Triveni TURBINE LIMITED

NOTICE is hereby given that the Eighteenth Annual General Meeting of Members of Triveni Turbine Limited will be held on Thursday, 1st August, 2013 at 10.30 a.m. at Expo Centre, A-11, Sector 62, NH-24, Noida - 201301 (U.P.), to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Balance Sheet as at March 31, 2013, the Statement of Profit and Loss for the financial year ended on that date and the Reports of the Directors and Auditors thereon.
2. To declare dividend on the Cumulative Redeemable Preference Shares of the Company for the financial year ended March 31, 2013 and pro-rata dividend from April 01, 2013 to May 31, 2013 (being the date of redemption).
3. To confirm the interim dividend already paid to the equity shareholders and declare the final dividend on equity shares for the financial year ended March 31, 2013.
4. To appoint a Director in place of Mr. Tarun Sawhney, who retires by rotation, and being eligible, offers himself for re-appointment.
5. To appoint a Director in place of Lt. Gen. K.K.Hazari (Retd), who retires by rotation, and being eligible, offers himself for re-appointment.
6. To appoint M/s J.C. Bhalla & Co. Chartered Accountants, (FRN: 001111N) as Statutory Auditors to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting and to authorize the Board of Directors to fix their remuneration.

SPECIAL BUSINESS:

To consider and, if thought fit, to pass with or without modification(s) the following Resolutions :-

7. **As an Ordinary Resolution**

   RESOLVED THAT Mr. Shekhar Datta, whose term of office as an Additional Director, pursuant to Section 260 of the Companies Act, 1956, expires at this Annual General Meeting and in respect of whom the Company has received a notice under section 257 of the Companies Act, 1956, proposing his candidature for the office of a Director, be and is hereby appointed a Director of the Company liable to retire by rotation.

8. **As an Ordinary Resolution**

   RESOLVED THAT Mr. Meleveetil Damodaran, whose term of office as an Additional Director, pursuant to Section 260 of the Companies Act, 1956, expires at this Annual General Meeting and in respect of whom the Company has received a notice under section 257 of the Companies Act, 1956, proposing his candidature for the office of a Director, be and is hereby appointed a Director of the Company liable to retire by rotation.

9. **As a Special Resolution**

   RESOLVED THAT Mr. Arun Prabhakar Mote, whose term of office as an Additional Director, pursuant to Section 260 of the Companies Act, 1956, expires at this Annual General Meeting and in respect of whom the Company has received a notice under section 257 of the Companies Act, 1956, proposing his candidature for the office of a Director, be and is hereby appointed as a Director of the Company liable to retire by rotation.

   RESOLVED FURTHER THAT pursuant to the provisions of Sections 198, 269, 309 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 (including any amendment or modification thereof), consent and approval of the Company be and is hereby accorded to the appointment of Mr. Arun Prabhakar Mote as Whole-time Director (designated as Executive Director) of the Company for a period of two (2) years with effect from November 1, 2012 on the remuneration and terms and conditions as set out in the explanatory statement annexed to the notice convening this meeting.

   RESOLVED FURTHER THAT the Board of Directors (on the recommendations of the Remuneration Committee) be and are hereby authorized to revise, amend, alter and vary the remuneration and other terms and conditions of the appointment of Mr. Arun Prabhakar Mote, Executive Director in such manner as may be permissible in accordance with the provisions of the Companies Act, 1956 and Schedule XIII as may be agreed to by and between the Board of Directors and Mr. Arun Prabhakar Mote, without any further reference to the shareholders in general meeting .

   RESOLVED FURTHER THAT in the absence or inadequacy of profits in any financial year during the term of office of Mr. Arun Prabhakar Mote as Executive Director, he shall be paid the remuneration, allowances and perquisites except the commission/performance bonus as set out in the explanatory statement referred to above as the Minimum Remuneration with the approval of the Central Government, if required.

   RESOLVED FURTHER THAT as Executive Director of the Company Mr. Mote will perform his duties as such with regard to all work of the Company and will manage and attend to such business and carry out the order and directions by the Board from time to time in all respects and confirm to and comply with all such directions and regulations as may from time to time be given or made by the Board and his function will be under the overall authority of the Chairman and Managing Director. .

   RESOLVED FURTHER THAT Mr. Arun Prabhakar Mote will not be paid any sitting fees for attending the meetings of the Board of Directors or committees thereof.

   RESOLVED FURTHER that the Board of Directors be and are hereby authorized to take all actions and steps expedient or desirable to give effect to this resolution.

10(a) **As a Special Resolution**

RESOLVED THAT pursuant to the provisions of Section 81(1A) and all other applicable provisions, if any, of the Companies Act, 1956 ("the Act"), the relevant provisions of the Memorandum & Articles of Association of the Company, the Securities & Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines,1999 ("the Guidelines") (including any amendment thereto or re-enactment thereof to the Act or the Guidelines for the time being in force), the Listing Agreement entered into with the Stock Exchanges where the securities of the Company are listed, and subject to such other approvals, consents, permissions and sanctions as may be necessary from appropriate authorities or bodies and subject to such conditions & modifications as may be prescribed, specified or suggested by any of them while granting such approvals, consents, permissions and sanctions which may at its sole discretion be agreed to by the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any committee including the Remuneration Committee which the Board may at its discretion authorise to exercise certain or all of its powers including the powers conferred by this resolution), the consent of the Company be and is hereby accorded to the Board to create, offer, issue, grant and allot over a period of time to and for the benefit of the permanent employees and Directors of the Company , existing and future under a Scheme titled " Triveni Turbine Ltd ESOP 2013'' (TTL- ESOP 2013) , such number of equity shares and/or equity linked instruments including Options/Warrants and/or any other instruments or securities, which upon exercise could give rise to the issue of equity shares (hereinafter collectively referred to as "Securities") of the Company, not exceeding in aggregate 30,00,000 equity shares of Re. 1/- each in one or more tranches at such price or prices and in such manner and on such terms & conditions as may be fixed or determined by the Board in accordance with the Guidelines or other applicable provisions of any law as may be prevailing at that time.

RESOLVED FURTHER THAT in case of any Corporate Action(s) such as right issues, bonus issues, merger and others, if any additional equity shares are issued by the Company, the above ceiling of 30,00,000 equity shares shall be deemed to be increased proportionately to the extent of such additional equity shares issued .

RESOLVED FURTHER THAT the new equity shares to be issued and allotted by the Company in the manner aforesaid shall rank pari-passu in all respects with the existing equity shares of the Company.

RESOLVED FURTHER THAT the Board be and is hereby authorized to take necessary steps for listing of the Securities allotted upon exercise under the TTL-ESOP 2013 on the Stock Exchanges where the Company's equity shares are listed as per the provisions of the Listing Agreements with the concerned Stock Exchanges and other applicable guidelines, rules and regulations.

RESOLVED FURTHER THAT for the purpose of giving effect to any creation, offer, issue, allotment or listing of securities under the TTL- ESOP 2013 , the Board / Remuneration committee of the Board be and is hereby authorized on behalf of the Company to formulate, evolve, decide upon and bring into effect TTL- ESOP 2013 and to make any modifications, changes, variations, alterations, or revisions in the TTL- ESOP 2013 from time to time, as may be required, or to suspend, withdraw or revive TTL- ESOP 2013 and to do and perform all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, proper or desirable including allotment of equity shares upon exercise of vested options, forfeiture/cancellation of options granted; to re-issue options which have lapsed/cancelled due to whatsoever reasons etc. as also to settle any question, difficulty or doubt that may arise in this regard and without requiring to secure any further consent or approval of the shareholders of the Company.

10(b) RESOLVED THAT pursuant to the provisions of Section 81(1A) and all other applicable provisions, if any, of the Companies Act, 1956 ("the Act"), the relevant provisions of the Memorandum & Articles of Association of the Company, the Securities & Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines,1999 ("the Guidelines") (including any amendment thereto or re-enactment thereof to the Act or the Guidelines for the time being in force), the Listing Agreement entered into with the Stock Exchanges, and subject to such other approvals, consents, permissions and sanctions as may be necessary from appropriate authorities or bodies and subject to such conditions & modifications as may be prescribed, specified or suggested by any of them while granting such approvals, consents, permissions and sanctions which may at its sole discretion be agreed to by the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any committee including the Remuneration Committee which the Board may at its discretion authorise to exercise certain or all of its powers including the powers conferred by this resolution, the consent of the Company be and is hereby accorded to the Board to extend the benefit of the Triveni Turbine Ltd. ESOP 2013 (TTL ESOP 2013) referred to in the resolution under item no 10 (a) of the notice to the benefit of such persons who are in permanent employment of the Subsidiary Company(ies), by way of grant of such number of equity shares and/or equity linked instruments including Options/Warrants and/or any other instruments or securities, which upon exercise could give rise to the issue of equity shares under TTL ESOP 2013 not exceeding in aggregate 30,00,0000 equity shares of Re 1/- each in one or more tranches at such price and in such manner and on such terms & conditions as may be fixed or determined by the Board in accordance with the guidelines or other applicable provisions of any law as may be prevailing at that time .

RESOLVED FURTHER THAT for the purpose of giving effect to any creation, offer, issue, allotment or listing of securities under the TTL- ESOP 2013 , the Board / Remuneration committee of the Board be and is hereby authorized on behalf of the Company to formulate, evolve, decide upon and bring into effect TTL- ESOP 2013 and to make any modifications, changes, variations, alterations, or revisions in the TTL- ESOP 2013 from time to time, as may be required, or to suspend, withdraw or revive TTL- ESOP 2013 and to do and perform all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, proper or desirable including allotment of equity shares upon exercise of vested options, forfeiture/cancellation of options granted; to re-issue options which have lapsed/cancelled due to whatsoever reasons etc. as also to settle any question, difficulty or doubt that may arise in this regard and without requiring to secure any further consent or approval of the shareholders of the Company.

By Order of the Board

Regd. Office

A-44, Hosiery Complex, Phase-II Extension
Noida- 201 305 (U.P.)

Company Secretary

Date: May 23, 2013

NOTES:

1. An explanatory statement pursuant to Section 173 to the Companies Act, 1956 in respect of business set out at item No(s) 7 to 10 above and the relevant details pursuant to the provisions of clause 49 of the listing agreement executed with the stock exchanges where the securities of the Company are listed are annexed herein .
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF 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 EXPRESS TRADE TOWERS, PLOT NO. 15-16, 8TH FLOOR, SECTOR 16A, NOIDA- 201 301 NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A BLANK PROXY FORM IS ATTACHED HEREWITH.**
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 26th July 2013 to Thursday 1st August , 2013 (both days inclusive) for the purpose of payment of final dividend on the equity shares for the financial year ended 31st March 2013. Final dividend, if declared at the Meeting, will be paid to those Members holding shares in physical/demat form, whose names appear on the Register of Member of the Company/ list of beneficial owners as per the details furnished by the Depositories viz National Securities Depository Ltd (NSDL) and Central Depository Services (India) Ltd (CDSL) , as at the close of business hours on 25th July, 2013.

5. The Members holding equity shares in physical form are requested to notify/send the following to the Registrar and Transfer Agent(RTA) of the Company, M/s Alankit Assignments Ltd., Alankit House, 2E/21, Jhandewalan Extension , New Delhi 110 055
   (i) Particulars of their bank account and email-id, in case the same has not been sent earlier.
   (ii) Any change in their address/email-ID/NECS mandate/Bank details.
   (iii) Share certificate(s), held in multiple accounts in identical names or joint accounts in the same order of names, for consolidation of such shareholding into one account.
6. The Members holding equity shares in dematerialized form are requested to notify to their Depository Participants:
   (i) Particulars of their bank account and email-id, in case the same has not been sent earlier.
   (ii) any change with respect to their address, email- id, NECS mandate and bank details.
7. 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 .
8. Members holding shares in physical form are advised, in their own interest to avail of the nomination facility by filing Form 2B and deposit the same with the Company or its RTA. Members holding shares in demat form may contact their respective depository participant(s) for recording nomination in respect of their shares.
9. The equity shares of the Company are under Compulsory Demat Trading. Members who are holding equity shares in physical form are requested to convert their shares into dematerialized form in their own interest and convenience purpose.
10. The 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 Annual General Meeting, so that the information may be made available at the Annual General Meeting.
11. The 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. The 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 Annual General Meeting. Members are therefore requested to bring their own copies of the Annual Reports to the meeting.
14. The Ministry of Corporate Affairs (MCA), Govt. of India, has undertaken a ‘Green Initiative in the Corporate Governance’ by allowing paperless compliances by companies through electronic mode, vide its circulars dated April 21, 2011 and April 29, 2011. To take part in the above ‘Green Initiative’, soft copy of the Annual Report for the year ended March 31, 2013 has been sent to all members whose e-mail addresses registered with the Company/Depository Participant(s) (DP) unless any member has requested for a hard copy of the same. All those members who have not yet registered their email address with the Company or their DP are requested to do the same at the earliest as your Company proposes to send communications/documents including Notices for General Meetings and Annual Reports from time to time in electronic mode to those members who have provided their e-mail addresses to the Company or their DP.
15. It may be kindly noted that even after registration for e-communication, members are entitled to receive such communication in physical form, upon request for the same, by post/courier free of cost. Annual Report for the financial year ended on March 31, 2013 including the notice of the 18th Annual General Meeting will also be available on the Company’s website www.triveniturbines.com
16. The documents referred to in the notice and explanatory statement are open for inspection at the Registered/Corporate Office of the Company on all working days (Monday to Friday) between 11.00 a.m. and 1.00 p.m. upto the date of Annual General Meeting and will also be available for inspection at the meeting.
17. **The Members/Proxies are welcome at the Annual General Meeting of the Company. However the Members/Proxies may please note that no gifts/gift coupons will be distributed at the Annual General Meeting.**

Details of Directors seeking appointment/ re-appointment at the Annual General Meeting Scheduled to be held on 1st August 2013 Pursuant to Clause 49 of the listing agreement)

Mr. Tarun Sawhney

Mr. Tarun Sawhney aged about 40 years, is a Director of the Company since 3rd December 2007. He possesses a Master’s degree in Business Administration from the Wharton School, University of Pennsylvania, USA a premier academics institutions and a Bachelors of Arts (Economic Honours) and Master of Arts from Emmanuel College , University of Cambridge, UK- one of the oldest and best academic institutions in the world . He has work experience in the fields of agriculture , manufacturing , telecommunications, information technology and financial and portfolio analysis .

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
Joint Managing Director Triveni Engineering & Industries Ltd **Director** GE Triveni Ltd . Triveni Entertainment Ltd.	**Audit Committee** Triveni Engineering & Industries Ltd.-Member	14266775

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

Lt. Gen. K. K. Hazari (Retd.), aged 84 years, is a Director of the Company since 3rd December 2007. He is a graduate of Defence Services Staff College, Camberley, UK and National Defence College, New Delhi. He has rendered 38 years of service 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
Director Triveni Engineering & Industries Ltd. Triveni Engineering Ltd. Interglobe Enterprises Ltd.	**Audit Committee** Triveni Engineering & Industries Ltd- Chairman Interglobe Enterprises Ltd.- Member **Investors' Grievance and Share Transfer Committee** Triveni Engineering & Industries Ltd - Chairman	Nil

Mr. Shekhar Datta

Mr. Shekhar Datta aged 75 years, is a Director of the Company since 29th October 2012. 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.

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 Triveni Engineering & Industries Ltd Wockhardt Ltd	**Audit Committee** Wockhardt Ltd - Chairman **Share Transfer and Investor Grievance Committee** Wockhardt Ltd - Chairman	**10000**

Mr. Arun Prabhakar Mote

Mr. Arun Prabhakar Mote aged 60 years is a Director of the Company since November 1 , 2012. He has a Masters Degree in Technology from the IIT – Bombay and a Masters Degree in Business Administration from the Jamnalal Bajaj Institute of Management Studies Bombay University. He has been associated with Triveni Group for around last 15 years . Prior to his appointment he was CEO (Turbines) .

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 GE Triveni Ltd.	Nil	26650

Mr. Meleveetil Damodaran

Mr. Meleveetil Damodaran aged 66 years is a Director of the Company since April 10 ,2013 . He holds degrees in economics and law from the Universities of Madras and Delhi respectively. He was a member of the Indian Administrative Services, Manipur- Tripura Cadre.

Mr. Damodaran's prior appointments include Chairman of IDBI and Chairman of UTI. He was Joint Secretary (Banking Division), Ministry of Finance for five years. As Chairman of Securities and Exchange Board of India (SEBI), he was instrumental in bringing improved practices to the securities markets in India. During his tenure with SEBI, he was elected as Chairman of the international organization of securities commissions (IOSCO). His initiatives at SEBI have resulted in India's financial markets being recognized as being amongst the best regulated in the world. He was earlier appointed as officer on special duty with the Reserve Bank of India dealing primarily with the restructuring of three identified weak public sector banks. He has been a recipient of several prestigious awards for Leadership transformation and public services. He was awarded Life time achievement in public Governance by Asian Centre for Corporate Governance and Sustainability, 2013. Mr. Damodaran is an independent consultant in diverse areas of management.

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 L&T Infrastructure Finance Ltd Tech Mahindra Ltd Bennett, Coleman and Company Ltd Hero Motocorp Ltd Larsen and Toubro Ltd Shobha Developers Ltd Hindalco Industries Ltd ING Vyasa Bank Ltd TVS Automobile Solutions Ltd Ultra Tech Cement Ltd	**Audit Committee** L&T Infrastructure Finance Ltd , Chairman Tech Mahindra Ltd, Chairman Bennett, Coleman and Company Ltd ,Member Hero Motocorp Ltd, Member Larsen and Toubro Ltd , Member Shobha Developers Ltd, Member **Shareholders Grievance Committee** Hero Motorcorp Ltd , Member	Nil

* The Committees considered for the purpose are those prescribed under Clause 49(1) (C) of the Listing Agreement i.e. Audit Committee & Shareholders' Grievance Committee of Public Limited Companies.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

Item Nos. 7 and 8

The Board of Directors had, in order to strengthen the Board, appointed Mr. Shekhar Datta and Mr. Meleveetil Damodaran as Additional Directors of the Company under the provisions of Section 260 of the Companies Act, 1956 with effect from October 29 ,2012 and April 10 , 2013 respectively. Pursuant to Section 260 of the Companies Act , 1956 both of them will hold this office upto the date of the forthcoming Annual General Meeting.

Notice in writing from members have been received by the Company under Section 257 of the Companies Act, 1956 signifying their intention to propose the candidature of Mr. Shekhar Datta and Mr. Meleveetil Damodaran or appointment as Directors of the Company. Both of them, being eligible, offer themselves for appointment. A brief resume of both these Directors is annexed to this Notice.

The Board commends the passing of Resolutions set out at Item Nos. 7 & 8 of the Notice.

None of the Directors of the Company except Mr. Shekhar Datta and Mr. Meleveetil Damodaran , the appointees, is either directly or indirectly concerned or interested in these resolutions.

Item No.9

Mr. Arun Prabhakar Mote is associated with Triveni Group for around 15 years . Keeping in view of his contribution to the growth of the Company, the Board of Directors of the Company at their meeting held on October 29, 2012, subject to the approval of the shareholders by way of special resolution at a general meeting, appointed Mr. Arun Prabhakar Mote as a Whole-time Director (designated as an Executive Directors) for a period of two years with effect from November 1 , 2012 initially by inducting him as an Additional Director, on the following terms and conditions and remuneration determined and recommended by the Remuneration Committee of the Board.

Pursuant to Section 260 of the Companies Act, 1956, Mr. Mote as additional director will hold the office upto the date of the forthcoming Annual General Meeting. Notice in writing from a member has been received by the Company under Section 257 of the Companies Act, 1956 signifying his intention to propose the candidature of Mr. Mote for appointment as Director of the Company. Mr. Mote, being eligible, offers himself for appointment. A brief resume of Mr. Mote is annexed to this Notice.

Remuneration:

Salary: Rs.4,35,000/- per month with an annual increment as may be decided by the Board/Remuneration Committee effective 1st April each year. The annual increment will be merit based and will take into account the performance in the Company.

Allowances and Perquisites:

Special Allowance : Rs 3,61,250/- per month with the authority to the Board/Remuneration Committee to increase the same from time to time. This allowance will not be taken into account for calculation of benefits such as HRA ,PF,Gratuity , Leave encashment etc.

Housing : Leased residential accommodation for a rent upto 60% of the Salary or House Rent Allowance in lieu thereof at the rate of 60% of Salary as per the rules of the Company ;

Medical Reimbursement, Leave Travel Allowance, Leave Encashment and Insurance Coverage Company's contribution to the Provident and Superannuation Fund and payment of gratuity (As per Rules of Company)

Explanation : Perquisites shall be evaluated as per Income-tax Rules, wherever applicable and in the absence of any such rule, perquisites shall be evaluated at actual cost.

***Performance Bonus*:** An amount as may be decided by the Board of Directors, on the recommendations of the Remuneration Committee, from year to year.

***Amenities*:** Provision for use of the Company's car with driver for official duties and telephones at the residence (including payment of local calls and long distance official calls, cellular phone, telefax, internet and other communication facilities).

Explanation :

The amenities shall not be included for the purposes of computation of the Executive Director's remuneration as aforesaid.

***General* :** The office of the Executive Director may be terminated by the Company or the concerned Director by giving the other 3 (three) months prior notice in writing .The employment of the Executive Director may be terminated by the Company without notice or payment in lieu of notice (i) If the Director is found guilty of any gross negligence, default or misconduct in connection with or affecting the business of the Company or any subsidiary or associate Company to which he is required to render services (ii) in the event of any serious repeated or continuing breach of non observance by the Director of any of the stipulations contained in terms of employment with the Company (iii) in the event the Board expresses its loss of confidence in the Director.

Upon termination by whatever means of the Executive Director's employment the Director shall immediately tender his resignation from the office as Director of the Company and from such other offices held by him in Company or any subsidiary or associate Company and other entities without claim for compensation for loss of office .

The Directors shall not without the consent of the Company at any time thereafter represent himself as connected with the Company or any if its subsidiary or associate Company .

***Overall Remuneration*:**

The aggregate of salary and perquisites in any financial year shall not exceed the limits prescribed under Sections 198, 309 and other applicable provisions of the Companies Act, 1956 read with Schedule XIII to the said Act as may for the time being be in force.

Minimum Remuneration:

Notwithstanding anything to the contrary contained herein, in the event of loss or inadequacy of profits in any financial year during the tenure of Mr. Mote as Executive Director, the Company will subject to applicable laws, pay above mentioned remuneration and perks except the performance bonus as the Minimum Remuneration with the approval of the Central Government, if required .

In compliance of Section 302 of the Companies Act, 1956 an abstract of terms of his appointment and remuneration payable to Mr. Mote as Executive Director was dispatched to all the members vide notice dated November 17, 2012.

As per the terms and conditions of appointment and as part of the Company's performance appraisal, the Board of Directors of the Company at their meeting held on 23rd May, 2013 have, on the recommendations of the Remuneration Committee, granted to Mr Mote an increment of Rs.45,000/- per month in salary raising from Rs.4,35,000/- to Rs.4,80,000/- per month with the corresponding increase in all the perks related to salary and an increase of Rs.28,750/- per month in special allowance raising from Rs.3,61,250/- to Rs.3,90,000/- per month w.e.f. 1st April, 2013. The said increase is within the limits prescribed under the Act.

The appointment of Mr Mote as Executive Director of the Company and payment of remuneration to him requires the approval of the shareholders by a special resolution in general meeting in accordance with the relevant provisions and Schedule XIII of the Act.

The Board commends the passing of Special Resolution set out at Item No. 9 of the notice.

None of the other Directors of the Company except Mr. Arun Prabhakar Mote, the appointee, is either directly or indirectly concerned or interested in this resolution.

Item 10(a) and 10 (b) .

In order to reward, motivate and retain desired talent for high level of individual performance and for unusual efforts as also to create a culture of ownership and building commitment towards the Company, and to align employees objectives towards critical goals / milestone of the Company. It is proposed to introduce "Triveni Turbine Ltd. ESOP 2013" (TTL ESOP 2013/ SCHEME). The Scheme is meant for elgible permanent employees, directors of the Company including permanent employees of the subsidiary company(ies) as may be decided by the Remuneration Committee of the Board of Directors of the Company.

TTL - ESOP 2013 would be subject to and in conformity with the guidelines issued in this regard from time to time by the Securities and Exchange Board of India (Employees Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines 1999 (SEBI Guidelines) or any amendment thereof. In terms of SEBI Guidelines, the administration of ESOP 2013 would vest with the Remuneration Committee of the Board of Directors of the Company.

Disclosures as per Regulation 6.2 of the SEBI Guidelines as amended

1. **Total number of Options to be granted under the ESOP**

   Total number of Options to be granted under the Scheme shall not exceed 30,00,000 equity shares of Re.1/- each. One option entitles the holder of the options to apply for one equity share of Re.1/- each of the Company.

   Vested Options that lapse due to non–exercise or unvested options that get cancelled due to resignation of employee or otherwise, would be available for re- grant at a future date.

   SEBI Guidelines require that in case of any Corporate Action(s) such as right issues, bonus issues, merger and others a fair and reasonable adjustment needs to be made to the options granted. Accordingly, if any additional equity shares are issued by the Company, the above ceiling of 30,00,000 equity shares shall be deemed to be increased proportionately to the extent of the additional equity shares issued .

2. **Identification of classes of employees entitled to participate in the ESOP**

   All eligible permanent employees and Directors of the Company including the employees of the subsidiary Company(ies) , as may be decided by the Remuneration Committee.

   (As per SEBI Guidelines, Employees belonging to promoters or promoter group or holding directly or indirectly more than 10% of the outstanding equity shares of the Company shall not be eligible under the Scheme).

3. **Requirements of vesting period of vesting and maximum period of vesting**

   (a) There should be a minimum period of one year between the grant of options and vesting of options.

   (b) The vesting period may extend upto five years from the date of grant of options.

   (c) The vesting shall happen in one or more tranches as may be decided by the Remuneration Committee .

4. **Exercise Price or Pricing formula**

   The options would be issued at a market price (Exercise Price), which would be the latest available closing price on the Stock Exchange, which records the highest trading volume in the Company's equity shares on the date prior to the date of the meeting of the Remuneration Committee at which the options are granted or at such price as the Remuneration Committee may determine.

5. **Exercise Period and the Process of Exercise**

   The Exercise period will commence from the date of vesting and extend upto not later than four years from the date of the vesting of the Options or such other period as may be decided by the Remuneration Committee, from time to time.

   The Option would be exercisable by the employee by a written application to the designated officer of the Company to exercise the options in such manner , and on execution of such documents as may be prescribed by the Remuneration Committee under the Scheme.

   The options will lapse if not exercised within the specified exercise period.

6. **Appraisal process for determining the eligibility of employees to the ESOP**

   The appraisal process for determining the eligibility of the employees and directors will be in accordance with the "TTL ESOP 2013" or as may be determined by the Remuneration Committee at its sole discretion.

7. **Maximum number of options to be issued per employee and in aggregate**

   The maximum number of options to be granted to an employee shall not exceed 50,000 options in a year, provided that the aggregate number of options to each employee and director shall not exceed 2,50,000 options.

8. **Disclosure and Accounting policies**

   The Company will comply with the disclosure and accounting policies, as applicable.

9. **Method of Option Valuation**

   The Company shall use the Intrinsic Value Method for valuation of the options.

   As the Company calculates the employee compensation cost using the intrinsic value of the stock options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used fair value of the options shall be disclosed in the Director's Report and also the impact of this difference on profits and Earning Per Share (EPS) of the Company shall also be disclosed in the Directors' Report.

   In terms of Section 81(1A) and other applicable provisions if any of the Companies Act 1956 and SEBI Guidelines approval of Shareholders is sought to issue equity Shares pursuant to options to be granted under TTL- ESOP 2013 not exceeding 30,00,000 equity shares . Accordingly the Special Resolutions set out at Item nos. 10(a) and 10(b) are being placed for the approval of the Shareholders .

   The Board commends the passing of Special Resolutions set out at Item No. 10 (a) & 10 (b) of the Notice .

   All of Directors of the Company except Promoter Directors are concerned or deemed to be interested in the resolution to the extent the equity shares that may be offered to them under the Scheme .

By Order of the Board

Regd. Office

A-44, Hosiery Complex, Phase-II Extension

Noida- 201 305 (U.P.)

Company Secretary

Date: May 23, 2013

Triveni TURBINE LIMITED

Registered Office : A-44, Hosiery Complex, Phase II Extension, Noida – 201 305 (U.P.)
Corporate Office : Express Trade Towers, 8th Floor, 15-16, Sector 16A, Noida-201301 (U.P.)

ADMISSION SLIP

FOLIO NO.. NO. OF SHARES.................................

DP ID/CLIENT ID* ....

NAME OF THE MEMBER/

AUTHORISED REPRESENTATIVE...

NAME OF THE PROXY...

I hereby record my presence at the 18th Annual General Meeting of the Company being held on Thursday, the 1st August, 2013 at 10.30 A.M. at Expo Centre, A-11, Sector 62, Noida 201 301 (U.P.)

Signature of the Member/ Authorised Representative	Signature of the Proxy

*** Applicable for investors holding shares in demat form.**

TEAR HERE

Triveni TURBINE LIMITED

Registered Office : A-44, Hosiery Complex, Phase II Extension, Noida – 201 305 (U.P.)
Corporate Office : Express Trade Towers, 8th Floor, 15-16, Sector 16A, Noida-201301 (U.P.)

PROXY FORM

FOLIO NO. .... NO. OF SHARES................................

DP ID/CLIENT ID*...

I/We...of...being a member/members of Triveni Turbine Limited hereby appoint .... of...................................or failing him/her...of.. as my/our proxy to attend and vote for me/us on my/our behalf at the 18th Annual General Meeting of the Company to be held on Thursday, the 1st August, 2013 at 10:30 A.M. and/or at any adjournment thereof.

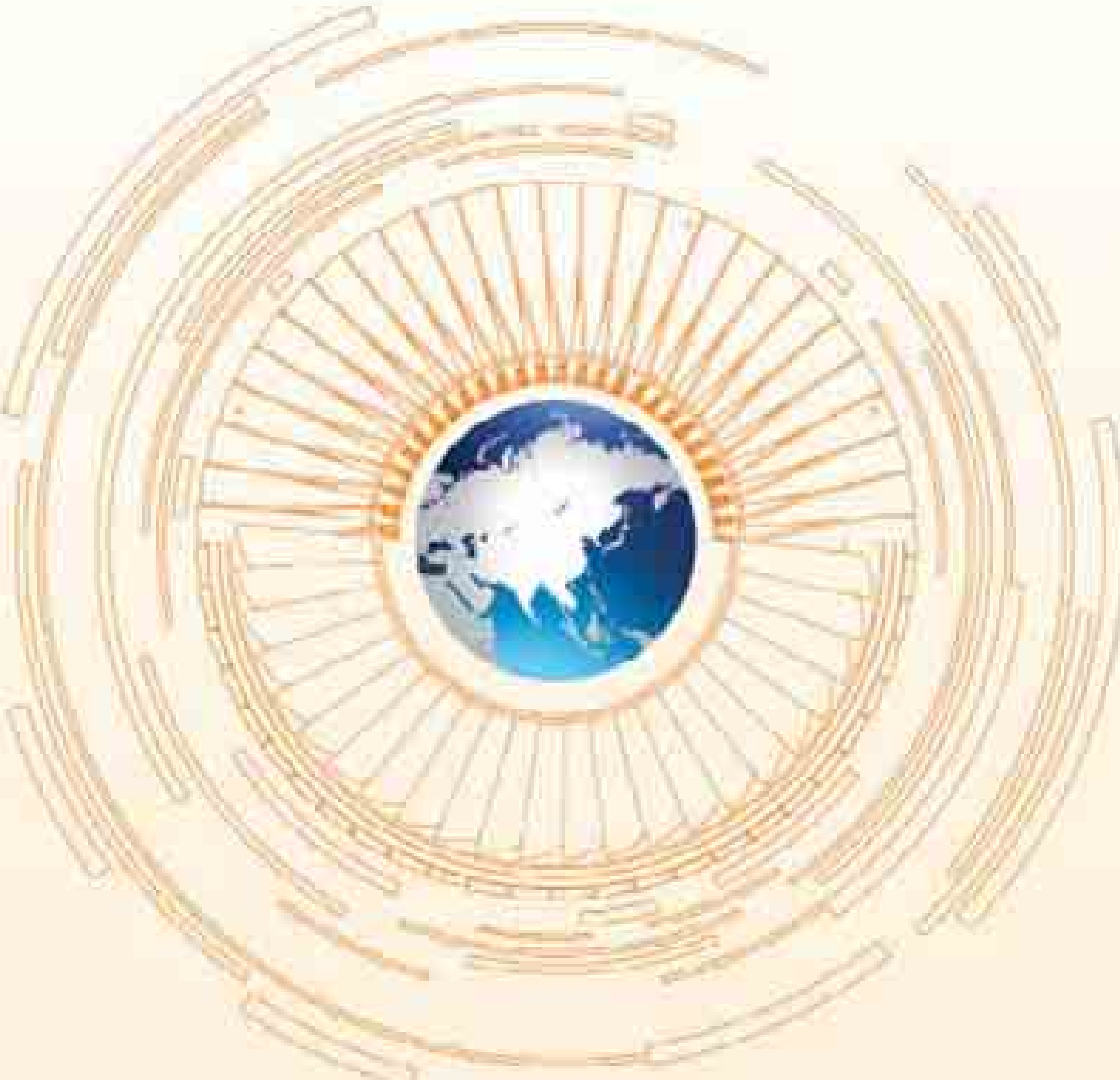
Affix Re.1/- Revenue Stamp

Signed this......................Day of ...., 2013 Signature

Note: The Proxy in order to be effective should be completed, stamped and signed and must be deposited either at the Regd. Office of the Company or at the Corporate Office of the Company at Express Trade Towers, 8th Floor, 15-16, Sector 16A, Noida - 201 301, Uttar Pradesh at least forty eight hours before the schedule time of the meeting.

*** Applicable for investors holding shares in demat form.**

Triveni TURBINES



Going Global

TRIVENI TURBINE LIMITED

Annual Report 2012-13

Contents

In the financial year 2012-13, the domestic capital goods industry was affected by a host of factors, such as decade low GDP growth, low business sentiments and uncertainties due to lack of clarity and clear direction on key policies. All this impacted the performance of this sector and resulted into delays in execution of new projects, a decline in investment by public and private sector, a decline in industrial production and growth of manufacturing sector, and slowdown in order finalisation. Resultantly, the de-growth of capital goods output worsened to 6.3% in 2012-13 from 4% in 2011-12 and this was the only user-based category to record a de-growth in 2012-13.

At Triveni, we insulated ourselves from the domestic slowdown and strategically focused on the export market to expand our reach in new geographies. As a result we reported a revenue growth of 4%, improved EBIDTA margins by 140 bps and improved profitability by 17%. This, higher than industry growth, was the outcome of our strategy of

Going Global.

Accelerating export growth

"We increased our focus on exports to diversify our revenue base and expanded our market reach globally in order to grow the business."

We, at Triveni, went for expanding our market reach globally which provided immense opportunities for growth.

We increased our focus on exports to diversify our revenue base and expanded our market reach globally to grow the business.

With the slowdown in the domestic capital goods industry, we focused on strengthening our efforts on export market for our turbines and related services. The primary sectors where our products find application in the export market are in the renewable and environmental segments such as bio-mass IPP projects, waste to energy, co-generation, and municipal solid waste projects apart from palm oil and sugar segments. Our increasing thrust on export market led to enhanced market visibility in the global market which in turn led to increased enquiries for our products.

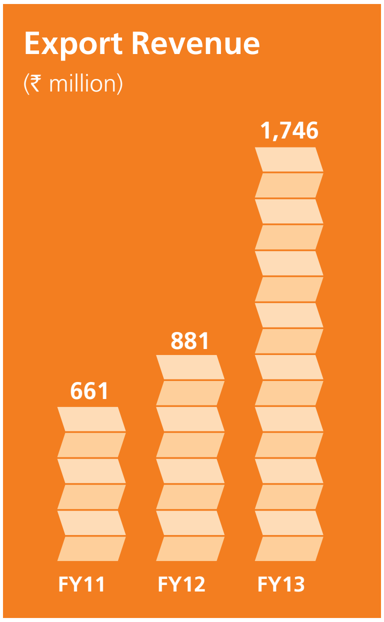
As a result, our export revenues increased by 98%, contributing 27% of the total turnover. Further, our export order in-take increased by 84% with increased visibility in the global market.

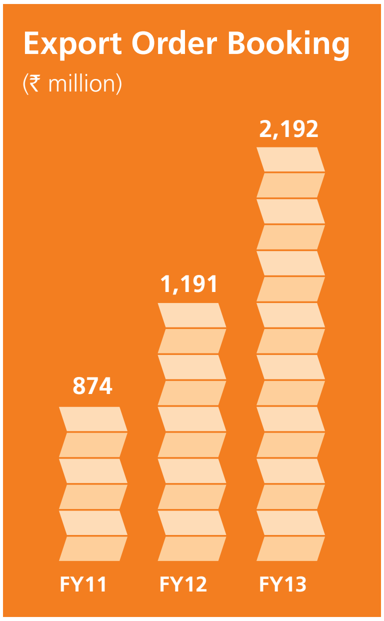
27%

Contribution of export sales to total revenue in 2012-13

98%

Increase in export revenue in 2012-13 over previous year





Expanding global footprints

Over dependence on any market segment can impact the growth of a company in case of any slowdown.

At Triveni, sensing the slow-down in the domestic capital goods industry, we expanded our presence to newer geographies along with consolidation in our existing global markets.

Our key global markets, Europe and South East Asia, witnessed opportunities in the biomass and waste-to-energy segments. While Europe continues to lead the world in respect of investments in renewable energy, the focus on the same has been rising rapidly in South East Asian countries. In order to capitalise on the emerging opportunities, we strengthened our presence in the biomass & waste-to-energy segments.

During the year, we expanded our global footprints to seven new countries across Europe, South East Asia, South America and Africa, taking the total number of countries of our presence to 40.

This is Triveni Turbine Limited

About Us

Triveni Turbine Limited (TTL) is one of the leading industrial steam turbine manufacturers of India in the up to 30 MW segment, with a dominant market share of 58%. Triveni has been delivering robust, reliable and efficient steam turbine solutions for over four decades. It was demerged from its parent company, Triveni Engineering and Industries Limited in 2010, to emerge as a pure play turbine manufacturer.

Product and services

The Company manufactures steam turbines that are engineered-to-order as per the diverse requirements of customers. It manufactures Back Pressure steam turbines which find its application in process co-generation industry and Condensing steam turbines which are used in power generation and co-generation.

Apart from manufacturing, the Company also provides a wide range of aftermarket services to its customers as well as turbine users of other manufacturers. The Company offers a wide suite of integrated solutions like Refurbishing, Operation and Maintenance, Erection & Commissioning and Spare parts among others. It has been able to maintain a higher uptime of 99% supported by its 24x7 customer care support, which operates through a network of 13 service centres across the country with a strong team of 180 employees.

Industry segments

The Company caters to multiple industry segments like sugar, steel, biomass, pulp & paper, textiles, chemical, municipal solid waste, Independent Power Projects (IPP), palm oil and food processing among others. The turbines are used in a wide range of applications like co-generation, combined heat & power generation, captive power generation and independent power generation.

Manufacturing facility

The Company's state-of-the-art manufacturing facility in Bengaluru has an installed capacity of manufacturing 150 steam turbines per annum. The manufacturing facility is certified with ISO 9001 and ISO 14001 for quality standards, which enables it to comply with the stringent international standards of product quality. The Company ensures superior quality product by manufacturing all critical components in-house, assembling turbines with precision and performing

2,500+
turbines installed by Triveni globally

18
industries where Triveni's products are used

40
countries where Triveni Turbines are installed

quality assurance tests before despatch. Every turbine manufactured in the facility is put through a Mechanical Steam Run Test at no load to test at operating and over speed limits in order to ensure its mechanical integrity and safety prior to delivery.

Presence

The Company has a strong presence in 40 countries across Europe, Africa, Central & Latin America, South East Asia and neighbouring countries. More than 2,500 steam turbines have been installed across 18 industries in these countries.

Partnership

In order to scale up its presence in the above 30-100 MW steam turbine category, Triveni entered into a joint venture with General Electric (GE) and formed GE Triveni Limited (GETL) in 2010. In this partnership, both partners are providing their brand names, technological know-how and design and engineering support. The marketing of GETL products is being undertaken by GE in the global market and Triveni in the domestic market. GETL is engaged in designing, supplying, selling and servicing turbines globally. This partnership is a win-win situation for both the entities as GE entered the below 100 MW industrial turbine space with a low cost high quality manufacturing base in India while Triveni could enter into the above 30 MW turbine space which has huge demand in the global market. The JV structure is an asset-light model, where the products are manufactured in the existing Triveni facility.

> *"Triveni Turbine Limited is one of the leading industrial steam turbine manufacturers of India in the up to 30 MW segment, with a dominant market share of 58%."*

6,569
total revenue earned in FY13 (in ₹ million)

58%
market share of Triveni in upto 30 MW range of steam turbines in India

63%
CAGR of export sales growth between FY11 - FY13

Message from the Chairman

Dear Shareholders,

I report with great satisfaction that despite a turbulent global environment, the Company has been able to achieve growth in turnover and profitability. Our exceptional performance on the bottom line has been made possible owing to our efforts on research and development, value engineering, and increased exports, which safeguarded us from the significant decline in the domestic economy and the turbine market.

During 2012-13, the Indian economy with GDP growth falling to a 10 year low of ~ 5%, faced the challenges of high finance costs, a policy conundrum, and a slowing of government spending and foreign investment. Industrial growth, especially manufacturing, was severely affected. The delay in execution of projects and decision making on new projects affected the capital goods sector. The de-growth of capital goods output worsened to 6.3% in 2012-13 from 4% in 2011-12 and this was the only user-based category to record a de-growth in 2012-13. The power sector was badly affected with the implementation of large and captive power plants almost coming to a standstill. The market for steam turbines declined by 17% compared to the previous year, which was even lower than 2010-11.

Despite such a testing environment and stiff competition, the Company's efforts to diversify its product range and markets paid rich dividends, with exports offsetting the significant decline in the domestic turbine market. We expanded our global footprints aggressively by entering into new countries in Europe, Africa, Latin America and South East Asia. We prioritised our focus on the renewable sector (specifically biomass), waste to energy, district heating, sugar and process co-generation. This has enabled us to report a 98% increase in turnover in exports compared to an increase of 33% in the previous year. In addition, we also expanded our range of products for the domestic markets, which will put us in good stead when the market turns around.

Our focus on innovation and customer satisfaction has improved our competitiveness and will be an enabler for our future growth plans. Our R&D program concentrated on reducing cost, improving efficiency and developing new models & variants along with protection of our Intellectual Property rights in India as well as overseas. The Company has a robust stream of service revenues and the refurbishment sector has picked up as customers prefer these solutions in the current difficult business environment.

Our subsidiary company, GE Triveni Limited (GETL), delivered its first turbine, a 35 MW set, which is currently under commissioning and is executing an order for two 40 MW turbo sets. This has enhanced the range of product offerings, and GETL is pursuing some good enquiries in both domestic and international markets.

We are working hard to penetrate new geographies, and ensure a higher level of satisfaction to our customers. Normalcy in the domestic market, as and when restored, will provide a further impetus for growth. Looking ahead, I am pleased that we are on a stable and positive path. The Company has established an internationally competitive business, and achieved a high degree of credibility with its partners and customers. Overall, the outlook on the business seems promising going ahead. We have the people, the opportunities and the know-how to deliver profitable business growth.

I would like to end by thanking our highly motivated team, our prime asset, and all our stakeholders - shareholders, customers, suppliers, partners and the Central and State Government, for their continuing faith and support.

With best regards,

Dhruv M. Sawhney

Chairman and Managing Director

Our focus on innovation and customer satisfaction has improved our competitiveness and will be an enabler for our future growth plans.

Q&A with the Joint Managing Director

Our improved performance is a testimony to the strength of the Company in terms of evolving its business strategy and charting its growth plans.

How would you assess the Company's performance with respect to the challenging economic environment?

Against the backdrop of slowdown in the economic scenario and market conditions in FY13, I am pleased with the Company's performance as the business could achieve growth both in turnover and profitability. Our improved performance is a testimony to the strength of the Company in terms of evolving its business strategy and charting its growth plans. The Indian economy has witnessed a slowdown that has dragged the economic growth to a decade-low of around 5%. The domestic market in the sub 30 MW range declined from 800 MW in FY12 to 670 MW in FY13. In spite of the declining market and stiff competition, the Company could improve its market share from 54% in FY12 to 58% in FY13.

I note with satisfaction a nominal growth of 4% in net Sales, 17% increase in profit after tax, return on equity (ROE) at 103% and return on capital employed (ROCE) at 138%. EBITDA grew by 10% at ₹ 1.72 billion with a margin of 26.1%, which we believe is unique in this industry globally and a record for the Company.

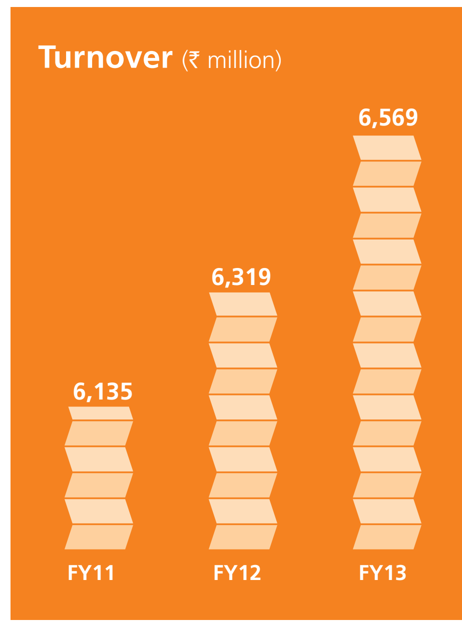
What strategies were pursued that led to the improvement in results?

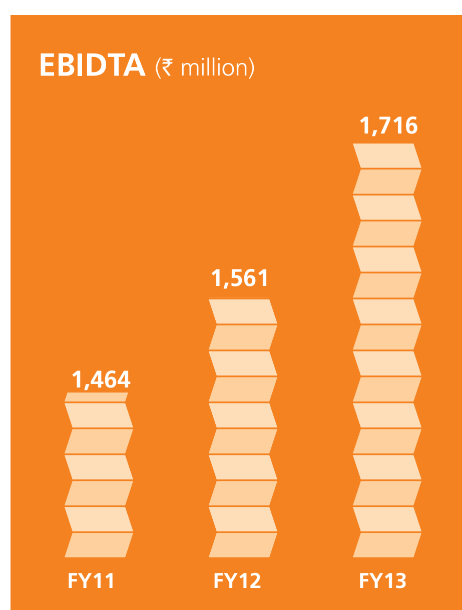
The contraction in the domestic market posed challenges as well as opportunities to us. It made us work harder to gain a competitive edge. We developed various models and variants to provide better value proposition to the customers in terms of product & cost efficiencies and focused on the export market to compensate for the decline in the domestic market. Further, our focus on the after-market business also yielded results in the domestic market and made appreciable in roads in the global market.

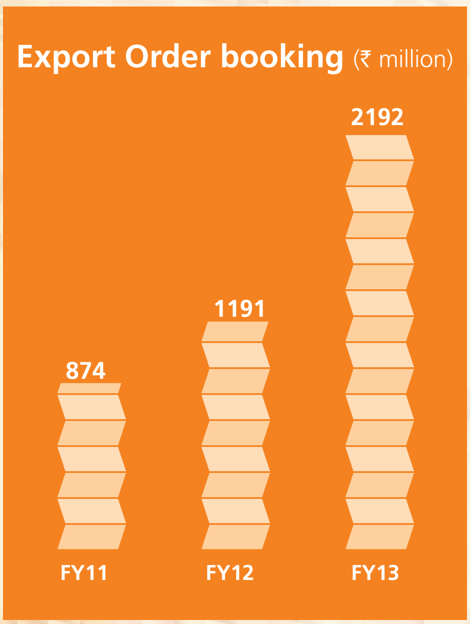
Export is one of the key success factors that led to the improved performance. Can you please elaborate on this?

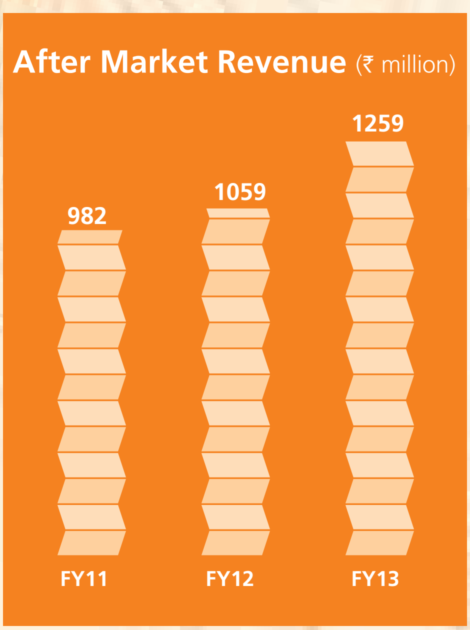
The key success factor for the Company's performance is the ongoing focus on exports. The enhanced market reach helped in offsetting the significant decline in the domestic market during the year. TTL deployed a structured approach in order to establish the brand globally.

With this strategy the Company was effective in leveraging its strengths and was able to utilise resources optimally, establishing faster acceptance across the global marketplace. The Company









has, apart from limited direct marketing, enhanced its market reach by appointing local representatives and business partners. Consistent implementation of this strategy is ensuring success and opening up new market opportunities. During the year, the Company expanded its geographic reach from its established market of South East Asia to newer markets of Africa, South America and also to the developed markets of Europe, especially in the bio-mass and waste to energy segments, which are less prone to economic cycles.

This helped in steady growth of enquiry book by almost 40% year on year from the international market along with higher success rate of order conversion. During FY13, the order intake from international market went up by 84% at ₹ 2.2 billion. The export turnover, which went up by 98% during the year, has been one of the main drivers for achieving the growth in turnover and improved profitability for the business.

How would you describe the performance of the Aftermarket business?

Aftermarket segment is an area of unrelenting focus for us as it also leads to customer satisfaction. During the year, we achieved significant inroads in the export business where the potential is high. Our foray in exports helped us to showcase and market our capabilities in the aftermarket segment. Introduction of a number of new areas of revenue generation like spares for efficiency improvement packages, focus on refurbishment of large sized turbines further improved the Company's competitive position and laid foundation for further growth going forward. The share of after-market sales to total sales has shown improvement from 17% in FY12 to 19% in FY13. The aftermarket business showed year on year growth of 19%.

Innovation and research has remained a key focus area for the Company. How has the Company's strength in technology and R&D translated into growth?

Innovation is at the heart of TTL's strategy. In an environment undergoing intense transformation, innovation and research enable the Company to maintain stability and seize growth opportunities. TTL's in-house design team supported by consultants and domain experts are always looking for new ways to add value for customers. In order to boost the competitive strength of products, the Company has developed 10 new models / variants during the year under review. These models address the product gaps in the range and achieve higher efficiency levels. After rigorous testing, the Company has introduced hybrid technology machines which combine best of reaction and impulse technologies.

Besides developing breakthrough products, protection of Intellectual Property provides the right ecosystem for long term sustainability of the business. Keeping this in view, the Company ensures involvement of IP team right from product conceptualisation stage to the final design stage, thus establishing a comprehensive security system to safeguard the valuable IPRs. As on March 31, 2013, the Company has 80 IP filings.

TTL's continuous thrust on R&D along with strong IPR helps in creating an ecosystem within the organisation that boosts creativity and innovation, which leads to higher customer satisfaction as well as stakeholder value-creation. The Company's efforts in the field of IPR gained recognition at national level when CII, Department of Industrial Policy & Promotion and Intellectual Property India honoured TTL with "Top Organisation in Design" award.

How has your partnership with GE progressed during the year under review?

The progress in the joint venture with GE is satisfactory and the Company has delivered its first turbine of 35 MW which is currently under commissioning. In addition, it has also bagged one order for 2*40 MW from one of the leading public sector mineral companies in India. This initial success and reference will help GETL to establish and convince the prospective customers of its products, paving way for more business. TTL manufactures turbines for GETL at its manufacturing facility. The joint venture is pursuing many enquiries both domestically and internationally and is hopeful that some of them will be converting into orders in FY14.

What are the unique strengths and growth drivers of the Company that will help in shaping the future business prospects?

Although FY13 was a phenomenal year, it is important to move ahead and focus on future. The timing of domestic market recovery is uncertain, but the underlying drivers for business growth are intact. The Company will continue its focus on exports, aftermarket services, continuous improvement in quality and investment in innovation and R&D. We are fortunate to have a competent and motivated team and we strive to further enhance their skills to be able to overcome a complex business environment.

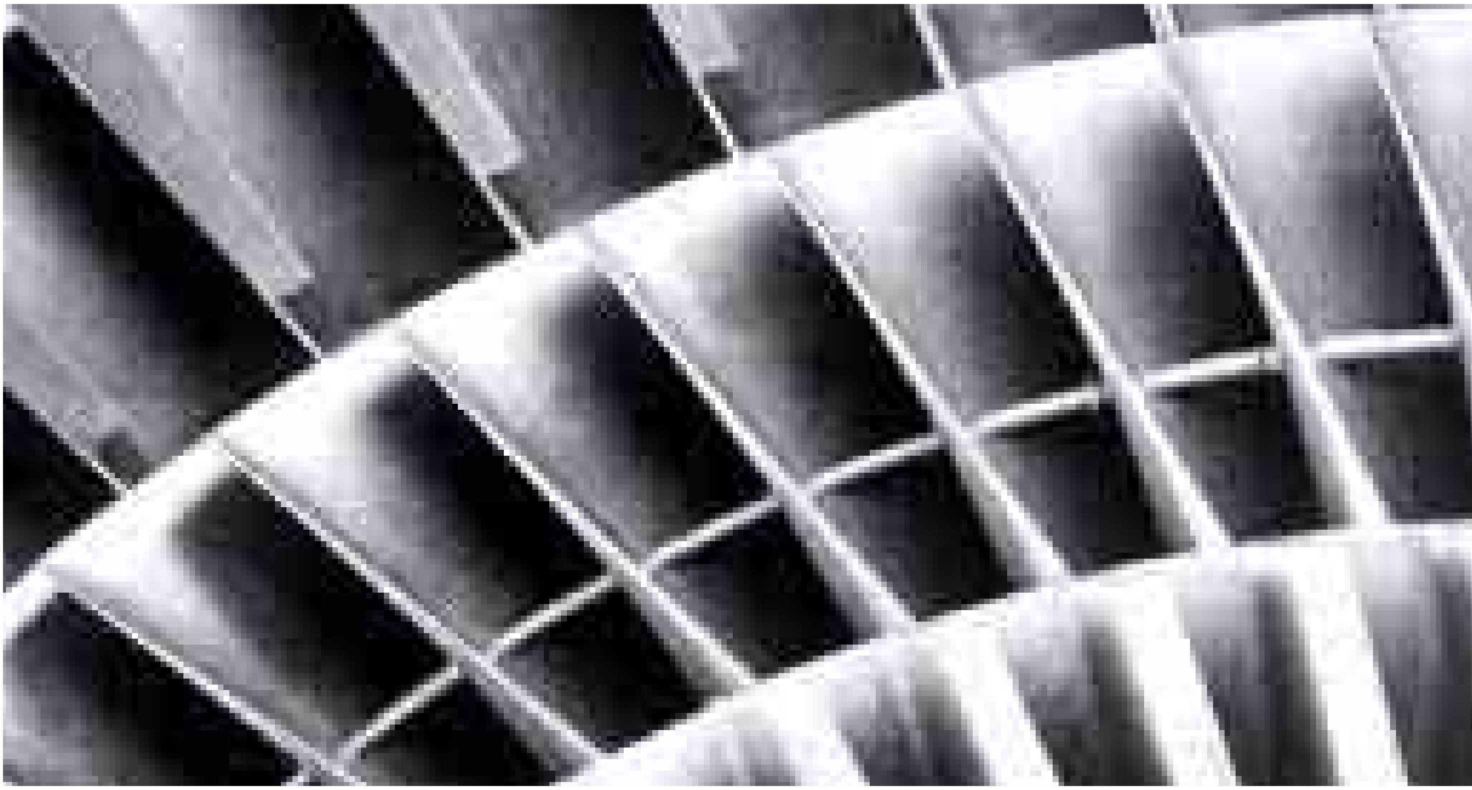
The Company's carry forward export order book is ₹ 1.35 billion with a strong enquiry book of more than 4 GW. This should enable TTL to have a strong order booking and resultant turnover from the export market in FY14. The spares and refurbishment business are growing well. With the increase in numbers of higher MW turbines installed, the business from spares & servicing should also go up considerably going forward. Further, the successful foray into refurbishment of higher sized turbines should also help the Company to get more orders in that segment going forward.

The Company is confident of providing quality products manufactured at its state-of-the-art-facility which is certified by ISO 9001 QMS & ISO 14001 EMS standards and is always ready to cater to diverse customer needs for turbine application. To maintain comprehensive quality control of Turbine and its Auxiliary Systems, the Company has a network of approved suppliers and dedicated sub-contractors complying with stringent quality norms through Quality Assurance Plans. TTL's product deliveries match the competitors in Europe, China and Japan, and offer a strong value proposition in terms of efficiency and cost to the customer.

TTL's product development program has been designed to deliver CAPEX and OPEX advantages to the end customer. The R&D team is focused on developing better and more resourceful designs that deliver higher performance and add value to our customers' plants.

The Company has a good starting point for the next year having a strong business strategy and a favourable financial position. Going forward, TTL will continue to strive for operational and functional excellence and will keep building long lasting relationship with customers globally. TTL has been successful in maintaining a robust foundation that will enable it to swiftly address future changes in the business environment and steer the business towards a path of steady growth. The Company has the people, the opportunity and the know-how to deliver industry-leading growth and create shareholder value.

Management Discussion & Analysis



Triveni Turbines operates within the engineered-to-order mechanical equipment sector, manufacturing steam turbines primarily for industrial use up to 100 MW.

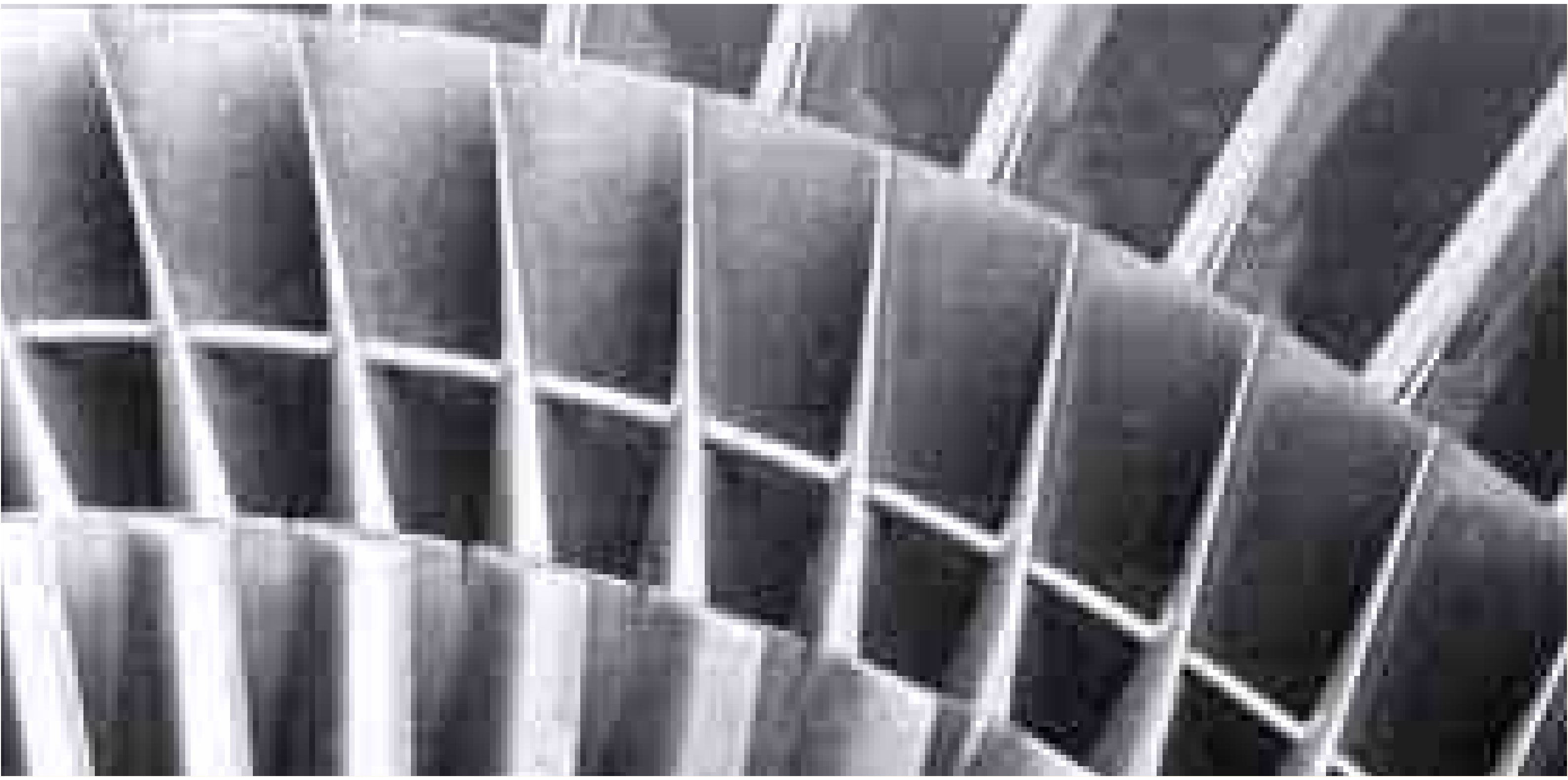
Industry estimates indicate that the current and approved electricity capacity- addition projects in India are expected to add about 88 GW of installed capacity in the 12th five year plan beginning April 2012. This potential for growth will make India one of the fastest growing markets for electricity infrastructure equipment. However, uncertainties in the regulatory environment over coal linkages, land acquisition, environmental clearance etc., have adversely impacted new investments to a major extent and may also further delay the execution of projects which are underway. Under these circumstances, distributed power generation and captive power plants continue to play a crucial role to meet industrial demand for power.

As a key input into the decentralised and captive power generating industry, the business derives its demand through three principal segments – both domestically as well as from the export market.

Industrial Capital Expenditure

The largest segment of demand, through the course of a business cycle, for our products is from industrial expansion – either greenfield or brownfield. All process industries that require steam as part of the process would necessarily generate power onsite, as it is the most efficient use of thermal energy. Whereas electrical output through captive power plants deploying a condensing steam turbine would give a thermal efficiency of around 33 to 35% (as compared to a super critical power plant which operates at significantly higher temperatures and pressures, which get a thermal efficiency of up to 39 to 40%); co-generation based captive power plants deliver two forms of energy – electrical power and heat in the form of steam. These co-generation based captive power plants deliver thermal efficiency in excess of 70%.

Other process industries that may not use steam as part of the process, but due to their remote location and inability of the grid to supply quality and cost-effective electricity, may have to go for generation of power onsite. These industries do also usually produce heat in their process which can be captured to generate power on a decentralised basis as well.



To set the context correctly it will be important to examine the domestic and export market environments for the preceding year.

Domestic Market

In 2012-13, the Indian economy slowed down and the economic growth fell to a decade-low level of around 5%. This may be attributed to the high interest regime pursued in the monetary policy by the RBI to control inflation and worryingly large fiscal and current account deficits. Exports slowed and imports, main constituents being largely inflexible, continued at high levels. The problem being made more acute by high prices of oil and other commodities coupled with a depreciating rupee. India is now well integrated with the global economy and the global slowdown, particularly in Europe took a heavy toll. Business sentiment remained subdued in view of the near-bankruptcy of some European countries and heightened global risk aversion.

Due to the factors mentioned above, the investment in industry was subdued and the capital market was moribund. A number of major industrial projects, many of them in infrastructure, remained stagnant. Foreign investment levels too were not encouraging.

The economic slowdown resulted in a 4% de-growth in capital goods sector in 2011-12, while in the past five years the output of capital goods increased at an average growth rate of approximately 15%. The slowdown in infrastructure as well as key user industries strained the industry players with fewer orders, delays in taking deliveries / execution of projects and delayed bill payments. Going by a user-based classification, the de-growth of capital goods output worsened to 6.3% in 2012-13 from 4.0% in 2011-12, and this was the only user-based category to record such de-growth in 2012-13.

Export Market

Even more than four years after the global financial crisis, developed economies are struggling to restructure their economies and regain fiscal sustainability. Developing countries in turn have been affected by the weakness in the developed countries. Euro zone pessimism of mid-2012 had larger than expected real side effects, weakening the global economy. This has impacted the industrial and manufacturing sectors in these economies to a large extent, which in turn affected the fresh capex and demand for capital goods. South East Asia, in general is an exception to such declining economic activities and one of the few regions which are still on economic ascent.

Renewable Energy

The Renewable Energy market is the second largest segment of market demand, through the course of a business cycle, for the products of Triveni Turbines. They are characterised by three distinct sectors – small-scale renewable-based Independent Power Producers, agro-based co-generation and renewable waste-heat recovery Captive Power Plants. These sectors have the advantage of an assured fuel supply coupled with financial incentives, which makes this segment a steady contributor to demand.

The renewable based Independent Power Producers and agro-based co-generation sectors are the most reliable sources of demand for steam turbines. While this demand may not be as large as the potential of the Industrial Capital Expenditure segment, it does form a base demand. As this sector will always attract investments - as long as the feedstock is available -it is usually non-cyclical.

As per industry data, of the total installed renewable energy capacity of 28 GW in India as on March 31, 2013, approximately twenty percent has been set up through bagasse co-generation, biomass and waste-to-power. India saw a capacity addition of 10 GW from renewable energy sources during the last 3 years. Bagasse co-generation, biomass and waste-to-power contributed approximately 475 MW to the total capacity addition in 2012-13. The current potential of bagasse co-generation is estimated at 5 - 7 GW, surplus agro and forest residues to energy is estimated at 17 GW along with an additional "waste-to-energy" potential of 2.7 GW.

The share of renewable power in global energy consumption, though relatively small, is ever increasing. Targets, subsidies, public investment, innovative financing, bulk procurement, green power purchasing, building codes, municipal utility regulation, and many other incentives exist across the world to enhance the share of electricity generation through renewables - none so more than Europe, which targets 20% of total energy production from renewables by 2020. The cumulative installed biopower capacity in Europe is poised to nearly double between 2012 and 2035 and greenfield biomass power plants are expected to capture the bulk of the growth.The use of solid biomass such as agri-waste, municipal waste and wood is expected to increase in the future in developing countries as well. An increasing use of wood chip/pellets are deployed in the Latin American countries; while a continued expansion of modern biomass power generation and co-generation can be witnessed in countries such as Brazil, Philippines, and Thailand, as well as pan-Africa. As per some industry projections, Asia will supersede Europe as the leading market by 2016 in terms of number of biomass based plants and capacities.

The third sector which contributes to demand for Triveni's products, within the Renewable Energy segment is the waste-heat recovery Captive Power Plants. Demand from this sector is counter cyclical to the business cycle and Industrial Capital Expenditure segment. When business sentiment is low, companies tend to increase capital expenditure on efficiency. This efficiency-spend manifests itself in streamlining of operations and the reduction of operating costs – primarily through captive power generation. Many industries which deploy processes that are exothermic in nature and generate heat during their processes, especially, metal and cement, opt for an eco-friendly way to generate power at their premises to bring down their cost of production. The waste-heat once captured is converted into steam which in turn drives a power generating steam turbine.

Opportunistic sale of power to the grid by Captive Power Plants

The third segment which drives demand for steam turbines is the oversizing of captive power plant capacities to be able to sell the surplus generation to the grid. According to industry data, as on March 31, 2013, the captive generating capacity connected to grid in India is about 35 GW. Across industries, there is significant variation in captive capacity utilisation. Metals, Heavy engineering, Chemicals, Petroleum, Paper, and Cement industries account for 70% of the total captive capacity and 85% of the generation.

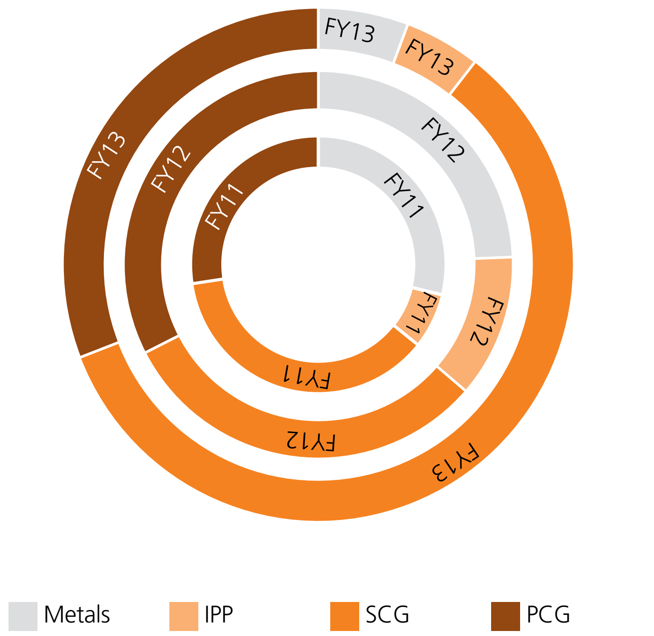
BUSINESS PERFORMANCE

Given the challenges in the overall economic environment and the capital goods industry, the operating and financial performance in FY13 has been satisfactory and encouraging. Even under the existing difficult business conditions, the business was able to achieve a growth in turnover and improve its profitability. The overall domestic market continued to decline and year-on-year, the market shrunk by 17%, while the decline from FY11 has been over 50%. Triveni succeeded in improving its market share from 54% in FY12 to 58% in FY13 in a highly competitive market.

MARKETING

Domestic: As per the industry data, the domestic market declined from over 1400 MW in FY11 and 800 MW in FY12 to 670 MW in FY13 and the biggest decline recorded was in the metal segment followed by Independent Power Producers (IPP). The Company continues to maintain its dominant position in all segments of the market viz., sugar co-generation (SCG), process co-generation (PCG) and IPP. Despite the slowdown in domestic orders, the overall enquiry base for FY13 has shown a growth of 12% over FY12. In FY13, the PCG industry in particular has witnessed growth in enquiries due to expansion in the cement and chemical industries. There was a rise in the Company's market share in the 20-30 MW segment, reflecting an increasing market awareness about the Company's product range and strong positioning in the metals and minerals market. The shrunk domestic market has resulted in lower average capacity of a turbine and the competition has intensified in this range as the market players are vying for business to keep their capacities occupied. The Company has addressed this by introducing low cost models.

Market data



Source: Industry data

Exports: With the decline in domestic demand, the Company's focus on the international market yielded rich dividends during the year. The Company deployed a three pronged strategy - (a) identifying key countries/geographies, (b) focusing on selected segments/sectors like sugar co-generation, process co-generation and waste heat recovery and (c) creating brand awareness and positioning Triveni as a strong global brand with the capability to offer efficient and customer specific solutions.

The Company has, apart from limited direct marketing, enhanced its market reach by appointing local representatives and business partners. This has enlarged the enquiry base and success rate of order conversion and resulted in better realisations through market intelligence. The foray into new markets resulted in expanding the year-on-year enquiry book by almost 40%. FY13 has been an outstanding year for the Company's export market with order intake and order execution showing a growth of 84% and 98% respectively. Globally, Triveni turbines are installed in 40 countries across Asia, Europe, Africa, Central & Latin America and some parts of Middle East.

Aftermarket Services: The Company provides 360 degree after-sales services. These include erection and commissioning, supply of spare parts, refurbishment and operation & maintenance. The 24x7 customer care support helps customers maintain a high uptime. The dedicated customer care cell serves customers through an integrated network of service centres, with a team of over 180 well trained employees. During the year, the Company introduced a number of new areas of revenue generation in services & spares domain including spares for efficiency improvement packages which helped in sustaining the turnover in an otherwise subdued market.There has been a major growth of over 50% in the refurbishing business with renewed customer focus and new areas of business including focus on the utility segment. A significant order had been executed in the utility segment which could open up major market opportunities for the Company in future. The aftermarket business showed year on year growth of 19% and increased contribution of 19% to overall revenue. This segment is well positioned for further growth, through continued focus on utility and industrial segment turbines.

MANUFACTURING FACILITY

TTL's state of the art manufacturing facility matches international standards and is equipped with an array of 4 and 5 axis machining centres, a mill-turn centre for rotors and CNC gantry and CNC VTL for casing machining. The facility has fully equipped assembly-cum-test beds and records the test results on a wireless data acquisition and display system. The manufacturing facility is certified for ISO 9001 QMS & ISO 14001 EMS standards.

TECHNOLOGY

For technology intensive products like steam turbines, continuous product development is a key to maintain an edge over the competition. During the year, the Company has developed 10 new models / variants. These models addressed the product gaps in the range and improved efficiency levels. The new models address the requirements for both the lower and higher ends of the product range. After rigorous validation and testing, the Company has been introducing hybrid technology machines which combine the best of reaction and impulse technologies.

INTELLECTUAL PROPERTY RIGHTS

Steam turbine design and manufacturing is a technology intensive business, and protection of Intellectual Property (IP) is critical for the long term sustainability of the business. The Company ensures involvement of its IP team right from product conceptualisation to final design, thus establishing a comprehensive security system to safeguard the valuable IPRs. During the year, the Company conducted internal IP audits and implemented a rigorous IP policy. Complete technology scanning of all R&D projects is undertaken by the IP team. Stringent Information Technology, digital communication and security policies have been put in place. Filing and prosecution of patent applications and design registrations has been carried out in India, Europe, South East Asia, and the U.S.A.

The Company won the prestigious National Intellectual Property Award 2013 in the category of "Top Organisation in Design" for its outstanding contribution to intellectual property in the country. This recognition came from the Indian Intellectual Property Office under the Department of Industrial Policy and Promotion, Ministry of Commerce & Industry, Government of India.

SUPPLY CHAIN

The Company believes supplier relationship management is one of the critical success factors in growth and success of its business. It associates with its key suppliers by entering into long term partnership agreements which have significantly contributed to the success of this business. A well defined purchase policy covering all aspects of the procurement function serves as a guideline for transparent, consistent working and purchase risk mitigation. Product standardisation through value engineering is an ongoing activity to optimise cost and manufacturing lead-times.

While suppliers are governed by a strict code of conduct and non-disclosure agreements, the Company partners with them to improve their manufacturing processes to minimise rejections and rework, thus reducing costs. It also clearly shares its business plans and expected order flow to the 'A' class suppliers manufacturing the critical long lead items to enable them keep manufacturing facilities earmarked for the requirements of the Company. The Company has been offering the shortest deliveries in the turbine market, with the support of its supply chain partners.

In spite of the depressed markets and rising cost of major raw materials and fuel prices resulting in pressure on profit margins across the industry, the Company succeeded in managing its costs by its unique strategies and leadership decisions in rationalising designs and materials, as well as by developing new and effective suppliers.

To improve further the quality standards of its products and services to customers, 'zero defect' is the theme coined across the organisation and suppliers are actively engaged in and committed to this initiative.

QUALITY ASSURANCE

The Company's strength lies in complying to relevant product standards such as API, ASME, AGMA, NEMA and IEC etc. The Company has a network of approved suppliers and dedicated sub -contractors complying with stringent quality norms through Quality Assurance Programmes. The Company also ensures CE / PED Mark Quality Certification to its product, satisfying European norms.

The Company deploys tools and techniques like Visual Management system, DMAIC, Kaizen, QIP, Zero defect and a rigorous Customer Complaint Resolution System in order to increase productivity and provide reliable and high performing turbine solutions to its customers.

To inculcate a culture of continuous innovation and improvements throughout the organisation, the "Kaizen" movement was introduced in 2010. The results have been immediate, significant and satisfying in the areas of improving productivity, maintaining and enhancing quality, controlling cost by eliminating waste and ensuring safety through improving processes. The Kaizen team bagged second place in "National Level Kaizen Competition" under the "operator" category.

HUMAN RESOURCE

The Company's core competency is in designing and customising the products for the customer's need. Strong engineering and design and servicing teams are the backbone of the Company. To develop, maintain and build its in-house talents, the Company has set up a state-of-the-art Learning Centre. The Learning Centre is the fulcrum for all the technical training needs of its engineers. During the year, the emphasis was laid on imparting technical training to engineers and workmen on the products. The Learning Centre had conducted training for around 10 man days per employee. Engineer Trainees were imparted complete training from basic engineering concepts, product inputs and field exposure. Training on the Company's products was provided to the customers' engineers to reduce breakdown and downtime in operating and maintaining the Company's product, and to its suppliers to improve their efficiencies and ensure quality.

The Learning Centre, in co-ordination with supply chain, has facilitated training through domestic and international suppliers of balance of plant (BOP) equipment to train its engineers on technological updates. Computer Based product Training (CBT) developed by the Learning Centre is used by all the engineers as an effective comprehensive self-learning aide on turbine technology. The Learning Centre is building its repository of knowledge on the existing product range and on the new developments in tandem with R&D and Engineering.

ENVIRONMENT, HEALTH & SAFETY (EHS)

To achieve a consistently benign environment in the organisation, the Company has maintained a comprehensive environmental management system in accordance with ISO 14001. EHS related activities are streamlined in a structured manner focusing on plant safety and site safety. The EHS system is reviewed at regular intervals to capture safety related data in a structured manner to enable appropriate corrective and preventive actions. Training is imparted regularly to eliminate accidents and build awareness.

OUTLOOK

The economic sentiments and growth prospects remain uncertain in domestic market. Based on the enquiry book and market feedback, the Company believes that overall order finalisation for FY 14 should be better than FY13. With the impediments being faced by the large utility power generation projects, distributed power generation may be the preferred option. Further, with acute pressure on margins, industrial customers will be looking for cost reduction and improvements in efficiency in the use of power. Similarly, discrete renewable energy based power generation will be required for meeting the power requirement in remote areas through distributed and decentralised power generation.

Exports will continue to be the major growth driver for the Company. The Company's carry forward export order book is ₹ 1.35 billion with a strong enquiry book of more than 4 GW. This should enable the Company to have a strong order booking and resultant turnover from the export market in FY14. The Company's foray into new geographies and new industrial segments in FY13 and the healthy enquiry book in these international markets give hopes of a better outlook for the business. In the international markets, investments in Biomass IPP and conversion of coal based power plants into biomass will be witnessed in Europe. Landfills are banned, which has facilitated investments in alternate disposal of waste for waste-based power generation either through direct incineration or gasification. The markets have recently seen good activity on the conversion of district heating plants into combined heat and power offering better overall thermal cycle efficiency and this should provide attractive opportunities in many parts of Europe.

The Middle East and parts of Europe continue to be a big potential market with business coming from combined heat and power solutions in the Process Co-generation, Food processing and IPP segments.

Overall the outlook for the business seems to be more promising for FY14 and the Company expects reasonable growth in the international markets.

GE TRIVENI LIMITED – A SUBSIDIARY COMPANY (GETL)

GE Triveni Limited is a subsidiary of the Company and a joint venture with General Electric Inc. GETL is engaged in the design, supply and service of advanced technology steam turbines with generating capacity above 30 MW and up to 100 MW. During FY13, GETL successfully delivered its first order (1 x 35 MW) for a domestic steel plant.

GETL, on the back of successful delivery of its first steam turbine, has received an order from India's leading power sector engineering company for the supply of two advanced steam turbines of 40MW each. These will be delivered to 80MW distributed power plant for a Government of India enterprise. The steam turbine is a packaged high-speed turbine deploying state-of-the-art blading technology, which optimises efficiency of the turbines. The manufacturing of the turbines for GETL will be undertaken in the Company's manufacturing facility. This initial success will give fillip to GETL in convincing prospective customers of the quality and value of its products, paving way for more business. The enquiry book in the domestic and international markets is encouraging and has sizeable active deals in the pipe line.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company, in its commitment towards society's development and sustainability has undertaken multiple initiatives through direct organisational involvement and indirect support for social causes.

Through its association with a Consultant who specialises in conducting Leadership Adoption Program for Schools, the Company arranged training programme for 300 underprivileged students of Government Model Primary School, Peenya, during the academic year 2012-13. Under this program, training was imparted to the students on various Life Skills like communication in English, personal hygiene and personality development.

The employees of the Company organised Manoranjana Karyakrama for around 150 people consisting of patients, staff, trustees and supporters of a cancer hospice where patients in advanced state of the disease, are provided free palliative and continuing care.

The Company 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 during six days in a week where around 200-250 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 also provided financial assistance to VIMOCHANA, an NGO for Women's Rights, which is engaged in social service such as supporting women through counseling and providing short-stay facilities, legal assistance, training, creating awareness etc.

FINANCIAL REVIEW

The summarised financial results of the Company for the year 2012 -13, compared with the previous year's results, are provided here.

(₹ in Million)

Description	2012-13	2011-12	Change %
Net Turnover	6,568.5	6,318.8	4.0
EBITDA	1,716.3	1,561.2	9.9
Depreciation & Amortisation	122.6	115.9	5.8
Finance Cost	27.2	95.9	-71.6
Profit Before Tax	1,566.5	1,349.4	16.1
Tax	500.2	438.6	14.0
Profit After Tax	1,066.3	910.8	17.1

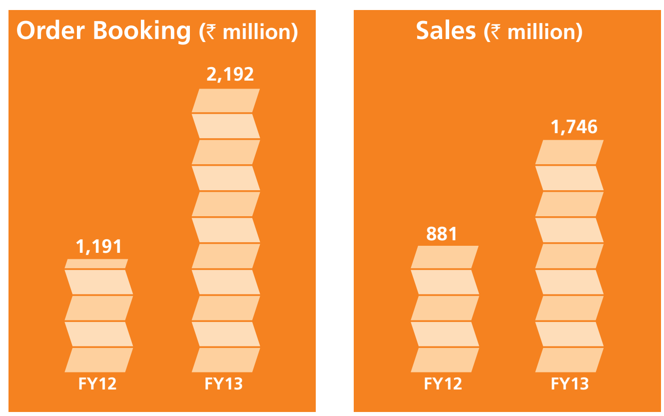
The operating results of the Company should be looked in the backdrop of an extremely sluggish domestic market relating to the range of turbines being produced by the Company, which has further declined by 17% during the year after a steep decline of over 50% in the previous year. The GDP growth of the country for 2012-13 stood at around 5% which was one of the lowest in a decade.

Under these challenging conditions, the Company achieved 4% higher turnover at ₹ 6,568.5 million, 16% higher PBT and 17% higher PAT. There are few factors which led to an improvement in the profitability:

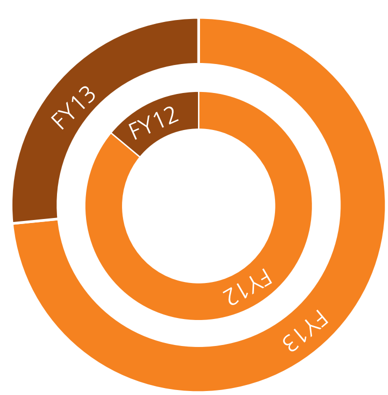
Export Sales

The main reason for the good performance of the Company is the vision and foresight of the Company to focus on exports in the last few years to achieve geographical diversification of revenues to minimise over-dependency on any one market. The efforts made by the Company has paid dividends as the Company achieved 84% growth in the export orders secured during the year and 98% growth in export sales. Further, the exports contributed 26.6% to the overall revenue of the year as against 13.9% in the previous year. The margins of growing export sales were higher than on domestic sales.

Export Order Booking and Sales



Domestic vs Export Sales

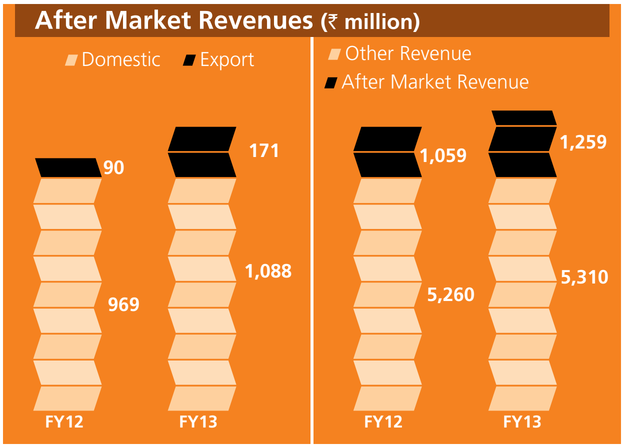


(₹ million)	FY13	FY12
Domestic Sales	**4,823.0**	**5,438.2**
Export Sales	**1,745.5**	**880.6**

After market revenues

After market revenues comprise of erection & commissioning, supply of spares, rendering of services, refurbishment and O&M. These are high margin revenue streams.

During the year, the revenue increased by 19% to ₹1,258.8 million and its share to the total revenue was 19% as against 17% in the previous year. Further, during the year, export formed 14% of the total After Market revenues as against only 8% in the previous year.



REVIEW OF COST COMPONENTS

The summarised analysis of the cost components is being provided as hereunder:

Raw Material Consumption

(₹ in Million)

Description	2012-13	2011-12	Change %
Raw material*	3,803.8	3,827.6	-0.6
Percentage to Sales	57.9%	60.6%	

*(Including increase/decrease of inventory)

Despite increase in turnover by 4%, the Material cost is marginally lower than the previous year and percentage cost to sales has reduced by 270 basis points. The savings in material cost is due to continual value engineering being carried out by the Company, strong supply chain management systems and due to higher proportion of high margin exports and after-market revenues.

Personnel Cost, Other Expenses and Depreciation

(₹ in Million)

Description	2012-13	2011-12	Change %
Personnel cost	537.7	461.0	16.6
Percentage to Sales	8.2%	7.3%	
Other Expenses	591.6	516.1	14.6
Percentage to Sales	9.0%	8.2%	
Depreciation & Amortisation	122.6	115.9	5.8
Percentage to Sales	1.9%	1.8%	

Personnel Cost

The increase in Personnel cost by 16.6% includes impact of certain HR and IR strategic initiatives in retaining talent and the cost of newly recruited technical staff as a part of development of the talent pool. During the year, an agreement was reached with the unionised staff for a period of 4 years and the impact of the wage agreement is factored in the cost.

Other Expenses

It comprises of manufacturing, administration and selling overheads. The increase in other expenses by 14.6% is mainly on account of increased expenses relating to developing exports business and participation in international exhibitions to showcase our products and capabilities. All this should likely culminate in higher growth opportunities.

The manufacturing expenses were well controlled, both in terms of the absolute amount and as a percentage to sales. Optimised

machine utilisation, particularly high end CNC machines and certain other process improvements have resulted into lower consumption of tools and consumables, power and fuel and reduction in production cycle time.

Depreciation and Amortisation

The variation in charge is marginal as there were no significant additions to the tangible and intangible assets during the year.

BALANCE SHEET

Share Capital

The equity share capital remains unchanged at ₹ 329.88 million as also the preference share capital at ₹ 28 million.

Reserves and Surplus

The Reserves & Surplus have increased by 230% to ₹ 1084 million due to ploughing back of undistributed profits of ₹ 755.5 million during the year.

Loans

During the year, the Company has repaid all its term loans, including interest thereon and the Company has become debt free except for some minor vehicle loans. There is no utilisation of working capital loans at the year end, though it was sparingly used during the year for temporary period/s. The position of loans, compared with previous year, is shown below:

(₹ in Million)

Description	March 31, 2013	March 31, 2012
Term loans	Nil	349.7
Cash Credit	Nil	4.5
Vehicle loans	8.1	9.0
Total	8.1	363.2
Break-up		
- Long term borrowings	5.0	167.0
- Short term borrowings	Nil	4.5
- Other current Liabilities	3.1	191.7

Investments

During the year, the Company invested in the equity share capital of its subsidiary, GE Triveni Ltd., to the extent of ₹ 25 million. The total investment in the subsidiary since inception thus stands at ₹ 80 million as on March 31, 2013. Equal contribution has also been made by the JV partner, GE. The objective of the equity infusion is to augment the financial resources of GETL to be able to carry out the business independently.

As explained in the MD&A, there is a significant market, both global and domestic, for the business contemplated by the subsidiary, GE Triveni Ltd, in the range of above 30 to 100 MW turbines.

Working capital

The working capital requirements for the Company are generally low. The working capital increased to ₹ 186 million as on March 31, 2013 as against negative working capital of ₹ 389 million as on March 31, 2012 as considerable LC backed export receivables could not be realised by the year end and certain other amounts relating to domestic receivables which were not contractually due.

Fixed Assets

There was no major investment in fixed assets during the year.

BUSINESS RISKS AND MITIGATION

The Company's business relating to steam turbines falls under Capital Goods Industry which is closely linked with the economic activities, domestic and global. Even though several factors relating to the industry are not within the control of the Company, the Company strives to mitigate the externalities in the best possible manner by ensuring diversified streams of revenues and avoiding over dependence on any sector/s or geographies.

Major risks

Lack of demand due to economic slowdown

To minimise over dependence on any one sector / market, the Company is slowly building up new markets in Europe, South East Asia, and Africa to diversify the revenue streams and avoid over dependence on any one market. It has achieved considerable progress in this direction. During the year under review, the exports contributed 26.6% of the total sales. Further, it is the focus of the Company to gradually increase the share of revenue from after-market services. The above strategy is intended both to maintain the margins and also to provide a cushion from adverse demand from any single region.

Rising Interest rates discourages capex spend

The rising inflation and cost of capital increase the business risk of the project developer, thereby reducing the demand for capital goods. However, the Company supplies turbines in the sub 30 MW range where the project cost is not high; there may also be subsidies, tax rebates and substantial potential for cost savings to the customers. Hence, the resultant benefits may outweigh the impact of high interest cost.

Technology Risk

The Company operates in the engineered-to-order capital goods industry, where product efficiency and critical product features play an important role in determining the overall life -cycle costs. The Company mitigates the technology risk by proactively vigilantly studying and forecasting the trend of customers' preferences and requirements to be able to plan its R&D activities accordingly. The Company has a strong R&D department which undertakes product development and improvements within the shortest possible lead time and at optimal costs. The Company's emphasis on putting its engineers through technical training in its in-house learning centre enables the talent to continually hone up their skills in this discipline.

Competition Risk

The Company faces competition from manufacturers of international repute in domestic as well as in international markets. This may compel the Company to quote aggressively, impacting its margins. To mitigate these risks, the Company endeavours to provide a value proposition to the customer offering products meeting the benchmark efficiencies at competitive prices and shorter delivery periods without compromising on its margins. Further, the products are backed by an impeccable service. The products of the Company command loyalty and goodwill and several repeat orders are testaments to the quality of the products and the confidence reposed in the Company by the customers.

Availability of Capital

The non-availability and high cost of capital may affect the growth plans of the Company. The business model of the Company is technology- intensive and not capital intensive with a well developed supply chain. Further, the business operates with minimal or even negative working capital. The Company is debt free and the free cash flow generation is substantial which is considered adequate to meet its capital expenditure even after distribution of dividends to shareholders. The Company has investment grade external ratings which will help it to raise funds at competitive rates, if required.

Directors' Report

Your Directors have pleasure in presenting the 18th Annual Report and audited accounts for the Financial Year (FY) ended March 31, 2013

FINANCIAL RESULTS

(₹ in Million)

	2012-13	2011-12
Revenue from operations (net)	6,568.47	6,318.82
Operating Profit (EBITDA)	1,716.29	1,561.24
Finance cost	27.25	95.93
Depreciation & amortisation	122.62	115.93
Profit before tax (PBT)	1,566.42	1,349.38
Tax expense	500.17	438.57
Profit after tax (PAT)	1,066.25	910.81
Earning per equity share of ₹ 1 each (in ₹)	3.22	2.75
Surplus available	1,244.71	580.28
Appropriation:		
Equity dividend (including dividend distribution tax)	308.12	249.22
Preference dividend (including dividend distribution tax)	2.62	2.60
Transfer to General Reserve	450.00	150.00
Surplus carried forward	483.97	178.46

DIVIDEND

The Board of Directors of your Company are pleased to recommend dividend on 8% cumulative redeemable preference shares and equity shares for FY13 ended March 31, 2013 as under:

(a) ₹ 0.80 per preference share of face value of ₹ 10/- each (8%), the total dividend payout for preference shares would be ₹ 2.62 million (including dividend distribution tax) and

(b) final dividend of ₹ 0.55 per equity share of face value of ₹ 1/- each (55%). The total equity dividend including the interim dividend for FY13 of ₹ 0.25 per equity share (25%) paid in November 2012, amounts to ₹0.80 per equity share (80%) and the total outgo on account of equity dividend would be ₹ 308.12 million (including dividend distribution tax).

OUTLOOK

Even though the enquiry book remains healthy, the domestic market continues to remain sluggish with order finalisation getting delayed. The Company expects some improvement in the capex cycle if there is a cut in interest rates by the Reserve Bank of India. Even though the order back-log as on March 31, 2013 of ₹ 4.7 billion is slightly lower than last year, the expected order intake during the first quarter of FY14 will enable the Company to improve its year on year performance. We expect a growth in export order-booking and sales during FY14 on the back of the last two year's intensive global marketing efforts. With the strong focus on exports and after-market, the Company expects to maintain its margins in the coming year.

The good work done in the past few years on innovation, research & development and new product introductions catering to changing global customers' needs are continuing. Strengthening the Company's intellectual property and filing of new patents globally, will continue as a focus area. Our joint venture, GE Triveni Ltd. is executing another order for two 40 MW turbines, and we expect further break-throughs in the domestic and international market in the coming year.

SUBSIDIARY COMPANY

In terms of Section 212 of the Companies Act, 1956 read with the General Circular No. 2/2011 dated February 8, 2011 issued by the Ministry of Corporate Affairs (MCA), the Company is not required to attach the annual accounts of its subsidiary, GE Triveni Limited (GETL), subject to fulfilment of the conditions stipulated in the said circular. Accordingly, these accounts and the related detailed information will be made available to any shareholder of the Company/ subsidiary company seeking such information. The annual accounts of the subsidiary company will also be kept for inspection of shareholders at the Company's Corporate Office and that of its subsidiary company. However, as per the said circular issued by MCA, financial data of the subsidiary has been furnished in the consolidated financial statements forming part of the Annual Report.

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

HUMAN RESOURCES

We are maintaining a well motivated team. All critical positions are suitably manned and the attrition rate is comfortable in single digit at about 8%. The talent pool scheme continues and extra thrust has been put on skill building. Average training during the year was 10 man days per employee. With the Company's added thrust on research and development and innovation, the technology team has been further strengthened. The Management signed a new wage settlement with the unionised staff valid till December 31, 2015 and industrial relations have remained cordial.

CONSOLIDATED FINANCIAL STATEMENTS

In accordance with the Accounting Standard 21 on Consolidated Financial Statements, your Directors have pleasure in attaching the consolidated financial statements of the Company which form a part of the Annual Report and Accounts.

EMPLOYEE STOCK OPTIONS

In accordance with the provisions of the Scheme of Arrangement between Triveni Engineering and Industries Ltd (TEIL) and the Company, duly approved by Hon'ble Allahabad High Court vide its Order dated April 19, 2011 and pursuant to SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, the Company has formulated an Employee Stock Option Scheme viz. "Triveni Turbine Ltd New Stock Option Scheme" (NSOS), for making corporate adjustment in respect of 40,000 outstanding vested options under "Triveni Employees Stock Option Scheme 2009" held by an employee of TEIL whose services were transferred to the Company pursuant to the Scheme of Arrangement .

Accordingly on April 10, 2013 the Remuneration Committee of the Board of Directors / Directors of the Company have approved the corporate adjustment to the 40,000 options under NSOS entitling the holder 1,84,000 equity shares of ₹ 1/- each of the Company against such options at an exercise price of ₹ 52/- per share or ₹ 239.20 per option. The Company has applied to the Stock Exchanges (NSE and BSE) for listing of the equity shares to be issued upon exercising the options by the concerned employee of the Company in terms of NSOS. The relevant disclosure under SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines 1999 is provided in Annexure 'D'.

REDEMPTION OF PREFERENCE SHARES

In accordance with the Scheme of Arrangement duly approved by the Allahabad High Court vide its Order dated April 19, 2011 and as per the terms and conditions of issue, the Board of Directors of the Company have approved the redemption of 2,800,000 – 8% Cumulative Redeemable Preference Shares of ₹10/- each aggregating to ₹ 28 million on May 31, 2013 out of the profits of the Company with pro-rata dividend for the period April 01, 2013 till date of redemption.

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, Auditors of the Company shall retire at the conclusion of the forthcoming Annual General Meeting (AGM) and they have consented to continue in office, if appointed. They have confirmed their eligibility under the provisions of the Companies Act, 1956 for their reappointment.

COST AUDITOR

The Cost Audit is applicable to the Company with effect from FY13. Accordingly, pursuant to Section 233 B of the Companies Act, 1956 read with the directions issued by the MCA, M/s J.H. Associates, Cost Accountants, Bangalore were appointed as Cost Auditors for the FY13 ended March 31, 2013 to conduct the audit of its engineering operations (comprising of steam turbines manufacturing).

As required under "The Companies (Cost Accounting Records) Rules, 2011", the Cost Compliance report for the FY12 ended March 31, 2012, duly certified by the Cost Accountant, has been filed by the Company with MCA on December 26, 2012, which is well within the due date.

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, 2013 and of the profit of the Company for the year ended March 31, 2013;

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 the assets of the Company 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 provisions 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 as per the provisions of Section 219(1)(b)(iv) of Act, the report and the accounts are being sent to the shareholders excluding the aforesaid information. Any shareholder desirous of obtaining copy of the same may write to the Company Secretary at the registered/corporate office of the Company whereupon the relevant detail would be sent.

DIRECTORS

In accordance with the relevant provisions of Companies Act, 1956 read with the Articles of Association of the Company-

Mr Tarun Sawhney and Lt. Gen. K.K. Hazari (Retd) retire from the Board by rotation at the ensuing AGM of the Company, and being eligible, offer themselves for reappointment.

Mr Shekhar Datta, Mr Arun Prabhakar Mote and Mr. Meleveetil Damodaran were appointed as Additional Directors by the Board with effect from October 29, 2012, November 1, 2012 and April 10, 2013 respectively and they shall hold office up to the date of the ensuing AGM of your Company. All of them being eligible, offer themselves for appointment. Notices have been received from the members pursuant to Section 257 of the Companies Act, 1956 proposing the appointment of Mr. Shekhar Datta, Mr. Arun Prabhakar Mote and Mr. Meleveetil Damodaran as Directors on the Board of the Company.

The Board has recommended the appointment/re-appointment of all the aforesaid Directors. The Board has also, subject to approval of the shareholders by a special resolution at the ensuing AGM, appointed Mr Arun Prabhakar Mote as Wholetime Director (designated as Executive Director) of the Company for a period of two (2) years effective November 1, 2012 and fixed his remuneration.

PUBLIC DEPOSITS

The Company has not accepted any public deposits under Section 58A of the Companies Act, 1956 during the year.

APPRECIATION

Your Directors wish to take the opportunity to express their sincere appreciation to our customers, suppliers, shareholders, employees, the Central and Karnataka Government, financial institutions, banks, and all other stakeholders for their whole-hearted support and co-operation. Your Directors also wish to record their appreciation for the continued co–operations and support received from the Joint Venture partners.

Your Directors gratefully acknowledge the support given by them and we look forward to their continued support and encouragement.

For and on behalf of the Board of Directors,

Place : Bengaluru **Dhruv M. Sawhney**
Date : May 23, 2013 Chairman and Managing Director

ANNEXURE – A

(A) CONSERVATION OF ENERGY

(a) Energy Conservation Measures

- Installed UPS for air compressor of 5 axis vertical machining centre to avoid machining cycle restart after power failure. This has resulted in energy saving of about 10000 KWH/year.
- Provision of standby UPS for emergency oil pump has resulted in avoiding running DG set while testing of turbines. This has resulted in saving of 360 liters of diesel per turbine.
- Achieved energy savings of about 7000 KWH/year by replacing mercury lamps with CFL lamps, installing AC drive for CNC machines, providing variable frequency drive connections for refurbishing rotor testing and reducing pump operation time by installing fluid level controllers.
- Reduction of cycle time in high end CNC machines has resulted in savings of 10595 KWH/year.
- Utilisation of condenser to recover water of about 6 lac litres of water / per annum from exhaust steam.

(b) Additional Investment and proposals for Reducing Energy Consumption

- Substitute existing lighting with energy efficient LED lighting system for office area and inside shop floor.

(c) Impact of Above Measures

The above measures have helped to conserve power, fuel and water in our plant, which otherwise would have not been saved.

FORM A

Disclosure of particulars with respect to conservation of Energy (to the extent applicable)

Power and Fuel Consumption

Particulars	2012-13	2011- 12
1. Electricity		
a) Purchased		
Units (000's KWH)	2,104.94	2,255.47
Total Amount (₹ in million)	13.17	13.24
Rate/unit(₹/kwh)	6.26	5.87
b) Own Generation		
Through Diesel Generators		
Units (000's KWH)	167.77	163.29
Units Per Litre of Diesel Oil	3.04	2.97
Cost / Unit (₹)	17.55	13.09
2. Furnace Oil		
Quantity in (Kilo Ltrs.)	512.67	596.05
Total Amount (₹ in million)	23.50	25.83
Rate (₹ / Ltr.)	45.84	43.32

FORM B

Disclosure of particulars with respect to technology absorption

(A) Research & Development (R & D)

1 Specific Areas in which R&D was carried out by the Company

a) 3 year run of higher steam parameter of extraction steam turbine for sugar application is completed and feedbacks implemented.

b) Efficient HP reaction stages are incorporated in higher range turbines and first turbine tested.

c) Blade vibration measurement testing was conducted successfully in advanced design third generation LP blade family and put in bigger models.

d) New design of cost competitive series of models is completed and orders are being executed.

e) Advanced aero IP stages are tested and built into bigger condensing and back pressure models.

f) Development of large flow, low pressure turbine is completed, tested and dispatched.

g) High back pressure turbine developed and commissioned.

h) High pressure, large size bleed condensing turbine developed & tested.

2 Benefits as a result of the above R&D

a) Filling the gap in the Company's product range with improved performance and reliability and reduced carbon footprint.

b) Field stabilisation of models in higher steam parameter segment which is a growth segment.

c) Agile engineering system developed to better handle customised turbine requirements.

3 Future plan of action

a) Introduction of further reaction stages for efficiency improvement.

b) Cost reduction for key model segments.

c) Further development of higher MW series of steam turbines for straight & extraction condensing application.

d) Further development of small single stage turbines for distributed power generation.

e) Further development of axial exhaust turbine.

f) Further development of high loading reaction stages for compacting turbines.

Expenditure on R&D

(₹ in Million)

Particulars	2012-13	2011- 12
a) Capital	10.65	6.93
b) Recurring	43.57	35.85
c) Total	54.22	42.78
d) Total R&D expenditure as percentage of turnover	0.83%	0.68%

(B) Technology absorption, adaptation and innovation

The details of R&D efforts, benefit derived and technology developed is provided in (A) above. The Company has been commercially exploiting the technology in the past. The Company has not imported any technology in the last five years.

(C) Foreign exchange earnings and outgo

(₹ in Million)

Particulars	
1) Earnings in Foreign Exchange	
Value of exports on F.O.B. basis	1,684.12
Others	61.56
2) Foreign Exchange Outgo (Includes raw materials, components, spare parts, and other expenditure in foreign currency)	360.03

ANNEXURE – C

Statement pursuant to section 212 of Companies Act, 1956

Subsidiary Company		GE Triveni Limited
1	Financial Year ended	March 31, 2013
2	Extent of holding Company's interest at the end of financial year of the subsidiary	50% + 1 share
3	The net aggregate amount of the subsidiary's profit/(loss), so far as it concern the members of the holding Company and is not dealt with in the Company's accounts	
	a) For the financial year ended March 31, 2013 of the subsidiary company (₹ million)	(10.60)
	b) For the previous financial years of the subsidiary since it became the holding Company's subsidiary (₹ million)	(17.05)
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 with in the holding Company's accounts	Nil
	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 with in the holding Company's accounts	Nil
5	Changes in the holding Company's interest in the subsidiary between the end of financial year of the subsidiary and holding Company	N.A.
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	N.A.
	ii) Its investments	N.A.
	iii) The money lent by it	N.A.
	iv) The funds borrowed by the subsidiary	N.A.

ANNEXURE – D

Details of the Triveni Turbine Limited New Stock Option Scheme

Nature of Disclosure	Particulars	
a) Option granted (Number)	40,000 options under NSOS representing the right to apply for a maximum of 1,84,000 equity shares.	
b) The Pricing Formula	In accordance with the relevant provisions of the Scheme of Arrangement and SEBI Guidelines, the adjustment to the outstanding vested stock options has been made, considering the global best practices and ensuring that the fair value of options before and after the corporate action remains unchanged. The fair value has been arrived using Black Scholes Option Pricing formula. Accordingly, a fair and reasonable adjustment has been made in the entitlement to shares under the options, the exercise price having been determined based upon the market price.	
c) Options vested	40,000	
d) Options exercised	Nil	
e) The Total number of equity shares arising as a result of exercise of options	Nil	
f) Options lapsed	Nil (without considering 20,000 options which have lapsed subsequent to the close of the financial year)	
g) Variation of terms of options	Nil (other than the corporate adjustment necessitated on account of demerger)	
h) Money realised by exercise of options	Nil	
i) Total number of options in Force	40,000 (without considering 20,000 options which have lapsed subsequent to the close of the financial year)	
j) Employee wise detail of options granted		
(i) Senior managerial personnel	Name of employee	Number of options granted (post corporate adjustment)
	Mr. Arun Mote	40,000
(ii) Any other employee who receives a grant in any one year of options amounting to 5% or more of options granted during the year.	None	
(iii) Identical 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	
k) Diluted earnings per share (EPS) pursuant to issue of shares on exercise of options calculated in Accordance with Accounting Standard (AS) 20 Earnings per share.	₹ 3.23 per share	
l) Method of calculation of employee Compensation Cost.	The employee compensation cost is calculated using the intrinsic value method to account for the stock options. The stock-based compensation cost as per the intrinsic value method for the financial year 2012-13 is Nil, since the exercise price was determined based upon the market value of the shares, on the date of original grant.	
Difference between the employee compensation cost computed using the intrinsic value of the stock options and the employee compensation cost that shall been recognised if the fair value of the options granted had been used and its impacts on profits and EPS of the Company .	Had fair value method been adopted instead of the intrinsic value method, the impact would be: a) The ESOP compensation charge debited to the statement of Profit & Loss of the current year would have been higher by ₹0.12 lacs and consequently, the profit of the Company for the year would have been lower by ₹ 0.12 lacs. b) Basic as well as diluted EPS would have remain unchanged at ₹ 3.23 per share (ignoring nominal fractional paise reduction)	

m)	(i) Weighted average exercise prices and weighted average fair value of options whose exercise price equals the market price of the stock.	Weighted average exercise price per option as granted on corporate adjustment : ₹239.20 per option (or ₹52.00 per share entitled under the option) Weighted average fair value per option : ₹ 29.30
	(ii) Weighted average exercise prices and weighted average fair value of options whose exercise price exceeds the market price of the stock.	No such grants
	(iii) Weighted average exercise prices and weighted average fair value of options whose exercise price is less than the market price of the stock.	No such grants
n)	A description of the method and significant assumptions used during the year to estimate the fair value of the options, including the following weighted average information	The fair value of the options granted on corporate adjustment, have been determined using the Black-Scholes Option Pricing formula and the significant assumptions made in this regard are as follows:
	(i) Risk Free Interest rate	8.36%
	(ii) Expected life	1.99 years
	(iii) Expected Volatility	46.53%
	(iv) Expected Dividend	1.20%
	v) The price of the underlying share in market at the time of options granted	₹ 52 per share

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 organisation, institutions and markets. It is one of the essential pillars for building efficient and sustainable environment, system and practices to ensure that the affairs of the Company are being managed in a way which 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 recognises that good governance is a continuing exercise and thus reiterates its commitment to pursue highest standard of Corporate Governance in the overall interest of its stakeholders.

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

In addition to the compliance with the regulatory requirements as per Clause 49 of the Listing Agreement, your Company's endeavours to ensure the highest standard of ethical and responsible conduct are met throughout the organisation.

I Board of Directors ("Board")

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

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

The Chairman and Managing Director of the Company is the Chief Executive Officer of the Company. His role is to provide vision and leadership for achieving the approved strategic plan and business objectives. He presides over the Board and the Shareholders' meetings. The Chairman and Managing Director with the support of the Joint Managing Director, Executive Director and Senior Executives oversees the operations of the Company.

Composition of Board

As on the date of this report the Board comprises of 9 (nine) Directors, which include 5 (five) Non-Executive Independent Directors, 1 (one) Non-Executive Non Independent Director and 3 (three) Executive Directors. The composition of the Board is in line with clause 49 of the Listing Agreement.

The Independent Directors do not have any material pecuniary relationship or transaction with the Company, its promoters and management or its subsidiary, which in the opinion of the Board may effect the independence of judgment of the Directors.

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.

Meetings of the Board

The Board of Directors met 4 times during the financial year 2012-13 ended on March 31, 2013. The interval between any two successive meetings did not exceed four months. Board Meetings were held on May 7, 2012, July 17, 2012, October 29, 2012 and January 11, 2013.

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

Name of Director and DIN	Meetings held during the year	No. of Board Meeting attended	Attendance at last AGM	No. of other Company Directorships##	No. of Committee positions held in other companies ###	
					Chairman	Member
Promoter & Executive Directors						
Mr. Dhruv M. Sawhney # Chairman and Managing Director DIN-00102999	4	4	Yes	5	1	NIL
Mr. Nikhil Sawhney # Joint Managing Director DIN-00029028	4	3	Yes	3	NIL	1
Promoter & Non-Executive Non-Independent Director						
Mr. Tarun Sawhney # DIN-00382878	4	3	Yes	3	NIL	1
Executive Director						
Mr. Arun Prabhakar Mote #### Executive Director DIN - 01961162	4	1	N.A	1	NIL	NIL
Independent Non-Executive Directors						
Lt. Gen. K.K. Hazari (Retd.) DIN-00090909	4	4	Yes	3	2	1
Mr. K.N. Shenoy DIN-00021373	4	3*	Yes	3	1	1
Mr. Amal Ganguli DIN-00013808	4	3	Yes	11	4	5
Mr. Shekhar Datta #### DIN-00045591	4	2	N A	3	2	2
Mr. Meleveetil Damodaran #### DIN-02106990	4	N A	N A	10	2	5

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

Excludes alternate directorships, directorships in Indian private limited companies, foreign companies, firms, partnerships, companies under section 25 of the Companies Act 1956, and membership of various chambers and other non-corporate organisations.

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

Mr. Shekhar Datta, Mr Arun Prabhakar Mote and Mr. Meleveetil Damodaran were appointed on the Board w.e f 29.10.2012, 01.11.2012 and 10.4.2013 respectively.

* includes two meetings attended through conference call

Appointment and Tenure of Board of Directors

The Directors of the Company are appointed by the members at the General Meetings. All the Directors, except the Chairman and Managing Director and Joint Managing Director are liable to retire by rotation.

The Chairman and Managing Director and Joint Managing Director of the Company are appointed for a term of five years as per the requirement of the statute.

Board Membership Criteria

The Board of Directors are collectively responsible for selection of a member on the Board. The criteria for appointment to the Board includes professional qualifications, expertise and experience in specific area of business, desired age, skill set and diversity required by the Board. The selection of a Director on the Board of the Company is done based on the skills and expertise needed in the context of business and organisational scenario at the relevant point in time.

Board Functioning and procedure

- **Board Meeting- Frequency:** The Board meets at least once in a quarter, with a maximum gap of four months between two meetings, to review the quarterly results and other items of the Agenda. Whenever required, additional meetings are held. To meet the business exigencies or urgent matters the resolutions are passed by the Directors by circulations.
- **Distribution of Board Meeting Agenda papers in advance:** The Board and its Committees meet at regular intervals for discussion on agenda circulated in advance. 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.
- **Presentations by the Management:** The senior management of the Company is invited at the Board meetings to make presentations covering performance of the businesses of the Company, Strategy and Business Plans and to provide clarifications as and when necessary.
- **Access to Employees:** The Directors bring an independent perspective on the issues deliberated by the Board. They have complete and unfettered access to any information of the Company and to any employee of the Company.
- **Availability of Information to Board members include:**

  (i) Performance of business, business strategy going forward, new initiatives being taken/proposed to be taken and business plans of the Company.

  (ii) Annual operating plans and budgets including capital expenditure budgets and any updates.

  (iii) Quarterly results of the Company.

  (iv) Minutes of the meetings of Operations Committee, Audit Committee, Remuneration Committee, Investors' Grievance and Share Transfer Committee of the Board.

  (v) Show cause, demand, prosecution notices and penalty notices which are materially important.

  (vi) Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems.

  (vii) Any material default in the financial obligations to and by the Company, or substantial non-payment for goods sold / services provided by the Company.

  (viii) 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.

  (ix) Details of any joint venture or collaboration agreement.

  (x) Transactions that involve substantial payment towards goodwill, brand equity, or intellectual property.

  (xi) Significant labour problems and their proposed solutions. Any significant development in Human Resources/ Industrial Relations front like signing of wage agreement etc.

  (xii) Sale of material nature, of investments, subsidiaries, assets, which is not in normal course of business.

  (xiii) Quarterly details of foreign exchange exposures and the steps taken by the management to limit the risks of adverse exchange rate movement, if material.

  (xiv) Non-compliance of any regulatory, statutory nature or listing requirements and shareholders service such as nonpayment of dividend, delay in share transfer etc.

  (xv) Statutory compliance report of all laws applicable to the Company.

  (xvi) Details of the transactions with the related parties.

  (xvii) General notices of interest of directors.

  (xviii) Appointment, remuneration and resignation of Director.

- **Post Meeting follow up mechanism:** The important decisions taken by the Board/Committee(s) at its meetings are promptly communicated to the concerned departments/divisions. Action taken report on the decisions of the previous meeting(s) is placed at the immediately succeeding meeting of the Board/ Committee for information and review by the Board/ Committee.
- **Re- appointment of Directors:** The information/ details pertaining to Directors seeking re-appointment/ 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.

II Board Committees

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

1. Audit Committee
2. Remuneration Committee
3. Investors' Grievance and Share Transfer Committee

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

1. Audit Committee

The Committee comprises of three Directors which include two Non-Executive Independent Directors and one Executive Director of the Company. The Chairman of the Committee is an Independent Director. The constitution and terms of reference of the Audit Committee meet the requirements of Clause 49 of the Listing Agreement as well as Section 292A of the Companies Act, 1956.

The Audit Committee met 5 times during financial year 2012-13 ended on March 31, 2013 on May 7, 2012, July 17, 2012, October 16, 2012, October 29, 2012, & January 11, 2013. The composition and the attendance record of each Audit Committee Member is as under:-

Name of the Members	No. of meetings	
	Held	Attended
Lt. Gen. K.K. Hazari (Retd.)	5	5
Mr. Amal Ganguli	5	4
Mr. Nikhil Sawhney	5	4

Lt. Gen. K.K. Hazari (Retd.) is the Chairman of the Committee and the Company Secretary is the Secretary to the Audit Committee.

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.

2. Remuneration Committee

The Remuneration Committee of the Board has been constituted under the Chairmanship of a Non Executive Independent Director.

During the financial year 2012-13 ended on March 31, 2013, the Committee met twice i.e on May 7, 2012 and October 29, 2012 . The composition and attendance record of each Remuneration Committee Member is as under:-

Name of the Members	No. of meetings	
	Held	Attended
Mr. K. N. Shenoy	2	1*
Lt. Gen. K. K. Hazari (Retd.)	2	2
Mr. Amal Ganguli	2	2

* Attended the meeting through conference call

Mr. K.N. Shenoy is the Chairman of the Committee

The broad terms of reference of the Committee are to evaluate performance, determine & recommend to the Board on the compensation payable to the Executive Directors viz. Chairman and Managing Director (CMD), Joint Managing Director (JMD) and Executive Director (ED) including pension rights and any compensation payment to them; to recommend the annual increments, performance bonus within the salary scale approved by the Members to CMD, JMD and ED within the ceilings on net profits prescribed under Sections 198 and 309 of the Companies Act, 1956; formulates and administers the Company's Employee Stock Option Scheme from time to time in accordance with SEBI guidelines.

Remuneration to Executive Directors

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

During the financial year 2012-13, the Company had three (3) Executive Directors viz Mr. Dhruv M. Sawhney, CMD, Mr. Nikhil Sawhney, JMD and Mr. Arun Prabhakar Mote, ED. Mr. Arun Prabhakar Mote was appointed as ED w.e.f. November 1, 2012.

The details of remuneration paid/payable to CMD, JMD & ED during the financial year 2012-13 are as under:

Name of the Executive Director	Mr. Dhruv M. Sawhney CMD	Mr. Nikhil Sawhney JMD	Mr . Arun Prabhakar Mote ED
Service Period	10.05.2011 to09.05.2016	10.05.2011 to 09.05.2016	01.11.2012 to 31.10.2014
Salary	2,20,80,000	1,53,60,000	52,86,250
Performance Bonus/Commission	-	-	-
Contribution to PF, Gratuity & other funds	16,56,000	25,92,000	5,87,250
Other perquisites	17,62,543	16,97,609	2,92,950
Total	2,54,98,543	1,96,49,609	61,66,450

In addition Mr. Dhruv M Sawhney also receives remuneration from Triveni Engineering and Industries Ltd., being the Chairman and Managing Director of that Company. However, the compensation received by him from both the Companies is within the overall ceiling prescribed under the Companies Act and in accordance with the approval of the Board and the shareholders of the Company.

Remuneration to Non-Executive Directors

The Company pays sitting fee to its Non-Executive Directors for attending the meeting of the Board and its Committees. In addition to the sitting fees, the Company pays commission to its Non-Executive Directors within the limits approved by the shareholders of the Company. The said commission is decided by the Board and distributed to Non-Executive Directors based on their contribution during Board/Committee meetings, as well as time spent on operational/ strategic matters other than at meetings. The details of the remuneration paid during the financial year 2012-13 to Non-Executive Directors are as under:-

(in ₹)

Name of the Non-Executive Director	Sitting Fees for the year ended March 31, 2013	Commission for the year ended March 31, 2012	No. of shares held as on March 31, 2013
Mr. Tarun Sawhney	60,000	10,00,000	1,42,66,775
Lt. Gen. K.K. Hazari (Retd.)	2,70,000	10,00,000	-
Mr. K.N. Shenoy	20,000	10,00,000	-
Mr. Amal Ganguli	1,80,000	10,00,000	-
Mr. Shekhar Datta *	40,000	N.A	10,000
Mr .Meleveetil Damodaran*	N,A	N.A	-

* Mr. Shekhar Datta and Mr. Meleveetil Damodaran were appointed as Directors w.e.f. October 29 , 2012 and April 10, 2013 respectively.

None of the Non-Executive 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 are also on the Board of Directors of Triveni Engineering and Industries

Ltd. and have received sitting fees as a Director / Committee member from that Company.

Note: A sum of Rs 45 lac has been provided as commission payable to the Non-Executive Directors for the year 2012-13 ended on March 31, 2013.

3. Investors' Grievance and Share Transfer Committe

The "Investors' Grievance and Share Transfer Committee" has been constituted at the Board level, under the Chairmanship of a Non-Executive Independent Director.

The Committee met 4 times during the financial year 2012-13 ended on March 31, 2013 on May 7, 2012, July 17, 2012, October 29, 2012 & January 11, 2013.

The composition and attendance record of each Committee Member is as under:-.

Name of the Members	No. of meetings	
	Held	Attended
Lt. Gen. K. K. Hazari (Retd.)	4	4
Mr. Nikhil Sawhney	4	4

Lt. Gen. K. K. Hazari (Retd.) is the Chairman of the Committee. The Company Secretary is Compliance Officer of the Company.

The Committee is authorised to look into and review the actions for redressal of shareholders and investors grievances such as non-receipt of transferred/ transmitted share certificates/annual report/ refund orders/ dividend warrants 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.

Number of Shareholders' complaint received/number not resolved/number of pending complaints during FY 2012-13

During the financial year 2012-2013 ended on March 31, 2013 the Company has received 21 complaints from the various shareholders/ investors directly and through SEBI. All of them were resolved/ replied suitably by furnishing the requisite information/ documents. There was no investor complaint pending for redressal as on March 31, 2013.

Number of Complaints received during the year as a percentage of total number of members as on March 31, 2013 is 0.06%

Further there were no pending share transfers and requests for demateralisation as on March 31, 2013.

Other Functional Committees

Operations Committee

Apart from the above statutory committees, the Board of Directors have constituted an Operations 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 which in accordance with the provisions of the Companies Act, 1956 can be delegated by the Board to facilitate the working of the Company .

III GENERAL BODY MEETINGS

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

Year	Date & Day	Location	Time	Special Resolution
2011-12	July 16, 2012, Monday	Expo Centre, A-11,Sector-62, NH-24, Noida-201301	11:00 am	None
2010-11	September 6, 2011, Tuesday	Expo Centre, A-11,Sector-62, NH-24,Noida-201301	10:30 am	1. Appointment of Mr. Dhruv M. Sawhney as Chairman and Managing Director and deciding his remuneration. 2. Appointment of Mr. Nikhil Sawhney as Joint Managing Director and deciding his remuneration. 3. Payment of remuneration to Non Executive Directors.
2009-10	September 2, 2010, Thursday	Express Trade Towers, 15-16, Sector-16A, 8th Floor, Noida-201301.	11:00 am	None

There was no Extra-Ordinary General Meeting held during the financial year 2012-13 ended on March 31, 2013.

Postal Ballot

a. **Details of the special/ordinary resolutions passed by the Company through postal ballot:**

During the financial year 2012-13 ended on March 31, 2013, no special/ordinary resolutions passed by the Company through postal ballot.

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

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

IV Other Disclosures

- **Related Party Transactions**

Related Party Transactions are defined as transactions of the Company of a material nature, with Promoters, Directors or the Management, or their relatives and associate/subsidiary companies etc. that may have potential conflict of interest with the Company at large. The details of related party information and transactions are being placed before the Audit Committee/Board of Directors from time to time. The details of the related party transactions during the year have been provided in Note- 38 of Notes to the financial statements.

- **Disclosures of Accounting Treatment**

No treatment different from that prescribed in Accounting Standards has been followed by the Company.

- **Risk Management**

To ensure that executive management controls risk by means of a properly defined framework, the Company has in place mechanisms to inform Board Members about the risk assessment and minimisation procedures and periodical review. Further a detailed note on risk management is given in the Financial Review section of Management's Discussion and Analysis. The Company has laid down adequate procedures to update the Board Members about 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/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 and Affirmation that no personnel has been denied access to the Audit Committee.**

Pursuant to the non-mandatory requirements of the Listing Agreement, 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 audit committee.

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

The Company has laid down a Code of Conduct for all Board Members and Senior Executives of the Company. The Code of conduct is available on the Company's website www.triveniturbines.com. The declaration of Chairman & Managing Director is given below:

To the Shareholders of Triveni Turbine Ltd.

Sub.: Compliance with Code of Conduct

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

Date: May 23, 2013 — Dhruv M. Sawhney
Place: Bengaluru — 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, Executive Director and General Manager & CFO was placed before the Board alongwith the financial statements for the year ended March 31, 2013. The said certificate is provided elsewhere in the Annual Report.

Subsidiary Company

GE Triveni Limited is an unlisted Indian subsidiary company, wherein the Company holds 50% plus one equity share and it is not 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.

V 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 endeavor to present unqualified financial statements.

(b) Dividend Policy

To bring transparency in the matter of declaration of dividend and to protect the interest of investors, the Company has a dividend policy in place.

(c) Remuneration Committee

The Company has constituted Remuneration Committee to recommend/review remuneration of the Executive Directors based on the performance and defined assessment criteria. The detail of the constitution of the Committee has been described in the report elsewhere.

(d) 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.

(e) 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. The Company holds Board meetings at its corporate office and also if necessary at its works. Site/ factory visits are organised from time to time for the Directors.

(f) Statutory Auditors

The Board recommended to the shareholders, the re-appointment of M/s J.C. Bhalla & Co. as Auditors. The Auditors have furnished a declaration confirming their independence as well as their arm's length relationship with the Company as well as declaring that they have not taken up any prohibited non-audit assignments for the Company. The Company believes that said Auditors, over a period of time, has gained extensive knowledge of the Company and its business, which is essential to ensure audit quality & audit objectivity. Robust internal control systems and risk management framework, review of Auditors' performance by the Audit Committee and peer review of the Audit firm, are some of the more important factors that prevent audit failures. Mr. Sudhir Mallick has signed the audit report for the year 2012-13 on behalf of M/s J.C. Bhalla & Co.

VI 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.triveniturbines.com and the same were also sent to all the Stock Exchanges where the equity shares of the Company are listed. The Investor's brief were also sent to Stock Exchanges.

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

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

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

(e) Annual Report: Annual Report contains inter-alia Audited Annual Accounts, Consolidated Financial Statement, Directors' Report, 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's Electronic Application Processing System (NEAPS).

(h) Corporate Governance Voluntary Guidelines-2009: The Ministry of Corporate Affairs has issued certain Voluntary Guidelines for further improvement of Corporate Governance standards and practices. The implementation of these Guidelines is under evaluation and consideration

VII GENERAL SHAREHOLDER INFORMATION

(a) General Information

Annual General Meeting

Date & Day	:	August 01, 2013, Thursday
Time	:	10:30 a.m.
Venue	:	Expo Centre, A-11, Sector-62, NH-24, Noida-201301
Dates of Book Closure for payment of final dividend	:	July 26, 2013 to August 01, 2013 (both days inclusive)
Dividend Payment Date	:	Within 30 days of declaration by the shareholders.
Financial Year	:	April to March

(b) Financial Calendar (tentative & subject to change)

Financial Reporting for the 1st Quarter ending 30th June, 2013	By the middle of August, 2013
Financial Reporting for the 2nd Quarter ending 30th September, 2013	By the middle of November, 2013
Financial Reporting for the 3rd Quarter ending 31st December, 2013	By the mid of February, 2014
Financial Reporting for the Annual Audited Accounts ending 31st March, 2014	By the end of May, 2014

(c) Unclaimed Dividend

During the financial year 2012-13 no amount was required to be transferred to the Investor Education and Protection Fund (IEPF), administered by the Central Government under Section 205C of the Companies Act, 1956. The dividends which remain 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
2011-12	1st interim dividend	27.10.2011	26.10.2018
2011-12	2nd interim dividend	13.01.2012	12.01.2019
2011-12	Final dividend	16.07.2012	15.07.2019
2012-13	interim dividend	29.10.2012	28.10.2019

Shareholders who have not so far encased 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 except Stock Options granted in terms of the Scheme of Arrangement.

(e) Listing on Stock Exchanges

The Company's entire equity share capital comprising of 32,98,80,150 equity shares of ₹1/- each is 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.	533655
2.	National Stock Exchange of India Ltd. Exchange Plaza, 5th Floor Plot No. C/1, G Block, Bandra (E) Mumbai – 400 051.	TRITURBINE

The Company has paid the listing fees for the Financial Year 2013-2014 to both the aforesaid Stock Exchanges. The Company has also paid the annual custodial fees for the year 2013-14 to both the depositories namely NSDL & CDSL.

(f) Distribution of Equity Shareholding as on March 31, 2013

Group of Shares	Number of Shareholders	% to total Shareholders	Number of Shares held	% to Total Shares
1-500	29,241	90.03	34,03,236	1.03
501-1000	1550	4.77	12,24,852	0.37
1001-2000	771	2.37	11,24,486	0.34
2001-3000	267	0.82	6,92,053	0.21
3001-4000	130	0.40	4,75,532	0.14
4001-5000	119	0.37	5,59,059	0.17
5001-10000	172	0.53	12,76,212	0.39
10001 & higher	229	0.71	32,11,24,720	97.35
Total	**32,479**	**100.00**	**32,98,80,150**	**100.00**

(g) Shareholding Pattern of Equity Shares as on March 31, 2013

Category	Number of Shares held	Shareholding %
Indian Promoters	23,73,22,533	71.94
Mutual Funds/UTI	4,04,35,729	12.26
Banks, Financial Institutions, Insurance Cos.	-	-
FIIs	3,47,57,412	10.54
Bodies Corporate	28,58,780	0.87
Indian Public (*)	1,30,28,307	3.95
NRIs/OCBs	14,34,328	0.43
Others – Clearing Members & Trust	43,061	0.01
Total	**32,98,80,150**	**100.00**

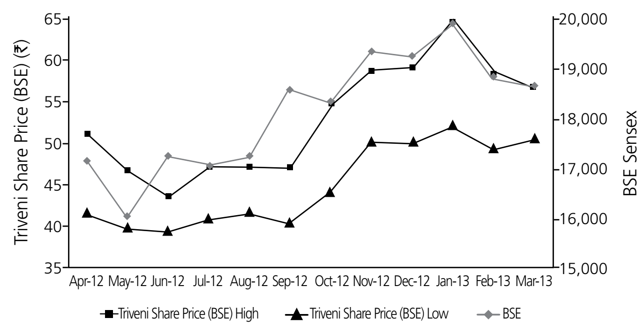
(*) Includes 37,650 equity shares held by two directors and a relative of one director.

(h) Stock Price Data: Financial Year 2012-13

During the year under report, the trading in Company's equity shares was from 1st April 2012 to 31st March, 2013. The high low price during this period on the BSE and NSE was as under:-

Month	Bombay Stock Exchange (BSE)		National Stock Exchange (NSE)	
	High	Low	High	Low
April, 2012	52.35	42.50	52.00	41.90
May, 2012	47.90	40.65	47.85	40.45
June, 2012	44.85	40.35	44.95	41.05
July, 2012	48.90	41.90	48.80	42.00
August, 2012	48.40	42.75	48.30	41.00
September, 2012	48.30	41.25	48.20	40.65
October, 2012	56.00	45.00	55.80	45.90
November, 2012	59.90	51.05	59.90	50.30
December, 2012	60.35	51.00	59.90	50.90
January, 2013	63.50	53.10	63.70	55.00
February, 2013	59.60	50.15	61.00	50.00
March, 2013	57.80	51.50	57.15	51.50

(i) Stock Performance



(j) Dematerialisation of Shares & Liquidity

The Company's equity shares are compulsorily traded in the electronic form. The Company has entered into an Agreement with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) to establish electronic connectivity of its shares for scripless trading. Both NSDL & CDSL has admitted the Company's equity share on their system.

The system for getting the shares dematerialised will be 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, 2013, 99.91% of total equity share capital of the Company were held in dematerialised form. The ISIN allotted in respect of equity shares of ₹ 1/- each of the Company by NSDL/CDSL is INE152M01016. Confirmation in respect of the requests for dematerialisation of shares is sent to NSDL and CSDL within the stipulated period.

(k) Share Transfer System

The Company's share transfer authority has been delegated to the Company Secretary/ Registrar and Transfer Agent M/s Alankit Assignments Ltd who generally approves and confirm the request for share transfer/ transmission/ transposition/ consolidation/ issue of duplicate share certificates/ sub-division, consolidation, remat, demat and perform other related activities in accordance with the Listing 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.

The secretarial department of the Company at corporate office at Noida is manned by competent and experienced professionals. Appropriate actions are taken to continuously improve the quality of compliance. The Company also has adequate software and systems to monitor compliance.

(m) Registrar & Share Transfer Agent

M/s Alankit Assignments Ltd.,
Unit: Triveni Turbine Limited
Alankit House, 2E/21,
Jhandewalan Extension,
New Delhi-110 055.
Tel. 011-42541234, 23541234,
Fax 011-42541967
Email: rta@alankit.com

(n) Locations

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

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

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

(o) Compliance Certificate on Corporate Governance from the Auditor

The certificate dated May 23 , 2013 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 23 , 2013 .

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 Turbine Limited

We have examined the compliance of conditions of corporate governance by Triveni Turbine Ltd. for the year ended March 31, 2013, 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 has been limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance as stipulated in the said clause . It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and based on the representations made by the Directors and the Management , we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

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

For and on behalf of
J C BHALLA & COMPANY
Chartered Accountants
FRN NO.001111N

(SUDHIR MALLICK)
PARTNER
Membership No.80051

Place : Noida
Date : May 23, 2013

CEO/CFO Certification

To
The Board of Directors
Triveni Turbine Limited

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

We, Dhruv M. Sawhney, Chairman and Managing Director, Arun Prabhakar Mote, Executive Director and Deepak Kumar Sen, General Manager & CFO certify to the Board that:

(a) We have reviewed financial statements and the cash flow statement for the year ended March 31, 2013 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.

Deepak Kumar Sen	Arun Prabhakar Mote	Dhruv M. Sawhney
General Manager & CFO	Executive Director	Chairman and Managing Director

Place: Bengaluru
Date : May 23, 2013

Independent Auditors' Report

To the Members of Triveni Turbine Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Triveni Turbine Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2013, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for Financial Statements

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 referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). 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.

Auditor's responsibility

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.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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, 2013;

b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and

c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

2. 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 our examination of those books and proper returns adequate for the purpose of our audit have been received from Bangalore Unit of the Company not visited by us;

   c) 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 returns received from the Bangalore Unit of the Company not visited by us;

d) the report of the auditors of the Company's Bangalore Unit has been forwarded to us and has been considered in preparing our report;

e) in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;

f) on the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

g) Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

For J.C. Bhalla and Co.
Chartered Accountants
FRN : 001111N

Sudhir Mallick
Partner
Membership No.80051

Place: Noida (U.P.)
Date : May 23, 2013

Annexure to Auditors' Report

(Referred to in our report of even date on the accounts for the year ended on 31st March, 2013 of Triveni Turbine Limited)

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

   b) The fixed assets have been physically verified by the management during the year. As explained to us, no material discrepancies were noticed on such verification as compared to the 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 year 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 year. 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. As explained to us, there were no material discrepancies noticed on physical verification of inventories as compared to the book records.

3. a) The Company has not granted any loan, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 301 of the Act. Accordingly paragraphs 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 loan, secured or unsecured from companies, firms or other parties covered in the register maintained under Section 301 of the Act. Accordingly, the provisions of clause 4(iii)(f) and (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) According to the information and explanations given to us, we are of the opinion that the particulars of contracts or arrangements that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.

   b) According to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time except that for the purchase of gears, gear boxes, spares, sub contract for turnkey project and services received, payment of rent, sale of spare parts and rendering of services no comparable quotations are available. We are informed by the management that the charges so paid and received for such transactions, are reasonable having regard to the volume of business, quality and the specialized nature of goods and services involved.

6. The Company has not accepted any deposit from the public under the provisions of Section 58A, 58AA or any other relevant provision of the Companies Act, 1956 and the rules framed there under.

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 account maintained by the Company pursuant to the Rules made by the Central Government for maintenance of cost records 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 made and 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 31st March 2013 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 sales tax, custom duty, wealth tax and cess which have not been deposited on account of any dispute. Disputed income tax, excise duty and service tax which have not been deposited on account of matters pending before appropriate authorities is as under:

S. No	Name of the Statue	Nature of Dues	Period to which it relates	Amount (₹ in Million)	Amount Paid (₹ in Million)	Forum where dispute is pending
1	Central Excise Act, 1944	Excise Duty	FY 1998-99	5.44	2.80	Hon'ble Supreme Court of India
2	Central Excise Act, 1944	Excise Duty	FY 2000-01 to FY 2003-04	30.88	23.34	Hon'ble Supreme Court of India
3	Central Excise Act, 1944	Excise Duty	FY 2007-08	3.60	-	Commissioner of Central Excise (Appeals)
4	Finance Act 1994	Service Tax	FY 2007-08 to FY 2011-12	15.20	-	Commissioner of Central Excise (Appeals).
				27.19	-	CESTAT
5	Income-tax Act 1961	Income-tax	FY 2010-11	4.58	-	Commissioner of Income-tax (Appeals)

10. The Company has no accumulated losses as at 31st March 2013 and has not incurred any cash losses in the financial year covered by our audit and 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 banks during the year.

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, clause 4(xiii) of the Companies (Auditors' Report) Order, 2003 is not applicable to the Company.

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

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 year nor have we been informed of such case by the management.

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

Sudhir Mallick
Partner
Membership No.80051

Place: Noida (U.P.)
Date : May 23, 2013

Balance Sheet
as at 31st March 2013

(₹ in Million)

Particulars	Note No	31.03.2013	31.03.2012
I EQUITY AND LIABILITIES			
1. Shareholders' funds			
Share capital	2	357.88	357.88
Reserves and surplus	3	1,083.97	328.46
		1,441.85	**686.34**
2. Non-current liabilities			
Long-term borrowings	4	5.01	167.03
Deferred tax liabilities (net)	5	77.83	70.88
Long-term provisions	6	53.79	79.88
		136.63	**317.79**
3. Current liabilities			
Short-term borrowings	7	-	4.48
Trade payables	8	1,136.55	718.17
Other current liabilities	9	730.30	1,082.10
Short-term provisions	6	517.92	374.97
		2,384.77	**2,179.72**
Total		**3,963.25**	**3,183.85**
II ASSETS			
1. Non-current assets			
Fixed assets			
i) Tangible assets	10	1,110.60	1,205.94
ii) Intangible assets	11	37.41	30.36
iii) Capital work-in-progress		1.33	1.13
		1,149.34	1,237.43
Non-current investments	12	80.00	55.00
Long-term loans and advances	13	104.08	100.74
Other non-current assets	18	59.04	-
		1,392.46	**1,393.17**
2. Current assets			
Current investments	14	50.00	100.01
Inventories	15	665.11	791.07
Trade receivables	16	1,171.75	646.17
Cash and bank balances	17	285.15	118.06
Short-term loans and advances	13	251.81	127.90
Other current assets	18	146.97	7.47
		2,570.79	**1,790.68**
Total		**3,963.25**	**3,183.85**
Summary of Significant Accounting Policies	1		

The accompanying Note Nos.1 to 45 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

Deepak Kumar Sen
General Manager & CFO

Rajiv Sawhney
Company Secretary

Dhruv M. Sawhney
Chairman & Managing Director

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

Noida (U.P.), May 23, 2013

Statement of Profit & Loss
for the year ended 31st March 2013

(₹ in Million)

Particulars	Note No	31.03.2013	31.03.2012
Continuing operations			
INCOME			
Revenue from operations (gross)	19	6,880.87	6,639.81
Less : Excise duty		312.40	320.99
Revenue from operations (net)		6,568.47	6,318.82
Other Income	20	81.06	46.86
Total revenue		**6,649.53**	**6,365.68**
EXPENSES			
Cost of raw material and components consumed	21	3,713.32	3,717.33
Decrease / (Increase) in inventories of finished goods and work-in-progress	22	90.44	110.26
Employee benefit expenses	23	537.73	460.99
Other expenses	24	591.59	516.12
Total		**4,933.08**	**4,804.70**
Earnings before interest,tax,depreciation and amortisation (EBITDA)		**1,716.45**	**1,560.98**
Depreciation and amortisation expenses	25	122.62	115.93
Finance costs	26	27.25	95.93
Profit / (loss) before extraordinary items and tax		**1,566.58**	**1,349.12**
Extraordinary items		-	-
Profit / (loss) before tax		**1,566.58**	**1,349.12**
Tax expenses			
Current tax		493.28	425.80
Deferred tax		6.94	12.69
Profit / (loss) after tax from continuing operations (A)		**1,066.36**	**910.63**
Discontinued operations			
Profit / (loss) from discontinued operations before tax	27	(0.16)	0.26
Tax expense for discontinued operations		(0.05)	0.08
Profit / (loss) from discontinued operations after tax (B)		**(0.11)**	**0.18**
Profit / (loss) for the year (A+B)		**1,066.25**	**910.81**
Earning per equity share of ₹ 1/- each	28		
Basic (in ₹)		3.22	2.75
Diluted (in ₹)		3.22	2.75
Summary of Significant Accounting Policies	1		

The accompanying Note Nos.1 to 45 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

Deepak Kumar Sen
General Manager & CFO

Rajiv Sawhney
Company Secretary

Dhruv M. Sawhney
Chairman & Managing Director

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

Noida (U.P.), May 23, 2013

Cash Flow Statement
for the year ended 31st March 2013

(₹ in Million)

Particulars	31.03.2013	31.03.2012
A. Cash Flow from Operating Activities		
Profit before tax from continuing operations	1,566.58	1,349.12
Profit before tax from discontinued operations	(0.16)	0.26
Profit before tax	**1,566.42**	**1,349.38**
Non-cash adjustment to reconcile profit before tax to net cash flows		
Depreciation / amortisation on continuing operations	122.62	115.93
Depreciation / amortisation on discontinued operations (Current Year ₹ 2,172/-)	0.00	0.02
Assets written off pertaining to discontinued operations (Current Year ₹ 4,782/-)	0.00	-
Loss / (profit) on sale of fixed assets	0.94	0.82
Provision for diminution in value of investments (current investments)	(0.08)	0.08
Net gain on sale of current investments	(3.26)	(0.06)
Interest expense	27.25	95.93
Interest income	(6.72)	(5.19)
Dividend income	(1.76)	(0.36)
Operating profit before working capital changes	**1,705.41**	**1,556.55**
Movements in working capital :		
Increase / (decrease) in trade payables	418.38	(188.97)
Increase / (decrease) in long term provisions	(26.08)	1.10
Increase / (decrease) in short term provisions	2.12	22.38
Increase / (decrease) in other current liabilities	(163.39)	(361.29)
Decrease / (increase) in trade receivables	(584.51)	418.56
Decrease / (increase) in inventories	125.96	168.55
Decrease / (increase) in long-term loans and advances	1.06	32.37
Decrease / (increase) in short-term loans and advances	(124.10)	(12.23)
Decrease / (increase) in other current assets	(140.05)	(2.65)
Decerease / (increase) in other non-current assets	(0.10)	-
Cash generated from / (used in) operations	**1,214.70**	**1,634.37**
Direct taxes paid (net of refunds)	(488.11)	(398.45)
Net cash flow from / (used in) operating activities (A)	**726.59**	**1,235.92**
B. Cash Flow from Investing Activities		
Purchase of fixed assets (including intangible assets, CWIP and capital advances)	(39.88)	(194.99)
Proceeds from sale of fixed assets	0.10	0.66
Purchase of non-current investments	(25.00)	(45.00)
Purchase of current investments	(720.00)	(282.86)
Proceeds from sale / maturity of current investments	773.36	182.82
Investments in bank deposits (having original maturity of more than three months)	(6.61)	-
Interest received	7.26	5.33
Dividends received	1.76	0.36
Net cash flow from / (used in) investing activities (B)	**(9.01)**	**(333.68)**

(₹ in Million)

Particulars	31.03.2013	31.03.2012
C. Cash Flow from Financing Activities		
Proceeds from long-term borrowings	1.57	9.97
Repayment of long-term borrowings	(352.17)	(401.64)
Repayment of short-term borrowings	(4.48)	(120.71)
Interest paid	(27.27)	(104.43)
Dividend paid on equity shares	(150.49)	(148.28)
Tax on equity dividend paid	(24.45)	(24.08)
Net cash flow from / (used in) financing activities (C)	**(557.29)**	**(789.17)**
Net increase / (decrease) in cash and cash equivalents (A + B + C)	160.29	113.07
Cash and cash equivalents at the beginning of the year	117.89	4.82
Cash and cash equivalents at the end of the year	**278.18**	**117.89**

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

Deepak Kumar Sen
General Manager & CFO

Rajiv Sawhney
Company Secretary

Dhruv M. Sawhney
Chairman & Managing Director

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

Noida (U.P.), May 23, 2013

Notes to Financial Statements
for the year ended 31st March 2013

1. Significant Accounting Policies

a) Basis of Preparation

These financial statements have been prepared as a going concern, on an accrual basis of accounting under the historical cost convention and comply in all material respects with the accounting standards notified under section 211 (3C) and the other relevant provisions of the Companies Act, 1956.

In line with the normal operating cycle of the main product, i.e., manufacture and supply of turbine package, 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 revenue and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known / materialise.

c) Fixed Assets

Fixed assets are stated at cost of acquisition less accumulated depreciation. Cost includes taxes, duties (excluding excise duty and VAT for which CENVAT / VAT credit is available), freight and other incidental expenses relating to acquisition and installation of such fixed assets.

d) Recognition of Revenue

Revenue is recognised 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 recognised when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods. The Company collects sales taxes and / or 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. Excise duty deducted from revenue (gross) is the amount that is included in the revenue (gross).

ii) In contracts involving the rendering of services, revenue is recognised 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 accordingly it is excluded from revenue.

iii) Revenue from construction contracts is recognised 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 cost for this purpose includes:

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 the contract.

Foreseeable losses, if any, are provided for immediately.

iv) Income and expenditure relating to the prior period and prepaid expenses which do not exceed ₹ 10,000/- in each case, are treated as income / expenditure of the current year.

e) Foreign Currency Transactions

i) Transactions denominated in foreign currencies are recorded at exchange rates prevailing on the dates of the transactions.

ii) Foreign currency monetary items (including forward contracts) are translated at rates prevailing at the reporting date. Exchange differences arising on settlement of transactions and translation of monetary items (including forward contracts) are recognised as income or expense in the year in which they arise.

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

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, on such contracts are not recognised till settlement.

f) Investments

Investments that are readily realisable 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 long term investments. Current investments are carried at the lower of cost and fair value. Long term investments are carried at cost. However, provision for diminution is made to recognise a decline, other than temporary in the value of long-term investments, such reduction being determined and made for each investment individually.

g) Inventories

i) Inventories of raw materials and components, stores and spares are valued at the lower of cost and net realisable value. Cost for the purpose of valuation of inventories is determined on a weighted average basis.

ii) Finished goods and work-in-progress are valued at the lower of cost and net realisable value. The cost of finished goods and work-in-progress includes raw material costs, direct cost of conversion and 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) Patterns, loose tools, jigs and fixtures are amortised equally over three years.

h) Depreciation

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 on the following assets which are depreciated at higher rates on the straight line basis over their estimated useful economic lives as follows:

	Rates adopted
CNC and certain other machines	9.48% to 12.65%
Mobile phone costing above ₹ 5,000/-	50%

i) Employee Benefits

i) 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 recognised as expenses in the period in which the employees render the related service. The Company recognises the undiscounted amount of short term employee benefits expected to be paid (including compensated absences) in exchange for services rendered, as a liability.

ii) Post-employment benefits

a) Defined contribution plans: The Company's contributions under the Employees' Provident Fund Scheme, Employees' State Insurance Scheme and Officers' Pension Scheme for certain employees are defined contributions plans. The contributions paid / payable under these schemes are recognised during the period in which the employees render the related service.

b) Defined benefit plans : The Company's Employees' Gratuity Scheme is a defined benefit plan. The present value of the obligation under the defined benefit plan is determined based on the actuarial valuation using the Projected Unit Credit method, which recognises each period of service as giving rise to an additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rate used for determining the present value of the obligation under the defined benefit plan, is based on the market yields on Government securities at the balance sheet date, with maturity periods approximating the terms of the related obligation.

Actuarial gains and losses are recognised immediately in the statement of profit and loss.

Gain or losses on the curtailment or settlement of any defined benefit plan is recognised when the curtailment of settlement occurs. Past service cost is recognised as an expense on a straight-line basis over the average period until the benefits become vested.

iii) Other long-term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability at the present value of the defined benefit obligation at the balance sheet date on the basis of an actuarial valuation. The discount rates used for determining the present values of the obligation under defined benefit plans, are based on the appropriate market yields on Government securities at the balance sheet date.

iv) Employee Stock Options

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

j) Borrowing costs

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

k) 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 recognised for 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 assets are recognised 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 realised, except in the case of unabsorbed depreciation or carried forward of losses under the Income-tax Act 1961, where deferred tax assets are recognised only to the extent that there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which deferred tax assets can be realised.

iv) Minimum alternate tax (MAT) credit is recognised as an asset to the extent that 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.

l) Intangible Assets

Intangible assets which are expected to provide future enduring economic benefits are recognised at cost and are amortised as follows:

	Period of amortisation
Computer Software	36 months
Website development cost	36 months
Designs and drawings	72 months

m) Impairment of Assets

Impairment of individual assets / cash generating unit (a group of assets that generates identified independent cash flows) are identified using external and internal sources of information and impairment loss, if any, is determined and recognised to the extent, the carrying amount of assets exceed their recoverable amount. Recoverable amount is higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life.

n) Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised, if :

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

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

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

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

Contingent liabilities are disclosed in the case of:

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

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

Contingent assets are not recognised.

o) Research and Development

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

2. Share Capital

(₹ in Million)

Particulars	31.03.2013	31.03.2012
AUTHORISED		
450,000,000 Equity Shares of ₹ 1/- each	450.00	450.00
5,000,000 8% Cumulative Redeemable Preference Shares of ₹ 10/- each	50.00	50.00
	500.00	**500.00**
ISSUED, SUBSCRIBED AND FULLY PAID UP		
Equity		
329,880,150 Equity Shares of ₹ 1/- each	329.88	329.88
Preference		
2,800,000 8% Cumulative Redeemable Preference Shares of ₹ 10/- each	28.00	28.00
	357.88	**357.88**

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

Equity Shares

Particulars	As at 31.03.2013		As at 31.03.2012	
	No of Shares	₹ in Million	No of Shares	₹ in Million
At the beginning of the year	329,880,150	329.88	72,000,000	72.00
Add : Shares allotted to shareholders of Triveni Engineering & Industries Limited in the ratio 1:1 in accordance with the Scheme of Arrangement.	-	-	257,880,150	257.88
Outstanding at the end of the year	329,880,150	329.88	329,880,150	329.88

Preference Shares

Particulars	As at 31.03.2013		As at 31.03.2012	
	No of Shares	₹ in Million	No of Shares	₹ in Million
At the beginning of the year	2,800,000	28.00	-	-
Add: Shares issued from Preference Share Capital suspense A/c.	-	-	2,800,000	28.00
Outstanding at the end of the year	2,800,000	28.00	2,800,000	28.00

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) Terms / rights attached to preference shares

As per the Scheme of Arrangement ("Scheme") duly approved by the Allahabad High Court vide order dated April 19, 2011, 28,000,000 equity shares of ₹ 1/- each fully paid up by Triveni Engineering & Industries Limited stood converted into 2,800,000 - 8% Cumulative Reedemable Preference Shares of ₹ 10/- each fully paid up. These Preference Shares carry the right to cumulative dividend @ 8% p.a. 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. The Preference Shares are redeemable at par at the end of 5 years from the date of allotment. However, the Company has an option to redeem these shares at any time after the end of 6 months from the date of allotment. The preference shareholders have a preference vis-a-vis equity shareholders with respect to any dividend that may be declared by the Company as well as with regard to redemption of capital in the event of liquidation.

d) Shares allotted as fully paid up pursuant to contract(s) without payment being received in cash (during the 5 years immediately preceding)

257,880,150 equity shares of ₹ 1/- each were allotted on May 10, 2011,as fully paid up to the shareholders of Triveni Engineering & Industries Ltd (TEIL) in the ratio of one equity share for every one equity share held by them in TEIL, pursuant to the Scheme.

e) Details of shareholders holding more than 5% shares in the company

Particulars	As at 31.03.2013		As at 31.03.2012	
	No of Shares	% holding	No of Shares	% holding
Equity Shares of ₹ 1/- each fully paid				
Triveni Engineering & Industries Limited	72,000,000	21.83	72,000,000	21.83
Dhruv M. Sawhney	28,124,645	8.53	36,124,645	10.95
Nalanda India Fund Limited	25,788,000	7.82	25,788,000	7.82
Umananda Trade & Finance Limited	20,157,589	6.11	20,157,589	6.11
Rati Sawhney	16,824,914	5.10	18,824,914	5.71
Tarnik Investments & Trading Limited	18,680,527	5.66	18,680,527	5.66
8% Cumulative Redeemable Preference Shares of ₹ 10/- each fully paid				
Triveni Engineering & Industries Limited	2,800,000	100	2,800,000	100

f) Shares reserved for issue under options

Refer Note No 33

3. Reserves and Surplus

General reserve

(₹ in Million)

Particulars	31.03.2013	31.03.2012
Balance as per the last financial statements	150.00	-
Add: Amount transferred from statement of profit and loss	450.00	150.00
Closing Balance	**600.00**	**150.00**

Surplus / (deficit) in the statement of profit and loss

(₹ in Million)

Particulars	31.03.2013	31.03.2012
Balance as per the last financial statements	178.46	(330.53)
Add: Net profit / (loss) after tax transferred from statement of profit and loss	1,066.25	910.81
Amount available for appropriation (A)	**1,244.71**	**580.28**
Appropriations:		
Transfer to General reserve	450.00	150.00
Dividend on equity shares (Interim)	82.47	148.45
Dividend on equity shares (Earlier year) (Current year ₹ 34/-)	0.00	-
Proposed dividend on preference share	2.24	2.24
Proposed dividend on equity share	181.43	65.98
Tax on equity dividend (Interim)	13.38	24.08
Tax on equity dividend (Earlier year) (Current year ₹ 6/-)	0.00	-
Tax on proposed equity and preference dividend	31.22	11.07
Total appropriations (B)	**760.74**	**401.82**
Net surplus / (deficit) in the statement of profit and loss (A-B)	**483.97**	**178.46**
Total reserves and surplus	**1,083.97**	**328.46**

4. Long-Term Borrowings

(₹ in Million)

Particulars	Non- Current portion		Current maturities	
	31.03.2013	31.03.2012	31.03.2013	31.03.2012
Term loans (Secured)				
- From banks	1.26	162.97	2.01	190.80
- From others	3.75	4.06	1.06	0.85
	5.01	167.03	3.07	191.65
Less : Amount disclosed under the head "other current liabilities" (Refer Note No 9)			3.07	191.65
	5.01	**167.03**	**-**	**-**

Details of Securities and other terms :-

Name of the Bank / Others	Total loan outstanding (₹ in Million)	Repayment terms of loan outstanding	Rate of interest (per annum)	Nature of Security
1. Canara Bank	- (24.80)	Nil (6) equal quarterly instalments.	12.50%	These loans were transferred to the Company pursuant to a Scheme of Arrangement, as approved by Honourable High Court of Allahabad vide order dated 19.04.2011. Pending completion of the formalities, these loans remained secured against assets of Triveni Engineering & Industries Ltd (Demerged Company). However all such loans stand repaid as on 31.03.2013
2. Bank of Maharashtra	- (43.75)	Nil (7) equal quarterly instalments.	11.90%	
3. Central Bank of India	- (178.53)	Nil (9) equal quarterly instalments.	12.50%	
4. Kotak Mahindra Bank Ltd	- (102.55)	Nil (6) equal quarterly instalments.	11.75%	
5. Axis Bank (Vehicle loan)	3.27 (4.14)	In equated monthly instalments ranging from 17 to 32 months (29 months)	At fixed rates ranging from 9.90% to 10.00%	Secured by hypothecation of vehicles acquired under the respective vehicle loans.
6. Kotak Mahindra Prime Ltd (Vehicle loan)	4.81 (4.91)	In equated monthly instalments ranging from 39 to 51 months (36 to 48 months)	At fixed rates ranging from 9.93% to 10.04%	Secured by hypothecation of vehicles acquired under the respective vehicle loans.

Figures in brackets relate to previous year.

5. Deferred Tax Liabilities

(₹ in Million)

Particulars	31.03.2013	31.03.2012
Deferred Tax Liabilities :		
Difference in net book value of fixed assets as per books and tax laws	135.30	136.29
Deferred Tax Assets :		
Expenses allowable on payment basis	17.07	29.45
Others	40.40	35.96
Net Deferred Tax Liabilities	**77.83**	**70.88**

6. Provisions

(₹ in Million)

Particulars	Long-term		Short-term	
	31.03.2013	31.03.2012	31.03.2013	31.03.2012
Provisions for Employee Benefits				
Gratuity (Refer Note No.41)	18.35	48.17	1.75	9.34
Compensated absences (Refer Note No 41)	15.71	15.77	8.02	5.76
Other provisions				
Proposed dividend	-	-	183.67	68.22
Tax on proposed dividend	-	-	31.22	11.07
Warranty	19.73	15.94	47.17	35.03
Liquidated damages	-	-	60.43	72.93
Cost to completion	-	-	149.56	141.30
Loss on foreign exchange derivatives	-	-	-	0.44
Income Tax [net of advance tax of ₹ 456.37 Million (₹ 396.99 Million) & includes wealth tax ₹ 0.08 Million (₹ 0.08 Million)]	-	-	36.10	30.88
	53.79	**79.88**	**517.92**	**374.97**

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

Movement in provisions

(₹ in Million)

Particulars of disclosure	Nature of provisions			
	Warranty	Liquidated Damages	Cost to Completion	Loss on foreign exchange derivatives
Opening balance	50.97	72.93	141.30	0.44
	(44.60)	(81.76)	(112.90)	(0.09)
Provision made during the year	50.96	3.50	46.50	-
	(34.63)	(-)	(49.90)	(0.44)
Provision used during the year	17.21	6.25	37.60	-
	(13.50)	(3.02)	(21.50)	(-)
Provision no longer required reversed	17.82	9.75	0.64	0.44
	(14.76)	(5.81)	(-)	(0.09)
Closing balance	66.90	60.43	149.56	-
	(50.97)	(72.93)	(141.30)	(0.44)

Figures in brackets relate to previous year.

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 as at March 31,2013 represent the amount of the expected cost of meeting such obligations. The timing of the outflows is expected to be within the period of two years.

Liquidated damages : In respect of certain products, the Company has contractual obligations towards customers for matters relating to delivery and performance. The provisions represent the amount estimated to meet the cost of such obligations. The timing of the outflow is expected to be within one year.

Cost to completion: The provision represents the costs of materials and services required for erection and integeration of turbine packages at the site, prior to commisioning.

Loss on foreign exchange derivatives: Represents provision 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.

7 Short-Term Borrowings (Secured)

(₹ in Million)

Particulars	31.03.2013	31.03.2012
Repayable on demand		
Cash credits from banks *	-	4.48
	-	**4.48**

* Secured by pledge/hypothecation of the stock-in-trade, raw material, stores & spare parts, work-in-progress and receivables and a second charge on the fixed assets on a pari-passu basis. Interest rates ranges from 11% to 12% per annum.

8 Trade Payables

(₹ in Million)

Particulars	31.03.2013	31.03.2012
Trade payables (Refer Note No 34 for details of dues to micro and small enterprises)	1,136.55	718.17
	1,136.55	**718.17**

9 Other Current Liabilities

(₹ in Million)

Particulars	31.03.2013	31.03.2012
Current maturities of long term borrowings (Refer Note No 4)	3.07	191.65
Creditors for purchases of capital asets	1.54	3.48
Advances from customers	674.51	840.56
Deposits from customers	8.06	8.06
Interest accrued but not due on borrowings	0.06	0.08
Employee benefits & other dues	17.99	20.45
Deferred premium on foreign exchange forward contracts	4.48	1.07
Indirect taxes & duties payable	0.56	0.02
Statutory dues relating to employees	5.11	4.48
Income tax deducted at source	8.71	7.19
Unpaid dividend	0.36	0.17
Creditors for other liabilities	5.85	4.89
	730.30	**1,082.10**

10. Tangible Assets

(₹ in Million)

Particulars	Land	Buildings	Plant and Machinery	Office Equipment	Furniture and Fixtures	Vehicles	Computers	Total
Gross block								
As at April 1, 2011	36.42	333.49	1,013.33	22.88	39.65	6.59	53.17	1,505.53
Additions	-	0.64	111.43	1.62	2.08	17.30	3.08	136.15
Deductions	-	0.38	7.91	0.03	-	-	2.27	10.59
As at March 31, 2012	**36.42**	**333.75**	**1,116.85**	**24.47**	**41.73**	**23.89**	**53.98**	**1,631.09**
Additions	-	0.53	1.47	1.00	1.74	3.18	6.98	14.90
Deductions	-	-	1.85	-	0.27	0.77	0.89	3.78
As at March 31, 2013	**36.42**	**334.28**	**1,116.47**	**25.47**	**43.20**	**26.30**	**60.07**	**1,642.21**
Depreciation								
As at April 1, 2011	**-**	**52.80**	**224.73**	**5.30**	**10.95**	**2.94**	**34.24**	**330.96**
Charge for the year*	-	10.82	82.33	1.07	2.45	1.16	5.82	103.65
Deductions	-	0.17	7.19	2.10	-	-	-	9.46
As at March 31, 2012	**-**	**63.45**	**299.87**	**4.27**	**13.40**	**4.10**	**40.06**	**425.15**
Charge for the year*	-	10.79	87.27	1.17	2.54	2.36	5.07	109.20
Deductions	-	-	1.22	-	0.24	0.51	0.77	2.74
As at March 31, 2013	**-**	**74.24**	**385.92**	**5.44**	**15.70**	**5.95**	**44.36**	**531.61**
Net Block								
As at March 31, 2012	**36.42**	**270.30**	**816.98**	**20.20**	**28.33**	**19.79**	**13.92**	**1,205.94**
As at March 31, 2013	**36.42**	**260.04**	**730.55**	**20.03**	**27.50**	**20.35**	**15.71**	**1,110.60**

* Includes depreciation amounting to ₹ 0.002 Million (₹ 0.021 Million) on assets pertaining to a discontinued business. (Refer Note No 27)

11. Intangible Assets (Other than internally generated)

(₹ in Million)

Particulars	Computer Software	Website	Design and Drawings	Total
Gross block				
As at April 1, 2011	85.44	-	46.26	131.70
Additions	4.33	0.65	4.58	9.56
Disposals	-	-	-	-
As at March 31, 2012	**89.77**	**0.65**	**50.84**	**141.26**
Additions	12.52	0.60	7.35	20.47
Disposals	0.09	-	-	0.09
As at March 31, 2013	**102.20**	**1.25**	**58.19**	**161.64**
Amortisation				
As at April 1, 2011	**73.77**	**-**	**24.83**	**98.60**
Charge for the year	6.53	0.03	5.74	12.30
Disposals	-	-	-	-
As at March 31, 2012	**80.30**	**0.03**	**30.57**	**110.90**
Charge for the year	6.69	0.27	6.46	13.42
Disposals	0.09	-	-	0.09
As at March 31, 2013	**86.90**	**0.30**	**37.03**	**124.23**
Net Block				
As at March 31, 2012	**9.47**	**0.62**	**20.27**	**30.36**
As at March 31, 2013	**15.30**	**0.95**	**21.16**	**37.41**

12 Non-Current Investments

(₹ in Million)

Particulars	31.03.2013	31.03.2012
Long Term		
Trade		
UNQUOTED		
SHARES - Fully paid-up - Subsidiary Company		
8,000,001 (5,500,001) Equity shares of ₹ 10/- each of GE Triveni Limited (At cost)	80.00	55.00
Aggregate value of unquoted investments	**80.00**	**55.00**

13. Loans and Advances

(₹ in Million)

Particulars	Long-term		Short-term	
	31.03.2013	31.03.2012	31.03.2013	31.03.2012
Capital advances				
Unsecured, considered good	54.52	50.22	-	-
(A)	**54.52**	**50.22**	**-**	**-**
Security deposit				
Unsecured, considered good	2.81	2.15	2.32	2.40
(B)	**2.81**	**2.15**	**2.32**	**2.40**
Other loans and advances				
Unsecured, considered good				
Prepaid expenses	2.31	2.08	12.28	11.21
Loans to employees	0.82	-	2.33	2.41
Advances to suppliers	2.60	5.37	140.10	68.73
Service tax recoverable	-	-	9.85	7.75
Excise duty (Cenvat Balance)	-	-	7.06	13.58
Earnest money deposit	-	-	2.79	2.28
Works contract tax recoverable	-	-	0.81	0.55
Advance payment of tax	14.92	14.82	-	-
Amount recoverable from hedging banks	-	-	24.18	1.79
VAT recoverable	-	-	47.93	16.43
Excise duty recoverable	25.87	25.87	1.00	0.76
Other amounts recoverable	0.23	0.23	1.16	0.01
(C)	**46.75**	**48.37**	**249.49**	**125.50**
Total (A+B+C)	**104.08**	**100.74**	**251.81**	**127.90**

14. Current Investments (unquoted)

(₹ in Million)

Particulars	31.03.2013	31.03.2012
(Valued at lower of cost or fair value)		
Nil (499,146.065) Units of Birla Sun Life Cash Plus - Institutional Premium Daily Dividend	-	50.01
Nil (49,984.251) Units of IDFC -Cash Fund -Institutional Plan B Weekly Dividend	-	50.08
31,467.848 Units (Nil) of DSP Black Rock Money Manager Ret-G Growth	50.00	-
	50.00	100.09
Less: Provision for diminution in value of current investment	-	0.08
	50.00	**100.01**
Aggregate book value of unquoted investments	50.00	100.01
Aggregate amount of provision made for diminution in value of investments	-	0.08

15. Inventories

(₹ in Million)

Particulars	31.03.2013	31.03.2012
(Valued at lower of cost and net realisable value)		
Raw material and components [includes stock in transit ₹ 8.11 Million (₹ 6.13 Million)]	280.16	315.37
Work-in-progress	367.42	457.86
Stores and spares	0.54	0.74
Patterns	11.72	8.27
Tools, jigs and fixtures	5.21	8.75
Others (Scrap)	0.06	0.08
	665.11	**791.07**

16. Trade Receivables

(₹ in Million)

Particulars	Non-Current		Current	
	31.03.2013	31.03.2012	31.03.2013	31.03.2012
Over Six Months				
Secured - considered good	-	-	-	-
Unsecured - considered good	-	-	213.26	209.59
Considered doubtful	-	-	38.11	21.92
	-	-	251.37	231.51
Less : Provision for doubtful debts	-	-	38.11	21.92
(A)	-	-	213.26	209.59
Others				
Secured - considered good	-	-	-	-
Unsecured - considered good	58.93	-	958.49	436.58
(B)	58.93	-	958.49	436.58
Total (A+B)	**58.93**	**-**	**1,171.75**	**646.17**
Less: Amount disclosed under other non-current assets (Refer Note No 18)	58.93	-	-	-
	-	-	1,171.75	646.17
Trade receivables includes dues from subsidiary company	-	-	15.46	0.02

17. Cash and Bank Balances

(₹ in Million)

Particulars	Non-Current		Current	
	31.03.2013	31.03.2012	31.03.2013	31.03.2012
Cash and cash equivalents				
Balance with banks				
Current accounts	-	-	276.90	11.31
Demand deposits (original maturity of less than three months)	-	-	-	100.00
Cheques / drafts on hand (Current Year ₹ 116/-)	-	-	0.00	5.00
Cash on hand	-	-	1.28	1.58
(A)	**-**	**-**	**278.18**	**117.89**
Other bank balances				
Earmarked balances:				
Unpaid dividend account	-	-	0.36	0.17
Other balances:				
Demand deposits (original maturity more than one year)	0.10	-	-	-
Demand deposits (original maturity exceeding three months but upto one year)	-	-	6.61	-
(B)	**0.10**	**-**	**6.97**	**0.17**
Total (A+B)	**0.10**	**-**	**285.15**	**118.06**
Less: Amount disclosed under other non-current assets (Refer Note No.18)	0.10	-	-	-
	-	-	285.15	118.06

18. Other Assets

(₹ in Million)

Particulars	Non-Current		Current	
	31.03.2013	31.03.2012	31.03.2013	31.03.2012
Non-current trade receivables (Refer Note No 16)	58.93	-	-	-
Non-current cash and bank balances (Refer Note No 17)	0.10	-	-	-
Interest accrued on fixed deposits	0.01	-	0.04	0.58
Due from customers (Turnkey project revenue adjustment)	-	-	122.07	-
Duty drawback receivable	-	-	24.86	6.89
	59.04	**-**	**146.97**	**7.47**

19. Revenue from Operations

(₹ in Million)

Particulars	31.03.2013	31.03.2012
Sale of products		
Finished goods		
Turbines (including related equipments and supplies)	4,928.40	5,464.04
Spares	869.75	743.47
Sale of services		
Servicing, operation and maintenance	360.42	332.45
Erection and commissioning	97.88	71.70
Turnkey project revenue	599.65	-
Other operating revenue		
Technical know-how fee	12.07	20.07
Sale of scrap	6.21	4.67
Selling commission	3.61	3.41
Royalty	2.88	-
	6,880.87	**6,639.81**

20. Other Income

(₹ in Million)

Particulars	31.03.2013	31.03.2012
Dividend from current investment	1.76	0.36
Profit on sale of current investment	3.26	0.06
Customs duty drawback	24.08	9.37
Rent received	4.67	4.64
Interest income		
Bank Deposits	4.75	4.93
Customers	1.97	0.26
Premium / discount on foreign currency forward contracts	28.49	7.69
Exchange fluctuation gains *	4.02	9.33
Provision of liquidated damages reversed (net) - (Refer Note No 6)	6.25	5.81
Provision for doubtful debts and advances written back	-	1.22
Provision of cost to completion reversed (Refer Note No 6)	0.64	-
Provision for diminution in value of current investment written back	0.08	-
Miscellaneous Income	1.09	3.19
	81.06	**46.86**

* Includes reversal of provision against mark to market losses: ₹ 0.44 Million (previous year ₹ 0.09 Million)

21. Material Consumed

(₹ in Million)

Particulars	31.03.2013	31.03.2012
Stock at commencement	315.37	371.80
Purchases	3,678.11	3,660.90
	3,993.48	4,032.70
Less: Stock at close	280.16	315.37
	3,713.32	**3,717.33**
Details of raw material and components consumed		
Alternators, elecric panels and other direct bought-outs	1,853.19	1,761.08
Iron and steel	315.58	354.25
Gear boxes and accessories	361.79	435.51
Oil system components	148.34	171.87
Others	1,034.42	994.62
	3,713.32	**3,717.33**

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

(₹ in Million)

Particulars	31.03.2013	31.03.2012
Stock at commencement		
- Work-in-progress (turbines)	457.86	568.12
	457.86	568.12
Stock at close		
- Work-in-progress (turbines)	367.42	457.86
	90.44	**110.26**

23. Employee Benefit Expenses

(₹ in Million)

Particulars	31.03.2013	31.03.2012
Salaries,wages and bonus	452.93	385.70
Contributions to provident and other funds	34.07	30.07
Gratuity	11.11	11.88
Employee welfare	39.62	33.34
	537.73	**460.99**

24. Other Expenses

(₹ in Million)

Particulars	31.03.2013	31.03.2012
Stores,spares and tools consumed	90.40	111.02
Power and fuel	15.85	15.59
Design and engineering charges	6.40	11.67
Repairs and maintenance		
Machinery	4.67	5.65
Buildings	1.21	3.44
Others	7.60	7.92
Travelling and conveyance	92.99	86.45
Rent	6.98	6.02
Rates and taxes	3.26	3.50
Insurance	3.06	2.30
Directors' fees	0.57	0.68
Directors' commission	4.50	4.00
Certification & consultation	30.87	25.08
Group shared service cost	39.79	43.88
Prior period expenses (Refer Note No 36)	0.16	-
Bank charges and guarantee commission	15.17	15.41
Provision for mark to market loss on foreign exchange derivatives	-	0.44
Provision for doubtful debts and advances	16.19	-
Bad debts/sundry amounts written off	1.19	2.08
Warranty expenses (Refer Note No 6. for provision for warranty)	52.96	36.93
Payment to Auditors (Refer Note No 44)	1.65	2.39
Non moving/obsolete inventory written off	10.71	1.20
Loss on sale of assets	0.94	0.82
Packing and forwarding	70.02	56.30
Selling commission	34.27	10.91
Decrease in carrying amount of current investments	-	0.08
Miscellaneous expenses	80.18	62.36
	591.59	**516.12**

25. Depreciation and Amortisation Expenses

(₹ in Million)

Particulars	31.03.2013	31.03.2012
Depreciation	109.20	103.63
Amortisation	13.42	12.30
	122.62	**115.93**

26. Finance Costs

(₹ in Million)

Particulars	31.03.2013	31.03.2012
Interest [Includes ₹ 0.05 Million towards interest on income tax (previous year ₹ 3.00 Million)]	25.70	87.09
Other borrowing cost	1.55	3.86
Exchange fluctuation loss on foreign currency forward contracts	-	0.06
Premium paid on foreign currency forward contracts	-	4.92
	27.25	**95.93**

27. The Company had earlier exited the rural and semi- urban retail business and engineering business of design, supply and commissioning of specialised sugar manufacturing machinery. The following statement shows the profit / (loss) on disposal of assets and settlement of liabilities relating to discontinued operations:

(₹ in Million)

Particulars	31.03.2013	31.03.2012
Revenue		
Revenue from disposal of inventories (gross)	-	-
Other income (including provisions against expense and inventories written back)	0.13	1.60
Total revenue	**0.13**	**1.60**
Expenses		
Assets written-off	0.01	-
Bad debts / sundry amounts written off	-	1.25
Rates & taxes	0.02	-
Rent	0.22	-
Legal and professional fees (including ₹ 0.02 Million for previous year)	0.03	0.04
Miscellaneous expenses	-	0.03
Depreciation and amortisation (Current Year ₹ 2,172/-)	0.00	0.02
Finance cost	0.01	-
Total expenses	**0.29**	**1.34**
Profit / (loss) before tax from discontinued operations	(0.16)	0.26
Income tax (expense)/benefit	0.05	(0.08)
Profit / (loss) after tax	**(0.11)**	**0.18**

The net cash flows attributable to the discontinued operations are as follows:

(₹ in Million)

Particulars	31.03.2013	31.03.2012
Operating activities	(0.24)	(0.11)
Investment activities	-	-
Financing activities - Current Year (₹ 5,460/-)	(0.00)	-
Net cash inflow / (outflow)	**(0.24)**	**(0.11)**

28. Earnings per share (EPS)

(₹ in Million)

Basic EPS	31.03.2013	31.03.2012
Net profit / (loss) after tax	1,066.25	910.81
Less: Dividend on preference shares (including dividend distribution tax)	2.62	2.60
Adjusted net profit / (loss) after tax and preference dividend [A]	1,063.63	908.21
Weighted average number of equity shares outstanding during the year [B]	329,880,150	329,880,150
Basic earnings per share – ₹/Share	3.22	2.75

Diluted EPS	31.03.2013	31.03.2012
Adjusted net profit / (loss) after tax and preference dividend, as above [A]	1,063.63	908.21
Weighted average number of equity shares deemed to be issued under options without consideration, outstanding during the year	6530	Nil
Weighted average number of equity shares outstanding during the year [B]	329,886,680	329,880,150
Diluted earnings per share ₹/Share	3.22	2.75

29. The Company has incurred an expenditure of ₹ 54.22 million (₹ 42.78 million) for Research and Development activities and such expenditure has been expensed under various heads. The break up of such expenditure is as under:

(₹ in Million)

Particulars	31.03.2013	31.03.2012
a) Capital expenditure	10.65	6.93
b) Recurring expenditure	43.57	35.85
Total	**54.22**	**42.78**

30. Contingent Liabilities (to the extent not provided for)

Claims against the Company not acknowledged as debts :

(₹ in Million)

SL No	Particulars	Amount of Contingent Liability	Amount Paid
1	Excise duty	39.92 (39.68)	26.15 (26.15)
2	Service tax	42.39 (12.80)	- (-)
3	Others	2.08 (2.08)	- (-)
	Total	**84.39** **(54.56)**	**26.15** **(26.15)**

a) The outflow arising from these claims is uncertain. Such outflow, if any, will be after adjusting reimbursement of ₹ 8.06 Million received from customers (Previous year: ₹ 8.06 Million) in respect of excise duty demand on account of denial of benefit under Notification No. 6/2000 issued by the Central Government under Section 5A(1) of the Central Excise Act, 1944.

b) The amounts shown above represent the best 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 a strong legal position against such disputes.

31. Estimated amount of contracts remaining to be executed on capital account and not provided for : ₹ 20.89 Million (₹ 0.28 Million) after adjusting advances paid amounting to ₹ 4.40 Million (₹ 0.10 Million). The Company has also made a commitment to purchase 25 acres of industrial land near Bangalore and paid ₹ 50.12 Million (₹ 50.12 Milliion) as an advance. The total amount of commitment in this respect is not determinable as the allotment and price are yet to be finalised by Karnataka Industrial Areas Development Board.

32. Title to certain fixed assets vested in the Company under the Scheme of Arrangement and arising out of business conducted till the date the Scheme became effective, could not be transferred in the name of the Company. These assets are being held in trust, by Triveni Engineering & Industries Ltd. The requisite duties, if any, on determination thereof by the Authorities, will be paid and accounted for by the Company appropriately.

33. 40,000 stock options in Triveni Engineering & Industries Ltd. (TEIL) had been granted to an employee of the Company on April 30, 2010, while he was an employee of TEIL, prior to the demerger of its steam turbine business and vesting of such business in the Company under a Scheme of Arrangement, duly approved by the Court. As per the Scheme of Arrangement, an employee stock option scheme styled as 'New Stock Option Scheme' has been formulated by the Company and the employee has been granted 40,000 stock options in lieu of the stock options held by him in TEIL. In accordance with the Scheme of Arrangement, and in line with the best practices, adjustment has been made for the corporate action of demerger, by adjusting the exercise price and share entitlement ratio under the options granted, so as to ensure that the fair value of options immediately prior to and immediately subsequent to the corporate action remains unchanged.

The required disclosures of the New Stock Option Scheme are as under:

a) Employee Stock Option Scheme:

No. of Options granted	40,000
Original grant date of Options	30.04.2010
Date of grant under New Stock Option Scheme (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	184,000
Vesting Plan	Graded Vesting as under: 20,000 options to vest on 30.04.2011 20,000 options to vest on 30.04.2012
Normal Exercise Period	Within 2 years from the date of vesting
Exercise Price per share (₹)	52

b) Movement of Options Granted

(₹ in Million)

Particulars	31.03.2013	31.03.2012
Outstanding at the beginning of the year*	40,000	40,000
Granted during the year	Nil	Nil
Exercised during the year	Nil	Nil
Lapsed during the year	Nil	Nil
Outstanding at the end of the year	40,000	40,000
Unvested at the end of the year	Nil	20,000
Exercisable at the end of the year	40,000	20,000

The options outstanding as at the end of the year have a weighted average contractual life of 7 months and are exercisable at the grant price of ₹ 52.

**Consequent to the grant of options under the 'New Stock Option Scheme' framed in accordance with the Scheme of Arrangement, the stock options are deemed to have been granted from the appointed date of the Scheme of Arrangement (01.10.2010).*

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	46.53%
d) Expected dividend	1.20%
e) Exercise price of each underlying share under the option	₹ 52

The weighted average fair value of each option of the Company, as considered on the date of the corporate adjustment, issued under New Stock Option Scheme was ₹ 29.30.

Had the compensation cost for the stock options granted under ESOP 2009 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 Million)

Particulars	31.03.2013	31.03.2012
Net Profit / (Loss) (as reported)	1,066.25	910.81
Less : Preference dividend (including tax thereon)	2.62	2.60
Add : Compensation expense under ESOP considered in the net profit	Nil	Nil
Less : Compensation expense under ESOP as per fair value *	0.01	0.17
Net Profit / (Loss) (fair value basis) attributable to equity shareholders	1063.62	908.04
Basic earnings per share (as reported) – ₹/Share	3.22	2.75
Basic earnings per share (fair value basis) – ₹/Share	3.22	2.75
Diluted earnings per share (as reported) – ₹/Share	3.22	2.75
Diluted earnings per share (fair value basis) – ₹/Share	3.22	2.75

* *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 suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006, the relevant information is provided here below:-

(₹ in Million)

S.No	Particulars	31.03.2013	31.03.2012
1	Amounts due to Micro and Small enterprises		
	i) Principal amount	61.56	23.46
	ii) Interest due on above	Nil	Nil
2	i) Principal amount paid after due date or appointed day during the year	Nil	Nil
	ii) Interest paid during the year on (i) above	Nil	Nil
3	Interest due & payable (but not paid) on principal amounts paid during the year after the due date or appointed day.	Nil	Nil
4	Total interest accrued and remaining unpaid	Nil	Nil
5	Further interest in respect of defaults of earlier years due and payable in current year upto the date when actually paid	Nil	Nil

35. i) The Company has taken various residential and office premises under operating leases. These are not non-cancellable and the unexpired period ranges between 6 months and 3 years and the leases are renewable by mutual consent. The Company has given refundable interest- free security deposits under certain agreements.

a) Lease payments under operating leases amounting to ₹ 6.98 Million (₹ 6.02 Million) are recognised in the statement of profit and loss under "Rent" in Note No 24.

b) There are no minimum future lease payments as there are no non-cancellable leases.

ii) The Company has also given certain portions of its office premises under cancellable and non-cancellable operating leases. These leases are extendable by mutual consent and on mutually agreeable terms. The gross carrying amount, accumulated depreciation and depreciation recognised in the statement of profit and loss in respect of such portions 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. Future minimum lease payments under non-cancellable leases are as under :

(₹ in Million)

Unexpired period of lease	31.03.2013	31.03.2012
Not later than one year	4.62	4.62
Later than one year but not later than five years	-	4.62
Later than five years	-	-

36. Prior period expenses of ₹ 0.16 Million (previous year ₹ Nil) in Note No.24 represents legal charges.

37. Disclosure under Accounting Standard (AS) 7 "Construction Contracts" in respect of contracts in progress as at the end of the year is provided here-below:

(₹ in Million)

S.No	Particulars of disclosure	31 03.2013	31.03.2012
i)	Amount of contracts revenue recognised as revenue in the year	599.65	-
ii)	Aggregate amount of costs incurred and recognised profits (less recognised losses) upto the reporting date	599.65	-
iii)	Advances received	109.95	-
iv)	Retentions	58.93	-
v)	Gross amount due from customers for contract work as an asset	122.07	-
vi)	Gross amount due to customers for contract work as a liability	-	-

38. The Company primarily operates in one business segment – Power Generating Equipment and Solutions. There are no reportable geographical segments.

39. Information regarding Related Parties and transactions with them is given below:

a) Related Party where control exists

i) Subsidiary
GE Triveni Limited

ii) Key Management Personnel
Mr. Dhruv M. Sawhney - Chairman and Managing Director

b) Details of related parties with whom transactions have taken place during the year :

Name of related Party	Relationship
Triveni Engineering & Industries Ltd (TEIL)	Investing company holding substantial interest.
GE Triveni Limited (GETL)	Subsidiary Company
Mr. Dhruv M. Sawhney (DMS)	Chairman & Managing Director (Key Management Person)
Mr. Nikhil Sawhney (NS)	Joint Managing Director (Key Management Person)
Mr. Tarun Sawhney (TS)	Relative of the Key Management Personnel
Mr. Arun Mote (AM)	Executive Director (Key Management Person, effective 1st November, 2012)
Tirath Ram Shah Charitable Trust (TRSCT)	Enterprise in which Key Management Personnel or their relatives have substantial interest / significant influence
Kameni Upaskar Ltd (KUL)	Company in which Key Management Personnel or their relatives have substantial interest / significant influence

c) Details of transactions with the related parties during the year :

(₹ in Million)

Sr. No.	Nature of Transaction	TEIL	GETL	DMS	NS	TS	AM	TRSCT	KUL	Total
1	Sales and rendering of services	545.95	114.43	-	-	-	-	-	-	**660.38**
		(26.94)	(22.35)	(-)	(-)	(-)	(-)	(-)	(-)	**(49.29)**
2	Purchase of goods and receiving of services	303.54	-	-	-	-	-	-	-	**303.54**
		(366.27)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	**(366.27)**
3	Donation paid	-	-	-	-	-	-	7.50	-	**7.50**
		(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	**(-)**
4	Rent paid	3.92	-	-	-	-	-	-	-	**3.92**
		(2.45)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	**(2.45)**
5	Unsecured loan taken	-	-	-	-	-	-	-	-	**-**
		(233.67)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	**(233.67)**
6	Expenses incurred by the party on behalf of the Company/(-) by the Company on behalf of the party - net	2.06	-	-	-	-	-	-	0.20	**2.26**
		(42.79)	(-)	(-)	(-)	(-)	(-)	(-)	(0.07)	**(42.86)**
7	Interest paid	-	-	-	-	-	-	-	-	**-**
		(12.36)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	**(12.36)**
8	Remuneration	-	-	25.50	19.65	-	6.17	-	-	**51.32**
		(-)	(-)	(19.76)	(15.42)	(-)	(-)	(-)	(-)	**(35.18)**
9	Sellling commission received	-	3.82	-	-	-	-	-	-	**3.82**
		(1.36)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	**(1.36)**
10	Royalty received	-	3.24	-	-	-	-	-	-	**3.24**
		(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	**(-)**
11	Investment in shares	-	25.00	-	-	-	-	-	-	**25.00**
		(-)	(45.00)	(-)	(-)	(-)	(-)	(-)	(-)	**(45.00)**
12	Rent received	0.02	5.19	-	-	-	-	-	-	**5.21**
		(-)	(5.10)	(-)	(-)	(-)	(-)	(-)	(-)	**(5.10)**
13	Directors' fee paid	-	-	-	-	0.06	-	-	-	**0.06**
		(-)	(-)	(-)	(-)	(0.02)	(-)	(-)	(-)	**(0.02)**
14	Directors' Commission	-	-	-	-	1.00	-	-	-	**1.00**
		(-)	(-)	(-)	(-)	(1.00)	(-)	(-)	(-)	**(1.00)**
15	Refund against amount received on behalf of the party	-	-	-	-	-	-	-	-	**-**
		(-)	(-)	(-)	(5.00)	(-)	(-)	(-)	(-)	**(5.00)**
16	Outstanding balances as at year end									
	A Receivable	87.21	15.46	-	-	-	-	-	-	**102.67**
		(-)	(0.02)	(-)	(-)	(-)	(-)	(-)	(-)	**(0.02)**
	B. Payable	129.84	13.55	0.03	0.04	-	0.28	-	-	**143.74**
		(41.68)	(13.53)	(0.73)	(0.16)	(-)	(-)	(-)	(-)	**(56.10)**

Figures in brackets pertain to the previous year.

40. a) Derivatives outstanding at the balance sheet date

Forward Contract to Sell	Purpose
1. US$70,30,000(₹ 380.04 million) [Prev. Yr.: US$ 1,050,000 (₹ 53.24 million)]	Hedging of export receivables and highly probable forecast transactions.
2. Euro11,50,000(₹ 79.42 million) [Prev. Yr.: Euro 1,550,000 (₹ 104.53 million)]	Hedging of export receivables and highly probable forecast transactions.
3. GBP 26,50,000(₹ 217.03 million) [Prev. Yr.: GBP 750,000 (₹ 60.57 million)]	Hedging of highly probable forecast transactions.

Forward Contract to Buy	Purpose
1. US$ 11,00,000 (₹ 60.37 million) (Prev.Yr.US$ Nil (₹ Nil)	Hedging of import payables

b) Particulars of un-hedged foreign currency exposures at the balance sheet date

Import trade payables

1. US$ 8,78,993 (₹ 48.24 Million) [Prev. Yr.: US$ 602,747 (₹ 31.06 Million)]
2. Euro 38,490 (₹ 2.72 Million) [Prev. Yr.: Euro 175,333 (₹ 12.11 Million)]
3. CHF 2,406 (₹ 0.14 Million) [Prev. Yr.: CHF 20,845 (₹ 1.20 Million)]
4. GBP 33,983 (₹ 2.84 Million) [Prev. Yr.: GBP 88,246 (₹ 7.29 Million)]
5. JPY 95,04,263(₹ 5.57 Million) [Prev. Yr.: JPY 19,607,878 (₹ 12.39 Million)]

41. The Company has made provisions during the year for employee benefits relating to its obligations for contributions to defined contribution plans / defined benefit plans. The required disclosures in this regard are given below:

i) Defined Contribution Plans

(₹ in Million)

Particulars	31.03.2013	31.03.2012
i) Employer's contribution to employees' provident fund scheme	22.90	20.02
ii) Employer's contribution to employees' state insurance scheme	1.43	1.39
iii) Employer's contribution to officers' pension scheme	7.57	6.83

ii) Defined Benefit Plans

Change in present value of obligation

(₹ in Million)

Particulars	Gratuity (Partly funded)		Compensated absence (un-funded)	
	31.03.2013	31.03.2012	31.03.2013	31.03.2012
Present value of obligation as at the beginning of the year	57.51	58.48	20.44	21.82
Interest cost	4.28	4.83	1.69	1.80
Current service cost	4.57	4.88	4.72	4.37
Benefits paid	(8.02)	(12.85)	(2.32)	(2.42)
Actuarial (gain) / loss on obligation	2.26	2.17	(3.43)	(5.13)
Present value of obligation as at the end of the year	60.60	57.51	21.10	20.44

Change in value of plan assets

(₹ in Million)

Particulars	Gratuity (Partly funded)		Compensated absence (un-funded)	
	31.03.2013	31.03.2012	31.03.2013	31.03.2012
Fair Value of Plan Asset at the beginning of the year	-	-	-	-
Acquisition Adjustment	-	-	-	-
Expected Return on Plan Asset	-	-	-	-
Contributions	40.50	-	-	-
Benefits paid	-	-	-	-
Actuarial gain / loss on Plan Asset	-	-	-	-
Fair Value of Plan Asset at the end of year	40.50	-	-	-

Amounts recognised in balance sheet

(₹ in Million)

Particulars	Gratuity (Partly funded)		Compensated absence (un-funded)	
	31.03.2013	31.03.2012	31.03.2013	31.03.2012
Present value of obligation as at the end of the year	60.60	57.51	21.10	20.44
Fair Value of plan Asset as at the end of the year	40.50	-	-	-
Funded status / difference	(20.10)	(57.51)	(21.10)	(20.44)
Net assets / (liability) recognised in the balance sheet	(20.10)	(57.51)	(21.10)	(20.44)

Amounts recognised in the statement of profit and loss

(₹ in Million)

Particulars	Gratuity (Partly funded)		Compensated absence (un-funded)	
	31.03.2013	31.03.2012	31.03.2013	31.03.2012
Current service cost	4.57	4.88	4.71	4.37
Interest cost	4.28	4.83	1.69	1.80
Expected return on plan assets	-	-	-	-
Net actuarial (gain) / loss recognised during the year	2.26	2.17	(3.43)	(5.12)
Expenses recognised in the statement of profit and loss	11.11	11.88	2.97	1.05

Experience adjustment

(₹ in Million)

Particulars	Gratuity			Compensated absence		
	31.03.2013	31.03.2012	31.03.2011	31.03.2013	31.03.2012	31.03.2011
Defined benefit obligation	60.60	57.51	58.48	21.10	20.44	21.82
Fair value of Plan Assets	40.50	-	-	-	-	-
Surplus / (deficit)	(20.10)	(57.51)	(58.48)	(21.10)	(20.44)	(21.82)
Experience adjustment on Plan Liabilities-(Gain) / Loss	2.26	2.17	(1.18)	(3.43)	(5.12)	0.49
Experience adjustment on Plan Assets-(Gain) / Loss	-	-	-	-	-	-

Major actuarial assumptions

(₹ in Million)

Particulars	Gratuity		Compensated absence	
	31.03.2013	31.03.2012	31.03.2013	31.03.2012
Discounting rate	8.50%	8.25%	8.25%	8.25%
Future salary increase	5.50%	5.50%	5.50%	5.50%
Expected rate of return on plan assets	-	-	-	-
Mortality table	LIC (1994-96)			
Method used	Projected unit credit method			

The estimates of future salary increase considered in the actuarial valuation take account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

42. Transfer Pricing regulations

The Company has undertaken necessary steps to comply with the Transfer Pricing regulations.The Management is of the opinion that the transactions are at arm's length and hence the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.

43. Statement of additional information

(₹ in Million)

Particulars	31.03.2013	31.03.2012
a) Value of imports on CIF basis :		
i) Raw Materials	296.01	212.17
ii) Components and spare parts	1.49	3.67
iii) Capital goods	6.83	90.42
b) Expenditure in foreign currency		
i) Travelling	17.37	10.32
ii) Royalty	-	1.62
iii) Selling commission	18.29	9.30
iv) Erection and commissioning	17.53	10.60
v) Engineering services	-	5.35
vi) Others	2.51	8.34
c) Earnings in foreign currency		
i) Exports of goods on F.O.B. basis	1,684.12	799.67
ii) Service charges	61.35	33.44
iii) Selling commission	0.21	2.18

d) Consumption of raw material, spare parts and components :

Particulars	31.03.2013		31.03.2012	
	₹ in Million	%	₹ in Million	%
i) Raw Material				
- Directly imported	148.65	4.00%	166.92	4.49%
- Indigenous	3,564.67	96.00%	3,550.41	95.51%
Total	**3,713.32**	**100.00%**	**3,717.33**	**100.00%**
ii) Components and Spare Parts				
- Directly imported	1.49	1.62%	3.67	3.31%
- Indigenous	90.40	98.38%	107.35	96.69%
Total	**91.89**	**100.00%**	**111.02**	**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 paid to non-resident shareholders (including non-resident indian shareholders) which were declared during the year are as under:-

Particulars	Dividend paid during FY 2012-13		Dividend paid during FY 2011-12	
	Final Dividend for FY 2011-12	Interim Dividend for FY 2012-13	First interim Dividend for FY 2011-12	Second interim Dividend for FY 2011-12
(i) Number of non-resident shareholders	480	458	599	576
(ii) Number of Ordinary Shares held by them	36863927	37512894	43555937	37781683
(iii) Gross amount of dividend- (₹ in Million)	7.37	9.38	10.89	7.56

44. Auditors' remuneration – amounts paid / payable to the statutory auditors

(₹ in Million)

s. No.	Particulars	Statutory auditors*		Branch auditors	
		31.03.2013	31.03.2012	31.03.2013	31.03.2012
1	Statutory audit	0.21	0.19	0.40	0.35
2	Tax audit	0.07	0.06	0.17	0.24
3	Limited review	0.11	0.11	0.19	0.16
4	Certification charges	0.01	0.31	-	0.24
5	Other services	-	0.05	-	-
6	Out of pocket expenses	0.01	0.01	0.42	0.59
	Total	**0.41**	**0.73**	**1.18**	**1.58**

* Excluding service tax of ₹ 0.06 Million (Previous Year ₹ 0.08 Million) charged to the statement of profit & loss.

45. Previous year's figures have been regrouped/rearranged wherever necessary, to make them comparable to those for the current year.

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

Deepak Kumar Sen
General Manager & CFO

Rajiv Sawhney
Company Secretary

Dhruv M. Sawhney
Chairman & Managing Director

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

Noida (U.P.), May 23, 2013

Independent Auditors' Report

To the Board of Directors of Triveni Turbine Limited

We have audited the accompanying consolidated financial statements of Triveni Turbine Limited (the "Company") and its subsidiary (collectively referred to as "the Group"), which comprise the consolidated Balance Sheet as at March 31, 2013, and the consolidated Statement of Profit and Loss and the consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

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"). 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

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.

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. 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.

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

Opinion

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 auditor on financial statements of the subsidiary as noted below, the 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, 2013;

b) in the case of the consolidated Statement of Profit and Loss, of the profit of the Group for the year ended on that date; and

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

Other Matters

We did not audit the financial statements of the subsidiary company whose financial statement reflect total assets of ₹ 156.80 Million as at March 31, 2013, total revenues (net) ₹ 171.40 Million, net loss of ₹ 21.20 Million and net cash flows amounting to ₹ 17.80 Million for the year ended on that date. These financial statements have been audited by other auditor whose report has been furnished to us and our opinion is based solely on the report of the other auditor.

Our opinion is not qualified in respect of other matters.

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

Sudhir Mallick
Partner
Membership No.80051

Place: Noida (U.P.)
Date : May 23, 2013

Consolidated Balance Sheet
as at 31st March 2013

(₹ in Million)

Particulars	Note No	31.03.2013	31.03.2012
I EQUITY AND LIABILITIES			
1. Shareholders' funds			
Share capital	2	357.88	357.88
Reserves and surplus	3	1,024.75	290.64
		1,382.63	**648.52**
2. Minority interest		**52.35**	**37.95**
3. Non-current liabilities			
Long-term borrowings	4	5.97	167.03
Deferred tax liabilities (net)	5	77.83	70.88
Long-term provisions	6	53.99	80.02
		137.79	**317.93**
4. Current liabilities			
Short-term borrowings	7	-	4.48
Trade payables	8	1,151.70	725.84
Other current liabilities	9	748.57	1,103.51
Short-term provisions	6	519.94	378.70
		2,420.21	**2,212.53**
Total		**3,992.98**	**3,216.93**
II ASSETS			
1. Non-current assets			
Fixed assets			
(i) Tangible assets	10	1,112.97	1,206.93
(ii) Intangible assets	11	77.26	59.14
(iii) Capital work-in-progress		1.33	1.13
		1,191.56	1,267.20
Long-term loans and advances	12	133.07	127.01
Other non-current assets	17	59.04	-
		1,383.67	**1,394.21**
2. Current assets			
Current investments	13	50.00	100.01
Inventories	14	665.11	791.07
Trade receivables	15	1,173.16	646.15
Cash and bank balances	16	320.17	146.29
Short-term loans and advances	12	253.22	131.29
Other current assets	17	147.65	7.91
		2,609.31	**1,822.72**
Total		**3,992.98**	**3,216.93**
Summary of Significant Accounting Policies	1		

The accompanying Note Nos.1 to 45 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

Deepak Kumar Sen
General Manager & CFO

Rajiv Sawhney
Company Secretary

Dhruv M. Sawhney
Chairman & Managing Director

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

Noida (U.P.), May 23, 2013

Consolidated Statement of Profit & Loss
for the year ended 31st March 2013

(₹ in Million)

Particulars	Note No	31.03.2013	31.03.2012
Continuing operations			
INCOME			
Revenue from operations (gross)	18	6,950.01	6,619.52
Less : Excise duty		319.65	320.99
Revenue from operations (net)		6,630.36	6,298.53
Other Income	19	81.26	43.66
Total revenue		**6,711.62**	**6,342.19**
EXPENSES			
Cost of raw material and components consumed	20	3,773.34	3,717.33
Decrease / (Increase) in inventories of finished goods and work-in-progress	21	90.44	110.26
Employee benefit expenses	22	548.08	468.41
Other expenses	23	609.89	535.33
Total		**5,021.75**	**4,831.33**
Earnings before interest, tax, depreciation and amortisation (EBITDA)		**1,689.87**	**1,510.86**
Depreciation and amortisation expenses	24	127.91	118.78
Finance costs	25	27.37	95.93
Profit / (loss) before extraordinary items and tax		**1,534.59**	**1,296.15**
Extraordinary items		-	-
Profit / (loss) before tax		**1,534.59**	**1,296.15**
Tax expenses			
Current tax		493.28	425.80
Deferred tax		6.95	12.69
Profit / (loss) after tax from continuing operations (A)		**1,034.36**	**857.66**
Discontinued operations			
Profit / (loss) from discontinued operations before tax	26	(0.16)	0.26
Tax expense for discontinued operations		(0.05)	0.08
Profit / (loss) from discontinued operations after tax (B)		**(0.11)**	**0.18**
Profit / (loss) for the year before Minority interest (A+B)		**1,034.25**	**857.84**
Less: Minority interest		(10.60)	(16.10)
Profit / (loss) for the year after Minority interest		**1,044.85**	**873.94**
Earning per equity share of ₹ 1/- each	27		
Basic (in ₹)		3.16	2.64
Diluted (in ₹)		3.16	2.64
Summary of Significant Accounting Policies	1		

The accompanying Note Nos.1 to 45 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

Deepak Kumar Sen
General Manager & CFO

Rajiv Sawhney
Company Secretary

Dhruv M. Sawhney
Chairman & Managing Director

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

Noida (U.P.), May 23, 2013

Consolidated Cash Flow Statement
for the year ended 31st March 2013

(₹ in Million)

Particulars	31.03.2013	31.03.2012
A. Cash Flow from Operating Activities		
Profit before tax from continuing operations	1,534.59	1,296.15
Profit before tax from discontinued operations	(0.16)	0.26
Profit before tax	**1,534.43**	**1,296.41**
Non-cash adjustment to reconcile profit before tax to net cash flows		
Depreciation / amortisation on continuing operations	127.91	118.78
Depreciation / amortisation on discontinued operations (Current Year ₹ 2,172/-)	0.00	0.02
Assets written off pertaining to discontinued operations (Current Year ₹ 4,782/-)	0.00	-
Loss / (profit) on sale of fixed assets	0.94	0.82
Provision for diminution in value of investments (current investments)	(0.08)	0.08
Net gain on sale of current investments	(3.26)	(0.06)
Interest expense	27.37	95.93
Interest income	(8.99)	(6.07)
Dividend income	(1.76)	(0.85)
Operating profit before working capital changes	**1,676.56**	**1,505.06**
Movements in working capital :		
Increase / (decrease) in trade payables	425.85	(183.05)
Increase / (decrease) in long term provisions	(26.03)	1.24
Increase / (decrease) in short term provisions	0.42	26.10
Increase / (decrease) in other current liabilities	(180.32)	(339.90)
Decrease / (increase) in trade receivables	(585.95)	418.46
Decrease / (increase) in inventories	125.96	168.55
Decrease / (increase) in long-term loans and advances	0.43	32.37
Decrease / (increase) in short-term loans and advances	(108.59)	(15.63)
Decrease / (increase) in other current assets	(140.05)	(2.65)
Decerease / (increase) in other non-current assets	(0.10)	-
Cash generated from / (used in) operations	**1,188.18**	**1,610.55**
Direct taxes paid (net of refunds)	(488.31)	(398.54)
Net cash flow from / (used in) operating activities (A)	**699.87**	**1,212.01**
B. Cash Flow from Investing Activities		
Purchase of fixed assets (including intangible assets, CWIP and capital advances)	(59.49)	(253.79)
Proceeds from sale of fixed assets	0.10	0.66
Purchase of current investments	(720.00)	(326.78)
Proceeds from sale / maturity of current investments	773.35	226.74
Investments in bank deposits (having original maturity of more than three months)	(63.61)	(32.00)
Redemption / maturity of bank deposits (having original maturity of more than three months)	68.00	7.50
Interest received	9.29	5.78
Dividends received	1.76	0.85
Net cash flow from / (used in) investing activities (B)	**9.40**	**(371.04)**

(₹ in Million)

Particulars	31.03.2013	31.03.2012
C. Cash Flow from Financing Activities		
Proceeds from issuance of share capital	25.00	45.00
Proceeds from long-term borrowings	3.01	9.97
Repayment of long-term borrowings	(352.39)	(401.64)
Repayment of short-term borrowings	(4.48)	(120.71)
Interest paid	(27.39)	(104.43)
Dividend paid on equity shares	(150.49)	(148.28)
Tax on equity dividend paid	(24.45)	(24.08)
Net cash flow from / (used in) financing activities (C)	**(531.19)**	**(744.17)**
Net increase / (decrease) in cash and cash equivalents (A + B + C)	178.08	96.80
Cash and cash equivalents at the beginning of the year	121.62	24.82
Cash and cash equivalents at the end of the year	**299.70**	**121.62**

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

Deepak Kumar Sen
General Manager & CFO

Rajiv Sawhney
Company Secretary

Dhruv M. Sawhney
Chairman & Managing Director

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

Noida (U.P.), May 23, 2013

Consolidated Notes to Financial Statements

for the year ended 31st March 2013

1. Significant Accounting Policies

a) Basis and Principles of Consolidation

i) The consolidated financial statements have been prepared on a going concern basis in accordance with Accounting Standard (AS) 21 Consolidated Financial Statements.

ii) The consolidated financial statements comprise the financial statements of Triveni Turbine Ltd (Holding Company), incorporated in India and its subsidiary - GE Triveni Limited incorporated in India, in which it holds fifty percent plus one equity share of the total paid up capital.

iii) The consolidated financial statements have been prepared based on a line-by-line consolidation using uniform accounting policies. The effects of inter-company transactions are eliminated in consolidation.

b) Basis of Preparation

These financial statements have been prepared on accrual basis of accounting under the historical cost convention and to comply in all material respects with the accounting standards notified under section 211 (3C) and other relevant provisions of the Companies Act, 1956.

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 product, i.e., manufacture and supply of turbine package, 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 revenue and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known / materialise.

d) Fixed Assets

Fixed assets are stated at cost of acquisition less accumulated depreciation. Cost includes taxes, duties (excluding excise duty and VAT for which input credit is available), freight and other incidental expenses relating to acquisition and installation of such fixed assets.

e) Recognition of Revenue

Revenue is recognised 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 recognised when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods. 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. Excise duty deducted from revenue (gross) is the amount that is included in the revenue (gross).

ii) In contracts involving the rendering of services, revenue is recognised 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 accordingly it is excluded from revenue.

iii) Revenue from construction contracts is recognised 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 cost for this purpose includes:

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 the contract

Foreseeable losses, if any, are provided for immediately.

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

f) Foreign Currency Transactions

i) Transactions denominated in foreign currencies are recorded at exchange rates prevailing on the dates of the transactions.

ii) Foreign currency monetary items (including forward contracts) are translated at prevailing at the reporting date rates. Exchange differences arising on settlement of transactions and translation of monetary items (including forward contracts) are recognised as income or expense in the year in which they arise.

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

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, on such contracts are not recognised till settlement.

g) Investments

Investments that are readily realisable 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 long term investments. Current investments are carried at the lower of cost and fair value. Long term investments are carried at cost. However, provision for diminution is made to recognise a decline, other than temporary in the value of long-term investments, such reduction being determined and made for each investment individually.

h) Inventories

i) Inventories of raw materials and components, stores and spares are valued at the lower of cost and net realisable value. Cost for the purpose of valuation of inventories is determined on a weighted average basis.

ii) Finished goods and work in progress are valued at the lower of cost and net realisable value. The cost of finished goods and work-in-progress includes raw material costs, direct cost of conversion and 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) Patterns, loose tools, jigs and fixtures are amortised equally over three years.

i) Depreciation

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 on the following assets which are depreciated at higher rates on the straight line basis over their estimated useful economic lives as follows:

Particulars	Rates adopted in case of holding company	Rates adopted in case of subsidiary company
CNC and certain other machines	9.48% to 12.65%	
Mobile phone costing above ₹ 5,000/-	50%	
Computers		33.33%
Office Equipments		20%
Furniture and fixture		10%
Vehicles		10%

J) Employee Benefits

i) 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 recognised as expenses in the period in which the employees render the related service. The Company recognises the undiscounted amount of short term employee benefits expected to be paid (including compensated absences) in exchange for services rendered, as a liability.

ii) Post-employment benefits

a) Defined contribution plans:

The Company's contribution under the Employees' Provident Fund Scheme and the Employees' State Insurance Scheme are defined contribution plans. The contributions paid/ payable under these schemes are recognised during the period in which the employees render the related service.

b) Defined benefit plans:

The Company's Employees' Gratuity Fund Scheme is a defined benefit plan. The present value of the obligation under this defined benefit plan is determined based on the actuarial valuation using the Projected Unit Credit method, which recognises each period of service as giving rise to an additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rate used for determining the present value of the obligation under the defined benefit plan, is based on the market yields on Government securities at the balance sheet date, with maturity periods approximating the terms of the related obligation.

Actuarial gains and losses are recognised immediately in the statement of profit and loss.

Gains or losses on the curtailment or settlement of any defined benefit plan is recognised when the curtailment or settlement occurs. Past service cost is recognised as expenses on a straight-line basis over the average period until the benefits become vested.

iii) Other long-term employee benefits:
Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability at the present value of the defined benefit obligation at the balance sheet date on the basis of an actuarial valuation. The discount rates used for determining the present values of the obligation under defined benefit plan, are based on the appropriate market yields on Government securities at the balance sheet date.

iv) Employee Stock Options:
Compensation cost in respect of stock options granted to eligible employees is recognised using the intrinsic value of the stock options and is amortised over the vesting period of options granted.

k) Borrowing costs

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

l) 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 recognised for 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 assets are recognised 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 carried forward of losses under the Income-tax Act 1961, where deferred tax assets are recognised only to the extent that there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which deferred tax assets can be realised.

iv) Minimum alternate tax (MAT) credit is recognised as an asset to the extent that 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.

m) Intangible Assets

Intangible assets which are expected to provide future enduring economic benefits are recognised at cost and are amortised as follows:

Particulars	Period of amortisation
Computer Software	36 months
Website development cost	36 months
Designs and drawings	72 months
Technical know-how	Ten Years

n) Impairment of Assets

Impairment of individual assets / cash generating unit (a group of assets that generates identified independent cash flows) are identified using external and internal sources of information and impairment loss, if any, is determined and recognised to the extent, the carrying amount of assets exceed their recoverable amount. Recoverable amount is higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life.

o) Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised, if :

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

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

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

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

Contingent liabilities are disclosed in the case of:

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

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

Contingent assets are not recognised.

P) Research and Development

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

2. Share Capital

(₹ in Million)

Particulars	31.03.2013	31.03.2012
AUTHORISED		
450,000,000 Equity Shares of ₹ 1/- each	450.00	450.00
5,000,000 8% Cumulative Redeemable Preference Shares of ₹ 10/- each	50.00	50.00
	500.00	**500.00**
ISSUED,SUBSCRIBED AND FULLY PAID UP		
Equity		
329,880,150 Equity Shares of ₹ 1/- each	329.88	329.88
Preference		
2,800,000 8% Cumulative Redeemable Preference Shares of ₹ 10/- each	28.00	28.00
	357.88	**357.88**

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

Equity Shares

Particulars	As at 31.03.2013		As at 31.03.2012	
	No of Shares	₹ in Million	No of Shares	₹ in Million
At the beginning of the year	329,880,150	329.88	72,000,000	72.00
Add : Shares allotted to shareholders of Triveni Engineering & Industries Limited in the ratio 1:1 in accordance with the Scheme of Arrangement.	-	-	257,880,150	257.88
Outstanding at the end of the year	329,880,150	329.88	329,880,150	329.88

Preference Shares

Particulars	As at 31.03.2013		As at 31.03.2012	
	No of Shares	₹ in Million	No of Shares	₹ in Million
At the beginning of the year	2,800,000	28.00	-	-
Add: Shares issued from Preference Share Capital suspense A/c.	-	-	2,800,000	28.00
Outstanding at the end of the year	2,800,000	28.00	2,800,000	28.00

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) Terms / rights attached to preference shares

As per the Scheme of Arrangement ("Scheme") duly approved by the Allahabad High Court vide order dated April 19, 2011, 28,000,000 equity shares of ₹ 1/- each fully paid up by Triveni Engineering & Industries Limited stood converted into 2,800,000 - 8% Cumulative Reedemable Preference Shares of ₹ 10/- each fully paid up. These Preference Shares carry the right to cumulative dividend @ 8% p.a. 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. The Preference Shares are redeemable at par at the end of 5 years from the date of allotment. However, the Company has an option to redeem these shares at any time after the end of 6 months from the date of allotment. The preference shareholders have a preference vis-a-vis equity shareholders with respect to any dividend that may be declared by the Company as well as with regard to redemption of capital in the event of liquidation.

d) Shares allotted as fully paid up pursuant to contract(s) without payment being received in cash (during the 5 years immediately preceding)

257,880,150 equity shares of ₹ 1/- each were allotted on May 10, 2011,as fully paid up to the shareholders of Triveni Engineering & Industries Ltd (TEIL) in the ratio of one equity share for every one equity share held by them in TEIL, pursuant to the Scheme.

e) Details of shareholders holding more than 5% shares in the company

Particulars	As at 31.03.2013		As at 31.03.2012	
	No of Shares	% holding	No of Shares	% holding
Equity Shares of ₹ 1/- each fully paid				
Triveni Engineering & Industries Limited	72,000,000	21.83	72,000,000	21.83
Dhruv M. Sawhney	28,124,645	8.53	36,124,645	10.95
Nalanda India Fund Limited	25,788,000	7.82	25,788,000	7.82
Umananda Trade & Finance Limited	20,157,589	6.11	20,157,589	6.11
Rati Sawhney	16,824,914	5.10	18,824,914	5.71
Tarnik Investments & Trading Limited	18,680,527	5.66	18,680,527	5.66
8% Cumulative Redeemable Preference Shares of ₹ 10/- each fully paid				
Triveni Engineering & Industries Limited	2,800,000	100	2,800,000	100

f) Shares reserved for issue under options

Refer Note No 32

3. Reserves and Surplus

General reserve

(₹ in Million)

Particulars	31.03.2013	31.03.2012
Balance as per the last financial statements	150.00	-
Add: Amount transferred from consolidated statement of profit and loss	450.00	150.00
Closing balance	**600.00**	**150.00**

Surplus / (deficit) in the consolidated statement of profit and loss

(₹ in Million)

Particulars	31.03.2013	31.03.2012
Balance as per the last financial statements	140.64	(331.48)
Add: Net profit / (loss) after tax transferred from consolidated statement of profit and loss	1,044.85	873.94
Amount available for appropriation (A)	1,185.49	542.46
Appropriations:		
Transfer to General reserve	450.00	150.00
Dividend on equity share (Interim)	82.47	148.45
Dividend on equity share (Earlier year) (Current Year ₹ 34/-)	0.00	-
Proposed dividend on preference share	2.24	2.24
Proposed dividend on equity share	181.43	65.98
Tax on equity dividend (Interim)	13.38	24.08
Tax on Equity Dividend (Earlier year) (Current Year ₹ 6/-)	0.00	-
Tax on proposed equity and preference dividend	31.22	11.07
Total appropriations (B)	**760.74**	**401.82**
Net surplus / (deficit) in the consolidated statement of profit and loss (A-B)	**424.75**	**140.64**
Total reserves and surplus	**1,024.75**	**290.64**

4. Long-Term Borrowings

(₹ in Million)

Particulars	Non- Current portion		Current maturities	
	31.03.2013	31.03.2012	31.03.2013	31.03.2012
Term loans (Secured)				
- From banks	1.26	162.97	2.01	190.80
- From others	4.71	4.06	1.32	0.85
	5.97	167.03	3.33	191.65
Less : Amount disclosed under the head "other current liabilities" (Refer Note No 9)			3.33	191.65
	5.97	**167.03**	**-**	**-**

Details of Securities and other terms :-

Name of the Bank / Others	Total loan outstanding (₹ in Million)	Repayment terms of loan outstanding	Rate of interest (per annum)	Nature of Security
1. Canara Bank	- (24.80)	Nil (6) equal quarterly instalments.	12.50%	These loans were transferred to the Company pursuant to a Scheme of Arrangement, as approved by Honourable High Court of Allahabad vide order dated 19.04.2011. Pending completion of the formalities, these loans remained secured against assets of Triveni Engineering & Industries Ltd (Demerged Company). However all such loans stand repaid as on 31.03.2013
2. Bank of Maharashtra	- (43.75)	Nil (7) equal quarterly instalments.	11.90%	
3. Central Bank of India	- (178.53)	Nil (9) equal quarterly instalments.	12.50%	
4. Kotak Mahindra Bank Ltd	- (102.55)	Nil (6) equal quarterly instalments.	11.75%	
5. Axis Bank (Vehicle loan)	3.27 (4.14)	In equated monthly instalments ranging from 17 to 32 months (29 months)	At fixed rates ranging from 9.90% to 10.00%	Secured by hypothecation of vehicles acquired under the respective vehicle loans.
6. Kotak Mahindra Prime Ltd (Vehicle loan)	6.02 (4.91)	In equated monthly instalments ranging from 39 to 51 months (36 to 48 months)	At fixed rates ranging from 9.93% to 10.04%	Secured by hypothecation of vehicles acquired under the respective vehicle loans.

Figures in brackets relate to previous year.

5. Deferred Tax Liabilities

(₹ in Million)

Particulars	31.03.2013	31.03.2012
Deferred Tax Liabilities :		
Difference in net book value of fixed assets as per books and tax laws	141.26	140.00
Deferred Tax Assets :		
Expenses allowable on payment basis	17.78	30.70
Unabsorbed depreciation / business loss *	5.25	2.46
Others	40.40	35.96
Net Deferred Tax Liabilities	**77.83**	**70.88**

* Represents unabsorbed depreciation / business losses in respect of subsidiary company, recognised to the extent of deferred tax liabilities of such subsidiary company.

6. Provisions

(₹ in Million)

Particulars	Long-term		Short-term	
	31.03.2013	31.03.2012	31.03.2013	31.03.2012
Provisions for Employee Benefits				
Gratuity (Refer Note No.40)	18.54	48.31	1.76	9.34
Compensated absences (Refer Note No 40)	15.72	15.77	8.24	5.88
Other provisions				
Proposed dividend	-	-	183.67	68.22
Tax on proposed dividend	-	-	31.22	11.07
Warranty	19.73	15.94	47.17	35.03
Liquidated damages	-	-	60.43	72.93
Cost to completion	-	-	149.56	141.30
Loss on foreign exchange derivatives	-	-	1.79	4.05
Income Tax [net of advance tax of ₹ 456.37 Million (₹ 396.99 Million) & includes wealth tax ₹ 0.08 Million (₹ 0.08 Million)]	-	-	36.10	30.88
	53.99	**80.02**	**519.94**	**378.70**

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

Movement in provisions

(₹ in Million)

Particulars of disclosure	Nature of provisions			
	Warranty	Liquidated Damages	Cost to Completion	Loss on foreign exchange derivatives
Opening balance	50.97 (44.60)	72.93 (81.76)	141.30 (112.90)	4.05 (0.09)
Provision made during the year	50.96 (34.63)	3.50 (-)	46.50 (49.90)	1.79 (4.05)
Provision used during the year	17.21 (13.50)	6.25 (3.02)	37.60 (21.50)	- (-)
Provision no longer required reversed	17.82 (14.76)	9.75 (5.81)	0.64 (-)	4.05 (0.09)
Closing balance	66.90 (50.97)	60.43 (72.93)	149.56 (141.30)	1.79 (4.05)

Figures in brackets relate to previous year.

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 as at March 31, 2013 represent the amount of the expected cost of meeting such obligations. The timing of the outflows is expected to be within the period of two years.

Liquidated damages : In respect of certain products, the Company has contractual obligations towards customers for matters relating to delivery and performance. The provisions represent the amount estimated to meet the cost of such obligations. The timing of the outflow is expected to be within one year.

Cost to completion: The provision represents the costs of materials and services required for erection and integeration of turbine packages at the site, prior to commissioning.

Loss on foreign exchange derivatives: Represents provision 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.

7 Short-Term Borrowings (Secured)

(₹ in Million)

Particulars	31.03.2013	31.03.2012
Repayable on demand		
Cash credits from banks *	-	4.48
	-	**4.48**

* Secured by pledge/hypothecation of the stock-in-trade, raw material, stores & spare parts, work-in-progress and receivables and a second charge on the fixed assets on a pari-passu basis. Interest rates ranges from 11% to 12% per annum.

8 Trade Payables

(₹ in Million)

Particulars	31.03.2013	31.03.2012
Trade payables (Refer Note No 33 for details of dues to micro and small enterprises)	1,151.70	725.84
	1,151.70	**725.84**

9 Other Current Liabilities

(₹ in Million)

Particulars	31.03.2013	31.03.2012
Current maturities of long term borrowings (Refer Note No 4)	3.33	191.65
Creditors for purchases of capital asets	12.42	3.48
Advances from customers	680.95	860.73
Deposits from customers	8.06	8.06
Interest accrued but not due on borrowings	0.07	0.08
Employee benefits & other dues	17.99	20.45
Deferred premium on foreign exchange forward contracts	4.48	1.07
Indirect taxes & duties payable	0.56	0.02
Statutory dues relating to employees	5.80	5.72
Income tax deducted at source	8.71	7.19
Unpaid dividend	0.36	0.17
Creditors for other liabilities	5.84	4.89
	748.57	**1,103.51**

10. Tangible Assets

(₹ in Million)

Particulars	Land	Buildings	Plant and Machinery	Office Equipment	Furniture and Fixtures	Vehicles	Computers	Total
Gross block								
As at April 1, 2011	36.42	333.49	1,013.33	22.88	39.65	6.59	53.17	1,505.53
Additions	-	0.64	111.43	1.91	2.08	17.30	4.09	137.45
Deductions	-	0.38	7.91	0.03	-	-	2.27	10.59
As at March 31, 2012	**36.42**	**333.75**	**1,116.85**	**24.76**	**41.73**	**23.89**	**54.99**	**1,632.39**
Additions	-	0.53	1.47	1.01	1.77	4.89	7.25	16.92
Deductions	-	-	1.85	-	0.27	0.77	0.89	3.78
As at March 31, 2013	**36.42**	**334.28**	**1,116.47**	**25.77**	**43.23**	**28.01**	**61.35**	**1,645.53**
Depreciation								
As at April 1, 2011	**-**	**52.81**	**224.73**	**5.35**	**10.89**	**2.93**	**34.24**	**330.95**
Charge for the year*	-	10.82	82.33	1.09	2.45	1.16	6.12	103.97
Deductions	-	0.18	7.19	2.09	-	-	-	9.46
As at March 31, 2012	**-**	**63.45**	**299.87**	**4.35**	**13.34**	**4.09**	**40.36**	**425.46**
Charge for the year*	-	10.79	87.27	1.23	2.54	2.52	5.49	109.84
Deductions	-	-	1.21	-	0.24	0.52	0.77	2.74
As at March 31, 2013	**-**	**74.24**	**385.93**	**5.58**	**15.64**	**6.09**	**45.08**	**532.56**
Net Block								
As at March 31, 2012	**36.42**	**270.30**	**816.98**	**20.41**	**28.39**	**19.80**	**14.63**	**1,206.93**
As at March 31, 2013	**36.42**	**260.04**	**730.54**	**20.19**	**27.59**	**21.92**	**16.27**	**1,112.97**

* Includes depreciation amounting to ₹ 0.002 million (₹ 0.021 million) on assets pertaining to a discontinued business. (Refer Note No.26)

11. Intangible Assets (Other than internally generated)

(₹ in Million)

Particulars	Computer Software	Website	Design and Drawings	Technical know-how	Total
Gross block					
As at April 1, 2011	85.44	-	46.26	4.87	136.57
Additions	9.91	0.65	4.57	25.74	40.87
Disposals	-	-	-	4.88	4.88
As at March 31, 2012	**95.35**	**0.65**	**50.83**	**25.73**	**172.56**
Additions	12.81	0.60	7.36	15.42	36.19
Disposals	0.09	-	-	-	0.09
As at March 31, 2013	**108.07**	**1.25**	**58.19**	**41.15**	**208.66**
Amortisation					
As at April 1, 2011	**73.77**	**-**	**24.82**	**4.87**	**103.46**
Charge for the year	7.54	0.04	5.74	1.51	14.83
Disposals	-	-	-	4.87	4.87
As at March 31, 2012	**81.31**	**0.04**	**30.56**	**1.51**	**113.42**
Charge for the year	8.63	0.27	6.46	2.71	18.07
Disposals	0.09	-	-	-	0.09
As at March 31, 2013	**89.85**	**0.31**	**37.02**	**4.22**	**131.40**
Net Block					
As at March 31, 2012	**14.04**	**0.61**	**20.27**	**24.22**	**59.14**
As at March 31, 2013	**18.22**	**0.94**	**21.17**	**36.93**	**77.26**

12. Loans and Advances

(₹ in Million)

Particulars	Long-term		Short-term	
	31.03.2013	31.03.2012	31.03.2013	31.03.2012
Capital advances				
Unsecured, considered good	82.58	76.40	-	-
(A)	**82.58**	**76.40**	**-**	**-**
Security deposit				
Unsecured, considered good	2.81	2.15	2.32	2.40
(B)	**2.81**	**2.15**	**2.32**	**2.40**
Other loans and advances				
Unsecured, considered good				
Prepaid expenses	2.31	2.08	13.69	11.91
Loans to employees	0.82	-	2.33	2.41
Advances to suppliers	2.60	5.37	140.10	71.38
Service tax recoverable	-	-	9.85	7.75
Excise duty (Cenvat Balance)	-	-	7.05	13.58
Earnest money deposit	-	-	2.79	2.28
Works contract tax recoverable	-	-	0.81	0.55
Advance payment of tax	15.22	14.91	-	-
Amount recoverable from hedging banks	-	-	24.18	1.79
VAT recoverable	-	-	47.93	16.43
Excise duty recoverable	26.50	25.87	1.00	0.76
Other amounts recoverable	0.23	0.23	1.17	0.05
(C)	**47.68**	**48.46**	**250.90**	**128.89**
Total (A+B+C)	**133.07**	**127.01**	**253.22**	**131.29**

13. Current Investments (unquoted)

(₹ in Million)

Particulars	31.03.2013	31.03.2012
(Valued at lower of cost or fair value)		
Nil (499,146.065) Units of Birla Sun Life Cash Plus - Institutional Premium Daily Dividend	-	50.01
Nil (49,984.251) Units of IDFC -Cash Fund -Institutional Plan B Weekly Dividend	-	50.08
31,467.848 Units (Nil) of DSP Black Rock Money Manager Ret-G Growth	50.00	-
	50.00	100.09
Less: Provision for diminution in value of current investment	-	0.08
	50.00	**100.01**
Aggregate book value of unquoted investments	50.00	100.01
Aggregate amount of provision made for diminution in value of investments	-	0.08

14. Inventories

(₹ in Million)

Particulars	31.03.2013	31.03.2012
(Valued at lower of cost and net realisable value)		
Raw material and components [includes stock in transit ₹ 8.11 million (₹ 6.13 million)]	280.17	315.37
Work-in-progress	367.42	457.86
Stores and spares	0.54	0.74
Patterns	11.72	8.27
Tools, jigs and fixtures	5.21	8.75
Others (Scrap)	0.05	0.08
	665.11	**791.07**

15. Trade Receivables

(₹ in Million)

Particulars	Non-Current		Current	
	31.03.2013	31.03.2012	31.03.2013	31.03.2012
Over Six Months				
Secured - considered good	-	-	-	-
Unsecured - considered good	-	-	213.25	209.59
Considered doubtful	-	-	38.11	21.92
	-	-	251.36	231.51
Less : Provision for doubtful debts	-	-	38.11	21.92
(A)	-	-	213.25	209.59
Others				
Secured - considered good	-	-	-	-
Unsecured - considered good	58.93	-	959.91	436.56
(B)	58.93	-	959.91	436.56
Total (A+B)	**58.93**	**-**	**1,173.16**	**646.15**
Less: Amount disclosed under other non-current assets (Refer Note No 17)	58.93	-	-	-
	-	-	1,173.16	646.15

16. Cash and Bank Balances

(₹ in Million)

Particulars	Non-Current		Current	
	31.03.2013	31.03.2012	31.03.2013	31.03.2012
Cash and cash equivalents				
Balance with banks				
Current accounts	-	-	298.42	15.04
Demand deposits (original maturity of less than three months)	-	-	-	100.00
Cheques / drafts on hand (Current Year ₹ 116/-)	-	-	0.00	5.00
Cash on hand	-	-	1.28	1.58
(A)	-	-	299.70	121.62
Other bank balances				
Earmarked balances:				
Unpaid dividend account	-	-	0.36	0.17
Other balances:				
Demand deposits (original maturity more than one year)	0.10	-	-	-
Demand deposits (original maturity exceeding three months but upto one year)	-	-	20.11	24.50
(B)	0.10	-	20.47	24.67
Total (A+B)	**0.10**	**-**	**320.17**	**146.29**
Amount disclosed under other non-current assets (Refer Note No.17)	0.10	-		
	-	-	320.17	146.29

17. Other Assets

(₹ in Million)

Particulars	Non-Current		Current	
	31.03.2013	31.03.2012	31.03.2013	31.03.2012
Non-current trade receivables (Refer Note No 15)	58.93	-	-	-
Non-current cash and bank balances (Refer Note No 16)	0.10	-	-	-
Interest accrued on fixed deposits	0.01	-	0.71	1.02
Due from customers (Turnkey project revenue adjustment)	-	-	122.07	-
Duty drawback receivable	-	-	24.87	6.89
	59.04	**-**	**147.65**	**7.91**

18. Revenue from Operations

(₹ in Million)

Particulars	31.03.2013	31.03.2012
Sale of products		
Finished goods		
Turbines (including related equipments and supplies)	5,010.45	5,464.04
Spares	870.39	743.47
Sale of services		
Servicing, operation and maintenance	360.22	332.23
Erection, commissioning and engineering services	102.88	71.70
Turnkey project revenue	599.65	-
Other operating revenue		
Sale of scrap	6.21	4.67
Selling commission	0.21	3.41
	6,950.01	**6,619.52**

19. Other Income

(₹ in Million)

Particulars	31.03.2013	31.03.2012
Dividend from current investment	1.76	0.85
Profit on sale of current investment	3.27	0.06
Customs duty drawback	24.08	9.37
Rent received	0.05	0.02
Interest income		
Bank Deposits	7.02	5.81
Customers	1.97	0.26
Premium/discount on foreign currency forward contracts	28.49	7.69
Exchange fluctuation gains *	6.54	9.38
Provision of liquidated damages reversed (net) - (Refer Note No 6)	6.25	5.81
Provision for doubtful debts and advances written back	-	1.22
Provision of cost to completion reversed (Refer Note No 6)	0.63	-
Provision for diminution in value of current investment written back	0.08	-
Miscellaneous Income	1.12	3.19
	81.26	**43.66**

* Includes reversal of provision against mark to market losses: ₹ 4.05 million (previous year ₹ 0.09 million)

20. Material Consumed

(₹ in Million)

Particulars	31.03.2013	31.03.2012
Stock at commencement	315.37	371.80
Purchases	3,738.13	3,660.90
	4,053.50	**4,032.70**
Less: Stock at close	280.16	315.37
	3,773.34	**3,717.33**
Details of raw material and components consumed		
Alternators, elecric panels and other direct bought-outs	1,878.09	1,761.08
Iron and steel	315.59	354.24
Gear boxes and accessories	361.78	435.51
Oil system components	148.34	171.88
Others	1,069.54	994.62
	3,773.34	**3,717.33**

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

(₹ in Million)

Particulars	31.03.2013	31.03.2012
Stock at commencement		
- Work-in-progress (turbines)	457.86	568.12
	457.86	568.12
Stock at close		
- Work-in-progress (turbines)	367.42	457.86
	90.44	**110.26**

22. Employee Benefit Expenses

(₹ in Million)

Particulars	31.03.2013	31.03.2012
Salaries,wages and bonus	462.52	392.50
Contributions to provident and other funds	34.51	30.42
Gratuity	11.17	12.02
Employee welfare	39.88	33.47
	548.08	**468.41**

23. Other Expenses

(₹ in Million)

Particulars	31.03.2013	31.03.2012
Stores,spares and tools consumed	90.40	111.02
Power and fuel	15.85	15.59
Design and engineering charges	6.40	11.67
Repairs and maintenance		
Machinery	4.67	5.65
Building	1.21	3.44
Others	7.62	7.95
Travelling and conveyance	94.48	87.00
Rent	6.98	6.02
Rates and taxes	5.39	6.07
Insurance	3.15	2.29
Directors' fees	0.57	0.68
Directors' commission	4.50	4.00
Certification & consultation	30.87	25.08
Group shared service cost	39.79	43.88
Prior period expenses (Refer Note No 35)	0.16	-
Bank charges and guarantee commission	15.63	16.17
Provision for mark to market loss on foreign exchange derivatives	1.79	4.05
Provision for doubtful debts and advances	16.19	-
Bad debts / sundry amounts written off	1.19	2.08
Warranty expenses (Refer Note No 6 for provision for warranty)	52.96	36.93
Payment to Auditors (Refer Note No 43)	2.48	2.91
Non moving /obsolete inventory written off	10.71	1.20
Loss on sale of assets	0.94	0.82
Packing and forwarding	70.02	56.30
Selling commission	34.69	10.91
Decrease in carrying amount of current investments	-	0.08
Miscellaneous expenses	91.25	73.54
	609.89	**535.33**

24. Depreciation and Amortisation Expenses

(₹ in Million)

Particulars	31.03.2013	31.03.2012
Depreciation	109.84	103.95
Amortisation	18.07	14.83
	127.91	**118.78**

25. Finance Costs

(₹ in Million)

Particulars	31.03.2013	31.03.2012
Interest [Includes ₹ 0.05 Million towards interest on income tax (previous year ₹ 3.00 million)]	25.82	87.09
Other borrowing cost	1.55	3.86
Exchange fluctuation loss on foreign currency forward contracts	-	0.06
Premium paid on foreign currency forward contracts	-	4.92
	27.37	**95.93**

26. The Company had earlier exited the rural and semi-urban retail business and engineering business of design, supply and commissioning of specialised sugar manufacturing machinery. The following statement shows the profit / (loss) on disposal of assets and settlement of liabilities relating to discontinued operations:

(₹ in Million)

Particulars	31.03.2013	31.03.2012
Revenue		
Revenue from disposal of inventories (gross)	-	-
Other income (including provisions against expense and inventories written back)	0.13	1.60
Total revenue	**0.13**	**1.60**
Expenses		
Assets written-off	0.01	-
Bad debts/sundry amounts written off	-	1.25
Rates & taxes	0.02	-
Rent	0.22	-
Legal and professional fees (including ₹ 0.02 Million for previous year)	0.03	0.04
Miscellaneous expenses	-	0.03
Depreciation and amortisation (Current year ₹ 2,172/-)	0.00	0.02
Finance cost	0.01	-
Total expenses	**0.29**	**1.34**
Profit / (loss) before tax from discontinued operations	(0.16)	0.26
Income tax (expense)/benefit	0.05	(0.08)
Profit / (loss) after tax	**(0.11)**	**0.18**

The net cash flows attributable to the discontinued operations are as follows:

(₹ in Million)

Particulars	31.03.2013	31.03.2012
Operating activities	(0.24)	(0.11)
Investment activities	-	-
Financing activities - Current year (₹ 5,460/-)	(0.00)	-
Net cash inflow / (outflow)	**(0.24)**	**(0.11)**

27. Earnings per share (EPS)

(₹ in Million)

Basic EPS	31.03.2013	31.03.2012
Net profit / (loss) after tax	1,044.85	873.94
Less: Dividend on preference shares (including dividend distribution tax)	2.62	2.60
Adjusted net profit/(loss) after tax and preference dividend [A]	1,042.23	871.34
Weighted average number of equity shares outstanding during the year [B]	329,880,150	329,880,150
Basic earnings per share ₹/Share [A / B]	3.16	2.64

Diluted EPS	31.03.2013	31.03.2012
Adjusted net profit/(loss) after tax and preference dividend, as above [A]	1,042.23	871.34
Weighted average number of equity shares deemed to be issued under options without consideration, outstanding during the year [C]	6,530	Nil
Weighted average number of equity shares outstanding during the year [D=B+C]	329,886,680	329,880,150
Diluted earnings per share ₹/Share [A / D]	3.16	2.64

28. The Company has incurred an expenditure of ₹ 54.22 Million (₹ 42.78 Million) for Research and Development activities and such expenditure has been expensed under various heads. The break up of such expenditure is as under:

(₹ in Million)

Particulars	31.03.2013	31.03.2012
a) Capital expenditure	10.65	6.93
b) Recurring expenditure	43.57	35.85
Total	**54.22**	**42.78**

29. Contingent Liabilities (to the extent not provided for)

Claims against the Company not acknowledged as debts :

(₹ in Million)

SL No	Particulars	Amount of Contingent Liability	Amount Paid
1	Excise duty	39.92 (39.68)	26.15 (26.15)
2	Service tax	42.39 (12.80)	- (-)
3	Others	2.08 (2.08)	- (-)
	Total	**84.39** **(54.56)**	**26.15** **(26.15)**

a) The outflow arising from these claims is uncertain. Such outflow, if any, will be after adjusting reimbursement of ₹ 8.06 Million - received from customers (Previous year: ₹ 8.06 Million) in respect of excise duty demand on account of denial of benefit under Notification No. 6/2000 issued by the Central Government under Section 5A(1) of the Central Excise Act, 1944.

b) The amounts shown above represent the best 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 a legal position against such disputes.

30. Estimated amount of contracts remaining to be executed on capital account and not provided for : ₹ 136.10 Million (₹ 107.79 Million) after adjusting advances paid amounting to ₹ 33.82 Million (₹ 26.50 Million). The Company has also made a commitment to purchase 25 acres of industrial land near Bangalore and paid ₹ 50.12 Million (₹ 50.12 Million) as an advance. The total amount of commitment in this respect is not determinable as the allotment and price are yet to be finalised by Karnataka Industrial Areas Development Board.

31. Title to certain fixed assets vested in the Company under the Scheme of Arrangement and arising out of business conducted till the date the Scheme became effective, could not be transferred to the name of the Company. These assets are being held in trust, by Triveni Engineering & Industries Ltd. The requisite duties, if any, on determination thereof by the Authorities, will be paid and accounted for by the Company appropriately.

32. 40,000 stock options in Triveni Engineering & Industries Ltd. (TEIL) had been granted to an employee of the Company on April 30, 2010, while he was an employee of TEIL, prior to the demerger of its steam turbine business and vesting of such business in the Company under a Scheme of Arrangement, duly approved by the Court. As per the Scheme of Arrangement, an employee stock option scheme styled as 'New Stock Option Scheme' has been formulated by the Company and the employee has been granted 40,000 stock options in lieu of the stock options held by him in TEIL. In accordance with the Scheme of Arrangement, and in line with the best practices, adjustment has been made for the corporate action of demerger, by adjusting the exercise price and share entitlement ratio under the options granted, so as to ensure that the fair value of options immediately prior to and immediately subsequent to the corporate action remains unchanged.

The required disclosures of the New Stock Option Scheme are as under:

a) Employee Stock Option Scheme:

No. of Options granted	40,000
Original grant date of Options	30.04.2010
Date of grant under New Stock Option Scheme (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	184,000
Vesting Plan	Graded Vesting as under: 20,000 options to vest on 30.04.2011 20,000 options to vest on 30.04.2012
Normal Exercise Period	Within 2 years from the date of vesting
Exercise Price per share (₹)	52

b) Movement of Options Granted

(₹ in Million)

Particulars	31.03.2013	31.03.2012
Outstanding at the beginning of the year*	40,000	40,000
Granted during the year	Nil	Nil
Exercised during the year	Nil	Nil
Lapsed during the year	Nil	Nil
Outstanding at the end of the year	40,000	40,000
Unvested at the end of the year	Nil	20,000
Exercisable at the end of the year	40,000	20,000

The options outstanding as at the end of the year have a weighted average contractual life of 7 months and are exercisable at the grant price of ₹ 52.

**Consequent to the grant of options under the 'New Stock Option Scheme' framed in accordance with the Scheme of Arrangement, the stock options are deemed to have been granted from the appointed date of the Scheme of Arrangement (01.10.2010).*

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	46.53%
d) Expected dividend	1.20%
e) Exercise price of each underlying share under the option	₹ 52

The weighted average fair value of each option of the Company on the date of the corporate adjustment under new stock option Scheme was ₹ 29.30.

Had the compensation cost for the stock options granted under ESOP 2009 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 Million)

Particulars	31.03.2013	31.03.2012
Net Profit / (Loss) (as reported)	1,044.85	873.94
Less : Preference dividend (including tax thereon)	2.62	2.60
Add : Compensation expense under ESOP considered in the net profit	Nil	Nil
Less : Compensation expense under ESOP as per fair value *	0.01	0.18
Net Profit / (Loss) (fair value basis) attributable to equity shareholders	1,042.22	871.16
Basic earnings per share (as reported) – ₹/Share	3.16	2.64
Basic earnings per share (fair value basis) – ₹/Share	3.16	2.64
Diluted earnings per share (as reported) – ₹/Share	3.16	2.64
Diluted earnings per share (fair value basis) – ₹/Share	3.16	2.64

* *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.*

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

(₹ in Million)

S.No	Particulars	31.03.2013	31.03.2012
1	Amounts due to Micro and Small enterprises		
	i) Principal amount	61.56	23.46
	ii) Interest due on above	Nil	Nil
2	i) Principal amount paid after due date or appointed day during the year	Nil	Nil
	ii) Interest paid during the year on (i) above	Nil	Nil
3	Interest due & payable (but not paid) on principal amounts paid during the year after the due date or appointed day.	Nil	Nil
4	Total interest accrued and remaining unpaid	Nil	Nil
5	Further interest in respect of defaults of earlier years due and payable in current year upto the date when actually paid	Nil	Nil

34. i) The Company has taken various residential and office premises under operating leases. These are not non-cancellable and the unexpired period ranges between 6 months and 3 years and the leases are renewable by mutual consent. The Company has given refundable interest- free security deposits under certain agreements.

a) Lease payments under operating leases amounting to ₹ 6.98 Million (₹ 6.02 Million) are recognised in the statement of profit and loss under "Rent" in Note No 23.

b) There are no minimum future lease payments as there are no non-cancellable leases.

ii) The Company has also given certain portions of its premises under cancellable operating lease. The lease is extendable by mutual consent and on mutually agreeable terms. The gross carrying amount, accumulated depreciation and depreciation recognised in the statement of profit and loss in respect of such portions 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 non-cancellable leases entered into by the Company as a lessor.

35. Prior period expenses of ₹ 0.16 Million (previous year ₹ Nil) in Note No.23 represents legal charges.

36. Disclosure under Accounting Standard (AS) 7 "Construction Contracts" in respect of contracts in progress as at the end of the year is provided here-below:

(₹ in Million)

S.No	Particulars of disclosure	31 03.2013	31.03.2012
i)	Amount of contracts revenue recognised as revenue in the year	599.65	-
ii)	Aggregate amount of costs incurred and recognised profits (less recognised losses) upto the reporting date	599.65	-
iii)	Advances received	109.95	-
iv)	Retentions	58.93	-
v)	Gross amount due from customers for contract work as an asset	122.07	-
vi)	Gross amount due to customers for contract work as a liability	-	-

37. The Company primarily operates in one business segment – Power Generating Equipment and Solutions. There are no reportable geographical segments.

38. Information regarding Related Parties and transactions with them is given below:

a) Related Party where control exists

Mr. Dhruv M. Sawhney - Chairman and Managing Director (Key Management Personnel)

b) Details of related parties with whom transactions have taken place during the year :

Name of related Party	Relationship
Triveni Engineering & Industries Ltd (TEIL)	Investing company holding substantial interest.
Mr. Dhruv M. Sawhney (DMS)	Chairman & Managing Director (Key Management Person)
Mr. Nikhil Sawhney (NS)	Joint Managing Director (Key Management Person)
Mr. Tarun Sawhney (TS)	Relative of the Key Management Personnel
Mr. Arun Mote (AM)	Executive Director (Key Management Person, effective 1st November, 2012)
Tirath Ram Shah Charitable Trust (TRSCT)	Enterprise in which Key Management Personnel or their relatives have substantial interest / significant influence
Kameni Upaskar Ltd (KUL)	Company in which Key Management Personnel or their relatives have substantial interest / significant influence

c) Details of transactions with the related parties during the year :

(₹ in Million)

Sr. No.	Nature of Transaction	TEIL	DMS	NS	TS	AM	TRSCT	KUL	Total
1	Sales and rendering of services	545.95	-	-	-	-	-	-	**545.95**
		(26.94)	(-)	(-)	(-)	(-)	(-)	(-)	**(26.94)**
2	Purchase of goods and receiving of services	303.54	-	-	-	-	-	-	**303.54**
		(366.27)	(-)	(-)	(-)	(-)	(-)	(-)	**(366.27)**
3	Donation paid	-	-	-	-	-	7.50	-	**7.50**
		(-)	(-)	(-)	(-)	(-)	(-)	(-)	**(-)**
4	Rent paid	3.92	-	-	-	-	-	-	**3.92**
		(2.45)	(-)	(-)	(-)	(-)	(-)	(-)	**(2.45)**
5	Unsecured loan taken	-	-	-	-	-	-	-	**-**
		(233.67)	(-)	(-)	(-)	(-)	(-)	(-)	**(233.67)**
6	Expenses incurred by the party on behalf of the Company/ (-) by the Company on behalf of the party - net	2.06	-	-	-	-	-	0.20	**2.26**
		(42.79)	(-)	(-)	(-)	(-)	(-)	(0.07)	**(42.86)**
7	Interest paid	-	-	-	-	-	-	-	**-**
		(12.36)	(-)	(-)	(-)	(-)	(-)	(-)	**(12.36)**
8	Remuneration	-	25.50	19.65	-	6.17	-	-	**51.32**
		(-)	(19.76)	(15.42)	(-)	(-)	(-)	(-)	**(35.18)**
9	Sellling commission received	-	-	-	-	-	-	-	**-**
		(1.36)	(-)	(-)	(-)	(-)	(-)	(-)	**(1.36)**
10	Rent received	0.02	-	-	-	-	-	-	**0.02**
		(-)	(-)	(-)	(-)	(-)	(-)	(-)	**(-)**
11	Directors' fee paid	-	-	-	0.06	-	-	-	**0.06**
		(-)	(-)	(-)	(0.02)	(-)	(-)	(-)	**(0.02)**
12	Directors' Commission	-	-	-	1.00	-	-	-	**1.00**
		(-)	(-)	(-)	(1.00)	(-)	(-)	(-)	**(1.00)**
13	Refund against amount received on behalf of the party	-	-	-	-	-	-	-	**-**
		(-)	(-)	(5.00)	(-)	(-)	(-)	(-)	**(5.00)**
14	Outstanding balances as at year end								
	A Receivable	87.21	-	-	-	-	-	-	**87.21**
		(-)	(-)	(-)	(-)	(-)	(-)	(-)	**(-)**
	B. Payable	129.84	0.03	0.04	-	0.28	-	-	**130.19**
		(41.68)	(0.73)	(0.16)	(-)	(-)	(-)	(-)	**(42.57)**

Figures in brackets pertain to the previous year.

39. a) Derivatives outstanding at the balance sheet date

Forward Contract to Sell	Purpose
1. US$70,30,000 (₹ 380.04 Million) [Prev. Yr.: US$ 1,050,000 (₹ 53.24 Million)]	Hedging of export receivables and highly probable forecast transactions.
2. Euro11,50,000 (₹ 79.42 Million) [Prev. Yr.: Euro 1,550,000 (₹ 104.53 Million)]	Hedging of export receivables and highly probable forecast transactions.
3. GBP 26,50,000 (₹ 217.03 Million) [Prev. Yr.: GBP 750,000 (₹ 60.57 Million)]	Hedging of highly probable forecast transactions.

Forward Contract to Buy	Purpose
1. Euro 7,03,010 (₹ 48.89 Million) [Prev. Yr.: Euro 8,71,200 (₹ 63.14 Million)]	Contract for import of machine
2. US$ 11,00,000 (₹ 60.37 Million) [Prev. Yr.: US$ Nil (₹ Nil)]	Hedging of import payables

b) Particulars of un-hedged foreign currency exposures at the balance sheet date

Import trade payables

1. US$ 10,78,993 (₹ 59.12 Million) [Prev. Yr.: US$ 602,747 (₹ 31.06 Million)]
2. Euro 38,490 (₹ 2.72 Million) [Prev. Yr.: Euro 175,333 (₹ 12.11 Million)]
3. CHF 2,406 (₹ 0.14 Million) [Prev. Yr.: CHF 20,845 (₹ 1.20 Million)]
4. GBP 33,983 (₹ 2.84 Million) [Prev. Yr.: GBP 88,246 (₹ 7.29 Million)]
5. JPY 95,04,263(₹5.57 Million) [Prev. Yr.: JPY 19,607,878 (₹ 12.39 Million)]

40. The Company has made provisions during the year for employee benefits relating to its obligations for contributions to defined contribution plans / defined benefit plans. The required disclosures in this regard are given below:

i) Defined Contribution Plans

(₹ in Million)

Particulars	31.03.2013	31.03.2012
i) Employer's contribution to employees' provident fund scheme	23.35	20.36
ii) Employer's contribution to employees' state insurance scheme	1.43	1.39
iii) Employer's contribution to officers' pension scheme	7.57	6.83

ii) Defined Benefit Plans

Change in present value of obligation

(₹ in Million)

Particulars	Gratuity (Partly funded)		Compensated absence (un-funded)	
	31.03.2013	31.03.2012	31.03.2013	31.03.2012
Present value of obligation as at the beginning of the year	57.65	58.48	20.44	21.82
Interest cost	4.29	4.83	1.69	1.80
Current service cost	4.69	5.02	4.72	4.37
Benefits paid	(8.02)	(12.85)	(2.32)	(2.42)
Actuarial (gain) / loss on obligation	2.19	2.17	(3.43)	(5.13)
Present value of obligation as at the end of the year	60.80	57.65	21.10	20.44

Change in Value of plan assets

(₹ in Million)

Particulars	Gratuity (Partly funded)		Compensated absence (un-funded)	
	31.03.2013	31.03.2012	31.03.2013	31.03.2012
Fair Value of Plan Asset at the beginning of the year	-	-	-	-
Acquisition Adjustment	-	-	-	-
Expected Return on Plan Asset	-	-	-	-
Contributions	40.50	-	-	-
Benefits paid	-	-	-	-
Actuarial gain/loss on Plan Asset	-	-	-	-
Fair Value of Plan Asset at the end of year	40.50	-	-	-

Amounts recognised in balance sheet

(₹ in Million)

Particulars	Gratuity (Partly funded)		Compensated absence (un-funded)	
	31.03.2013	31.03.2012	31.03.2013	31.03.2012
Present value of obligation as at the end of the year	60.80	57.65	21.10	20.44
Fair Value of plan Asset as at the end of the year	40.50	-	-	-
Funded status / difference	(20.30)	(57.65)	(21.10)	(20.44)
Net assets / (liability) recognised in the balance sheet	(20.30)	(57.65)	(21.10)	(20.44)

Amounts recognised in the statement of profit and loss

(₹ in Million)

Particulars	Gratuity (Partly funded)		Compensated absence (un-funded)	
	31.03.2013	31.03.2012	31.03.2013	31.03.2012
Current service cost	4.69	5.02	4.71	4.37
Interest cost	4.29	4.83	1.69	1.80
Expected return on plan assets	-	-	-	-
Net actuarial (gain)/loss recognised during the year	2.19	2.17	(3.43)	(5.12)
Expenses recognised in the statement of profit and loss	11.17	12.02	2.97	1.05

Experience adjustment

(₹ in Million)

Particulars	Gratuity			Compensated absence		
	31.03.2013	31.03.2012	31.03.2011	31.03.2013	31.03.2012	31.03.2011
Defined benefit obligation	60.80	57.65	58.48	21.10	20.44	21.82
Fair value of Plan Assets	40.50	-	-		-	-
Surplus / (deficit)	(20.30)	(57.65)	(58.48)	(21.10)	(20.44)	(21.82)
Experience adjustment on Plan Liabilities-(Gain) / Loss	2.19	2.17	(1.18)	(3.43)	(5.12)	0.49
Experience adjustment on Plan Assets-(Gain) / Loss	-	-	-	-	-	-

Major actuarial assumptions

(₹ in Million)

Particulars	Gratuity		Compensated absence	
	31.03.2013	31.03.2012	31.03.2013	31.03.2012
Discounting rate	8% - 8.50%	8.25%	8.25%	8.25%
Future salary increase	5.50%	5.50%	5.50%	5.50%
Expected rate of return on plan assets	-	-	-	-
Mortality table	LIC (1994-96)			
Method used	Projected unit credit method			

The estimates of future salary increase considered in the actuarial valuation take account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

41. The Company has undertaken necessary steps to comply with the Transfer Pricing regulations. The Management is of the opinion that the transactions are at arm's length and hence the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.

42. Statement of additional information

(₹ in Million)

Particulars	31.03.2013	31.03.2012
a) Value of imports on CIF basis :		
i) Raw Materials	296.01	212.17
ii) Components and spare parts	1.49	3.67
iii) Capital goods	6.83	90.42
iv) Technical Knowhow fee (intangible assets)	15.42	23.37
b) Expenditure in foreign currency		
i) Travelling	17.37	10.32
ii) Royalty	-	1.62
iii) Selling commission	18.29	9.30
iv) Erection and commissioning	17.53	10.60
v) Engineering services	-	5.35
vi) Others	5.40	8.34
c) Earnings in foreign currency		
i) Exports of goods on F.O.B. basis	1,684.12	799.67
ii) Service charges	61.35	33.44
iii) Selling commission	0.21	2.18

d) Consumption of raw material, spare parts and components :

Particulars	31.03.2013		31.03.2012	
	₹ in Million	%	₹ in Million	%
i) Raw Material				
- Imported	148.65	3.94%	166.92	4.49%
- Indigenous	3,624.69	95.06%	3,550.41	95.51%
Total	**3,773.34**	**100.00%**	**3,717.33**	**100.00%**
ii) Components and Spare Parts				
- Imported	1.49	1.62%	3.67	3.31%
- Indigenous	90.40	98.38%	107.35	96.69%
Total	**91.89**	**100.00%**	**111.02**	**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 paid to non-resident shareholders (including non-resident indian shareholders) which were declared during the year are as under:-

Particulars	Dividend paid during FY 2012-13		Dividend paid during FY 2011-12	
	Final Dividend for FY 2011-12	Interim Dividend for FY 2012-13	First interim Dividend for FY 2011-12	Second interim Dividend for FY 2011-12
(i) Number of non-resident shareholders	480	458	599	576
(ii) Number of Ordinary Shares held by them	36863927	37512894	43555937	37781683
(iii) Gross amount of dividend- (₹ in million)	7.37	9.38	10.89	7.56

43. Auditors' remuneration – amounts paid / payable to the statutory auditors

(₹ in Million)

S. No.	Particulars	Statutory auditors*		Branch auditors	
		31.03.2013	31.03.2012	31.03.2013	31.03.2012
1	Statutory audit	0.66	0.54	0.40	0.35
2	Tax audit	0.17	0.06	0.17	0.24
3	Certification charges	0.37	0.54	0.19	0.40
4	Other services	-	0.05	-	-
5	Out of pocket expenses	0.04	0.06	0.42	0.59
	Total	**1.24**	**1.25**	**1.18**	**1.58**

* Excluding service tax of ₹ 0.06 Million (Previous Year ₹ 0.08 Million) charged to the statement of profit & loss.

44. The requisite financial information in respect of the subsidiary for the financial year ended March 31, 2013, 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 Million)

Particulars	FY 2012-13	FY 2011-12
Name of Subsidiary Company	GE Triveni Limited	GE Triveni Limited
Capital	160.00	110.00
Reserves	(55.29)	(34.09)
Total Assets	156.76	122.40
Total Liabilities	52.06	46.49
Investments (except in subsidiaries)	NIL	NIL
Turnover (Net)	169.13	NIL
Profit / (Loss) before Taxation	(21.20)	(32.19)
Provision for Taxation	NIL	NIL
Profit / (Loss) after Taxation	(21.20)	(32.19)
Proposed Dividend	NIL	NIL

45. Previous year's figures have been regrouped / rearranged wherever necessary, to make them comparable to those for the current year.

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

Deepak Kumar Sen
General Manager & CFO

Rajiv Sawhney
Company Secretary

Dhruv M. Sawhney
Chairman & Managing Director

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

Noida (U.P.), May 23, 2013

Information on Company's Business Locations

Registered Office
A-44, Hosiery Complex,
Phase II Extension,
Noida-201 305 (U.P.)
STD Code: 0120
Phone: 4748000
Fax: 4243049
Website: www.triveniturbines.com

Corporate Office
'Express Trade Towers', 8th Floor
15-16, Sector- 16A
Noida-201 301(U.P.)
STD Code: 0120
Phone: 4308000
Fax: 4311010-11

Manufacturing Facility
12-A, Peenya Industrial Area,
Peenya, Bengaluru-560 058
STD Code: 080
Phone: 22164000
Fax: 22164100

Share Department/ Investors' Grievances
'Express Trade Towers', 8th Floor
15-16, Sector- 16A
Noida-201 301(U.P.)
STD Code: 0120
Phone: 4308000
Fax: 4311010-11
Email: shares.ttl@trivenigroup.com

Subsidiary Company GE Triveni Limited
12-A, Peenya Industrial Area,
Peenya, Bengaluru-560 058
STD Code: 080
Phone: 22164300
Fax: 22164321

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

Branch Auditors
M/s Virmani & Associates

Triveni Group website
www.trivenigroup.com

Corporate Information

Chairman and Managing Director (CMD)
Mr. Dhruv M. Sawhney
(DIN-00102999)

Joint Managing Director (JMD)
Mr. Nikhil Sawhney
(DIN-00029028)

Executive Director (ED)
Mr. Arun Prabhakar Mote
(DIN-01961162)

Directors
Mr. Tarun Sawhney
(DIN-00382878)
Lt. Gen. K.K. Hazari (Retd.)
(DIN-00090909)
Mr. K.N. Shenoy
(DIN-00021373)
Mr. Amal Ganguli
(DIN-00013808)
Mr. Shekhar Datta
(DIN 00045591)
Mr. Meleveetil Damodaran
(DIN-02106990)

Company Secretary
Mr. Rajiv Sawhney

Registrar and Share Transfer Agents
For Equity shares held in physical and electronic mode
(Correspondence Address)

M/s Alankit Assignments Ltd.,
Unit: Triveni Turbine Limited
Alankit House, 2E/21,
Jhandewalan Extension,
New Delhi-110 055.
STD Code: 011
Phone: 42541234, 23541234
Fax: 23552001
Email: rta@alankit.com

Bankers
Axis Bank Ltd.
Citi Bank N.A
Yes Bank Ltd.
IDBI Bank
Punjab National Bank

TRIVENI TURBINE LIMITED

12-A, Peenya Industrial Area,
Bengaluru, Karnataka - 560 058, India

Website : www.triveniturbines.com

FORM A

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

1.	Name of the Company	Triveni Turbine Limited
2.	Annual financial statements for the year ended	31st March, 2013
3.	Type of Audit observation	Unqualified
4.	Frequency of observation	Not applicable

For J.C. Bhalla & Co.
Chartered Accountants
(FRN: 001111N)

Sudhir Mallick
Partner
Membership No.80051

For Triveni Turbine Limited

Dhruv M. Sawhney
Chairman & Managing Director

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

Deepak Kumar Sen
General Manager & CFO

Noida (U.P.), May 23, 2013