets.		
General Reserve		
Balance as per the last financial statements	50,843.38	56,019.13
Add/ (Less) : Amount transferred from surplus/ (to deficit) in the statement of profit and loss	-	(5,175.75)
Less: Reserves of a subsidiary till date of becoming subsidiary, already considered as an associate	(12.23)	-
Add : Adjusted on recognition of write back of losses in respect of an associate upon its becoming a subsidiary.	(24.48)	-
Add: Amount transferred from Revaluation Reserve - Fixed Assets : (Prev. year ₹ 344/-)	-	0.00
Less: Amount utilised	-	-
Closing Balance	**50,831.13**	**50,843.38**
Capital Redemption Reserve		
Balance as per the last financial statements	397.40	397.40
Add: Amount transferred	-	-
Less: Amount utilised	-	-
Closing Balance	**397.40**	**397.40**
Amalgamation Reserve		
Balance as per the last financial statements	926.34	926.34
Add: Amount transferred	-	-
Less: Amount utilised	-	-
Closing Balance	**926.34**	**926.34**
Debenture Redemption Reserve		
Balance as per the last financial statements	2,000.00	2,000.00
Add: Amount transferred from surplus in statement of profit and loss	-	-
Less: Amount utilised	-	-
Closing Balance	**2,000.00**	**2,000.00**

(₹ in Lacs)

Particulars	31.03.2014	30.09.2012
Molasses Storage Fund Reserve		
Balance as per the last financial statements	234.81	207.56
Add: Amount transferred from surplus in statement of profit and loss	50.69	27.25
Less: Amount utilised	(100.00)	-
Closing Balance	**185.50**	**234.81**
Foreign Exchange Translation Reserve		
Balance as per the last financial statements	0.53	-
Add/(Less): Proportinate share of Associate	(33.17)	0.53
Less: Amount utilised	-	-
Closing Balance	**(32.64)**	**0.53**
Surplus/(deficit) in the statement of profit and loss		
Balance as per the last financial statements	3,233.51	3,614.14
Add: Net profit/(loss) after tax transferred from statement of profit and loss	(17,632.79)	(5,229.41)
Amount available for appropriation (A)	**(14,399.28)**	**(1,615.27)**
Appropriations:		
Transfer to (withdrawn from) General Reserve	-	(5,175.75)
Transfer to (withdrawn from) Molasses Storage Fund Reserve	(100.00)	-
Transfer to Molasses Storage Fund Reserve	50.69	27.25
Dividend adjustment of previous year (Prev. year ₹ 51/-)	0.03	0.00
Tax on Dividend of previous year : Current year ₹ 389/- (Prev. year ₹ 8/-)	0.00	0.00
Dividend proposed on equity shares	-	257.88
Provision for tax on proposed dividend on equity shares	-	41.84
Total appropriations (B)	**(49.28)**	**(4,848.78)**
Net surplus/(deficit) in the statement of profit and loss (A-B)	**(14,350.00)**	**3,233.51**
Total reserves and surplus	**81,356.91**	**99,056.70**

4. Long-Term Borrowings

Particulars	Non- Current portion		Current maturities	
	31.03.2014	30.09.2012	31.03.2014	30.09.2012
Bonds/Debentures	-	7,000.00	4,000.00	3,000.00
Term loans from banks	41,003.50	33,393.92	11,273.34	12,142.94
Term loans from others	1,209.60	2,892.61	918.50	1,465.59
	42,213.10	43,286.53	16,191.84	16,608.53
The above amount includes				
Secured loans	42,213.10	43,050.44	16,191.84	16,372.44
Unsecured loans	-	236.09	-	236.09
	42,213.10	43,286.53	16,191.84	16,608.53
Less: Amount disclosed under the head "other current liabilities" (Refer Note No 10)			16,191.84	16,608.53
	42,213.10	**43,286.53**	**-**	**-**

Details of Securities and other terms :-

Name of the Bank / Others	Total loan outstanding (₹ in Lacs)	Repayment terms of loan outstanding	Rate of interest	Nature of Security
A) 400 (1,000) Non-Convertible Debentures of ₹ 10.00 lacs each issued to Life Insurance Corporation of India	4,000.00 (10,000.00)	Redeemable in three annual instalments at the end of 4th, 5th & 6th year in the ratio of 30:30:40 from the deemed date of allotment i. e. 26th December 2008.	12.45% p. a. fixed payable quarterly.	Secured by first pari-passu charge created / to be created by equitable mortgage on immoveable assets and hypothecation of all moveable assets, both present and future of the Company subject to bankers prior charges created / to be created on current assets for providing working capital facilities and excluding assets purchased under vehicle loan scheme.
B) Term loans				
From banks (Indian Rupee Loan)				
1. Bank of Maharashtra	Nil (937.50)	Nil (5) equal quarterly instalments upto October 2013.	At Banker's base rates plus applicable spread. The total interest rate as on 31.03.2014 range between 11.75% to 13.05% per annum.	Secured by first pari-passu charge created / to be created by equitable mortgage on immoveable assets and hypothecation of all moveable assets, both present and future of the Company subect to bankers prior charges created / to be created on current assets for providing working capital facilities and excluding assets purchased under vehicle loan scheme.
2. Canara Bank	Nil (834.60)	Nil (4) equal quarterly instalments upto September 2013.		
3. Central Bank of India	630.71 (4,443.08)	1 (7) equal quarterly instalments upto June 2014.		
4. Kotak Mahindra Bank	Nil (1,090.91)	Nil (4) equal quarterly instalments upto August 2013.		
5. Oriental Bank of Commerce	Nil (1,000.00)	Nil (4) equal quarterly instalments upto September 2013.		
6. Canara Bank	7,500.00 (Nil)	16 (Nil) equal quarterly instalments upto December 2018.		
7. State Bank of Patiala	Nil (1,498.46)	Nil (4) equal quarterly instalments upto August 2013.		
8. Axis Bank	5,000.00 (5,000.00)	12 (12) equal quarterly instalments upto August 2017.		
9. Axis Bank	Nil (980.00)	Nil (4) equal quarterly instalments upto September 2013.		
10.State Bank of Patiala	5,625.00 (7,500.00)	9 (12) equal quarterly instalments upto June 2016.		
11.Oriental Bank of Commerce	6,248.68 (7,500.00)	10 (12) equal quarterly instalments upto July 2016.		
12.Yes Bank	7,500.00 (7,500.00)	16 (16) equal quarterly instalments upto June 2018.		
13.Ratnakar Bank Limited	4,000.00 (Nil)	16 (Nil) equal quarterly instalments upto December 2018.		
14.Punjab National Bank	2,966.00 (7,106.00)	13 (31) equal monthly instalments upto April 2015.		Secured by first pari-passu charge on current assets and residual charge on the fixed assets of the Company
15.Punjab National Bank (Excise Duty Loan)	8,876.00 (Nil)	36 equated monthly instalments upto March 2019. (Nil)	Interest Free Loan	Secured by 2nd charge on all business units except Khatauli and Ramkola .
16.Central Bank of India (Excise Duty Loan)	3,750.00 (Nil)	12 equal quarterly instalments upto March 2019. (Nil)	Interest Free Loan	Secured by 2nd charge on all business units except Khatauli and Ramkola .
17.Vehicle Loans Axis Bank ICICI Bank	 94.47 (120.09) 85.98 (26.22)	In equated monthly instalments ranging from 3 to 55 months (8 to 36 months)	At fixed rates ranging from 9.35% to 11.00% p.a.	Secured by hypothecation of vehicle acquired under the respective vehicle loans.

Name of the Bank / Others	Total loan outstanding (₹ in Lacs)	Repayment terms of loan outstanding	Rate of interest	Nature of Security
From others (Indian Rupee Loan)				
1. Vehicle Loan Daimler Financial Services P Ltd.	15.23 (Nil)	In 21 (Nil) equated monthly instalments	At fixed rate of 9.38% p.a.	Secured by hypothecation of vehicle acquired under the respective vehicle loans.
2. Other Loans - Sugar Development Fund, Govt.of India	2,112.87 (3,886.02)	5 & 10 equal yearly and half yearly instalments upto September 2018.	2% below the Bank Rate at present 4%	Secured by exclusive second charge created over moveable/ immoveable assets of Khatauli and Ramkola units.
3. Other Loans - Sugar Development Fund, Govt.of India	Nil (472.18)	Nil (2) equal yearly instalments upto January 2014.	2% below the Bank Rate at present 4%	Unsecured
Total	**58,404.94** **(59,895.06)**			

Figures in brackets relate to previous year.

5. Deferred Tax Liabilities (Net)

(₹ in Lacs)

Particulars	31.03.2014	30.09.2012
Deferred Tax Liabilities :		
Difference in net book value of fixed assets as per books and tax laws	14,218.19	12,479.67
Expenses deferred in books but claimed in tax	-	153.73
Deferred Tax Assets :		
Unabsorbed business loss/depreciation	(8,287.21)	(2,651.57)
Expenses allowable on payment basis	(1,579.86)	(1,925.71)
Others (net)	(1,902.52)	(1,447.55)
Net Deferred Tax Liabilities	**2,448.60**	**6,608.57**

6. Other Long term liabilities

Interest accrued but not due	178.78	306.78
Lease Equalisation	28.00	14.83
Trade Payable (Retentions)	1,146.99	32.28
	1,353.77	**353.89**

7. Provisions

(₹ in Lacs)

Particulars	Long-term		Short-term	
	31.03.2014	30.09.2012	31.03.2014	30.09.2012
Provision for Employee Benefits				
Gratuity (Refer Note No. 41)	1,816.16	1,691.94	123.89	51.89
Compensated Absences (Refer Note No. 41)	760.67	678.89	327.38	234.51
Other Provisions				
Proposed Dividend *	-	-	-	257.88
Tax on Proposed Dividend	-	-	-	41.84
Warranty	-	-	276.23	299.87
Cost to Completion	-	-	40.15	65.00
Arbitration/Court case claims	-	-	238.11	224.79
Administrative charges on molasses	-	-	-	323.50
Loss on Foreign Exchange Derivatives	-	-	0.20	-
Excise duty on closing stock	-	-	4,509.65	1,958.01
	2,576.83	**2,370.83**	**5,515.61**	**3,457.29**

* Represents dividend proposed by the Board of Directors at ₹ Nil (previous year: ₹ 0.10) per equity share of ₹ 1/- each, which is subject to the approval by the shareholders.

For Movement in provisions - Refer Note No. 44

8. Short-Term Borrowings

Particulars	31.03.2014	30.09.2012
Repayable on demand		
Cash credits from banks	57,901.13	35,568.09
Other borrowings		
From Banks		
Rupee term loans	1,000.00	4,500.00
Foreign currency loans (Buyers' credits)	218.21	2,211.87
From Others	7.90	73.13
	59,127.24	**42,353.09**
The above amount includes :		
Secured borrowings	57,901.13	35,568.09
Unsecured borrowings	1,226.11	6,785.00

Cash credit from banks is secured by pledge/hypothecation of the stock-in-trade, raw material, stores and spare parts, work-in-progress and receivables and second charge created/to be created on the properties of all the Engineering units and third charge on the properties of Sugar, Co Generation and Distillery units of the Company on pari passu basis.

9. Trade Payables

Trade payables	82,004.44	10,310.54
	82,004.44	**10,310.54**

10. Other Current Liabilities

(₹ in Lacs)

Particulars	31.03.2014	30.09.2012
Current maturities of long term borrowings (Refer Note No 4)	16,191.84	16,608.53
Capital creditors	464.54	531.22
Advance from customers	3,142.59	3,334.19
Security deposits	237.14	192.77
Interest accrued but not due on borrowings	242.18	614.60
Interest accrued and due on borrowings	90.65	11.60
Employee benefits & other dues payable	1,152.43	1,101.84
Statutory dues payable relating to employees	257.17	195.20
Other statutory dues payable	618.47	1,063.69
Other payables	268.61	342.78
Unclaimed preference shares redemption	90.87	93.13
Unpaid dividend *	14.68	16.90
Unclaimed matured depsoits *	8.61	20.12
Unclaimed interest on deposits *	2.15	3.91
	22,781.93	**24,130.48**

* There are no amounts as at the end of the period which are due and outstanding to be credited to the Investors Education and Protection Fund.

11. Tangible Assets

Particulars	Land Freehold*1	Land Lease Hold	Buildings & Roads	Railway Siding	Plant and Machinery	Office Equipments	Furniture and Fixtures	Vehicles	Computers	Total
Gross block										
As at October 1, 2011	**4,697.67**	**390.76**	**26,064.65**	**0.18**	**1,25,049.80**	**436.52**	**798.42**	**552.19**	**1,134.51**	**1,59,124.70**
Additions	39.88	-	558.64	-	1,831.31	60.14	75.37	164.28	79.06	2,808.68
Deductions	-	-	12.10	0.18	464.57	(90.40)	75.94	52.18	67.71	582.28
As at September 30, 2012	**4,737.55**	**390.76**	**26,611.19**	**-**	**1,26,416.54**	**587.06**	**797.85**	**664.29**	**1,145.86**	**1,61,351.10**
Additions	17.85	-	76.89	-	4,722.59	39.70	21.87	297.34	37.98	5,214.22
Deductions	-	-	27.94	-	1,005.71	16.30	(1.99)	155.68	33.70	1,237.34
As at March 31, 2014	**4,755.40**	**390.76**	**26,660.14**	**-**	**1,30,133.42**	**610.46**	**821.71**	**805.95**	**1,150.14**	**1,65,327.98**
Depreciation										
As at October 1, 2011	**-**	**23.95**	**4,281.40**	**0.17**	**46,356.92**	**182.93**	**436.25**	**226.39**	**763.85**	**52,271.86**
Charge for the year *2 & *3	-	4.65	699.49	-	6,961.43	30.49	41.69	50.18	123.61	7,911.54
Deductions	-	-	5.00	0.17	352.71	(2.46)	27.89	33.27	63.58	480.16
As at September 30, 2012	**-**	**28.60**	**4,975.89**	**-**	**52,965.64**	**215.88**	**450.05**	**243.30**	**823.88**	**59,703.24**
Charge for the year *2 & *3	-	6.97	1,010.44	-	10,307.86	47.98	55.75	104.73	142.72	11,676.45
Deductions	-	-	25.03	-	783.32	8.42	1.45	86.77	31.47	936.46
As at March 31, 2014	**-**	**35.57**	**5,961.30**	**-**	**62,490.18**	**255.44**	**504.35**	**261.26**	**935.13**	**70,443.23**
Net Block										
As at September 30, 2012	**4,737.55**	**362.16**	**21,635.30**	**-**	**73,450.90**	**371.18**	**347.80**	**420.99**	**321.98**	**1,01,647.86**
As at March 31, 2014	**4,755.40**	**355.19**	**20,698.84**	**-**	**67,643.24**	**355.02**	**317.36**	**544.69**	**215.01**	**94,884.75**

Includes

*1 Land costing ₹ 376.74 lacs (previous year ₹ 358.90 lacs) pending transfer in the name of the Company.

*2 Transferred to Revaluation Reserve ₹ 48.74 lacs (previous year ₹ 32.49 lacs).

*3 Depreciation capitalised during the period amounting to ₹ Nil (previous year : ₹ 5.10 lacs).

12. Intangible Assets (Other than internally Generated)

(₹ in Lacs)

Particulars	Computer Software	Design and Drawings	Total
Gross block			
As at October 1, 2011	**1,481.98**	**30.81**	**1,512.79**
Additions	231.33	-	231.33
Disposals	203.89	-	203.89
As at September 30, 2012	**1,509.42**	**30.81**	**1,540.23**
Additions	92.29	-	92.29
Disposals	-	-	-
As at March 31, 2014	**1,601.71**	**30.81**	**1,632.52**
Amortisation			
As at October 1, 2011	**1,126.55**	**28.67**	**1,155.22**
Charge for the year	279.36	2.14	281.50
Disposals	203.89	-	203.89
As at September 30, 2012	**1,202.02**	**30.81**	**1,232.83**
Charge for the year	250.62	-	250.62
Disposals/Adjustments	-	-	-
As at March 31, 2014	**1,452.64**	**30.81**	**1,483.45**
Net Block			
As at September 30, 2012	**307.40**	**-**	**307.40**
As at March 31, 2014	**149.07**	**-**	**149.07**

13. Non-Current Investments

(₹ in Lacs)

Particulars	31.03.2014	30.09.2012
LONG TERM (At Cost)		
OTHER THAN TRADE		
GOVERNMENT SECURITIES		
UNQUOTED		
National Saving Certificates *1	0.11	0.11
OTHER SECURITIES		
SHARES - Fully paid-up		
QUOTED		
13,500 (13,500) Equity shares of ₹ 2/- each of Housing Development Finance Corporation Ltd	0.17	0.17
2,500 (2,500) Equity shares of ₹ 2/- each of HDFC Bank Ltd.	0.05	0.05
4,835 (4,835) Equity shares of ₹ 10/- each of Punjab National Bank	2.34	2.34
76 (76) Equity shares of ₹ 10/- each of Central Bank of India	0.08	0.08
UNQUOTED		
1,821 (1,821) Ordinary shares of ₹ 10/- each of NBI Industrial Finance Co. Ltd.	0.13	0.13
TRADE		
OTHER SECURITIES		
SHARES - Fully paid-up		
ASSOCIATE COMPANIES		
Preference Shares at cost		
UNQUOTED		
Nil (28,00,000) Preference shares of ₹ 10/- each of Triveni Turbine Ltd.	-	280.00
Equity Shares at cost		
[including goodwill (net of capital reserve) amounting to ₹ 2,257.19 lacs (Previous year: ₹ 2,259.12 lacs) arising on acquisition of associates as per equity method]		
QUOTED		
7,20,00,000 (7,20,00,000) Equity shares of ₹ 1/- each of Triveni Turbine Ltd. (Refer Note No.45)	720.07	720.07
UNQUOTED		
Nil (4,34,730) Equity shares of ₹ 10/- each of Triveni Entertainment Ltd	-	43.47
Nil (99,993) Equity shares of ₹ 10/- each of The Engineering & Technical Services Ltd.	-	10.00
Nil (4,00,060) Equity shares of ₹ 10/- each of TOFSL Trading & Investments Ltd.	-	40.01
13,008 (13,008) Equity shares of NIS 0.10 each of Aqwise-Wise Water Technologies Ltd. (Israel)	3,006.19	3,006.19
Accumulated Income/(Loss) from Associates (Refer Note No.50)	3,110.93	5,474.82
	6,840.07	**9,577.44**
*1 kept as security.		

14. Loans and Advances

(₹ in Lacs)

Particulars	Long-term		Short-term	
	31.03.2014	30.09.2012	31.03.2014	30.09.2012
Capital advances				
Unsecured, considered good	83.59	631.84	-	-
Unsecured, considered doubtful	200.25	213.04	-	-
	283.84	844.88	-	-
Less: Provision for doubtful advances	200.25	213.04	-	-
(A)	**83.59**	**631.84**	-	-
Security deposit				
Unsecured, considered good	384.34	362.36	27.79	24.43
Unsecured, considered doubtful	2.70	4.97	-	-
	387.04	367.33	27.79	24.43
Less: Provision for doubtful security deposit	2.70	4.97	-	-
(B)	**384.34**	**362.36**	**27.79**	**24.43**
Loans and advances to related parties *1				
Unsecured, considered good				
Mobilisation advance	-	-	653.42	1,545.18
Unsecured, considered doubtful				
Other loans	-	-	-	-
	-	-	653.42	1,545.18
Less: Provision for doubtful loans and advances	-	-	-	-
(C)	**-**	**-**	**653.42**	**1,545.18**
Other loans and advances				
Unsecured, considered good				
Prepaid expenses	21.42	15.52	375.00	305.53
Loans and advances to employees *2	5.27	4.93	106.18	175.13
Advances to suppliers for purchases	10.13	21.29	640.67	704.62
Earnest money deposit	2.00	2.00	107.25	385.33
Service tax recoverable	498.43	409.14	185.82	252.83
Deposit with sales tax authorities	60.22	184.48	30.27	17.93
Sales tax refundable	-	-	67.43	67.90
Excise duty (Cenvat Balance)	3,276.40	2,769.31	389.76	163.26
Works contract tax recoverable	0.15	30.12	-	-
MAT credit entitlement	-	2,950.47	-	-
Advance payment of tax {net of provision for tax of ₹ 24.47 lacs (previous year: ₹ 203.97 lacs)}	3,959.45	3,140.53	-	-
VAT recoverable	57.44	68.27	377.31	158.96
Excise duty recoverable	325.13	301.85	41.79	38.07
Interest on excise loan recoverable	-	-	88.06	94.42
Incentives recoverable from UP Govt.{Refer Note No.42(a)}	14,002.46	14,002.46	-	-
Society Commission Recoverable	-	-	1,578.23	-
Others	235.37	231.28	169.65	95.45
Sub-total (considered good)	22,453.87	24,131.65	4,157.42	2,459.43
Unsecured, considered doubtful				
Excise duty / Sales tax recoverable	38.06	36.60	0.30	27.96
Custom duty recoverable	-	-	0.47	0.47
Loans and advances to employees	2.26	5.60	-	-
Advances to suppliers for purchases	42.50	34.67	2.14	-
Bank guarantee encashments recoverable	1,122.74	1,122.74	-	-
Others	336.14	174.05	7.90	-
Sub-total (considered doubtful)	1,541.70	1,373.66	10.81	28.43
Total Gross (other loans and advances)	**23,995.57**	**25,505.31**	**4,168.23**	**2,487.86**
Less: Provision for doubtful loans and advances	1,541.70	1,373.66	10.81	28.43
Total Net (other loans and advances) (D)	**22,453.87**	**24,131.65**	**4,157.42**	**2,459.43**
Total (A+B+C+D)	**22,921.80**	**25,125.85**	**4,838.63**	**4,029.04**
*1 Loans and advances to related parties include the following:				
Triveni Turbine Limited (Associate Company)	-	-	653.42	1,545.18
*2 Loans and advances to employees include amount due from Company Secretary	-	-	-	0.13

15. Inventories

(₹ in Lacs)

Particulars	31.03.2014	30.09.2012
(Valued at lower of cost and net realisable value)		
Raw material and components	2,084.75	2,345.12
Less: Provision for obsolescence/slow moving raw materials and components	(107.35)	(88.29)
Work-in-progress	3,032.73	669.80
Stores and spares	3,242.91	2,893.97
Less: Provision for obsolescence/slow moving stores and spares	(20.58)	(3.81)
Finished goods	1,31,729.16	47,759.43
Stock- in- trade	34.00	13.08
Certified emission reductions (Refer Note No.47)	8.24	22.13
Patterns, loose tools, jigs and fixtures	48.62	89.80
Others (Scrap)	153.03	116.33
	1,40,205.51	**53,817.56**

16. Trade Receivables

Particulars	Non-Current		Current	
	31.03.2014	30.09.2012	31.03.2014	30.09.2012
Over Six Months				
Secured, considered good	-	-	-	-
Unsecured, considered good	17.54	67.75	4,094.36	1,564.37
Considered doubtful	1,668.89	1,645.12	1,428.52	547.36
	1,686.43	1,712.87	5,522.88	2,111.73
Less : Provision for doubtful receivables	1,668.89	1,645.12	1,428.52	547.36
(A)	**17.54**	**67.75**	**4,094.36**	**1,564.37**
Others				
Secured, considered good	-	-	-	-
Unsecured, considered good	3,404.59	190.84	18,712.44	19,417.62
Considered doubtful	-	-	327.28	325.00
	3,404.59	190.84	19,039.72	19,742.62
Less : Provision for doubtful receivables	-	-	327.28	325.00
(B)	**3,404.59**	**190.84**	**18,712.44**	**19,417.62**
Total (A+B)	**3,422.13**	**258.59**	**22,806.80**	**20,981.99**
Less: Amount disclosed under other non-current assets (Refer Note No. 18)	3,422.13	258.59		
	-	**-**	**22,806.80**	**20,981.99**

17. Cash and Bank Balances

(₹ in Lacs)

Particulars	Non-Current		Current	
	31.03.2014	30.09.2012	31.03.2014	30.09.2012
Cash and cash equivalents				
Balance with banks				
Current accounts	-	-	391.25	69.79
Demand deposits (original maturity of less than three months)	-	-	6.03	1.07
Cheques / drafts on hand	-	-	266.30	821.94
Cash on hand	-	-	31.48	33.38
(A)	**-**	**-**	**695.06**	**926.18**
Other bank balances				
Earmarked balances :				
Deposit against. molasses storage fund	201.55	287.33	-	-
Unpaid dividend account	-	-	105.56	110.05
Balances under lien/margin/kept as security :				
Post office savings account	1.85	1.36	-	-
Fixed/margin deposits (original maturity upto one year)	42.87	155.34	1.01	1.01
Fixed/margin deposits (original maturity more than one year)	277.38	34.07	-	-
Other balances:				
Demand deposits (original maturity more than one year)	-	6.43	-	4.20
Demand deposits (original matuirty exceeding three months but upto one year)	-	-	661.50	7.99
(B)	**523.65**	**484.53**	**768.07**	**123.25**
Total (A+B)	**523.65**	**484.53**	**1,463.13**	**1,049.43**
Less: Amount disclosed under other non-current assets (Refer Note No. 18)	523.65	484.53		
	-	**-**	**1,463.13**	**1,049.43**

18. Other Assets

Long-term trade receivables (Refer Note No. 16)	3,422.13	258.59	-	-
Non current cash and bank balances (Refer Note No. 17)	523.65	484.53	-	-
Interest accrued on bank deposits.	21.55	18.87	38.63	26.35
Duty drawback receivable	-	-	15.73	0.45
Forward premium /discount adjustable	-	-	0.73	15.66
Due from customers (Construction and project related activity)	-	-	3,343.65	6,142.33
Fixed assets pending disposal/sale	-	-	156.49	43.98
Insurance claim recoverable	-	-	19.05	69.06
Off-season expenses deferred	-	-	-	10,047.06
Unamortised front end charges	71.72	84.25	33.21	35.94
Others	-	-	19.25	7.72
	4,039.05	**846.24**	**3,626.74**	**16,388.55**

19. Revenue from Operations

(₹ in Lacs)

Particulars	31.03.2014 (18 Months)	30.09.2012 (12 Months)
Sale of products		
Finished goods	2,91,635.27	1,76,638.92
Traded goods	2,226.16	1,100.28
Sale of services		
Erection and commissioning	181.89	39.89
Servicing	218.61	45.29
Operation and maintenance	491.48	180.04
Others	20.84	12.36
Construction contract revenue	30,652.14	12,744.07
Other operating revenue		
Income from sale of certified emission reductions/renewable energy certificates	171.03	555.82
Income from third party exports	-	662.70
Sale of scrap	96.51	60.21
	3,25,693.93	**1,92,039.58**
Details of Sales (Finished Goods)		
Sugar	2,20,939.05	1,36,969.51
Molasses	8,091.19	979.68
Bagasse	6,898.96	3,883.97
Power	12,366.92	5,741.74
Alcohol	22,954.21	12,724.08
Mechanical equipment - Water/Waste-water	4,260.80	3,754.59
Gears/Gear Boxes	13,804.71	10,993.45
Bought outs and Spares	1,491.26	1,027.65
Others	828.17	564.25
	2,91,635.27	**1,76,638.92**
Details of Sales (Traded Goods)		
Diesel/Petrol/Lubricants	2,087.01	1,025.61
Other consumer goods	139.15	74.67
	2,226.16	**1,100.28**
Details of Sales (Construction Contract Revenue)		
Water, Waste-water and Sewage treatment	20,360.72	12,469.26
Power generation and evacuation system	10,291.42	274.81
	30,652.14	**12,744.07**

20. Other Income

Rent received	60.52	32.32
Interest income from		
- Bank deposits	95.42	44.71
- Related parties	-	29.42
- Customers	6.78	1.89
- Others	17.73	18.97
Dividend on long term investment	3.61	2.66
Provision for deficiency in PF Trust written back	-	50.76
Credit balances written back [net of amounts written off: ₹ 142.45 lacs (previous year: ₹ 50.18 lacs)]	316.18	68.79
Excess depreciation written back	-	0.80
Excess provision of Administrative charges on Molasses written back (Refer Note No 44)	323.50	-
Excess provision for warranty written back (net) (Refer Note No. 44)	-	305.04
Excess provision for cost to completion reversed (net) (Refer Note No. 44)	24.85	-
Excess provision of expenses written back	152.80	114.22
Miscellaneous income	1,172.58	680.72
	2,173.97	**1,350.30**

21. Material Consumed

(₹ in Lacs)

Particulars	31.03.2014 (18 Months)	30.09.2012 (12 Months)
Stock at commencement	2,345.12	1,587.52
Purchases	3,18,747.93	1,43,697.50
	3,21,093.05	1,45,285.02
Less : Amount capitalised	74.36	34.16
Less: Stock at close	2,084.75	2,345.12
	3,18,933.94	**1,42,905.74**
Details of raw material and components consumed		
Sugar cane	2,89,527.48	1,29,188.08
Construction contracts materials:		
- Rotary vaccum drum filter	-	-
- Clarifiers	1,438.70	659.16
- RO plants	9,362.49	5,769.64
- Operation and maintenance	105.37	173.34
Molasses	2,702.76	1,445.62
Forgings and castings	1,645.91	2,063.09
Sub contract charges	254.67	219.94
Others	13,896.56	3,386.87
	3,18,933.94	**1,42,905.74**

22. Purchase of Traded Goods

Diesel/Petrol/Lubricants	2,160.86	1,050.66
Other consumer goods	128.54	65.01
	2,289.40	**1,115.67**

23. (Increase)/Decrease in Work-in-Progress and Finished Goods

(₹ in Lacs)

Particulars	31.03.2014 (18 Months)	30.09.2012 (12 Months)
Stock at commencement		
- Work-in-progress	669.80	523.52
- Finished goods	47,759.43	33,942.26
- Traded goods	13.08	17.92
- Certified emission reductions	22.13	-
	48,464.44	34,483.70
Stock at close		
- Work-in-progress	3,032.73	669.80
- Finished goods	1,31,729.16	47,759.43
- Traded goods	34.00	13.08
- Certified emission reductions	8.24	22.13
	1,34,804.13	48,464.44
Add/(Less): Impact of excise duty on finished goods	2,577.82	522.80
	(83,761.87)	**(13,457.94)**
Details of Work in Progress		
Sugar	2,105.70	300.47
Molasses	287.12	2.07
Mechanical Equipment-Water/Waste Water	62.22	37.11
Gear/Gear Boxes	479.50	329.99
Others	98.19	0.16
	3,032.73	**669.80**
Details of Finished Goods		
Sugar	1,24,080.37	43,862.95
Molasses	5,429.66	3,597.70
Bagasse	382.52	56.42
Power	117.96	47.79
Alcohol	1,692.48	180.86
Others	26.17	13.71
	1,31,729.16	**47,759.43**
Details of Traded Goods		
Diesel/Petrol/Lubricants	30.38	11.54
Other consumer goods	3.62	1.54
	34.00	**13.08**

24. Employee Benefit Expenses

Salaries, wages and bonus	18,750.05	11,597.52
Compensation under VRS	-	118.15
Contributions to provident and other funds	1,401.55	947.61
Gratuity	600.70	379.17
Employee welfare	714.32	366.99
	21,466.62	13,409.44
Less : Amount capitalised	13.96	14.77
	21,452.66	**13,394.67**

25. Other Expenses

(₹ in Lacs)

Particulars	31.03.2014 (18 Months)	30.09.2012 (12 Months)
(A) Manufacturing/Operating Expenses		
Stores,spares and tools consumed	3,995.15	2,220.97
Power and fuel	2,939.96	2,091.26
Design and engineering charges	561.32	336.28
Cane development expenses	264.66	422.22
Machining/fabrication expenses	170.08	172.95
Erection and commissioning expenses	1,125.50	253.71
Civil construction charges	6,650.12	2,618.00
Packing and stacking expenses	4,122.05	1,986.99
Repairs and maintenance		
Machinery	4,821.15	2,752.29
Building	475.38	329.78
Others	515.00	259.42
Factory/operational expenses	1,659.42	1,104.33
	27,299.79	14,548.20
(B) Administration Expenses		
Travelling and conveyance	1,821.19	1,077.47
Rent	708.72	434.29
Rates and taxes	1,074.61	1,087.70
Insurance	367.75	183.21
Directors' fee	13.70	7.30
Legal and professional expenses	769.69	629.79
Security service expenses	974.80	571.61
Printing and stationery	236.08	155.42
Postage, telegram and telephone	313.50	207.11
Bank charges and guarantee commission	223.11	157.41
Warranty expenses [Includes provision for warranty (net) ₹ 2.18 lacs (previous year: ₹ Nil)] - Refer Note No. 44	8.35	1.80
Payment to Auditors (Refer Note No. 51)	147.08	96.16
Provision for Arbitration/Court case claims (Refer Note No. 44)	20.34	13.56
Provision for mark to market loss on foreign exchange derivatives (Refer Note No.44)	0.20	-
Loss on disposal of investment in a subsidiary (previous year: ₹ 117/-)	-	0.00
Exchange rate fluctuation loss [net of discount/premium received on F/E forward contracts : ₹ 110.29 lacs (Previous year: ₹ 103.38 lacs)]	39.19	11.34
Provision for non moving/obsolete inventory	35.83	1.23
Provision for bad and doubtful debts/advances (net)	1,042.57	1,320.21
Provision for cost to completion on construction contracts (net) (Refer Note No. 44)	-	23.00
Loss on sale/write off of fixed assets [Includes provision for diminution : ₹ 20.13 lacs (Previous Year : ₹ Nil)]	106.26	72.19
Loss on sale /write off of stores & spares	47.56	3.49
Miscellaneous expenses	1,132.85	666.68
	9,083.38	6,720.97
(C) Selling Expenses		
Selling commission	839.99	616.05
Royalty	293.69	249.49
Advertisement and sales promotion	67.41	48.42
Rebate and discount	61.31	26.40
Outward freight and forwarding	2,273.25	1,477.16
Other selling expenses	36.31	10.44
	3,571.96	2,427.96
(D) Off-season expenses deferred/charged (Net)		
Off-season expenses deferred (Refer Note No. 36)	10,047.06	537.83
Sub-total (A+B+C+D)	**50,002.19**	**24,234.96**
Less : Amount capitalised	11.27	7.45
Total Other Expenses	**49,990.92**	**24,227.51**

26. Prior Period Items

(₹ in Lacs)

Particulars	31.03.2014 (18 Months)	30.09.2012 (12 Months)
(A) Expenses		
Cost of raw material and components consumed	-	9.20
Stores, spares and tools consumed	-	1.90
Repairs and maintenance		
Machinery	11.73	(0.11)
Others	-	0.46
Rates & Taxes	71.56	-
Insurance	0.63	-
Legal and professional expenses	0.56	7.44
Security service expenses	-	0.17
Loss on sale/write off of fixed assets	-	0.13
Miscellaneous expenses	7.35	1.80
Royalty	0.52	2.09
Depreciation	-	0.39
Interest on fixed loans	-	38.88
Interest on cash credit	-	0.55
Other borrowing cost	0.28	15.64
	92.63	**78.54**
(B) Income		
Revenue from operations	-	9.51
Miscellaneous income	22.98	6.77
	22.98	16.28
Prior period items (net) (A) - (B)	**69.65**	**62.26**

27. Depreciation and Amortisation Expenses

Depreciation	11,627.71	7,873.56
Amortisation		
Intangible assets	250.62	281.50
	11,878.33	**8,155.06**

28. Finance Costs

Interest on		
Debentures	1,295.82	1,248.41
Fixed loans	8,523.65	5,210.88
Others	8,353.29	5,494.54
Other borrowing cost	232.74	174.58
Exchange fluctuation loss *	117.43	150.11
	18,522.93	**12,278.52**

* Includes premium/discount paid on foreign currency forward contracts to hedge buyers credit availed : ₹ 112.48 lacs (Previous year: ₹ 150.22 lacs)

29. Exceptional Items

Profit on disposal of long term investments in erstwhile Associate Companies	(524.01)	-
Differential cane price relating to sugar season 2007-08 paid as per the order of Hon'ble Supreme Court	-	7,895.80
Exceptional items	**(524.01)**	**7,895.80**

30. Tax Expense

(₹ in Lacs)

Particulars	31.03.2014 (18 Months)	30.09.2012 (12 Months)
For Current Year		
Current Tax	-	0.03
Deferred Tax	(4,159.97)	(3,032.24)
	(4,159.97)	**(3,032.21)**
For Earlier Years (Net)		
Current Tax	(250.10)	21.61
Deferred Tax	-	-
	(250.10)	**21.61**
	(4,410.07)	**(3,010.60)**
Less/(Add):Entitlement/(Reversal) of MAT Credit (Refer Note No. 37)	(2,950.47)	(899.31)
	(1,459.60)	**(2,111.29)**

31. Earning Per Share (EPS)

Basic EPS		
Net loss after tax as per statement of profit and loss (A)	(17,632.79)	(5,229.41)
Weighted average number of equity shares of ₹ 1/- each outstanding during the period/year (B)	25,78,80,589	25,78,80,150
Basic EPS in ₹ (A/B)	**(6.84)**	**(2.03)**
Diluted EPS		
Net loss after tax as per statement of profit and loss (A)	(17,632.79)	(5,229.41)
Weighted average number of equity shares deemed to be issued under options without consideration, outstanding during the period/year	1,573	28,527
Weighted average number of equity shares outstanding during the period/year (B)	25,78,82,162	25,79,08,677
Diluted EPS in ₹ (A/B)	**(6.84)**	**(2.03)**

32. (i) The contingent liabilities of the Company are mainly of the parent company. The Company, besides the contingent liabilities of the parent disclosed here-under, is also contingently liable for ₹ 189.38 lacs (previous year ₹ 203.69 lacs) in respect of its associate companies, proportionate to the equity investment in such associates, excluding the cases where the amounts are not quantifiable.

(ii) Contingent liabilities (to the extent not provided for)

(a) Claims against the Company not acknowledged as debts (as certified by the management)

(₹ in Lacs)

<table>
<tr><th></th><th></th><th>31.03.2014</th><th>30.09.2012</th></tr>
<tr><td>i)</td><td>Claims which are being contested by the company and in respect of which the company has paid amounts aggregating to ₹ 468.89 lacs (previous year ₹ 613.76 lacs) excluding interest under protest pending final adjudication of the cases:
<table>
<tr><th>Sl. No.</th><th>Particulars</th><th>Amount of contingent liability</th><th>Amount paid</th></tr>
<tr><td>01.</td><td>Sales Tax</td><td>225.03
(430.29)</td><td>94.36
(226.43)</td></tr>
<tr><td>02.</td><td>Excise Duty</td><td>1,232.91
(1,451.82)</td><td>331.31
(327.90)</td></tr>
<tr><td>03.</td><td>Others</td><td>668.82
(684.18)</td><td>43.22
(59.43)</td></tr>
</table>
Figures in brackets relates to previous year.</td><td>2,126.76</td><td>2,566.29</td></tr>
<tr><td>ii)</td><td>The Company is contingently liable in respect of short provision against disputed income tax liabilities of ₹ 4,409.28 lacs (previous year : ₹ 4,587.50 lacs) against which ₹ 2,711.88 lacs (previous year : ₹ 3,881.93 lacs) stands paid. The disputed income tax liability mainly arises from additions made on a/c of unrealized incentives against which the Company has filed appeals. In the event such liability finally materializes, ₹ 3,524.20 lacs will be adjusted against the capital reserve.</td><td>4,409.28</td><td>4,587.50</td></tr>
<tr><td>iii)</td><td>Statutory levies against which remission has been availed under U.P. Sugar Industry Promotion Policy 2004 issued by the State Government of Uttar Pradesh [refer Note No. 42(a)]</td><td>3,576.31</td><td>3,320.27</td></tr>
<tr><td>iv)</td><td>Liability arising from claims / counter claims/ Interest in arbitration/ Court cases, claims of some employees/ex-employees and in respect of service tax, if any, on certain activities of the Company which are being contested by the Company.</td><td>Indeterminate</td><td>Indeterminate</td></tr>
</table>

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

(b) Guarantees/surety given on behalf of certain associate companies ₹ 1,818.15 lacs (previous year ₹ 1,566.74 lacs), including a corporate guarantee of ₹ 1,777.15 lacs (GBP 17.62 lacs) given on behalf of an associate company as a surety for due performance of its obligations under a contract awarded by an overseas customer and in respect of which, the associate company has fully indemnified the Company against any claims, damages or expenses, including legal costs. The guarantees have been given in the normal course of operations of these companies and are not expected to result in any loss to the Company on the basis of such companies fulfilling their ordinary commercial obligations.

33. Outstanding commitments for capital expenditure are ₹ 103.06 lacs (previous year ₹ 1,228.45 lacs) after adjusting advance aggregating to ₹ 93.19 lacs (previous year ₹ 633.13 lacs).

34. 2,00,000 stock options had been granted to certain employees of the Company on April 30, 2010, prior to the demerger of its steam turbine business and vesting of the same in M/s Triveni Turbine Ltd. (TTL). This included 40,000 options granted to an employee whose services were transferred to TTL. In respect of the remaining employees to whom stock options had been earlier granted, in accordance with the Scheme of Arrangement, and in line with the best practices, adjustment has been made by the Company for the corporate action of demerger, by adjusting the exercise price of such options, so as to ensure that the fair value of options immediately prior to and immediately subsequent to the corporate action remains unchanged.

Consequent to the adjustments carried out on account of the corporate action of demerger, in accordance with the Scheme of Arrangement, the revised options granted are deemed to have been granted from the appointed date of the Scheme of Arrangement i.e., 01.10.2010. The required disclosures of the options granted are as under:

a) Employee Stock Option Scheme:

No. of Options originally granted to the employees of the Company	1,60,000
No. of Options which lapsed upto the beginning of current period	20,000
No. of Options in force at beginning of the period	1,40,000
Original grant date of Options	30.04.2010
No. of Options granted consequent to corporate action	1,57,360
Date of grant (to give effect to corporate action)	10.04.2013
Number of equity shares entitlement in respect of the Options granted under the New Stock Option Scheme	1,57,360
Vesting Plan	Graded Vesting as under: 50% to vest on 30.04.2011 Balance 50% to vest on 30.04.2012
Normal Exercise Period	Within 2 years from the date of vesting
Exercise Price per share (consequent to corporate action) (₹)	14

b) Movement of Options Granted

	31.03.2014 (18 months)	30.09.2012 (12 months)
Outstanding at the beginning of the period/year	1,57,360	1,79,840
Granted during the period/year	Nil	Nil
Exercised during the period/year	20,000	Nil
Lapsed during the period/year	89,920	22,480
Outstanding at the end of the period/year	47,440	1,57,360
Unvested at the end of the period/year	Nil	Nil
Exercisable at the end of the period/year	47,440	1,57,360

The options outstanding as at the end of the period/year have a weighted average contractual life of 1 month (previous year: 12 months) and are exercisable at the grant price of ₹ 14.

c) Fair Valuation

The fair value of options used to compute proforma net income and earning per equity share has been done by an independent professional using the Black Scholes Options pricing formula

The key assumptions in Black Scholes Options pricing for calculating fair value are as follows:

(a) Risk free rate	8.36%
(b) Option life	1.99 years
(c) Expected volatility	49.02%
(d) Expected dividend	0.63%
(e) Exercise price of each underlying share under the option	₹ 14

The weighted average fair value of each option of the Company, as considered on the date of the corporate adjustment was ₹ 26.07.

Had the compensation cost for the stock options granted been determined based on fair value approach, the Company's net profit/loss and earning per share would have been as per the proforma amounts indicated below:

(₹ in Lacs)

Particulars	31.03.2014 (18 months)	30.09.2012 (12 months)
Net Profit/ (Loss) (as reported)	(17,632.79)	(5,229.41)
Add : Compensation expense under ESOP considered in the net profit	Nil	Nil
Less : Compensation expense under ESOP as per fair value *	(23.44)	0.98
Net Profit/(Loss) (fair value basis) attributable to equity shareholders	(17,609.35)	(5,230.39)
Basic earnings per share (as reported) – ₹/Share	(6.84)	(2.03)
Basic earnings per share (fair value basis) – ₹/Share	(6.84)	(2.03)
Diluted earnings per share (as reported) – ₹/Share	(6.84)	(2.03)
Diluted earnings per share (fair value basis) – ₹/Share	(6.84)	(2.03)

* *The compensation expenses for the year on a fair value basis has been computed with reference to the fair value as on 03.05.2011, being the date with reference to which corporate adjustment was carried out in respect of the stock options originally granted.*

35. a) The Company has taken various residential, office and godown premises under operating lease. These are generally not non-cancelable leases having unexpired period upto 5 years. The leases are renewable by mutual consent and on mutually agreeable terms. The Company has given refundable interest free security deposits under certain lease agreements. There is no contingent rent or restriction imposed in the lease agreement. Lease payments under operating lease are recognized in the statement of profit and loss under "Other expenses" in Note No. 25. The minimum future lease payments under non-cancellable leases are as under:-

(₹ in Lacs)

Particulars	31.03.2014 (18 months)	30.09.2012 (12 months)
Not later than one year	90.00	Nil
Later than one year but not later than five years	214.50	Nil
Later than five years	Nil	Nil

b) The Company has given certain portion of its office/factory premises under operating leases. These leases are not non-cancellable and are extendable by mutual consent and at mutually agreeable terms. The gross carrying amount, accumulated depreciation and depreciation recognized in the statement of profit and loss in respect of such portion of the leased premises are not separately identifiable. There is no impairment loss in respect of such premises. No contingent rent has been recognized in the statement of profit and loss. There are no minimum future lease payments as there are no non-cancellable leases.

36. During the period, the accounting policy with respect to the accounting treatment of off-season expenses has been changed for a more realistic presentation of the financial statements and all such expenses have been charged over the season days comprised in the accounting period. As a result of such change, there is an additional charge of off-season expenses to the extent of ₹ 1,036.86 lacs in the statement of profit and loss and consequently, the loss (before tax) is stated higher to that extent.

37. On a review, MAT Credit entitlement of ₹ 2,950.47 lacs (Previous Year : ₹ 899.31 lacs) was written off in view of lack of convincing evidence to utilize the same within the prescribed period.

38. Information on Segment Reporting of the Group for the period ended 31.03.2014

(₹ in Lacs)

	SUGAR								ENGINEERING						OTHERS					
	Sugar		Co-generation		Distillery		Total Sugar		Gears		Water		Total Engineering		Other Operations		Eliminations		Total	
	31.03.14	30.09.12	31.03.14	30.09.12	31.03.14	30.09.12	31.03.14	30.09.12	31.03.14	30.09.12	31.03.14	30.09.12	31.03.14	30.09.12	31.03.14	30.09.12	31.03.14	30.09.12	31.03.14	30.09.12
REVENUE																				
External Sales	2,35,949.27	1,41,746.78	11,426.48	6,297.56	23,276.78	12,994.75	2,70,652.53	1,61,039.09	15,526.54	11,614.27	25,400.27	16,968.46	40,926.81	28,582.73	14,114.59	2,417.76	-	-	3,25,693.93	1,92,039.58
Inter-segment Sales	23,736.52	12,353.08	15,141.54	6,629.50	-	-	38,878.06	18,982.58	97.18	25.55	31.20	43.09	128.38	68.64	102.21	53.03	(39,108.65)	(19,104.25)	-	-
Total Sales	**2,59,685.79**	**1,54,099.86**	**26,568.01**	**12,927.06**	**23,276.78**	**12,994.75**	**3,09,530.58**	**1,80,021.67**	**15,623.72**	**11,639.82**	**25,431.47**	**17,011.55**	**41,055.19**	**28,651.37**	**14,216.80**	**2,470.79**	**(39,108.65)**	**(19,104.25)**	**3,25,693.93**	**1,92,039.58**
Other Income	924.04	434.41	37.82	17.07	344.27	19.73	1,306.13	471.21	124.26	48.00	121.72	296.29	245.98	344.29	1.93	0.91			1,554.04	816.41
Total Revenue	**2,60,609.83**	**1,54,534.27**	**26,605.83**	**12,944.13**	**23,621.05**	**13,014.48**	**3,10,836.71**	**1,80,492.88**	**15,747.98**	**11,687.82**	**25,553.19**	**17,307.84**	**41,301.17**	**28,995.66**	**14,218.73**	**2,471.70**	**(39,108.65)**	**(19,104.25)**	**3,27,247.97**	**1,92,855.99**
RESULT																				
Segment result	(19,193.11)	(7,363.17)	9,934.90	4,990.33	7,365.43	2,724.72	(1,892.78)	351.88	3,964.78	3,006.56	(1,409.00)	1,227.57	2,555.78	4,234.13	390.31	11.51	(1,768.52)	(292.10)	(715.21)	4,305.42
Unallocated expenses (Net)																			(501.80)	534.75
Operating profit																			**(1,217.01)**	**4,840.17**
Interest expense																			(18,522.93)	(12,278.52)
Interest income																			119.93	94.99
Other non-operating income																			527.62	2.66
Income taxes (including deferred tax)																			1,459.60	2,111.29
Net profit																			(17,632.79)	(5,229.41)
OTHER INFORMATION																				
Segment assets	2,13,406.72	1,37,934.42	16,389.47	18,406.03	15,523.29	13,457.46	2,45,319.48	1,69,797.91	9,905.38	11,501.25	20,906.60	22,489.04	30,811.98	33,990.29	3,503.75	2,110.46			2,79,635.21	2,05,898.66
Unallocated assets																			22,322.23	28,608.08
Total assets																			**3,01,957.44**	**2,34,506.74**
Segment liabilities	84,139.56	10,500.61	251.45	351.58	528.64	280.99	84,919.65	11,133.18	1,682.20	2,194.78	6,894.92	7,102.10	8,577.12	9,296.88	3,129.60	1,918.52			96,626.37	22,348.58
Unallocated liabilities																			1,21,395.14	1,10,522.64
Total liabilities																			**2,18,021.51**	**1,32,871.22**
Capital expenditure	4,077.79	868.18	2.91	66.63	143.96	167.58	4,224.66	1,102.39	74.37	875.32	215.89	236.31	290.26	1,111.63	-	-				
Depreciation	7,277.71	5,011.49	2,250.63	1,505.66	806.31	551.49	10,334.65	7,068.64	984.69	613.59	165.38	100.12	1,150.07	713.71	7.63	5.18				
Amortisation	25.60	111.48	0.02	13.76	2.16	9.32	27.78	134.56	107.94	35.09	106.51	93.21	214.45	128.30	-	-				

Notes :

(i) In accordance with the Accounting Standard (AS) 17 "Segment Reporting", the Group's operations have been categorized into 5 major business segments, which constitute 95.67% (98.74%) of the total turnover of the Group. These business segments are classified under the two major businesses in which the Group is engaged in, and are briefly described hereunder :

Sugar & Allied Businesses

a) Sugar : The Group is a manufacturer of white crystal sugar, having seven manufacturing plants situated in the State of Uttar Pradesh. After meeting the captive requirements,the Group sells the surplus molasses and bagasse, which are produced as a by-product in the manufacture of sugar. The Group also sells the surplus power produced at two of its sugar units.

b) Co-generation : The business segment, apart from meeting part of the power and steam requirements of the associated sugar units, also exports power to the State grid. It has installed capacity of 68 MW spread over Khatauli and Deoband sugar mills.

c) Distillery : The 160 kilo-liters per day capacity distillery located at Muzaffarnagar, Uttar Pradesh, uses the molasses produced in manufacture of sugar as the principal raw material in production of various categories of alcohol.

Engineering Businesses

a) High Speed Gears : This business segment manufactures high speed gears and gear boxes at the manufacturing facility located at Mysore, Karnataka.

b) Water/Wastewater Treatment : This business segment operates from Noida, Uttar Pradesh and provides engineered to order process equipment and comprehensive solutions in the water and wastewater management.

(ii) The 'Other Operations' mainly include execution of a turnkey project relating to installation of Steam Turbine based power evacuation system , trading of various packaged fast moving consumer goods under the Group's brand name (including sugar) and retailing of diesel/petrol through a Group operated fuel station.

(iii) There are no geographical segments as the volume of exports is not significant and the major turnover of the Group takes place indigenously. There is no major reliance on a few customers or suppliers.

(iv) Inter-segment transfers are priced based on competitive market prices or determined to yield a desired margin or agreed on a negotiated basis. These are then eliminated on consolidation.

(v) Segment result is the segment revenue less segment expenses. Segment expenses include all expenses directly attributable to the segments and portion of the enterprise expenses that can be allocated on a reasonable basis to the segments. Interest expense is not included in segment expenses and accordingly, segment liabilities do not include any corresponding borrowings.

(vi) Sugar segment result for the previous year includes exceptional item relating to differential cane price of sugar season 2007-08 amounting to ₹ 7,895.80 lacs.

39. Pursuant to compliance of Accounting Standard (AS) 18 "Related Party Disclosures", the relevant information is provided here below :

a) Related party where control exists

(i) Mr D.M. Sawhney, Chairman & Managing Director (Key Management person).

b) The details of related parties with whom transactions have taken place during the Year :

i) Associates (Group A)

Triveni Turbine Limited (TTL)

Aqwise-Wise Water Technologies Limited (AWTL)

Triveni Entertainment Limited (TENL)*1

TOFSL Trading & Investments Limited (TOFSL)*2

The Engineering & Technical Services Limited (ETS) *2

ii) Key Management Person (Group B)

Mr D.M. Sawhney, Chairman & Managing Director (DMS)

Mr.Tarun Sawhney, Vice Chairman and Managing Director (TS)

iii) Relatives of Key Management Person (Group C)

Mrs Rati Sawhney (RS – Wife of DMS)

Mr Nikhil Sawhney (NS – Son of DMS)

iv) Companies/Parties in which key management person or his relatives have substantial interest/significant influence (Group D)

Kameni Upaskar Limited (KUL)

The Engineering & Technical Services Limited (ETS)

TOFSL Trading & Investments Limited (TOFSL)

Subhadra Trade & Finance Limited (STFL)

Tirath Ram Shah Charitable Trust (TRSCT)

**1 Was an associate till 19.03.2014 and thereafter became a subsidiary company*

**2 Ceased to be Associates during the year w.e.f 29.08.2013*

c) Details of transactions with the related parties during the year ended 31.03.2014 :

(₹ in Lacs)

Sr. No.	NATURE OF TRANSACTION	Group - A					Group - B		Group - C		Group - D					TOTAL
		TTL	AWTL	TOFSL	ETS	TENL	DMS	TS	NS	RS	KUL	ETS	TOFSL	STFL	TRSCT	
1	Sales and Rendering Services	4224.52 (3130.35)	13.54 (-)	0.79 (1.69)	0.56 (1.20)	0.96 (1.20)	- (-)	- (-)	- (-)	- (-)	- (-)	0.45 (-)	0.63 (-)	- (-)	- (-)	4241.45 (3134.44)
2	Purchases and receiving Services	10231.86 (348.72)	. (-)	. (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	1.47 (2.21)	10233.33 (350.93)
3	Amount received on redemption of investment	280.00 (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	280.00 (-)
4	Rent Paid	0.29 (0.12)	- (-)	- (-)	- (-)	- (-)	52.86 (19.80)	- (-)	- (-)	- (-)	88.19 (54.71)	- (-)	- (-)	- (-)	- (-)	141.34 (74.63)
5	Rent & Other Charges Recd.	48.88 (30.13)	7.32 (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	56.20 (30.13)
6	Advance against purchase order	- (1595.41)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (1595.41)
7	Amount Advanced	- (1018.28)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (1018.28)
8	Rebate & Discount Paid	- (17.45)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (17.45)
9	Expenses incurred by the Company behalf of party (net)	75.11 (13.99)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	3.43 (5.45)	- (-)	- (-)	- (-)	- (-)	78.54 (19.44)
10	Interest Received	- (29.42)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (29.42)
11	Sale of Investment in Shares	- (-)	- (-)	- (-)	- (-)	- (-)	2718.16 (-)	- (-)	- (-)	750.30 (-)	- (-)	- (-)	- (-)	- (-)	- (-)	3468.46 (-)
12	Remuneration *	- (-)	- (-)	- (-)	- (-)	- (-)	282.80 (221.48)	229.82 (152.21)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	512.62 (373.69)
13	Recoveries against leased accomodation	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	4.28 (5.70)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	4.28 (5.70)
14	Investment in Shares	- (-)	- (1717.17)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (1717.17)
15	Charity & Donations	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	15.00 (50.00)	15.00 (50.00)
16	Recoveries against remuneration	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (7.17)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (7.17)
17	Directors fee paid	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	2.00 (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	0 (-)	2.00 (-)
18	Shares purchased TENL	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	(-) (-)	- (-)	- (-)	- (-)	15.83 (-)	- (-)	14.63 (-)	(-) (-)	30.46 (-)
19	Guarantees given on behalf of party **	- (1525.74)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (1525.74)
20	**Outstanding balances as on 31.03.2014**															
	A. Receivable	1309.84 (2177.81)	- (-)	- (-)	- (-)	- (0.15)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	1309.84 (2177.96)
	B. Payable	2391.41 (235.04)	42.52 (336.56)	- (-)	- (-)	- (-)	0.72 (21.98)	2.02 (0.13)	0.10 (-)	- (-)	- (-)	- (-)	- (-)	- (-)	0.39 (0.50)	2437.16 (594.21)
	C. Guarantees / Surety Outstanding	1778.15 (1526.74)	- (-)	40.00 (40.00)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	1818.15 (1566.74)

* For TS gratuity is not included as it is provided on actuarial valuation for the entire Company.

** GBP 1761821 converted at closing rate of ₹ 86.60 as on 30.09.2012

Figures in brackets relate to previous year.

40. Derivative Instruments :

a) Derivative instruments outstanding as on 31.03.2014 for hedging foreign currency risks (including firm commitments and highly probable forecasted transactions)

(Foreign Currency in Lacs)

Currency	As on 31.03.14		As on 30.09.12	
	Payables	Receivables	Payables	Receivables
Forward Contracts				
USD	11.31	2.90	44.53	-
(INR Equivalent)	(684.37)	(172.12)	(2,365.95)	(-)
EURO	-	-	1.00	-
(INR Equivalent)	(-)	(-)	(68.94)	(-)
EURO(hedged only to USD)	0.51	-	2.29	-
(USD Equivalent)	(0.70)	(-)	(2.97)	(-)
JPY	-	1,113.29	-	1,507.34
(INR Equivalent)	(-)	(639.70)	(-)	(1,010.82)
AUD(hedged only to USD)	4.93	-	4.48	-
(USD Equivalent)	(4.57)	(-)	(4.70)	(-)

b) Year end foreign exchange exposures that have not been hedged by a derivative instrument or otherwise :

Currency	As on 31.03.14			As on 30.09.12		
	Payables	Receivables	Net *1	Payables	Receivables	Net *1
USD	2.30	4.41	-2.11	8.50	1.83	6.67
(INR Equivalent)	(139.16)	(261.65)	(-122.49)	(451.41)	(95.58)	(355.83)
EURO	1.66	0.31	1.35	3.58	-	3.58
(INR Equivalent)	(138.76)	(24.88)	(113.88)	(246.88)	(-)	(246.88)
GBP	0.22	-	0.22	0.72	-	0.72
(INR Equivalent)	(21.80)	(-)	(21.80)	(62.45)	(-)	(62.45)
JPY	-	215.83	-215.83	1.10	515.83	-514.73
(INR Equivalent)	(-)	(124.01)	(-124.01)	(0.75)	(345.91)	(-345.16)
AUD (current year 72/-)	0.00	-	0.00	0.45	-	0.45
(INR Equivalent)	(0.04)	(-)	(0.04)	(25.15)	(-)	(25.15)

*1 Negative figures in net column indicate open receivables.

41. The Company has made a provision for the employee benefits in accordance with the Accounting Standard (AS) 15 "Employees Benefits". During the period/year, the Company has recognized the following amounts in its financial statements:

I) Defined Contribution Plans

(₹ in Lacs)

Particulars	2012-14	2011-12
Employers' Contribution to Employees' Provident Fund *1	1,171.24	724.60
Employers' Contribution to ESI	16.19	9.72
Employers' Contribution to Superannuation Scheme	94.85	138.19

ii) Defined Benefit Plans

Disclosures required by Accounting Standard (AS) 15 are given hereunder:-

Changes in present value of obligation

(₹ in Lacs)

	Gratuity		Compensated Absence (unfunded)	
	2012-14	2011-12	2012-14	2011-12
Present value of obligation as at the beginning of the period	2,648.49	2,423.88	779.36	671.80
Interest cost	293.29	191.47	92.75	55.42
Current service cost	180.49	202.29	131.46	120.82
Contribution by plan participants/employees	-	-	-	-
Transfers from other funds	-	-	-	-
Benefits paid	(458.01)	(227.04)	(106.63)	(50.71)
Actuarial (gain)/loss on obligation	274.98	57.89	12.71	(17.97)
Present value of obligation as at the end of period	2,939.24	2,648.49	909.65	779.36

Change in the value of plan assets

(₹ in Lacs)

	Gratuity		Compensated Absence (unfunded)	
	2012-14	2011-12	2012-14	2011-12
Fair value of the plan assets at the beginning of the period	904.66	861.07	-	-
Expected return on plan assets	115.34	68.89	-	-
Contributions	500.97	305.55	-	-
Contribution by plan participants/employees	-	-	-	-
Transfers from other funds	-	-	-	-
Benefits paid	(554.50)	(334.44)	-	-
Actuarial gain/(loss) on plan assets	32.72	3.59	-	-
Fair value of the plan assets at the end of the period	999.19	904.66	-	-

Amount recognized in balance sheet

(₹ in Lacs)

	Gratuity		Compensated Absence (unfunded)	
	2012-14	2011-12	2012-14	2011-12
Present value of obligation as at the end of period	2,939.24	2,648.49	909.65	779.36
Fair value of plan assets as at the end of the period	999.19	904.66	-	-
Funded Status	(1,940.05)	(1,743.83)	(909.65)	(779.36)
Net Assets/(Liability) recognized in the balance sheet	(1,940.05)	(1,743.83)	(909.65)	(779.36)

Amounts recognized in the statement of profit and loss

(₹ in Lacs)

	Gratuity		Compensated Absence (unfunded)	
	2012-14	2011-12	2012-14	2011-12
Current service cost	180.49	202.29	131.46	120.82
Interest cost	293.29	191.47	92.75	55.42
Expected return of plan assets	(115.34)	(68.89)	-	-
Net actuarial (gain)/loss recognized during the period	242.26	54.30	12.71	(17.97)
Expenses recognized in the statement of profit and loss	600.70	379.17	236.92	158.27

Experience adjustment

(₹ in Lacs)

	Gratuity				
	2012-14	2011-12	2010-11	2009-10	2008-2009
Present value of obligation as at the end of period	2,939.24	2,648.49	2,423.88	2,860.68	2,517.95
Fair value of plan assets at the end of the period	999.19	904.66	861.07	813.50	760.35
Surplus/(Deficit)	(1,940.05)	(1,743.83)	(1,562.81)	(2,047.18)	(1,757.60)
Experience adjustment on plan liabilities - (gain)/loss	116.43	57.90	(26.34)	273.92	58.78
Experience adjustment on plan assets -(gain)/loss	(25.93)	(3.59)	(6.31)	1.14	(6.77)

Experience adjustment

(₹ in Lacs)

	Compensated Absence (unfunded)				
	2012-14	2011-12	2010-11	2009-10	2008-2009
Present value of obligation as at the end of period	909.65	779.36	671.80	880.58	668.65
Fair value of plan assets at the end of the period	-	-	-	-	-
Surplus/(Deficit)	(909.65)	(779.36)	(671.80)	(880.58)	(668.65)
Experience adjustment on plan liabilities - (gain)/loss	(48.03)	(17.97)	(126.74)	89.21	22.25
Experience adjustment on plan assets - (gain)/loss	N.A.	N.A.	N.A.	N.A.	N.A.

The amount of contribution expected to be made to the Gratuity Fund during the year ended March 31, 2015 is ₹167.00 lacs.

Major actuarial assumptions

(₹ in Lacs)

	Gratuity		Compensated Absence (unfunded)	
	2012-14	2011-12	2012-14	2011-12
Discounting rate	8.50%	8.25%	8.50%	8.25%
Future Salary Incerase	6.50%	5.50%	6.50%	5.50%
Expected rate of return on plan Assets	8.50%	8.00%	N.A.	N.A.
Mortality table	2012-14 : IALM 2006-08 Ultimate 2011-12 : LIC (1994-1996) duly modified			
Method used	Projected unit credit method			

*1 Contributions to provident fund also include contributions in respect of certain employees which are made to trusts administered by the Company. In terms of the guidance note issued by the Institute of Actuaries of India, the actuary has provided a valuation of provident fund liability for the period ended 31.03.2014 and determined that there is no shortfall as at 31.03.2014. The disclosures and assumptions with respect to defined benefit provident fund plan are as under:

(₹ in Lacs)

Particulars	2012-14
Obligation / Plan Assets	
Present value of benefit obligation at balance sheet date	7,250.75
Fair value of plan assets as at balance sheet date	7,898.51
Liability recognised in balance sheet	-
Major actuarial assumptions	
Discounting rate	8.75%
Expected rate of return on plan assets	8.70%
Expected statutory interest rate	8.75%

42. (a) The Company had, in respect of eligible projects, accounted for capital subsidy as well as remissions and reimbursement of certain statutory levies and other expenses, in accordance with and as prescribed under the U.P. Sugar Industry Promotion Policy 2004 ("Policy") issued by the State Government of U.P. Till the beginning of the current financial year, the Company had accounted for recoverable incentives, including capital subsidy of ₹ 10,470.00 lacs credited to capital reserves, aggregating to ₹ 14,002.46 lacs (previous year ₹ 14,002.46 lacs) and had availed remission of ₹ 3,320.27 lacs (previous year ₹ 2,479.20 lacs)

On premature termination of the Policy by the State Government with effect from June 4, 2007, the Company has challenged the action of the State Government in withdrawing the said Policy and not granting the incentives to the Company, before the Lucknow Bench of the Allahabad High Court. Pending final adjudication in the matter, the High Court vide its interim order dated 09.05.2008 has permitted limited protection of remissions which were being enjoyed on the date when the Policy was revoked.

Accordingly, during the current period, the Company has accounted for only remissions of ₹ 256.04 lacs (previous year ₹ 841.07 lacs), net of reversals of ₹ 170.26 lacs (previous year Nil) in respect of certain incentives earlier excess booked, as permitted by the High Court in the interim order. Eligible reimbursements of ₹ 2,342.29 lacs (previous year ₹ 2,171.53 lacs) have however not been accounted for during the current period and the aggregate of such reimbursements not accounted for till the end of the current period aggregating to ₹ 7,339.17 lacs (previous year ₹ 4,996.88 lacs) shall be accounted for in accordance with the final order of the High Court.

(b) The Company has availed loan amounting to ₹ 12,626.00 lacs (previous year Nil) under the "Scheme for Extending Financial Assistance to Sugar Undertakings, 2014" notified by the Government of India. Under the said scheme interest subvention @ 12% per annum is granted by the Government on such loan. The outstanding loan as at the end of the year amounts to ₹ 12,626.00 lacs (previous year Nil).

(c) Financial statements of the Company include subsidy of ₹ 2,743.39 lacs towards amount reimbursed/reimbursable by the State Government of Uttar Pradesh in respect of commission on purchase of cane under notification dated 30.12.2013.

43. Disclosures under Accounting Standard (AS) 7 "Construction contracts" in respect of contracts in progress as at the end of the period/year, are provided here-below.

(₹ in Lacs)

Sl No.	Particulars of Disclosure	31.03.2014	30.09.2012
1	Amount of contract revenue recognized as revenue during the period/year	30,652.14	12,744.07
2	The aggregate amount of costs incurred and recognized profits (less recognized losses) upto the reporting date	71,602.18	44,684.50
3	Advances Received	6,680.29	6,055.57
4	Retentions	6,473.37	4,355.64
5	Gross amount due from customers for contract work as on asset	3,343.65	6,142.33
6	Gross amount due to customers for contract work as liability	-	-

44. Disclosures required by Accounting Standard (AS) 29 – Provisions, Contingent liabilities and Contingent assets:

a) Movement in provisions:

(₹ in Lacs)

Nature of provision	Opening balance	Made during the period/year	Used during the period/year	Reversed during the period/year	Closing balance
Warranty	299.87	172.07	25.82	169.89	276.23
	(670.30)	(121.05)	(65.39)	(426.09)	(299.87)
Cost to completion	65.00	40.15	-	65.00	40.15
	(42.00)	(65.00)	(-)	(42.00)	(65.00)
Administrative charges on molasses	323.50	-	-	323.50	-
	(206.78)	(116.72)	(-)	(-)	(323.50)
Arbitration/ Court-case claims	224.79	20.34	7.02	-	238.11
	(211.23)	(13.56)	(-)	(-)	(224.79)
Loss on foreign exchange derivatives	-	0.20	-	-	0.20
	(631.15)	(-)	(631.15)	(-)	(-)
Others	-	-	-	-	-
	(63.04)	(-)	(12.28)	(50.76)	(-)

Figures in brackets relate to previous year

b) Nature of provisions:

Warranties: The Company gives warranties on certain products and services, undertaking to repair or replace the items that fail to perform satisfactorily during the warranty period. Provisions made represent the amount of expected cost of meeting such obligations of rectifications / replacements. The timing of the outflows is expected to be within the period of two years.

Cost to completion: The provision represents costs of materials and services required for integration of water treatment package at the site, prior to commissioning.

Administrative charges on Molasses: The provision was made in respect of disputed liability towards administrative charges on molasses captively consumed by the Company. The issue has been settled during the current period by the Supreme Court and accordingly, provision has been reversed.

Arbitration / Court-case Claims: Represents the provision made towards certain claims awarded against the company in legal proceedings which have been challenged by the Company before appropriate authorities. The timing of the outflows is uncertain.

Loss on foreign exchange derivatives: Provision is made for mark-to-market losses on derivative contracts outstanding at the year-end which were entered into for hedging certain firm commitments or highly probable forecast transactions. The timing of the outflows is expected to be within the period of one year.

Others: Represents provision made for deficiency in company managed provident fund trusts for the benefit of its employees. The timing of the outflows is expected to be within the period of one year.

c) Disclosure in respect of contingent liabilities is given as part of Note No.32 (i) & (ii)

45. Pursuant to the Undertaking given by the Company to SEBI in connection with granting relaxation of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules,1957 for listing of equity shares of Triveni Turbine Limited (TTL), the Company's investment in the equity shares of TTL will remain under a lock-in period upto November 29, 2014.

46. Plant and machinery at Deoband unit existing as on Ist November,1986 was revalued during the financial year 1986-87. The revaluation had been conducted by an approved valuer, to reflect the assets at their present value. A property of Delhi, earlier held as stock in trade was revalued during the financial year 1999-00, at estimated market value and converted to fixed assets. The increase in the value of such assets over their book values, consequent to the revaluation, had been credited to revaluation reserve in the respective year of revaluation. The revalued assets are stated net of accumulated depreciation thereon.

47. In accordance with the Guidance Note on Accounting for Self-generated Certified Emission Reductions (CERs), issued by the Institute of Chartered Accountants of India, the Company has recognized the CERs held by it as inventories in its financial statements. Disclosures as required under the Guidance Note are as under:

i) 86,562 CERs (net of fee for UNFCCC adaptation fund) have been held as inventory by the Company;

ii) There are no CERs under certification as on the date of the financial statements;

iii) The Company's Deoband and Khatauli Phase-I projects are registered as Clean Development Mechanism (CDM) projects with United Nations Framework Convention on Climate Change (UNFCCC) and it is not feasible to identify specific items of machinery/equipment as an "emission reduction equipment" . Accordingly, details of depreciation and operation & maintenance costs, pertaining to emission reducing equipment have not been provided.

48. During the period the National Load Despatch Centre (NLDC) has issued 95,752 Renewable Energy Certificates (RECs) to the Company for the period from November 2011 to March 2013 under the Central Electricity Regulatory Commission (CERC) Regulation on RECs. Out of 95,752 RECs so issued to the Company, 11,402 RECs have been sold till March 31,2014. Accordingly, 84,350 RECs remain unsold and are in inventory with the Company as on 31.3.2014. However, since no cost has been incurred by the Company in respect of RECs lying in inventory, the value of such inventories has been considered as Nil in accounts.

49. Due to decline in the free sugar prices below the cost of production of sugar, the sugar inventories held by certain unit(s) of the Company as on 31.03.2014 have been valued at the net realizable value. Accordingly sugar inventories have been written down by ₹ 5,536.24 lacs (previous year ₹ 571.27 lacs).

50. Pursuant to compliance of Accounting Standard (AS) 23 "Accounting for Investments in Associates in Consolidated Financial Statements" the company has accounted investments in Associates under the equity method. The relevant information of the investment in Associates is provided herein-below:

(₹ in Lacs)

Name of the Associate Companies	Country of Incorporation	Ownership interest and Voting Power at the year-end	Original cost of Investments	Amount of Goodwill/ (Capital Reserve) included in original cost	Share of Accumulated Income/(Loss) at the year-end
1	2	3	4	5	6
Triveni Turbine Ltd.	India	21.82%	720.07	Nil	3,483.45*
		(21.83%)	(720.07)	(Nil)	(1,612.97)*
Aqwise-Wise Water Technologies Ltd.	Israel	25.04%	3,006.19	2,257.19	-372.52
		(25.04%)	(3,006.19)	(2,257.19)	(-11.55)
TOFSL Trading & Investments Ltd	India	-	-	-	-
		(49.38%)	(40.01)	(1.80) *1	(1,530.99)
The Engineering & Technical Services Ltd.	India	-	-	-	-
		(47.60%)	(10.00)	(-4.31) *1	(2,356.54)
Triveni Entertainment Ltd.*2	India	-	-	-	-
		(49.97%)	(43.47)	(4.44) *1	(-14.13)
Total			**3,726.26**	**2,257.19**	**3,110.93**
			(3,819.74)	**(2,259.12)**	**(5,474.82)**

Figures in brackets relate to previous year

** Net of ₹ 565.62 lacs being the Company's share of losses on the date it became an associate.*

**1 As on the date on which these companies became associates on the merger of erstwhile Triveni Engineering & Industries Limited with this Company.*

**2. Became a wholly owned subsidiary during the year.*

51. Auditors' remuneration represents amount paid/payable to the auditors on account of:

(₹ in Lacs)

Sl. No.	Particulars	Statutory Auditors		Branch Auditors		Cost Auditors	
		2012-14	2011-12	2012-14	2011-12	2012-14	2011-12
1	Audit fee	49.55	31.69	7.18	4.45	5.21	2.89
2	Tax audit fee	29.63	22.04	4.65	3.35	-	-
3	Limited review fee	28.14	15.75	3.59	2.01	-	-
4	Other services						
	Certification	8.19	2.41	0.12	0.08	0.05	-
	Consultation	-	5.00	-	-	-	-
5	Reimbursement of expenses	5.68	3.79	4.90	2.50	0.19	0.20
	Total	**121.19**	**80.68**	**20.44**	**12.39**	**5.45**	**3.09**

52. The requisite financial information for the financial year ended March 31, 2014 in respect of the subsidiaries, as per general approval under Section 212 (8) of the Companies Act, 1956 accorded by Government of India, Ministry of Corporate Affairs, vide its General Circular No. 2/2011 dated 08/02/2011 is given below.

(₹ in Lacs)

Subsidiary Companies	Triveni Engineering Ltd	Triveni Energy Systems Ltd	Bhudeva Projects Limited**	Svastida Projects Limited **	Triveni Entertainment Ltd.*
Capital	5.00	5.00	5.00	5.00	87.00
	(5.00)	(5.00)	(N.A.)	(N.A.)	(N.A.)
Reserves	-18.25	-4.69	-0.28	-0.28	-24.33
	(-17.91)	(-4.38)	(N.A.)	(N.A.)	(N.A.)
Total Assets	0.58	0.38	5.00	5.00	62.81
	(0.53)	(0.65)	(N.A.)	(N.A.)	(N.A.)
Total Liabilities	13.83	0.07	0.28	0.28	0.14
	(13.44)	(0.03)	(N.A.)	(N.A.)	(N.A.)
Investments (except in subsidiaries)	-	-	-	-	-
	(-)	(-)	(N.A.)	(N.A.)	(N.A.)
Turnover (Net)	-	-	-	-	-
	(-)	(-)	(N.A.)	(N.A.)	(N.A.)
Profit/(Loss) before Taxation	-0.34	-0.30	-0.28	-0.28	0.15
	(-0.42)	(-0.47)	(N.A.)	(N.A.)	(N.A.)
Provision for Taxation (previous year : ₹ 351/-)	-	-	-	-	-
	(-)	(0.00)	(N.A.)	(N.A.)	(N.A.)
Profit/(Loss) after Taxation	-0.34	-0.30	-0.28	-0.28	0.15
	(-0.42)	(-0.48)	(N.A.)	(N.A.)	(N.A.)
Proposed Dividend	-	-	-	-	-
	(-)	(-)	(N.A.)	(N.A.)	(N.A.)

Figures in brackets relate to previous year

* *Became a wholly owned subsidiary of this company w.e.f. 20.03.2014.*

** *Incorporated as a wholly owned subsidiary of this company w.e.f. 19.03.2014*

53. The figures of the previous year have been regrouped/rearranged to the extent necessary. The current financial year of the Company has been extended to end on 31.03.2014. Accordingly, figures relating to income and expenses and cash flows reported in these financial statements are of eighteen months and hence not comparable with the previous year figures. The words "current year", "current period", "period" and "2012-14" used in these financial statements represents the financial year beginning from 01.10.2012 and ending on 31.03.2014.

As per our report of even date.

For and on behalf of
J. C. Bhalla & Company
Chartered Accountants
FRN : 001111N

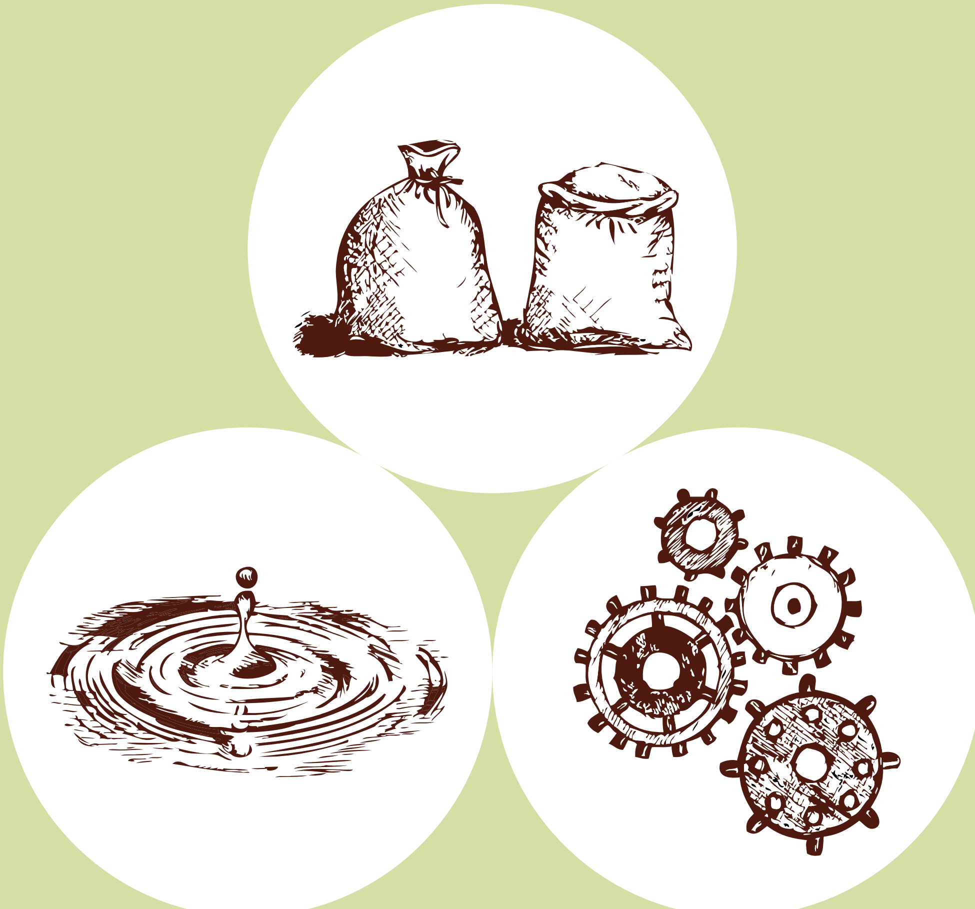
Sudhir Mallick
Partner
Membership No. 80051
Place : Noida (U.P.)
Date : May 28, 2014

Dhruv M. Sawhney
Chairman & Managing Director

Lt.Gen.K.K.Hazari (Retd)
Director & Chairman Audit Committee

Geeta Bhalla
Company Secretary

Suresh Taneja
Group CFO



Triveni
ENGINEERING & INDUSTRIES LTD.

CIN - L15421UP1932PLC022174
8th Floor, Express Trade Towers, Plot No. 15 & 16,
Sector 16 - A, Noida - 201 301, Uttar Pradesh
www.trivenigroup.com

Triveni ENGINEERING & INDUSTRIES LTD.

NOTICE

NOTICE is hereby given that the 78th Annual General Meeting of Members of Triveni Engineering & Industries Limited will be held on Wednesday, the 6th day of August, 2014 at 11.30 a.m. at the Company's Guest House at Deoband Sugar Unit Complex, Deoband, District Saharanpur, Uttar Pradesh-247 554 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the financial statements of the Company for the year ended March 31, 2014 including audited Balance Sheet as at March 31, 2014 and the Statement of Profit and Loss for the 18 months period ended on that date together with the Reports of the Board of Directors and Auditors' thereon.

2. To appoint a Director in place of Mr Nikhil Sawhney (Director Identification Number: 00029028), who retires by rotation and, being eligible, offers himself for re-appointment.

3. Appointment of Auditors

   To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

   RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Rules framed thereunder, (including any statutory modification(s) or re-enactment thereof), M/s J.C. Bhalla & Co., Chartered Accountants (Firm Registration No.: 001111N), be and are hereby re-appointed as Auditors of the Company, to hold office from the conclusion of this Annual General Meeting (AGM), for three consecutive years until the conclusion of the 81st AGM of the Company (subject to ratification by the members at every AGM) on a remuneration including terms of payment to be fixed by the Board of Directors of the Company.

SPECIAL BUSINESS:

To consider and, if thought fit, to pass with or without modification(s) the following Resolutions:

4. **As an Ordinary Resolution:**

   RESOLVED THAT pursuant to the provisions of Section 143(8) and other applicable provisions, if any, of the Companies Act, 2013 read with the Rules framed thereunder, (including any statutory modification(s) or re-enactment thereof), M/s Virmani & Associates, Chartered Accountants (Firm Registration Number: 000356N) be and are hereby appointed as Branch Auditors of the Company to audit the accounts of the Company's branches/offices in India and to hold office from the conclusion of this Annual General Meeting (AGM), for three consecutive years until the conclusion of the 81st AGM of the Company (subject to ratification by the members at every AGM) on a remuneration including terms of payment to be fixed by the Board of Directors of the Company.

5. **As an Ordinary Resolution:**

   RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Ms Homai A. Daruwalla (Director Identification Number: 00365880), who was appointed as an Additional Director and who holds office upto the date of this Annual General Meeting in terms of Section 161 of the Act, and in respect of whom the company has received a notice in writing from a member under Section 160 of the Act, proposing her candidature for the office of director, be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation, to hold office for a term upto March 31, 2019.

6. **As an Ordinary Resolution:**

   RESOLVED THAT pursuant to provisions of Sections 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and Clause 49 of the Listing Agreement, Mr Santosh Pande (Director Identification Number: 01070414), who was appointed as an Additional Director and who holds office upto the date of this Annual General Meeting in terms of Section 161 of the Act, and in respect of whom the company has received a notice in writing from a member under Section 160 of the Act, proposing his candidature for the office of director, be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation, to hold office for a term upto April 15, 2019.

7. **As an Ordinary Resolution:**

   RESOLVED THAT pursuant to provisions of Sections 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and Clause 49 of the Listing Agreement, Mr. M.K. Daga (Director Identification Number: 00062503), a non-executive director of the Company, who retires by rotation at this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act, proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation, to hold office for a term upto March 31, 2017.

8. **As an Ordinary Resolution:**

RESOLVED THAT pursuant to provisions of Sections 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and Clause 49 of the Listing Agreement, Dr. F.C. Kohli (Director Identification Number: 00102878), a non-executive director of the Company, who retires by rotation at this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act, proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation, for a term upto March 31, 2017.

9. **As an Ordinary Resolution:**

RESOLVED THAT pursuant to provisions of Sections 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and Clause 49 of the Listing Agreement, Lt Gen K.K. Hazari (Retd.) (Director Identification Number: 00090909), a non-executive director of the Company, whose period of office is liable to determination by retirement of directors by rotation and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act, proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation, for a term upto March 31, 2017.

10. **As an Ordinary Resolution:**

RESOLVED THAT pursuant to provisions of Sections 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and Clause 49 of the Listing Agreement, Mr Shekhar Datta (Director Identification Number: 00045591), a non-executive director of the Company, whose period of office is liable to determination by retirement of directors by rotation and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act, proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation, for a term upto March 31, 2019.

11. As a Special Resolution:

RESOLVED THAT pursuant to the provisions of Sections 152, 196 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") read with the Rules framed thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force), Mr Dhruv M. Sawhney (Director Identification Number: 00102999), Managing Director (designated as Chairman & Managing Director (CMD) of the Company, shall continue to hold the office of CMD of the Company, for the remaining period of his tenure, whose period of office shall henceforth be liable to determination of retirement of Directors by rotation.

RESOLVED FURTHER THAT save and except as aforesaid, the other terms and conditions including remuneration of Mr Dhruv M. Sawhney, CMD shall remain unaltered as approved by the shareholders vide special resolutions dated December 29, 2009 and February 10, 2012.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.

12. As a Special Resolution:

RESOLVED that pursuant to the provisions of Section 181 and other applicable provisions, if any, of the Companies Act, 2013 read with the Rules framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board", which term shall include any Committee authorized thereof) to contribute and/or to donate, to any bona fide charitable and other funds for a period of five years commencing from the financial year 2014-15, such amount(s) as the Board may in its absolute discretion deem fit from time to time, provided that the aggregate amount of such contribution, in any financial year, shall not exceed Rs.25 lacs (Rupees Twenty five lacs only).

13. As a Special Resolution:

RESOLVED THAT pursuant to the provisions of Section 14 and other applicable provisions, if any, of the Companies Act, 2013 read with the Rules framed thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force), consent of the Company be and is hereby accorded for alteration of existing Articles of Association of the Company by insertion/substitution of certain articles in the manner stated in the explanatory statement annexed to the notice convening this meeting.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.

By Order of the Board

Place: Noida
Date : May 28, 2014

Geeta Bhalla
Group General Manager & Company Secretary

NOTES:

1. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (Act) in respect of the special business set out in the Notice and the relevant details pursuant to Clause 49 of the Listing Agreements executed with the Stock Exchanges are annexed hereto.

2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER. PROXIES, IN ORDER TO BE EFFECTIVE, MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY OR AT ITS CORPORATE OFFICE AT 8TH FLOOR, EXPRESS TRADE TOWERS, PLOT NO. 15-16, SECTOR 16A, NOIDA- 201 301 NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A BLANK PROXY FORM IS ATTACHED HEREWITH.**

   Proxies submitted on behalf of companies, institutional investors, societies, etc., must be supported by appropriate resolution/authority, as applicable. A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.

3. Corporate Members intending to send their authorized representatives to attend the Meeting are requested to send a certified true copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.

4. The Register of Members and Share Transfer Books of the Company will remain closed from Friday, August 1, 2014 to Wednesday, August 6, 2014 (both days inclusive) for the purpose of Annual General Meeting (AGM).

5. Members holding equity shares in physical form are requested to notify/send details of their bank account, email-id etc. in case the same has not been furnished earlier or any change in their registered address/email-ID/NECS mandate/bank details etc. to the Company or its Registrar and Share Transfer Agent (RTA), M/s Karvy Computershare Pvt. Ltd. (Karvy), Plot No.17 to 24, Vittal Rao Nagar, Madhapur, Hyderabad-500 081 quoting their folio numbers.

   Members holding equity shares in dematerialized form are requested to notify/send the aforesaid detatils to their respective Depository Participant(s) (DP).

6. In terms of circular issued by Securities and Exchange Board of India (SEBI), it is mandatory to furnish a copy of PAN Card to the Company/RTA in the following cases viz transfer of shares, deletion of name, transmission of shares and transposition of shares held in physical form. Shareholders are requested to furnish copy of PAN Card for all the above mentioned transactions.

7. Members holding equity shares in physical form are advised, in their own interest to avail of the nomination facility by filing Form SH 13 and deposit the same with the Company or its RTA. Members holding shares in demat form may contact their respective DP for recording nomination in respect of their shares.

8. Members holding equity shares in physical form in identical order of names in more than one folio are requested to send to the Company or its RTA, the details of such folios together with the share certificates for consolidating their holding in one folio. A consolidated share certificate will be issued to such Members.

9. The Company's equity shares are compulsorily traded in dematerialized form. Members holding equity shares in physical form are requested to consider converting their holding to dematerialized form to eliminate all risks associated with physical shares and for ease of portfolio management.

10. Members desirous of obtaining any information/clarification are requested to address their questions, if any, in writing to the Company Secretary at the Corporate Office of the Company at least 10 days before the date of the AGM, so that the information may be made available at the AGM.

11. Members are informed that in the case of joint holder(s) attending the meeting, only such joint holder which is higher in the order of names will be entitled to vote.

12. Members are requested to bring their attendance slip duly completed and signed, to be handed over at the entrance of the meeting hall.

13. As a measure of economy, copies of the Annual Reports will not be distributed at the venue of the AGM. Members are therefore requested to bring their own copies of the Annual Reports to the meeting.

14. Notice of the AGM along with the Annual Report for the financial year 2012-14 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode. The annual report and the notice of the 78th AGM will also be available on the Company's website www.trivenigroup.com.

15. To support the 'Green Initiative', the Members who have not registered their e-mail addresses are requested to register/update the same in respect of equity shares held by them in demat form with their respective DP and in the case of physical form with the Company or its RTA.

16. The Articles of Association of the Company and the other documents referred to in the notice and explanatory statement are open for inspection at the Registered/Corporate Offices of the Company on all working days (Monday to Friday) between 11.00 a.m. and 1.00 p.m. upto the date of AGM and will also be available for inspection at the meeting.

17. Members/Proxies are welcome at the AGM of the Company. However the Members/Proxies may please note that no gifts/gift coupons will be distributed at the AGM.

18. In compliance with the provisions of Section 108 of the Act and the Rules framed thereunder, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by Karvy, on all the resolutions set forth in this Notice.

The procedure and instructions for e-voting are as under:

(i) Launch internet browser during the voting period and navigate to 'https://evoting.karvy.com'

(ii) Enter the login credentials (i.e. **User ID and Password**) as given below. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote.

User – ID	**For Members holding shares in Demat Form:-** a) For NSDl :- 8 Character DP ID followed by 8 Digits Client ID b) For CDSL :- 16 digits beneficiary ID **For Members holding shares in Physical Form:-** ✍ Event No. followed by Folio Number registered with the Company printed at the bottom of the Attendance Slip for the AGM.
Password	Your Unique password is printed at the bottom of the Attendance Slip for the AGM (For members holding shares in physical form / via email sent through Karvy (For Members holding shares in demat form).
Captcha	Enter the Verification code i.e, please enter the alphabets and numbers in the exact way as they are displayed for security reasons.

(iii) After entering these details appropriately, click on "LOGIN".

(iv) Members will now reach Password Change menu wherein they are required to mandatory change their login password in the new password field. The new password has to be minimum eight characters consisting of at least one upper case (A-Z) one lower case (a-z), one numeric value (0-9) and a special character (@, #, $ etc.). The system will prompt you to change your password and update any contact details like mobile no., email ID etc. on first login. You may also enter the Secret Question and answer of your choice to retrieve your password in case you forget it. **It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.**

(v) You need to login again with the new credentials.

(vi) On successful login, the system will prompt you to select the E-voting Event Number for 'Triveni Engineering & Industries Limited'.

(vii) On the voting page, you will see Resolution description and against the same the option 'FOR/AGAINST' for voting. Enter the number of shares (which represents number of votes) under 'FOR/AGAINST' or alternatively you may partially enter any number in 'FOR' and partially in 'AGAINST', but the total number in 'FOR/AGAINST' taken together should not exceed your total shareholding. If you do not want to cast your vote, select 'ABSTAIN' and shares held will not be counted under either head.

(viii) You may then cast your vote by selecting an appropriate option and click on "SUBMIT". A confirmation box will be displayed. Click "OK" to confirm, else "CANCEL" to modify. Once you "CONFIRM", you will not be allowed to modify your vote. During the voting period, members can login any number of times till they have voted on the Resolution(s).

(ix) Members holding multiple folios/demat accounts shall choose the voting process separately for each of the folios/ demat accounts.

(x) Voting has to be done for each item of the Notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.

(xi) Corporate/ Institutional Members (i.e. other than individuals, HUF, NRIs etc.) are required to send scan certified true copy (PDF format) of the relevant Board Resolution / Authority Letter etc. together with attested specimen signature(s) of the duly authorized representative(s) to the Scrutinizer through e-mail at sureshguptacs@gmail.com with a copy marked to evoting@karvy.com. They may also upload the same in the e-voting module in their login. The scan image of the Board Resolution should be in the naming format "TEIL_Event No."

19. In case of any query pertaining to e-voting, please visit Help & FAQ's section available at Karvy's website https://evoting.karvy.com or contact at their toll free No. 1-800-34 54-001.

20. The e-voting period commences on July 30, 2014 (9.30 a.m. IST) and ends on August 1, 2014 (5.30 p.m. IST). During this period, Members of the Company, holding shares either in physical form or in dematerialized from, as on the cut-off date i.e. June 30, 2014, may cast their vote electronically. The e-voting module shall be disabled by Karvy for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.

21. The voting rights of the Members shall be in proportion to the paid-up value of their shares in the equity capital of the Company as on June 30, 2014.

22. Mr Suresh Kumar Gupta, Practising Company Secretary (CP No.5204) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

23. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and will make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the meeting. The Scrutinizer's decision on the validity of e-voting will be final.

24. The Results on resolutions shall be declared at or after the AGM of the Company and the resolutions will be deemed to be passed on the date of AGM subject to receipt of the requisite number of votes in favour of the Resolutions.

25. The Results declared along with the Scrutinizer's Report(s) will be available on the website of the Company (www.trivenigroup.com) and on the Karvy's website (https://evoting.karvy.com) within two (2) days of the passing of the resolutions and communication of the same to BSE Limited and National Stock Exchange of India Limited.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No.4

Pursuant to the authorization given by the shareholders, M/s Virmani & Associates (VA), Chartered Accountants were appointed as Branch Auditors by the Board of Directors of the Company for auditing the accounts of the gear and water businesses of the Company for the financial year 2012-14 and shall hold office upto the conclusion of the ensuing Annual General Meeting (AGM).

VA has been the Branch Auditors of the Company for more than 10 years. As per the provisions of Sections 139 and 143(8) of the Companies Act, 2013 (Act) read with Rules made thereunder, no listed company can appoint or re-appoint an audit firm as auditor for more than two terms of five consecutive years. However, in the case of existing companies, which fall under this category, a transition period of three years has been provided from the date of commencement of Act to comply with the new requirements.

VA have confirmed that their appointment, if made, will be in accordance with the prescribed conditions and they satisfy the eligibility criteria stated in the Act for the proposed appointment. In view of this, the Board has, on the recommendations of the Audit Committee, proposed the appointment of VA as Branch Auditors of the Company for a period of three years to hold office from the conclusion of this AGM till the conclusion of 81st AGM of the Company (subject to ratification of their appointment at every AGM) for approval of the members.

The Board commends the passing of Resolution set out at Item No.4 of the Notice.

None of the Directors / Key Managerial Personnel of the Company / their relatives are concerned or interested, financially or otherwise, in this resolution.

Item Nos.5 & 6

The Board of Directors of the Company had, pursuant to the provisions of Section 161 of the Companies Act, 2013 (Act) and the Articles of Association of the Company, appointed Ms Homai A. Daruwalla and Mr. Santosh Pande as Additional Directors of the Company with effect from November 7, 2013 and April 16, 2014 respectively. Both of them would hold office upto the date of the ensuing Annual General Meeting and are eligible for appointment as Directors.

The Company has received notices, in writing, from some members under Section 160 of the Act alongwith the requisite deposit, proposing the candidatures of Ms Daruwalla and Mr Pande for the office of Independent Directors.

Section 149 of the Act inter-alia stipulates the criteria of independence for the appointment of an Independent Director, not liable to retire by rotation. Ms Daruwalla and Mr Pande are not disqualified from being appointed as Directors in terms of Section 164 of the Act and have consented to act as Directors of the Company. The Company has also received declarations from them that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement with Stock Exchanges. In the opinion of the Board, both of them fulfill the conditions specified in the Act and the Rules made thereunder and also under the amended Listing Agreement for appointment as Independent Director and they are independent of the management.

Brief resumes of Ms Homai A. Daruwalla and Mr Santosh Pande, alongwith relevant details pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges is provided hereto.

Keeping in view the vast experience and knowledge of Ms Daruwalla and Mr Pande, it is proposed to appoint them as Independent Directors for a term upto March 31, 2019 and April 15, 2019 respectively. In compliance with the provisions of Section 149 read with Schedule IV of the Act, their appointments are being placed before the members for approval.

Copies of the draft letters for the appointment of Ms Daruwalla and Mr Pande as Independent Directors setting out the terms and conditions are available for inspection by members at the Registered Office of the Company.

The Board commends the passing of Resolutions set out at Item Nos.5 & 6 of the Notice.

Save and except Ms Homai A. Daruwalla and Mr Santosh Pande and their relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors/ Key Managerial Personnel of the Company/ their relatives are concerned or interested, financially or otherwise, in the resolutions set out at Item Nos. 5 & 6 of the Notice.

Item Nos. 7 to 10

Mr M.K. Daga, Dr F.C. Kohli, Lt Gen K.K.Hazari (Retd.) and Mr Shekhar Datta have been Non-Executive Directors of the Company. They are considered as Independent Directors for the purpose of clause 49 of the Listing Agreement. As per their terms of appointment they are liable to retire by rotation under the relevant provisions of the Companies Act, 1956.

Section 149 of the Companies Act, 2013 (Act) inter-alia stipulates that the independent directors are not liable to retire by rotation and lays down the criteria of independence for the appointment of an Independent Director.

All the aforesaid Directors are eligible and are not disqualified from being appointed as Directors in terms of Section 164 of the Act and have consented to act as Directors of the Company. The Company has also received declarations from these Directors that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement with Stock Exchanges.

In the opinion of the Board, all of them fulfill the conditions specified in the Act and the Rules made thereunder and also under the amended Listing Agreement for appointment as Independent Director and they are independent of the management.

Keeping in view the contributions made by these directors during their association with the Company, the Board considers that it shall be in the interest of the Company to continue to have the benefit of their rich experience and knowledge. It is therefore proposed to appoint Mr Daga, Dr. Kohli and Gen. Hazari as Independent Directors for a term upto March 31, 2017 and Mr Datta as an Independent Director for a term upto March 31, 2019. The Company has received notices, in writing, from some members under Section 160 of the Act along with the requisite deposit, proposing the candidatures of each of these Directors for the office of Independent Directors. In compliance with the provisions of Section 149 read with Schedule IV of the Act, their appointments are being placed before the members for approval.

Brief resumes of Mr Daga, Dr. Kohli, Gen. Hazari and Mr Datta, alongwith relevant details pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges are provided hereto.

Copies of the draft letters for the appointment of Mr Daga, Dr. Kohli, Gen. Hazari and Mr Datta as Independent Directors setting out the terms and conditions are available for inspection by members at the Registered Office of the Company.

The Board commends the passing of Resolutions set out at Item Nos.7 to 10 of the Notice.

Save and except Mr M.K. Daga, Dr F.C. Kohli, Lt Gen K.K.Hazari (Retd.) and Mr Shekhar Datta and their relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors/ Key Managerial Personnel of the Company/ their relatives are concerned or interested, financially or otherwise, in the resolutions set out at Item Nos.7 to 10 of the Notice

Item No.11

The members of the Company had at the 74th Annual General Meeting held on December 29, 2009 re-appointed Mr Dhruv M. Sawhney as Managing Director [designated as Chairman & Managing Director (CMD)] of the Company for a period of five years w.e.f. March 31, 2010, whose period of office was not liable to determination by retirement of directors by rotation in terms of the provisions of Companies Act, 1956. Further, at the 76th AGM held on February 10, 2012, the members had accorded their approval to the payment of revised remuneration to CMD during his remaining tenure effective October 1, 2011.

Section 196 of the Companies Act, 2013 (Act) inter-alia provides that no company shall appoint or continue the employment of any person as managing director, who has attained the age of 70 years, unless his appointment is approved by a special resolution. During his present tenure, Mr Dhruv M. Sawhney will be attaining the age of 70 years. Though his re-appointment as CMD had already been approved by the shareholders by passing a Special Resolution, it is intended to seek approval of the members to comply with the relevant provisions of the Act.

The Board of Directors of your Company at present consist of 9 members, with 6 of them being Independent Directors, 1 being Non-Executive (liable to retire by rotation) and the remaining 2 being Executive Directors (not liable to retire by rotation).

The provisions of Section 152 of the Act provides that not less than two-thirds of the total number of directors (excluding Independent Directors) of a public company shall be liable to determination by retirement of directors by rotation. To comply with the relevant provisions of Act, it is desirable that the office of CMD be made liable to determination by retirement of directors by rotation.

The Board commends the passing of Special Resolution set out at Item No. 11 of the Notice.

Save and except Mr Dhruv M. Sawhney, Chairman & Managing Director, Mr Tarun Sawhney, Vice Chairman & Managing Director, Mr Nikhil Sawhney, Director, who are related to each other and their other relatives, to the extent of their shareholding interest in the Company, none of the other Directors/ Key Managerial Personnel of the Company/ their relatives are concerned or interested, financially or otherwise, in this Special Resolution.

Item No. 12

Section 181 of the Companies Act, 2013 stipulates that the Board of Directors of a company may contribute to bona fide charitable and other funds, provided that prior permission of the shareholders would be required, if the aggregate amount(s) of such contribution/donation, in any financial year, exceeds five percent of the Company's average net profits for the three immediately preceding financial years.

Towards good corporate social responsibility initiative, during the course of its business the Company has been contributing to the charitable organizations / institutions and/or funds for social welfare causes as well as for mitigating hardships caused by natural disasters and calamities and would like to continue the same in future too. However, the average net profits of the Company may be inadequate to meet its social obligations. Therefore, approval of the shareholders is sought for making of such contribution/donation in any financial year from time to time upto an amount not exceeding Rs.25 lacs, for a period of five years commencing from the financial year 2014-15.

The Board commends the passing of Special Resolution at Item No.12 of the Notice.

None of the Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested in this Special Resolution except to the extent the contributions, as may be decided by the Board of Directors during the course of each year, pursuant to this resolution are made to such organization/institution in which such directors or key management personnel or their relatives hold trusteeship/ membership without any beneficial interest.

Item No. 13

With a view to align the existing Articles of Association (AoA) of the Company with the new Companies Act, 2013 and the Rules framed thereunder, it is considered desirable to alter the existing AoA in the following manner:-

1. **The existing Article 1 with its heading and marginal note be deleted and in its place, the following Article be substituted:-**

   The regulations contained in Table F of Schedule I of the Companies Act, 2013 (Act) shall apply to the Company in so far as the Articles contained in these Articles of Association are inconsistent with or repugnant to any of the regulations contained in the Act, various Schedules and the Rules framed thereunder.

   General authority

   Wherever in the Act, it has been provided that the Company shall have any right, privilege or authority or that the Company could carry out any transaction only if the Company is so authorized by its Articles, then and in that case by virtue of this Article, the Company is hereby specifically authorized, empowered and entitled to have such right, privilege or authority, to carry out such transactions as have been permitted by the Act without there being any separate / specific article in that behalf herein provided.

2. **The following new article be inserted as Article 138(4), immediately after the existing Article 138(3):-**

   138(4)The Board of Directors shall have the power to determine the directors whose period of office is or is not liable to determination by retirement of directors by rotation, notwithstanding any specific provision to this effect contained in any other articles.

3. **The existing Article 153 with its marginal note be deleted and in its place, the following Articles be substituted:-**

   153(i) The Directors shall elect a Chairperson of the meeting and determine the period for which he is to hold such office subject to such renewals or reappointments as they think best. If no Chairperson is appointed, or if at any meeting of the Board, the Chairperson be not present within fifteen minutes after the time appointed for holding the same, the Vice Chairperson, if so appointed by the Board, shall be Chairperson of the meeting. In the absence of Chairperson and Vice Chairperson within fifteen minutes after the time appointed for the meeting, the Directors present shall choose one of their numbers to be Chairperson of such meeting.

   (ii) The Board of Directors shall have the power to appoint/re-appoint any individual as the Chairperson/Vice Chairperson as well as the Managing Director (MD), Joint Managing Director (JMD), Executive Director (ED), Chief Executive Officer (CEO) or in any other capacity at the same time.

As per the provisions of Section 14 of the Act, the AoA can be altered with the approval of the shareholders by a Special Resolution.

The Board commends the passing of Special Resolution set out at Item No.13 of the Notice.

None of the Directors / Key Managerial Personnel of the Company / their relatives are concerned or interested, financially or otherwise, in this Special Resolution.

By Order of the Board

Place: Noida
Date : May 28, 2014

Geeta Bhalla
Group General Manager & Company Secretary

Details of Directors seeking appointment/ re-appointment at the Annual General Meeting Scheduled to be held on August 6, 2014 pursuant to Clause 49 of the Listing Agreement)

Mr Nikhil Sawhney
Promoter/Non-Executive Director

Mr. Nikhil Sawhney aged about 38 years, is a Director of the Company since 19th November, 2008. He possesses a Master's degree in Business Administration from the Wharton School, University of Pennsylvania, USA a premier academics institutions as also Bachelors of Arts and Master of Arts (Economic Honors) from Emmanuel College , University of Cambridge, UK- one of the oldest academic institutions in the world and is regarded as one of the best undergraduate institutions globally . He has work experience in the fields of finance, consumer goods, engineered products and capital markets. He has also international exposure through working in some foreign companies viz. Flexibox Ltd., UK, Nomura International Ltd., UK, ING Barings, UK and Nestle USA.

List of other Directorship held	Chairman/Member of the committees of the other Board of the Companies on which he is a Director*	Details of shareholding in the Company
Vice Chairman & Managing Director Triveni Turbine Ltd. **Director** GE Triveni Ltd. Triveni Energy Systems Ltd Aqwise-wise Water Technologies Ltd. (Israel)	**Audit Committee** Triveni Turbine Ltd. - Member GE Triveni Ltd. - Member **Investors' Grievance and Share Transfer Committee** Triveni Turbine Ltd. - Member	15277653 Equity Shares of Re. 1/- each

Ms Homai A. Daruwalla
Independent Non-Executive Director

Ms Homai A. Daruwalla, aged about 65 years is a Director of the Company since 7th November, 2013. She is a qualified Chartered Accountant. In her career in Banking, spanning more than three decades, she has worked in various capacities in Union Bank of India, Oriental Bank of Commerce and retired as Chairman & Managing Director of Central Bank of India in December 2008. She also handled prestigious assignment as Region of India Director on the Board of 'The Institute of Internal Auditors', Florida, USA. In recognition of her excellent contribution in the field of Banking, Ms Daruwalla has been conferred with many prestigious awards. Presently, Ms H. A. Daruwalla is an Executive Advisor / Consultant, her forte being financial sector.

List of other Directorship held	Chairman/Member of the committees of the other Board of the Companies on which he is a Director*	Details of shareholding in the Company
Chairman India Infoline Asset Management Company Ltd. Melliora Asset Reconstruction Company Ltd. **Director** Gammon Infrastructure Projects Ltd. Jaiprakash Associates Ltd.NTPC Ltd. Gorakhpur Infrastructure Company Ltd. Kosi Bridge Infrastructure Company Ltd	**Audit Committee** India Infoline Asset Management Company Ltd. - Chairman Gorakhpur Infrastructure Company Ltd. - Chairman Kosi Bridge Infrastructure Company Ltd. - Chairman Gammon Infrastructure Projects Ltd. - Member NTPC Ltd. - Member **Investor Grievance & Share Transfer Committee** NTPC Ltd. – Member.	NIL

Mr Santosh Pande
Independent Non-Executive Director

Mr Santosh Pande, aged about 62 years is a Director of the Company since 16th April, 2014. He holds a bachelors' degree in mechanical engineering from IIT Kharagpur, a post graduate diploma in management from IIM Kolkata and is a Fellow of the Institute of Cost Accountants of India (FCMA).

He is a senior professional, with over three-decades of managerial experience and has held positions in the top management and board of many large corporations including the Company during the years 1985 to 1997. He has worked in the automotive, engineering, IT and ITeS sectors and has had overseas stints in Europe, US and Africa. He is a part of the founding team of Nihiltent Technologies, a $ 40 million IT consulting & services company having a global footprint and headquartered in Pune.

Mr Pande has a research interest in corporate governance practices among Indian companies and has authored an e-book "An Overview of Corporate Governance Reforms in India" on this subject. In March 2014 he has been awarded a Ph D in Business Administration by Aligarh Muslim University for his dissertation titled "Ownership concentration, corporate governance and the firm's financial performance".

List of other Directorship held	Chairman/Member of the committees of the other Board of the Companies on which he is a Director*	Details of shareholding in the Company
Director Nihilent Technologies Pvt. Ltd. RSP Management Consultants Pvt. Ltd.	NIL	NIL

Mr M.K. Daga
Independent Non-Executive Director

Mr M.K. Daga, aged about 76 years, is a Director of the Company since 27th May, 2000. Mr Daga is an accomplished Industrialist with vast business experience. He is a Bachelor of Arts from St. Xavier's College, Kolkata and is a fellow member of the Institute of Materials, U.K. Mr Daga has a rich experience of over 40 years in Ceramics Industry and is acclaimed as an authority in the manufacture of tiles. He has successfully commissioned various Ceramic Tile Plants/ Ceramics Refractories/Ceramic Transfers at various locations. Mr Daga is a Founder member of the Indian Council of Ceramic Tiles and Sanitarywares (ICCTAS), an apex body in India representing the Ceramic Tile Industry. He has also represented India as one of the eight speakers from all over the world at the "International Meeting on Ceramic Industry" organized by Assciazione Costrullori Italiani Machine Atterzzature per Ceramica, at Modena, Italy on 26th May, 2000. He is an environmentalist having foreseen the related problems of pollution by forbidden smoking, felling of trees and conservation of water in all his organizations as early as 1971. In 2009, he was awarded by the Chief Minister of Delhi, the first prize and a citation for the Best Rain Water Harvesting. He occasionally delivers talks on horticulture and preservation of nature.

List of other Directorship held	Chairman/Member of the committees of the other Board of the Companies on which he is a Director*	Details of shareholding in the Company
Chairman & Managing Director Orient Bell Ltd. **Director** Freesia Investment & Trading Co. Ltd. Good Team Investment & Trading Co. Pvt. Ltd. Indian Council of Ceramics Tiles and Sanitarywares	**Audit Committee** Orient Bell Ltd. - Member **Shareholders/ Investors Grievance & Share Transfer Committee** Orient Bell Ltd. - Member	9000 Equity Shares of Re. 1/- each

Dr. F.C. Kohli
Independent Non-Executive Director

Dr. F.C. Kohli, aged about 90 years, is a Director of the Company since 27th May, 2000. He is a professional with vast business experience. He graduated in Electrical Engineering from Queen's University, Canada and MS in Electrical Engineering from the Massachusetts Institute of Technology, USA. Dr. Kohli is a fellow of IEEE USA, IET UK, Institution of Engineers India, Computer Society of India and many others. He was conferred Honorary Doctorate in Engineering by the University of Waterloo, Canada; Robert Gordon University, Aberdeen UK; and in India by Indian Institute of Technology, Mumbai & Kanpur, University of Roorkee, Uttar Pradesh and Jadavpur University, Kolkata.

Dr. Kohli is credited as 'Father of Information Technology' revolution in India. He was conferred the title of "Padma Bhushan" in 2002 for contribution to the software industry, by the Government of India. He has also been honoured with numerous awards and recognitions which includes, Dadabhai Naoroji Memorial Award, ET Lifetime Achievement Award, NASSCOM and CNBC-TV18 first "IT User Awards 2008" under the category "Lifetime Achievement Award".

Dr Kohli is associated with Tata Group and was on the Boards of various Tata's companies. He had also served as the Deputy Chairman of Tata Consultancy Services (TCS).

List of other Directorship held	Chairman/Member of the committees of the other Board of the Companies on which he is a Director*	Details of shareholding in the Company
Chairman WTI Advanced Technology Ltd. ASL Advanced Systems Pvt. Ltd. **Director** Triveni Engineering Ltd. Media Lab Asia Dolphin Offshore Enterprises (India) Ltd.	NIL	NIL

Lt. Gen. K.K. Hazari (Retd.)
Independent Non-Executive Director

Lt. Gen. K. K. Hazari (Retd.), aged about 85 years, is a Director of the Company since 3rd April, 2000. He is a graduate of Defence Services Staff College, Camberley, UK and National Defence College, New Delhi. He has rendered 38 years of sevice in the Armed Forces of India and has served as Vice Chief of Army Staff. He has a special interest in matters like long term planning, management structures and systems and financial planning and has written extensively on these subjects. He was a member of the Committee of Defence Expenditure appointed by the Govt. of India in 1990 as also of the Kargil Review Committee constituted by the Govt. of India.

List of other Directorship held	Chairman/Member of the committees of the other Board of the Companies on which he is a Director*	Details of shareholding in the Company
Chairman Magoo Strategic Infotech Pvt. Ltd. **Director** Triveni Turbine Ltd. Triveni Engineering Ltd. Interglobe Enterprises Ltd.	**Audit Committee** Triveni Turbine Ltd. - Chairman Interglobe Enterprises Ltd. - Member **Investors' Grievance and Share Transfer Committee** Triveni Turbine Ltd. - Chairman	NIL

Mr Shekhar Datta
Independent Non-Executive Director

Mr Shekhar Datta aged about 77 years is a Director of the Company since 25th April, 2009. He is a Graduate in Mechanical Engineering from London and is a Fellow of All India Management Association. Mr Datta has been Business Consultant to a number of Indian companies and former member of International Business Advisory Council of UNIDO. Mr Datta has been President of Confederation of Indian Industry (CII), Bombay Chamber of Commerce & Industry and Indo-Italian Chamber of Commerce & Industry. He has been honoured with the citation of Commendatore' (1995) in the Order for Merit of the Italian Republic, by the President of Italy; as 'Companion' of the Institution of Mechanical Engineers, U.K. and awarded 'Winner' of the Indo-British Trophy (1997) conferred by Her Majesty Queen Elizabeth II.

Mr Datta was the Managing Director and President of Greaves Cotton Ltd. and has held directorships in other reputed companies like Bharat Heavy Electricals Ltd., Industrial Development Bank of India Ltd, Crompton Greaves Ltd. He was also Chairman of the Bombay Stock Exchange Ltd.

List of other Directorship held	Chairman/Member of the committees of the other Board of the Companies on which he is a Director*	Details of shareholding in the Company
Director	**Audit Committee**	10000 Equity Shares
Triveni Turbine Ltd.	Wockhardt Ltd. – Chairman	of Re. 1/- each
Wockhardt Limited	**Investor Grievance Committee**	
Titagarh Wagons Ltd.	Wockhardt Ltd. - Chairman	

Mr Dhruv M Sawhney
Promoter/Chairman & Managing Director

Mr. Dhruv M Sawhney aged about 70 years, is an eminent industrialist. He has been on the Board of the Company since 20th Sept., 1992. He graduated with a Masters in Mechanical Sciences from Emmanuel College, University of Cambridge, U.K. and M.B.A with distinction from the Wharton School, University of Pennsylvania, U.S.A. and is a life member of Beta Gama Sigma. Mr Sawhney has received the highest civilian award "Chevalier de la Legion d'Honneur" from President Chirac of the French Republic.

He is a Past President of the Confederation of Indian Industry (CII), the Indian Sugar Mills Association and the Sugar Technologists Association of India and the International Society of Sugarcane Technologists. He was the first chairman from the developing world of the international society of sugar cane technologists. He has served on the Board of various public sector organizations and chaired Government advisory councils on Industry, Energy and Sugar. He chairs the Commonwealth Leadership Development Conferences found by HRH Prince Philip, the Duke of Edinburgh in 1956 to foster and broaden the understanding and decision making ability of individuals in the common wealth countries. He is Deputy Chairman of the Evian Group and Chairman of the India Steering Committee of the World Economic Forum, Switzerland. He also chairs CII's International and Internal Audit Committees. He takes a keen interest in education and was a past Governor of the Indian Institute of Management Lucknow, the Management Institute at the University of Delhi and Chairman of the Doon School Dehradun, one of India's most famous public schools. He is a Companion Member of the Chartered Institute of Management, U.K. and chairs the Board of Trustees of Delhi's oldest private charitable hospital. He was President of the All India Chess Federation for 12 years.

List of other Directorship held	Chairman/Member of the committees of the other Board of the Companies on which he is a Director*	Details of shareholding in the Company
Chairman and Managing Director	**Audit Committee**	38391756 Equity Shares
Triveni Turbine Ltd.	GE Triveni Ltd.-Chairman	of Re. 1/- each
Chairman		
GE Triveni Ltd		
Director		
Orient Bell Ltd.		
Triveni Engineering Ltd.		
Triveni Energy Systems Ltd.		

*The committees considered above are those prescribed under Clause 49(I)(C) of the Listing Agreement i.e. Audit Committee and Shareholders' Grievance Committee of public limited companies.

PROXY FORM

[Pursuant to Section 105 (6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014

Triveni
ENGINEERING & INDUSTRIES LTD.

CIN No. L15421UP1932PLC022174

Regd.Office : Deoband, District Saharanpur, Uttar Pradesh - 247554

Corporate Office : 8th Floor, Express Trade Towers,15-16, Sector – 16A, Noida – 201301, U.P.

E-mail :shares@trivenigroup.com, **Website :** www.trivenigroup.com, **Tel:** 91 120 4308000 / **Fax:** 91 120 4311010-11

Name of the member(s) :

Registered address :

E Mail Id:

Folio No. / *Client ID:

*DP ID:

I / We, being the member(s) of ____________________ equity shares of Re 1/- each of the above named Company, hereby appoint:

1) Name: ____________________ E Mail: ____________________

Address: ____________________

Signature ____________________, Or failing him / her

2) Name: ____________________ E Mail: ____________________

Address: ____________________

Signature ____________________, Or failing him / her

3) Name: ____________________ E Mail: ____________________

Address: ____________________

Signature ____________________

and whose signatures are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 78th Annual General Meeting of the Company to be held on Wednesday, the 6th day of August, 2014 at 11.30 a.m. at the Company's Guest House at Deoband Sugar Unit Complex, Deoband, Distt. Saharanpur, Uttar Pradesh - 247 554 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolutions	Optional*	
Ordinary Business		**For**	**Against**
1.	Adoption of Financial statement, Reports of the Board of Directors and Auditors for the financial year ended 31st March 2014.		
2.	Re- appointment of Mr. Nikhil Sawhney as a Director, who retires by rotation.		
3.	Appointment of M/s J.C.Bhalla & Co., Chartered Accountants, as Auditors and fixing their remuneration.		
Special Business			
4.	Appointment of M/s Virmani & Associates, Chartered Accountants as Branch Auditors and fixing their remuneration .		
5.	Appointment of Ms. Homai A. Daruwala as an Independent Director.		
6.	Appointment of Mr. Santosh Pande as an Independent Director.		
7.	Appointment of Mr. M.K.Daga as an Independent Director.		
8.	Appointment of Dr. F.C.Kohli as an Independent Director .		
9.	Appointment of Lt Gen K.K.Hazari (Retd) as an Independent Director.		
10.	Appointment of Mr. Shekhar Datta as an Independent Director.		
11.	Variation in the terms of appointment including continuity of Mr Dhruv M Sawhney as Chairman and Managing Director of the Company for the remaining period of his tenure, whose period of office shall be liable to determination of retirement of Directors by rotation.		
12.	Contribution and / or donation to any bona fide charitable and other funds.		
13.	Alteration of Articles of Association of the Company by insertion / substitution of certain articles.		

* Applicable for investors holding shares in electronic form

Signed this ………………………………… day of ………………………… 2014.

Affix Re. 1/- Revenue Stamp

Signature of the Member ………………………………..................... Signature of the Proxy Holder(s) ....………………………..

NOTE :

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered office at Deoband, District Saharanpur, 247554 U.P or Corporate Office of the Company at 8th Floor, Express Trade Towers,15- 16, Sector 16A , Noida-201301, not less than 48 hours before the commencement of the Meeting.
2. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 78th Annual General Meeting.

*3. It is optional to put a 'X' in the appropriate column against the Resolution indicated in the Box. If you leave the 'For ' and 'Against' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he / she thinks appropriate.

4. Please complete all details including detail of member(s) in above box before submission.

Triveni ENGINEERING & INDUSTRIES LTD.

CIN No. L15421UP1932PLC022174
Regd.Office : Deoband, District Saharanpur, Uttar Pradesh - 247554
Corporate Office : 8th Floor, Express Trade Towers,15-16, Sector – 16A, Noida – 201301, U.P.
E-mail :shares@trivenigroup.com, **Website :** www.trivenigroup.com,
Tel: 91 120 4308000 / **Fax:** 91 120 4311010-11

ATTENDANCE SLIP

78th ANNUAL GENERAL MEETING - August 6, 2014

Name of the Member (In Block Letters)	
Name of Proxy, If any (In Block Letters) (In case Proxy attends the meeting in place of member)	
DP ID/Client ID/Folio No.*	
No. of Shares held	

I/We hereby record my / our presence at the 78th Annual General Meeting of the Company to be held on Wednesday, the 6th day of August, 2014 at the Company's Guest House at Deoband, Sugar Unit Complex, Deoband, Distt. Saharanpur, Uttar Pradesh - 247 554.
* Applicable in case of shares held in physical form .

Signature of the Member ……………………………………........... Signature of the Proxy Holder(s) ....………………………..

Note:

1. Members/Proxy holders are requested to bring this Attendance Slip duly filled in and signed with them when they come to the meeting and hand it over at the **ATTENDANCE VERIFICATION COUNTER** at the entrance of the Meeting Venue.
2. NO ATTENDANCE SLIP SHALL BE ISSUED AT THE MEETING.
3. Electronic copy of the Annual Report for the Financial year 2012-14 & Notice of the AGM alongwith the attendance slip & Proxy form is being sent to all the members whose email address is registered with the Company /DP unless any member has requested for a hard copy of the same. Members receiving electronic copy & attending the AGM can print copy of the Attendance slip.
4. Physical copy of the Annual Report for the Financial year 2012-14 & the Notice of the AGM alongwith Attendance Slip & Proxy form is being sent in the permitted mode(s) to all members whose e-mail Is not registered or have requested for hard copy. Please bring your copy of the Annual Report to the Meeting.
5. The Meeting is of members only and you are requested not to bring with you any person who is not a member or a proxy.

E-VOTING PARTICULARS

EVEN (E-Voting Event Number)	USER ID	PASSWORD

Note :Please read the instructions given in the Notice of AGM before casting your vote through e-voting.