

By E-filing

Date: August 29, 2019

BSE Ltd. 1 st Floor, New Trading Ring, Rotunda Building, P.J. Tower, Dalal Street, Fort, MUMBAI-400 001 e-mail- corp.relations@bseindia.com Fax-022-22723121/1278/1557/3354 Thru : BSE Listing Centre	National Stock Exchange of India Ltd., Exchange Plaza, 5 th Floor, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (E), MUMBAI-400 051 e-mail cmlist@nse.co.in Fax-022-26598237/8238/8347/8348 Thru : NEAPS
STOCK CODE: 533655	STOCK CODE: TRITURBINE

Dear Sir,

Pursuant to Regulation 30 and 34 and other applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) we notify as under .

- a) The 24th Annual General Meeting (AGM) of the company is to be held on **Monday, September 23, 2019 at 12.30 P.M.** at Stardom Convention, Ground Floor, C-1, World Trade Tower, Sector 16, Noida, Uttar Pradesh -201301.
- b) The Company has appointed M/s Central Depository Services (India) Ltd (CDSL) for providing e-voting facility through their e- voting platform. The remote e-voting period commences on **September 20, 2019 (9.00 a.m. IST) and ends on September 22nd, 2019 (5.00 p.m. IST).**
- c) The cut off date for determining the eligibility of vote by remote e-voting or voting through ballot paper at the AGM is **September 16 . 2019**

Further in terms of Regulation 34 of Listing Regulations, we are enclosing herewith Notice convening the 24th AGM of the Company, alongwith the Annual Report for the FY 2018-19 as being dispatched to the Members of the Company .

You are requested to kindly take the same on record .

Thanking you,
Yours faithfully,
For Triveni Turbine Ltd.



Rajiv Sawhney
Company Secretary
Encl : As above

CC :

- 1 Alankit Assignments Ltd-
Alankit Heights, 1E/13, Jhandewalan Extension, New Delhi-110 055
- 2 National Securities Depository Limited
4th Floor, A Wing ,Trade World, Kamla Mills Compound, Lower Parel, Mumbai - 1
- 3 Central Depository Services (India) Limited
Phiroze Jeejeebhoy Tower , 17th Floor, Dalal Street, Fort Mumbai – 400 001

NOTICE

NOTICE is hereby given that the Twenty Fourth Annual General Meeting of Members of Triveni Turbine Limited will be held on Monday, September 23, 2019 at 12.30 P.M. at Stardom Convention, Ground Floor, C-1, World Trade Tower, Sector 16, Noida, Uttar Pradesh -201301, to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt:
 - (a) the Audited Financial Statements of the Company for the year ended March 31, 2019 including the audited Balance Sheet as at March 31, 2019 and the Statement of Profit & Loss for the year ended on that date, together with the Reports of the Board of Directors and Auditors' thereon; and
 - (b) the Audited Consolidated Financial Statements of the Company for the year ended March 31, 2019 including the audited consolidated Balance Sheet as at March 31, 2019 and the consolidated Statement of Profit and Loss for the year ended on that date together with the Report of the Auditors' thereon.
2. To appoint a Director in place of Mr. Arun Prabhakar Mote (DIN: 01961162), who retires by rotation and, being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

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

3. As an Ordinary Resolution:-

RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and any other applicable provisions, if any, of the Companies Act, 2013 ("Act") and the Rules made thereunder and the relevant provisions of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Shailendra Bhandari (DIN 00317334) who was appointed as an Additional Director pursuant to Section 161 and other applicable provisions of the Act, and in respect of whom the Company has received a notice in writing under Section 160 of the Act proposing his candidature for the office of Independent Director, be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation, to hold office for a period of five years with effect from 20th May, 2019 to 19th May, 2024.

4. As a Special Resolution

RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 ("Act") and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof), consent and approval of the Company be and is hereby accorded to the re- appointment of Mr. Arun Prabhakar Mote (DIN: 01961162) as Whole-time Director (designated as "Executive Director") of the Company for a period of three (3) years with effect from 1st November, 2019 on the remuneration and terms and conditions as set out in the explanatory statement annexed to the notice and the period of his office shall be liable to determination by retirement of directors by rotation.

RESOLVED FURTHER THAT the Board of Directors (on the recommendations of the Nomination and Remuneration Committee) be and are hereby authorized to revise, amend, alter and vary the remuneration and other terms and conditions of the re-appointment of Mr. Arun Prabhakar Mote, Executive Director in such manner as may be permissible in accordance with the provisions of the Act and Schedule V and as may be agreed to by and between the Board of Directors and Mr. 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 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 the Board of Directors of the Company be and are hereby authorized to take all actions and steps expedient or desirable to give effect to the abovementioned resolutions in conformity with the provisions of the Act and also to settle any question, difficulty or doubt that may arise in this regard without requiring to secure any further consent or approval of the shareholders of the Company.

5. As an Ordinary Resolution

RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), M/s J.H. & Associates, Cost Accountants, (Firm Registration Number 00279), appointed as Cost Auditor by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the Financial Year ending March 31, 2020, be paid a remuneration of Rs.80,000/- plus applicable taxes and re-imbursment of out of pocket expenses incurred by them in connection with the aforesaid audit.

Place: Noida (U.P)
Date: August 3, 2019

By Order of the Board
Rajiv Sawhney
Company Secretary

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER. PROXIES, IN ORDER TO BE EFFECTIVE, MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY OR AT ITS CORPORATE OFFICE AT 8TH FLOOR, EXPRESS TRADE TOWERS, PLOT NO. 15-16, SECTOR 16A, NOIDA- 201 301 NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A BLANK PROXY FORM IS ATTACHED HEREWITH.**

Proxies submitted on behalf of companies, institutional investors, societies, etc., must be supported by appropriate resolution/ authority, as applicable. A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than

10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.

2. 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.
3. The relevant Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ('Act') in respect of the Item Nos. 3 to 5 set out in the Notice and the relevant details pursuant to Regulation 36(3) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and Secretarial Standards on General Meeting in respect of Directors seeking appointment /re-appointment at the AGM, are annexed hereto and forms part of this notice.
4. The requirement to place the matter relating to appointment of Auditors for ratifications by Members at every Annual General Meeting (AGM) has been done away with vide notification dated May, 2018 issued by the Ministry of Corporate Affairs. Accordingly no resolution is proposed for ratification of appointment of Auditors, who were appointed from the conclusion of the 22nd AGM till the conclusion of the 27th AGM held on August 9, 2017.
5. Notice of the AGM, attendance slip, and proxy form along with the Annual Report for the financial year 2018-19 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories, unless any Member has requested for a physical copy of the same. For members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode. The annual report and the notice of the 24th AGM will also be available on the Company's website www.triveniturbines.com.
6. Members are requested to bring their attendance slip duly completed and signed, to be handed over at the entrance of the meeting hall. As a measure of economy, copies of the Annual Reports will not be distributed at the venue of the AGM. Members are therefore requested to bring their own copies of the Annual Reports at the meeting.
7. Members are informed that in the case of joint holder(s)/ beneficial owners attending the meeting, the member/ beneficial owner whose name appears as the first holder in the order of names as per Register of Members/ List of beneficial owners will be entitled to vote.
8. 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 AGM, so that the information may be made available at the AGM.
9. **Members/Proxies are welcome at the AGM of the Company. However the Members/Proxies may please note that no gifts/ gift coupons will be distributed at the AGM**
10. **Owing to security concerns, the convention hall authorities do not allow carrying inside, brief cases, bags, eatables and the like. Members attending the meeting are requested to make their own arrangements for the safe keeping of their belongings.**
11. **Members holding shares in physical form are**
 - a) required to submit their Permanent Account Number (PAN), bank account details and NACH mandate to the Company or its RTA M/s Alankit Assignments Limited (Alankit) if not registered with the Company as mandated by SEBI at their address at Alankit Heights, Unit Triveni Turbine Limited, IE /13, Jhandewalan Extension, New Delhi 110 055. The request should be submitted along with the self-certified copy of PAN and original cancelled cheque bearing the name of the shareholders. As directed by SEBI, in case of failure to register the PAN and bank account details as aforesaid, any transaction in the securities of the Company shall be subject to enhanced due diligence by the Company/ RTA, as may be prescribed.
 - b) advised to register nomination in respect of their shareholding in the Company in Nomination form (SH 13) and deposit the same with the Company or its RTA.
 - c) requested to register/ update their registered address/ e-mail address with the Company or its RTA for receiving all communications from the Company electronically.
 - d) holding shares of the Company in multiple folios are requested to get their holdings consolidated.
12. **Members holding shares in electronic mode are**
 - a) Required to submit their PAN, bank account details and NACH mandate to their respective Depository Participants ("DP") with whom they are maintaining their demat accounts. As directed by SEBI, in case of failure to register the PAN and bank account details as aforesaid, any transaction in the securities of the Company shall be subject to enhanced due diligence by the Company/ RTA, as may be prescribed.
 - b) advised to contact their respective DPs for registering nominations.
 - c) requested to register / update their e-mail address with their respective DPs for receiving all communications from the Company electronically.
13. The Securities and Exchange Board of India ("SEBI") has mandated that securities of listed Companies can be transferred only in dematerialised form w.e.f. April 1, 2019 except in case of transmission or transpositions. Accordingly the Company / and its RTA M/s Alankit has stopped accepting any fresh lodgment of transfer of shares in physical form. Members holding shares in physical form are advised to avail of the facility of dematerialisation.
14. Unclaimed Interim dividend for the FY ended on March 31, 2013 and the corresponding equity shares of the Company in respect of which divided entitlements remain unclaimed for 7 consecutive years is due for transfer to the Investor Education & Protection fund of the Central Govt on 28th October, 2019 pursuant to the provisions of Section 124 of the Companies Act 2013 read with Investor Education and Protections fund authority (Accounting, Audit, Transfer and Refund) Rules, 2016 . Members are requested to claim the said dividend detail of which are available on the Company's corporate website www.triveniturbines.com under the "Investor Section- Unpaid Dividend". The Company will not be able to entertain the claim received after 28th October , 2019
15. **Voting though electronic mean**
 - (a) In compliance with the provisions of Section 108 of the Act read with the Rules framed thereunder duly amended and Regulation 44 of the Listing Regulations, the Members are provided with the facility to cast their vote by using an electronic voting system from a place other than venue of the AGM ('remote e-voting'), through the e-voting services provided by Central Depository Services (India) Ltd (CDSL) on all the resolutions set forth in this Notice. The facility for voting, either through electronic voting system or ballot paper, shall also be made available at the AGM and the members attending the AGM, who have not already cast their votes by remote e-voting shall be able to exercise their right to vote at the AGM. Members who have cast their votes by remote e-voting prior to the AGM may attend the AGM, but shall not be entitled to cast their votes again at the AGM.
 - (b) Mr. Suresh Kumar Gupta, Practising Company Secretary (FCS 5660) has been appointed as the Scrutinizer to scrutinize the voting at the meeting and remote e-voting process in a fair and transparent manner.

- (c) The procedure and instructions for e-voting are as under:

The e-voting period commences on 20th September, 2019 (9.00 a.m. IST) and ends on 22nd September, 2019 (5.00 p.m. IST). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. 16th September, 2019, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

- (i) Log on to the e-voting www.evotingindia.com
- (ii) Click on "Shareholders/Members".
- (iii) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (iv) Next enter the Image Verification as displayed and Click on Login.
- (v) If you are holding shares in Demat form and had logged on to www.evotingindia.com and casted your vote earlier for EVSN of any company, then your existing password is to be used.
- (vi) If you are a first time user follow the steps given below.

For Members holding shares in Demat Form and Physical Form	
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. Sequence number is printed on the Attendance slip. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. For example. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field
Dividend Bank Detail or Date of Birth (DOB)	Enter the Dividend Bank Details or date of birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iii).

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) Members holding shares in physical form will then reach directly the EVSN selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the EVSN " 190820064 " of Triveni Turbine Limited.
- (xi) On the voting page, you will see Resolution Description and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xii) Click on the "Resolutions File Link" if you wish to view the entire Resolutions.
- (xiii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvi) If Demat account holder has forgotten the changed login password then enter the User ID and image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xviii) Note for Non – Individual Shareholders and Custodians
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xix) Any person who acquired the shares of the Company and becomes a member of the Company after dispatch of the notice of the AGM and holds shares as on the cut-off date i.e. 16th September, 2019 may follow the same instructions as mentioned above for e-voting.

- (d) The e-voting period commences on 20th September, 2019 (9.00 a.m. IST) and ends on 22nd September 2019 (5.00 p.m.)
- (e) A person who is not a Members as on the cut off date should treat this Notice for information purpose only. The E-voting module shall be disabled by CDSL for voting thereafter. Any Members, who has voted by Remote – e-voting cannot vote at the meeting
- (f) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and remote e-voting manual available at www.evotingindia.com under help section or write an e-mail helpdesk.evoting@cdslindia.com.

Any person having any grievances in connection with remote e-voting may write to

Name : Mr. Rakesh Dalvi
 Designation : Manager
 Address : CDSL, A Wing 25th Floor , Marathon Futures,
 Mafatlall Mill Compound,
 N.M.Joshi Marg . Lower Parel (E) ,
 Mumbai -400 013 , Maharashtra
 Email ID : helpdesk.evoting@cdslindia.com.
 Toll free number : 18002005533

- (g) The voting rights of the Members shall be in proportion to the paid-up value of their shares in the equity capital of the Company as on the cut-off date i.e. 16th September, 2019. A person, whose name is recorded in the Register of Members/Lists of Beneficial Owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot.
- (h) At the AGM, at the end of discussion on the resolutions on which voting is to be held, the Chairman shall, with the assistance of the Scrutinizer, order voting through ballot paper for all those members who are present but have not casted their votes electronically using the remote e-voting.
- (i) The Scrutinizer shall, immediately after the conclusion of voting at the AGM, count the votes cast at the AGM and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in employment of the Company and make, within 48 hours of the conclusion of the AGM, a consolidated Scrutinizer’s Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and shall declare the results of the voting forthwith. Subject to receipt of the requisite number of votes, the resolutions will be deemed to be passed on the date of AGM i.e. September 23 , 2019.
- (j) The Results declared along with the Scrutinizer’s Report shall be placed on the website of the Company (www.triveniturbines.com) and also on the CDSL e-Voting website (www.evotingindia.com) immediately after the result is declared. The Company shall, simultaneously, forward the results to BSE Limited and National Stock Exchange of India Limited, where the equity shares of the Company are listed.

16. The route map showing directions to reach the venue of twenty-fourth AGM is annexed.

Place: Noida (U.P)
 Date: August 3, 2019

By Order of the Board
 Rajiv Sawhney
 Company Secretary

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 3

The Board of Directors of the Company in its meetings held on May 20, 2019 based on the recommendation of the Nomination and Remuneration Committee, has appointed Mr. Shailendra Bhandari initially as an Additional Director on the Board pursuant to the provisions of Section 161 of the Companies Act 2013 and also appointed him as an Independent Director subject to approval of the shareholders for a period of 5 years w.e.f 20th May, 2019 till 19th May, 2024. The Company has in terms of Section 160 of the Act received notice from a Member, proposing the candidature of Mr. Bhandari for the office of Director.

Mr. Bhandari is eligible and has consented to act as an Independent Director of the Company. He has furnished declaration under Section 149(7) of the Act confirming that he meets the criteria prescribed under Section 149(6) of the Act as well as of SEBI Listing Regulations, 2015.

The Board is of the opinion that Mr. Bhandari fulfills the criteria specified in Section 149 and other applicable provisions for his appointment as Non Executive Independent Director as prescribed under the Act and rules made thereunder as well as Regulation 16 of SEBI Listing Regulations, 2015. Mr. Bhandari is Independent of the Management.

Considering the background and knowledge of Mr. Bhandari it would be in the interest of the Company to appoint him as an Independent Director on the Board of the Company. The terms and conditions of appointment of Mr. Bhandari as Non Executive Independent Directors are available for inspection by the members at the Corporate office of the Company during business hours on all working days except public holidays upto the date of the Annual General Meeting .

Accordingly the Board of Directors of the Company commends the passing of Resolution at Item No. 3 of the Notice. Brief profile of Mr. Bhandari and the details required under the Listing regulations forms part of the notice.

None of the Directors or Key Managerial Personnel of the Company or their relatives, except Mr. Shailendra Bhandari and his relatives to the extent of their shareholding interest, if any in the Company, are concerned or interested, financially or otherwise, in this Resolution.

Item No.4

The members of the Company had by a special resolution passed through postal ballot on December 15, 2018 re-appointed Mr. Arun Prabhakar Mote (DIN: 01961162), as Whole-time Director (designated as Executive Director) of the Company for a period of one (1) year and approved his remuneration.

The present tenure of Mr. Arun Mote is due to expire on October 31, 2019. Keeping in view his experience, role and responsibilities, and contribution in the performance and growth of the Company and the subsidiary companies and also on the basis of his performance evaluation, the Board of Directors of the Company (on the recommendations of the Nomination and Remuneration Committee) at their

meeting held on August 3, 2019 have, subject to the approval of the shareholders and such other approvals, as may be required, re-appointed Mr. Arun Prabhakar Mote as whole Time Director (designated as "Executive Director" (ED)) of the Company for a further period of 3 (three) year effective November 1, 2019 on the terms and conditions and remuneration set out below:-

I Remuneration

1. Salary: Rs 9,00,000 /- (Rupees Nine lakhs) per month with an annual increment as may be decided by the Board/Nomination and Remuneration Committee effective 1st April . The annual increment will be merit based and will take into account the performance in the Company.
2. **Allowances and Perquisites:**
 - (i) Special Allowance: Rs. 5,35,000/- (Rupees Five lakhs thirty five thousand) per month with the authority to the Board/ Nomination and 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.
 - (ii) Housing: Leased residential accommodation for a rent upto 60% of the Salary or House Rent Allowance at the rate of 60% of Salary as per rules of the Company.
 - (iii) Medical Reimbursement, Leave Travel Allowance, Leave Encashment and Insurance Coverage: As per rules of the Company.
 - (iv) Company's contribution to the Provident Fund and payment of gratuity: As per rules of the 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.

3. Performance Bonus: As may be decided by the Board on the recommendation of the Nomination and Remuneration Committee.
4. 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 ; or
- (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 ; or
- (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 Director shall not without the consent of the Company at any time thereafter represent himself as connected with the Company or any of its subsidiary or associate Company .

II Overall Remuneration:

The aggregate of salary and perquisites in any financial year shall not exceed the limits prescribed under Sections 196, 197 and other applicable provisions of the Act as for the time being in force read with Schedule V to the Act.

Mr. Arun Mote will not be paid any sitting fees for attending the meetings of the Board of Directors or Committees thereof. Further, Mr. Arun Mote has presently not been drawing any remuneration from any other company.

The approval of the shareholders is sought by way of a special resolution to the re-appointment of Mr. Arun Mote as Whole-time Director of the Company (designated as Executive Director) in accordance with the relevant provisions of the Act read with Schedule V thereto.

Accordingly the Board of Directors of the Company commends the passing of Special Resolution at Item No. 4 of the Notice. Brief profile of Mr. Mote and the details required under the Listing regulations forms part of the notice.

None of the Directors or Key Managerial Personnel of the Company or their relatives, except Mr. Arun Prabhakar Mote and his relatives to the extent of their shareholding interest, if any in the Company, are concerned or interested, financially or otherwise, in this Resolution.

Item no 5

The Board of Directors of the Company have, on the recommendation of the Audit Committee, approved the appointment and remuneration of M/s J.H. & Associates, Cost Accountants, as Cost Auditor to conduct the audit of the cost records of the Company for the financial year ending March 31, 2020.

In terms of the provisions of Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is to be ratified by the members of the Company. Accordingly, consent of the members is sought for ratification of the remuneration payable to the Cost Auditor for the financial year ending March 31, 2020, as set out in the Resolution.

The Board of Directors of the Company commend the passing of Resolution at Item No 5 of the Notice.

None of the Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in this Resolution.

Place: Noida (U.P)
Date: August 3, 2019

By Order of the Board
Rajiv Sawhney
Company Secretary

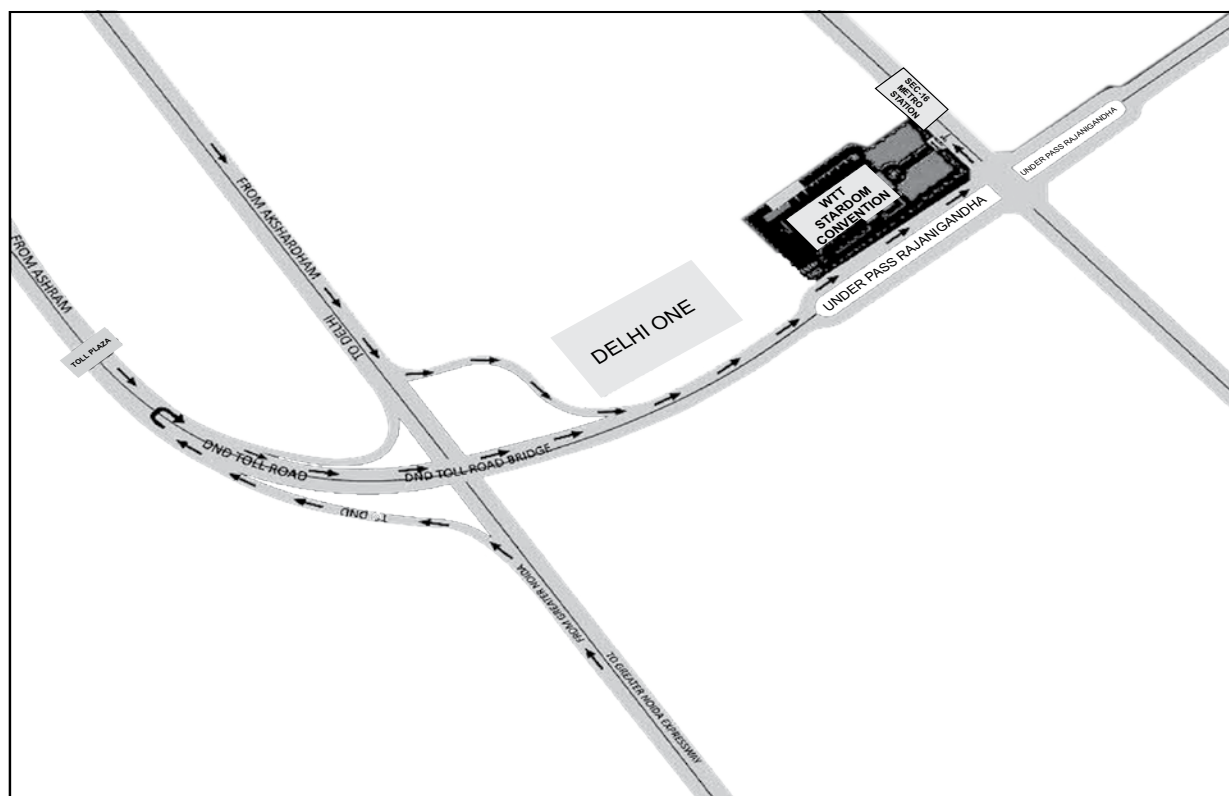
Details of Director retiring by rotation / seeking appointment / re-appointment at the meeting

Name of the Director	Mr Shailendra Bhandari	Mr. Arun Prabhakar Mote
Date of Birth	July 5, 1958	January 9, 1953
Nationality	Indian	Indian
Date of appointment on the Board	May 20, 2019	November 1, 2012
Qualifications	Master degree (MBA) in Management from IIM, Ahmedabad. He is also Bachelor of Arts (Honours) in Economics from St. Stephen's College in Delhi University	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.
Expertise	He is a seasoned finance professional backed with an impressive track record of accomplishments having expertise in Banking, Private Equity and Mutual Funds	Experience of around 20 years in Business management
Directorship held in other public companies	Future Retail Limited Axis Asset Management Company Limited	GE Triveni Limited
Memberships/Chairmanships of Committees in other public companies*	Future Retail Limited Stakeholders Relationship Committee – Chairman Nomination and Remuneration Committee - Member Axis Asset Management Company Limited Audit Committee - Member	Not Applicable
Number of Board Meetings attended as on March 31, 2019	Not Applicable (appointed w.e.f May, 20, 2019)	4 out of 4
Details of Remuneration	He is entitled to sitting fees for attending meetings of the Board and its committee and profit related commission m if any in accordance with the provisions of the Companies Act 2013.	As stated in the Explanatory Statement to Item no 4 attached.
Shareholding	Nil	70291 equity shares of Re 1/- each
Relationship between directors inter-se	Not Applicable	Not Applicable

Place: Noida (U.P)
Date: August 3, 2019

By Order of the Board
Rajiv Sawhney
Company Secretary

ROUTE MAP TO THE VENUE OF THE AGM
Stardom Convention, Ground Floor, C-1, World Trade Tower, Sector 16, NOIDA-201301, U.P.



[Pursuant to Section 105 (6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014

TRIVENI TURBINE LIMITED

CIN : L29110UP1995PLC041834

Regd. Office: A-44, Hosiery Complex, Phase-II Extension, Noida, Uttar Pradesh - 201 305

Corporate Office: 8th Floor, Express Trade Towers, 15-16, Sector - 16A, Noida, Uttar Pradesh - 201301

E-mail: shares.ttl@trivenigroup.com, Website : www.triveniturbines.com,

Phone : 91 120 4308000 / Fax : 91 120 4311010-11

24th Annual General Meeting - September 23, 2019

Name of the member(s) :

Registered address :

E Mail Id:

Folio No. / *DP ID and Client ID:

I / We, being the member(s) of _____ equity shares of Re 1/- each the Triveni Turbine Limited, hereby appoint:

- 1) Name: _____ E Mail: _____
Address: _____
Signature _____, or failing him / her
- 2) Name: _____ E Mail: _____
Address: _____
Signature _____, or failing him / her
- 3) Name: _____ E Mail: _____
Address: _____
Signature _____, or failing him / her

and whose signatures are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 24th Annual General Meeting of the company, to be held on Monday, the 23rd day of September, 2019 at 12.30 p.m. at the Stardom Convention, Ground Floor, C-1, World Trade Tower, Sector 16, Noida, Uttar Pradesh-201 301 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolu- tion No.	Resolutions	Optional*	
		For	Against
Ordinary Business			
1	Ordinary Resolution for adoption of (a) Audited Financial statements, Reports of the Board of Directors and Auditors of the Company for the year ended 31 st March 2019 and (b) Audited Consolidated Financial statements and report of auditors.		
2.	Ordinary Resolution for Re- appointment of Mr. Arun Prabhakar Mote (DIN 01961162) as a Director, who retires by rotation.		
Special Business			
3.	Ordinary Resolution for appointment of Mr. Shailendra Bhandari (DIN 00317334) as an Independent Director of the Company to hold office for a period of 5 years, with effect from 20 th May, 2019.		
4.	Special Resolution for re- appointment of Mr. Arun Prabhakar Mote (DIN 01961162), as a Whole time Director (designated as Executive Director) for a period of 3 years, with effect from 1 st November, 2019.		
5.	Ordinary Resolution for Ratification of payment of remuneration to the Cost Auditor viz M/s J.H.& Associates, Cost Accountant for the Financial year 2019-20.		

* Applicable for investors holding shares in electronic form

Signed this day of 2019.

Signature of the Member

Affix
Re. 1/-
Revenue
Stamp

Signature of the Proxy holder(s)

NOTE:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered office at A-44, Hosiery Complex, Phase-II Extension, Noida, Uttar Pradesh-201305 / Corporate Office of the Company at 8th Floor, Express Trade Towers, 15- 16 , Sector 16A, Noida, Uttar Pradesh-201301, not less than 48 hours before the commencement of the Meeting.
2. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 24th Annual General Meeting.
- *3. It is optional to put a 'X' in the appropriate column against the Resolution indicated in the Box. If you leave the 'For' and 'Against' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he / she thinks appropriate.
4. Please complete all details including detail of member(s) in above box before submission.



ATTENDANCE SLIP

CIN No.: L29110UP1995PLC041834

Registered Office: A-44, Hosiery Complex, Phase II Extension, Gautam Buddha Nagar, Noida, Uttar Pradesh – 201 305

Corporate Office: 8th Floor, Express Trade Towers, 15-16, Sector - 16A, Noida, Uttar Pradesh – 201301

E-mail: shares.ttl@trivenigroup.com **Website:** www.triveniturbines.com

Ph.: 91 120-4308000 **Fax:** 91 120-4311010-11

ATTENDANCE SLIP

24th ANNUAL GENERAL MEETING - September 23, 2019

[Large empty rectangular box for stamp or signature]

Name of the Member
(In Block Letters)

[Empty rectangular box for member name]

Name of Proxy, If any
(In Block Letters)
(In case Proxy attends the meeting
in place of member)

[Empty rectangular box for proxy name]

DP ID/Client ID/Folio No.*

[Empty rectangular box for DP ID/Client ID/Folio No.]*

No. of Shares held

[Empty rectangular box for number of shares held]

I/We hereby record my / our presence at the 24th Annual General Meeting of the Company to be held on Monday, the 23rd day of September, 2019 at 12.30 p.m. at the Stardom Convention, Ground Floor, C- 1, World Trade Tower, Sector 16, Noida, Uttar Pradesh - 201 301

*Applicable in case of shares held in physical form .

Signature of the Member Signature of the Proxy Holder(s)

Note:

- Members/Proxy holders are requested to bring this Attendance Slip duly filled in and signed with them, when they come to the meeting and hand it over at the ATTENDANCE VERIFICATION COUNTER, at the entrance of the Meeting Hall.
- NO ATTENDANCE SLIP SHALL BE ISSUED AT THE MEETING.
- Electronic copy of the Annual Report for the Financial year 2018-19 & Notice of the AGM alongwith the Attendance slip & Proxy form is being sent to all the members whose e-mail address is registered with the Company /DP unless any member has requested for a hard copy of the same . Members receiving electronic copy & attending the AGM can print copy of the Attendance slip .
- Physical copy of the Annual Report for the Financial year 2018-19 & the Notice of the AGM alongwith the Attendance slip & Proxy form is being sent in the permitted mode(s) to all members whose e-mail is not registered or have requested for hard copy . Please bring your copy of the Annual Report to the Meeting.
- The Meeting is of members only, and you are requested not to bring with you any person, who is not a member or a proxy.

Note :Please read the instructions given in the Notice of AGM before casting your vote through e-voting.



Challenging
the Now.
**Building
the Next.**



2018-19
ANNUAL
REPORT



Inside Stories

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View or download the report at
www.triveniturbines.com

Forward-looking statement

This report contains forward-looking statements, which may be identified by their use of words like 'plans', 'expects', 'will', 'anticipates', 'believes', 'intends', 'projects', 'estimates' or other words of similar meaning. All statements that address expectations or projections about the future, including but not limited to statements about the Company's strategy for growth, product development, market position, expenditures and financial results, are forward-looking statements. Forward-looking statements are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realised. The Company's actual results, performance or achievements could thus differ materially from those projected in any such forward-looking statements. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements, on the basis of any subsequent developments, information or events. The Company has sourced the industry information from the publicly available resources and has not verified those information independently.

Challenging the NOW.
Building the NEXT.

Every
day is an
opportunity
to build a
**new
tomorrow.**

At Triveni Turbines, we believe that the contours of tomorrow are shaped by our ability to overcome the challenges of today.

Continuously sharpening our innovation edge, persistently scaling the quality of our products, unwaveringly focussing on harnessing future opportunities, we remain committed to building the next level of the enterprise. An enterprise that can envision solutions that are aligned to the evolving needs of customers, not just for today but for the future as well.

Because we believe that the journey from NOW to NEXT is powered by our unique ability to challenge the present. And by the strong capabilities that we are constantly enhancing to create new products and solutions we can address the needs of tomorrow, across an expanding customer and sectoral presence.

A Future-looking Organisation

Focused on driving the next level of growth by delivering robust, reliable and efficient end-to-end solutions, Triveni Turbines is the largest manufacturer of industrial steam turbines in >5 to 30 MW range globally.

The Company's product proposition is delivered by its two state-of-the-art manufacturing facilities in Bengaluru, India, while its global network help to serve the requirements of customers worldwide.

>4,000

steam turbines installed

>20

industries serviced

70

countries of presence

>13GW

power generation capacity

Triveni Turbines is the world's largest manufacturer of steam turbines (>5 MW to 30 MW range) for providing industrial & renewable power solutions to a growing global base of customers, making it a next-level enterprise that is bringing the future forward with its futuristic vision and strengths.



What drives Triveni Turbines...

The Company's continuous focus on technological advancement and capturing new markets is driving the business forward. We remain focussed on strengthening our product and solutions pipeline into a formidable array of offerings crafted to fulfil the unique needs of customers, across sectors and geographies.



Robust portfolio of solutions

We offer robust back pressure and condensing steam turbines up to 30 MW that work across a wide range of pressure and flow applications, with choice of Impulse and Reaction technologies.



Products

Up to 30 MW

- Condensing Steam Turbines
 - Straight Condensing Type
 - Extraction Condensing Type
 - Bleed Condensing Type
 - Injection Condensing Type
 - Reheat Turbines
 - Double Extraction Condensing
- Back Pressure Steam Turbines
 - Straight Back Pressure Type
 - Extraction Back Pressure Type
 - Bleed Back Pressure Type



Spares & Services

360° Customised Service Portfolio for every turbine served throughout its lifecycle

- AMCs & overhauling for Steam Turbines
- Spare Parts Inventory Management
- Reliable Operations Package
- Highly Skilled Engineers



Refurbishment

Any make, any age turbine

- Efficiency Restoration
- Re-engineering
- Reverse Engineering
- OEM Expertise
- Health Survey & Condition Assessment
- Renovation & Modernisation
- Catering to Process & Sugar Co-generation, Captive Power Generation & Utility

Wide sectoral presence

Our strong R&D thrust and technological prowess enables us to create products and solutions designed to the specialised needs of diverse industries and applications, globally. The sectoral diversity insulates us from industry-specific risks, with the geographical diversification of the various sectors further minimising the regional risks to our business.



Global footprint

Led by a strong customer-centric approach, with keen focus on innovative products and aftermarket solutions, Triveni Turbines continues to expand its global footprint for its products as well as aftermarket services, both for its make as well as other makes of turbines.



Challenging the NOW

Rooted in innovation, our products and solutions are designed to challenge the present-day complexities of businesses across various industries, with the objective of helping them build on their foundations for future growth.

High on innovation

Our strength in innovation, which has emerged as a powerful growth driver for our business, is manifest in our regular product developments and technological interventions in the market. Our strategy is centred on introducing 5-7 new variants into the market every year, building more efficiencies and customised features into each of them. With exclusive designs developed in association with our partners, which include world-renowned design houses and academia, we remain ahead of the competitive curve. Our agile organisational structure, coupled with our deep understanding of the latest market trends and customer needs, has facilitated the formulation of a shorter development cycle – a key differentiator from the competition and key value proposition for our customers.

Our R&D function is crafted to drive innovation across our business segments, encompassing the full range of our solutions.

R&D prowess

Manned by domain experts from steam turbine technology, fluid dynamics, metallurgy and structural designs, besides other related fields, our state-of-the-art Research and Development (R&D) Centre has emerged as a powerful hub for our growing portfolio of innovative products, technology and solutions.

Our R&D teams are closely aligned with our production, marketing and service teams, who provide essential inputs and feedback to the department on a regular basis.

We remain focussed on maximising product output and performance, while lowering life cycle costs, to deliver total customer satisfaction.

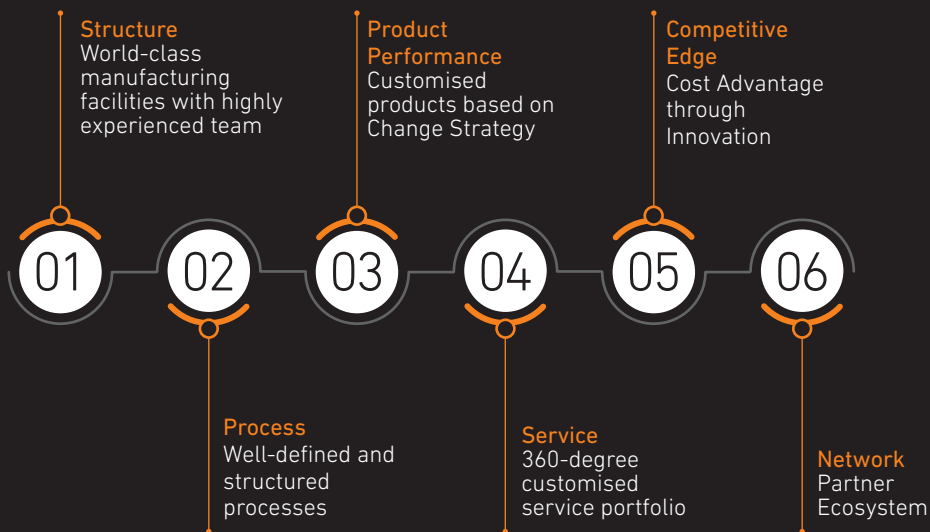
We have in place a cohesive innovation framework that seeks to deliver best-in-class products and services to our customers globally, thereby helping boost their ROI.

Embracing next-level technology

Our aggressive onward march in the areas of design and self-validation has enabled us to make substantial gains in the technical and technology fields in recent period. A series of new models and blades designed by our teams have found validation from the best organisations globally. These validations are propelling our growth in terms of order bookings, in the existing and new sectors, while helping further scale our research programme. It has given us a strong technological edge, backed by a growing marketing reach, to support our pursuit of product sales and aftermarket sales globally.



Our innovation framework



The power of our 'Challenging the Now' proposition is translating into increased market share of Triveni Turbines. As per an International Power sector report for Small Units (5-30 MWe), most of which are in the Thermal Renewables category, in terms of units sold, Triveni Turbines was at the top in 2018, with 26% global market share. Similarly, in terms of Units sold in the Thermal Renewables Segment also, Triveni ranked second globally with a market share of 21%.

249

Intellectual Property filings globally

(as on March 31, 2019)

And there's more...

At Triveni, such high level of customisation and expertise extends across all industries of our presence. We have built turbines for variable speed applications, double casing designs for high pressure applications, and robust control systems with quick response characteristics. Our multilevel balance piston helps in thrust load reduction, while our remote monitoring and diagnostics facilitate health monitoring and predictive maintenance. We also have customised turbines for Marine & Defence.

Building the NEXT

The journey from innovation to delivering the final product or solution to the customer spans many facets of operational and quality excellence at Triveni Turbines. Continuous enhancement of our core capabilities leads our efforts to build the next-generation turbines, as we strive to strengthen our customers in the segments of their presence.

At the same time, our design & development edge, extensive in-house testing and field validation programmes, high-end manufacturing processes and strong quality credentials help us in our goal to build the Next, not just for ourselves but also for each of our customers.

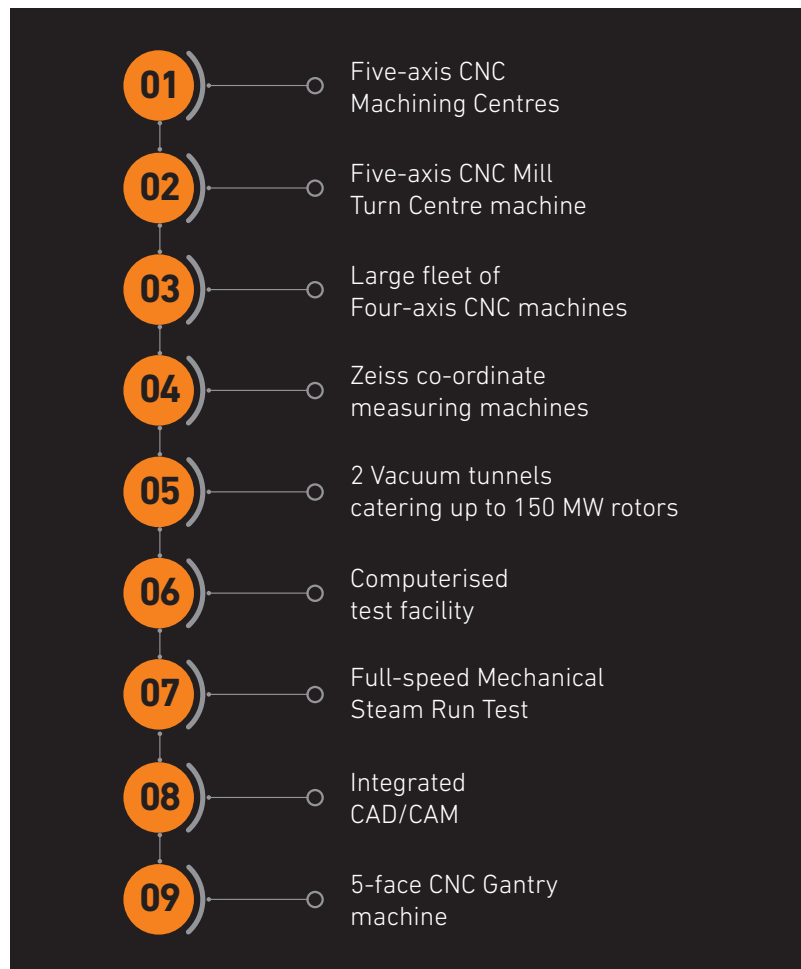
Partnering next-level growth

We have in place a robust value chain, with extensive partnerships from the procurement to the delivery, to power next-level growth for Triveni and its customers. Proven modular building blocks are extensively tested for product life cycle performance, while customer Capex and Opex optimisation enables extensive operability benefits, making Triveni a leading partner for companies worldwide. Our Innovation & Learning Centre provides the best of training to our employees and customers using the latest equipment and technological know-how to ensure they remain ahead of competition.

Leveraging infrastructure to scale customer interface

Our plants are equipped with state-of-the-art equipment for the manufacture of robust and reliable steam turbines, including critical components, assembly, testing and refurbishing services. Our innovation-led strategic agenda is driven by our manufacturing facilities, which have the latest design tools and software.

We have a highly qualified and experienced workforce that works closely with customers to gauge their specific requirements and realise the full potential of our manufacturing prowess. All our products are benchmarked to global standards of quality, backed by streamlined processes and systems to ensure zero defects, so that customers get the maximum uptime for their plant operations.





Foraying into next-gen industries

Underlined by our agility and driven by our quality focus, we are continuously striving to expand the horizons of our business into new, emerging sectors of growth, within and outside India. In our quest to identify and tap the new opportunities in such sectors, we are continuously upgrading our capabilities across the business value chain.

We are working closely with world-renowned design houses and academia to develop advanced flow path technology and cost competitive models, with much reduced carbon footprint for our diverse global customers. We have also engaged aero domain experts as part of our design team to help support our expansion into these new fields that promise to open up new possibilities as we entrench ourselves even more firmly on course to build a dynamically-empowered organisation, designed for the next level of growth.

Looking ahead

It is our constant endeavour to evolve our learnings to the level where we can challenge the complexities of new segments/ industries to pave the way for a better and bigger tomorrow.

Aligning ourselves to the realisation to this objective, we have also structured our R&D focus on futuristic energy technologies which we see opening new vistas of opportunity for our business in the near future.

Our innovation in the area of advanced aero design blade-path will help maximise efficiency and reliability of our products in this segment.

Financial Highlights

5-year CAGR

10.27%

Net Sales



6.45%

EBITDA



5.04%

PAT



5.14%

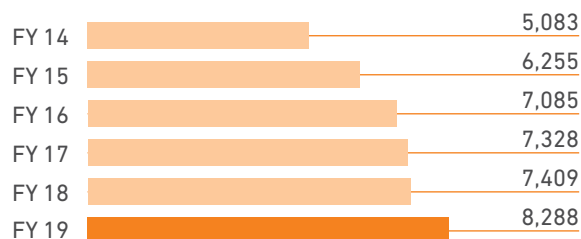
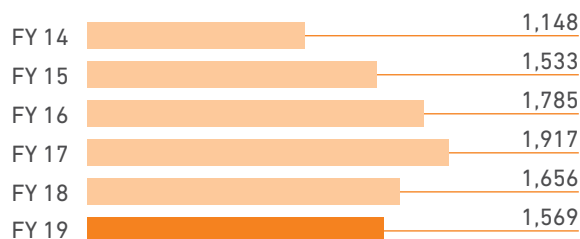
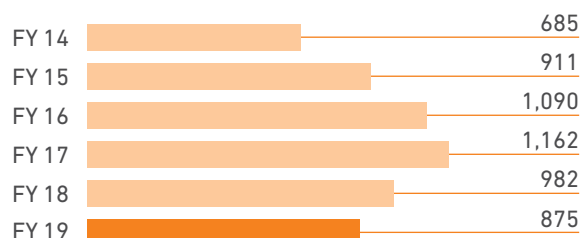
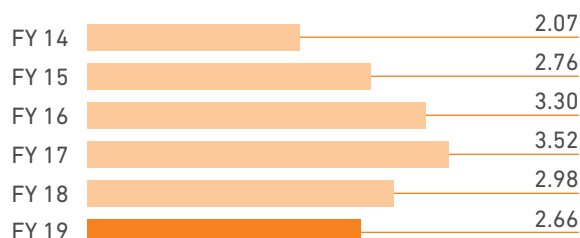
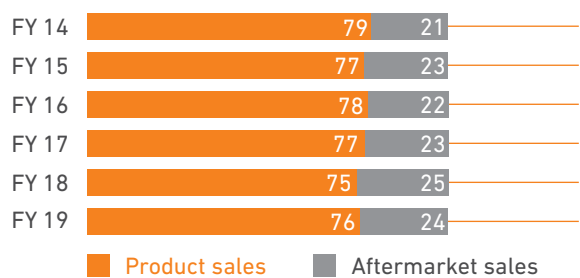
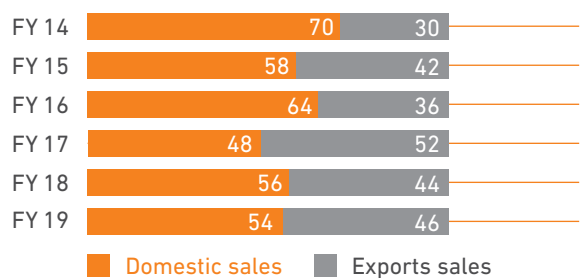
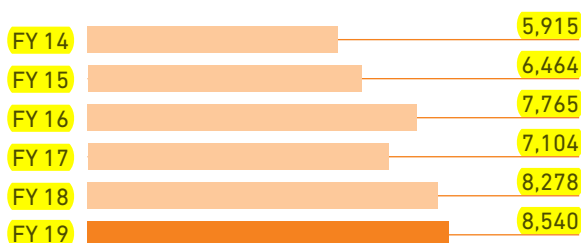
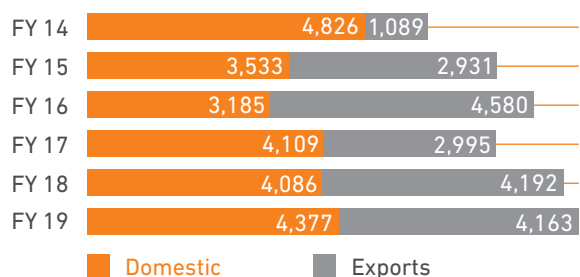
Earnings Per Share



7.62%

Order Booking



Net Sales (₹ in Million)**EBITDA** (₹ in Million)**PAT** (₹ in Million)**Earnings Per Share** (₹/Share)**Share in Net Sales** (in %)**Order Booking****Order Booking** (₹ in Million)

Chairman's Message

Dear Shareholders,

Only a definitive strategy, considering expected level of technological changes required to meet competition and future requirements across all relevant industries while concurrently addressing their current requirements, can drive today's enterprises to the next level of growth. Our business approach is structured to this futuristic philosophy, which gives us the technological edge to stay ahead in the competitive global market space.



We strongly believe this to be the pivot of our leadership journey from NOW to NEXT, and thus remain proactively focussed on scaling up our products capabilities and service proposition to build the next level of the enterprise to dig into the future opportunities of growth.

Our business strategy is crafted to power the evolution not just of Triveni but the entire gamut of its stakeholders across the value chain of its business. While innovation is the enabler of our overarching ambition to be a growing enterprise in this new-age business environ, our strong capabilities help in delivering robust and reliable products and solutions to facilitate our customers in keeping pace with the transformations in their segments of presence.

Further steering this focus, is our ability to understand the specific needs of our customers and match our strengths to ensure timely and cost-efficient delivery to their requirements in the dynamically evolving market environ. We strongly believe this to be the pivot of our leadership journey from NOW to NEXT, and thus remain proactively focussed on scaling up our products capabilities and service proposition to build the next level of the enterprise to dig into the future opportunities of growth.

The endorsement of the success of this strategic approach, as manifested in the Company's performance during FY 19, remains a motivational force for us, as we surge more proactively towards building tomorrow's industry with today's capabilities. Our ability to identify sectors with higher potential growth in domestic and global markets has led to the development of a strong order pipeline, giving Triveni Turbines high visibility not just in terms of new and more advanced products but also in our aftermarket proposition.

This is an edge that I believe will propel our growth and expansion even more efficaciously in the coming years, as we move to spread our wings into new sectors and new markets. We see the buoyancy in the domestic market and the improved sentiment in the international market strengthening

further as businesses move towards greater efficiencies backed by low-cost product and maintenance models.


After a period of muted growth, the domestic market for under 30 MW size turbines showed resurgence, as evident in our order booking of ₹ 4,377 million for the year, a growth of 7% over the previous fiscal. What is particularly heartening is that the growth has been spread across all major end-user segments such as Distillery, Waste-to-energy applications, Cement, Food Industry, Chemical, Paper, Steel and Sugar co-generation etc. This indicates a welcome all-encompassing positivity in the business environment, which had been reeling under the impact of economic volatility.

With its ability to stay ahead of the curve amid challenges, your Company successfully harnessed the revival in the domestic market, even as it continued to address the healthy product demand for its next-generation turbines in the international market. Biomass and renewable segments such as waste-to-energy and sugar co-generation are pushing business growth for us in the overseas market, which we see unveiling more opportunities as we go forward.

As we scale up our presence in new sectors and markets, it shall be our focussed endeavour to build on the strengths we have nurtured in recent years to further leverage the expanding opportunity landscape. Innovation will continue to be the key to our forward-looking growth strategy, which we shall align even more intricately with the continuously evolving and fast-changing requirements of customers seeking more value from their products, services and solutions. We intend to develop and promote our customer-centric business philosophy more aggressively to deliver to our roadmap of increased productivity and efficiencies at lower lifecycle costs to our customers.

We have found this approach to be extremely beneficial to our value-led strategic charter for all our stakeholders in the past and plan to stay with it in our journey for growth. I assure all our stakeholders, including our customers and employees, that your continued confidence and support for our business is the motivational force driving our business growth and we remain committed to taking all of you along in our journey to the next level of our progress.

With best regards,



Dhruv M. Sawhney
Chairman & Managing Director

Q&A with Vice Chairman & MD

Nikhil Sawhney



The order book for FY 19 is quite well diversified, covering a broad spectrum of operations across all the major end-user segments.

Q Given that the theme of this report is centred on 'challenging the now', what would you describe as the major challenges faced by the Company during the year?

Overall, the market is getting more competitive and demanding, both domestically and internationally. The sectoral demand for turbines is becoming more complex and challenging, particularly with the increasing expectations of customers for higher efficiency at competitive cost.

It is a challenge to stay ahead of the curve in consolidating our presence in existing sectors, such as renewable power, waste-to-energy etc. Also, the specific requirements of businesses are different across regions. The demands and expectations of domestic players are different and distinct from those of international companies in terms of specifications, designs, efficiencies, cutting-edge technology etc. Naturally, this adds to the challenge that we need to address through our innovation-led customer-centric business model.

This, I think, is the biggest challenge as we need to develop a flexible and

nimble organisation which is adaptable to changing market dynamics and customer requirements and is capable of moving towards scaling our present capabilities to the next-gen needs for highly customised products, solutions and services. But I am happy to say that with our domain expertise, deep understanding of customer needs and high-end capabilities in terms of R&D, manufacturing prowess, motivated and trained human resources, streamlined processes & systems, as well as our strong quality focus, we are not only keeping pace with the transforming needs of diverse customers but actually exceeding their expectations.

Does the financial and operational performance endorse your success in combating those challenges and moving forward towards building the next-level enterprise?

Yes, we have had a satisfying year in terms of our overall performance, including introduction of highly efficient turbine variants. We have performed well in terms of order booking with a marginal growth.

Despite challenging business conditions, including uncertainties due to Brexit and trade disputes, we have done well by achieving 11.5% growth in turnover and 4.4% increase in PAT in our consolidated financial statements. Our profitability was impacted due to one-time development cost including testing facility and we have put all our levers into action to contain the costs. The total order intake grew by 3% to ₹ 8,540 million - Order inflow in the domestic market has shown a 7% increase and product order booking in the domestic sector has been 13% higher over the previous year whereas the international booking has remained at the same level.

In the aftermarket segment, too, we have witnessed good performance, underlined by 13% growth in order booking over FY 18. The total aftermarket sales has gone up by 7%. The aftermarket contribution to total sale is 24%, almost at the same level as in the previous year. Our endeavour is to keep on increasing the aftermarket proportion by cementing our position as a reliable service provider with quick turnaround leveraging our capabilities as the OEM.

The mix of exports in total sales went up from 44% in the previous year to 46% in the current year.

We have also had a successful buyback of ₹ 1 billion, and all the shares which were bought back have been extinguished.

The positive feedback from our customers validates our strategy and inspires us to further improve upon and be responsive to the needs of our customers through innovation and extensive use of technology, and by strengthening our existing portfolio and investing in new products and solutions to address the diverse needs of new business segments and geographies. It gives us the confidence that we are on the right strategic path of expansion and progress for the Company and all our customers, who have faith in our ability to deliver to their needs for efficiency-led growth.

Which were the sectors showing maximum traction for your Company and how do you see these segments shaping up in the coming quarters?

The order book for FY 19 is quite well diversified, covering a broad spectrum of operations across all the major end-user segments such as Distillery, Waste-to-energy applications, Cement industry, Food, Chemical, Paper, Steel and Sugar co-generation etc., in the domestic market.

In the international market, the product order intake has been mainly from the Renewable segments, such as MSW incineration, Biomass IPP and Sugar co-generation. As per the international data available with us, TTL has emerged as a global leader in the supplies of steam turbines in the smaller range for the Biomass segment – a feat we are proud to own, and which gives us good reason for much optimism

on our next-level growth plans. The Company has currently orders and installations from over 70 countries in this segment and will be focussing on new markets in the coming years. We have also entered into some other fast-growing segments in the global market, such as Combined Cycle, Oil & Gas etc., which are witnessing strong positivity in many countries. Paper, palm oil, process co-generation etc. are also continuing to push our growth in the international arena.

In the domestic sector, we see the current trends to continue in the immediate future, as Government policies within India continue to be focussed on increased investments in Distillery and Waste-to-energy applications for Cement industry. The Cement sector is seeing significant growth which augurs well for the Company, with its stronghold on manufacturing of suitable turbines for this segment. Further, with the Government's growing focus on ethanol blending programme, a significant number of projects have been launched for setting up of new distilleries, which we see translating into more business in this sector. However, there is not much waste-heat recovery market pick-up in Steel and Sponge Iron at the moment.

In the international market, we feel the demand from the Renewables would continue to grow for the time being, as more and more countries look towards optimising energy utilisation from traditional sources in favour of more environment-friendly options. Oil and Gas is another segment we are looking at penetrating more deeply, given the potential for expansion there.



What were the Company's strengths that enabled it to leverage opportunities in these sectors?

Innovation, coupled with domain expertise, are the key drivers for our growth strategy. Our state-of-the-art manufacturing facilities, with their high quality quotient, are also propelling our opportunity-led sector-agnostic growth.

Our value proposition for the customers is rooted in our deep understanding of their needs, not just in terms of products and solutions but also spares, service and refurbishments. The significant increase in our aftermarket customer base in the international market validates this value proposition.

Our ability to deliver to their unique requirements, which we are continuously sharpening through focussed investment in design & development and regular plant upgradations, is the biggest strength enabling our strategic focus to innovate bespoke solutions to meet challenging and complexities of customer needs across sectors. The low-cost efficiencies we are able to provide to our customers further augments the strength of our business model, driving long-term sustainability in terms of growth and profitability.



What is your strategy for the future and how do you plan to take it forward successfully?

We are looking at another strong year ahead in terms of the overall performance of the Company. Our carry forward order book and robust enquiry pipeline give us good reason for optimism, along with our increasing focus on exports and aftermarket businesses, both of which are showing considerable traction. We are also seeing signs of positive results on account of our market penetration

into new geographies that promise a more exciting and attractive platform for our next-level growth. This geographical diversification also helps mitigate market volatility and risks to a significant extent by evenly spreading our order book – thus endorsing our ability to challenge the Now effectively and efficaciously.

In the domestic market, the current trend should continue in order finalisation in the near future. We have a good pipeline of enquiries spread across process co-generation, sugar co-generation, which augurs well for the Company's growth in the coming quarters.

Aftermarket, especially exports, is another area that we are looking to bolster our business growth in the next few quarters.

Our innovation edge, of course, will continue to power our growth strategy, going forward, as our dedicated Design and Development team will continue to strengthen our technology prowess to facilitate continuous improvement in product efficiency and cost competitiveness. We are currently in the process of developing new generation blades, profiles and modules, which will support our progression from Now to Next more powerfully than before. Our IPR portfolio is also getting consistently enhanced, indicating a massive enhancement in our innovation capabilities.

Overall, we expect FY 20 to be better than FY 19, in terms of reach and growth, enabling us to maintain our leadership in the Indian market and continuously grow our international and export markets, thus expanding our presence with better scale of operations. We are highly positive about the Company's prospects in the renewable side of steam turbines and our applications there, as far as the global market goes.

Our value proposition for the customers is rooted in our deep understanding of their needs, not just in terms of products and solutions but also spares, service and refurbishments.

Management Discussion and Analysis



Indian Economy

India's economic growth outlook is still robust and it is projected to remain the fastest growing major economy in the world. According to International Monetary Fund (IMF), India's GDP touched 6.8% in FY 19, compared to 7.2% in FY 18. It is expected to grow at 7.3% in FY 20 and 7.5% in FY 21. Strong domestic demand, investment growth, fading transitory effects of demonetisation and implementation of the revised national Goods & Services Tax (GST) will contribute to the growth of the economy in the near future.

Global Power Industry

The energy generation mix is changing - from conventional sources to renewable sources, due to increased focus on sustainable power development, as well as to address concerns related to climate change through eco-friendly policies etc. The

future is moving towards "Green Power" solutions that are environment-friendly, cost-effective and integrated through digitisation of power assets.

Indian Power Industry

The country's need for energy is increasing rapidly due to economic growth and modernisation over the past few years, taking the gross electricity consumption from 1,122 kWh per capita in FY 17 to 1,149 kWh per capita in FY 18, according to Central Electricity Authority (CEA).

India's total installed power generation capacity is at 356.1 GW, as of March 2019, compared to 344.0 GW in March 2018. This includes 78.3 GW of capacity from Renewable Energy Sources as of March 2019, of which 9.8 GW is from Biomass (Bagasse and Non-Bagasse) compared to 8.7 GW as in March 2018.

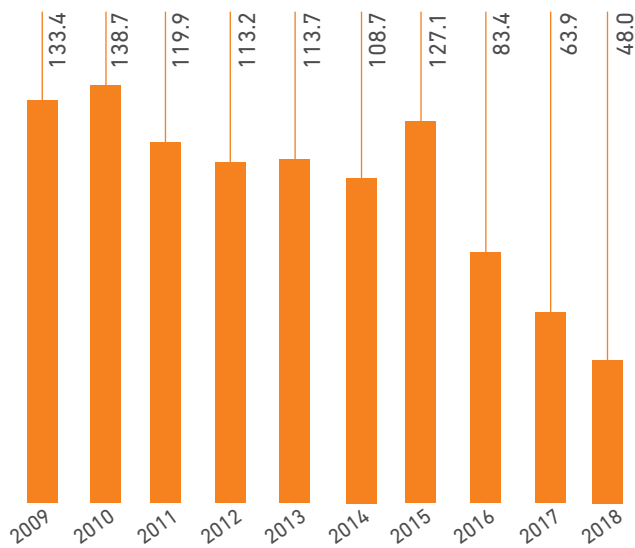
Industry Analysis

Global Steam Turbine Market

The global steam turbines market fell in 2018 to its lowest in the past two decades. From a high of 127 GW in 2015, there has been a steady decline in the market over the last three years. In 2018, the market was at 48 GW - a decline of 62% from 2015. This steep decline was due to reduction in fossil fuel driven steam turbines, which constituted 73% of the total 2015 market at 93 GW, and had come down to 48% of the total steam turbine market in 2018 at around 23 GW. However, there has been a steady improvement in the market for thermal renewables based steam turbines from a share of 5% of the total market in 2015 to 14% in 2018, and in MW terms it has grown from 5.76 GW in 2015 to 6.65 GW in 2018.

Global Steam Turbines Market

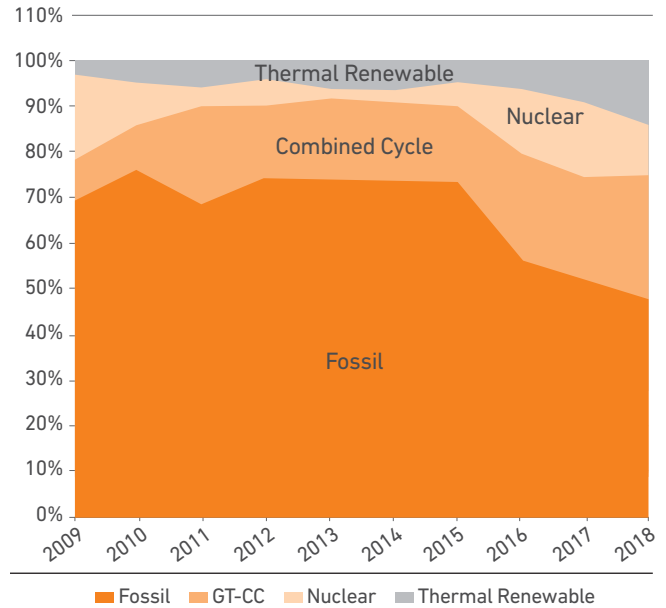
(GW)



Source: McCoy Power Reports (Steam Turbines, 2018 Report)

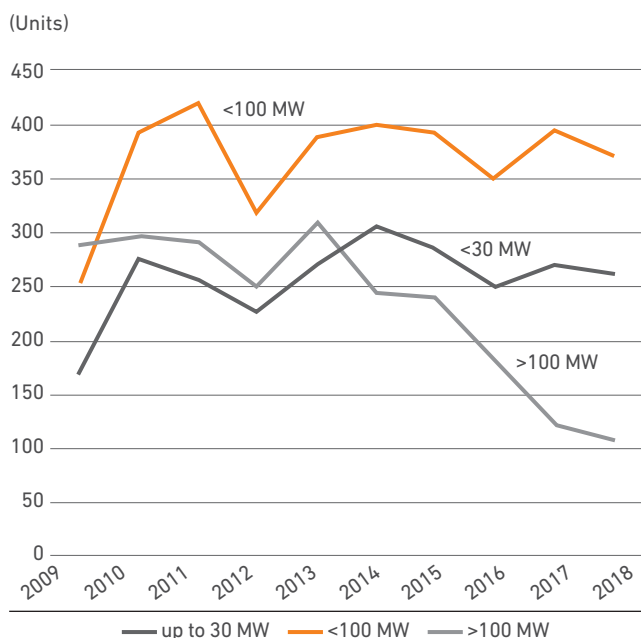
Global Steam Turbines Market

(Fuel-based in MW)



In terms of the number of units sold in the above 100 MW range, there has been a decline of 62% in 2018 in comparison to 2009, while in the up to 30 MW range, there has been an increase of 24%.

Steam Turbines Market



Source: McCoy Power Reports (Steam Turbines, 2018 Report)

In 2009, the ratio between >100 MW and < 100 MW in terms of number of units sold was 53% to 47%, which came down to 22% to 78% in 2018. Further, in the sub-100 MW category, the growth in the sub-30 MW has also shown significant gain and it contributed 56% of the total sub 100 MW market in 2018.

In the sub-30 MW range, in terms of number of units sold, Triveni Turbines has been the second-largest player with a market share of 19% over the last five years, while in 2018, Triveni Turbines took the top spot with 26% market share followed by the previous year's largest player at 24%.

In 2018, Triveni Turbines took the top spot with 26% market share followed by the previous year's largest player at 24%

Overall, the steam turbines market, globally, has been showing a decline over the past few years, with the fossil fuel based steam turbines particularly impacted. This has adversely affected the larger segment, both in terms of number of units and MW sold. However, in the smaller segment (industrial segment up to 100 MW), the market has been quite sturdy in terms of MW, while the number of units sold has gone up significantly. This has been driven by the steady performance of sub-30 MW range – both in terms of number of units and MW. This is driven primarily by shift in fuel type from fossil fuel to thermal renewables comprising biomass, waste-to-energy, waste heat recovery, geothermal, solar etc.

Renewable Energy

Independent Power Producers (IPPs) play a major role in generating power for sale to the grid or to specific customers. In renewable energy industry, a Feed-in tariff (FiT) or Power Purchase Agreement (PPA) provides long-term price guarantee for majority of IPPs. Increasing focus towards replacement of existing coal-fired power plants with clean fuel generation, in order to cut carbon footprint, will further augment the renewable power generation business in the future.

The global renewable power capacity in 2017 was estimated at 1,081 GW (excluding hydro). In India, the Government has set a target to achieve renewable power capacity of 175 GW by FY 22 (including 10 GW from biomass power), and further expand it to 275 GW by FY 27, from 78 GW in FY 19. The increase in demand for biomass renewable energy will create opportunity for installation of steam turbines in the future.

Captive Power Generation

Globally, the Captive Power Generation is expected to grow, owing to increasing demand for power from emerging economies such as China, India, and Middle East due to the presence of subsidised rate per unit cost of power generation. In India, the captive power generation capacity has risen to more than 26% through 2018 to 51.5 GW.

Investment in Captive Power Plants (CPPs) is likely to continue in the future considering stronger growth in GDP and investments in the manufacturing sector. For instance, the Steel industry (comprising ferrous and non-ferrous - aluminium and copper), followed by Chemical, Paper industries etc., has immense power requirements which can be met by CPP. Thus, the captive power generation capacity in India is expected to witness growth to the tune of 5% over the next 5 years to touch 66 GW by 2023, driving the demand for steam turbines.

The Combined Heat and Power (CHP) technology uses both Gas and Steam turbines and is dominating the captive power generation industry. In order to reduce operating costs, hot exhaust gas is being utilised from production lines in a more

efficient way. The heat from the hot stream is recovered using Heat Recovery Steam Generators (HRSG), in order to generate superheated steam that can be used in the process (co-generation) or to drive a steam turbine (combined cycle).

Combined Heat and Power (CHP)

At Triveni, we include CHP as renewable under waste heat recovery. In terms of technology, the CHP system generates electricity or mechanical power with lower emissions compared to conventional power generation system. Efficiency level for co-generation systems can reach up to 80% against separate generation of heat and electricity, which provides combined efficiency of 40-50%.

As per industry estimates, the global CHP market is estimated to increase its installed capacity from 755 GW in 2016 to 972 GW by 2025, at a Compound Annual Growth Rate (CAGR) of 2.8%.

Rising demand for district heating in cold climate regions will propel the growth of CHP market in Europe. In Denmark, about 70% of the district heating is produced by CHP systems. The Government of United Kingdom introduced various schemes, including Renewable Heat Incentive (RHI) and Renewable Obligation (RO), to support the development of clean energy technology and, thereby, reduce carbon footprints.

CHP system for data centre is gaining momentum when used as a source of power, leading to energy efficiency and substantial cost reduction benefits. Regions with high electricity cost are readily adopting the CHP system, primarily to save on their energy cost, for base load power and to provide absorption cooling for the facility. Moreover, the Government initiatives are encouraging customers to instal CHP systems in data centre facilities due to low CO₂ emission, and due to low economic life of data centre IT equipment (2-3 years), resulting in the adoption of CHP systems (having a lifetime of 10-15 years) for data centres. This is expected to increase the penetration of the CHP system globally.

The CHP from Sugarcane (biomass) generates power that is sustainable, utilises domestic resources, and is capable of addressing climate change as well as other environmental goals in a cost-effective way.

Waste-to-Energy (WtE)

WtE is another source of input for power generation. Residual waste from the disposal of Municipal Solid Waste (MSW) is treated with various WtE technologies for electricity generation.

Rapid increase in energy consumption, along with growing focus on electricity generation through renewable energy sources, is likely to drive the market for WtE in the future. However, high initial cost of investment required to build a WtE plant is one of the key factors hampering the growth of this market.

Europe is one of the largest markets for WtE technologies. Rapidly increasing industrial waste, coupled with stringent EU-wide waste legislation, have been the key drivers for the growth of WtE technology in the European market. The Asia-Pacific market is expanding rapidly and is estimated to grow at a CAGR of 7.5% due to increasing waste generation, higher focus of investment by Government organisation in China and India and higher technology penetration in Japan.

WtE Potential and its implications in India

Currently, around 1.5 lakh tonnes of municipal solid waste (MSW) is generated per day in Urban India. Of this, only about 25% is processed (i.e. recycled, composted or converted into biogas or electricity). The MSW generation in India is estimated to reach 4.5 lakh tonnes per day in 2030.

About 14 WtE plants (138 MW capacities) have been installed in the country during the past 30+ years. Of these, seven plants with capacity of 66 MW were closed and the remaining seven plants are operational. It is observed that half of the WtE plants constructed have closed down due to increasing cost of operations, lower electricity tariffs rates, environmental and health impacts. According to sources, Municipal Solid Waste (MSW) plant is likely to take more time to offer financial benefits.

Bioenergy

Higher acceptance level of Bioenergy will increase the investment for biomass power plants globally; thereby increasing the demand for steam turbines.

According to an International research paper, globally, around 565 million tonnes of bagasse is produced annually by yielding of sugar. Many sugarcane producing countries, such as Australia, Guatemala, Kenya, Uganda, Vietnam and the Philippines, are already generating electricity from bagasse. The global power generation potential from bagasse-based co-generation process is estimated at around 135,029 GWh per year.

More than 50% of the global industrial use of bio-heat continues to be dominated by three countries, namely Brazil, India and the United States. Brazil has gained recognition as the largest user of Bioenergy for industrial heat production in CHP applications due to a) usage of bagasse in the sugar industry, b) usage of residues in the pulp and paper industry, and c) usage of charcoal in the iron and steel industry. Bagasse is used for meeting the energy requirement of the sugar mills, and the additional resources can be used to generate power for sale to the grid.

Industrial use of Bioenergy, particularly from sugar and palm oil, is conducive to producing power from biomass. Southeast Asia's (SEA's) current biomass generation capacity of around 7.4 GW is expected to increase to almost 19 GW by 2040. The Bioenergy potential in India has been estimated at 25 GW and



the Government of India (GoI) has been consistently promoting the Biomass Power and Bagasse co-generation programme.

Various policy measures have been initiated by the GoI, including provision of financial support to various schemes being implemented by the Ministry of New and Renewable Energy (MNRE).

Industry Outlook

The largest market for captive power generation globally is the Industrial sector. Increasing demand for electricity from energy-intensive industries, such as Cement, Chemicals, Iron & Steel etc., are driving the growth of steam turbines globally. It is estimated that the 3-100 MW steam turbine market will

grow by over 8% by 2024, mainly due to increase in investment towards energy efficiency in process industries such as Sugar, Distilleries, Pulp and Paper.

In the Sugar industry, for example, approx. 1,000 tonnes of Cane Crushed per Day (TCD) requires 4.3 MW of co-generation power. In India, the total cane crushing capacity from 525 operational sugar plants is around 2.3 million TCD, which account for approx. 10,000 MW or 10 GW of bagasse-based co-generation power capacity. It is observed that the overall cane crushing capacity is expected to go up significantly, leading to higher utilisation of bagasse-based co-generation capacity in the future, which is expected to clock 22 GW in 2022 and 35 GW in 2027, and will drive the demand for steam turbines in India.

The Government's focus on clean fuel has opened up potential for Distilleries in India which require captive power generation. With the launch of the new National Biofuels Policy in the country and incentives offered by the Government (such as soft loans) for setting up of new distilleries and expansion of old distilleries, huge investments are being made by the sugar companies in Greenfield and Brownfield expansions.

As per Industry sources, the Indian paper industry accounts for about 3.7% of the world's total paper production, and the estimated turnover of the industry was ₹ 600 billion with approx. 750 paper mills operating in the country. The Indian paper industry is expanding at a rate of 6-7% and expected to touch 18.5 million tonnes in 2018-19. The Pulp and Paper industry is always focussed on improving energy efficiency in order to deliver energy savings, improved productivity, and reduced environmental pollution. Energy efficiency can be attained through heat recovery, increased use of biomass-based power generation, and efficient usage of steam.

The Indian Chemical industry contributes 3.4-3.5% to the global Chemical industry and is expected to grow at the rate of 9% per annum to reach USD 211 billion by 2020-21 and USD 298 billion by 2024-25. This should lead to fresh capacity creation – both in terms of Greenfield and Brownfield.

India is the 2nd largest Cement producer in the world with production totalling 297.56 million tonnes in 2017-18. According to industry estimates, the cement production capacity as of 2018 was 502 million tonnes per annum (MTPA) and is estimated to touch 550 million tonnes by 2020. In the Cement segment, the demand for steam turbines could accrue both from captive power generation as well as by utilisation of waste heat resulting from the operations to generate power, thereby bringing down the energy cost for manufacturing.

India is the 2nd largest Steel producer in the world, as of 2018. India's steel production is expected to touch 128 MT by 2020-21 from 105 million tonnes in 2017-18. The hot exhaust gas from steel-making and cement production through Waste Heat Recovery Power Generation (WHRPG) system is capable of efficiently recovering thermal energy and transforming it into electric power through installation of steam turbines.

Market Analysis (5-30 MW)

The Indian Steam turbine market in 2018 held steady, with Fossil fuel applications followed by Biomass, Waste Heat and Waste-to-Energy. Majority of the steam turbines requirement in 2018 was in captive power generation and energy intensive

segments like Steel and Process co-generation segments such as Cement, Sugar, Pulp & Paper, Chemicals and Fertiliser industries etc. With the manufacturing sector on the rise and industries like Steel, Cement, Sugar and Pulp & Paper expected to increase production, the demand for steam turbines should remain robust in the future. In the international market, the demand emanated from Waste-to-Energy, Waste Heat and other renewable-based power generation facilities.

Business Review

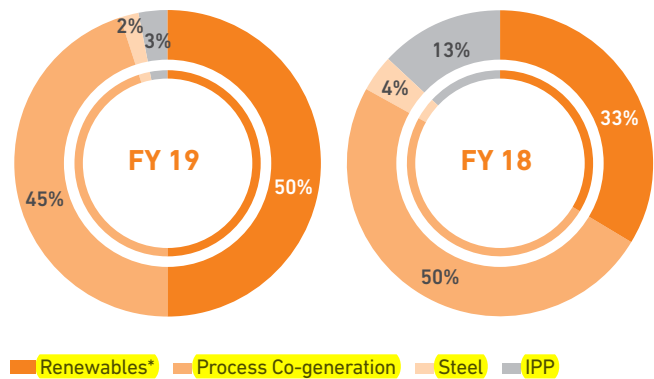
Triveni has consistently strengthened its position in the industrial sector by meeting the captive power requirements of its customers in various Greenfield and Brownfield projects. It has done this by establishing strong global footprint through its network of offices, offering wide range of state-of-the-art steam turbines, coupled with excellent aftermarket portfolio to meet the needs of our customers round-the-clock.

Domestic Business

In terms of value, the FY 19 domestic order booking showed a growth of 7% compared to FY 18. Due to stiff competition in the market, there has been a pricing pressure but the Company is exploring all options to maintain its margins through value engineering and cost rationalisation. The enquiries from domestic market during FY 19 increased by 3.8% over FY 18 and were spread over multiple user segments such as Sugar, Cement, Steel, Pulp & Paper and other Process industries. The total order booking for products in the domestic market for FY 19 has gone up by 13% at ₹ 3.1 billion.

Segment-wise Order Booking

(in % Share)



*Includes Biomass and Sugar co-generation

International Business

In FY 19, the global market witnessed decreasing industrial production amid growing geopolitical tensions, and several developed economies faced constraints in capital utilisation resulting in a decline of 17.6% compared to FY 18. The enquiries from international market during FY 19 declined by 19% over FY 18. The renewable-based IPP segment contributed 50% of the total exports enquiry in FY 19 while process co-generation and sugar co-generation contributed 12% and 28% respectively. The product order booking in the international market has been ₹ 3.1 billion, which is a decline of 11% when compared with the previous year. The decline in enquiry generation and order booking, due to the factors explained above, is short term and Triveni's international presence in a large number of geographies should enable the Company to address some of these regional factors in the medium term. The Company is confident of its international business potential in the medium to longer terms.

Aftermarket Business

The Aftermarket team is responsible for nurturing relationships with its customers through continued support throughout product lifecycle. The team maintains close relations with its customers to enhance product efficiencies and minimise breakdown, both for the product supplied by Triveni as well as for the turbine of different makes. Being an OEM-driven business unit, the services offered are more reliable and we ensure high level of customer satisfaction through spares and aftersales service support for the designed performance of the turbine in a timely manner.

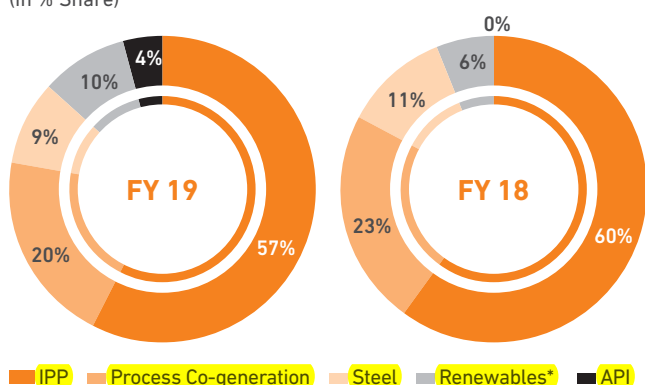
Aftermarket business has now enhanced focus on modernisation, upgradation, refurbishment, and efficiency improvements, not only for its own turbines but also for other makes. These packages not only generate adequate Return On Investment (ROI) for the end users but also create value by strengthening Triveni's position and help retain relationships with its customer.

The Company has reinforced its customer-centric approach, which is core to its business philosophy, by strengthening its service offices in strategic locations across India to cater to the domestic market. In order to provide service back-up to its international customers, the Company has set up international offices, based on the concentration of customers and market potential for additional business opportunities. In order to extend the service network and the business reach, international offices have been established in Europe, West Asia, South East Asia and in Africa.

In FY 19, the Company undertook turnkey Refurbishment projects for other makes of turbines, showing significant growth in North Africa, in addition to its conventional markets such as Southern Africa and West Asia. In the same year, the

Segment-wise Order Booking

(in % Share)



*Includes Biomass and Sugar co-generation

The total order booking for products in the domestic market for FY 19 has gone up by 13% at ₹ 3.1 billion.



Company heralded the Refurbishment business expansion into areas such as turbo-compressors for prominent entities in the global Steel industry.

As part of innovation, the Company has effectively implemented Internet of Things (IoT) by offering Triveni Touch, a subscription-based remote monitoring solution for its turbines, giving its customers visibility of key performance indicators and health of their turbines.

Buoyed by the success in the target markets with large spares order, bookings in FY 19 have grown over 13%, with exports contributing over 44% of the Aftermarket business.

Manufacturing

The Company has two state-of-the-art and eco-friendly manufacturing facilities at Bengaluru (Peenya and Somapura) to manufacture Steam turbines up to 150 MW capacity. Both these facilities are certified for AS 9100D Rev 2016 / ISO 9001:2015 Quality Systems, ISO 14001:2015 Environmental systems and ISO 18001: 2007 Safety systems. In the year under review, the manufacturing facility at Peenya was awarded the prestigious Platinum Rating by Indian Green Building Council (IGBC) certified for Green Factory building, which is the highest green rating awarded to any factory by IGBC.

The manufacturing facilities have best-in-class multiple axis CNC machine tools, fully equipped test beds for mechanical run test of steam turbines with wireless data recording systems, IoT-enabled Industry 4.0 systems, elaborate operating processes and SOPs, trained operating staff, along with rigid quality assurance processes to ensure high quality of the product through all stages of manufacturing. The two cardinal principles in manufacturing are zero defect and do it right the first time. This ensures the highest level of quality and timely delivery of products to international and domestic customers.

The manufacturing facilities are also equipped with High Speed Balancing Vacuum Tunnel Machines of reputed make, large size Coordinate Measuring Machine (CMM), Non-destructive Testing (NDT) facilities and other advanced machinery to support new product development. This enables the Company to offer new avenues of customer services in precision balancing of rotors, not only for turbine but also for all rotary equipment such as compressors, alternators, pumps, impellers, to further augment its Refurbishing business. The Company is now in a position to offer customised high quality turbines in the range of 0.25 MW to 100 MW, completely made in India in line with the Indian Government's "Make in India" campaign, in all its stages of designing, engineering, sourcing, manufacturing and testing. The Company's agile manufacturing set-up has enabled it to successfully compete with MNCs and retain a high market share consistently.

In the year under review, the manufacturing facility at Peenya was awarded the prestigious Platinum Rating by Indian Green Building Council (IGBC) certified for Green Factory building, which is the highest green rating awarded to any factory by IGBC.



Technology and R&D

The DSIR-approved advanced in-house R&D centre of the Company is engaged in development of new efficient and cost-effective turbines. This continuous product upgradation results in high-power dense, cost-competitive, robust and efficient turbines to meet the requirements of the evolving global market. The Company continuously monitors trends in the global markets and updates its product programmes to align with the latest international quality standards.

The Company is associated with premier technology development institutions such as IISc, Bangalore, IIT Madras & IIT Bombay through various research programmes, and therefore continues to be a preferred industrial partner for Indian Government-funded programmes of MNRE, DST and Ministry of Power. Extensive in-house validation of the developed technology is undertaken and the performance parameters in the field are monitored closely before commercial use to ascertain satisfactory performance. The Company has well-defined processes for development, testing, field feedback and continuous advancement of technology, through in-house processes and associations with global research and scientific institutions, including in Europe and the US.

The Company continues to develop cost-competitive models with reduced carbon footprint to provide power solutions meeting the requirements of its diverse international and domestic customers. The application segments include waste-to-energy, combined cycle, process industries, renewables, captive and co-generation, apart from others. In line with the industry trends, the Company has been diversifying into different types of steam turbines and other renewable energy products focussing on high efficiency cycles, including injection applications and distillery processes. The Company is constantly upgrading and improving its steam turbine designs for optimal performance to meet the increasing power solution requirements globally.

Intellectual Property Rights

The Company is engaged in development of new technologies and improvements in product variants for the customers, mostly in its in-house R&D Centre. During the process of such development and improvement, several innovations and technological upgradations take place, generating valuable intellectual property. Creation and protection of the Intellectual Property (IP) portfolio therefore is of significant importance for the Company and all its stakeholders. In order to ensure that the generated Intellectual Property is adequately captured and protected, a dedicated team of specialists works closely with the Research & Development team from the planning and conceptualisation stage to the manufacturing stage.

The Company has built an extensive IP strategy for creation and protection of long-term IP assets to secure and preserve its technological advantage. Reflecting its global focus, the Company constantly undertakes patent and industrial design filings in different international jurisdictions, even as the IP portfolio is enhanced in India. The Company has filed patent applications and design registrations in India, Europe, South East Asia, and in the US, and plans to protect its IP in new international markets served by the Company. A substantial number of Intellectual Property Rights have been already awarded to the Company in various jurisdictions, including in FY 19.

Digitalisation

The Company has procured, developed and installed a comprehensive portfolio of software and automation technologies for industrial applications covering the entire lifecycle - right from product design and production to aftersales services, as well as for commercial and financial applications. Continuous upgradation of these applications with latest available technology is reviewed and applied as per business requirements. These applications are mostly customer-centric, aiming for cost optimisation, and focus on increase in business efficiency. The future plan for further automation and upgradation is under constant evaluation. At the same time, the Company is also strengthening security measures to address possible cyber security threat.

Supply Chain

The Company has a robust supply chain which sources all critical supplies from across India as well as from selected countries in Asia, Europe and North America. High production volumes of turbines give the Company's supply chain a unique advantage in cost due to bulk purchases and long-term contracts. The major focus area of supply chain has always been, primarily, cost efficiency, coupled with stringent quality checks, on-time deliveries, and efficient working capital management.

The philosophy of the Company is to treat all suppliers as 'partners in progress'. The Company has an elaborate suppliers' code of conduct to regulate dealings with suppliers, and follows a fully transparent approach. The Company shares annual and quarterly production and supply plans with suppliers to ensure that their production activities are streamlined with its requirements and they adhere to the deliveries. There are regular and planned interactions with suppliers at various levels, both at the Company's office in Bengaluru and at suppliers' places. Suppliers are appraised about current business requirements of the Company. Inputs and feedbacks are given to suppliers on quality, specific customer needs, technology upgradation, compliances to international standards, new

product developments, quality plans, value engineering ideas. This ensures a seamless functioning of the supply chain across diverse supply chain partners and helps the Company retain its competitive edge through optimisation of cost, quality and delivery parameters.

Despite having a wide range of product portfolio with different models and applications, the product designers adopt standardisation of product design to maximum extent. The standardisation helps the Company to improve its material procurement planning, reduce inventory carrying cost, and optimise the supply chain cost. This also enables the Company to have long-term rate contracts with suppliers, which in turn helps suppliers plan and control their operations in a cost-effective manner. The Company ensures that suppliers have subscribed to international quality standards, such as ISO 9001, ISO 14001 etc., and comply with most international regulations on health, safety and environment.

The Company also has a robust and reliable logistics system to ensure that turbines and other ancillaries are safely delivered to customers across the globe in a timely and safe manner.

Quality Assurance

The Company has AS9100D / ISO 9001:2015 certification, with sound quality management system implemented throughout the organisation. Quality Operating System at TTL (QOS@TTL) aims for Zero Defect and Total Customer Satisfaction. This is driven through **seven focus areas** of implementing QOS@TTL.

At the foundation of the QOS is TTL's focus on competency development of its **employees**. Competent and engaged employees produce world-class quality. Employee engagement remains high and was evident with more than 40% increased participation in the Company-wide Kaizen programme during FY 19.

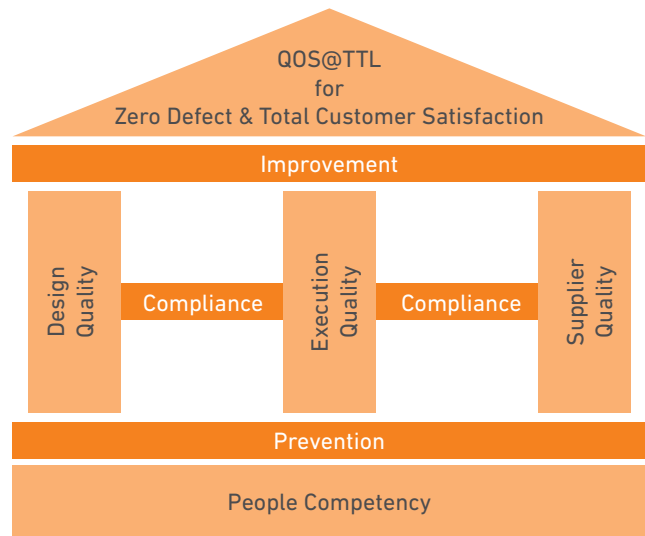
With **design** review, verification and validation process, quality in design output is ensured. This has helped TTL churn out new designs to suit customer requirements. Continuous and quick feedback from execution, through the Design Feedback process, further ensures that TTL's design remains robust, to meet the challenging cost and delivery requirements.

TTL's **manufacturing and project execution** capabilities continue to maintain benchmark level of quality and responsiveness. Execution teams (Assembly, E&C, Spares & Service, Refurbishing) act as a beacon of customer-centricity to ensure that all internal stakeholders are providing them products that would ensure customer delight.

Supplier ecosystem is nurtured to improve their competency level. Continuous improvement in the supplier ecosystem is ensured with three-pronged approach to supplier quality – Supplier Qualification, Supplier Evaluation/Rating and Supplier Development. A high ~95% First-Pass-Yield (FPY) is maintained across supply chain of sub-contractors and suppliers.

All of the above functional focus areas are strengthened with three process focus areas:

- **Prevention** – with risk management approach to quality and incorporating FMEA approaches in design and processes.
- **Compliance** – to international quality standards (API, ASME, AGMA, NEMA, IEC, etc.) and global customer requirements (CE, GOST, SONCAP, etc.).
- **Improvement** – in all areas of businesses with CAPA and special group activities (SGA).



Human Resources

The Company believes that its people energise and make the organisation exceptional, and remains focussed on driving world-class performance as well as in fostering and enhancing its human capital.

The Company's HR process relies on the belief that the achievement of its growth objectives is dependent largely on the ability to innovate continuously, connect closely with the customer, and to create and deliver superior and unmatched customer value. Towards this end, the Company has assiduously

built a culture of continuous learning, innovation and collaboration across the organisation, through development of technical, commercial and business skills.

The Company, for many years, has been investing in creating in-house training infrastructure with adequate facilities in a green and environment-friendly atmosphere. Young talent recruited from the campuses undergo a structured class room and on-site training programme for about two years before being inducted in jobs. This enables them to become highly skilled engineers and technicians, contributing effectively towards business and customer satisfaction. The Company endeavours to build talent from within, which gives the advantage of long experience and strong expertise in Technology, Product, Services and Processes. In the face of rapidly changing client expectations, the Company is investing and developing programmes that equip people with futuristic skills and competencies.

The Learning Centre is equipped with multiple classrooms, Computer-Based Product Training Lab (CBT), as well as a Library with highly trained in-house and external training staff. People are encouraged to develop through e-learning modules, expert and peer learning outbound trainings, on-job learnings & mentoring. The experienced and senior employees are provided refresher programmes to keep abreast of the changes in the dynamic and challenging business environment. During the year, the Company arranged many such training programmes.

A robust performance management system is designed to achieve employee development through performance differentiation, transparency and effective evaluation, with a structured process of formally and objectively evaluating performance against defined goals and objectives. The Company continues to drive a high-performance culture, and accordingly, the performance management system is being critically reviewed periodically, to align with dynamic business needs and compliances.

The Company believes in influencing all aspects of an employee's life – including physical, mental and emotional well-being. It continues to enhance safety and security at the workplace by prescribing policies and procedures, creating awareness and imparting trainings. It has institutionalised key policies like Prevention of Sexual Harassment.

The "Supplier Quality Improvement Programme (SQIP)", as part of "Continuous Improvement" training programme for suppliers, continued in FY 19.

During the year, the Company imparted training to the extent of 6,090 plus training man hours - substantially higher than earlier years. It launched multiple training programmes in various facets, including but not limited to, upgradation of technical skills, soft skills, performance development, environmental and EHS, commercial and compliance capabilities. Employees built their capabilities through classroom trainings, e-learning modules, learning through subject experts and peers, outbound trainings, on-job learning, mentoring and orientations.



The Company, for many years, has been investing in creating in-house training infrastructure with adequate facilities in a green and environment-friendly atmosphere.

Environment, Health and Safety

Triveni cares for Nature. Both Peenya and Sompura facilities boast a lush green nature cover. Construction of a new factory at Sompura was oriented to ensure that existing mango grove is kept intact. Over and above the existing plantations in factory open land, hundreds of new saplings of various plant species were planted over the last two years. Entire design and construction of the new factory was aligned with principles of natural lighting and ventilation. Both the plants are eco-friendly, zero discharge plants, complying with ISO 18001 (Occupational Health and Safety Assessment series) and ISO 14001 (Environmental Management System) international standard requirements. Action plans are already drawn to migrate to ISO 45001 OH&SA series standards by the end of FY 20. The ISO 14001 EMS standards will be integrated with ISO 45001 to create robust Environmental and Occupational Health and Safety standards for overall benefit to the Company. Employees are involved in ensuring good EHS practices through various joint management committees. The entire campus is covered with electronic surveillance through CCTV and IT-enabled security systems.

Environmental Management programmes are drawn with specific Key Performance Indicators each year to improve the environmental performance of the unit. Ambient air quality is ensured through proper maintenance of DG sets and Boilers. Entire sewage water is treated in the plant, and used for landscaping and gardening purposes as secondary use. 300 KW of solar panels are installed on the rooftop of Peenya manufacturing facility, generating about 3.5 Lakh Units of non-conventional electric power catering to the energy requirements of the factory. Energy-efficient LEDs are being introduced in a phased manner, replacing the conventional CFLs / Fluorescent lights. Both units are also equipped with recreational facilities with indoor and outdoor games as well as fitness equipment for all employees.

Business Outlook

Global economic growth remained steady at 3.1% in 2018, and is projected to sustain this momentum at 3.0% in 2019, according to an International report. The acceleration in global growth in 2018 was predominantly due to firm growth observed in several developed economies, and due to the push from the world's most dynamic regions, namely East and South Asia.

Following the Brexit, political and economic turmoil was witnessed in various economies across the globe in 2018, causing the international market for steam turbine business

to slow down in CY 18. However, the Company has been able to secure orders from Europe, Africa, SAARC and South East Asia regions, and together with the domestic market, it posted a record order booking in FY 19, owing to strong domestic demand conditions and increased focus on sustainable power development.

With the expected increase in investment activities in industries such as Steel, Pulp & Paper, Cement and Sugar, the demand for steam turbines should remain robust in the coming years.

With a strong enquiry pipeline, increasing global presence and strategic marketing activities, the Company is expected to carry out the same momentum in FY 20 as well, in both domestic and international business.

Subsidiaries

The growth potential of foreign subsidiaries to expand in international space is encouraging. Through these foreign subsidiaries, the Company has increased its capabilities to connect with global EPC players and industries. During the year, the Company engaged with industries from various segments, such as API, Waste to Energy, Combined cycle, Process industries, of global scale through its subsidiaries. The connections have enhanced the visibility of the Triveni Turbines brand and future business potential. The Company expects that the foreign subsidiaries will further augment business growth in the near future.

Joint Venture

GE Triveni Limited (GETL), the joint venture Company with General Electric (GE), is engaged in the design, supply and service of advanced technology steam turbine generator sets, with generating capacity in the range above 30-100 MW. GETL offers products, manufactured to international standards of quality and reliability, with best-in-class efficiencies. The flange to flange turbine is manufactured competitively at TTL's world-class facilities located at Peenya and Somapura in Bengaluru. The complete project is executed by GETL in accordance with GE's manufacturing, quality and supply chain procedures and processes, which include certification of suppliers, adherence to environment and health concerns, and other ethical standards.

The overall performance of GETL for the period under review has been significantly below the Company's expectations in terms of order intake. During the year, GETL earned profit before tax of ₹ 128.0 million as against a loss of ₹ 104.7 million in the previous year.



Corporate Social Responsibility (CSR)

The Company embraces responsibility to create a positive impact in the communities in which it works and lives. Along with sustained economic performance, it believes in the importance of social stewardship. The Company is committed to creating an environment that contributes to the well-being of communities and the conservation of nature.

CSR Objectives & Vision

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

CSR Focus Areas

Though there are numerous addressable areas where there are cultural prejudices and a lack of equity, social justice, awareness and affordability for basic rights in the society, the Company has identified the following areas for the well-being of people, providing employment potential to them and preserving environment.

- Promoting healthcare, specially amongst children, women, elderly and other weaker sections of the society
- Promoting education/literacy
- Skill development for enhancing employment and livelihood
- Environment protection and sustainability
- Engagement in technology and innovation

Highlights of the CSR Initiatives undertaken during FY 19

1) Healthcare

Triveni Turbines Preventive Health Programme (Triveni Turbines PHP) for Females

The Company identified a project, as part of its CSR plan, which focussed on preventing diseases, such as osteoporosis, breast cancer, cancer of the cervix & ovary, anaemia of various types and promotion of healthcare in women, especially of the lower socio-economic strata. Under this project, the Company provided free investigations and medical advice/consultation to women. The programme increased the awareness level of women towards health issues and the need for timely prevention.

Protecting the Girl Child from Cervical Cancer

The Company provided vaccination to girls, especially of the lower socio-economic strata, in the age group 9-14 years to protect them from Cervical Cancer. Nearly 1,32,000 women in India suffer from Cervical Cancer and nearly 74,000 of them die each year, but this can be easily prevented through vaccination given at an appropriate age. The programme was successful as, apart from vaccination, it helped in creating awareness among the parents and girls about the potential threat and need for prevention.

New-Born Screening Programme

New-born babies, especially from economically weaker section of the society, were screened under New-Born Screening (NBS) Programme for Thyroid profile, CAH,

G6PD, Hearing test. In India, two major disorders are being detected through New-Born Screening. Congenital Hypothyroidism (CH) is being found in 2 out of 1,000 babies. Next to that, G6PD deficiency is common among the population of India, being diagnosed in 8.6% of the country's total population. NBS is done to find out if a baby has a higher risk of having a disorder for which early treatment or management can prevent intellectual disability, physical disability or even death. By treating these conditions, damages like mental retardation, thyroid issues, autism and sudden death can be reversed.

2) Education & Women Empowerment

Support to Nursing School

As part of CSR projects relating to promotion of education and women empowerment, the Company provided financial support to the Nursing School of a hospital to improve teaching standards, besides scholarships to good performers and deserving students. It also offered subsidised fees to students from economically weaker sections of the society.

Other Educational Initiatives

The Company sponsored education and training programmes for differently-abled students and provided financial support for development of the infrastructure of these schools. Further, for two consecutive years, the Company has provided school bus specially designed for differently-abled students. The Company also provided financial support to Government Model Primary School in Peenya and Sompura, located near its factories, for running pre-nursery schools which provide primary education to underprivileged-children in the area. A total of more than 500 students benefited from these initiatives.

3) Environment Sustainability

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

Water continues to grow as a priority for India and Indian business in a scenario where there is an increased variability in water availability and the resource quality is deteriorating. To facilitate appropriate decision-making amongst diverse stakeholders on water, it is important to integrate data, tools and water networks into a comprehensive, simple-to-use system that can readily be used by industry, Government and diverse stakeholders, such as farmers, utilities and community at large, and can enhance awareness, disseminate knowledge amongst various stakeholders on tools to improve water security of an area.

It is in this context that project WASSER was undertaken in association with an implementation agency, with an intent to develop state-of-the-art tools and world-class



techniques meeting international standards to raise awareness, build capacities of diverse stakeholders on usage of innovative methods, and enable appropriate decision-making for water resource planning in India.

Waste-to-Manure Programme

The project in Trilokpuri, Delhi is conceptualised to serve 2,000 households, where decentralisation of household waste management is done at source and the green waste is converted into manure locally. It is a first of its kind pilot project based on PPP model, being implemented by 'East Delhi Municipal Corporation' in collaboration with CII.

Skill Development Intervention for Industry towards Environmental Sustainability for Operating Renewable Energy Plants

The Company conducted skill development programmes focussing on environment sustainability for operating renewable energy/biomass/co-generation power plants, as part of its CSR initiative under environment sustainability. The goal of the programme was to enable the industry to achieve operational excellence by reducing carbon footprint and to create an eco-system of environmentally sustainable organisations that contribute as much to the environment as they do to the economic progress of the country.

4) Technology & Innovation

The Company encourages and supports technological developments undertaken by various reputed technological institutes of national importance. During the year, the Company provided financial support to Indian Institute of Science, Bangalore, for development of waste heat recovery power plant, applying new and cost-effective technology for which the Institute is presently conducting research in their laboratory.

Financial Review

The financial results of the Company for the financial year 2018-19, compared with the previous year, are summarised hereunder:

(₹ in Million)

Description	FY 19	FY 18	Change %
Revenue from operations (gross)	8,287.9	7,431.4	11.5
Other Income	161.8	88.0	83.9
EBITDA	1,569.2	1,656.4	(5.3)
EBITDA Margin	18.9%	22.3%	
Depreciation & Amortisation	201.0	191.1	5.2
PBIT	1,368.2	1,465.3	(6.6)
PBIT Margin	16.5%	19.7%	
Finance Cost	11.2	5.3	111.3
PBT	1,357.0	1,460.0	(7.1)
PBT Margin	16.4%	19.6%	
PAT	875.4	982.3	(10.9)
PAT Margin	10.6%	13.2%	
Other Comprehensive Income (net of Tax)	44.0	-1.2	3766
Total Comprehensive Income	919.4	981.1	(6.3)

The aforesaid summarised financial results are based on the standalone financial statements which have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies Act, 2013 ("the Act") and other relevant provisions of the Act.

During the year, the Company adopted Ind AS 115 "Revenue from Contracts with Customers" using the modified retrospective approach. The provision of new standard requires recognition of revenue at transaction price, net of variable consideration which was earlier accounted as expense. There is no material impact on the financial result as a result of this adoption.

Financial Performance

During the year, the Company achieved a significant milestone in terms of growth in turnover. The order intake and orders in hand have also improved compared to the previous year. However, in terms of profitability, the performance is lower than previous year in view of initial and one-time development costs incurred towards new products with improved performance and efficiency, mainly during the second half of the year. However, the Company has multiple levels to control and contain such costs and remedial action in this respect has been initiated.

The working capital of the Company improved, compared to the previous year, as a result of which liquidity was comfortable. The Company also undertook Buyback of its equity shares during the year for an aggregate amount of ₹ 1,000 million, under which 2.02% equity shares were bought back at a price of ₹ 150 per

equity share of face value of ₹ 1/- each. The Company continues to remain debt-free, barring some instances of availment of working capital borrowings for a short period of time.

Revenue from Operations

The Company achieved its highest revenue during the year with a healthy growth of 11.5% over the previous year. The growth has been achieved in Product as well as in Aftermarket Sales segment as shown below:

(₹ in Million)

Description	FY 19	FY 18	Change %
Product Sales	6,307.7	5,543.3	13.8
% to Total Sales	76.1%	74.6%	
Aftermarket Sales	1,980.2	1,888.1	4.9
% to Total Sales	23.9%	25.4%	
Total Sales	8,287.9	7,431.4	11.5

With a view to achieving geographical diversification of revenue, the Company successfully improved its International business, leading to increase in Exports. The growth achieved in Domestic and Exports is shown in the table below:

(₹ in Million)

Description	FY 19	FY 18	Change %
Export	3,827.9	3,268.6	17.1
% to Total Sales	46.2%	44.0%	
Domestic	4,460.0	4,162.8	7.1
% to Total Sales	53.8%	56.0%	
Total Sales	8,287.9	7,431.4	11.5

As can be observed from the above tables, increase in Revenue from Operations has taken place due to improved performance of all business verticals and despite challenging market conditions. Based on present orders under execution and enquiry pipeline, the Company expects that the growth in revenues is sustainable in coming years.

Other Income

Other Income has increased by 83.9% over the previous year. The increase is due to combined results of following: a) Increase in income from current investments of surplus funds, and b) Increase in gains as a result of MTM of derivatives not qualified for hedge accounting.

Expenses

Raw Material consumption

(₹ in Million)

Description	FY 19	FY 18	Change %
Raw material consumption and change in inventories	4,656.6	3,853.6	20.8
Percentage of sales	56.2%	51.9%	

Increase in Raw Material cost by 20.8% over previous year is mainly due to increase in sales by 11.5%. Further, the raw material cost has been impacted as certain product development costs were incurred during the year on selected range of newly developed turbines with improved efficiency and performance. The introduction of such turbines was in accordance with the Company's business strategic plan to effectively compete, for future sustainable growth, and to meet customer requirements and expectations. After successful development of products competing with the benchmark efficiencies, these development costs will be controlled and contained to preserve normal margins.

Personnel Cost, Other Expenses and Depreciation

(₹ in Million)

Description	FY 19	FY 18	Change %
Employee Cost	911.7	796.2	14.5
% to Total Sales	11.0%	10.7%	
Other Expenses	1,307.8	1,186.1	10.3
% to Total Sales	15.8%	16.0%	
Depreciation & Amortisation	201.0	191.1	5.2
% to Total Sales	2.4%	2.6%	

Employee Cost

During the year, the Company rationalised the employee remuneration structure in accordance with prevailing industry-best practices. Accordingly, annual increments were enhanced to align with the market conditions and to retain talent. This has led to increase in cost by 14.5%. There is no major variation in manpower strength compared to previous year.

Other Expenses

Other expenses include manufacturing expenses, administrative expenses and selling expenses. Manufacturing expenses such as Store, Spares and Tools consumed and Power & Fuel etc. are semi-variable in nature. The increase in manufacturing cost is commensurate with increase in production by ~15%. There is no significant variation in Administrative cost. Selling expenses are higher in view of increased volume of export sales.

Depreciation and Amortisation

Increase in deprecation by 5.2% over previous year is due to capitalisation of High Speed Balancing machine in Somapura. No other major asset has been capitalised.

Balance Sheet

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

Share Capital and Equity

During the year, the Company concluded Buyback of equity shares for an amount of ₹ 1,000 million. Accordingly, equity share capital has reduced by ₹ 6.67 million (corresponding to

6.67 million shares bought back) and equity has been adjusted with ₹ 1,006.15 million (including transaction expenses of ₹ 12.82 million)

Non-Current Assets

Property, Plant and Equipment (PPE), Capital Work-in-Progress & Intangible Assets

There is no major investment in plant and machinery or civil work made during the year. The 1st Phase investment in new Somapura manufacturing facility was over in FY 18, except High Speed Balancing Machine which has been capitalised during the year. Capital work-in-progress includes extension of a civil structure work in Somapura plant to provide enhanced facility of testing of turbines. This will be completed by the first quarter of next year.

Non-Current Investment

There is no further investment in subsidiaries or joint venture during the year.

Current Assets

Inventories

Total inventories have increased by ₹ 360.4 million over the previous year – a) On account of finished goods for ₹ 203.7 million which will be despatched in the first quarter of the next financial year; and b) increase in work-in-progress by ₹ 207.8 million due to increase in manufacturing activities and these relate to despatches planned in the first half of 2019-20. The work-in-progress is linked to the production and sale programme of the subsequent period.

Trade Receivables

Despite increase in revenue from operation by 11.5%, current trade receivables have decreased by ₹ 330.3 million over the previous year due to improved management of working capital and aggressive collection drive. About 33% of Trade receivables are secured against Letter of Credit and about 29% are contractually not due.

Non-current trade receivables, however, remain at same level as the previous year. Such amount is contractually not due for collection in the next 12 months.

Other Financial Assets

Other financials assets have increased by ₹ 115.9 million over the previous year. The major component of other financial assets is recoverable MTM gain of ₹ 100.8 million on derivatives financial instruments. The significant part of corresponding credit is lying in Cash Flow Hedge Reserve under Other Equity, which will be transferred to Profit & Loss account when the related revenue will be recognised, in compliance with hedge accounting policy of the Company.

Other Current Assets

Other current assets have decreased by ₹ 362.8 million over the previous year. Decrease in other current assets is mainly due to refund of unutilised GST input tax credit of ₹ 350.0 million received from GST authorities. Unutilised GST credit had arisen on export transactions. All other items under this head, including Export Incentive receivables from DGFT and advance paid to vendors etc., are normal in nature and fully recoverable.

Non-Current Liabilities

These mainly comprise deferred tax liabilities (net), long-term provisions towards employee benefits, warranty etc. which are made in normal course of business.

Current Liabilities

Current liabilities mainly consist of trade payable for purchase of goods and services, and advances from customers. Trade payable has decreased to ₹ 1,188.1 million from ₹ 1,447.7 million in view of reduction of purchases, particularly in the second half of the year, in a planned manner to bring down inventories and to improve working capital cycle.

The other major components of Current Liability are advances from customers, which have increased by ₹ 294.8 million. This increase is commensurate with the increase in Orders in hand. Customer Advances are disclosed under Other Current Liabilities.

Consolidated Financial Statements

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

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

(₹ in Million)

	Financial Statements	
	Consolidated	Standalone
1 Revenue from operations (gross)	8,399.9	8,287.9
2 Profit before tax	1,462.1	1,357.0
3 Share of income of joint venture	31.7	-
4 Profit after tax	1,002.3	875.4
5. Total comprehensive income	1,044.2	919.4

Risk Management and Internal Financial Control System

The Company's risk management framework is aligned with ISO 31000. Enterprise Risk Management (ERM) System of the Company supports the organisation's objectives by addressing the full spectrum of its risks and managing the impact of those risks individually or combined as an inter-related risk portfolio. The ERM system aims to develop a 'Risk intelligent culture' within the Company to encourage risk informed business decision-making, as well as resilience to adverse environment, and to create awareness of opportunities in order to enhance the long-term stakeholder value.

The Risk Management Policy is the core of the ERM System, and is reviewed and approved by the Board. The risk management culture has grown and developed in line with the Company's core objectives, and on account of it being aware and cautious about opportunities and threats. This Policy provides guidance for the management of the different business risks, encompassing the strategic risks, emerging risks & operational Risks across the organisation. It focusses on ensuring that the risks are identified, evaluated and treated within a given time frame on a regular basis.

The Risk Management Policy lays down guiding principles, policies, a risk organisation structure and MIS, incorporating the requirements of Corporate Governance, as well as some of the industry-best practices in order to manage risks. Pursuant to this policy, the Company presents an enterprise-wise approach to ensure that key aspects of risks that have an enterprise-wise impact are considered and contained in its conduct of business. This policy document also serves as a guideline for respective components of risks which have a common resonance across the Company.

Market risk, specially in the international space, and risk of technology obsolesces, including technology disruption, are perceived as major risks. In order to counter these, the Company has developed/is developing a range of enhanced efficient model turbines with optimal cost structure which will add value to the customer. Further, the Company is planning digital transformation to keep pace with emerging technology.

In addition, the Company is responsible for designing and implementation of sound Internal Financial Controls over Financial Reporting. The Company has laid down such procedure and periodically assesses its operational effectiveness by conducting reviews of various Risk Control Matrices. The Control System, and review thereof, provides reasonable assurance that the conduct of the business is operating in an orderly and efficient manner, including adherence to Company's policies, safeguarding assets, and prevention and detection of frauds and errors, if any, as well as accuracy and completeness of accounting records and timely preparation of financial information.

Directors' Report

Your Directors have pleasure in presenting the 24th Annual Report and audited financial statements for the financial year ended March 31, 2019.

Financial Results

(₹ In millions)

	Consolidated		Standalone	
	2018-19	2017-18	2018-19	2017-18
Revenue from operations (Gross)	8,399.86	7,533.17	8,287.89	7,431.42
Operating Profit (EBITDA)	1,674.54	1,659.38	1,569.17	1,656.38
Finance Cost	11.23	5.34	11.23	5.34
Depreciation and Amortisation	201.24	191.24	200.98	191.08
Profit before share of profit/ loss of joint venture	1,462.07	1,462.80	1,356.96	1,459.96
Share of net profit/loss of joint venture accounted for using the equity method	31.69	(24.99)	-	-
Profit before exceptional items and tax	1,493.76	1,437.81	1,356.96	1,459.96
Exceptional Items	-	-	-	-
Profit before Tax (PBT)	1,493.76	1,437.81	1,356.96	1,459.96
Tax Expenses	491.51	478.12	481.55	477.71
Profit after Tax (PAT)	1,002.25	959.69	875.41	982.25
Other Comprehensive income(net of tax)	41.93	3.59	44.01	(1.19)
Total Comprehensive income	1,044.18	963.28	919.42	981.06
Earning per equity share of Re. 1 each (in ₹)	3.05	2.91	2.66	2.98
Retained earnings brought forward	3,322.00	2,835.32	3,264.29	2,755.13
Appropriation:				
- Equity dividend (including dividend distribution tax)	218.80	476.58	218.80	476.58
-Transfer to Capital Redemption reserve	6.67	-	6.67	-
-Amount Utilised on account of Buy-back of Shares (including buy back expenses)	162.23	-	162.23	-
Retained earnings carried forward	3,933.20	3,322.00	3,748.63	3,264.29

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

Business Operations

The business operations of the Company were satisfactory in several key areas, namely, turnover, free cash flows, liquidity, new market penetration and product development. In view of intense competition, the margins were under pressure, mainly due to initial development costs associated with new improved and more efficient products introduced during the year. The Company has promptly acted upon to put appropriate levers to contain the costs. The market witnessed a mixed trend - a modest recovery in domestic market and less than expected growth in International market.

Despite various challenges in the domestic market, the Company retained its market share under intense competition. Global

markets remained somewhat subdued due to global macro-economic situation, uncertainty arising on account of Brexit and other geo political situations. Despite these challenges the Company could maintain its order booking in international market, though less than expectations. The strong enquiry pipeline, however augurs well for the company and may result in increased order bookings in coming quarters.

The consolidated turnover of the Company during the year was encouraging - growth in turnover by 12% demonstrates a robust performance under challenging conditions. The growth of turnover is contributed both by Product as well as After Market Export sale achieved a healthy growth of 17% whereas Domestic sale grew by 8%. The Company also witnessed a growth in orders in hand.

The product and efficiency development programmes of the Company achieved significant progress during the year and the Company has successfully developed, tested and

commercialised a range of high efficient turbines successfully. Technically, the new products are more efficient, robust and well accepted by customers. These new developments are key to our strategic plans for growth and our objective to provide most efficient product at competitive cost. The initial development cost of these new models has affected the overall profitability of the Company during the year but these have created a sound platform for future growth with cost efficient of business model.

Improved productivity has been achieved in the new manufacturing facilities set up at Sompura. The manufacturing facilities improved productivity with the new plant in Somapura working in full swing.. Efficiency of supply chain management has also increased with revised strategy. The production in terms of numbers as well as MW has increased during the year.

The company's focus on aftermarket is continuing and has resulted in a growth of 13% in the order booking. Apart from additional revenue stream and high profitability, it brings the Company closer to its customers and understand their needs better. It enables the company to support the customer with its readily available inventory of spare parts and offer him specialised bespoke solutions.

The aftermarket sales grew by 7% during the year over the previous year. Realising the financial position of customers and their reluctance to incur capital expenditure, the Company shifted focus towards efficiency improvement programs and approached customers to improve performance of their already installed Triveni and non- Triveni Turbines. Several customers opted for the offerings of Triveni so that they are able to enhance performance of their turbines through opex route rather than through expensive capex route.

The company has made significant steps in this program and it will continue to be the focus area of the aftermarket business. This along with improved product design and value engineered parts have led to better service performance and support to customers across the world. The service levels have improved and the customer satisfaction levels show an upward progression.

The Company has introduced customer connect through Internet of Things (IOT) to monitor the customer assets which brings the company closer to the customer and their operation. This program along with the focus on the refurbishing program for non Triveni turbines has the potential to be one of the key drivers of business. These programs have been exploring new opportunities and are progressing towards presenting Triveni as a one stop rotating equipment partner.

The Company has refocused energies in geographies and verticals that are expected to lead consistent growth. Customised training programs are being undertaken to improve the quality of personnel. This only will ensure that we offer quality services to gain the confidence of customers.

Dividend

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

In line with the Dividend Distribution Policy, the Board of Directors of your company has decided that it would be prudent, not to recommend any Dividend for the year under review.

Subsidiaries

The Company has a domestic subsidiary (considered as a Joint Venture for the purposes of consolidated financial statements), namely, GE Triveni Ltd (GETL), Bengaluru, a wholly owned foreign subsidiary, namely, Triveni Turbines Europe Pvt. Ltd. (TTEPL), UK, two step-down foreign subsidiaries, namely, Triveni Turbines DMCC (TTDMCC), Dubai (wholly owned subsidiary of TTEPL) and Triveni Turbines Africa (Pty) Ltd (TTAPL), South Africa, (wholly owned subsidiary of TTDMCC). As required under the provisions of Section 129 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2013, a statement containing salient features of the financial statements of subsidiaries is provided in the prescribed format AOC-1 as **Annexure A** to the Board's Report.

The Joint Venture Company, GETL, has achieved a turnover of ₹ 777.28 million which is lower than the last year's turnover of ₹ 949.16 million but has earned profit after tax of ₹ 89.77 million as against a loss of ₹ 69.05 million during the previous year mainly due to receipt of insurance claim of ₹ 76.63 million against warranty expenses booked in the previous year. The order intake has been sluggish.

The wholly owned foreign subsidiaries have performed satisfactorily during the year. All the subsidiaries are profitable and are able to generate business on its own and also for the parent Company. TTDMCC is now made the hub of International business for the group because of geographical advantages and is expected to accelerate and drive future growth. TTAPL was incorporated in South Africa during previous year. It has established itself and has become a known player in the customer care segment, besides focusing on Product business. The foreign subsidiaries by now are geared up to provide strong marketing support for Products and Customer care business.

In accordance with Regulation 16 of Listing Regulations, none of the subsidiaries is a material non Listed subsidiary. The Company has formulated a policy for determining material subsidiaries. The policy has been uploaded on the website of the Company at <http://www.triveniturbines.com/key-policies>.

During the year, no Company became or ceased to be your Company's subsidiary, joint venture or associate.

Consolidated Financial Statements

In accordance with Section 136 of the Companies Act, 2013 and Regulation 34 of the Listing Regulations read with other applicable provisions, your Directors have attached the Consolidated Financial Statements of the Company for financial year ended March 31, 2019, prepared in accordance with the applicable Ind AS, which form a part of the Annual Report

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

Directors' Responsibility Statement

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

- a) In the preparation of the annual accounts for the financial year ended March 31, 2019, the applicable accounting standards have been followed and there are no material departures;
- b) The directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- c) The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The directors have prepared the annual accounts on a 'going concern' basis;
- e) The directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- f) The directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

Buyback of Equity Shares

Pursuant to the approval of the Board on November 1, 2018 and approval of shareholders through special resolution dated December 15, 2018 passed through postal ballot/e-voting, your Company completed buyback of 66,66,666 equity shares of the Company for an aggregate amount of ₹ 999,999,900/- (excluding transaction costs), being 22.24% of the aggregate of the Company's paid-up capital and free reserve (including securities premium) based on the consolidated financial statements at ₹ 150 per equity share in February 2019. The buyback was

made from all existing shareholders of the Company as on December 28, 2018, being the record date for the purpose, on a proportionate basis under the tender offer route in accordance with the provisions contained in the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2018 and the Companies Act, 2013 and rules made thereunder.

Corporate Governance

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

Related Party Transactions

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

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

Risk Management Policy and Internal Financial Controls

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

Pursuant to the risk management policy, the Company has instituted a comprehensive risk management framework. Detailed identification of risks is carried out along with categorisation thereof based on severity of impact on the organisation, including on its reputation. Such categorisation gives highest weightage to the risks which have the potential to threaten the existence of the Company. The Board of Directors has constituted Risk Management Committee, who oversees the risk management activities in the Company. At the

operational level, the heads of each business functions owns the risks, reviews on regular intervals to plan and execute the risk mitigation aspects in a structured manner. The Chief Risk Officer coordinates the entire function and executes the decision of Risk Management Committee. The risk management policy and framework are reviewed regularly to assess and maintain its effectiveness and relevance.

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

Directors and Key Managerial Personnel (KMP)

As per the provisions of the Companies Act, 2013, Mr. Arun Prabhakar Mote will retire by rotation at the ensuing Annual General Meeting (AGM) of the Company and being eligible, seeks re-appointment. The Board has recommended his re-appointment.

The Board of Directors, on recommendation of the Nomination & Remuneration Committee, appointed Ms. Homai A Daruwalla, Dr. Anil Kakodkar and Mr. Shailendra Bhandari as Additional Director(s) in capacity of Independent Director(s) for initial term of 5 years. Ms Daruwalla and Dr Kakodkar were appointed by the Board w.e.f. November 1, 2018 and Mr. Bhandari w.e.f. May 20, 2019. The shareholders of the Company vide special resolutions passed through Postal Ballot on December 15, 2018 have approved appointment of Ms Daruwalla and Dr. Kakodkar as Independent Directors. A resolution seeking shareholders approval for the appointment of Mr Bhandari forms part of the Notice of the 24th Annual General Meeting of the Company.

Further the terms of appointment of Mr Shekhar Datta and Dr. (Mrs.) Vasantha S Bharucha, Independent Directors were due to expire on March 31, 2019. Similarly the terms of Mr. Arun Prabhakar Mote, Whole time Director was due to expire on October 31, 2018. With the approval of the shareholders vide three special resolutions dated December 15, 2018 passed through postal ballot, Mr. Datta and Dr. Barucha were respectively appointed as Independent Directors and Mr. Mote as Whole time Director designated as 'Executive Director' for another term of 1 year with effect from their respective due dates.

The term of appointment of Mr. Dhruv M Sawhney, Chairman and Managing Director was due to expire on May 10, 2019. The Board of Directors subject to approval of the shareholders

and other requisite approvals re-appointed Mr Sawhney as Managing Director (designated as Chairman and Managing Director) of the Company for another term of 5 years w.e.f. May 10, 2019 on the terms and conditions as set out in the special resolution passed through Postal Ballot on March 28, 2019.

Lt Gen K.K.Hazari (Retd) resigned from the Directorship of the Company with effect from November 01, 2018. and the committees of which he was Chairman/ member viz. Audit Committee, Stakeholders's Relationship Committee and Corporate Social Responsibility Committee due to personal reasons, there is no other material reason for his resignation. The Board places on record its sincere appreciation for the valuable guidance provided by Gen. Hazari during his tenure as Director of the Company. Ms Daruwalla was appointed as Chairperson/ members of the committees in the places left vacant by resignation of Gen Hazari (Retd) .

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

Employees Stock Option

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

AUDITORS

Statutory Auditors

M/s Walker Chandio & Co LLP (ICAI Firm Registration No. 001076N)/N500013 (WCC), were appointed as Statutory Auditors of the Company at the 22nd AGM to hold office for a period of five consecutive years from the conclusion of that AGM until the conclusion of 27th AGM of the Company to be held in the year 2022.

The Auditors report for FY 19 does not contain any qualification, reservation or adverse remark. Further pursuant to section 143(12) of the Act, the Statutory auditors of the Company have not reported any instances of fraud committed in the Company by its officers or employees, the details of which would need to be mentioned in the Board's Report.

Cost Auditor

In terms of the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and the Companies (Cost Records and Audit) Rules 2014 duly amended, cost audit is applicable to the Company for the FY 20. The Company has been maintaining cost accounts and records in respect of applicable products. M/s J.H & Associates,

Cost Accountants, Bengaluru have been appointed as the Cost Auditors to conduct the cost audit of your Company for the FY 20. The Board recommends the ratification of the remuneration to the Cost Auditors.

Secretarial Auditor

In terms of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, the Board appointed M/s Sanjay Grover & Associates, a firm of Company Secretaries in practice to undertake the Secretarial Audit of the Company for FY 19. The report on secretarial audit is annexed as **Annexure D** to the Board's Report. The report does not contain any qualification, reservation or adverse remark.

Corporate Social Responsibility (CSR)

A CSR policy was formulated by the CSR committee which, on its recommendation, was approved by the Board. The CSR Policy is available on the Company's website at <http://www.triveniturbines.com/key-policies>. The composition of CSR Committee and Annual Report on CSR Activities during FY 19 as approved by the CSR Committee is provided in **Annexure E** to the Board's Report.

Audit Committee

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

Vigil Mechanism

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

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

The Company has in place an Anti-Sexual Harassment policy in line with the requirements of sexual harassment of women at Work place (Prevention, Prohibition and Redressal) Act 2013. The Internal Complaint Committee (ICC) has been setup to redress complaints received regarding sexual harassment. During the period under review, no complaint was received by the ICC.

Board Meetings

During the year, four Board Meetings were held, the details of

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

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

Note 5 of the Stand alone financial statements of the Company contained in the Annual report provides the particulars of the investments made by the company in the securities of other bodies corporate. The Company has not given any loans or given any guarantee or provided any security in connection with a loan to any body corporate or a person.

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

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

Particulars of Employees

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

Management's discussion and analysis

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

Business Responsibility Report

The Listing Regulations mandate top 500 listed entities based on the market capitalisation as on March 31, 2019, the inclusion of the Business Responsibility Report as part of the Directors Report of the Company. The report in the prescribed form is annexed as **Annexure I** to the Board Report.

Secretarial Standards

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

Deposits

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

Extracts of Annual Return

Pursuant to section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014, extract of the Annual Return in the prescribed form is attached as **Annexure J** to the Board Report. The Annual Return for the financial year 2018-19 is also available on the Company's website at www.triveniturbines.com.

Significant and material orders

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

Human Resources

The Company believes that it is its people who energise and make the organization successful. The human resource management system and processes aim to enhance organization capability and vitality. The Company operates in a niche engineering segment and competes with globally reputed players. In order to meet the expectations of valued customers and all stakeholders, the Company engages highly trained and motivated team to carry out continual product improvement, development of new technology, provide value proposition to its customers and market its product & services in a highly professional platform.

The Company is of the strong belief that continuous training, learning and development of talent are imperative for attainment of its corporate goals and objectives. In order to achieve this, an in-house state of the art learning center has been set up which provides training programs to all employees to keep them abreast and updated with the technological developments. The learning center imparts focused training programmes dealing with product knowledge, skill building, design capabilities, and in-house developed computer based training on product and leadership. Curated training programs are created for customer care engineers to ensure they are abreast of the latest development in the company and across the world. and additionally training is also imparted to develop soft skills, namely, acquiring leadership qualities, team spirit, importance of effective communication, commercial acumen etc.

The Company continually recruits GET/DETs from reputed engineering colleges from across the country through campus interview and subject them to thorough class room and on-site training. It ensures that the Company is able to develop young talent to handle and support important aspects of the business. All trainees goes through mandatory training programmes at in-house training centre, at manufacturing facilities and at sites for a period of one year before they are placed in the job. Besides trainees, workers and management staff are provided skill based training on a continuous basis. During the year, the

total man-days training provided is higher than the previous year. A training man days of 2.5 man days to each employee including workmen was achieved.

The Company has a robust and effective performance management system to appraise its employees to identify promising talents, provide motivation for personal growth and job enrichment, performance review through KRAs and reward for their performance and achievements. This process has ensured that the attrition is below the industry rate while ensuring longevity of employees in the Company.

Policy on Directors' appointment and remuneration

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

Board Evaluation Mechanism

Pursuant to the provisions of Companies Act 2013 and the Listing Regulations, the Board has carried out annual performance evaluation of its own performance, those of directors individually as well as evaluation of its committees. The evaluation criteria as defined in the Nomination and Remuneration Policy of the Company covered various aspects of Board such as, composition, performance of specific duties, obligations and governance.

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

Appreciation

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

For and on behalf of the Board of Directors

Dhruv M Sawhney

Place : Noida (U.P.)

Chairman and Managing Director

Date : May 20, 2019

DIN 00102999

Annexure-A

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

Part "A": Subsidiaries

₹ in Million

Name of the subsidiary	GE Triveni Ltd. (GETL) ^(#)	Triveni Turbines Europe Pvt. Ltd. (TTE)	Triveni Turbines DMCC (TTD)	Triveni Turbines Africa (Pty) Ltd (TTA)
1. Country of Incorporation	India	United Kingdom	Dubai, UAE	South Africa
2. Date of becoming subsidiary/acquisition	28.05.2010	23.12.2014	31.03.2015	13.07.2017
3. Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NA	NA	NA	NA
4. Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	INR	Currency – GBP Exchange rate- 1GBP = INR 90.48	Currency-USD Exchange rate- 1USD=INR 69.17	Currency- ZAR Exchange rate- 1ZAR= INR 4.77
5. Share capital	160.00	18.10	13.19	2.93
6. Reserves & surplus	167.42	64.36	55.57	4.34
7. Total assets	1,234.93	112.16	98.29	49.79
8. Total Liabilities	907.51	29.70	29.53	42.52
9. Investments	-	11.24 *	3.46**	-
10. Turnover (including Other Income)	892.97	170.53	223.70	116.99
11. Profit before taxation	127.97	50.17	52.52	1.85
12. Provision for taxation	38.20	9.48	-	0.53
13. Profit after taxation	89.77	40.69	52.52	1.32
14. Proposed Dividend	-	-	-	-
15. % of shareholding	50%+1 share	100%	100%	100%

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

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

(#) GETL has been considered as a joint venture for the purposes of consolidated financial statements. (Refer Part B below)

Part "B": Associates and Joint Ventures

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

₹ in Million

Name of Associates or Joint Ventures	GE Triveni Limited (GETL)
1. Latest audited Balance Sheet Date	March 31, 2019
2. Date on which the Associate of Joint Venture was associated or acquired	May 28, 2010
3. Shares of Associates or Joint Ventures held by the Company on the year end	
- No of shares	8000001
- Amount of Investment in Associates or Joint Ventures	80.00
- Extent of holding (in percentage)	50%+ 1 share
4. Description of how there is significant influence	Due to holding of stake of more than 20%
5. Reason why the associate / joint Venture is not consolidated	Being Consolidated based on Applicable Ind AS
6. Net worth Attributable to shareholding as per latest audited Balance Sheet	138.29
7. Profit / (Loss) for the year (after tax) (₹ million) –	89.77
8. Total Comprehensive Income/(Loss) for the year	89.81
i. Considered in Consolidation (₹ million)*	31.71
ii. Not Considered in Consolidation	-

*Net of tax on share of undistributed profits

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

Dhruv M. Sawhney
Chairman and Managing Director
DIN: 00102999

Homai Ardeshir Daruwalla
Director & Chairperson Audit Committee
DIN: 00365880

Deepak Kumar Sen
Executive Vice President & CFO

Rajiv Sawhney
Company Secretary

Place: Noida (U.P.)
Date: May 20, 2019

Annexure-B

Corporate Governance Report

Company's Philosophy on code of Governance

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

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

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

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

I Board of Directors ("Board")

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

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

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

As of on the date of this report the Board comprises of 10 (Ten) members which include 6 (Six) Non-Executive Independent Directors including two Women Director, 1 (one) Non-Executive Non Independent Director and 3 (three) Executive Directors. None of the Independent Directors of the Company serve as an Independent Director in more than seven listed Companies.

Meetings of the Board

The Board of Directors met four times during the financial year 2018-19 ended on March 31, 2019. Board Meetings were held on May 22, 2018, July 31, 2018, November 1, 2018 and February 11 2019. The maximum gap between any two Board Meetings was less than one hundred twenty days.

Independent Directors

The Company has received necessary declarations from each of the Independent Director under Section 149(7) of the Companies Act, 2013, (Act) that he /she meets the criteria of Independence laid down in Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations.

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

Regulation 25(3) of Listing Regulations read with Schedule IV of the Companies Act, 2013 and the rules under it mandate that the Independent Directors of the Company hold at least one meeting in a year without the attendance of Non-Independent Directors and members of the management. During the year, separate meeting of the Independent Directors was held on February 11, 2019 without the attendance of non-independent directors and members of the management. All the Independent Directors attended the said meeting. The independent directors, inter-alia, reviewed the performance of non-independent directors, Chairman of the Company and the Board as a whole.

Familiarisation programme for Independent Directors

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

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

Succession planning for the Board and senior management

Board of Directors

The Nomination and Remuneration Committee (NRC) of the Board, shall identify the suitable person for

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

Senior Management

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

Composition of Board

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

Name of Director and DIN	Category	No. of Board Meeting attended (Total Meetings held: 4)	Attendance at last AGM held on September 10, 2018	No. of other Directorships ^{##}	No. of Committee positions held in other companies ^{###}		Directorship in other listed entity (Category of Directorship)
					Chairman	Member	
Mr. Dhruv M. Sawhney [#] Chairman & Managing Director DIN-00102999	Promoter & Executive Director	4	Yes	3	1	1	1. Triveni Engineering and Industries Limited (Promoter and Executive Director)
Mr. Nikhil Sawhney [#] Vice Chairman and Managing Director DIN-00029028	Promoter & Executive Director	4	Yes	3	Nil	2	1. Triveni Engineering and Industries Limited (Promoter and Non-Executive)
Mr. Tarun Sawhney [#] DIN-00382878	Promoter & Non-Executive Director	4	Yes	3	Nil	2	1. Triveni Engineering and Industries Limited (Promoter and Executive Director)
Mr. Arun Prabhakar Mote Executive Director DIN-01961162	Executive Director	4	Yes	1	Nil	Nil	-

Name of Director and DIN	Category	No. of Board Meeting attended (Total Meetings held: 4)	Attendance at last AGM held on September 10, 2018	No. of other Directorships ^{##}	No. of Committee positions held in other companies ^{###}		Directorship in other listed entity (Category of Directorship)
					Chairman	Member	
Ms. Homai A Daruwalla* DIN 00365880	Independent Non-Executive Director	2	N.A.	8	3	8	1. Triveni Engineering and Industries Limited (Independent Non-Executive Director) 2. Jaiprakash Associates Limited (Independent Non-Executive Director) 3. Gammon Infrastructure Projects Limited (Independent Non-Executive Director) 4. Rolta India Limited (Independent Non-Executive Director)
Dr. Anil Kakodkar* DIN 03057596	Independent Non-Executive Director	2	N.A.	1	1	2	1. Walchandnagar Industries Limited (Independent Non-Executive Director)
Mr. Shekhar Datta ^{##} DIN-00045591	Independent Non Executive Director	4	Yes	3	2	3	1. Triveni Engineering and Industries Limited (Independent Non-Executive Director)
Dr. (Mrs.) Vasantha S Bharucha DIN-02163753	Independent Non Executive Director	4	Yes	1	Nil	Nil	1. SML Isuzu Limited (Independent Non-Executive Director)
Dr. Santosh Pande DIN- 01070414	Independent Non Executive Director	4	Yes	2	Nil	1	1. Triveni Engineering and Industries Limited (Independent Non Executive Director)
Mr. Shailendra Bhandari* DIN -00317334	Independent Non Executive Director	N.A.	N.A.	2	1	2	1. Future Retail Limited (Independent Non Executive Director)
Lt. Gen. K.K. Hazari (Retd) DIN- 00090909 ^{####}	Independent Non Executive Director	1	Yes	2	1	1	1. Triveni Engineering and Industries Limited (Independent Non Executive Director)

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

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

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

Lt. Gen. K.K.Hazari (Retd) resigned from the Board w.e.f November 1, 2018 due to personal reasons, there is no other material reason for his resignation.

* Ms. Homai A Daruwalla and Dr. Anil Kakodkar were appointed as Director w.e.f November 1, 2018. Mr. Shailendra Bhandari was appointed as Director w.e.f May 20, 2019.

Board Functioning and procedure

Key Board Qualifications, Expertise and Attributes

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

In view of the objectives and activities of our Business, the Company requires skills/expertise/competencies in the areas of Sales & Marketing, Technology, Research and development, Finance, Strategy, Global Business, Business Leadership, Corporate Governance and Risk Management.

The Board is satisfied that the current composition reflects an appropriate mix of knowledge, skills, experience, diversity and independence required for it to function effectively. The Board periodically evaluates the need for change in its composition and size.

Board Meeting Frequency and circulation of Agenda papers

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

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

Presentations by the Management

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

Access to Employees

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

Availability of Information to Board members include:

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

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

Post Meeting follow up mechanism

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

Appointment/Re-appointment of Director

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

II Committees of the Board

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

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

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

1. Audit Committee

Composition, Meetings and Attendance

The Audit Committee is headed by an Independent Director and consists of the members as stated below. During the year ended on March 31, 2019, the Committee held five meetings on May 22, 2018, July 31, 2018, September 10, 2018, November 1, 2018 and February 11, 2019. The maximum gap between any two meetings was less than one hundred and twenty days. The composition and attendance detail of each

Committee member is as under:-

Name of the Members	Category	No. of meetings	
		Held	Attended
Ms. Homai A Daruwalla - Chairperson*	Independent Non Executive Director	5	1
Mr. Nikhil Sawhney	Promoter & Executive Director	5	5
Dr. (Mrs.) Vasantha S. Bharucha	Independent Non Executive Director	5	5
Dr. Santosh Pande	Independent Non Executive Director	5	5

* was appointed as chairperson of the committee w.e.f November 1, 2018. Subsequent to holding of the meeting of committee on that date.

The Company Secretary acts as the Secretary of the Audit Committee. The then Chairman of the Audit Committee, Lt. Gen. K.K. Hazari (Retd.) attended the 23rd AGM held on September 10, 2018 to answer the shareholders query.

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

- Reviewing the Company's financial reporting process and its financial statements.
- Reviewing the accounting and financial policies and practices and compliance with applicable accounting standards.
- Reviewing the efficacy of the internal control mechanism, monitor risk management policies adopted by the Company and ensure compliance with regulatory guidelines.
- Reviewing reports furnished by the internal and statutory auditors, and ensure that suitable follow-up action is taken.
- Examining accountancy and disclosure aspects of all significant transactions.
- Reviewing with management the quarterly, half yearly & annual financial statements including review of qualifications, if any, in the audit report before submission to the Board for approval.
- Recommending appointment of Statutory and internal auditors and fixation of audit fees.
- Seeking legal or professional advice, if required.
- Approval or any subsequent modifications of transactions of the Company with related parties.
- Scrutiny of Inter-Corporate loans and investments.
- Valuation of undertakings or assets of the Company,

wherever required.

- Reviewing the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding Rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investment.
- Based on the discussion with the Management and auditors, the committee has recommended the following to the Board

1. Audited Standalone Financial statements prepared in accordance with IND As for the year ended March 31, 2019 be accepted by the Board as true and fair statement.
2. Audited Consolidated Financial statement prepared in accordance with IND As and its subsidiaries for the year ended March 31, 2019 be accepted as true and fair statement.

2. Nomination & Remuneration Committee (NRC)

Composition, Meetings and Attendance

The Nomination & Remuneration Committee is headed by an Independent Director and consists of the members as stated below. During the year ended on March 31, 2019, the Committee held two meetings on November 1, 2018 and February 11, 2019. The composition and attendance details of each Committee member is as under:-

Name of the Members	Category	No. of meetings	
		Held	Attended
Mr. Shekhar Datta-Chairman	Independent Non Executive Director	2	2
Mr. Tarun Sawhney	Promoter and Non-Executive Director	2	2
Dr (Mrs.) Vasantha S Bharucha	Independent Non Executive Director	2	2

The broad terms of reference of the Committee are to

- Identify persons who are qualified to become Directors (Executive, Non-Executive and Independent Directors) and who may be appointed in senior management in accordance with the criteria laid down.
- Recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance.
- Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board, a policy relating

to the remuneration for the directors (Executive, Non-Executive and Independent Directors), key managerial personnel and other employees.

- Plan for succession of Board members and Key Managerial Personnel;
- Devise a policy on Board diversity;
- Formulate and administer the Company's Employee Stock Option Scheme from time to time in accordance with SEBI guidelines; and
- Review the adequacy of aforesaid terms of reference and recommend any proposed change to the Board for its approval.

Remuneration Policy

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

Board Evaluation

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

Remuneration to Executive Directors

The remuneration to the Executive Directors is recommended by the Nomination and 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 2018-19, the Company had three (3) Executive Directors viz. Mr. Dhruv M. Sawhney, Chairman & Managing Director (CMD), Mr. Nikhil Sawhney, Vice Chairman & Managing Director (VCMD) and Mr. Arun Prabhakar Mote, Executive Director (ED).

The details of remuneration paid/payable to CMD, VCMD & ED during the financial year 2018-19 are as under:

(₹ in million)

Name of the Executive Director	Mr. Dhruv M. Sawhney CMD	Mr. Nikhil Sawhney VCMD	Mr. Arun Prabhakar Mote ED
No. of shares held as on March 31, 2019	23386813	14760246	70291
Service Period	10.05.2016 to 09.05.2019	10.05.2016 to 09.05.2021	1.11.2018 to 31.10.2019
Salary	Nil	30.45	22.27
Performance Bonus/Commission	Nil	2.61	1.66
Contribution to PF and other Funds	Nil	5.14	1.22
Other Perquisites	Nil	2.78	1.34
Total	Nil	40.98	26.49

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

Remuneration to Non-Executive Directors (NEDs)

The Company pays sitting fee to its NEDs for attending the meetings of the Board and its Committees. In addition to the sitting fees, the Company pays commission to its NEDs within the limits approved by the shareholders of the Company. The said commission is decided by the Board and distributed to NEDs based on their contribution during Board/Committee meetings, as well as time spent on operational/ strategic matters other than at meetings. The details of the remuneration paid/provided during the financial year 2018-19 to NEDs are as under:-

(₹ in million)

Name of the Non-Executive Director	Sitting Fees for the year ended March 31, 2019	Commission for the year ended March 31, 2019	No. of shares held as on March 31, 2019
Mr. Tarun Sawhney	0.34	1.12	13972088
Ms. Homai A Daruwalla*	0.21	0.76	-
Dr. Anil Kakodkar *	0.15	0.76	-
Mr. Shekhar Datta	0.35	1.12	10,000
Dr. (Mrs.) Vasantha S. Bharucha	0.60	1.12	-
Dr. Santosh Pande	0.55	1.12	-

Lt Gen. K.K.Hazari (Retd) one of the NED resigned from the Board w.e.f November 1, 2018, a sum of ₹ 0.17 million was paid to him towards sitting fee in FY 19 .

*Appointed w.e.f 1st November, 2018.

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

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

3. Stakeholders' Relationship Committee Composition, Meetings and Attendance

The Stakeholders' Relationship Committee is headed by an Independent Director and consists of the members as stated below. During the year ended on March 31, 2019, the Committee held four meetings on May 22, 2018, July 27, 2018, October 30, 2018 and February 11, 2019.

Name of the Members	Category	No. of meetings	
		Held	Attended
Ms. Homai A Daruwalla – Chairperson*	Independent Non Executive Director	1	1
Mr. Nikhil Sawhney	Promoter and Executive Director	4	4
Mr. Tarun Sawhney	Promoter and Non-Executive Director	4	4

*was appointed as chairperson of the committee w.e.f November 1 2018 subsequent to holding of the meeting of committee on that date.

Function and term of reference:

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

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

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

Details of Investor complaints

During the Financial year ended 31 March, 2019, the Company received complaints from various shareholders / investors relating to non-receipt of dividend, annual report etc. All of them were resolved / replied suitably by furnishing the requisite information /documents. Details of investor complaints received and resolved during the FY 18-19 are as follows:

Opening Balance	Received	Resolved*	Pending
Nil	6	6	Nil

*No complaint remained unsolved to the satisfaction of Shareholder.

Further there were no pending share transfers and requests for dematerialisation as on March 31, 2019. Number of Complaints received during the year as a percentage of total number of members as on March 31, 2019 is 0.02%.

4. Corporate Social Responsibility Committee Composition, Meetings and Attendance

The Corporate Social Responsibility Committee is headed by an Executive Director and consists of the members as stated below. During the year ended on March 31, 2019, the Committee met one time on November 1, 2018. The committee position and attendance detail of each Committee member is as under:-

Name of the Members	Category	No. of meetings	
		Held	Attended
Mr. Nikhil Sawhney- Chairman	Promoter and Executive Director	1	1
Mr. Tarun Sawhney	Promoter and Non Executive Director	1	1
Mr. Arun Prabhakar Mote	Executive Director	1	1
Ms Homai A Daruwalla*	Independent Non Executive Director	n.a.	n.a.

*was appointed as member of the committee w.e.f November 1 2018 subsequent to holding of the meeting on that date.

Function and term of reference:

In accordance with the provisions of Companies Act, 2013, the Committee is authorised to formulate and

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

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

5. Risk Management Committee

The Risk Management Committee comprises of Mr. Nikhil Sawhney - Vice Chairman and Managing Director as the Chairman, Mr Arun Prabhakar Mote - Executive Director, Dr Santosh Pande - Independent Director and Mr. Deepak K Sen – Chief Financial officers as its Members During the year ended on March 31, 2019 the Committee met once on March 26, 2019. The Function and term of reference of the Committee are

1. Framing a risk management policy;
2. Identify Company's risk appetite set for various elements of risk;

3. Review the risk management practices and structures and recommend changes to ensure their adequacy;
4. Approve and review the risk management plans put in place by management;
5. Ensure adequacy of risk management practices in the Company;
6. Cyber Security and
7. Any other matter as the Board of directors may define

Other Functional Committees

Operations Committee

Apart from the above statutory committees, the Board of Directors has constituted an Operations Committee comprising of three (3) Directors to oversee routine items that are in the normal course of the business. The Board of Directors have delegated certain powers to this Committee to facilitate the working of the Company. The Committee met two times during the Financial year ended 31st March, 2019 on July 16, 2018 and October 10, 2018.

III General Body Meetings

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

Year	Date & Day	Location	Time	Special Resolution
2017-18	September 10, 2018 Monday	Stardom Convention, Ground Floor, C-1, Word TradeTower, Sector 16, Noida 201301	11.00 a.m.	No Special Resolution was passed at the 23 rd Annual General Meeting of the Company.
2016-17	August 9, 2017 Wednesday	Stardom Convention, Ground Floor, C-1, Word TradeTower, Sector 16, Noida 201301	4.00 p.m.	No Special Resolution was passed at the 22 nd Annual General Meeting of the Company.
2015-16	August 04, 2016 Thursday	Expo Centre, A-11, Sector-62, NH-24, Noida- 201301	10.30 a.m.	<ol style="list-style-type: none"> 1. Approval for re-appointment of Mr. Dhruv M. Sawhney as Managing Director of the Company (designated as Chairman and Managing Director) for three years from May 10, 2016 to May 9, 2019. 2. Approval for re-appointment of Mr. Nikhil Sawhney as Managing Director of the Company (designated as Vice – Chairman and Managing Director) for five years from May 10, 2016 to May 9, 2021.

There was no Extra-Ordinary General Meeting held during the financial year ended March 31, 2019.

Postal Ballot

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

During the financial year ended 31st March, 2019, the Company sought approval from its shareholders twice for passing of following special resolutions as set out in the Postal Ballot Notices dated November 5, 2018 and February 11, 2019 through the process of Postal Ballot. Mr. Suresh Gupta, Practicing Company Secretary conducted the Postal Ballot process. The details of these resolutions alongwith the snap shot of the voting results are as follows:

Sr No	Detail of Special Resolution	Number of Valid Postal Ballot received	Votes Cast in favour of the Resolution		Votes Cast against the Resolution	
			No	%	No	%
I Notice dated November 5, 2018						
1	Alteration of Articles of Association of the Company	306758262	298521204	97.31	8237058	2.69
2	Approval for the Buyback of equity shares of the Company.	306760259	306760069	100	190	negligible
3	Appointment of Ms Homai A Daruwalla as an Independent Director of the Company.	306760259	306759411	100	848	negligible
4	Appointment of Dr. Anil Kakodkar as an Independent Director of the Company.	306760259	306759501	100	758	negligible
5	Re-appointment of Mr. Shekhar Datta as an Independent Director of the Company.	306760254	296596629	96.69	10163625	3.31
6	Re-appointment of Dr. (Mrs) Vasantha S Bharucha as an Independent Director of the Company.	306760254	306759476	100.00	778	negligible
7	Re-appointment of Mr. Arun Prabhakar Mote as Whole-time Director (designated as Executive Director) of the Company.	306760154	306759266	100.00	888	negligible
Date of 1 st Postal Ballot Notice : November 5, 2018			Voting Period : November 14, 2018 (9 a.m.) to December 13, 2018 (5 p.m.)			
Date of Result of Postal Ballot : December 15, 2018			Date of approval : December 15, 2018			
II Notice dated February 11, 2019						
8	Re-appointment of Mr. Dhruv M. Sawhney as Managing Director of the Company.	277260100	277212142	99.98	47958	0.02
Date of 2nd Postal Ballot Notice : February 11, 2019			Voting Period : February 27, 2019 (9 a.m.) to March 28, 2019			
Date of Result of Postal Ballot : March 29, 2019			Date of approval : March 28, 2019			

b. Whether any special resolution is proposed to be conducted through postal ballot and the procedure thereof

There is no immediate proposal for passing any special resolution through Postal Ballot on or before ensuing Annual General Meeting.

c. Procedure for Postal Ballot:

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

Means of Communication

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

- (b) **Website www.triveniturbines.com:** Detailed information on the Company's business and products; quarterly/half yearly/nine months and annual financial results, Investor brief and the quarterly distribution of Shareholding are displayed on the Company's website.
- (c) **Teleconferences and Press conferences, Presentation etc.:** The Company held quarterly Investors Teleconferences and Press Conferences for the investors of the Company after the declaration of the Quarterly/Annual Results. The Company made presentations to institutional investors/analysts during the period which are available on the Company's website.
- (d) **Exclusive email ID for investors:** The Company has designated the email id shares.ttl@trivenigroup.com exclusively for investor servicing, and the same is prominently displayed on the Company's website www.triveniturbines.com. The Company strives to reply to the Complaints within a period of 6 working days.
- (e) **Annual Report:** Annual Report contains inter-alia Audited Annual Standalone Financial Statements/ Consolidated Financial Statements, Directors' Report, and Auditors' Report. The Management Perspective, Business Review and Financial Highlights are also part of the annual report.
- (f) **The Management Discussion & Analysis:** The Management Discussion & Analysis Report forms part of the Annual Report.
- (g) **Intimation to Stock Exchanges:** The Company intimates stock exchanges all price sensitive information or such other information which in its opinion are material & of relevance to the shareholders. The Company also submits electronically various compliance reports/statements periodically in accordance with the provisions of the Listing Regulations on NSE and BSE's Electronic Filing Systems.

General Shareholder Information

(a) Annual General Meeting

Date & Day	: Monday, September 23, 2019
Time	: 12.30 P.M.
Venue	: Stardom Convention, Ground Floor, C-1, Word TradeTower, Sector 16, Noida 201301
Financial Year	: 2018-19
Book Closure date for dividend	: Not Applicable
Dividend	: Not Applicable
Payment Date	

(b) Financial Year: April to March

Financial Calendar for the financial year 2019-20 (tentative)

Financial Reporting for the 1 st Quarter ending June 30, 2019	By mid of August, 2019
Financial Reporting for the 2 nd Quarter ending September 30, 2019	By mid of November, 2019
Financial Reporting for the 3 rd Quarter ending December 31, 2019	By mid of February, 2020
Financial Reporting for the Annual Audited Accounts ending March 31, 2020	By the end of May, 2020

(c) Listing on Stock Exchanges

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

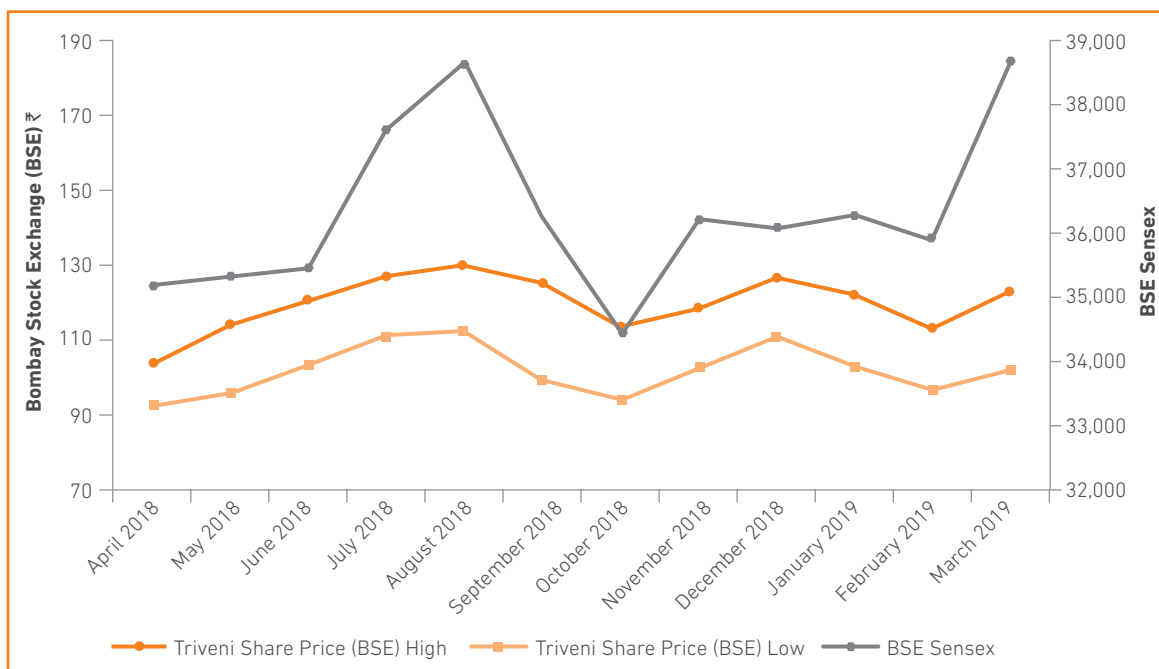
Sl. No.	Name and Address of Stock Exchanges	Stock Code
1.	BSE Ltd. Phiroze Jeejeebhoy Towers Dalal Street, Fort, Mumbai – 400 001.	533655
2	National Stock Exchange of India Ltd. Exchange Plaza, 5 th Floor Plot No. C/1, G Block, Bandra (E) Mumbai – 400 051.	TRITURBINE

The Company has paid the listing fees upto the Financial Year 2019-2020 to both the aforesaid Stock Exchanges

(d) Market Price Data/Stock Performance: year ended on March 31, 2019

During the year under report, the trading in Company's equity shares was from 1st April 2018 to 31st March, 2019. The high low price during this period on the BSE and NSE was as under:-

Month	Bombay Stock Exchange (BSE) (in ₹)		National Stock Exchange (NSE) (in ₹)	
	High	Low	High	Low
April, 2018	103.15	92.00	102.75	96.15
May, 2018	113.80	95.35	113.60	96.15
June, 2018	120.00	103.00	121.20	103.35
July, 2018	126.80	111.00	135.60	110.70
August, 2018	129.50	112.30	128.80	110.65
September, 2018	124.65	98.80	125.00	97.60
October, 2018	112.90	94.00	111.50	93.75
November, 2018	118.00	102.05	118.55	101.65
December, 2018	126.35	110.50	124.90	110.10
January, 2019	121.80	102.70	121.40	102.70
February, 2019	112.60	96.25	112.20	95.80
March, 2019	122.50	101.55	123.00	102.00

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

(f) Registrar & Share Transfer Agent

M/s Alankit Assignments Ltd.,
Alankit Heights
Unit: Triveni Turbine Limited
1E/13, Jhandewalan Extension,
New Delhi-110 055.
Phone: 011-42541234, 23541234,
Fax: 011-42541967
Email: rta@alankit.com

(g) Share Transfer System

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

perform other related activities in accordance with the Listing Regulations and SEBI (Depositories and Participants) Regulations, 1996 and submit a report in this regard to Stakeholders' Relationship Committee at every meeting.

The shares sent for physical transfer are registered and returned within the stipulated

period from the date of receipt of request, if the documents are complete in all respects. As per the requirement of regulation 40(9) of the Listing Regulations, a certificate on half yearly basis confirming due compliance of share transfer/transmission formalities by the Company from Practicing Company Secretary has been submitted to Stock Exchanges within stipulated time.

(h) Distribution of Equity Shareholding as on March 31, 2019

Group of Shares	Number of Shareholders	% to total Shareholders	Number of Shares held	% to Total Shares
1-500	27413	91.33	2771197	0.86
501-1000	1238	4.12	931529	0.29
1001-2000	564	1.88	846121	0.26
2001-3000	246	0.82	593390	0.18
3001-4000	133	0.44	473101	0.15
4001-5000	95	0.32	431840	0.13
5001-10000	139	0.46	1001215	0.31
10001 & above	187	0.62	316257091	97.82
Total	30015	100	323305484	100

(i) Shareholding Pattern of Equity Shares as on March 31, 2019

Category	Number of Shares held	Shareholding %
Indian Promoters	219142811	67.78
Mutual Funds/UTI	50232748	15.54
Banks, Financial Institutions, Insurance Cos	66313	0.02
FII's	-	-
Foreign Portfolio Investor	37906353	11.72
Bodies Corporate	2494615	0.77
Indian Public(*)	12693629	3.93
NRI's/OCBs	675265	0.21
Others – Clearing Members & Trust	93750	0.03
Total	323305484	100.00

(*) Includes 91783 equity shares held by directors and their relatives.

(j) Dematerialisation of Shares & Liquidity

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

The system for getting the shares dematerialised is as under:

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

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

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

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

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

As on March 31, 2019, 99.96% of total equity share capital of the Company were held in dematerialised form. The ISIN allotted in respect of equity shares of Rs. 1/- each of the Company by NSDL/CDSL is INE152M01016. Confirmation in respect of the requests for dematerialisation of shares is sent to NSDL and CSDL within the stipulated period.

(k) Outstanding GDR/ADR or Warrants

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

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

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

(m) Reconciliation of Share Capital Audit

As stipulated by SEBI, a qualified Practising Company Secretary carries out Reconciliation of Share Capital Audit to reconcile the total admitted capital with NSDL and CDSL and the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges. The Audit

confirms that the total listed and paid-up capital is in agreement with the aggregate of the total number of shares in dematerialised form and in physical form.

(n) Unclaimed Dividend

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

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

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

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

Financial Year/Period	Whether Interim/Final	Date of declaration of dividend	Due date for transfer to IEPF*1
2011-12	Final dividend	16.07.2012	15.07.2019
2012-13	Interim dividend	29.10.2012	28.10.2019
2012-13	Final Dividend	01.08.2013	31.07.2020
2013-14	Interim Dividend	06.11.2013	05.11.2020
2013-14	Final Dividend	08.08.2014	07.08.2021
2014-15	Interim Dividend	08.09.2014	07.09.2021
2014-15	Final Dividend	06.08.2015	05.08.2022
2015-16	1st Interim Dividend	06.11.2015	05.11.2022
2015-16	2nd Interim Dividend	16.03.2016	15.03.2023
2016-17	Interim Dividend	04.08.2016	03.08.2023
2016-17	Final Dividend	09.08.2017	08.08.2024
2017-18	Interim Dividend	08.11.2017	07.11.2024
2017-18	Final Dividend	10.09.2018	09.09.2025

1 Indicative dates, actual dates may vary

The Company during the FY 2018-19 transferred Rs 1,59,836/- towards unclaimed dividend to the IEPF Account.

Equity shares of the Company lying in IEPF suspense account

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

Particulars	Number of Shareholders	No of Equity shares
aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year	Nil	Nil
number of shareholders who approached listed entity for transfer of shares from suspense account during the year	Nil	Nil
number of shareholders to whom shares were transferred from suspense account during the year	Nil	Nil
aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year	440	31410

The voting rights on the shares outstanding in the said account as on March 31, 2019 shall remain frozen till the rightful owner of such shares claims the shares.

o) Locations

Registered Office

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

Share Department

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

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

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

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

p) Credit Rating

During the financial year 2018-19, ICRA has, reaffirmed the rating for long term and shortterm facilities of the Company at AA- and A1+ respectively with stable outlook.-

OTHER DISCLOSURES

➤ **Related Party Transactions**

During the year there was no materially significant related party transaction which may have potential conflict with the interest of the Company. The Company has formulated a Related Party Transaction policy which has been uploaded on its website at <http://www.triveniturbines.com/key-policies> Details of related party information and transactions are being placed before the Audit Committee from time to time. The details of the related party transactions during the year have been provided in Note no 36 to the financial statements.

➤ **Disclosures of Accounting Treatment**

In the financial statements for the year ended March 31, 2019, the Company has followed the treatment as prescribed in the applicable Accounting Standards.

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

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

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

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

➤ **Code for prevention of Insider Trading**

The Company has instituted code on prevention of insider trading in compliance with the SEBI (Prohibition of Insider Trading) Regulations. The Code lays down the guidelines which advise on procedures to be followed and disclosures to be made, while dealing in shares of the Company and the consequences of the non-compliances.

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

The Company has laid down a Code of Conduct for all Board Members and the Senior Executives of the Company. The Code of conduct is available on the Company's website www.triveniturbines.com. The code of conduct was circulated to all the members of the Board and senior management personnel and they have affirmed their compliance with the said code of conduct for the financial year ended March 31, 2019. A declaration to this effect signed by the Chairman & Managing Director is given below:

To the Shareholders of Triveni Turbine Ltd.

Sub.: Compliance with Code of Conduct

I hereby declare that all the Board Members and the Senior Management Personnel have affirmed compliance with the Code of Conduct as adopted by the Board of Directors and applicable to them for the Financial Year ended March 31, 2019.

Dhruv M. Sawhney

Place: Noida (U.P.)
Date: May 20, 2019

Chairman and Managing Director
DIN 00102999

Certification

The Chairman and Managing Director, Executive Director and Executive Vice President & CFO have certified to the Board of Directors, inter-alia, the accuracy of financial statements and adequacy of internal controls for the financial reporting purpose as required under Regulation 17 (8) of Listing Regulations, for the year ended March 31, 2019. The said certificate forms part of the Annual Report.

A certificate from the Company Secretary in Practice has been received stating that none of the Directors on the Board have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Board / Ministry of Corporate affairs or any such statutory authority

Remuneration to Statutory Auditors

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

Particulars	₹ (Million)
Service as Statutory Auditor (including quarterly audit)	2.50
Other matters	0.32
Re-imbursement of out of pocket expenses	0.28
Total*	3.10

* This amount is exclusive of ₹ 0.24 million paid to statutory auditors towards buyback related certificates.

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

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

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

Modified opinion(s) in audit report

The opinion expressed by the Auditor in the audit report on the financial statements for the year ended March 31, 2019 is unmodified.

Subsidiaries Companies

The Company has three unlisted International subsidiary/step down subsidiary companies i.e. Triveni Turbines Europe Pvt. Ltd. (TTE), domiciled in the UK, Triveni Turbines DMCC (TTD) domiciled in Dubai, UAE in which TTE holds its entire 100% shareholding and Triveni Turbines Africa (Pty) Ltd (TTA) domiciled in South Africa in which TTD holds its entire 100% shareholding. Besides the Company has an unlisted Indian subsidiary company i.e. GE Triveni Limited wherein the Company holds 50% plus one equity share.

None of these subsidiaries are "Material Non-Listed Subsidiary" in terms of Regulation 16 of Listing Regulations. Accordingly, as on March 31, 2019, the Company had two direct subsidiaries and two step down subsidiaries. The Company has a policy for determining Material Subsidiary which can be viewed in the Company's web site at <http://www.triveniturbines.com/sites/default/files/material-subsidiary-policy.pdf>.

The Company regularly places before the board, minutes of the Subsidiaries Companies.

Compliance Certificate on Corporate Governance from the Auditor

The certificate dated May 20, 2019 from the Statutory Auditors of the Company M/s Walker Chandio & Co LLP confirming compliance with the Corporate Governance requirements as stipulated under Listing Regulations is annexed hereto.

The above report has been adopted by the Board of Directors of the Company at their meeting held on May 20, 2019.

Dhruv M. Sawhney

Place: Noida (U.P.)
Date: May 20, 2019

Chairman and Managing Director
DIN 00102999

Annexure-C

Auditors' Certificate on Corporate Governance

To the Members of Triveni Turbine Limited

1. This certificate is issued in accordance with the terms of our engagement letter dated 17 May 2019.
2. We have examined the compliance of conditions of corporate governance by Triveni Turbine Limited ('the Company') for the year ended on 31 March 2019, as stipulated in Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2), and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

Management's Responsibility

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

Auditor's Responsibility

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to express a reasonable assurance in the form of an opinion as to whether the Company has complied with the conditions of corporate governance as stated in paragraph 2 above. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. We have examined the relevant records of the Company in accordance with the applicable Generally Accepted Auditing Standards in India, the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India ('ICAI'), and Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

7. Based on the procedures performed by us and to the best of our information and according to the explanations provided to us, in our opinion, the Company has complied, in all material respects, with the conditions of corporate governance as stipulated in the Listing Regulations during the year ended 31 March 2019.

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

Restriction on use

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

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

Vijay Vikram Singh
Partner

Membership No.: 059139
UDIN No : 19059139AAAAAH2868

Noida
20 May, 2019

CEO/CFO Certification

To
The Board of Directors
Triveni Turbine Limited

Sub: CEO/CFO certification under Regulation 17 (8) of Listing Regulations

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

- (a) We have reviewed financial statements and the cash flow statement for the year ended March 31, 2019 and that to the best of our knowledge and belief:
 - (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violate of the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the auditors and the Audit Committee:
 - (i) That there were no significant changes in internal control over financial reporting during the year;
 - (ii) There were no significant changes in accounting policies during the year; and
 - (iii) That there were no instances of significant fraud, of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Deepak Kumar Sen
Executive Vice President & CFO

Arun Prabhakar Mote
Executive Director
DIN: 01961162

Dhruv M. Sawhney
Chairman and Managing Director
DIN: 00102999

Place: Noida (U.P.)
Date: May 20, 2019

Certificate of Non-Disqualification of Directors

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

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

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

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2019 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India and Ministry of Corporate Affairs or any such other Statutory Authority.

S.No	Name of Director	DIN	Date of appointment in Company
1	Mr. Dhruv Manmohan Sawhney	00102999	10/05/2011
2	Mr. Nikhil Sawhney	00029028	10/05/2011
3	Mr. Tarun Sawhney	00382878	03/12/2007
4	Ms. Homai Ardeshir Daruwalla	00365880	01/11/2018
5	Mr. Santosh Pande	01070414	19/07/2017
6	Ms. Vasantha Suresh Bharucha	02163753	19/03/2014
7	Mr. Anil Purushottam Kakodkar	03057596	01/11/2018
8	Mr. Shekhar Datta	00045591	29/10/2012
9	Mr. Arun Prabhakar Mote	01961162	01/11/2012
10	Mr. Shailendra Bhandari*	00317334	20/05/2019

* Mr. Shailendra Bhandari was appointed as an additional director w.e.f. 20th of May, 2019.

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

For **Suresh Gupta & Associates**
Company Secretaries

Sd/-

Suresh Kumar Gupta

C. P. No 5204

FCS No. 5660

Place: Delhi
Date: May 20, 2019

Annexure-D

Secretarial Audit Report

For the Financial year ended March 31, 2019

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

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

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

We report that-

- a) Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- b) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
- c) We have not verified the correctness and appropriateness of the financial statements of the Company.
- d) Wherever required, we have obtained the Management representation about the compliances of laws, rules, regulations and standards and happening of events etc.
- e) The compliance of the provisions of the corporate and other applicable laws, rules, regulations and standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
- f) The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Based on our verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information

provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2019 ("Audit Period") complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2019 according to the provisions of:-

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings, where applicable;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) *The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

- (d) *The Securities and Exchange Board of India (Share based Employee Benefits) Regulations, 2014;
- (e) *The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act, 2013 and dealing with client;
- (g) *The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 and Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018, to the extent applicable; and
- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

*No event took place under these regulations during the audit period.

We have also examined compliance with the applicable clauses of the Secretarial Standards on Meetings of the Board of Directors and on General Meetings issued by the Institute of Company Secretaries of India which has been generally complied with.

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

- (vi) The Company is a leading manufacturer of industrial steam turbine. Following are some of the laws specifically applicable to the Company, being in heavy industry:-
 - Batteries (Management and Handling) Rules, 2001 and made under Environment (Protection) Act, 1986; and Petroleum Act, 1934 and rules made there under.

We have checked the compliance management system of the Company to obtain reasonable assurance about the adequacy of systems in place to ensure compliance of specifically applicable laws and this verification was done on test basis. We believe that the Audit evidence which we have obtained is sufficient and appropriate to provide a basis for our audit opinion. In our opinion and to the best of our information and according to explanations given to us, we believe that the compliance management system of the Company seems adequate to ensure compliance of laws specifically applicable to the Company.

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took

place during the audit period were carried out in compliance with the provisions of the Act.

Adequate notices were given to all directors to schedule the Board Meetings. Agenda and detailed notes on agenda were sent in advance of the meetings and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting for meaningful participation at the meeting.

Board decisions are carried out with unanimous consent and therefore, no dissenting views were required to be captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations, standards and guidelines.

We further report that during the audit period-

- Pursuant to the Provision of Section 68, 69 and 70 of the Companies Act, 2013 and Securities and Exchange Board of India (Buy-Back Of Securities) Regulations, 2018, the members of the Company has passed a special resolution by postal ballot dated December 15, 2018 for the buyback by the Company of its fully paid-up equity shares having a face value of INR 1 (Indian Rupee One only) each ("Equity Shares"), not exceeding 66,66,666 (Sixty Six Lakh Sixty Six Thousand Six Hundred and Sixty Six) Equity Shares (representing 2.02% of the total paid-up equity capital of the Company as on March 31, 2018) at a price of INR 150 (Indian Rupees one hundred fifty only) per Equity Share ("Buyback Offer Price") payable in cash for an aggregate maximum amount not exceeding INR 100,00,00,000 (Indian Rupees one hundred crore only), which represents 22.53% and 22.24% of the aggregate of the Company's paid-up capital and free reserves (including securities premium) as on March 31, 2018 on a standalone and consolidated basis respectively, as per the audited financials of the company for the year ended as on March 31, 2018 from all the equity shareholders/ beneficial owners of the Equity Shares of the Company, including the Promoter, as on a record date to be subsequently decided by the Board, through the "tender offer" route, on a proportionate basis as prescribed under the SEBI Buyback Regulations.

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

New Delhi
 May 20, 2019

Sanjay Grover
 Managing Partner
 CP No.: 3850

Annexure-E

Report on CSR Activities/Initiatives

1. A brief outline of the Company's CSR policy, including overview of the projects or programmes proposed to be undertaken and reference to the web-link to the CSR Policy and projects or programmes

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

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

2. The composition of the CSR Committee:

(i) Mr. Nikhil Sawhney, Chairman

(ii) Ms Homai A Daruwalla

(iii) Mr. Tarun Sawhney

(iv) Mr. Arun P. Mote

3. Average Net Profit of the Company for last 3 financial years: ₹ 1595.03 million
4. Prescribed CSR expenditure (2% of amount): ₹ 31.90 million
5. Details of CSR activities/projects undertaken during the year:
- a) Total amount spent /committed to be spent for the financial year: ₹ 32.08 million
- b) Amount unspent, if any: Nil.
- c) Manner in which the amount spent during financial year is detailed below:

(₹ In Million)

1	2	3	4	5	6	7	8
Sr No	CSR project/ activity identified	Sector in which the Project is covered	Projects/ Programmes 1. Local area/others- 2. Specify the state / district (Name of the District/s, State/s where project/ programme was undertaken)	Amount outlay (budget) project/ programme wise	Amount spent on the project/ programme 1. Direct expenditure on project/ programme, 2. Overheads:*	Cumulative spend upto the reporting period	Amount spent: Direct/ through implementing agency
1	Caring for the disabled children	Promoting education including special education among the differently abled	1. Local Area 2. Bengaluru	1.20	1.20	1.20	Through implementing agency: Dharithree Trust
2	Caring for the differently abled children	Education and Training for Special/ Differently-abled children	1. Local Area 2. Bengaluru	1.45	1.45	1.45	Through implementing agency: Aruna Chetna
3	Providing education to under-privileged children at Pre-Nursery school.	Promoting education among children	1. Local Area 2. Bengaluru	0.25	0.25	0.25	Through implementing agency: Govt Model Primary School, Peenya
4	Providing education to the rural students	Promoting education among children	1. Local Area 2. Bengaluru	0.50	0.51	0.51	Through implementing agency: Govt Model Primary School, Peenya
5	Providing education to the rural students	Promoting education among children	1. Local Area 2. Bengaluru	0.30	0.30	0.30	Through implementing agency: Govt Model Primary School, Sompura

1	2	3	4	5	6	7	8
Sr No	CSR project/ activity identified	Sector in which the Project is covered	Projects/ Programmes 1. Local area/others- 2. Specify the state / district (Name of the District/s, State/s where project/ programme was undertaken)	Amount outlay (budget) project/ programme wise	Amount spent on the project/ programme 1. Direct expenditure on project/ programme, 2. Overheads:*	Cumulative spend upto the reporting period	Amount spent: Direct/ through implementing agency
6	Support to Nursing School	Promoting education including employment enhancing vocation skills especially among women	1. Others 2. Delhi	2.90	2.90	2.90	Through implementing agency: Tirath Ram Shah Charitable Trust
7	Providing training on environmental sustainability to various renewable energy plants	Ensuring environmental sustainability.	1. Local Area 2. Bengaluru	3.30	3.29	3.29	Through implementing agency: Metis ERC (I) Private Limited
8	Water tool Applications for Sustainable Solutions, Enhanced capacities, and Renewal Phase 2	Ensuring environmental sustainability, ecological balance, conservation of natural resources and maintaining quality of water	1. Others 2. Delhi	10.00	10.00	10.00	Through implementing agency: CII-Triveni Water Institute, Gurgaon
9	Support for new SC02 based power generator project	Ensuring environmental sustainability;conservation of natural resources	1. Local Area 2. Bengaluru	5.00	5.00	5.00	Through implementing agency: Indian Institute of Science, Bengaluru
10	Preventive health programme for females	Promoting healthcare including preventive health care	1. Others 2. Delhi	3.82	3.82	3.82	Through implementing agency: Tirath Ram Shah Charitable Trust
11	Protecting the Girl Child from Cervical Cancer	Promoting healthcare including preventive health care	1. Others 2. Delhi	0.66	0.66	0.66	Through implementing agency: Tirath Ram Shah Charitable Trust
12	New Born Screening Programme	Promoting healthcare including preventive health care	1. Others 2. Delhi	1.62	1.62	1.62	Through implementing agency: Tirath Ram Shah Charitable Trust
13	CII Project – Waste to Manure	Ensuring environmental sustainability;conservation of natural resources	1. Others 2. Delhi	0.40	0.40	0.40	Through implementing agency: East Delhi Municipal Corporation in collaboration with CII
14	Project Management Expenses			0.66	0.68	0.68	
Total				32.06	32.08	32.08	

* Note: Column 6 represents direct expenditure on the projects except in Sr. No. 14 wherein it represents project management overheads

6. In case the Company has failed to spend the 2% of the average net profit of the last 3 financial years or any part thereof, reasons for not spending the amount is in its Board Report.
Not applicable
7. The CSR Committee confirms that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company

Dhruv M. Sawhney
Chairman and Managing Director
DIN: 00102999

Nikhil Sawhney
Chairman of CSR Committee
DIN: 00029028

Annexure-F

(A) Conservation of Energy

I Steps taken or impact on conservation of energy:

The manufacturing facilities of the Company are not power or fuel intensive but the Company endeavours to optimize and conserve energy to the maximum possible extent. After having installed power efficient equipment, wherever required, the Company dynamically reviews further scope of conservation at both the Peenya and Sompura plants. During the year Company's Peenya Plant is certified under IGBC Green Factory Building scheme as Platinum Rated facility. This has been achieved through harvesting of solar energy through 300 kva panels, re-engineering the roofing, daylights and windows to get natural light and ventilation throughout the shop and offices, planting more than 3000 trees to get a thick green cover resulting in temperature drop and natural ambience, water harvesting and recycling, etc. Further following steps are being taken for conservation of energy.

1. All fluorescent tube lights / CFL lights / Mercury vapour lamps / Spot lights have been replaced with energy efficient LED tubes which has resulted in power savings of about 10069 KWH/year.
2. Energy optimisation benefit of cycle time reduction in blade machining process through modified program, tooling and improved clamping has reduced power consumption in the production of blades – savings 17,250 KWH/year
3. Separate switch boards for factory bay lighting to selectively switch on lights based on activities in the given areas resulting in savings of 850 KWH/year
4. Energy efficient LED lamps in machine tools: power savings of about 2723 KWH/Year over CFL lamps
5. Power factor is monitored and controlled between 0.95 to 1.0
6. All electric overhead travelling cranes (EOT) are provided with AC drive to ensure smooth starting, safe operation and energy conservation: savings of 74,250 KWH/Year
7. Boiler and Cooling Tower is equipped with Variable Frequency Drive (VFD) for the forced draft fan savings of about 121,652 KWH/year.

8. Self driven roof fume extractors are provided in the shop floor for energy free air circulation: saving of 69,379 KWH/year.
9. Polycarbonate roof sheets are provided to avail natural day light savings of 3413 KWH/year.
10. Timer control for the street lights: savings of 2248 KWH/ year.
11. Motion control lighting in restrooms & other places resulting in saving of 350 KWH/ year

II. Steps taken by company for utilising alternate source of energy:

1. Daylight harvesting and ventilation by redesigning of building structure.
2. Generation of 320 MWH of energy through solar photovoltaic plant of 300 KW installed in Peenya Plant.

III. Capital investment of energy conservation equipment :

No capital investment made during 2018-19

(B) Technology Absorption

To address both domestic and global market, the Company is continuously carrying out technology upgradation through multi-generational product programs. These programs help the Company to achieve product competitiveness on various fronts, such as cost, efficiency, robustness and operability which translate into customer benefits, such as faster start-up of turbine systems and remote monitoring solutions. In addition, sector specific product upgrades in process co-generation, distillery application, and waste-to-energy systems help in widening the product offerings to diverse segments. The Company has leveraged in-house R&D expertise along with institutional help like of reputed national & international technical institutes and domain expert consultants to come up with well engineered product solutions, such as for cascade testing of aerofoil.

(a) The efforts made towards technology absorption:

- i. Executing steam turbine projects in API segment for drive application.
- ii. Development of vertical turbines.
- iii. Employing injection steam cycles for waste heat recovery in steam turbine projects.
- iv. Development of new aero paths.

- v. Executing compressor drive turbine projects for process industries.
- vi. Development of in-house load testing capabilities for aero validations.
- vii. Development of competitive models through medium reaction stages.
- viii. Development of abradable coatings to improve sealing efficiency.
- ix. Development of laser cladding to reclaim journals of refurbishing rotors.
- x. Introduction of 3D contactless laser measurement system for reverse engineering.
- xi. Stabilization of HVOF process for LP blade coating.
- xii. Development of laser welding for seats and valves.
- xiii. Development of LP blade edge induction hardening process.
- xiv. Development of 3D printing for rapid prototyping.
- xv. Development of processes for machining of compressor rotors and impellers.

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

- i. Improvement in operability through remote monitoring of turbine systems.
- ii. Improvement in productivity & faster delivery time.
- iii. Improvement in reliability & performance.
- iv. Improvement in energy conversion efficiency levels.
- v. Contribution towards environmental sustainability through reduction in carbon footprints of TG set.
- vi. Improvement in start-up cycles at several levels by using state-of-the-art CFD, Heat Transfer, Transient Analysis and Stress Analysis software.
- vii. Achieve competitiveness in product offerings by improved cost and efficiency levels.

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

- a) the details of technology imported;
 - Not applicable
- b) the year of import;
 - Not applicable
- c) whether the technology been fully absorbed;
 - Not applicable
- d) if not fully absorbed, areas where absorption has not taken place, and the reasons, thereof
 - Not applicable

(d) The expenditure incurred on Research and Development.

Expenditure on R&D

(₹ in Million)

Particulars	31-Mar-2019	31-Mar-2018
a) Capital	13.16	22.72
b) Recurring	68.77	63.08
c) Total	81.93	85.80
d) Total R&D expenditure as percentage of turnover	0.99%	1.16%

(C) Foreign Exchange Earnings and Outgo

(₹ in Million)

Particulars	31-Mar-2019	31-Mar-2018
Foreign Exchange earned in terms of actual inflows	3869.50	3,284.21
Foreign Exchange outgo in terms of actual outflows	773.47	640.34

For and on behalf of the Board of Directors

Dhruv M Sawhney

Chairman and Managing Director
DIN 00102999

Annexure-G

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

- (i) The ratio of the remuneration of each Director to the median remuneration of the employee of the Company for the Financial year 2018-19 and percentage increase in remuneration of each Director, CFO and CS in the Financial year 2018-19.

Name of Director/KMP and Designation	Ratio of remuneration of Directors to Median Remuneration	% of increase of remuneration in the Financial Year 2018-19
Mr. Dhruv M. Sawhney* Chairman and Managing Director	NA	NA
Mr. Nikhil Sawhney Vice Chairman and Managing Director	56.93	12.3%
Mr. Arun Prabhakar Mote Executive Director	36.80	9.0%
Mr. Tarun Sawhney Non Executive Director	2.03	(2.0%)
Lt. Gen. K. K. Hazari (Retd.)** Non Executive Independent Director	0.23	(90.8%)
Mr. Shekhar Datta Non Executive Independent Director	2.39	17.0%
Dr. (Mrs.) Vasantha S Bharucha Non Executive Independent Director	2.04	(19.2%)
Mr. Santosh Pandey Non Executive Independent Director	2.32	13.6%
Ms. Homai A. Daruwalla*** Non Executive Independent Director	1.34	NA
Dr. Anil Kakodkar*** Non Executive Independent Director	1.26	NA
Mr. Deepak Kumar Sen Chief Financial Officer	8.15	13.2%
Mr. Rajiv Sawhney Company Secretary	3.92	8.3%

*No Salary is being drawn by the CMD.

** Ceased to be director, due to resignation, w.e.f November 1, 2018

*** Joined w.e.f November 1, 2018

- (ii) The median remuneration of employees during the financial year was ₹ 0.72 million.
- (iii) In the current financial year, there was an increase of 22.2 % in the median remuneration of employees.
- (iv) There were 642 permanent employees (548 officers and 94 workmen) on the rolls of the Company as on March 31, 2019.
- (v) The average percentile salary increase of employees other than managerial personnel was 13.48% against 10.97% in the managerial remuneration. The overall increase in the remuneration is in commensurate with industry standards.
- (vi) It is hereby affirmed that the remuneration paid during the financial year ended March 31, 2019 is as per the Nomination and Remuneration policy of the Company.

Note:

- As the liability for gratuity and leave encashment is provided on an actuarial basis for the Company as a whole, the amount pertaining to the key managerial personnel are not ascertainable and, therefore, not included.
- The employee and salary details are provided for all permanent employees other than trainees.

For and on behalf of the Board of Directors

Dhruv M Sawhney
Chairman and Managing Director
DIN 00102999

Annexure-I

Business Responsibility Report – 2018-19

Section A: General Information about the Company

1. **Corporate Identity Number (CIN) of the Company** - L29110UP1995PLC041834
2. **Name of the Company** - Triveni Turbine Limited.
3. **Registered Address** - A-44, Hosiery Complex, Phase –II Extn., Noida – 201 305, U.P
4. **Website** - www.triveniturbines.com
5. **E-mail ID** - shares.ttl@trivenigroup.com
6. **Financial Year reported** - 2018-19
7. **Sector(s) that the Company engaged in**

NIC Code	Product Description
281	Steam Turbine and Accessories and parts thereof
331	Servicing Operations and Maintenance of Steam Turbines

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

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

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

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

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

The Company operates in the following locations through its foreign subsidiaries and their network of offices

London, UK; Dubai, UAE; Johannesburg, South Africa ; Jakarta, Indonesia; and Bangkok, Thailand

ii. National Locations:

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

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

Local	State	National	International
✓	✓	✓	✓

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

Section B: Financial Details of the Company

		Triveni Turbine Limited	
		FY-19 Standalone ₹ million	FY-19 Consolidated ₹ million
1	Paid-up Capital	323.30	323.30
2	Total Turnover		
	(a) Revenue from operations (gross)	8287.89	8399.86
	(b) Other income	161.76	161.88
3	Total Comprehensive Income for the year	919.42	1044.18

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

The Company has spent an amount of ₹ 32.08 million during the financial year 2018-19 which amounts to 2% of average net profit before tax for previous three years on standalone basis. Thus the total CSR spent for the year 2018-19 is 3.66% of Profit After Tax for the year.

The CSR Committee of the Company deliberates and finalizes various CSR proposals as per Company's CSR policy and recommends such proposals to the Board for approval. The Committee also periodically reviews and monitor the progress of all approved CSR projects.

Additionally, during financial year 2018-19, the Joint Venture Company, GE Triveni Ltd, Bengaluru has spent ₹ 1.71 million for CSR activities as per its obligations.

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

- (i) Health care- Preventive and critical care for women and children
- (ii) Education
- (iii) Technology and Innovation
- (iv) Environment and sustainable solutions for renewable energy

Section C: Other Details

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

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

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

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

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

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

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

Not Applicable

Section D: BR Information

1. Details of Director/Directors responsible of BR

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

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

b) Details of the BR head*

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

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

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

- P1** Business should conduct and govern themselves with Ethics, Transparency and Accountability.
- P2** Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.
- P3** Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.
- P4** Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.
- P5** Businesses should respect and promote human rights
- P6** Business should respect, protect, and make efforts to restore the environment.
- P7** Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.
- P8** Businesses should support inclusive growth and equitable development.
- P9** Businesses should engage with and provide value to their customers and consumers in a responsible manner.

S. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have policy/policies for BR	Yes. The Company has policy for Business Responsibility. Besides, the Company has formulated policies and standard operating procedure (SOP) to provide clarity to its personnel at various operating level.								
2	Has the policy being formulated in consultation with the relevant stakeholder?	The Company has formulated the policies, SOPs and adopted best practices by considering inputs, feedback and sensitivities of the stake holders, wherever practicable.								
3	Does the policy conform to any national/international standards? If yes, specify? (50 words)	Yes, the policies/practices broadly conform to the National Voluntary Guidelines (NVGs) issued by the Ministry of Corporate Affairs, Government of India, July 2011								
4	Has the policy being approved by the Board? If yes, has it been signed by MD/owner/CEO/ appropriate Board Director?	Policies have been approved by the Board wherever it is mandatorily required and signed by the Executive Director								
5	Does the company have a specified committee of the Board/Director/Official to oversee the implementation of the policy?	The BR initiatives are informally led by the Executive Director under guidance of CSR Committee and overall supervision of the Board of Directors.								
6	Indicate the link for the policy to be viewed online?	The BR initiatives are presently governed by various Policies (such as Code of conduct, whistle blower policy, Corporate Social Responsibility Policy, Code of Fair Disclosure). These policies can be viewed at: www.triveniturbines.com on the Company's website.								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	The internal stakeholders have been made aware of the policies. SOPs are distributed to all HODs for wide circulation. External Stakeholders are communicated to the extent applicable and relevant. The mandatory policies are also updated on the website of the Company.								
8	Does the company have in-house structure to implement the policy/policies	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	The Company has an effective system of recording comments / complaints of the stake holders and relating to above policies and there is a time bound approach to resolve such complaints in a fair manner.								
10	Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Apart from self-certification, discussions in meetings of cross-functional teams, certain areas related to EHS, customer satisfaction and quality are subject to internal audit by independent third party agencies and domain expert consultants. The compliance is also evaluated during the process of certification of various international quality standards. The spending and controls of corporate social responsibility are verified by statutory auditors.								

2a. If answer to S. No.1 against any principle, is "No" please explain why: (Tick up to 2 options):

S. No	Questions	P1	P2	P3	P4	P5	P6	P7	P8
1	The company has not understood the Principles.								
2	The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles.								
3	The Company does not have financial or manpower resources available for the task.								NOT APPLICABLE
4	It is planned to be done within next 6 months.								
5	It is planned to be done within next 1 year.								
6	Any other reason (please specify).								

3. Governance related to BR

- **Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, annually, more than 1 year.**

The Vice Chairman and Managing Director and Executive Director review and assess the BR performance of the Company at least once a year. Other senior officers of the company review them more frequently.

- **Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?**

The Company publish annual Business Responsibility Report on yearly basis and publish it in Company's Annual Report . The same is hosted in Company's website www.triveniturbines.com

Section E: Principle-wise performance

Principle 1: Ethics, Transparency and Accountability

The Company's commitment to ethical and lawful business conduct is a fundamental shared value of the Board of Directors, senior management and all employees of the Company and its subsidiaries. The Corporate Governance philosophy of the Company is anchored on the values of integrity, transparency, building efficient and sustainable environment, system and practices to ensure accountability, transparency, fairness in all the transactions in the widest sense to meet stakeholders and societal expectations. The Code of Conduct and other policies adopted by the Company apply to the employees of the Company. In addition, the Company has a Whistle Blower Policy through which the Company seeks to provide a mechanism to the employees and directors to disclose any unethical and/or improper practice(s) suspected to be taking place in the Company for appropriate action and reporting. Further, no employee is

denied access to the Audit Committee and all disclosures, non-compliances if any, are reported to the Chairman of the Audit Committee. The Code of Conduct and Whistle Blower Policy are uploaded on the Company's website- www.triveniturbines.com.

1. **Does the Policy relating to ethics, bribery and corruption cover only the Company? Does it extend to the Group / Joint Ventures / Suppliers/ Contractors / Others?**

The policy relating to ethics, bribery and corruption is applicable to the Company as well as its wholly owned foreign subsidiaries. Such matters are reviewed by the Board of Directors of the subsidiaries. The policies hosted in Companies website are applicable also to all wholly owned subsidiaries. GE Triveni Ltd., a joint venture of the company, has framed its own policies in this regards. The Company also encourages its suppliers and contractors to adopt such practices and follow the concept of being a responsible business entity.

2. **How many stakeholders' complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof.**

In the course of business, the Company has received 6 nos queries from shareholders during the year, which were all resolved. Further, 47 Customer queries/ complaints were received during the year relating to functionality and quality of the steam turbines of which 79% were resolved satisfactorily, 17% attended by the Company and awaiting customer confirmation and balance are under process of closure. With a view to achieve maximum customer satisfaction, the Company gives utmost importance to resolve such inputs and absorbs the learning in the system and processes to avoid recurrence. Other than the aforesaid, the Company did not receive any major complaints and none of the major complaints is outstanding at the end of the year.

Principle 2: Sustainability of Products & Services across Life –Cycle

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and / or opportunities

The Company manufactures Steam turbines, spare parts and provides services relating thereto, including refurbishment of steam turbines of other makes. The products supplied by the company are environmental friendly and help industries to lower costs through cost competitive generation of power for captive consumption and/or for external sale.

The Company supports environment sustainability with significant focus on thermal efficiency improvements to meet key customer expectations. The Steam Turbines supplied in power plants are run on non-fossil/renewable fuels like sugarcane bagasse, biomass, municipal waste and waste heat from process plants and gas turbines. The Company has a well-equipped Research and Development department which is engaged in continually developing highly efficient turbines keeping in view the social and environmental concerns. With higher efficiency turbine solutions, on which the Company is consistently concentrating, there will be considerable reduction in carbon foot print.

The Company has introduced Hybrid (Reaction –Impulse) design which combines the unique advantages of both reaction and impulse technologies for fuel efficiency, robustness and compactness. The customers are benefitted in terms of less fuel consumption, automated turbine control system, high density turbine with lower foot print with same power output.

Keeping in view the scarcity and cost of fossil fuel the Company has designed Turbine solutions for energy efficient district heating plants, to generate Combined Heat and Power using Biomass fuel. District Heating System distributes thermal energy from a central source to residential, commercial and industrial consumers for use in space heating, water heating and process heating.

The Company offers steam turbines that can help industries produce clean energy solutions from waste heat from industrial equipment's like boilers, furnaces, process heaters among others. Waste heat recovery improve energy efficiency and recovering waste heat losses provides an attractive opportunity for an emission free and less costly energy resource.

2. For each such product provide the following details in respect of resource use (energy, water, raw material etc) per unit of product (Optional).

- a) Reduction during sourcing/ production/ distribution achieved since the previous year throughout the value chain?

The R&D and Design/Electrical Engineering Departments is engaged in value engineering to achieve reduction of material and consumables usage per turbine in partnership with major supply chain suppliers and sub-contractors. The aim is to generate optimum energy at least cost and lower consumption of steel per MW of power generation, including reduction in consumption of fossil fuels.

- b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?

The Company is continually engaged in upgradation of its products to bring about energy conservation to optimize the resource use. Further, it is involved in reducing wastages/ rejections during the manufacturing process (including that of its suppliers & subcontractors) and value engineering activities with a view to reduce costs of products and be competitive, without compromising in any manner on the quality and benchmark efficiencies.

The Company has roof top Solar PV Power Panels as part of the ambitious goal of securing 15% electricity from renewable sources. The installed capacity of the plant is 300 KW (solar photovoltaic (PV) plant) and is capable of generating 0.38 million units annually which resulted in reduction of the carbon footprints of about 392 tonnes annually.

Various other steps taken for conservation of energy are provided in Annexure G to Directors Report.

3. Does the Company have procedures in place for sustainable sourcing (including transportation)?

IF yes, what percentage of your inputs was sourced sustainably?

Yes. The Company is increasingly building its capabilities for effective sustainable sourcing. The company understands the growing expectations of stakeholders (including customers, shareholders, employees, NGOs, trade associations, labor unions, government agencies, etc.) to take responsibility for their supplier's environmental, social and ethical practices. Accordingly, company is increasingly making responsible sourcing an integral part

of procurement and supply chain management processes and managing these risks in the supply chain.

Though it is difficult to quantify exactly in terms of percentage of inputs that was sourced sustainably, the Company is increasingly focused on sustainable sourcing and it is on rise.

4. Has the Company taken any steps to procure goods and services from local and small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

i) Yes, the Company encourages highly skilled willing retired employees to develop small or micro companies, around its vicinity, for supply of components to the Company and provide related services. Further, the Company also develops several job workers locally, mostly small producers, for sourcing components. The Company imparts necessary training and engineering skills to the local job workers for their development and ensures sustainable quality deliverables. During the year the Company has procured above 60% of total procurement in terms of value from local sources, where local source is defined as at the State in which the manufacturing plant is established.

ii) The Company also believes in long term partnership with the vendors by having rate contracts with them and providing periodical feedback on their performances in terms of quality, delivery, services, environmental health and safety, which helps the vendors to improve their performance by taking corrective actions on the parameters where they are found lacking. Transparency and fair approach are maintained while dealing with the vendors during the entire procurement cycle.

5. Does the Company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also provide details thereof in about 50 words

Yes, the Company have a mechanism to recycle products and waste. Lubricating oil is recycled using centrifuge filtering process to remove suspended solids and impurities. About 85% to 88% lubricating oil is recovered and reused by this process. Further the waste steel raw-materials arising out of the manufacturing process are sent back to the foundries from where the Company sources the castings. The Company thus ensures almost 100% recycle of steel waste during production with negligible waste.

Principle 3: Employee Well-being

Sl.	Category	Response
1.	Total number of employees	1154* (includes Permanent, Temporary, trainee and contractual employees)
2.	Total numbers of employees hired on temporary / contractual / casual basis	467*
3.	Total number of permanent women employees	32*
4.	Total number of permanent employees with disabilities	NIL
5.	Do you have employee association that is recognized by management?	Yes
6.	What percentages of your permanent employees are members of this recognized employee association?	Around 15%

* as on March 31, 2019

7. Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

There were no such complaints during the year.

8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?

Category	Safety (%)	Skill Up-gradation (%)
Permanent employees	65%	73%
Permanent Women Employees	82%	76%
Casual / Temporary / Contractual employees	34%	NA
Employees with disabilities	NA	NA

Principle 4: Stake Holder Engagement

1. Has the Company mapped its internal and external stakeholders?

Yes, the key stakeholders of the Company are employees, customers, government authorities, suppliers & Contractors, charitable organizations, trade & chamber associations, shareholders and society.

2. Out of the above, has the Company identified the disadvantaged, vulnerable & marginalized stakeholders?

For the Company all the stakeholders are equally

significant. However, the Company encourages to associate and develop small and micro suppliers and job workers and assist them to provide requisite engineering skill and access to resources. In addition, the company engages in various CSR activities, mostly for vulnerable and marginalized stakeholders.

3. Are there any special initiative taken by the Company to engage with the disadvantage, vulnerable and marginalized stakeholders? If so, provide details thereof, in about 50 words

As a part of the CSR initiatives of the Company, considerable importance is given to disadvantage, vulnerable and marginalized stakeholders – Please refer to Annexure E of the Director's Report.

Principle 5: Human Rights

1. Does the policy of the Company on human rights cover only the Company or extend to the Group/ Joint Ventures/ Suppliers/ Contractors/ Others?

The Company has the Human Rights Policy which is primarily applicable to the Company. However, the Company encourages its Joint Ventures, suppliers, contractors and other stake holders to follow its Human Rights Policy and engages with them to elaborate the salient points.

2. How many stakeholders' complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

During FY 2018-19, the Company has not received any complaints pertaining to human rights from any stakeholder.

Principle 6: Protection & Restoration of the Environment

1. Does the Policy related to Principle 6 cover only the Company or extend to the Group/ Joint Ventures/ Suppliers/ Contractors/ Others.

The Company's Policy on Safety, Health & Environment extend, to the extent practicable, to its subsidiaries, Joint Venture, Suppliers and Contractors as well.

2. Does the Company have strategies / initiatives to address global environmental issues such as climate change, global warming etc.? (Y/N) If yes, please give hyperlink for webpage:

Yes, as a responsible Corporate entity, the Company conducts Legal and Environmental Audits on a periodic basis. The Environmental Management System (EMS) is a comprehensive approach to environmental management and continual improvement, which is certified in line with ISO 14001:2015 & OHSAS 18001:2007 standards. Audits are being conducted on half yearly basis by a reputed

organization, which is recognized by over 50 accreditation bodies and it is applied to all group Companies. The products of the Company are based on renewable energy and are instrumental in generating green power. Please refer to Management Discussion and Analysis section of Annual Report 2019, which is also provided at www.triveniturbines.com

Under Company's various "Green initiatives", the Company's manufacturing plants have more than 4500 trees, zero discharge facility with 100% waste water getting treated and used for gardening along with Kitchen Waste Compost units. The employees of the Company and its vendors are encouraged to do tree planting in their respective houses, vicinity and factories by free distribution of saplings.

3. Does the Company identify and assess potential environmental risks? (Y/N)

Yes, it is the endeavor of the Company to continually evaluate and subject its processes to stringent scrutiny to minimize the impact of its manufacturing operations on the environment. Further, the same philosophy is practiced in the development of new products, the objective of which is to improve thermal efficiency levels, use renewable energy and be involved in projects linked to green power and alternate power such as power from municipal waste etc.,

4. Does the Company have any Project related to clean development mechanism? If yes, whether any environmental compliance report is filed.

No, the Company is not directly associated with any project related to clean development mechanism (CDM). However, in view of its product being environment friendly and related to renewable energy, it must have supplied its products to CDM projects, the details of which are not available with the Company.

At present, under Clean Development Mechanism, company subscribes to create Green Factories. During the current year Company's Peenya Facility has been awarded prestigious "PLATINUM RATING FOR GREEN FACTORY" under the Indian Green Building Council's certification scheme. This award is for implementing the green practices in Design of building and facilities, Energy conservation, Water Conservation, Optimization of process parameters towards conservation of natural resources, Green cover, use of non conventional energy sources etc., Presently Company is working with Indian Green Building Council (IGBC) for certification of its Sompura facility" and hence continues to demonstrate Company's commitment to green buildings.

5. Has the Company undertaken any other initiatives on clean technology, energy efficiency, renewable energy, etc.

The Company currently sources 15% of its electricity from renewables. Energy Conservation measures have been implemented at all the plants and offices of the Company and special efforts are being put on undertaking specific energy conservation projects. Most importantly, the steam turbines manufactured by the Company largely operate on non-fossil fuel, renewable in nature, to meet the steam and power requirements of its customers.

The Peenya plant generates 300 KW using solar power which meets 30% of our total consumption. The Company has similar plans for its new facility in Sompura which will be implemented in due course.

6. Are the Emissions/ Waste generated by the Company within the permissible limits given by CPCB/ SPCB for the financial year being reported?

Yes, the Emissions / waste generated by the Company are within the permissible limits given by Central Pollution Control Board ("CPCB") / State Pollution Control Board ("SPCB").

7. Number of show cause / legal notices received from CPCB/ SPCB which are pending (ie not resolved to satisfaction) as on end of financial year.

No such notices were received during the year or pending at the end of the financial year.

Principle 7: Responsible Advocacy

1. Is your Company a member of any trade and chamber or association? If yes, name only the ones that your business deals with:

The Company is a member of various trade and chamber associations. The major ones are:

- a. Confederation of Indian Industries (CII)
- b. Federation of Indian Chambers of Commerce and Industry (FICCI)
- c. The Sugar Technologists' Association of India (STAI)
- d. The Associated Chambers of Commerce and Industry of India (ASSOCHAM)

2. Have you advocated / lobbied through above associations for the advancement or improvement of public good? Yes/ No if yes specify the broad areas.

The Company approaches from time to time with various organization, namely, CII, FICCI, STAI etc for improvement of various economic and social policies for sustainable growth in the value chain.

Principle 8: Supporting inclusive Growth & Equitable Development

1. Does the Company have specified programs / initiatives/ projects in pursuit of the Policy related to Principle 8?

Yes, the details are forming part of the CSR Report – Annexure-E to the Director's Report. This is in addition to the Company's efforts to support small and micro suppliers and job workers.

2. Are the Programs/ Projects undertaken through in house team / own foundation/ external NGO/ Government structures / any other organization?

The Company's social projects are carried on under its CSR Policy for community welfare, providing education for employment opportunities and rural development. Collaborative partnerships are formed with external implementation agencies having requisite competence.

3. Have you done any impact assessment of your initiatives?

Yes, for each of the CSR project undertaken, impact analysis is carried out by external implementation agency along with in-house CSR team. All such assessments are carried out after completion of the project.

4. What is your Company's direct contribution to community development projects – amount in INR and the details of the project undertaken?

The Company has made incurred CSR expenditure amounting to ₹ 32.08 million during the financial year. Additionally, a subsidiary of the Company has incurred Rs 1.71million towards CSR activities. Please refer to Annexure -E of the Director's Report for details.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the Community?

Yes, the CSR activities were pursued in line with the Company's policy and framework. The first step in the process is to identify target class of the community that requires intervention. The Company continuously monitors community development initiatives through various parameters such as health indicators, literacy levels, sustainable livelihood processes, population data and state of infrastructure among others. From the data generated, rolling plans are developed for short to medium term. The projects are assessed under the agreed strategy and are monitored on a quarterly basis. Wherever necessary, mid-course corrections are carried out.

Principle 9: Providing value to Customers and Consumers**1. What percentage of customer complaints / consumer cases are pending as on the end of the financial year**

The company has a robust customer complaint handling system. As on March 31, 2019, 21% of customer complaints are pending, of which 17% complaints are attended by the Company and awaiting customer confirmation. The Company is in process to attend the balance 4% complaint.

2. Does the Company display product information on the product label, over and above what is mandated as per local laws?

The Company displays product information as mandated by Bureau of Indian Standards.

3. Is there any case filed by any stakeholders against the Company regarding unfair trade practices, irresponsible advertising/ or anti-competitive behavior during the last five years and pending as on end of financial year? If so, provide details thereof in about 50 words or so

Nil.

4. Did your Company carry out any consumer survey/ consumer satisfaction trends?

The Company has a well-established system in place for dealing with customer feedback through "Customer Complain Resolution System" (CCRS). This is headed by a senior officer. A periodic MIS is circulated to senior management and concerned stakeholder depicting the customer satisfaction trend. Customer engagement processes have been aligned across the value chain to monitor customer satisfaction and feedback. Customers are provided multiple options to connect with the Company through email, telephone, website, feedback forms etc. The Company also has a dedicated customer care response cell to address customer queries and feedback on product.

For and on behalf of the Board of Directors

Dhruv M Sawhney

Chairman and Managing Director
DIN 00102999

Annexure-J

Extract of Annual Return

as on the financial year ended on March 31, 2019

[Pursuant to Section 92(1) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

FORM NO MGT-9

I. Registration and Other Details:

i)	CIN :	L29110UP1995PLC041834
ii)	Registration Date :	27/06/1995
iii)	Name of the Company :	Triveni Turbine Limited
iv)	Category / Sub-Category of the Company :	Company Limited by Shares / Indian Non-Government Company
v)	Address of the Registered Office and contact details :	A-44, Hosiery Complex, Phase II Extension, Noida-201305 (U.P.) PH. 0120-4748000
vi)	Whether listed company Yes / No :	Yes
vii)	Name, Address and contact details of Registrar & Transfer Agents (RTA), if any:	M/s Alankit Assignments Ltd., Alankit Heights, Unit: Triveni Turbine Limited, IE/13, Jhandewalan Extension, New Delhi - 110 055. Ph.: 011-42541234, 23451234, Fax: 011-41543474, Email: rta@alankit.com

II. Principal Business Activities of the Company

All the business activities contributing 10% or more of the total turnover of the Company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the Company
1	Manufacture of steam turbines & parts thereof	281-Manufacture of general purpose machinery	87.70
2	Servicing, operation and maintenance of steam turbines.	331- Repair of fabricated metal products, machinery and equipment	12.30

III. Particulars of Holding, Subsidiary and Associate Companies

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/Subsidiary/ Associate	% of shares Held	Applicable Section
1.	GE Triveni Ltd., Bengaluru, India	U29253KA2010PLC053834	Subsidiary	50% +1 SHARE	2 (87)
2.	Triveni Turbines Europe Private Limited, UK	Foreign Company	Subsidiary	100.00	2 (87)
3.	Triveni Turbines DMCC, Dubai, UAE	Foreign Company	Subsidiary	100.00	2 (87)
4.	Triveni Turbines Africa (Pty), South Africa	Foreign Company	Subsidiary	100.00	2 (87)

IV. Share Holding Pattern (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category-wise Share Holding

Category of shareholder	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year	
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares		
(A) Promoter										
1 Indian										
(a) Individuals/ HUF	33042557	0	33042557	10.014	32360047	0	32360047	10.009	-0.005	
(b) Central Government	0	0	0	0	0	0	0	0	0	
(c) State Government(s)	0	0	0	0	0	0	0	0	0	
(d) Bodies Corporate	159330417	0	159330417	48.286	157557244	0	157557244	48.733	0.447	
(e) Bank /FI	0	0	0	0	0	0	0	0	0	
(f) Any Other	0	0	0	0	0	0	0	0	0	
Sub-Total (A)(1)	192372974	0	192372974	58.300	189917291	0	189917291	58.742	0.442	
2 Foreign										
(a) NRI - Individuals	31131559	0	31131559	9.434	29225520	0	29225520	9.040	-0.394	
(b) Other - Individuals	0	0	0	0	0	0	0	0	0	
(c) Bodies Corporate	0	0	0	0	0	0	0	0	0	
(d) Bank /FI	0	0	0	0	0	0	0	0	0	
(e) Any Other	0	0	0	0	0	0	0	0	0	
Sub-Total (A)(2)	31131559	0	31131559	9.434	29225520	0	29225520	9.040	-0.394	
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	223504533	0	223504533	67.734	219142811	0	219142811	67.782	0.048	
(B) Public shareholding										
1 Institutions										
(a) Mutual Funds/UTI	39484069	0	39484069	11.966	50232748	0	50232748	15.537	3.571	
(b) Bank / FI	17546	0	17546	0.005	66313	0	66313	0.021	0.015	
(c) Central Government	0	0	0	0	0	0	0	0	0	
(d) State Government(s)	0	0	0	0	0	0	0	0	0	
(e) Venture Capital Funds	0	0	0	0	0	0	0	0	0	
(f) Insurance Companies	0	0	0	0	0	0	0	0	0	
(g) FIs	0	0	0	0	0	0	0	0.000	-15.555	
(h) Foreign Venture Capital Investors	0	0	0	0	0	0	0	0	0	
(i) Any Other (specify)	0	0	0	0	0	0	0	0	0	
(j) Foreign Portfolio Investor (Corporate)	47665097	0	47665097	14.445	37906353	0	37906353	11.725	-2.721	
Sub-Total (B)(1)	87166712	0	87166712	26.416	88205414	0	88205414	27.282	0.866	
2 Non-institutions										
(a) Bodies Corporate										
i) Indian										
ii) Overseas	0	0	0	0	0	0	0	0	0	
(b) Individuals -										
i. Individual shareholders holding nominal share capital up to ₹ 1 lakh.*	10193613	163120	10356733	3.139	8624144	139157	8763301	2.711	-0.428	
ii. Individual shareholders holding nominal share capital in excess of ₹ 1 lakh.	4158481	0	4158481	1.260	3656396	0	3656396	1.131	-0.129	

Category of shareholder	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(c) Any Other (specify)	723586	0	723586	0.219	675265	0	675265	0.209	-0.010
[i] NRI	342061	0	342061	0.104	273932	0	273932	0.085	-0.019
[ii] HUF	212842	0	212842	0.065	44377	0	44377	0.014	-0.051
[iii] Clearing Member	26400	0	26400	0.008	17963	0	17963	0.006	-0.002
[iv] Trust	0	0	0	0	31410	0	31410	0.010	-0.010
Sub-Total (B)(2)	19137784	163121	19300905	5.849	15818102	139157	15957259	4.936	-0.923
Total Public Shareholding (B)= (B)(1)+(B)(2)	106304496	163121	106467617	32.266	104023516	139157	104162673	32.218	-0.048
(C) Shares held by Custodians for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A)+(B)+(C)	329809029	163121	329972150	100.000	323166327	139157	323305484	100.00	0.00

* Includes 91783 equity share of ₹ 1 each held by Directors and their relative.

(ii) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shares holding at the end of the year			% change in the shareholding during the year
		No. of Shares	% of total shares of the Company	% of Shares Pledge / encumbered of total shares	No. of Shares	% of total shares of the Company	% of Shares Pledge / encumbered of total shares	
(a) Individual/Hindu Undivided Family / NRI								
1	Mr. Dhruv M. Sawhney	24924645	7.553	0	23386813	7.234	0	-0.319
2	Mrs. Rati Sawhney	6206914	1.881	0	5838707	1.806	0	-0.075
3	Mr. Tarun Sawhney	14266775	4.324	42.06	13972088	4.322	42.94	-0.002
4	Mr. Nikhil Sawhney	15071557	4.567	0	14760246	4.565	0	-0.002
5	Manmohan Sawhney (HUF)	3679225	1.115	0	3603229	1.114	0	-0.001
6	Mrs. Tarana Sawhney	25000	0.008	0	24484	0.008	0	0
	Total (a)	64174116	19.448	9.35	61585567	19.049	9.74	-0.400
(b) Bodies Corporate								
1	Triveni Engineering & Industries Ltd.	72000000	21.820	0	70627980	21.846	0	0.026
2	Subhadra Trade & Finance Limited	87330417	26.466	0	86929264	26.888	0	0.422
3	Tarun Sawhney Trust	0	0.000	0	0	0.000	0	0
4	Nikhil Sawhney Trust	0	0.000	0	0	0.000	0	0
	Total (b)	159330417	48.286	0	157557244	48.733	0	0.447
	Total(a+b)	223504533	67.734	2.68	219142811	67.782	2.74	0.048

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sr. No.	Shareholders's Name	Shareholding at the beginning of the year		Date	Increase / Decrease in the shareholding	Reason	Cumulative shareholding during the year	
		No. of Shares	% of total shares of the Company				No. of Shares	% of total shares of the Company
1	Dhruv M Sawhney	24924645	7.553	1.2.2019	-514832	Buyback	24409813	7.550
				15.2.2019	-1023000	Transfer	23386813	7.234
2	Rati Sawhney	6206914	1.881	1.2.2019	-128207	Buyback	6078707	1.880
				15.2.2019	-240000	Transfer	5838707	1.806
3	Manmohan Sawhney HUF	3679225	1.115	1.2.2019	-75996	Buyback	3603229	1.114
4	Tarun Sawhney	14266775	4.324	1.2.2019	-294687	Buyback	13972088	4.322
5	Nikhil Sawhney	15071557	4.567	1.2.2019	-311311	Buyback	14760246	4.565
6	Tarana Sawhney	25000	0.008	1.2.2019	-516	Buyback	24484	0.008
7	Triveni Engineering & Industries Ltd	72000000	21.820	1.2.2019	-1372020	Buyback	70627980	21.846
8	Subhadra Trade and Finance Ltd	87330417	26.466	1.2.2019	-1664153	Buyback	85666264	26.497
				15.2.2019	+1263000	Acquisition	86929264	26.888

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

Sr. No.	Shareholders's Name	Shareholding at the beginning of the year		Date	Increase / Decrease in the shareholding	Reason	Cumulative shareholding during the year	
		No. of Shares	% of total shares of the Company				No. of Shares	% of total shares of the Company
1	Nalanda India Fund Limited	23740454	7.195	4-Jan-19	-5150000	Transfer	18590454	5.634
				25-Jan-19	-420000	Transfer	18170454	5.507
				31-Mar-19			18170454	5.620
2	Nalanda India Equity Fund Limited	9802350	2.971	31-Mar-19	0	-	9802350	3.032
				6-Apr-18	300000	Transfer	9420000	2.855
				8-Jun-18	50000	Transfer	9470000	2.870
				22-Jun-18	24908	Transfer	9494908	2.877
				31-Jun-18	130092	Transfer	9625000	2.917
				6-July-18	20000	Transfer	9645000	2.923
				30-Sep-18	10400	Transfer	9655400	2.926
				12-Oct-18	18000	Transfer	9673400	2.932
				2-Nov-18	15000	Transfer	9688400	2.936
				9-Nov-18	300000	Transfer	9988400	3.027
3	Reliance Capital Trustee Co. Ltd A/C Relianceequity Opportunities Fund	9120000	2.764	1-Feb-19	-237171	Buyback	9751229	3.016
				8Mar-19	27000	Transfer	9778229	3.024
				15-Mar-19	25330	Transfer	9803559	3.032
				31-Mar-19			9803559	3.032
				1-Feb-19	-132543	Buy Back	7324284	2.220
				31-Mar-19	-	-	7324284	2.265
4	Franklin India Smaller Companies Fund	7456827	2.260					

Sr. No.	Shareholders's Name	Shareholding at the beginning of the year		Date	Increase / Decrease in the shareholding	Reason	Cumulative shareholding during the year	
		No. of Shares	% of total shares of the Company				No. of Shares	% of total shares of the Company
5	Reliance Capital Trustee Co Ltd - Reliance Top 200 Fund	6080000	1.843	6-July-18	123000	Transfer	6203000	1.880
				13-July-18	49566	Transfer	6252566	1.895
				20-July-18	9434	Transfer	6262000	1.898
				3-Aug-18	750000	Transfer	7012000	2.125
				2-Nov-18	41100	Transfer	7053100	2.137
				21-Dec-18	531000	Transfer	7584100	2.298
				1-Feb-19	-180081	Buyback	7404019	2.244
				8-Feb-19	73000	Transfer	7477019	2.313
				15-Feb-19	33423	Transfer	7510442	2.323
				1-Mar-19	18889	Transfer	7529331	2.329
				15-Mar-19	61826	Transfer	7591151	2.348
				22-Mar-19	66	Transfer	7591217	2.348
				31-Mar-19	-	-	7591217	2.348
				6	National Westminster Bank Plc As Trustee Of The Jupiter India Fund	4412736	1.337	6-Apr .18
16-Nov .18	66108	Transfer	4529180					1.373
23-Nov .18	9755	Transfer	4538935					1.376
1-Feb.19	-79223	Buyback	4459702					1.379
31-Mar.19	-	-	4459702					1.379
7	L&T Mutual Fund Trustee Limited-L&T Emerging Businesses Fund	4133988	1.253	6-Apr-18	314008	Transfer	4447996	1.348
				13-Apr-18	20104	Transfer	4468100	1.354
				1-Jun-18	44110	Transfer	4512210	1.367
				8-Jun-18	66727	Transfer	4578937	1.388
				15-Jun-18	13058	Transfer	4591995	1.392
				22-Jun-18	5267	Transfer	4597262	1.393
				3-Aug-18	100000	Transfer	4697262	1.424
				5-Oct-18	50000	Transfer	4747262	1.439
				21-Dec-18	351548	Transfer	5098810	1.545
				28-Dec-18	1005085	Transfer	6103895	1.850
				31-Dec-18	5632	Transfer	6109527	1.852
				4-Jan -19	105882	Transfer	6215409	1.884
				11-Jan-19	25000	Transfer	6240409	1.891
				25-Jan-19	240498	Transfer	6480907	1.964
1-Feb.19	-133902	Buyback	6347005	1.963				
8-Feb.19	63968	Transfer	6410973	1.983				
15-Feb.19	29122	Transfer	6440095	1.992				
22-Feb.19	80918	Transfer	6521013	2.017				
1-Mar.19	2024	Transfer	6523037	2.018				
8-Mar.19	4663	Transfer	6527700	2.019				
29-Mar.19	26504	Transfer	6554204	2.027				
31-Mar.19	-	-	6554204	2.027				
8	DSP Blackrock Micro CAP Fund	4036873	1.223	1-Feb.19	-73222	Buyback	3963651	1.226
				31-Mar.19	-	-	3963651	1.226
				9-Nov.18	-300000	Transfer	2791429	0.846
9*	Malabar India Fund Limited	3091429	0.937	16-Nov.18	-300000	Transfer	2491429	0.755
				21-Dec.18	-800000	Transfer	1691429	0.513
				28-Dec.18	-884040	Transfer	807389	0.245
				31-Dec.18	-807389	Transfer	0	0.000
				31-Mar.19	-	-	0	0.000

Sr. No.	Shareholders's Name	Shareholding at the beginning of the year		Date	Increase / Decrease in the shareholding	Reason	Cumulative shareholding during the year	
		No. of Shares	% of total shares of the Company				No. of Shares	% of total shares of the Company
10	Akash Bhanshali	2750000	0.833	1-Feb.19	-65298	Buyback	2684702	0.830
				31-Mar.19			2684702	0.830
11**	SBI Small Cap Fund	0	0.00	4-Jan.19	3900000	Transfer	3900000	1.182
				31-Mar.19			3900000	1.206

*Ceased to be in the list of top 10 shareholders as on March 31, 2019. However, the same has been reflected above since the shareholder was one of the top 10 shareholders as on April 1, 2018.

**Not in the list of top 10 shareholders as on April 1, 2018. However, the same has been reflected above since the shareholder was one of the top 10 shareholders as on March 31, 2019.

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Shareholders's Name	Shareholding at the beginning of the year		Date	Increase / Decrease in the shareholding	Reason	Cumulative shareholding during the year	
		No. of Shares	% of total shares of the Company				No. of Shares	% of total shares of the Company
A. Directors								
1	Mr. Dhruv M. Sawhney	24924645	7.553	1.2.2019	-514832	Buyback	24409813	7.550
				15.2.2019			-1023000	23386813
2	Mr. Tarun Sawhney	14266775	4.324	1.2.2019	-294687	Buyback	13972088	4.322
3	Mr. Nikhil Sawhney	15071557	4.567	1.2.2019	-311311	Buyback	14760246	4.565
4	Mr. Arun Prabhakar Mote	72000	0.022	1.2.2019	-1709	Buyback	70291	0.022
5	Ms Homai A Daruwalla	0	0	-	0	-	0	0
6	Dr. Anil Kakodkar	0	0	-	0	-	0	0
7	Mr. Shekhar Datta	10000	0.003	-	0	-	10000	0.003
8	Mr. Santosh Pande	0	0	-	0	-	0	0
9	Dr. (Mrs.) Vasantha S. Bharucha	0	0	-	0	-	0	0
B. Key Managerial Personnel								
10	Mr. Deepak K Sen	0	0	-	0	-	0	0
11	Mr. Rajiv Sawhney	35475	0.011	1.2.2019	-842	Buyback	34633	0.011

V. Indebtedness

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(₹ in Million)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year April 1, 2018				
i) Principal Amount	1.07	-	-	1.07
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	0.01	-	-	0.01
Total (i+ii+iii)	1.08	-	-	1.08
Change in Indebtedness during the financial year				
Addition	-	-	-	-
Reduction	0.57	-	-	0.57
Net Change	-	-	-	-
Indebtedness at the end of the financial year				
i) Principal Amount	0.51	-	-	0.51
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	0.51	-	-	0.51

VI. Remuneration of Directors and Key Managerial Personnel

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(₹ in Million)

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager			Total Amount
		Mr. Dhruv M. Sawhney	Mr. Nikhil Sawhney	Mr. Arun Prabhakar Mote	
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Nil	30.45	22.27	52.72
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	2.78	1.34	4.12
	(c) Profits in lieu of salary under 17(3) Income-tax Act, 1961	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission				
	- as % of profit	-	-	-	-
	- others (Performance Bonus)	-	2.61	1.66	4.27
5.	Others (Retiral Benefits)	Nil	5.14	1.22	6.36
	Total (A)	Nil	40.98	26.49	67.47
	Ceiling as per the Act (Being 10% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013).				145.63

B. Remuneration to other directors:

(₹ in Million)

Sr. No.	Particulars of Remuneration	Fee for attending board/committee meetings	Commission	Others, please specify	Total Amount
1.	Independent Directors				
	Lt. Gen. K.K. Hazari (Retd.)	0.17	-	-	0.17
	Ms Homai A Daruwalla	0.21	0.76	-	0.97
	Dr. Anil Kakodkar	0.15	0.76	-	0.91
	Mr. Shekhar Datta	0.35	1.12	-	1.47
	Dr. (Mrs.) Vasantha S. Bharucha	0.60	1.12	-	1.72
	Dr. Santosh Pande	0.55	1.12	-	1.67
	Total (1)	2.03	4.88	-	6.91
2.	Other Non-Executive Directors				
	Mr. Tarun Sawhney	0.34	1.12	-	1.46
	Total (2)	0.34	1.12	-	1.46
	Total (B) = (1+2)	2.37	6.00	-	8.37
	Total Managerial Remuneration (A+B)				75.34
	Overall ceiling as per the Act				160.20

C. Remuneration to Key Managerial Personnel other than MD / Manager/WTD

(₹ in Million)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			Total
		CEO	CFO	CS	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	NA	5.49	2.53	8.02
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NA	0.01	0.02	0.03
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NA	-	-	-
2	Stock Option	NA	-	-	-
3	Sweat Equity	NA	-	-	-
4	Commission				
	- as % of profit	NA	-	-	-
	- others	NA	-	-	-
5	Others (Retiral Benefits)	NA	0.36	0.27	0.63
	Total	NA	5.86	2.82	8.68

VII. Penalties / Punishment/ Compounding of Offences:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD/NCLT/Court]	Appeal made, if any (give Details)
A. Company					
Penalty					
Punishment			None		
Compounding					
B. Directors					
Penalty					
Punishment			None		
Compounding					
C. Other Officers in Default					
Penalty					
Punishment			None		
Compounding					

For and on behalf of the Board of Directors

Dhruv M Sawhney

Chairman and Managing Director

DIN 00102999

Independent Auditor's Report

To the Members of Triveni Turbine Limited

Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of Triveni Turbine Limited ('the Company'), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the state of affairs (financial position) of the Company as at 31 March 2019, and its profit (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matter

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.
5. We have determined the matter described below to be the key audit matter to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
<p>Write-downs of inventories to net realisation value</p> <p>Refer notes 2(b)(i) and 10 in the accompanying standalone financial statements</p> <p>As at 31 March 2019, the Company's inventories amounted to INR 2,167.52 million representing 30.1% of the Company's total assets as at 31 March 2019 and write-down of inventories amounted to INR 33.90 million on account of obsolescence and slow moving inventory.</p> <p>Inventories are valued at lower of cost and net realization value. The Company has a policy for write-down of inventories to net realisable value on account of obsolescence and slow moving inventory which is recognised on a case to case basis based on the management's assessment.</p>	<p>Our audit procedures for assessing the write-downs of inventories to net realisable value as per Company's policy included, but were not limited to the following;</p> <ul style="list-style-type: none"> • Understood the management process for determining net realisable value of inventories and identification of slow moving or obsolete inventories and tested whether the same is consistently applied; • Evaluated and tested on a sample basis the design and operating effectiveness of key controls around inventory valuation operating within the Company; • Inquired with the management about the slow moving and obsolete inventories as at 31 March 2019 and evaluated the assessment prepared by the management including forecasted uses of these inventories on a test check basis;

Key audit matter	How our audit addressed the key audit matter
<p>Write-down of inventories to net realisable value is subjective owing to the nature of inventories and is dependent on significant judgments around probability of decrease in the realisable value of slow moving inventory due to obsolesce or lack of alternative use as well as the consideration of the need to maintain adequate inventory levels for aftersales services considering the long useful life of the product.</p> <p>Assessing net realizable value of inventory and identification of slow moving and obsolete inventory are areas requiring the use of significant judgements and owing to the inherent complexities and materiality of the balances, we have considered this area to be a key audit matter for current year audit.</p>	<ul style="list-style-type: none"> Inquired with the management about the slow moving and obsolete inventories as at 31 March 2019 and evaluated the assessment prepared by the management including forecasted uses of these inventories on a test check basis; Tested the computation for write down of inventories with the assessment provided by the management and performed independent ageing analysis of the inventory line-items along with specific inquiries with the management to evaluate completeness of the inventory identified as slow moving or obsolete; Reviewed the historical trends of inventory write-downs to compare and assess the actual utilization or liquidation of inventories to the previous assessment done by the management to determine the efficacy of the process of estimation by the management; and Assessed the appropriateness of disclosures in the financial statements in accordance with the applicable accounting standards.

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

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

7. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs (financial

position), profit or loss (financial performance including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

8. In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
9. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

10. Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

11. As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for explaining our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial

statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

13. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

15. As required by section 197(16) of the Act, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.

16. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure I a statement on the matters specified in paragraphs 3 and 4 of the Order.

17. Further to our comments in Annexure I, as required by section 143(3) of the Act, we report that:

- a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c) the standalone financial statements dealt with by this report are in agreement with the books of account;
- d) in our opinion, the aforesaid standalone financial statements comply with Ind AS specified under section 133 of the Act;
- e) on the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors are disqualified as on 31 March 2019 from being appointed as a director in terms of section 164(2) of the Act;
- f) we have also audited the internal financial controls over financial reporting (IFCoFR) of the Company as on 31 March 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date and our report dated 20 May 2019 as per Annexure II expressed unmodified opinion;
- g) with respect to the other matters to be included in the Auditor's Report in accordance with rule 11

of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

- i. the Company, as detailed in note 42 to the standalone financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2019;
- ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2019;
- iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31 March 2019;
- iv. the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016, which are not relevant to these standalone financial statements. Hence, reporting under this clause is not applicable.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Vijay Vikram Singh

Partner

Membership No.: 059139

Noida
20 May 2019

Annexure I to the Independent Auditor's Report

Annexure I

Based on the audit procedures performed for the purpose of reporting a true and fair view on the standalone financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that.

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) The Company has a regular program of physical verification of its fixed assets under which fixed assets are verified in a phased manner over a period of two years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this program, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification.
 - (c) The title deeds of the immovable properties (which are included under the head 'Property, plant and equipment') are held in the name of the Company. Immovable property in the nature of land (included under 'Property, plant and equipment' as Freehold Land) whose title deeds have been pledged as security for banking facilities are held in the name of the Company, which is verified from confirmation directly received by us from lenders. In respect of immovable properties in the nature of land (included under 'Property, plant and equipment' as Leasehold Land) that has been taken on lease, as further described in note 3(i) of the standalone financial statements, the lease agreements are in the name of the Company, where the Company is the lessee as per the agreement.
- (ii) In our opinion, the management has conducted physical verification of substantial inventory at reasonable intervals during the year, except for stocks lying with third parties where written confirmations have been obtained by the management. No material discrepancies between physical inventory and book records were noticed on physical verification of inventory.
 - (iii) The Company has not granted any loan, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clauses 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order are not applicable.
 - (iv) In our opinion, the Company has complied with the provisions of Section 186 in respect of investments. Further, in our opinion, the Company has not entered into any transaction covered under Section 185 and Section 186 of the Act in respect of loans, guarantees and security.
 - (v) In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
 - (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of Section 148 of the Act in respect of Company's products and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
 - (vii)(a) The Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, goods and service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, to the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they become payable

- (b) There are no dues in respect of sales-tax, goods and service tax, service tax, duty of customs, duty of excise and value added tax that have not been deposited with the appropriate authorities on account of any dispute. The dues outstanding in respect of income-tax, service tax and duty of excise on account of any dispute, are as follows:

Statement of Disputed Dues

(Amounts in ₹ millions)

Name of the statute	Nature of dues	Amount	Amount paid under Protest	Period to which the amount relates	Forum where dispute is pending
Central Excise Act, 1944	Excise duty	8.1	0.09	FY 2007-08	CESTAT, Bengaluru
Finance Act, 1994	Service tax	50.75	1.57	FY 2006-07 to FY 2011-12	CESTAT, Bengaluru
Income Tax Act, 1961	Income Tax	36.62	-	FY 2012-13	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax	2.89	-	FY 2012-13	Commissioner of Income Tax (Appeal)
Income Tax Act, 1961	Income Tax	2.57	-	FY 2013-14	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax	11.98	-	FY 2015-16	Commissioner of Income Tax (Appeal)
Income Tax Act, 1961	Income Tax	6.01	-	FY 2016-17	Assessing officer

(viii) The Company has not defaulted in repayment of loans or borrowings to any bank or financial institution or government during the year. The Company did not have any outstanding debentures during the year.

(ix) In our opinion, the Company has applied moneys raised by way of the term loans for the purposes for which these were raised. The Company did not raise moneys by way of initial public offer/ further public offer (including debt instruments).

(x) No fraud by the Company or on the Company by its officers or employees has been noticed or reported during the period covered by our audit.

(xi) Managerial remuneration has been paid / provided by the Company in accordance with the requisite approvals mandated by the provisions of Section 197 of the Act read with Schedule V to the Act.

(xii) In our opinion, the Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.

(xiii) In our opinion all transactions with the related parties are in compliance with Sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the standalone financial statements etc., as required by the applicable Ind AS.

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

(xv) In our opinion, the company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act.

(xvi) The company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

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

Vijay Vikram Singh

Noida
20 May 2019

Partner
Membership No.: 059139

Annexure II to the Independent Auditor's Report

Annexure II

Independent Auditor's Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the standalone financial statements of Triveni Turbine Limited ('the Company') as at and for the year ended 31 March 2019, we have audited the internal financial controls over financial reporting ('IFCoFR') of the Company as at that date.

Management's Responsibility for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's IFCoFR based on our audit.

We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI') and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of IFCoFR, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate IFCoFR were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the IFCoFR and their operating effectiveness. Our audit of IFCoFR includes obtaining an understanding of IFCoFR, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

6. A company's IFCoFR is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's IFCoFR include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

7. Because of the inherent limitations of IFCoFR, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the IFCoFR to future periods are subject to the risk that the IFCoFR may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting and such controls were operating effectively as at 31 March 2019, based on the internal control over financial reporting criteria established by the Company, considering the essential components of internal control stated in the Guidance Note issued by ICAI.

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

Noida
20 May 2019

Vijay Vikram Singh
Partner
Membership No.: 059139

Balance Sheet

As at March, 31, 2019

	Note No.	31-Mar-19	31-Mar-18
(₹ in Million)			
Assets			
Non-current assets			
Property, plant and equipment	3	2,508.55	2,209.11
Capital work-in-progress	3	43.34	385.10
Intangible assets	4	35.68	47.06
Intangible assets under development		7.02	-
Investments in subsidiary and joint venture	5 (a)	98.47	98.47
Financial assets			
i. Trade receivables	6	12.02	12.42
ii. Loans	7	0.19	0.22
iii. Other financial assets	8	7.12	5.82
Other non-current assets	9	17.87	14.32
Income tax assets (net)	21	13.94	12.85
Total non-current assets		2,744.20	2,785.37
Current assets			
Inventories	10	2,167.52	1,807.11
Financial assets			
i. Investments	5 (b)	50.05	90.63
ii. Trade receivables	6	1,727.77	2,058.08
iii. Cash and cash equivalents	11 (a)	128.90	40.97
iv. Bank balances other than cash and cash equivalents	11 (b)	1.49	10.86
v. Loans	7	2.45	2.20
vi. Other financial assets	8	143.11	27.16
Other current assets	9	227.30	590.14
		4,448.59	4,627.15
Assets classified as held for sale	12	2.60	2.60
Total current assets		4,451.19	4,629.75
Total assets		7,195.39	7,415.12
Equity and Liabilities			
Equity			
Equity share capital	13	323.30	329.97
Other equity	14	3,826.00	4,131.53
Total equity		4,149.30	4,461.50
Liabilities			
Non-current liabilities			
Financial liabilities			
i. Borrowings	15	0.02	0.51
Provisions	16	59.57	37.51
Deferred tax liabilities (net)	22	140.90	77.52
Total non-current liabilities		200.49	115.54
Current liabilities			
Financial liabilities			
i. Borrowings	17	-	-
ii. Trade payables	18		
a) Total outstanding dues of micro enterprises and small enterprises		100.77	96.53
b) Total outstanding dues of creditors other than micro enterprises and small enterprises		1,087.34	1,351.15
iii. Other financial liabilities	19	131.69	90.69
Other current liabilities	20	1,390.21	1,127.09
Provisions	16	84.40	87.76
Income tax liabilities (net)	21	51.19	84.86
Total current liabilities		2,845.60	2,838.08
Total liabilities		3,046.09	2,953.62
Total equity and liabilities		7,195.39	7,415.12

The accompanying notes 1 to 48 form an integral part of the standalone financial statements

As per our report of even date attached

For **Walker Chandio & Co LLP**

Chartered Accountants

Vijay Vikram Singh

Partner

Place : Noida (U.P.)

Date : May 20, 2019

For and on behalf of the Board of Directors of **Triveni Turbine Limited****Dhruv M. Sawhney**Chairman & Managing Director
DIN: 00102999**Deepak Kumar Sen**

Executive Vice President & CFO

Homai A. DaruwallaDirector & Audit Committee Chairperson
DIN: 00365880**Rajiv Sawhney**

Company Secretary

Statement of Profit and Loss

for the year ended March 31, 2019

(₹ in Million)

	Note No.	31-Mar-19	31-Mar-18
Revenue from operations	23	8,287.89	7,431.42
Other income	24	161.76	87.97
Total income		8,449.65	7,519.39
Expenses			
Cost of materials consumed	25	5,068.02	3,783.76
Changes in inventories of finished goods and work-in-progress	26	(411.44)	69.86
Excise duty on sale of products		-	22.24
Employee benefits expense	27	911.70	796.21
Finance costs	28	11.23	5.34
Depreciation and amortisation expense	29	200.98	191.08
Impairment loss on financial assets (including reversals of impairment losses)	30	4.41	4.81
Other expenses	31	1,307.79	1,186.13
Total expenses		7,092.69	6,059.43
Profit before tax		1,356.96	1,459.96
Tax expense			
- Current tax	32	441.81	508.38
- Deferred tax	32	39.74	(30.67)
Total tax expense		481.55	477.71
Profit for the year		875.41	982.25
Other comprehensive income			
A (i) Items that will not be reclassified to profit or loss			
- Remeasurements of the defined benefit plan	35	(5.18)	5.35
		(5.18)	5.35
A (ii) Income tax relating to items that will not be reclassified to profit or loss	32	1.81	(1.86)
		(3.37)	3.49
B (i) Items that will be reclassified to profit or loss			
- Effective portion of gain/ (loss) on designated portion of hedging instruments in a cash flow hedges	38(iii)(b)	72.83	(7.16)
		72.83	(7.16)
B (ii) Income tax relating to items that will be reclassified to profit or loss	32	(25.45)	2.48
		47.38	(4.68)
Other comprehensive income/ (loss) for the year, net of tax		44.01	(1.19)
Total comprehensive income for the year		919.42	981.06
Earnings per equity share of ₹ 1 each			
Basic earnings per share (in ₹)	33	2.66	2.98
Diluted earnings per share (in ₹)	33	2.66	2.98

The accompanying notes 1 to 48 form an integral part of the standalone financial statements

As per our report of even date attached

For **Walker Chandiook & Co LLP**
Chartered Accountants

Vijay Vikram Singh
Partner

Place : Noida (U.P.)
Date : May 20, 2019

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

Dhruv M. Sawhney
Chairman & Managing Director
DIN: 00102999

Deepak Kumar Sen
Executive Vice President & CFO

Homai A. Daruwalla
Director & Audit Committee Chairperson
DIN: 00365880

Rajiv Sawhney
Company Secretary

Statement of Changes in Equity

for the year ended March 31, 2019

A. Equity share capital

Equity shares of ₹ 1 each issued, subscribed and fully paid up

(₹ in Million)

As at April 1, 2017	329.97
Changes in equity share capital during the year	-
As at March 31, 2018	329.97
Changes in equity share capital during the year [refer note 13(iv)]	(6.67)
As at March 31, 2019	323.30

B. Other equity

(₹ in Million)

	Reserves and surplus				Items of other comprehensive income	Total other equity
	Capital redemption reserve	Securities premium	General reserve	Retained earnings	Cash flow hedging reserve	
Balance as at April 1, 2017	28.00	4.69	839.23	2,755.13	-	3,627.05
Profit for the year	-	-	-	982.25	-	982.25
Other comprehensive income/(loss) net of income tax	-	-	-	3.49	(4.68)	(1.19)
Total comprehensive income for the year	-	-	-	985.74	(4.68)	981.06
Transactions with owners in their capacity as owners:						
Dividends paid	-	-	-	(395.97)	-	(395.97)
Dividend distribution tax (DDT)	-	-	-	(80.61)	-	(80.61)
Balance as at March 31, 2018	28.00	4.69	839.23	3,264.29	(4.68)	4,131.53
Profit for the year	-	-	-	875.41	-	875.41
Other comprehensive income/(loss), net of income tax	-	-	-	(3.37)	47.38	44.01
Total comprehensive income for the year	-	-	-	872.04	47.38	919.42
Transactions with owners in their capacity as owners:						
Amount utilised on account of buy-back of shares [refer note 13(iv)]	-	(4.69)	(839.23)	(149.41)	-	(993.33)
Transaction cost related to buy-back of shares [refer note 13(iv)]	-	-	-	(12.82)	-	(12.82)
Transferred from retained earnings on account of buy-back of shares [refer note 13(iv)]	6.67	-	-	(6.67)	-	-
Dividends paid	-	-	-	(181.49)	-	(181.49)
Dividend distribution tax (DDT)	-	-	-	(37.31)	-	(37.31)
Balance as at March 31, 2019	34.67	-	-	3,748.63	42.70	3,826.00

The accompanying notes 1 to 48 form an integral part of the standalone financial statements

As per our report of even date attached

For **Walker Chandio & Co LLP**
Chartered Accountants

Vijay Vikram Singh
Partner

Place : Noida (U.P.)
Date : May 20, 2019

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

Dhruv M. Sawhney
Chairman & Managing Director
DIN: 00102999

Deepak Kumar Sen
Executive Vice President & CFO

Homai A. Daruwalla
Director & Audit Committee Chairperson
DIN: 00365880

Rajiv Sawhney
Company Secretary

Statement of Cash Flows

for the year ended March 31, 2019

(₹ in Million)

	31-Mar-19	31-Mar-18
Cash flows from operating activities		
Profit before tax	1,356.96	1,459.97
Adjustments for		
Depreciation and amortisation expense	200.98	191.08
Loss on sale/write off of property, plant and equipment	1.72	4.23
Net profit on sale/redemption of current investments	(30.36)	(22.05)
Net fair value losses/(gains) on current investments	0.35	(0.29)
Interest income	(1.00)	(1.71)
Provision for doubtful advances	1.06	14.50
Amount written off of non financial assets	7.59	5.26
Allowance for non moving inventories	6.66	7.68
Impairment loss on financial assets (including reversals of impairment losses)	4.41	4.81
Finance costs	11.23	5.34
Unrealised foreign exchange losses/(gain)	9.70	(2.11)
Credit balances written back	(23.99)	(9.10)
Mark-to-market (gains)/losses on derivatives	(28.00)	1.52
Working capital adjustments :		
Change in inventories	(367.08)	(356.12)
Change in trade receivables	318.78	(565.64)
Change in other financial assets	(7.39)	34.94
Change in other assets	350.31	(82.17)
Change in trade payables	(260.26)	525.01
Change in other financial liabilities	35.34	48.91
Change in other liabilities	285.61	177.06
Change in provisions	13.51	(13.65)
Cash generated from operations	1,886.13	1,427.47
Income tax paid	(476.56)	(490.97)
Net cash inflow from operating activities	1,409.57	936.50
Cash flows from investing activities		
Purchase of property, plant and equipment	(150.55)	(477.17)
Proceeds from sale of property, plant and equipment	0.43	2.26
Purchase of current investments	(2,741.30)	(2,607.50)
Proceeds from sale of current investments	2,811.88	2,579.33
Proceeds from sale of assets classified as held for sale	-	3.45
Interest received	1.14	1.58
Net cash outflow from investing activities	(78.40)	(498.05)

Statement of Cash Flows

for the year ended March 31, 2019

	(₹ in Million)	
	31-Mar-19	31-Mar-18
Cash flows from financing activities		
Buy-Back of Equity share	(1,000.00)	-
Buy-back costs	(12.82)	-
Repayment of long term borrowings	(0.56)	(3.09)
Interest paid	(11.24)	(5.37)
Dividend paid to Company's shareholders	(181.31)	(395.74)
Dividend distribution tax	(37.31)	(80.61)
Net cash outflow from financing activities	(1,243.24)	(484.81)
Net increase/ (decrease) in cash and cash equivalents	87.93	(46.36)
Cash and cash equivalents at the beginning of the year (refer note 11 (a))	40.97	87.33
Cash and cash equivalents at the end of the year (refer note 11 (a))	128.90	40.97

Reconciliation of liabilities arising from financing activities:

	(₹ in Million)		
	Non-current borrowings (including current maturities)	Interest payable on borrowings	Dividend paid to Company's shareholders (including DDT)
Balance as at March 31, 2018	1.07	0.01	1.30
Cash flows	(0.56)	(11.24)	(218.62)
Finance costs accruals	-	11.23	-
Dividend distributions (including DDT) accruals	-	-	218.80
Balance as at March 31, 2019	0.51	-	1.48

The accompanying notes 1 to 48 form an integral part of the standalone financial statements

As per our report of even date attached

 For **Walker Chandiok & Co LLP**

Chartered Accountants

Vijay Vikram Singh

Partner

Place : Noida (U.P.)

Date : May 20, 2019

 For and on behalf of the Board of Directors of **Triveni Turbine Limited**
Dhruv M. Sawhney

Chairman & Managing Director

DIN: 00102999

Deepak Kumar Sen

Executive Vice President & CFO

Homai A. Daruwalla

Director & Audit Committee Chairperson

DIN: 00365880

Rajiv Sawhney

Company Secretary

Notes to the Financial Statements

for the year ended March 31, 2019

Corporate information

Triveni Turbine Limited ("the Company") is a company limited by shares, incorporated, domiciled in India. The Company's equity shares are listed at two recognised stock exchanges in India (BSE and NSE). The registered office of the Company is located at A-44, Hosiery Complex, Phase II extension, Noida, Uttar Pradesh- 201305. The Company is primarily engaged in business of manufacture and supply of power generating equipment and solutions and has manufacturing facilities at Bengaluru, Karnataka.

Note 1: Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of preparation and presentation

(i) Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act), Companies (Indian Accounting Standards) (Amendment) Rules, 2016 and Companies (Indian Accounting Standards) (Amendment) Rules, 2017 and other relevant provisions of the Act.

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis except for certain assets and liabilities (including derivative instruments) that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into

account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 17 Leases, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 Inventories or value in use in Ind AS 36 Impairment of Assets.

(b) Revenue recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Revenue from Contracts is measured at transaction price net of variable consideration. Transaction price are net of returns, trade allowances, rebates, other similar allowances, goods & services tax and amounts collected on behalf of third parties, if any.

Recognising revenue from major business activities

(i) Sale of goods

Revenue from the sale of goods is recognised at point in time when controls of promised goods are transferred to the customer (i.e. upon satisfaction of performance obligation), generally on dispatch of the goods.

(ii) Rendering of services

Revenue from a contract to provide services is recognised when the outcome of a performance obligation involving the rendering of services can be estimated reliably. Satisfaction of performance obligation of the contract is determined as follows:

- erection and commissioning/service revenue is recognised by reference to the stage of completion of the erection & commissioning/service, determined based on technical estimate of completion of physical proportion of the contract work;
- operation and maintenance revenue is recognised over time using an input method to measure progress towards complete satisfaction of the service because the customer simultaneously receives and consumes the benefits provided by the Company.

Notes to the Financial Statements

for the year ended March 31, 2019

(iii) Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

(iv) Construction contracts

When the outcome of a construction contract can be estimated reliably, revenue is recognised by reference to the stage of completion of the contract activity at the end of the reporting period, measured based on the proportion of contract costs incurred for work performed to date relative to the estimated total contract costs, except where this would not be representative of the stage of completion. Variations in contract work, claims and incentive payments are included to the extent that the amount can be measured reliably and its receipt is considered probable.

When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised to the extent of contract costs incurred that it is probable will be recoverable. Contract costs are recognised as expenses in the period in which they are incurred.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

When contract costs incurred to date plus recognised profits less recognised losses exceed progress billings, the surplus is shown as amounts due from customers for contract work. For contracts where progress billings exceed contract costs incurred to date plus recognised profits less recognised losses, the surplus is shown as the amounts due to customers for contract work. Amounts received before the related work is performed are included in the balance sheet, as a liability, as advances received. Amounts billed for work performed but not

yet paid by the customer are included in the balance sheet under trade receivables.

(v) Royalties

Income from royalty is recognised as per the contractual arrangement with the Licensee upon supply of turbine manufactured with the technical know-how provided by the Company to the Licensee (provided that it is probable that the economic benefits will flow to the Company and the amount of revenue can be measured reliably).

(vi) Rental income

The Company's policy for recognition of revenue from operating leases is described in note 1(d) below.

(vii) Export incentives

Export incentives are recognized as income when the Company is entitled to the incentive as per the terms of the scheme in respect of the exports made and where it is probable that the Company will collect such incentive proceeds.

(c) Government grants

Grants from the government are recognised where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented either within other income or net of related costs.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Company with no future related costs are recognised in profit & loss in the period in which they become receivable.

(d) Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

(i) As a lessee

Assets held under finance leases are initially recognised as assets of the Company at their fair

Notes to the Financial Statements

for the year ended March 31, 2019

value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation. Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Company's general policy on borrowing costs (see note 1(g) below).

Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases in which case lease expenses are charged to profit or loss on the basis of actual payments to the lessors.

(ii) As a lessor

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

(e) Foreign currency translation

(i) Functional and presentation currency

The financial statements are presented in Indian rupee (₹), which is Company's functional and presentation currency unless stated otherwise.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are

recognised in profit or loss in the period in which they arise and these are deferred in equity if they relate to qualifying cash flow hedges.

Foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other gains/(losses).

(f) Impairment of non-financial assets

Non-financial assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

If, at the reporting date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount. Impairment losses previously recognised are accordingly reversed in the statement of profit and loss.

(g) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Other borrowing costs are expensed in the period in which they are incurred.

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

(h) Income tax

Income tax expense represents the sum of the tax currently payable and deferred tax.

Notes to the Financial Statements

for the year ended March 31, 2019

(i) Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

(ii) Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences, the carry forward of unused tax credits and unused tax losses to the extent that it is probable that taxable profits will be available against which those deductible temporary differences, the carry forward of unused tax credits and unused tax losses can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would

follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

(iii) Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to setoff the recognised amounts and where it intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

(i) Property, plant and equipment

Property, plant and equipment are tangible items that are held for use in the production or supply for goods and services, rental to others or for administrative purposes and are expected to be used during more than one period. The cost of an item of property, plant and equipment shall be recognised as an asset if and only if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Freehold land is carried at cost. All other items of property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Each part of item of property, plant and equipment, if significant in relation to the total cost of the item, is depreciated separately. Further, parts of plant and equipment that are technically advised to be replaced at prescribed intervals/period of operation, insurance spares and cost of inspection/overhauling are depreciated separately based on their specific useful life provided these

Notes to the Financial Statements

for the year ended March 31, 2019

are of significant amounts commensurate with the size of the Company and scale of its operations. The carrying amount of any equipment / inspection / overhauling accounted for as separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Depreciation methods, estimated useful lives and residual value

Depreciation commences when the assets are ready for their intended use. Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives.

The management has estimated the useful lives and residual values of all property, plant and equipment and adopted useful lives as stated in Schedule II which are as follows:

Class of assets	Useful life
Building	5- 60 Years
Plant and Equipment	15 Years
Office Equipment	5 Years
Furniture and Fixtures	10 Years
Vehicle	10 Years
Computers	3-6 Years

The residual value of property, plant and equipment has been considered 5% or less of the original cost of assets as applicable.

- On the basis of technical assessment involving technology obsolescence and past experience:
 - o mobile phones costing ₹ 5,000/- or more are depreciated over two years.
 - o patterns, tools, jigs, fixtures etc. are depreciated over three years.

- o machinery spares are depreciated over a life ranging from three to five years.

- Assets costing less than ₹ 5,000/- are fully depreciated in the year of purchase.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

The property, plant and equipment acquired under finance leases is depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the Company will obtain ownership at the end of the lease term.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April 2015 (transition date) measured as per the previous GAAP and use that carrying value as the deemed cost of property, plant and equipment.

(j) Intangible assets

Intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Estimated useful lives of the intangible assets are as follows:

Assets	Estimated useful life
Computer software	3 – 5 Years
Website development cost	3 Years
Designs and drawings	6 Years

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

Notes to the Financial Statements

for the year ended March 31, 2019

Research and development costs

Research costs are expensed as incurred. Development expenditures on an individual project are recognised as an intangible asset when the Company can demonstrate:

- the technical feasibility of completing the intangible asset so that the asset will be available for use or sale;
- its intention to complete and its ability and intention to use or sell the asset;
- how the asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the asset; and
- the ability to measure reliably the expenditure attributable to asset during its development.

The amount initially recognised for intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no intangible assets can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred. Subsequent to initial recognition, such intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as of acquired intangible assets.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets recognised as at April 1, 2015 (transition date) measured as per the previous GAAP and use that carrying value as the deemed cost of intangible assets .

(k) Inventories

- (i) Inventories of raw materials, components, stores and spares are valued at lower of cost and net realizable value. Cost for the purpose of valuation of such inventories is determined on weighted average basis. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

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

(l) Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset and its sale is highly probable. Management must be committed to the sale. They are measured at the lower of their carrying amount and fair value less costs to sell. Non-current assets classified as held for sale are presented separately in the balance sheet."

"Property, plant and equipment and intangible assets once classified as held for sale are not depreciated or amortised.

(m) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Notes to the Financial Statements

for the year ended March 31, 2019

(n) Employee benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the undiscounted amounts expected to be paid when the liabilities are settled. The liabilities are presented as current benefit obligations in the balance sheet.

(ii) Other long-term employee benefit obligations

Other long-term employee benefits include earned leaves, sick leaves and employee retention bonus.

Earned leaves and sick leaves

The liabilities for earned leaves and sick leaves are not expected to be settled wholly within twelve months after the end of the period in which the employees render the related service. They are therefore measured at the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit & loss. The obligations are presented as provisions in the balance sheet.

Employee retention bonus

The Company, as a part of retention policy, pays retention bonus to certain employees after completion of specified period of service. The timing of the outflows is expected to be within a period of five years. They are therefore measured at the present value of expected future payments at the end of each annual reporting period in accordance with management best estimates. This cost is included in employee benefit expense in the statement of profit and loss with corresponding provisions in the balance sheet.

(iii) Post-employment obligations

The Company operates the following post-employment schemes:

- defined benefit plan towards payment of gratuity; and
- defined contribution plans towards provident fund & employee pension scheme, employee state insurance and superannuation scheme.

Defined benefit plans

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

The liability or asset recognised in the balance sheet in respect of the defined benefit plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The present value of the defined benefit obligation is determined using projected unit credit method by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation, with actuarial valuations being carried out at the end of each annual reporting period.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Defined contribution plans

Defined contribution plans are retirement benefit plans under which the Company pays fixed contributions to separate entities (funds) or financial institutions or state managed benefit schemes. The Company has no further

Notes to the Financial Statements

for the year ended March 31, 2019

payment obligations once the contributions have been paid. The defined contributions plans are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

- **Provident Fund Plan & Employee Pension Scheme**

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

- **Employee State Insurance**

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

- **Superannuation Scheme**

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

(o) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the Company, on or before the end of the reporting period but not distributed by the end of the reporting period.

(p) Cash and cash equivalents

Cash and cash equivalents includes cash on hand, other short-term, highly liquid investments with original maturities of three month or less that are readily convertible into known amount of cash and which are subject to an insignificant risk of changes in value.

(q) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares

outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

(r) Financial assets

(i) Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For assets in the nature of debt instruments, this will depend on the business model. For assets in the nature of equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity instrument at fair value through other comprehensive income.

The Company reclassifies debt instruments when and only when its business model for managing those assets changes.

(ii) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not measured at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

Notes to the Financial Statements

for the year ended March 31, 2019

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is recognised using the effective interest rate method.
- **Fair value through other comprehensive income (FVTOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVTOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in statement of profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in other income using the effective interest rate method.
- **Fair value through profit or loss (FVTPL):** Assets that do not meet the criteria for amortised cost or FVTOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

Equity instruments

The Company subsequently measures all equity investments at fair value, except for equity investments in subsidiary and joint venture where

the Company has the option to either measure it at cost or fair value. The Company has opted to measure equity investments in subsidiary and joint venture at cost. Where the Company's management elects to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the Company's right to receive payments is established.

(iii) Impairment of financial assets

In accordance with Ind AS 109 Financial Instruments, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss associated with its financial assets carried at amortised cost and FVTOCI debt instruments.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115 Revenue from contracts with customers, the Company applies simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected life time losses to be recognised after initial recognition of receivables. For recognition of impairment loss on other financial assets and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, twelve months ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on twelve-months ECL.

ECL represents expected credit loss resulting from all possible defaults and is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive, discounted at the original effective interest rate. While determining cash flows, cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms are also considered.

Notes to the Financial Statements

for the year ended March 31, 2019

ECL is determined with reference to historically observed default rates over the expected life of the trade receivables and is adjusted for forward looking estimates. Note 38 details how the Company determines expected credit loss.

(iv) Derecognition of financial assets

A financial asset is derecognised only when

- the Company has transferred the rights to receive cash flows from the financial asset; or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Company has transferred an asset, it evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the Company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the Company has neither transferred a financial asset nor retained substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety, the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no

longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

(v) Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL.

(s) Financial liabilities and equity instruments

(i) Classification

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

Financial liabilities

The Company classifies its financial liabilities in the following measurement categories:

- those to be measured subsequently at fair value through profit or loss, and
- those measured at amortised cost.

Notes to the Financial Statements

for the year ended March 31, 2019

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or it is designated as at FVTPL, other financial liabilities are measured at amortised cost at the end of subsequent accounting periods.

(ii) Measurement

Equity instruments

Equity instruments issued by the Company are recognised at the proceeds received. Transaction cost of equity transactions shall be accounted for as a deduction from equity.

Financial liabilities

At initial recognition, the Company measures a financial liability at its fair value net of, in the case of a financial liability not measured at fair value through profit or loss, transaction costs that are directly attributable to the issue of the financial liability. Transaction costs of financial liability carried at fair value through profit or loss are expensed in profit or loss.

Subsequent measurement of financial liabilities depends on the classification of financial liabilities. There are two measurement categories into which the Company classifies its financial liabilities:

- **Fair value through profit or loss (FVTPL):** Financial liabilities are classified as at FVTPL when the financial liability is held for trading or it is designated as at FVTPL. Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss.
- **Amortised cost:** Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

(iii) Derecognition

Equity instruments

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

(iv) Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the gross carrying amount of a financial liability.

(v) Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in 'Other income'. The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period.

(t) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a

Notes to the Financial Statements

for the year ended March 31, 2019

legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

(u) Fair value of financial instruments

Fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

(v) Derivative financial instruments and hedge accounting

The Company uses derivative financial instruments i.e. forward currency contracts to hedge its foreign currency risks. These derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

For the purpose of hedge accounting, the Company has classified hedges as Cash flow hedges wherein it hedges the exposure to the variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment.

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company contemplates to apply hedge accounting and the risk management objective and

strategy for undertaking the hedge in compliance with Company's hedge policy. The documentation includes the company's risk management objective and strategy for undertaking hedge, the hedging/ economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated. Any hedge ineffectiveness is calculated and accounted for in Statement of profit or loss at the time of hedge relationship rebalancing.

The effective portion of changes in the fair value of the hedging instruments is recognised in other comprehensive income and accumulated in the cash flow hedging reserve. Such amounts are reclassified in to the profit or loss when the related hedge items affect profit or loss, such as when the hedged financial income or financial expense is recognised or when a forecast sale occurs. When the hedged item is the cost of a non-financial asset or non-financial liability, the amounts recognised as OCI are transferred to the initial carrying amount of the non-financial asset or liability.

Any ineffective portion of changes in the fair value of the derivative or if the hedging instrument no longer meets the criteria for hedge accounting, is recognised immediately in profit or loss. If the hedging relationship ceases to meet the effectiveness conditions, hedge accounting is discontinued and the related gain or loss is held in cash flow hedging reserve until the forecast transaction occurs.

Note 2: Critical accounting judgements and key sources of estimation uncertainty

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Company's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates

Notes to the Financial Statements

for the year ended March 31, 2019

and assumptions turning out to be different than those originally assessed.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

(a) Critical accounting judgements

In the process of applying the Company's accounting policies, management has made the following judgement, which has the most significant effect on the amounts recognised in the financial statements:

(i) Classification of GE Triveni Limited as a Joint Venture

The Company holds more than 50% stake in the equity share capital (i.e. holding 8,000,001 equity shares out of total 16,000,000 equity shares) of GE Triveni Limited (GETL) and the balance share capital is being held by GE Mauritius Infrastructure Holdings Limited. By virtue of agreements between the shareholders, relevant terms of which are enshrined in the Articles of Association of GETL, it has been considered that the Company has joint control over GETL alongwith the other shareholder since unanimous consent of both the shareholders is required in respect of significant financial, operating, strategic and managerial decisions. Accordingly investments in equity shares of GETL is classified as investment in joint venture.

(b) Key sources of estimation uncertainty

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

(i) Write-downs of Inventory

The Company write-downs the inventories to net realisable value on account of obsolete and slow-moving inventories, which is recognised on case to case basis based on the management's assessment.

The Company uses following significant judgements to ascertain value for write-downs of inventories to net realisable:

- a) nature of inventories mainly comprise of iron, steel, forging and casting which are non-perishable in nature;
- b) probability of decrease in the realisable value of slow moving inventory due to obsolesce or not having an alternative use is low considering the fact that these can also be used after necessary engineering modification;
- c) maintaining appropriate inventory levels for after sales services considering the long useful life of the product.

(ii) Employee benefit plans

The cost of the defined benefit plans and other long term employee benefits and the present value of the obligation thereon are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, attrition and mortality rates. Due to the complexities involved in the valuation and its long-term nature, obligation amount is highly sensitive to changes in these assumptions.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans, the management considers the interest rates of government bonds. Future salary increases are based on expected future inflation rates and expected salary trends in the industry. Attrition rates are considered based on past observable data on employees leaving the services of the Company. The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. See note 35 for further disclosures.

(iii) Provision for warranty claims

The Company, in the usual course of sale of its products, gives warranties on certain products and

Notes to the Financial Statements

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services, undertaking to repair or replace the items that fail to perform satisfactorily during the specified warranty period. Provisions made represent the amount of expected cost of meeting such obligations of rectifications / replacements based on best estimate considering the historical warranty claim information and any recent trends that may suggest future claims could differ from historical amounts. The assumptions made in relation to the current period are consistent with those in the prior years.

(iv) Provision for liquidated damages

It represents the potential liability which may arise from contractual obligation towards customers with respect to matters relating to delivery and performance of the Company's products. The provision represents the amount estimated to meet the cost of such obligations based on best estimate considering the historical trends, merits of the case and apportionment of delays between the contracting parties.

(v) Provision for litigations and contingencies

The provision for litigations and contingencies are determined based on evaluation made by the management of the present obligation arising from past events the settlement of which is expected to result in outflow of resources embodying economic benefits, which involves judgements around estimating the ultimate outcome of such past events and measurement of the obligation amount.

(vi) Useful life and residual value of plant, property and equipment and intangible assets

The useful life and residual value of plant, property and equipment and intangible assets are determined based on technical evaluation made by the management of the expected usage of the asset, the physical wear and tear and technical or commercial obsolescence of the asset. Due to the judgements involved in such estimations, the useful life and residual value are sensitive to the actual usage in future period.

(vii) Tax charge on intangible assets recognised at time of vesting of turbine business

The Company has been claiming allowance for depreciation on written down value method on certain intangibles recognised upon vesting of the steam turbine business in earlier years pursuant to a scheme of demerger. While such claims for certain years have been adjudicated in favor of the Company at the first appellate stage, the Revenue department has consistently disallowed the same in tax assessments. In view of uncertainty with regard to the ultimate decision in such matter at higher judicial forums, the Company has not considered the benefit of the aforesaid favorable decisions and has continued to recognise charge for tax without considering depreciation benefits on such intangible assets, the tax effect of which aggregates to ₹ 187.44 Million till March 31, 2019 (March 31, 2018: ₹ 187.19 Million)

Notes to the Financial Statements

for the year ended March 31, 2019

Note 3: Property, plant and equipment and capital work-in-progress

	Property, plant and equipment							Capital work-in-progress		
	Freehold Land	Leasehold Land	Buildings	Plant and Equipment	Office Equipment	Furniture & Fixtures	Vehicles		Computers	Total
Year ended March 31, 2018										(₹ in Million)
Gross carrying amount										
Opening gross carrying amount	36.42	388.65	1,083.50	855.71	16.13	50.37	48.20	41.63	2,520.61	103.02
Additions	-	-	22.44	66.26	6.77	6.52	2.24	9.94	114.17	380.19
Disposals	-	-	(0.26)	(1.01)	(0.17)	(0.08)	(7.28)	(0.62)	(9.42)	-
Transfer	-	-	-	-	-	-	-	-	-	(98.11)
Closing gross carrying amount	36.42	388.65	1,105.68	920.96	22.73	56.81	43.16	50.95	2,625.36	385.10
Accumulated depreciation										
Opening accumulated depreciation	-	-	19.52	194.07	5.84	9.73	9.58	16.06	254.80	-
Depreciation charge during the year	-	-	36.86	100.43	3.57	5.51	6.43	11.58	164.38	-
Disposals	-	-	(0.03)	(0.14)	(0.16)	-	(2.54)	(0.06)	(2.93)	-
Closing accumulated depreciation	-	-	56.35	294.36	9.25	15.24	13.47	27.58	416.25	-
Net carrying amount	36.42	388.65	1,049.33	626.60	13.48	41.57	29.69	23.37	2,209.11	385.10
Year ended March 31, 2019										
Gross carrying amount										
Opening gross carrying amount	36.42	388.65	1,105.68	920.96	22.73	56.81	43.16	50.95	2,625.36	385.10
Additions	-	-	64.36	400.79	2.32	3.26	1.37	2.97	475.07	46.64
Disposals	-	-	(1.97)	(0.62)	(0.62)	(0.08)	(2.20)	(0.55)	(5.42)	-
Transfer	-	-	-	-	-	-	-	-	-	(388.40)
Closing gross carrying amount	36.42	388.65	1,170.04	1,319.78	24.43	59.99	42.33	53.37	3,095.01	43.34
Accumulated depreciation										
Opening accumulated depreciation	-	-	56.35	294.36	9.25	15.24	13.47	27.58	416.25	-
Depreciation charge during the year	-	-	38.51	111.64	3.70	6.05	5.83	7.75	173.48	-
Disposals	-	-	(1.24)	(0.54)	(0.54)	(0.06)	(0.88)	(0.55)	(3.27)	-
Closing accumulated depreciation	-	-	94.86	404.76	12.41	21.23	18.42	34.78	586.46	-
Net carrying amount	36.42	388.65	1,075.18	915.02	12.02	38.76	23.91	18.59	2,508.55	43.34

(i) Leased assets

The leasehold land above represents land at Sompura, acquired by the Company during financial year 2014-15 from Karnataka Industrial Areas Development Board, on a lease-cum-sale basis. The land is under lease for initial period of ten years thereafter the ownership of the land will be transferred in favour of the Company. Accordingly, such land is considered as land under finance lease (refer note 40(ii)).

(ii) Restrictions on property, plant and equipment

Refer note 15 & 17 for information on charges created on property, plant and equipment.

(iii) Contractual commitments

Refer note 41 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

(iv) Capital work-in-progress

Capital work-in-progress mainly comprises of extension of factory building at Sompura manufacturing facility.

Notes to the Financial Statements

for the year ended March 31, 2019

Note 4: Intangible assets

(₹ in Million)

	Computer software	Website	Design and Drawings	Total
Year ended March 31, 2018				
Gross carrying amount				
Opening gross carrying amount	57.00	1.42	37.51	95.93
Additions	20.90	-	-	20.90
Disposals	(0.80)	-	-	(0.80)
Closing gross carrying amount	77.10	1.42	37.51	116.03
Accumulated amortisation				
Opening accumulated amortisation	24.99	0.86	17.22	43.07
Amortisation charge for the year	18.53	0.41	7.76	26.70
Disposals	(0.80)	-	-	(0.80)
Closing accumulated amortisation	42.72	1.27	24.98	68.97
Closing net carrying amount	34.38	0.15	12.53	47.06
Year ended March 31, 2019				
Gross carrying amount				
Opening gross carrying amount	77.10	1.42	37.51	116.03
Additions	10.36	-	5.76	16.12
Disposals	(0.32)	-	-	(0.32)
Closing gross carrying amount	87.14	1.42	43.27	131.83
Accumulated amortisation				
Opening accumulated amortisation	42.72	1.27	24.98	68.97
Amortisation charge for the year	20.56	0.15	6.79	27.50
Disposals	(0.32)	-	-	(0.32)
Closing accumulated amortisation	62.96	1.42	31.77	96.15
Closing net carrying amount	24.18	-	11.50	35.68

(i) All intangible assets disclosed above represents acquired intangible assets.

Notes to the Financial Statements

for the year ended March 31, 2019

Note 5: Investments

(a) Investments in subsidiary and joint venture

	(₹ in Million)	
	31-Mar-19	31-Mar-18
At cost		
Unquoted investments (fully paid-up)		
Investments in equity instruments		
- of subsidiary		
200,000 (March 31, 2018: 200,000) Ordinary shares of GBP 1/- each of Triveni Turbines Europe Private Ltd	18.47	18.47
- of joint venture		
8,000,001 (March 31, 2018: 8,000,001) Equity shares of ₹ 10/- each of GE Triveni Limited (refer note 2 (a) (i) and note 17 (ii))	80.00	80.00
Total investments in subsidiary and joint venture	98.47	98.47
Total investments in subsidiary and joint venture	98.47	98.47
Aggregate amount of quoted investments and market value thereof	-	-
Aggregate amount of unquoted investments	98.47	98.47
Aggregate amount of impairment in the value of investments	-	-

Details of the Company's subsidiaries and joint venture at the end of the reporting period are as follows:

Name of Subsidiaries / Joint venture	Place of incorporation and operation	(₹ in Million)	
		Proportion of ownership interest and voting power held by the Company	
		31-Mar-19	31-Mar-18
Subsidiary			
Triveni Turbines Europe Private Ltd	United Kingdom	100%	100%
Joint venture			
GE Triveni Limited	India	50%	50%

(b) Current investments

	(₹ in Million)	
	31-Mar-19	31-Mar-18
At fair value through Profit & Loss (P&L)		
Unquoted investments		
Investments in mutual funds		
Nil (March 31, 2018: 108,003) Mutual Funds Units of Birla Sun Life Cash Plus Growth - Direct Plan	-	30.17
Nil (March 31, 2018: 632,303) Mutual Funds Units of JM High Liquidity Fund Growth - Direct Plan	-	30.08
Nil (March 31, 2018: 5,942) Mutual Funds Units of HDFC Liquid Fund - Direct Plan	-	20.34
Nil (March 31, 2018: 4,756) Mutual Funds Units of IDFC Cash Fund Growth - Direct Plan	-	10.04
167,402 (March 31, 2018: Nil) Aditya Birla Sun Life Liquid Fund - Growth-- Direct Plan	50.05	-
Total current investments	50.05	90.63
Total current investments	50.05	90.63
Aggregate amount of quoted investments and market value thereof	-	-
Aggregate amount of unquoted investments	50.05	90.63
Aggregate amount of impairment in the value of investments	-	-

Notes to the Financial Statements

for the year ended March 31, 2019

Note 6: Trade receivables

(₹ in Million)

	31-Mar-19		31-Mar-18	
	Current	Non- current	Current	Non- current
Trade receivables (at amortised cost)	1,768.10	12.02	2,094.73	12.42
Less: Allowance for bad and doubtful debts	(40.33)	-	(36.65)	-
Total trade receivables	1,727.77	12.02	2,058.08	12.42
Trade receivables				
Secured, considered good	585.54	-	664.17	-
Unsecured, considered good	1,142.23	12.02	1,393.91	12.42
Trade receivables which have significant increase in credit Risk	5.42	-	3.81	-
Trade receivables - credit impaired	34.91	-	32.84	-
	1,768.10	12.02	2,094.73	12.42
Impairment Allowance (allowance for bad and doubtful debts)				
Trade receivables which have significant increase in credit Risk	5.42	-	3.81	-
Trade receivables - credit impaired	34.91	-	32.84	-
	40.33	-	36.65	-

- (i) Refer note 38 for disclosures related to credit risk, impairment of trade receivables under expected credit loss model and related disclosures.
- (ii) Reconciliation of loss allowance provision on trade receivables:

(₹ in Million)

	31-Mar-19	31-Mar-18
Balance at beginning of the year	36.65	37.94
Additional provisions recognised	3.68	0.54
Amounts used during the year	-	(1.83)
Balance at the end of the year	40.33	36.65

Note 7: Loans

(₹ in Million)

	31-Mar-19		31-Mar-18	
	Current	Non- current	Current	Non- current
Loan to employees (at amortised cost)				
- Unsecured, considered good	2.45	0.19	2.20	0.22
Total loans	2.45	0.19	2.20	0.22

Notes to the Financial Statements

for the year ended March 31, 2019

Note 8: Other financial assets

(₹ in Million)

	31-Mar-19		31-Mar-18	
	Current	Non- current	Current	Non- current
At amortised cost				
Security deposits	0.26	7.12	0.29	5.82
Earnest money deposits	8.29	-	5.43	-
Interest accrued on bank deposits	-	-	0.13	-
Amount recoverable from banks (related to hedging transactions)	0.69	-	12.50	-
Unbilled revenue	33.04	-	8.81	-
Total other financial assets at amortised cost [A]	42.28	7.12	27.16	5.82
At fair value through Other Comprehensive Income (OCI)				
Derivatives financial instruments carried at fair value				
- Foreign-exchange forward contracts	100.83	-	-	-
Total other financial assets at fair value through OCI [B]	100.83	-	-	-
Total other financial assets ([A]+[B])	143.11	7.12	27.16	5.82

Note 9: Other assets

(₹ in Million)

	31-Mar-19		31-Mar-18	
	Current	Non- current	Current	Non- current
Capital advances	-	9.31	-	9.64
Advances to suppliers				
Considered good	95.37	-	118.74	-
Considered doubtful	0.52	-	-	-
	95.89	-	118.74	-
Less: Provision for doubtful advances	(0.52)	-	-	-
	95.37	-	118.74	-
Indirect tax and duties recoverable				
Considered good	73.67	7.87	360.21	3.73
Considered doubtful	-	2.64	-	2.64
	73.67	10.51	360.21	6.37
Less: Provision for doubtful receivable	-	(2.64)	-	(2.64)
	73.67	7.87	360.21	3.73
Export incentives receivable				
Considered good	37.12	-	87.56	-
Considered doubtful	-	11.14	-	11.86
	37.12	11.14	87.56	11.86
Less: Provision for doubtful receivable	-	(11.14)	-	(11.86)
	37.12	-	87.56	-
Prepaid expenses	15.22	0.69	19.11	0.95
Due from customers (Turbine extended scope turnkey project revenue adjustment)	5.85	-	4.52	-
Others	0.07	-	-	-
Total other assets	227.30	17.87	590.14	14.32

Notes to the Financial Statements

for the year ended March 31, 2019

Note 10: Inventories

	(₹ in Million)	
	31-Mar-19	31-Mar-18
Raw materials and components [includes stock in transit ₹ 0.03 Million (March 31, 2018 : ₹ 5.77 Million)]	1,037.69	1,082.12
Less: Allowance for non moving inventories	(19.52)	(12.79)
Work-in-progress	959.94	752.18
Less: Allowance for non moving inventories	(14.38)	(14.45)
Finished goods [includes stock in transit ₹ 138.52 Million (March 31, 2018: ₹ Nil)]	203.67	-
Others - Scrap and low value patterns	0.12	0.05
Total inventories	2,167.52	1,807.11

- (i) The cost of inventories recognised as an expense during the year was ₹ 5,584.12 Million (March 31, 2018: ₹ 4,639.69 Million)
- (ii) The mode of valuation of inventories has been stated in note 1 (k).
- (iii) In view of the order-to-dispatch cycle being normally around twelve months, most of the inventories held are expected to be utilized during the next twelve months. However, there may be some exceptions on account of unanticipated cases where the dispatch is held up due to reasons attributable to the customers, slow movement in spares and advance manufacture in anticipation of orders. Accordingly, the same has been considered as current.
- (iv) Refer note 17(i) for information on charges created on inventories.
- (v) For write-downs of inventories to net realisable value on account of obsolescence and slow moving items refer note 31.
- (vi) During the year, the Company has written down certain inventories to net realisable value on account of measurement at the lower of cost and net realisable value amounting by ₹ 54.57 million (March 31, 2018: ₹ Nil) and recognised as an expense under the head 'changes in inventories of finished goods and work-in-progress'. These amounts have also included in note (i) above.

Note 11: Cash and bank balances

(a) Cash and cash equivalents

	(₹ in Million)	
	31-Mar-19	31-Mar-18
At amortised cost		
Balances with banks	128.79	40.73
Cash on hand	0.11	0.24
Total cash and cash equivalents	128.90	40.97

Notes to the Financial Statements

for the year ended March 31, 2019

(b) Bank balances other than cash and cash equivalents

	(₹ in Million)	
	31-Mar-19	31-Mar-18
At amortised cost		
Balances with banks		
- Deposits with maturity with less than 12 months*	-	9.55
Earmarked balances with banks		
- unpaid dividend account	1.49	1.31
Total other bank balances	1.49	10.86

* Held as security deposits against bank guarantee

Note 12: Assets classified as held for sale

	(₹ in Million)	
	31-Mar-19	31-Mar-18
Plant and equipment	2.60	2.60
Total assets classified as held for sale	2.60	2.60

The Company intends to dispose off certain old machines not in usable condition, the total book value of these machines as at March 31, 2019 was ₹ 2.60 Million (March 31, 2018 : ₹ 2.60 Million) . No impairment loss is recognized on re-classification including subsequent measurement of these machines to "Assets held of sale" as the fair value less cost of sale is higher than the carrying amount, as determined from quotations received from potential buyers.

Note 13: Equity share capital

	31-Mar-19		31-Mar-18	
	Number of shares	Amount (₹ in Million)	Number of shares	Amount (₹ in Million)
Authorised				
Equity shares of ₹ 1 each	450,000,000	450.00	450,000,000	450.00
8% Cumulative Redeemable Preference Shares of ₹ 10 each	5,000,000	50.00	5,000,000	50.00
		500.00		500.00
Issued, Subscribed and Fully Paid Up				
Equity shares of ₹ 1 each	323,305,484	323.30	329,972,150	329.97

(i) Movements in equity share capital

	Number of shares	Amount (₹ in Million)
As at April 1, 2017	329,972,150	329.97
Movement during the year	-	-
As at March 31, 2018	329,972,150	329.97
Less: Buy-back of shares [refer note (iv) below]	(6,666,666)	(6.67)
As at March 31, 2019	323,305,484	323.30

Notes to the Financial Statements

for the year ended March 31, 2019

Terms and rights attached to equity shares

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

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

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

	31-Mar-19		31-Mar-18	
	Number of shares	% holding	Number of shares	% holding
Triveni Engineering & Industries Limited	70,627,980	21.85	72,000,000	21.82
Dhruv M. Sawhney	23,386,813	7.23	24,924,645	7.55
Nalanda India Fund Limited	18,170,454	5.62	23,740,454	7.19
Subhadra Trade & Finance Limited	86,929,264	26.89	87,330,417	26.47
Reliance Mutual Fund	18,473,185	5.71	-	-

(iii) Aggregate number of bonus shares issued and shares issued for consideration other than cash during the period of five years immediately preceding the reporting date

The Company has not issued any bonus shares during five years immediately preceding March 31, 2019. Further, the Company has not issued any shares for consideration other than cash during five years immediately preceding March 31, 2019.

(iv) Buy-back of Shares

The Company has completed buy-back of 6,666,666 equity shares of ₹ 1/- each (representing 2.02% of total pre buy-back paid up equity capital of the Company) from the shareholders of the Company on a proportionate basis through the tender offer route at a price of ₹ 150 per equity share for an aggregate amount of ₹ 1,000 Million. Accordingly, the Company has extinguished 6,663,121 fully paid up equity shares of ₹ 1 each (in dematerialized form) and 3,545 fully paid up equity shares of ₹ 1 each (in physical form) as a result of the conclusion of buy-back of 6,666,666 equity shares. Share capital of the Company (post extinguishment) is 323,305,484 shares of ₹ 1/- each. The Company has funded the buy-back from its Securities Premium, General Reserve and Retained Earnings. In accordance with section 69 of the Companies Act, 2013, the Company has transferred an amount of ₹ 6.67 Million to Capital Redemption Reserve which is equal to the nominal value of the shares bought back, as an appropriation from retained earnings.

Note 14: Other equity

	(₹ in Million)	
	31-Mar-19	31-Mar-18
Capital redemption reserve	34.67	28.00
Securities premium	-	4.69
General reserve	-	839.23
Retained earnings	3,748.63	3,264.29
Cash flow hedging reserve	42.70	(4.68)
Total other equity	3,826.00	4,131.53

Notes to the Financial Statements

for the year ended March 31, 2019

(i) Capital redemption reserve

	(₹ in Million)	
	31-Mar-19	31-Mar-18
Opening balance	28.00	28.00
Add: Transferred from retained earnings on buy-back of shares [refer note 13 (iv)]	6.67	-
Closing balance	34.67	28.00

Capital Redemption Reserve up to March 31, 2018 was created consequent to redemption of preference share capital, as required under the provisions of the Companies Act, 1956. During the year, the Company has recognised Capital Redemption Reserve on Buy-back of equity shares from its retained earnings. The amount in Capital Redemption Reserve recognised during the year is equal to the nominal amount of equity shares bought back. This reserve shall be utilised in accordance with the provisions of Companies Act, 2013.

(ii) Securities premium

	(₹ in Million)	
	31-Mar-19	31-Mar-18
Opening balance	4.69	4.69
Less: Amount utilised on account of buy-back of shares [refer note 13 (iv)]	(4.69)	-
Closing balance	-	4.69

Securities premium reserve is used to record the premium on issue of shares. This reserve has been utilised during the year on account of buy-back of equity shares.

(iii) General reserve

	(₹ in Million)	
	31-Mar-19	31-Mar-18
Opening balance	839.23	839.23
Less: Amount utilised on account of buy-back of shares [refer note 13 (iv)]	(839.23)	-
Closing balance	-	839.23

It represents amount kept separately by the Company out of its profits for future purposes not earmarked for special purpose. This reserve has been utilised during the year on account of buy-back of equity shares.

(iv) Retained earnings

	(₹ in Million)	
	31-Mar-19	31-Mar-18
Opening balance	3,264.29	2,755.13
Net profit for the year	875.41	982.25
Other comprehensive income arising from the rereasurements of defined benefit obligation net of income tax	(3.37)	3.49
Transferred to capital redemption reserve on account of buy-back of shares [refer note 13 (iv)]	(6.67)	-
Amount utilised on account of buy-back of shares [refer note 13 (iv)]	(149.41)	-
Transaction cost related to buy-back of shares [refer note 13 (iv)]	(12.82)	-
Dividends paid	(181.49)	(395.97)
Dividend distribution tax (DDT)	(37.31)	(80.61)
Closing balance	3,748.63	3,264.29

Notes to the Financial Statements

for the year ended March 31, 2019

- (a) It represents undistributed profits of the Company which can be distributed by the Company to its equity shareholders in accordance with the requirements of the Companies Act, 2013.
- (b) As required under Schedule III (Division II) to the Companies Act, 2013, the Company has recognised remeasurement of defined benefit plans (net of tax) as part of retained earnings.
- (c) Details of dividend distributions made and proposed:

	(₹ in Million)	
	31-Mar-19	31-Mar-18
Cash dividends on equity shares declared and paid:		
Interim dividend : Nil (₹ Nil per equity share of ₹ 1/- each) [March 31, 2018: 45% (₹ 0.45 per equity share of ₹ 1/- each)]	-	148.49
Dividend distribution tax (DDT) on interim dividend	-	30.23
Final dividend : 55% (₹ 0.55 per equity share of ₹ 1/- each) [March 31, 2018: 75% (₹ 0.75 per equity share of ₹ 1/- each)]	181.49	247.48
Dividend distribution tax (DDT) on final dividend	37.31	50.38
Total cash dividends on equity shares declared and paid	218.80	476.58
Proposed dividend on equity shares:		
Proposed dividend : Nil (₹ Nil per equity share of ₹ 1/- each) [March 31, 2018: 55% (₹ 0.55 per equity share of ₹ 1/- each)]	-	181.49
Dividend distribution tax (DDT) on Proposed dividend	-	37.31
Total proposed dividend on equity shares	-	218.80

Proposed dividend on equity shares as on March 31, 2018 was subject to approval by shareholders at the Annual General Meeting and had not been included as a liability in previous year financial statements. The proposed equity dividend is payable to all holders of fully paid equity shares.

(v) Cash flow hedging reserve

	(₹ in Million)	
	31-Mar-19	31-Mar-18
Opening balance	(4.68)	-
Other comprehensive gain/(loss) arising from effective portion of loss on designated portion of hedging instruments in a cash flow hedge	72.83	(7.16)
Income tax on above	25.45	(2.48)
Closing balance	42.70	(4.68)

The Company uses hedging instruments as a part of its management of foreign currency risk associated with its highly probable forecast sale. For hedging foreign currency risk, the Company uses foreign currency forward contracts which are designated as cash flow hedge. To the extent, these hedge are effective, the changes in fair value of hedging instruments is recognised in the cash flow hedging reserve. Amount recognised in the cash flow hedging reserve is reclassified to profit or loss when hedge items effects profit or loss i.e. sales.

Notes to the Financial Statements

for the year ended March 31, 2019

Note 15: Non-current borrowings

(₹ in Million)

	31-Mar-19		31-Mar-18	
	Current	Non- current	Current	Non- current
Secured- at amortised cost				
Term loans				
- from other parties	0.49	0.02	0.56	0.51
	0.49	0.02	0.56	0.51
Less: Amount disclosed under the head "Other financial liabilities" (refer note 19)	(0.49)	-	(0.56)	-
Total non-current borrowings	-	0.02	-	0.51

Term loans from other parties represents vehicles loan taken from Kotak Mahindra Prime Ltd. which are secured by hypothecation of vehicles acquired under the respective vehicle loans. These loans carry interest in the range of 9.98% p.a to 11.96%p.a. The loans are repayable in 60 equated monthly instalments.

Note 16: Provisions

(₹ in Million)

	31-Mar-19		31-Mar-18	
	Current	Non- current	Current	Non- current
Provision for employee benefits				
Gratuity (refer note 35)	-	23.48	-	11.32
Compensated absences	31.49	-	25.72	-
Employee retention bonus	5.89	6.59	6.96	6.55
Other provisions				
Warranty	31.09	29.50	42.13	19.64
Liquidated damages	15.93	-	12.84	-
Provision for corporate social responsibility	-	-	0.11	-
Total provisions	84.40	59.57	87.76	37.51

(i) Information about individual provisions and significant estimates

(a) Compensated absences

Compensated absences comprises earned leaves and sick leaves, the liabilities of which are not expected to be settled wholly within twelve months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. The Company presents the compensated absences as a current liability in the balance sheet wherever it does not have an unconditional right to defer its settlement beyond twelve months after the reporting date.

(b) Employee retention bonus:

The Company, as a part of retention policy, pays retention bonus to certain employees after completion of specified period of service. The timing of the outflows is expected to be within a period of five years. They are therefore measured as the present value of expected future payments, with management best estimates.

Notes to the Financial Statements

for the year ended March 31, 2019

(c) Warranty:

The Company, in the usual course of sale of its products, gives warranties on certain products and services, undertaking to repair or replace the items that fail to perform satisfactorily during the specified warranty period. Provisions made represent the amount of expected cost of meeting such obligations of rectifications / replacements based on best estimate considering the historical warranty claim information and any recent trends that may suggest future claims could differ from historical amounts.

(d) Liquidated damages:

Represents the provision on account of contractual obligation towards customers in respect of certain products for matters relating to delivery and performance. The provision represents the amount estimated to meet the cost of such obligations based on best estimate considering the historical liquidated damages claim information and any recent trends that may suggest future claims could differ from historical amounts.

(e) Corporate social responsibility:

Represents provision made for amounts payable under an agreement for CSR activities of the Company. The timing of outflow is expected to be within one year.

(ii) Movement in other provisions

Movement in each class of other provisions during the financial year, are set out below:

	(₹ in Million)		
	Warranty	Liquidated damages	Corporate social responsibility
Balance as at April 1, 2017	58.87	14.70	0.14
Additional provisions recognised	39.96	19.82	0.11
Amounts used during the year	(17.72)	(13.37)	(0.14)
Unused amounts reversed during the year	(19.34)	(8.31)	-
Balance as at March 31, 2018	61.77	12.84	0.11
Additional provisions recognised	34.82	22.12	-
Amounts used during the year	(13.72)	(14.94)	(0.11)
Unused amounts reversed during the year	(22.28)	(4.09)	-
Balance as at March 31, 2019	60.59	15.93	-

Notes to the Financial Statements

for the year ended March 31, 2019

Note 17: Current borrowings

	(₹ in Million)	
	31-Mar-19	31-Mar-18
Secured- at amortised cost		
Repayable on demand		
- Cash credits from banks [#]	-	-
Total current borrowings	-	-

[#] As at March 31, 2019 and March 31, 2018, cash credit has a favourable bank balances, hence the same has been disclosed under cash and cash equivalent.

- (i) Cash credit from banks is secured by hypothecation of entire current assets inclusive of stock-in-trade, raw materials, stores and spares, work-in-progress and trade receivables and a second charge on entire movable fixed assets of the Company and immovable fixed assets situated at Peenya Industrial Area, Bengaluru both present and future on a pari-passu basis. Interest rates ranges from 8.45% to 10.15% per annum.
- (ii) In respect of working capital facilities sanctioned by a bank to the joint venture company, M/s GE Triveni Ltd (GETL), the Company has given an undertaking not to dispose of its investments in the equity shares of GETL aggregating to ₹ 80.00 Million (March 31, 2018: ₹ 80.00 Million) during the tenure of the facilities.

Note 18: Trade payable

	(₹ in Million)	
	31-Mar-19	31-Mar-18
Trade payables (at amortised cost)		
- Total outstanding dues of micro enterprises and small enterprises (refer note 43)	100.77	96.53
- Total outstanding dues of creditors other than micro enterprises and small enterprises	1,087.34	1,351.15
Total trade payables	1,188.11	1,447.68

Note 19: Other financial liabilities

	(₹ in Million)	
	31-Mar-19	31-Mar-18
At amortised cost		
Current maturities of long-term borrowings (refer note 15)	0.49	0.56
Interest accrued	-	0.01
Capital creditors	18.06	12.50
Employee benefits and other dues payable	111.66	67.64
Unpaid dividends (see (i) below)	1.48	1.30
Total other financial liabilities at amortised cost [A]	131.69	82.01
At fair value through Other Comprehensive Income (OCI)		
Derivatives financial instruments carried at fair value		
- Foreign-exchange forward contracts	-	8.68
Total other financial liabilities at fair value through OCI [B]	-	8.68
Total other financial liabilities ([A]+ [B])	131.69	90.69

- (i) There are no amounts as at the end of the year which are due and outstanding to be credited to the Investors Education and Protection Fund.

Notes to the Financial Statements

for the year ended March 31, 2019

Note 20: Other current liabilities

	(₹ in Million)	
	31-Mar-19	31-Mar-18
Advance from customers	1,318.54	1,023.71
Deferred income	42.35	30.21
Amount due to customers (Turbine extended scope turnkey project revenue adjustment)	4.13	46.01
Statutory remittances	25.19	27.16
Total other liabilities	1,390.21	1,127.09

Note 21: Income tax balances

	(₹ in Million)			
	31-Mar-19		31-Mar-18	
	Current	Non- current	Current	Non- current
Income tax assets				
Tax refund receivable (net)	-	13.94	-	12.85
	-	13.94	-	12.85
Income tax liabilities				
Provision for income tax (net)	51.19	-	84.86	-
	51.19	-	84.86	-

Note 22: Deferred tax balances

	(₹ in Million)	
	31-Mar-19	31-Mar-18
Deferred tax assets	(81.10)	(69.24)
Deferred tax liabilities	222.00	146.76
Net deferred tax liabilities (net)	140.90	77.52

(i) Movement in deferred tax balances

For the year ended March 31, 2019

	(₹ in Million)			
	Opening balance	Recognised in Profit or loss	Recognised in OCI	Closing balance
Tax effect of items constituting deferred tax assets/ (liabilities)				
Liabilities and provisions tax deductible only upon payment/ actual crystallisation				
- Employee benefits	15.17	10.56	1.81	27.54
- Statutory taxes and duties	-	-	-	-
- Other contractual provisions	21.20	0.66	-	21.86
Impairment provisions on financial/other assets made in books, but tax deductible only on actual write-off	27.40	3.54	-	30.94
Fair valuation of financial assets/(liabilities)	4.43	(9.50)	(25.45)	(30.52)
Difference in carrying values of property, plant & equipment and intangible assets	(146.76)	(44.72)	-	(191.48)
Other temporary differences	1.04	(0.28)	-	0.76
Net deferred tax assets/(liabilities)	(77.52)	(39.74)	(23.64)	(140.90)

Notes to the Financial Statements

for the year ended March 31, 2019

For the year ended March 31, 2018

	(₹ in Million)			
	Opening balance	Recognised in Profit or loss	Recognised in OCI	Closing balance
Tax effect of items constituting deferred tax assets/ (liabilities)				
Liabilities and provisions tax deductible only upon payment/ actual crystallisation				
- Employee benefits	19.33	(2.30)	(1.86)	15.17
- Statutory taxes and duties	0.52	(0.52)	-	-
- Other contractual provisions	11.91	9.29	-	21.20
Impairment provisions on financial/other assets made in books, but tax deductible only on actual write-off	19.90	7.50	-	27.40
Fair valuation of financial assets/(liabilities)	(22.86)	24.81	2.48	4.43
Difference in carrying values of property, plant & equipment and intangible assets	(137.60)	(9.16)	-	(146.76)
Other temporary differences	(0.01)	1.05	-	1.04
Net deferred tax assets/(liabilities)	(108.81)	30.67	0.62	(77.52)

Note 23: Revenue from operations

	(₹ in Million)	
	31-Mar-19	31-Mar-18
Sale of products (including excise duty) [refer note 45 and 47(i)]		
Finished goods		
- Turbines (including related equipments and supplies)	5,731.40	4,719.22
- Spares	1,537.19	1,736.82
Sale of Services		
Servicing, operation and maintenance	642.85	598.01
Erection and commissioning	163.68	143.98
Turbine extended scope turnkey project	43.22	94.86
Other operating revenue		
Sale of scrap	4.51	4.40
Royalty	4.98	1.64
Export incentives	160.06	132.49
Total revenue from operations	8,287.89	7,431.42

Notes to the Financial Statements

for the year ended March 31, 2019

Note 24: Other income

	(₹ in Million)	
	31-Mar-19	31-Mar-18
Interest income (at amortised cost)		
Interest income from bank deposits	0.83	0.15
Interest income from customers	0.17	1.56
	1.00	1.71
Other non-operating income (net of expenses directly attributable to such income)		
Rental income	7.62	7.54
Government grant (refer note (i) below)	-	3.60
Miscellaneous income	6.68	3.02
	14.30	14.16
Other gains/ (losses)		
Net profit on sale/redemption of current investments	30.36	22.05
Net fair value (losses)/gains on current investments	(0.35)	0.29
Net foreign exchange rate fluctuation gains	88.46	40.66
Credit balances written back	23.99	9.10
Excess provision for liquidated damages reversed (net) (refer note 16)	4.00	-
	146.46	72.10
Total other income	161.76	87.97

(i) Government grant

During the previous year, the Company had received grant of ₹ 3.6 Million from Ministry of New & Renewal Energy, Government of India, in respect of a scientific project undertaken jointly in collaboration with Indian Institute of Science, Bengaluru (IISc). As per agreement with IISc, the Company's commitment towards this project is ₹ 15.00 Million out of which the Company will receive grant of ₹ 8.00 Million over a period of three tranches from Government of India. The amount of ₹ 3.6 Million received during the previous year was grant received for the first tranches.

Note 25: Cost of materials consumed

	(₹ in Million)	
	31-Mar-19	31-Mar-18
Stock at the beginning of the year	1,082.12	646.06
Add: Purchases	5,023.59	4,219.82
Less: Stock at the end of the year	(1,037.69)	(1,082.12)
Total cost of materials consumed	5,068.02	3,783.76

Note 26: Changes in inventories of finished goods and work-in-progress

	(₹ in Million)	
	31-Mar-19	31-Mar-18
Inventories at the beginning of the year:		
Work-in progress	752.18	752.38
Finished goods	-	79.74
Total inventories at the beginning of the year	752.18	832.12
Inventories at the end of the year:		
Work-in progress	959.95	752.18
Finished goods	203.67	-
Total inventories at the end of the year	1,163.62	752.18
Less: Impact of excise duty on finished goods	-	(10.08)
Total changes in inventories of finished goods and work-in-progress	(411.44)	69.86

Notes to the Financial Statements

for the year ended March 31, 2019

Note 27: Employee benefits expense

	(₹ in Million)	
	31-Mar-19	31-Mar-18
Salaries and wages	815.79	706.71
Contribution to provident and other funds (refer note 35)	55.23	52.41
Staff welfare expenses	40.68	37.09
Total employee benefit expense	911.70	796.21

Note 28: Finance costs

	(₹ in Million)	
	31-Mar-19	31-Mar-18
Interest costs		
- Interest on borrowings	3.68	0.15
- other interest expense	6.47	4.06
Other borrowing costs		
- Processing/renewal fees	1.08	1.13
Total finance costs	11.23	5.34

Note 29: Depreciation and amortisation expense

	(₹ in Million)	
	31-Mar-19	31-Mar-18
Depreciation of property, plant and equipment (refer note 3)	173.48	164.38
Amortisation of intangible assets (refer note 4)	27.50	26.70
Total depreciation and amortisation expense	200.98	191.08

Note 30: Impairment loss on financial assets (including reversals of impairment losses)

	(₹ in Million)	
	31-Mar-19	31-Mar-18
Bad debts written off of trade receivables and other financial assets carried at amortised cost	0.73	4.27
Impairment loss allowance on trade receivables (net of reversals) (refer note 6)	3.68	0.54
Total impairment loss on financial assets (including reversal of impairment losses)	4.41	4.81

Note 31: Other expenses

	(₹ in Million)	
	31-Mar-19	31-Mar-18
Stores, spares and tools consumed	183.16	136.54
Power and fuel	40.50	34.92
Design and engineering charges	11.32	8.92
Repairs and maintenance		
- Machinery	19.54	31.80
- Building	6.01	14.93
- Others	46.45	22.75
Travelling and conveyance	170.87	170.42
Rent and hire charges	13.14	11.29
Rates and taxes	6.77	5.08

Notes to the Financial Statements

for the year ended March 31, 2019

	(₹ in Million)	
	31-Mar-19	31-Mar-18
Insurance	8.95	10.82
Directors' fee	2.36	2.04
Directors' commission	6.00	6.00
Certification and consultation charges	66.50	62.52
Group shared service cost	38.04	43.42
Bank charges and guarantee commission	18.34	16.47
Amount written off of non financial assets	7.59	5.26
Provision for doubtful advances	1.06	14.50
Warranty expenses [includes provision for warranty (net) ₹ 12.54 Million [March 31, 2018: ₹ 20.62 Million) (refer note 16)]	24.65	42.71
Provision for liquidated damages (refer note 45)	-	11.51
Payment to auditors [see (i) below]	3.68	3.21
Corporate social responsibility expenses [see (ii) below]	32.08	30.92
Allowance for non moving inventories (refer note 10)	6.66	7.68
Loss on sale / write off of property, plant and equipment	1.72	4.23
Packing expenses	50.24	43.48
Freight outward	152.87	131.19
Selling commission	86.66	59.09
Marketing support expenses and incentives	161.57	131.30
Miscellaneous expenses	141.06	123.13
Total other expenses	1,307.79	1,186.13

(i) Detail of payment to auditors

	(₹ in Million)	
	31-Mar-19	31-Mar-18
Statutory Auditor		
Audit fee	1.85	2.05
Limited review fee	0.65	0.52
Certification charges*	0.32	0.08
Reimbursement of expenses	0.28	0.27
	3.10	2.92
Cost Auditor		
Audit fee	0.08	0.08
	0.08	0.08
Tax Auditor		
Audit fee	0.50	0.21
	0.50	0.21
Total payment to auditors	3.68	3.21

* This amount is exclusive of ₹ 0.24 million paid to the statutory auditors towards buy-back related certificates. The same has been adjusted against retained earnings, as these are transaction costs pertaining to buy-back. (refer note 14(iv))

Notes to the Financial Statements

for the year ended March 31, 2019

(ii) Corporate Social Responsibility (CSR)

(a) The Company has incurred CSR expenses mainly towards promoting education and healthcare, ensuring environmental sustainability and contributing to technological institutions which are specified in Schedule VII of the Companies Act, 2013.

(b) Details of CSR expenses:

	(₹ in Million)	
	31-Mar-19	31-Mar-18
a) Gross amount required to be spent during the year #	31.90	30.91
b) Amount spent during the year	32.08	30.92
In cash		
i) Construction/acquisition of any asset	1.62	-
ii) On purposes other than (i) above	30.46	30.81
Yet to be paid in cash		
i) Construction/acquisition of any asset	-	-
ii) On purposes other than (i) above	-	0.11

Amounts computed is based upon profits as per relevant GAAP applicable for the respective years.

Note 32: Income tax expense

(i) Income tax recognised in profit or loss

	(₹ in Million)	
	31-Mar-19	31-Mar-18
Current tax		
In respect of the current year	437.30	497.61
In respect of the prior years	4.51	10.77
Total current tax expense	441.81	508.38
Deferred tax		
In respect of current year	39.19	7.60
In respect of prior years	0.55	(38.27)
Total deferred tax expense/(income)	39.74	(30.67)
Total income tax expense recognised in profit or loss	481.55	477.71

Reconciliation of income tax expense and the accounting profit multiplied by Company's tax rate:

	(₹ in Million)	
	31-Mar-19	31-Mar-18
Profit before tax from continuing operations	1,356.96	1,459.96
Income tax expense calculated @ 34.944% (March 31, 2018: 34.608%)	474.18	505.27
Effect of expenses that is non-deductible in determining taxable profit	11.78	10.17
Effect of tax incentives and concessions (research and development and other allowances)	(9.47)	(10.23)
	476.49	505.21
Adjustments recognised in the current year in relation to the current tax of prior years	4.51	10.77
Adjustments recognised in the current year in relation to the deferred tax of prior years	0.55	(38.27)
Total income tax expense	481.55	477.71

Notes to the Financial Statements

for the year ended March 31, 2019

(ii) Income tax recognised in other comprehensive income

(₹ in Million)

	31-Mar-19	31-Mar-18
Deferred tax related to items recognised in other comprehensive income during the year:		
Remeasurement of defined benefit obligations	(1.81)	1.86
Effective portion of loss on designated portion of hedging instruments in a cash flow hedge	25.45	(2.48)
Total income tax expense recognised in other comprehensive income	23.64	(0.62)
Bifurcation of the income tax recognised in other comprehensive income into:		
Items that will not be reclassified to statement of profit or loss	(1.81)	1.86
Items that will be reclassified to statement of profit or loss	25.45	(2.48)
Total income tax expense recognised in other comprehensive income	23.64	(0.62)

Note 33: Earnings per share

(₹ in Million)

	31-Mar-19	31-Mar-18
Profit for the year attributable to owners of the Company [A]	875.41	982.25
Weighted average number of equity shares for the purposes of basic EPS/ diluted EPS [B]	328,985,849	329,972,150
Basic earning per share (face value of ₹ 1 per share) [A/B] (in ₹)	2.66	2.98
Diluted earning per share (face value of ₹ 1 per share) [A/B] (in ₹)	2.66	2.98

Note 34: Segment information

The Company primarily operates in one business segment- Power generating equipment and solutions.

The Company is domiciled in India and all its non-current assets are located in/relates to India except following:

- (i) Investment in foreign subsidiary of ₹ 18.47 Million as at March 31, 2019 (March 31, 2018 : ₹ 18.47 Million)

The amount of Company's revenue from external customers based on geographical area and nature of the products/ services are shown below:

Revenue by geographical area

(₹ in Million)

	31-Mar-19	31-Mar-18
India	4,450.49	4,156.73
Rest of the world	3,667.85	3,136.16
Total	8,118.34	7,292.89

Notes to the Financial Statements

for the year ended March 31, 2019

Revenue by nature of products / services (refer note 23)

	(₹ in Million)	
	31-Mar-19	31-Mar-18
Sale of products (including excise duty) [refer note 45 and 47(i)]		
Finished goods		
- Turbines (including related equipments and supplies)	5,731.40	4,719.22
- Spares	1,537.19	1,736.82
Sale of Services		
Servicing, operation and maintenance	642.85	598.01
Erection and commissioning	163.68	143.98
Turbine extended scope turnkey project	43.22	94.86
Total	8,118.34	7,292.89

There is no single customer who has contributed 10% or more to the Company's revenue for both the years ended March 31, 2019 and March 31, 2018.

Note 35: Employee benefit plans

(i) Defined contribution plans

- (a) The Company operates defined contribution retirement benefit plans under which the Company pays fixed contributions to separate entities (funds) or financial institutions or state managed benefit schemes. The Company has no further payment obligations once the contributions have been paid. Following are the schemes covered under defined contributions plans of the Company:

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

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

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

- (b) The expense recognised during the period towards defined contribution plans are as follows:

	(₹ in Million)	
	31-Mar-19	31-Mar-18
Company's contribution to Employee's Provident Fund	33.26	31.04
Administrative charges on above	1.50	1.73
Company's contribution to Employee State Insurance	1.11	1.04
Company's contribution to Superannuation Scheme	7.43	7.12

(ii) Defined benefit plans

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

Notes to the Financial Statements

for the year ended March 31, 2019

(b) **Risk exposure**

These plans typically expose the Company to a number of actuarial risks, the most significant of which are detailed below:

Investment risk: The plan liabilities are calculated using a discount rate set with references to government bond yields as at end of reporting period; if plan assets under perform compared to the government bonds discount rate, this will create or increase a deficit. The Plan assets comprise principally Group Gratuity Plans offered by the life insurance companies. Majority of the funds invested are under the traditional platform where the insurance companies declare a return at the end of each year based upon its performance. Certain investments are also made in funds (growth plans) managed by the life insurance companies under which the returns are based upon the accretion to the net asset value (NAV) of the particular fund, which are declared on a daily basis. The NAV based funds of the insurance companies are approved and regulated by the Insurance Regulatory and Development Authority of India and the investment risk is mitigated by investment in funds where the asset allocation is primarily in sovereign and debt securities. The Company has a risk management strategy which defines exposure limits and acceptable credit risk rating.

Interest risk: A decrease in government bond yields will increase plan liabilities, although this is expected to be partially offset by an increase in the value of the plans' debt instruments.

Life expectancy: The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants during their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

Attrition rate: The present value of the defined benefit plan liability is impacted by the rate of employee turnover, disability and early retirement of plan participants. A decrease in the attrition rate of the plan participants will increase the plan's liability.

(c) The significant actuarial assumptions used for the purposes of the actuarial valuation of gratuity were as follows:

	(₹ in Million)	
	Valuation as at	
	31-Mar-19	31-Mar-18
Discounting rate	7.65%	7.78%
Future salary growth rate	8.00%	8.00%
Life expectancy/ Mortality rate	*	*
Attrition rate	- Below 31 years - 11.00%	- Below 31 years - 10.00%
	- 31-44 years - 6.00%	- 31-44 years - 7.00%
	- Above 44 years - 4.00%	- Above 44 years - 4.00%
Method used	Projected unit credit method	Projected unit credit method

* Assumptions regarding future mortality are set based on actuarial advice in accordance with published statistics (i.e. IALM 2006-08 Ultimate). These assumptions translate into an average life expectancy in years at retirement age.

Notes to the Financial Statements

for the year ended March 31, 2019

- (d) Amounts recognised in statement of profit and loss in respect of defined benefit plan (Gratuity Plan) are as follows:

	(₹ in Million)	
	31-Mar-19	31-Mar-18
Current service cost	11.29	9.87
Net interest expense	0.63	1.62
Components of defined benefit costs recognised in statement of profit or loss	11.92	11.49
Remeasurement on the net defined benefit liability		
- Return on plan assets (excluding amount included in net interest expense)	(0.85)	0.71
- Actuarial loss/(gain) arising form changes in financial assumptions	1.28	(5.68)
- Actuarial loss/(gain) arising form changes in demographic assumptions	0.09	(0.29)
- Actuarial loss/(gain) arising form experience adjustments	4.66	(0.09)
Components of defined benefit costs recognised in other comprehensive income	5.18	(5.35)
Total	17.10	6.14

The current service cost and the net interest expense for the year are included in the 'Employee benefits expense' line item in the statement of profit and loss. The remeasurement of the net defined benefit liability is included in other comprehensive income.

- (e) Amounts included in the balance sheet arising from the entity's obligation in respect of its defined benefit plan (Gratuity Plan) is as follows:

	(₹ in Million)	
	31-Mar-19	31-Mar-18
Present value of defined benefit obligation as at the end of the year	132.70	111.87
Fair value of plan assets	109.22	100.55
Funded status	(23.48)	(11.32)
Net liability arising from defined benefit obligation recognised in the balance sheet	(23.48)	(11.32)

- (f) Movement in the present value of the defined benefit obligation (Gratuity Plan obligation) are as follows:

	(₹ in Million)	
	31-Mar-19	31-Mar-18
Present value of defined benefit obligation at the beginning of the year	111.87	107.95
Expenses recognised in statement of profit and loss		
- Current service cost	11.29	9.87
- Interest expense (income)	8.45	7.85
Remeasurement (gains)/ losses recognised in other comprehensive income		
- Actuarial (gain)/loss arising from:		
i. Demographic assumptions	0.09	(0.29)
ii. Financial assumptions	1.28	(5.68)
iii. Experience adjustments	4.66	(0.09)
Benefit payments	(4.94)	(7.74)
Present value of defined benefit obligation at the end of the year	132.70	111.87

Notes to the Financial Statements

for the year ended March 31, 2019

(g) Movement in the fair value of plan assets are as follows

	(₹ in Million)	
	31-Mar-19	31-Mar-18
Fair value of plan assets at the beginning of the year	100.55	80.03
Expenses recognised in statement of profit and loss		
- Expected return on plan assets	7.82	6.23
Remeasurement gains / (losses) recognised in other comprehensive income		
- Actual Return on plan assets in excess of the expected return	0.85	(0.71)
Contributions by employer	4.94	22.65
Benefit payments	(4.94)	(7.65)
Fair value of plan assets at the end of the year	109.22	100.55

The fair value of the plan assets at the end of the reporting period for each category, are as follows:

	31-Mar-19			31-Mar-18		
	Quoted	Unquoted	Total	Quoted	Unquoted	Total
Cash and cash equivalents	-	0.60	0.60	-	0.56	0.56
Group Gratuity Plans with Insurance Companies	-	108.62	108.62	-	99.99	99.99
Total plan assets	-	109.22	109.22	-	100.55	100.55

The Plan assets comprise principally Group Gratuity Plans offered by the life insurance companies. Majority of the funds invested are under the traditional platform where the insurance companies declare a return at the end of each year based upon its performance. Certain investments are also made in funds (growth plans) managed by the life insurance companies under which the returns are based upon the accretion to the net asset value (NAV) of the particular fund, which are declared on a daily basis. The NAV based funds of the insurance companies are approved and regulated by the Insurance Regulatory and Development Authority of India and the investment risk is mitigated by investment in funds where the asset allocation is primarily in sovereign and debt securities. There has been no change in the process used by the Company to manage its risks from prior periods.

(h) Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

	Change in assumption by		Impact on defined benefit obligation			
			Increase in assumption		Decrease in assumption	
			31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18
Discounting rate	0.5%	₹ in Million	(4.99)	(5.88)	5.34	6.41
		in %	-3.76%	-5.26%	4.03%	5.73%
Future salary growth rate	0.5%	₹ in Million	5.30	6.32	(5.00)	(5.85)
		in %	3.99%	5.65%	-3.77%	-5.23%
Mortality rate	10%	₹ in Million	(0.02)	(0.04)	-	0.01
		in %	-0.01%	-0.03%	0.00%	0.00%
Attrition rate	0.5%	₹ in Million	(0.19)	(0.07)	0.19	0.04
		in %	-0.14%	-0.07%	0.14%	0.04%

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practise, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the

Notes to the Financial Statements

for the year ended March 31, 2019

defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to prior period.

(i) Defined benefit liability and employer contributions

The Company shall strive to bridge the deficit in defined benefit gratuity plan in the next year.

The Company expects to contribute ₹ 31.34 Million to the defined benefit plan during the year ending March 31, 2020.

The weighted average duration of the defined obligation as at March 31, 2019 is 8 years.

The expected maturity analysis of undiscounted defined benefit obligation as at March 31, 2019 is as follows:

	(₹ in Million)				
	Less than a year	Between 2-5 years	Between 6-10 years	More than 10 years	Total
Defined benefit obligation (Gratuity)	25.19	42.59	62.05	157.30	287.13

Note 36: Related party transactions

(i) Related parties where control exists

Subsidiaries

Triveni Turbines Europe Private Limited (wholly owned subsidiary)

Triveni Turbines DMCC (step-down subsidiary)

Triveni Turbines Africa Pty. Ltd. (step-down subsidiary)*

(ii) Related parties with whom transactions have taken place during the year :

(a) Investing company holding substantial interest

Triveni Engineering & Industries Limited (TEIL)

(b) Subsidiaries

Triveni Turbines Europe Private Limited (wholly owned subsidiary) (TTEPL)

Triveni Turbines DMCC (step-down subsidiary) (TTD)

Triveni Turbines Africa Pty. Ltd. (step-down subsidiary) (TTAPL)

(c) Joint Venture

GE Triveni Limited (GETL)

(d) Key Management Personnel (KMP)

Mr. D.M. Sawhney, Chairman & Managing Director (DMS)

Mr. Nikhil Sawhney, Vice Chairman and Managing Director (NS)

Mr. Arun Mote, Executive Director (AM)

Mr. Deepak Kumar Sen, Executive Vice President & CFO (DKS)

Mr. Tarun Sawhney, Promoter Non Executive Director (TS)

Lt. General Kanwal Kishan Hazari (Retired), Independent Non Executive Director (KKH)#

Mrs. Vasantha Bharucha, Independent Non Executive Director (VB)

Mr. Shekhar Datta, Independent Non Executive Director (SD)

Dr. Santosh Pande, Independent Non Executive Director (SP)**

Ms. Homai A. Daruwalla, Independent Non Executive Director (HAD)***

Dr. Anil Kakodkar, Independent Non Executive Director (AK)***

Notes to the Financial Statements

for the year ended March 31, 2019

- (e) Parties in which key management personnel or their relatives have significant influence
 - Subhadra Trade & Finance Limited (STFL)
 - Tirath Ram Shah Charitable Trust (TR SCT)

- (f) Post employment benefit plans
 - Triveni Turbine Limited Officers Pension Scheme (TTLOPS)
 - Triveni Turbine Limited Employees Gratuity Trust (TTLEGT)

*w.e.f. August 29, 2017

** w.e.f July 19, 2017

*** w.e.f. November 1, 2018

Ceased to be KMP, due to resignation, w.e.f November 1, 2018.

Notes to the Financial Statements

for the year ended March 31, 2019

(iii) Details of transactions between the Company and related parties during the year and outstanding balances as on March 31, 2019:

Financial year	Investing company holding substantial interest	Subsidiary		Joint Venture		KMP										Parties in which KMP or their relatives have significant influence		Post employment benefit plans	Total		
		TEPL	TTD	TTAPL	GETL	DMS	NS	AM	DKS	TS	KKH	VB	SD	SP	HAD	AK	STFL			TRSCF	TTLOPS
Nature of transactions with Related Parties																					
Sales and rendering of services*	192.35	40.06	58.01	68.66	463.17	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	822.25
Purchases and receiving services*	38.25	33.47	36.11	5.86	537.38	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	651.07
Rent & other charges income	430.40	93.60	67.97	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	561.57
Royalty Income*	-	-	-	8.84	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	8.84
Rent expenditure*	2.05	-	-	5.88	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5.88
Remuneration expenditure	2.04	-	-	1.94	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.94
Directors fee expenditure	-	-	-	-	-	40.98	26.49	-	-	-	-	-	-	-	-	-	-	-	-	-	2.04
Directors commission expenditure	-	-	-	-	-	36.50	24.30	5.18	-	-	-	-	-	-	-	-	-	-	-	-	73.33
Corporate social responsibility expenditure	-	-	-	-	-	-	-	-	0.34	0.17	0.60	0.35	0.55	0.21	0.15	-	-	-	-	-	65.98
Contribution to post employment benefit plans	-	-	-	-	-	-	-	-	0.37	0.47	0.50	0.35	0.35	-	-	-	-	-	-	-	2.06
Expenses incurred by the Company on behalf of party (net of expenses incurred by party on behalf of the Company)	-	-	-	-	-	-	-	-	1.12	-	1.12	1.12	1.12	0.76	0.76	-	-	-	-	-	6.00
Dividend Paid	-	-	-	-	-	-	-	-	1.12	1.32	1.32	1.12	1.12	-	-	-	-	-	-	-	6.00
Buyback of shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	9.00
Outstanding balances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	9.00
Receivable	137.41	0.96	-	29.66	482.33	-	-	0.03	-	-	-	-	-	-	-	-	-	-	-	-	650.39
Payable	31.05	3.88	-	5.93	182.02	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	322.88
Including taxes	53.18	-	41.20	51.17	0.52	0.21	0.39	-	1.12	1.12	1.12	1.12	1.12	0.76	0.76	-	-	-	-	-	154.53
	108.20	15.14	-	35.41	0.52	0.21	0.64	-	1.12	1.32	1.32	1.12	1.12	-	-	-	-	-	-	-	166.12

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for the year ended March 31, 2019

(iv) Compensation of key managerial personnel:

	(₹ in Million)	
	31-Mar-19	31-Mar-18
Short-term employee benefits	66.62	60.03
Post-employment benefits	6.71	5.95
Total	73.33	65.98

The remuneration of directors and key executives is determined by the remuneration committee having regard to the performance of individuals and market trends.

(v) Terms & conditions:

The sales to and purchases from related parties, including rendering / availment of services, are made on terms which are on arm's length after taking into consideration market considerations, external benchmarks and adjustment thereof, terms of Joint Venture agreement and methodology of sharing common group costs. There has not been any transactions with key management personnel other than the approved remuneration having regards to the performance and market trends. The outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. The Company has not recorded any impairment of receivables relating to amounts owned by related parties for the year ended March 31, 2019 and March 31, 2018.

(vi) In respect of figures disclosed above:

- (a) the amount of transactions/ balances are without giving effect to the Ind AS adjustments on account of fair valuation/ amortisation.
- (b) Remuneration and outstanding balances of KMP does not include long term benefits by way of gratuity and compensated absences, which are currently not payable and are provided on the basis of actuarial valuation by the Company.

(vii) There are no reportable transactions/balances as required under regulation 34(3) of SEBI (Listing and Other Disclosure Requirements) Regulations, 2015.

Note 37: Capital management

For the purpose of capital management, capital includes total equity of the Company. The primary objective of the capital management is to maximize shareholder value. The Company is by and large debt free.

The business model of the Company is not capital intensive and being in the engineered-to-order capital goods space, the working capital is largely funded by advances from customers. The Company, therefore, prefers low gearing ratio. The Company manages its capital structure and makes adjustments in light of changes in economic conditions which may be in the form of payment of dividend subject to benchmark pay-out ratio, return capital to the shareholders or issue of new shares. Currently, the Company is cash positive and does not require any equity infusion or borrowings.

Notes to the Financial Statements

for the year ended March 31, 2019

	(₹ in Million)	
	31-Mar-19	31-Mar-18
Non-current borrowings (note 15)	0.02	0.51
Current borrowings (note 17)	-	-
Trade payables (note 18)	1,188.11	1,447.68
Other financial liabilities (note 19)	131.68	90.69
Total debt	1,319.81	1,538.88
Less: Cash and cash equivalent (note 11(a))	(128.90)	(40.97)
Net debt (A)	1,190.91	1,497.91
Total equity (note 13 & note 14)	4,149.30	4,461.50
Total equity and net debt (B)	5,340.21	5,959.41
Gearing ratio (A/B)	22%	25%

Further, no changes were made in the objectives, policies or process for managing capital during the years ended March 31, 2019 and March 31, 2018.

The Company is not subject to any externally imposed capital requirements.

Note 38: Financial risk management

The Company's principal financial liabilities comprises trade payables and other payables and by and large there are no borrowings, other than necessitated by temporary mismatch. The main purpose of the financial liabilities is to finance the Company's operations. The Company's principal financial assets include trade receivables, other receivables and cash and bank balances that derive directly from its operations. The Company also holds FVTPL investments and loans. The Company has substantial exports and is exposed to foreign currencies fluctuations during the contractual delivery period which is normally in the range of one year. The Company uses extensive derivatives to hedge its foreign exchange exposures which arise from export orders.

The Company's activities expose it mainly to market risk, liquidity risk and credit risk. The monitoring and management of such risks is undertaken by the senior management of the Company and there are appropriate policies and procedures in place through which such financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Company has specialized teams to undertake derivative activities for risk management purposes and such team has appropriate skills, experience and expertise. It is the Company policy not to carry out any trading in derivative for speculative purposes. The Audit Committee and the Board are regularly apprised of such risks every quarter and each such risk and mitigation measures are extensively discussed.

(i) Credit risk

Credit risk arises when a counterparty defaults on its contractual obligations to pay resulting in financial loss to the Company. The Company is exposed to credit risk from its operating activities, primarily trade receivables. The credit risks in respect of deposits with the banks, foreign exchange transactions and other financial instruments are only nominal.

(a) Credit risk management

The customer credit risk is managed subject to the Company's established policy, procedure and controls relating to customer credit risk management. In order to contain the business risk, prior to acceptance of an order from a customer, the creditworthiness of the customer is ensured through scrutiny of its financials, status of financial closure of the project, if required, market reports and reference checks. The Company remains vigilant and regularly assesses the financial position of customers during execution of contracts with a view to limit risks of delays and default. Further, in most of the cases, the Company prescribes stringent payment terms including ensuring full payments before delivery of goods. Retention amounts, if applicable, are payable after satisfactory commissioning and performance. In view of the

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industry practice and being in a position to prescribe the desired commercial terms, credit risks from receivables are well contained on an overall basis.

The impairment analysis is performed on each reporting period on individual basis for major customer. In addition a large number of receivables are grouped and assessed for impairment collectively. The calculation is based on historical data of losses, current conditions and forecasts and future economic conditions. The Company's maximum exposure to credit risk at the reporting date is the carrying amount of each financial asset as detailed in note 5, 6, 7, 8 and 11.

The trade receivables position is provided here below:

	(₹ in Million)	
	31-Mar-19	31-Mar-18
Total receivables	1,739.78	2,070.50
Receivables individually in excess of 10% of the total receivables	482.33	481.79
Percentage of above receivables to the total receivables of the Company	28%	23%

From the above table, it can be observed that the concentration of risk in respect of trade receivables is well spread out and moderate. Further, its customers are located in several jurisdictions and industries and operate in largely independent markets.

(b) Provision for expected credit losses

Basis as explained above, apart from specific provisioning against impairment on an individual basis for major customers, the Company provides for expected credit losses (ECL) for other receivables based on historical data of losses, current conditions and forecasts and future economic conditions, including loss of time value of money due to delays. In view of the business model of the Company, engineered-to-order products and the prescribed commercial terms, the determination of provision based on age analysis may not be a realistic and hence, the provision of expected credit loss is determined for the total trade receivables outstanding as on the reporting date. Considering all such factors, ECL (net of specific provisioning) for trade receivables as at year end worked out as follows:

	(₹ in Million)	
	31-Mar-19	31-Mar-18
Expected credit loss (%)	0.44%	0.35%
Expected credit loss (₹ in Million)	5.42	3.81

(ii) Liquidity risk

The Company uses liquidity forecast tools to manage its liquidity. As per the business model of the Company, the requirement of working capital is not intensive. The Company is able to substantially fund its working capital from advances from customers and from internal accruals and hence, its reliance on funding through borrowings is negligible. In view of free cash flows, the Company has even been able to fund substantial capital expenditure from internal accruals.

	(₹ in Million)	
	31-Mar-19	31-Mar-18
Current financial assets (CFA) (refer note 5, 6, 7, 8 & 11)	2,053.77	2,229.90
Non-current financial assets (NCFA) (refer note 6, 7 & 8)	19.33	18.46
Total financial assets (FA)	2,073.10	2,248.36
Current financial liabilities (CFL) (note 17, 18 & 19)	1,319.80	1,538.37
Non-current financial liabilities (NCFL) (note 15)	0.02	0.51
Total financial liabilities (FL)	1,319.82	1,538.88
Ratios		
CFA/ CFL	1.56	1.45
NCFA/NCFL	966.50	36.20
FA/FL	1.57	1.46

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for the year ended March 31, 2019

Above ratios indicates fair liquidity. The Company invests surplus funds in bank deposits or liquid mutual funds for appropriate tenures in consonance with cash flow forecasts.

	on demand	< 1 year	1-5 years	Total	(₹ in Million) Carrying amount
As at March 31, 2019					
Non-current borrowings	-	-	0.02	0.02	0.02
Trade payables	-	1,188.11	-	1,188.11	1,188.11
Other financial liabilities	-	131.68	-	131.68	131.68
	-	1,319.79	0.02	1,319.81	1,319.81
As at March 31, 2018					
Non-current borrowings	-	-	0.51	0.51	0.51
Trade payables	-	1,447.68	-	1,447.68	1,447.68
Other financial liabilities	-	90.69	-	90.69	90.69
	-	1,538.37	0.51	1,538.88	1,538.88

(iii) Market risk

The Company is virtually debt free and is largely insulated from interest rate risks. Even with respect to investments in mutual funds, the impact of interest rate risk is nominal as the investment is carried in liquid or substantially liquid funds. The Company is essentially exposed to currency risks as export sales forms substantial part of the total sales of the Company. While the Company is mainly exposed to US Dollars, the Company also deals in other currencies, such as, Euro, GBP etc.

The cycle from booking order to collection extends to about a year and the Company is exposed to foreign exchange fluctuation risks during this period. As a policy, the Company remains substantially hedged through forward exchange contracts or other simple structures. It considerably mitigates the risk and the Company is also benefitted in view of incidental forward premium. The policy of substantial hedging insulates the Company from the exchange rate fluctuation and the impact of sensitivity is nominal.

(a) Foreign currency risk exposure

The Company's exposure to foreign currency risk at the end of the reporting period are as follows:

		USD	EURO	GBP	JPY	CHF
As at March 31, 2019						
Financial assets						
- Trade receivables	in foreign currency (Million)	3.41	1.20	1.17	-	-
	in equivalent ₹ (Million)	233.16	91.54	103.85	-	-
- Unbilled receivable	in foreign currency (Million)	0.02	-	0.01	-	-
	in equivalent ₹ (Million)	1.70	-	0.96	-	-
Derivative assets (in respect of underlying financial assets)						
- Foreign exchange forward contracts	in foreign currency (Million)	2.24	1.20	1.00	-	-
	in equivalent ₹ (Million)	153.10	91.54	89.22	-	-
Net exposure to foreign currency risk (assets)	in foreign currency (Million)	1.19	-	0.18	-	-
	in equivalent ₹ (Million)	81.76	-	15.59	-	-
Financial liabilities						
- Trade payables	in foreign currency (Million)	0.71	0.35	0.03	46.71	0.03
	in equivalent ₹ (Million)	49.73	28.03	2.49	29.68	2.08
Net exposure to foreign currency risk (liabilities)	in foreign currency (Million)	0.71	0.35	0.03	46.71	0.03
	in equivalent ₹ (Million)	49.73	28.03	2.49	29.68	2.08

Notes to the Financial Statements

for the year ended March 31, 2019

		USD	EURO	GBP	JPY	CHF
As at March 31, 2018						
Financial assets						
- Trade receivables	in foreign currency (Million)	7.80	2.38	0.12	-	-
	in equivalent ₹ (Million)	501.49	187.12	10.86	-	-
- Unbilled receivable	in foreign currency (Million)	-	-	-	-	-
	in equivalent ₹ (Million)	-	-	-	-	-
Derivative assets (in respect of underlying financial assets)						
- Foreign exchange forward contracts	in foreign currency (Million)	6.65	1.78	-	-	-
	in equivalent ₹ (Million)	427.30	139.89	-	-	-
Net exposure to foreign currency risk (assets)	in foreign currency (Million)	1.15	0.60	0.12	-	-
	in equivalent ₹ (Million)	74.19	47.23	10.86	-	-
Financial liabilities						
- Trade payables	in foreign currency (Million)	0.45	0.37	0.34	11.26	-
	in equivalent ₹ (Million)	29.71	29.85	31.60	7.00	-
Net exposure to foreign currency risk (liabilities)	in foreign currency (Million)	0.45	0.37	0.34	11.26	-
	in equivalent ₹ (Million)	29.71	29.85	31.60	7.00	-

The Company's foreign currency derivatives outstanding (including for firm commitments) at the end of the reporting period are as follows:

		USD	EURO	GBP	JPY	CHF
As at March 31, 2019						
Foreign exchange forward contracts to sell foreign currency	in foreign currency (Million)	19.37	6.56	3.49	-	-
	in equivalent ₹ (Million)	1,325.78	500.48	310.74	-	-
As at March 31, 2018						
Foreign exchange forward contracts to sell foreign currency	in foreign currency (Million)	25.37	5.95	-	-	-
	in equivalent ₹ (Million)	1,631.58	468.39	-	-	-

(B) Impact of hedging activities

(a) Disclosure of effects of cash flow hedge accounting on financial position towards hedging foreign currency risk through foreign currency forward contracts.

	31-Mar-19	31-Mar-18
Carrying amount of hedging instruments		
- Assets/ (Liabilities) (₹ in Million)	100.83	(8.68)
Line item affected in Balance sheet	Other financial assets	Other financial liabilities
Maturity date	April 2019 - January 2020	April 2018 - February 2019
Hedge ratio	73%	77%

Notes to the Financial Statements

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	31-Mar-19	31-Mar-18
Weighted average strike price/rate	US\$ 1= INR 73.15 EURO 1= INR 85.85 GBP= INR 94.72	US\$ 1= INR 65.91 EURO 1= INR 79.97
Changes in fair value of hedging instruments (₹ in Million)	114.23	15.30
Change in the value of hedged item used as the basis for recognising hedge effectiveness (₹ in Million)	(114.23)	(15.30)

(b) Disclosure of effects of cash flow hedge accounting on financial performance

	31-Mar-19	31-Mar-18
Changes in the value of the hedging instrument recognised in other comprehensive income	114.23	15.30
Hedge ineffectiveness recognised in profit or loss	0.23	(15.03)
Amount reclassified from cash flow hedging reserve to profit or loss	(41.63)	(7.43)
Line item affected in statement of profit and loss because of the reclassification	Revenue	Revenue

(c) Movements in cash flow hedging reserve

	31-Mar-19	31-Mar-18
Opening Balance	(4.68)	-
Add: Changes in discounted spot element of foreign exchange forward contracts, net	114.23	15.30
Less: Hedge ineffectiveness recognised in profit or loss	0.23	(15.03)
Less: Amount reclassified from cash flow hedging reserve to profit or loss	(41.63)	(7.43)
	68.15	(7.16)
Less: Deferred tax relating to above	25.45	(2.48)
Closing balance	42.70	(4.68)

(C) Sensitivity

The following table demonstrate the sensitivity of net unhedged foreign currency exposures to a reasonably possible changes in foreign currency exchange rates, with all other variables held constant.

	Change in FC exchange rate by	Impact on profit or loss and equity (in ₹ in Million)			
		Increase in FC exchange rates		Decrease in FC exchange rates	
		31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18
USD sensitivity	5%	1.60	2.22	(1.60)	(2.22)
EURO sensitivity	5%	(1.40)	0.87	1.40	(0.87)
GBP sensitivity	5%	0.66	(1.04)	(0.66)	1.04
JPY sensitivity	5%	(1.48)	(0.35)	1.48	0.35
CHF sensitivity	5%	(0.10)	-	0.10	-

Further, the change in foreign currency rates will impact the fair value of the derivatives and correspondingly impact the profit or loss, but there will not be any impact over the hedge period as the derivatives will enable capturing the hedged rates and the budgeted profitability would remain unchanged.

Notes to the Financial Statements

for the year ended March 31, 2019

Note 39: Fair value measurements

(i) Financial instruments by category

(₹ in Million)

	31-Mar-19			31-Mar-18		
	FVTPL *	FVOCI	Amortised cost	FVTPL *	FVOCI	Amortised cost
Financial assets						
Investments in mutual funds	50.05	-	-	90.63	-	-
Trade receivables	-	-	1,739.79	-	-	2,070.50
Unbilled revenue	-	-	33.04	-	-	8.81
Loans	-	-	2.64	-	-	2.42
Cash and bank balances	-	-	130.39	-	-	51.83
Security deposits	-	-	7.38	-	-	6.11
Earnest money deposits	-	-	8.29	-	-	5.43
Derivative financial assets	-	100.83	-	-	-	-
Other receivables	-	-	0.69	-	-	12.63
Total financial assets	50.05	100.83	1,922.22	90.63	-	2,157.73
Financial liabilities						
Borrowings	-	-	0.51	-	-	1.07
Trade payables	-	-	1,188.11	-	-	1,447.68
Capital creditors	-	-	18.06	-	-	12.50
Derivative financial liabilities	-	-	-	-	8.68	-
Other payables	-	-	113.13	-	-	68.95
Total financial liabilities	-	-	1,319.81	-	8.68	1,530.20

* Mandatorily measured at FVTPL, there is no financial instrument which is designated as FVTPL

(ii) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Financial assets and liabilities measured at fair value - recurring fair value measurements

(₹ in Million)

	Note No.	Level 1	Level 2	Level 3	Total
As at March 31, 2019					
Financial assets					
- Investments in mutual funds (Unquoted)	5 (b)	-	50.05	-	50.05
- Foreign exchange forward contracts at FVOCI	8	-	100.83	-	100.83
			150.88	-	150.88
Financial liabilities					
- Foreign exchange forward contracts at FVOCI	19	-	-	-	-

Notes to the Financial Statements

for the year ended March 31, 2019

	Note No.	Level 1	Level 2	Level 3	Total
(₹ in Million)					
As at March 31, 2018					
Financial assets					
- Investments in mutual funds (Unquoted)	5 (b)	-	90.63	-	90.63
- Foreign exchange forward contracts at FVOCI	8	-	-	-	-
		-	90.63	-	90.63
Financial liabilities					
- Foreign exchange forward contracts at FVOCI	19	-	8.68	-	8.68
		-	8.68	-	8.68

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. No assets are classified in this category.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. No assets are classified in this category.

There are no transfers between levels 1 and 2 during the year.

(iii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the fair value of the mutual funds is determined using daily NAV as declared for the particular scheme by the Asset Management Company. The fair value estimates are included in Level 2.
- the fair value of foreign exchange forward contracts is determined using market observable inputs, including prevalent forward rates for the maturities of the respective contracts and interest rate curves as indicated by Banks and third parties.

All of the resulting fair value estimates are included in level 2

(iv) Valuation process

The Corporate finance team has requisite knowledge and skills. The team headed by group CFO directly reports to the audit committee to arrive at the fair value of financial instruments.

(v) Fair value of financial assets and liabilities that are not measured at fair value (but fair value disclosures are required)

The management considers that the carrying amounts of financial assets and financial liabilities recognised in the financial statements approximate their fair values.

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for the year ended March 31, 2019

Note 40: Leases

(i) Obligations under finance leases

During financial year 2014-15, the Company had acquired land at Sompura from Karnataka Industrial Areas Development Board (KIADB) on a lease-cum-sale basis. The land is under lease for initial period of ten years thereafter the ownership of the land will be transferred in favour of the Company thus same is considered as land under finance lease (refer note 3(i)). Initial upfront lease payment (including slum cess and process fee) of ₹ 365.81 Million was made to the KIADB for acquisition of land and thereafter, the Company's obligations under finance lease is yearly recurring maintenance charges of ₹ 0.14 Million during the lease period. There is no contingent rent or restriction imposed in the lease agreement.

(ii) Operating lease arrangements

As Lessee

The Company has taken various residential / office premises and certain office equipment under operating leases. These leases are generally not non-cancellable, except in the case of some office equipment. The unexpired period of the leases ranges between one month to less than five years and these are renewable by mutual consent on mutually agreeable terms. The Company has given refundable interest-free security deposits under certain agreements. There is no contingent rent, sublease payments or restriction imposed in the lease agreement.

Payments recognised as expense

	(₹ in Million)	
	31-Mar-19	31-Mar-18
Minimum lease payments (refer note 31)	13.14	11.29
	13.14	11.29

Non-cancellable operating lease commitments

	(₹ in Million)	
	31-Mar-19	31-Mar-18
Not later than one year	10.48	5.78
Later than one year and not later than five years	19.45	14.25
Later than five years	-	-
	29.93	20.03

As Lessor

The Company has given certain portions of its office premises under operating leases. These leases are not non-cancellable and are extendable by mutual consent and at mutually agreeable terms. The gross carrying amount, accumulated depreciation and depreciation recognized in the statement of profit and loss in respect of such portion of the leased premises are not separately identifiable. There is no impairment loss in respect of such premises. No contingent rent has been recognised in the statement of profit and loss. Lease income is recognised in the statement of profit and loss under "Other Income" (refer note 24). Initial direct costs incurred, if any, to earn revenues from an operating lease are recognised as an expense in the statement of profit and loss in the period in which they are incurred.

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for the year ended March 31, 2019

Note 41: Commitments

		(₹ in Million)	
		31-Mar-19	31-Mar-18
(i)	Estimated amount of contracts remaining to be executed on capital account and not provided for (against which advances paid aggregating to ₹ 9.31 Million (March 31, 2018: ₹ 9.64 Million))	70.34	77.39
(ii)	Other		
	(a) Operating leases commitments		Refer note 40 (ii)
	(b) Derivative instruments		Refer note 38 (iii) (a) (b)
	(c) Non-disposal of investments in joint venture		Refer note 17 (ii)

Note 42: Contingent liabilities and contingent assets

Contingent liabilities

		(₹ in Million)			
		31-Mar-19	31-Mar-18		
(i)	Claims against the Company not acknowledged as debts:	79.55	67.39		
	Claims which are being contested by the company and in respect of which the company has paid amounts aggregating to ₹ 1.66 Million (March 31, 2018: ₹ 1.36 Million), excluding interest, under protest pending final adjudication of the cases:				
Sl. No.	Particulars	Amount of contingent liability		Amount paid	
		31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18
1	Excise duty	8.11	7.80	0.09	0.09
2	Service tax	50.75	37.53	1.57	1.27
3	Income tax	18.79	15.04	-	-
4	Others	1.90	7.02	-	-

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

- (ii) The Hon'ble Supreme Court of India has passed a judgement relating to definition of wages under the Provident Fund Act, 1952 on February 28, 2019. However, considering that there are numerous interpretative issues related to the judgement and in the absence of reliable measurement of the provision for the earlier period, the Company has made provision for provident fund contribution from the date of order. The Company will evaluate its position and update provision, if required, after receiving further clarity in this regard.

Contingent assets

Based on management analysis, there are no material contingent assets as on March 31, 2019 (March 31, 2018: ₹ Nil).

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Note 43: Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

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

	(₹ in Million)	
	31-Mar-19	31-Mar-18
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of accounting year;		
(i) Principal amount	100.77	96.53
(ii) Interest due on above	-	-
The amount of interest paid by the buyer in terms of section 16 of Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-

Note 44: Research & development expenses

During the year, the Company has incurred expenditure of ₹ 81.93 Million (March 31, 2018: ₹ 85.80 Million) on research and development activities as per following details:

	(₹ in Million)	
	31-Mar-19	31-Mar-18
Revenue Expenses	68.77	63.08
Capital Expenditure	13.16	22.72
Total	81.93	85.80

Note 45: Ind AS 115 – Revenue from Contracts with Customers

Ind AS 115 – Revenue from Contracts with Customers, mandatory for reporting periods beginning on or after April 01, 2018, replaces the requirements of existing revenue recognition standard Ind AS 18. The Company has applied the modified retrospective approach to all open contracts as at April 01, 2018. The provision of new standard required recognition of revenue at transaction price net of variable consideration which were earlier accounted as an expense. The application of Ind AS 115 has no material impact on financial statements of the current year.

i) Disaggregated revenue information

In the following table, revenue is disaggregated by major products/service lines and timing of revenue recognition

	Timing of revenue recognition	(₹ in Million)
		31-Mar-19
Sale of products		
Finished goods		
- Turbines (including related equipments and supplies)	At point in time	5,731.40
- Spares	At point in time	1,537.19

Notes to the Financial Statements

for the year ended March 31, 2019

	Timing of revenue recognition	(₹ in Million) 31-Mar-19
Sale of Services		
Servicing, operation and maintenance	Over time	642.85
Erection and commissioning	At point in time	163.68
Turbine extended scope turnkey project		
Sale of scrap	Over time	43.22
Royalty	At point in time	4.98
Export incentives	At point in time	160.06
		8,287.89

ii) Contract balances

	31-Mar-19	31-Mar-18
Trade receivables	1,739.79	2,070.50
Contract assets – Unbilled revenue	33.04	8.81
Contract assets – Amounts due from Customers under construction contracts	5.85	4.52
Contract liabilities – Advance from customers	1,318.54	1,023.71
Contract liabilities – Deferred revenue	42.35	30.21
Contract liabilities – Amount due to customers under construction contracts	4.13	46.01

Trade receivables have decreased by ₹ 330.71 million over previous year even though the revenue from operation is increased by ₹ 856.47 million, due to improved realization of dues towards the year-end. During the year, provision for doubtful debts and expected credit losses on trade receivables was recognised as disclosed below.

	31-Mar-19	31-Mar-18
Provision, net of reversal for doubtful debts	3.68	0.54
	3.68	0.54

Contract liabilities include advances received from customers, deferred revenue and amount due to customers. The outstanding balances of these accounts has increased by ₹ 265.09 million primarily on account of satisfaction of performance obligation subsequent to year-end against which the advances were received during the year.

During the year, the Company has recognised revenue of ₹ 905.28 million out of the contract liabilities outstanding at the beginning of the year.

iii) Reconciliation of revenue recognised with contract price

	31-Mar-19
Contract price	8,311.40
Adjustments for:	
Variable Considerations - Others	23.51
Total revenue from operations	8,287.89

Notes to the Financial Statements

for the year ended March 31, 2019

iv) Performance obligation

Information about the Company's performance obligations are summarised below:

Sale of goods

The performance obligation is satisfied upon shipment of the goods and transfer of control. The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price is allocated.

Sale of services

The performance obligation is satisfied over-time or point in time based on the nature of services and payment is generally due upon completion of services.

Obligation towards warranties

The Company provides for warranties to its customers in the nature of assurance-type. The assurance-type warranty is accounted for as obligation and provided for under Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets.

Note 46: Standards issued but not yet effective

The standards that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective.

Ind AS 116 Leases was notified by MCA on 30 March 2019 and it replaces Ind AS 17 Leases, including appendices thereto. Ind AS 116 is effective for annual periods beginning on or after 1 April 2019. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. The standard includes two recognition exemptions for lessees – leases of 'low-value' assets (e.g., personal computers) and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

Lessees will be also required to remeasure the lease liability upon the occurrence of certain events (e.g., a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The lessee will generally recognise the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset.

The Company will adopt the aforesaid standard effective from April 1, 2019. The Company does not have any material leases, however, the Company is in the process of evaluating the requirements of the aforesaid standard and the impact on its financial statements in the period of initial application.

Notes to the Financial Statements

for the year ended March 31, 2019

Note 47: Comparatives

- (i) Post implementation of Goods and Services Tax ("GST") with effect from July 1, 2017, revenue from operations is disclosed net of GST. Revenue from operations for the year ended March 31, 2018 includes excise duty up to June 30, 2017 which is now subsumed in the GST. Accordingly, revenue from operations for the year ended March 31, 2019 are not comparable with those of the previous year presented.
- (ii) The previous year's figure have been regrouped/rearranged wherever necessary, to make them comparable to those of the current year.

Note 48. Approval of Standalone Financial Statements

The Standalone financial Statements were approved for issue by the Board of Directors of the Company on May 20, 2019 subject to approval of shareholders.

As per our report of even date attached

For **Walker Chandiok & Co LLP**

Chartered Accountants

Vijay Vikram Singh

Partner

Place : Noida (U.P.)

Date : May 20, 2019

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

Dhruv M. Sawhney

Chairman & Managing Director

DIN: 00102999

Deepak Kumar Sen

Executive Vice President & CFO

Homai A. Daruwalla

Director & Audit Committee Chairperson

DIN: 00365880

Rajiv Sawhney

Company Secretary

Consolidated Financial

Independent Auditor's Report

To the Members of Triveni Turbine Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of Triveni Turbine Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), and its joint venture, which comprise the Consolidated Balance Sheet as at 31 March 2019, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries and joint venture, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the consolidated state of affairs (consolidated financial position) of the Group as at 31 March 2019, and its consolidated profit (consolidated financial performance including other comprehensive income), its consolidated cash flows and the consolidated changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph 15 of the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matter

4. Key audit matters are those matters that, in our professional judgment and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries and joint venture, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.
5. We have determined the matter described below to be the key audit matter to be communicated in our report.

Key audit matter

Write-downs of inventories to net realisation value

Refer notes 2(b)(i) and 10 in the accompanying consolidated financial statements

As at 31 March 2019, the Group's inventories amounted to INR 2,168.37 million representing 29.3% of the Group's total assets as at 31 March 2019 and write-down of inventories amounted to INR 33.90 million on account of obsolescence and slow moving inventory.

How our audit addressed the key audit matter

Our audit procedures for assessing the write-downs of inventories to net realisable value as per Group's policy included, but were not limited to the following;

- Understood the management process for determining net realisable value of inventories and identification of slow moving or obsolete inventories and tested whether the same is consistently applied;

Key audit matter	How our audit addressed the key audit matter
<p>Inventories are valued at lower of cost and net realization value. The Company has a policy for write-down of inventories to net realisable value on account of obsolescence and slow moving inventory which is recognised on a case to case basis based on the management's assessment.</p> <p>Write-down of inventories to net realisable value is subjective owing to the nature of inventories and is dependent on significant judgments around probability of decrease in the realisable value of slow moving inventory due to obsolesce or lack of alternative use as well as the consideration of the need to maintain adequate inventory levels for aftersales services considering the long useful life of the product.</p> <p>Assessing net realizable value of inventory and identification of slow moving and obsolete inventory are areas requiring the use of significant judgements and owing to the inherent complexities and materiality of the balances, we have considered this area to be a key audit matter for current year audit.</p>	<ul style="list-style-type: none"> • Evaluated and tested on a sample basis the design and operating effectiveness of key controls around inventory valuation operating within the Group; • Inquired with the management about the slow moving and obsolete inventories as at 31 March 2019 and evaluated the assessment prepared by the management including forecasted uses of these inventories on a test check basis; • Tested the computation for write down of inventories with the assessment provided by the management and performed independent ageing analysis of the inventory line-items along with specific inquiries with the management to evaluate completeness of the inventory identified as slow moving or obsolete; • Reviewed the historical trends of inventory write-downs to compare and assess the actual utilization or liquidation of inventories to the previous assessment done by the management to determine the efficacy of the process of estimation by the management; and • Assessed the appropriateness of disclosures in the financial statements in accordance with the applicable accounting standards.

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

6. The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated financial statements and our auditor's report thereon.
7. Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
8. In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

9. The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated state of affairs (consolidated financial position), consolidated profit or loss (consolidated financial performance including other comprehensive income), consolidated changes in equity and consolidated cash flows of the Group including its joint venture in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. The Holding Company's Board of Directors is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of consolidated Ind AS financial statements. Further, in terms of the provisions of the Act, the respective Board of Directors /management of the companies included in the Group, and its joint venture company covered under the Act are responsible for maintenance

of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. These financial statements have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

10. In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.
11. Those Board of Directors are also responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

12. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.
13. As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material

misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the holding company has adequate internal financial controls system in place and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
14. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
 15. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

16. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

17. We did not audit the financial statements of three subsidiaries, whose financial statements reflects total assets of ₹ 260.21 million and net assets of ₹ 158.48 million as at 31 March 2019, total revenues of ₹ 510.77 million and net cash inflows amounting to ₹ 69.70 million for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit (including other comprehensive income) of ₹ 44.92 million for the year ended 31 March 2019, as considered in the consolidated financial statements, in respect of one joint venture, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint venture, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and joint venture, is based solely on the reports of the other auditors.

Further, of these subsidiaries and joint venture, three subsidiaries are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion, and matters identified and disclosed under key audit matters section above, in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the report of other auditors and the conversion adjustments

prepared by the management of the Holding Company and audited by us.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

18. As required by section 197(16) of the Act, based on our audit and on the consideration of the reports of the other auditors, referred to in paragraph 15, on separate financial statements of the subsidiaries and joint venture, we report that the Holding Company, its subsidiary companies and joint venture company covered under the Act paid remuneration to their respective directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.
19. As required by Section 143 (3) of the Act, based on our audit and on the consideration of the reports of the other auditors on separate financial statements and other financial information of the subsidiaries and joint venture, we report, to the extent applicable, that:
- a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;
 - c) the consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
 - d) in our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under section 133 of the Act;
 - e) On the basis of the written representations received from the directors of the Holding Company and taken on record by the Board of Directors of the Holding Company and the reports of the other statutory auditors of its subsidiary companies and joint venture company covered under the Act, none of the

directors of the Group companies and joint venture company covered under the Act, are disqualified as on 31 March 2019 from being appointed as a director in terms of Section 164(2) of the Act.

- f) With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company, and its subsidiary companies and joint venture company covered under the Act, and the operating effectiveness of such controls, refer to our separate report in 'Annexure I';
- g) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries and joint venture:
- i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its joint venture as detailed in Note 44 to the consolidated financial statements;

the Holding Company and joint venture did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2019;

- ii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiary companies and joint venture company covered under the act during the year ended 31 March 2019;
- iii. the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016, which are not relevant to these consolidated financial statements. Hence, reporting under this clause is not applicable.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Vijay Vikram Singh

Partner

Membership No.: 059139

Noida
20 May 2019

Annexure I

Independent Auditor's Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the consolidated financial statements of Triveni Turbine Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group') and its joint venture company as at and for the year ended 31 March 2019, we have audited the internal financial controls over financial reporting ('IFCoFR') of the Holding Company and its joint venture company, which is a company covered under the Act, as at that date.

Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Holding Company, and its joint venture company, which is a company covered under the Act, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the IFCoFR of the Holding Company and its joint venture company, as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI') and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of IFCoFR, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether

adequate IFCoFR were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the IFCoFR and their operating effectiveness. Our audit of IFCoFR includes obtaining an understanding of IFCoFR, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor in terms of their report referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the IFCoFR of the Holding Company and its joint venture company as aforesaid.

Meaning of Internal Financial Controls over Financial Reporting

6. A company's IFCoFR is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's IFCoFR include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

7. Because of the inherent limitations of IFCoFR, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud

may occur and not be detected. Also, projections of any evaluation of the IFCoFR to future periods are subject to the risk that the IFCoFR may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion and based on the consideration of the report of the other auditor on IFCoFR of the joint venture company, the Holding Company and its joint venture company, which is a company covered under the Act, have in all material respects, adequate internal financial controls over financial reporting and such controls were operating effectively as at 31 March 2019, based on the internal control over financial reporting criteria established by the Company, considering the essential components of internal control stated in the Guidance Note issued by ICAI.

Other Matter

9. The consolidated financial statements include the Group's share of net gain (including other comprehensive income)

of ₹ 44.92 million for the year ended 31 March 2019, in respect of one joint venture company, which is a company covered under the Act, whose IFCoFR has not been audited by us. The IFCoFR in so far as it relates to such joint venture company has been audited by other auditor whose report has been furnished to us by the management and our report on the adequacy and operating effectiveness of the IFCoFR for the Holding Company and its joint venture company, as aforesaid, under Section 143(3)(i) of the Act in so far as it relates to such joint venture company is based solely on the report of the auditor of such company. Our opinion is not modified in respect of this matter with respect to our reliance on the work done by and on the report of the other auditor.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Vijay Vikram Singh

Partner

Membership No.: 059139

Noida
20 May 2019

Consolidated Balance Sheet

As at March, 31, 2019

	Note No.	31-Mar-19	31-Mar-18
(₹ in Million)			
ASSETS			
Non-current assets			
Property, plant and equipment	3	2,508.90	2,209.52
Capital work-in-progress	3	43.34	385.10
Intangible assets	4	35.72	47.10
Intangible assets under development		7.02	-
Investments accounted for using the equity method	5 (a)	138.29	106.58
Financial assets			
i. Trade receivables	6	12.02	12.42
ii. Loans	7	0.19	0.22
iii. Other financial assets	8	7.12	5.82
Other non-current assets	9	17.87	14.32
Income tax assets (net)	21	15.02	13.83
Total non-current assets		2,785.49	2,794.91
Current assets			
Inventories	10	2,168.37	1,807.11
Financial assets			
i. Investments	5 (b)	50.05	90.63
ii. Trade receivables	6	1,749.52	2,077.67
iii. Cash and cash equivalents	11 (a)	270.15	115.36
iv. Bank balances other than cash and cash equivalents	11 (b)	1.49	10.86
v. Loans	7	2.45	2.20
vi. Other financial assets	8	146.21	28.07
Other current assets	9	232.63	597.82
		4,620.87	4,729.72
Assets classified as held for sale	12	2.60	2.60
Total current assets		4,623.47	4,732.32
Total assets		7,408.96	7,527.23
EQUITY AND LIABILITIES			
Equity			
Equity share capital	13	323.30	329.97
Other equity	14	4,010.56	4,191.33
Total equity		4,333.86	4,521.30
LIABILITIES			
Non-current liabilities			
Financial liabilities			
i. Borrowings	15	0.02	0.51
Provisions	16	68.03	43.44
Deferred tax liabilities (net)	22	140.90	77.52
Total non-current liabilities		208.95	121.47
Current liabilities			
Financial liabilities			
i. Borrowings	17	-	-
ii. Trade payables	18		
a) Total outstanding dues of micro enterprises and small enterprises		100.77	96.53
b) Total outstanding dues of creditors other than micro enterprises and small enterprises		1,065.14	1,367.95
iii. Other financial liabilities	19	135.45	95.58
Other current liabilities	20	1,419.86	1,150.31
Provisions	16	84.40	87.76
Income tax liabilities (net)	21	60.53	86.33
Total current liabilities		2,866.15	2,884.46
Total liabilities		3,075.10	3,005.93
Total equity and liabilities		7,408.96	7,527.23

The accompanying notes 1 to 50 form an integral part of the Consolidated financial statements

As per our report of even date attached

 For **Walker Chandio & Co LLP**
 Chartered Accountants

Vijay Vikram Singh
 Partner

 Place : Noida (U.P.)
 Date : May 20, 2019

 For and on behalf of the Board of Directors of **Triveni Turbine Limited**
Dhruv M. Sawhney
 Chairman & Managing Director
 DIN: 00102999

Deepak Kumar Sen
 Executive Vice President & CFO

Homai A. Daruwalla
 Director & Audit Committee Chairperson
 DIN: 00365880

Rajiv Sawhney
 Company Secretary

Consolidated Statement of Profit and Loss

for the year ended March 31, 2019

(₹ in Million)

	Note No.	31-Mar-19	31-Mar-18
Revenue from operations	23	8,399.86	7,533.17
Other income	24	161.88	81.36
Total income		8,561.74	7,614.53
Expenses			
Cost of materials consumed	25	5,103.34	3,782.68
Changes in inventories of finished goods and work-in-progress	26	(412.33)	69.86
Excise duty on sale of products		-	22.24
Employee benefits expense	27	991.16	880.60
Finance costs	28	11.23	5.34
Depreciation and amortisation expense	29	201.24	191.24
Impairment loss on financial assets (including reversals of impairment losses)	30	4.41	4.81
Other expenses	31	1,200.62	1,194.96
Total expenses		7,099.67	6,151.73
Profit before share of net profit of investments accounted for using equity method and tax		1,462.07	1,462.80
Share of net profit/(loss) of joint venture accounted for using the equity method		31.69	(24.99)
Profit before tax		1,493.76	1,437.81
Tax expense:			
- Current tax	32	451.77	508.79
- Deferred tax	32	39.74	(30.67)
Total tax expense		491.51	478.12
Profit for the year		1,002.25	959.69
Other comprehensive income			
A (i) Items that will not be reclassified to profit or loss			
- Remeasurements of the defined benefit plans	35	(5.18)	5.35
- Share of other comprehensive income of joint venture accounted for using the equity method	40	0.02	0.08
		(5.16)	5.43
(ii) Income tax relating to items that will not be reclassified to profit or loss	32	1.81	(1.86)
		(3.35)	3.57
B (i) Items that will be reclassified to profit or loss		(2.10)	4.70
- Exchange differences arising on translating the foreign operations	38 (iii)(b)	72.83	(7.16)
- Effective portion of gain/(loss) on designated portion of hedging instruments in a cash flow hedge		70.73	(2.46)
(ii) Income tax relating to items that will be reclassified to profit or loss	32	(25.45)	2.48
		45.28	0.02
Other comprehensive income for the year, net of tax		41.93	3.59
Total comprehensive income for the year		1,044.18	963.28
Earnings per equity share of ₹ 1 each			
Basic earnings per share (in ₹)	33	3.05	2.91
Diluted earnings per share (in ₹)	33	3.05	2.91

The accompanying notes 1 to 50 form an integral part of the Consolidated financial statements

As per our report of even date attached

For **Walker Chandiok & Co LLP**
Chartered Accountants

Vijay Vikram Singh
Partner

Place : Noida (U.P.)
Date : May 20, 2019

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

Dhruv M. Sawhney
Chairman & Managing Director
DIN: 00102999

Deepak Kumar Sen
Executive Vice President & CFO

Homai A. Daruwalla
Director & Audit Committee Chairperson
DIN: 00365880

Rajiv Sawhney
Company Secretary

Consolidated Statement of Changes in Equity

for the year ended March 31, 2019

A. Equity share capital

Equity shares of ₹ 1 each issued, subscribed and fully paid up

(₹ in Million)

As at April 1, 2017	329.97
Changes in equity share capital during the year	-
As at March 31, 2018	329.97
Changes in equity share capital during the year [refer note 13(iv)]	(6.67)
As at March 31, 2019	323.30

B. Other equity

(₹ in Million)

	Reserves and surplus				Items of other comprehensive income		Total other equity
	Capital Redemption Reserve	Securities premium	General Reserve	Retained earnings	Foreign currency translation reserve	Cash flow hedging reserve	
Balance as at April 1, 2017	28.00	4.69	839.23	2,835.32	(2.61)	-	3,704.63
Profit for the year	-	-	-	959.69	-	-	959.69
Other comprehensive income /(loss) , net of income tax	-	-	-	3.57	4.70	(4.68)	3.59
Total comprehensive income for the year	-	-	-	963.26	4.70	(4.68)	963.28
Transactions with owners in their capacity as owners:							
Dividends paid	-	-	-	(395.97)	-	-	(395.97)
Dividend distribution tax (DDT)	-	-	-	(80.61)	-	-	(80.61)
Balance as at March 31, 2018	28.00	4.69	839.23	3,322.00	2.09	(4.68)	4,191.33
Profit for the year	-	-	-	1,002.25	-	-	1,002.25
Other comprehensive income /(loss) , net of income tax	-	-	-	(3.35)	(2.10)	47.38	41.93
Total comprehensive income for the year	-	-	-	998.90	(2.10)	47.38	1,044.18
Transactions with owners in their capacity as owners:							
Amount utilised on account of buy-back of Shares [refer note 13(iv)]	-	(4.69)	(839.23)	(149.41)	-	-	(993.33)
Transaction cost related to buy-back of shares [refer note 13(iv)]	-	-	-	(12.82)	-	-	(12.82)
Transferred from retained earnings on account of buy-back of shares [refer note 13(iv)]	6.67	-	-	(6.67)	-	-	-
Dividends paid	-	-	-	(181.49)	-	-	(181.49)
Dividend distribution tax (DDT)	-	-	-	(37.31)	-	-	(37.31)
Balance as at March 31, 2019	34.67	-	-	3,933.20	(0.01)	42.70	4,010.56

The accompanying notes 1 to 50 form an integral part of the Consolidated financial statements

As per our report of even date attached

For **Walker Chandiok & Co LLP**

Chartered Accountants

Vijay Vikram Singh

Partner

Place : Noida (U.P.)

Date : May 20, 2019

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

Dhruv M. Sawhney

Chairman & Managing Director

DIN: 00102999

Deepak Kumar Sen

Executive Vice President & CFO

Homai A. Daruwalla

Director & Audit Committee Chairperson

DIN: 00365880

Rajiv Sawhney

Company Secretary

Consolidated Statement of Cash Flows

for the year ended March 31, 2019

(₹ in Million)

	31-Mar-19	31-Mar-18
Cash flows from operating activities		
Profit before tax	1,493.76	1,437.82
Adjustments for		
Share of net (profit)/ loss of joint venture accounted for using the equity method	(31.69)	24.99
Depreciation and amortisation expense	201.24	191.24
Loss on sale/write off of property, plant and equipment	1.73	4.23
Net profit on sale/redemption of current investments	(30.36)	(22.05)
Net fair value losses/(gains) on current investments	0.35	(0.29)
Interest income	(1.39)	(1.71)
Provision for doubtful advances	1.06	14.50
Amount written off of non financial assets	7.59	5.26
Allowance for non moving inventories	6.66	7.68
Impairment loss on financial assets (including reversals of impairment losses)	4.41	4.81
Finance costs	11.23	5.34
Unrealised foreign exchange losses/(gain)	9.70	(2.13)
Credit balances written back	(23.99)	(9.10)
Mark-to-market (gains)/losses on derivatives	(28.00)	1.52
Working capital adjustments :		
Change in inventories	(367.97)	(356.12)
Change in trade receivables	315.80	(564.53)
Change in other financial assets	(9.87)	34.71
Change in other assets	352.64	(85.76)
Change in trade payables	(297.08)	508.72
Change in other financial liabilities	33.89	53.76
Change in other liabilities	292.44	168.77
Change in provisions	15.71	(11.92)
Cash generated from operations	1,957.86	1,409.74
Income tax paid	(478.57)	(497.00)
Net cash inflow from operating activities	1,479.29	912.74
Cash flows from investing activities		
Purchase of property, plant and equipment	(150.76)	(477.42)
Proceeds from sale of property, plant and equipment	0.43	2.26
Purchase of current investments	(2,741.30)	(2,607.50)
Proceeds from sale of current investments	2,811.88	2,579.33
Proceeds from assets classified as held for sale	-	3.45
Interest received	1.49	1.58
Net cash outflow from investing activities	(78.26)	(498.30)
Cash flows from financing activities		
Buy-Back of Equity share	(1,000.00)	-
Buy-back costs	(12.82)	-
Repayment of long term borrowings	(0.56)	(3.09)
Interest paid	(11.24)	(5.37)
Dividend paid to Company's shareholders	(181.31)	(395.74)
Dividend distribution tax	(37.31)	(80.61)
Net cash outflow from financing activities	(1,243.24)	(484.81)

Consolidated Statement of Cash Flows

for the year ended March 31, 2019

	(₹ in Million)	
	31-Mar-19	31-Mar-18
(Decrease)/Increase in cash and cash equivalents due to foreign exchange variation	(3.00)	8.73
Net increase/(decrease) in cash and cash equivalents	154.79	(61.63)
Cash and cash equivalents at the beginning of the year (refer note 11 (a))	115.36	176.99
	270.15	115.36

Reconciliation of liabilities arising from financing activities:

	(₹ in Million)		
	Non-current borrowings (including current maturities)	Interest payable on borrowings	Dividend paid to Company's shareholders (including DDT)
Balance as at March 31, 2018	1.07	0.01	1.30
Cash flows	(0.56)	(11.24)	(218.62)
Finance costs accruals	-	11.23	-
Dividend distributions (including DDT) accruals	-	-	218.80
Balance as at March 31, 2019	0.51	-	1.48

The accompanying notes 1 to 50 form an integral part of the consolidated financial statements

As per our report of even date attached

For **Walker Chandiok & Co LLP**

Chartered Accountants

Vijay Vikram Singh

Partner

Place : Noida (U.P.)

Date : May 20, 2019

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

Dhruv M. Sawhney

Chairman & Managing Director
DIN: 00102999

Deepak Kumar Sen

Executive Vice President & CFO

Homai A. Daruwalla

Director & Audit Committee Chairperson
DIN: 00365880

Rajiv Sawhney

Company Secretary

Notes to the Consolidated Financial Statements

for the year ended March 31, 2019

Corporate information

The Consolidated Financial Statements comprises of financial statements of Triveni Turbine Limited and its subsidiaries (collectively the "Group") and Group's interest in joint venture. Triveni Turbine Limited ("the Company" or the "Parent") is a company limited by shares, incorporated, domiciled in India. The Company's equity shares are listed at two recognised stock exchanges in India (BSE and NSE). The registered office of the Company is located at A-44, Hosiery Complex, Phase II extension, Noida, Uttar Pradesh- 201305. The Group is primarily engaged in business of manufacture and supply of power generating equipment and solutions and has manufacturing facilities at Bengaluru, Karnataka.

Note 1: Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of preparation and presentation

(i) Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act), Companies (Indian Accounting Standards) (Amendment) Rules, 2016 and Companies (Indian Accounting Standards) (Amendment) Rules, 2017 and other relevant provisions of the Act.

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis except for certain assets and liabilities (including derivative instruments) that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account

the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 17 *Leases*, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 *Inventories* or value in use in Ind AS 36 *Impairment of Assets*.

(iii) Principles of consolidation and equity accounting

Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealized gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Joint Ventures

Interests in joint ventures are accounted for using the equity method, after initially being recognised at cost in the consolidated balance sheet.

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit and loss, and the Group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or

Notes to the Consolidated Financial Statements

for the year ended March 31, 2019

receivable from joint ventures are recognised as a reduction in the carrying amount of the investment.

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

(b) Revenue recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. Revenue from Contracts is measured at transaction price net of variable consideration. Transaction price are net of returns, trade allowances, rebates, other similar allowances, goods & services tax and amounts collected on behalf of third parties, if any.

Recognising revenue from major business activities

(i) Sale of goods

Revenue from the sale of goods is recognised at point in time when controls of promised goods are transferred to the customer (i.e. upon satisfaction of performance obligation), generally on dispatch of the goods.

(ii) Rendering of services

Revenue from a contract to provide services is recognised when the outcome of a performance obligation involving the rendering of services can be estimated reliably. Satisfaction of performance obligation of the contract is determined as follows:

- erection and commissioning/service revenue is recognised by reference to the stage of completion of the erection & commissioning/service, determined based on technical estimate of completion of physical proportion of the contract work;

- operation and maintenance revenue is recognised over time using an input method to measure progress towards complete satisfaction of the service because the customer simultaneously receives and consumes the benefits provided by the Group.

(iii) Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

(iv) Construction contracts

When the outcome of a construction contract can be estimated reliably, revenue is recognised by reference to the stage of completion of the contract activity at the end of the reporting period, measured based on the proportion of contract costs incurred for work performed to date relative to the estimated total contract costs, except where this would not be representative of the stage of completion. Variations in contract work, claims and incentive payments are included to the extent that the amount can be measured reliably and its receipt is considered probable.

When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised to the extent of contract costs incurred that it is probable will be recoverable. Contract costs are recognised as expenses in the period in which they are incurred.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

When contract costs incurred to date plus recognised profits less recognised losses exceed progress billings, the surplus is shown as amounts due from customers for contract work. For contracts where progress billings exceed contract costs incurred to date plus recognised profits less recognised

Notes to the Consolidated Financial Statements

for the year ended March 31, 2019

losses, the surplus is shown as the amounts due to customers for contract work. Amounts received before the related work is performed are included in the balance sheet, as a liability, as advances received. Amounts billed for work performed but not yet paid by the customer are included in the balance sheet under trade receivables.

(v) Royalties

Income from royalty is recognised as per the contractual arrangement with the Licensee upon supply of turbine manufactured with the technical know-how provided by the Group to the Licensee (provided that it is probable that the economic benefits will flow to the Group and the amount of revenue can be measured reliably).

(vi) Rental income

The Group's policy for recognition of revenue from operating leases is described in note 1(d) below.

(vii) Export incentives

Export incentives are recognized as income when the Group is entitled to the incentive as per the terms of the scheme in respect of the exports made and where it is probable that the Group will collect such incentive proceeds.

(c) Government grants

Grants from the government are recognised where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented either within other income or net of related costs.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit & loss in the period in which they become receivable.

(d) Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and

rewards of ownership to the lessee. All other leases are classified as operating leases.

(i) As a lessee

Assets held under finance leases are initially recognised as assets of the Group at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation. Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Group's general policy on borrowing costs (see note 1(g) below).

Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases in which case lease expenses are charged to profit or loss on the basis of actual payments to the lessors.

(ii) As a lessor

Lease income from operating leases where the Group is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

(e) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The Consolidated financial statements are presented in Indian Rupee (₹) which is Group's presentation currency unless stated otherwise.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2019

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in profit or loss in the period in which they arise and these are deferred in equity if they relate to qualifying cash flow hedges.

Foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other gains/(losses).

(iii) Group companies

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities are translated at the closing rate at the date of that consolidated balance sheet
- income and expenses are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and
- all resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognised in other comprehensive income. When a foreign operation is sold, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

(f) Impairment of non-financial assets

Non-financial assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

If, at the reporting date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount. Impairment losses previously recognised are accordingly reversed in the statement of profit and loss.

(g) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Other borrowing costs are expensed in the period in which they are incurred.

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

(h) Income tax

Income tax expense represents the sum of the tax currently payable and deferred tax.

(i) Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that

Notes to the Consolidated Financial Statements

for the year ended March 31, 2019

are never taxable or deductible. The Group's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

(ii) Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences, the carry forward of unused tax credits and unused tax losses to the extent that it is probable that taxable profits will be available against which those deductible temporary differences, the carry forward of unused tax credits and unused tax losses can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and interests in joint ventures, except where Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary difference associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

(iii) Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination. The Group offsets current tax assets and current tax liabilities, where it has a legally enforceable right to setoff the recognised amounts and where it intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

(i) Property, plant and equipment

Property, plant and equipment are tangible items that are held for use in the production or supply for goods and services, rental to others or for administrative purposes and are expected to be used during more than one period. The cost of an item of property, plant and equipment shall be recognised as an asset if and only if it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. Freehold land is carried at cost. All other items of property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2019

Each part of item of property, plant and equipment, if significant in relation to the total cost of the item, is depreciated separately. Further, parts of plant and equipment that are technically advised to be replaced at prescribed intervals/period of operation, insurance spares and cost of inspection/overhauling are depreciated separately based on their specific useful life provided these are of significant amounts commensurate with the size of the Group and scale of its operations. The carrying amount of any equipment / inspection / overhauling accounted for as separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Depreciation methods, estimated useful lives and residual value

Depreciation commences when the assets are ready for their intended use. Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives.

The management has estimated the useful lives and residual values of all property, plant and equipment and adopted useful lives as stated in Schedule II which are as follows:

Class of assets	Useful life
Building	5- 60 Years
Plant and Equipment	15 Years
Office Equipment	5 Years
Furniture and Fixtures	10 Years
Vehicle	10 Years
Computers	3-6 Years

The residual value of property, plant and equipment has been considered 5% or less of the original cost of assets as applicable.

- On the basis of technical assessment involving technology obsolescence and past experience:

- mobile phones costing ₹ 5,000/- or more are depreciated over two years.
 - patterns, tools, jigs, fixtures etc. are depreciated over three years.
 - machinery spares are depreciated over a life ranging from three to five years.
- Assets costing less than ₹ 5,000/- are fully depreciated in the year of purchase.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

The property, plant and equipment acquired under finance leases is depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the Group will obtain ownership at the end of the lease term.

Transition to Ind AS

On transition to Ind AS, the Group has elected to continue with the carrying value of all of its property, plant and equipment recognised as at April 1, 2015 (transition date) measured as per the previous GAAP and use that carrying value as the deemed cost of property, plant and equipment.

(j) Intangible assets

Intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Estimated useful lives of the intangible assets are as follows:

Assets	Estimated useful life
Computer software	3 – 5 Years
Website development cost	3 Years
Designs and drawings	6 Years

Notes to the Consolidated Financial Statements

for the year ended March 31, 2019

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

Research and development costs

Research costs are expensed as incurred. Development expenditures on an individual project are recognised as an intangible asset when the Group can demonstrate:

- the technical feasibility of completing the intangible asset so that the asset will be available for use or sale;
- its intention to complete and its ability and intention to use or sell the asset;
- how the asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the asset; and
- the ability to measure reliably the expenditure attributable to asset during its development.

The amount initially recognised for intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no intangible assets can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred. Subsequent to initial recognition, such intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as of acquired intangible assets.

Transition to Ind AS

On transition to Ind AS, the Group has elected to continue with the carrying value of all of its intangible assets recognised as at April 1, 2015 (transition date) measured as per the previous GAAP and use that carrying value as the deemed cost of intangible assets .

(k) Inventories

- (i) Inventories of raw materials, components, stores and spares are valued at lower of cost and net realizable value. Cost for the purpose of valuation of such inventories is determined on weighted average basis. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.
- (ii) Finished goods and work-in-progress are valued at lower of cost and net realizable value. The cost of finished goods and work-in-progress includes raw material costs, direct cost of conversion and proportionate allocation of indirect costs incurred in bringing the inventories to their present location and condition.

(l) Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset and its sale is highly probable. Management must be committed to the sale. They are measured at the lower of their carrying amount and fair value less costs to sell. Non-current assets classified as held for sale are presented separately in the balance sheet."

"Property, plant and equipment and intangible assets once classified as held for sale are not depreciated or amortised.

(m) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When the effect of the time value of money is

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material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

(n) Employee benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the undiscounted amounts expected to be paid when the liabilities are settled. The liabilities are presented as current benefit obligations in the balance sheet.

(ii) Other long-term employee benefit obligations

Other long-term employee benefits include earned leaves, sick leaves and employee retention bonus.

Earned leaves and sick leaves

The liabilities for earned leaves and sick leaves are not expected to be settled wholly within twelve months after the end of the period in which the employees render the related service. They are therefore measured at the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit & loss. The obligations are presented as provisions in the balance sheet.

Employee retention bonus

The Group, as a part of retention policy, pays retention bonus to certain employees after completion of specified period of service. The timing of the outflows is expected to be within a period of five years. They are therefore measured at the present value of expected future payments at the end of each annual reporting period in accordance with management best estimates. This cost is included in employee benefit expense in the statement of profit and loss with corresponding provisions in the balance sheet.

(iii) Post-employment obligations

The Group operates the following post-employment schemes:

- defined benefit plan towards payment of gratuity; and
- defined contribution plans towards provident fund & employee pension scheme, employee state insurance and superannuation scheme.

Defined benefit plans

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

The liability or asset recognised in the consolidated balance sheet in respect of the defined benefit plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The present value of the defined benefit obligation in respect of employees of the Parent is determined using projected unit credit method by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation, with actuarial valuations being carried out at the end of each annual reporting period. In view of short duration of employment contracts, obligations under defined benefits plan for the employees of foreign subsidiary companies of the Parent is determined

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using management estimates based upon the laws applicable of the concerned country.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the consolidated balance sheet.

Defined contribution plans

Defined contribution plans are retirement benefit plans under which the Group pays fixed contributions to separate entities (funds) or financial institutions or state managed benefit schemes. The Group has no further payment obligations once the contributions have been paid. The defined contributions plans are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

- **Provident Fund Plan & Employee Pension Scheme**

The Group makes monthly contributions at prescribed rates towards Employees' Provident Fund/ Employees' Pension Scheme to a Fund administered and managed by the Government of India.

- **Employee State Insurance**

The Group makes prescribed monthly contributions towards Employees' State Insurance Scheme.

- **Superannuation Scheme**

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

- **Other defined contribution plans**

The Group, in respect of employees engaged in foreign countries, contributes towards employee benefit plans, in accordance with prevailing laws in such countries, to funds which are administered and managed by the respective government authorities

(o) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the Group, on or before the end of the reporting period but not distributed by the end of the reporting period.

(p) Cash and cash equivalents

Cash and cash equivalents includes cash on hand, other short-term, highly liquid investments with original maturities of three month or less that are readily convertible into known amount of cash and which are subject to an insignificant risk of changes in value.

(q) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

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

(r) Financial assets

(i) Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the Group's business model for managing the financial assets and the contractual terms of the cash flows.

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For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For assets in the nature of debt instruments, this will depend on the business model. For assets in the nature of equity instruments, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity instrument at fair value through other comprehensive income.

The Group reclassifies debt instruments when and only when its business model for managing those assets changes.

(ii) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not measured at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is recognised using the effective interest rate method.
- **Fair value through other comprehensive income (FVTOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income

(FVTOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in statement of profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in other income using the effective interest rate method.

- **Fair value through profit or loss (FVTPL):**

Assets that do not meet the criteria for amortised cost or FVTOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

Equity instruments

The Group subsequently measures all equity investments at fair value, except for equity investments in joint venture where the Group has the option to either measure it at cost or fair value. The Group has opted to measure equity investments in joint venture at cost. Where the Group's management elects to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the Group's right to receive payments is established.

(iii) Impairment of financial assets

In accordance with Ind AS 109 *Financial Instruments*, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss associated with its financial assets carried at amortised cost and FVTOCI debt instruments.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of

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for the year ended March 31, 2019

Ind AS 115 Revenue from Contract with Customers the Group applies simplified approach permitted by Ind AS 109 *Financial Instruments*, which requires expected life time losses to be recognised after initial recognition of receivables. For recognition of impairment loss on other financial assets and risk exposure, the Group determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, twelve months ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on twelve-months ECL.

ECL represents expected credit loss resulting from all possible defaults and is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive, discounted at the original effective interest rate. While determining cash flows, cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms are also considered.

ECL is determined with reference to historically observed default rates over the expected life of the trade receivables and is adjusted for forward looking estimates. Note 38 details how the Group determines expected credit loss.

(iv) Derecognition of financial assets

A financial asset is derecognised only when

- the Group has transferred the rights to receive cash flows from the financial asset; or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Group has transferred an asset, it evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset.

In such cases, the financial asset is derecognised. Where the Group has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the Group has neither transferred a financial asset nor retained substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety, the Group allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

(v) Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument

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and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL.

(s) Financial liabilities and equity instruments

(i) Classification

Debt and equity instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities.

Financial liabilities

The Group classifies its financial liabilities in the following measurement categories:

- those to be measured subsequently at fair value through profit or loss, and
- those measured at amortised cost.

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or it is designated as at FVTPL, other financial liabilities are measured at amortised cost at the end of subsequent accounting periods.

(ii) Measurement

Equity instruments

Equity instruments issued by the Group are recognised at the proceeds received. Transaction cost of equity transactions shall be accounted for as a deduction from equity.

Financial liabilities

At initial recognition, the Group measures a financial liability at its fair value net of, in the case of a financial liability not measured at fair value through profit or loss, transaction costs that are directly attributable to the issue of the financial liability. Transaction costs of financial liability carried at fair value through profit or loss are expensed in profit or loss.

Subsequent measurement of financial liabilities depends on the classification of financial liabilities. There are two measurement categories into which the Group classifies its financial liabilities:

- **Fair value through profit or loss (FVTPL):** Financial liabilities are classified as at FVTPL when the financial liability is held for trading or it is designated as at FVTPL. Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss.
- **Amortised cost:** Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

(iii) Derecognition

Equity instruments

Repurchase of the Group's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments.

Financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the

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original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

(iv) Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the gross carrying amount of a financial liability.

(v) Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in 'Other income'. The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period.

(t) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

(u) Fair value of financial instruments

Fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

(v) Derivative financial instruments and hedge accounting

The Group uses derivative financial instruments i.e. forward currency contracts to hedge its foreign currency risks. These derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

For the purpose of hedge accounting, the Group has classified hedges as Cash flow hedges wherein it hedges the exposure to the variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment.

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group contemplates to apply hedge accounting and the risk management objective and strategy for undertaking the hedge in compliance with Group's hedge policy. The documentation includes the Group's risk management objective and strategy for undertaking hedge, the hedging/economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated. Any hedge ineffectiveness is calculated

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and accounted for in Statement of profit or loss at the time of hedge relationship rebalancing.

The effective portion of changes in the fair value of the hedging instruments is recognised in other comprehensive income and accumulated in the cash flow hedging reserve. Such amounts are reclassified in to the profit or loss when the related hedge items affect profit or loss, such as when the hedged financial income or financial expense is recognised or when a forecast sale occurs. When the hedged item is the cost of a non-financial asset or non-financial liability, the amounts recognised as OCI are transferred to the initial carrying amount of the non-financial asset or liability.

Any ineffective portion of changes in the fair value of the derivative or if the hedging instrument no longer meets the criteria for hedge accounting, is recognised immediately in profit or loss. If the hedging relationship ceases to meet the effectiveness conditions, hedge accounting is discontinued and the related gain or loss is held in cash flow hedging reserve until the forecast transaction occurs

Note 2: Critical accounting judgements and key sources of estimation uncertainty

The preparation of consolidated financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Group's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances.

(a) Critical accounting judgements

In the process of applying the Group's accounting policies, management has made the following judgement, which has the most significant effect on the amounts recognised in the financial statements:

(i) Classification of GE Triveni Limited as a Joint Venture

The Group holds more than 50% stake in the equity share capital (i.e. holding 8,000,001 equity shares out of total 16,000,000 equity shares) of GE Triveni Limited (GETL) and the balance share capital is being held by GE Mauritius Infrastructure Holdings Limited. By virtue of agreements between the shareholders, relevant terms of which are enshrined in the Articles of Association of GETL, it has been considered that the Group has joint control over GETL alongwith the other shareholder since unanimous consent of both the shareholders is required in respect of significant financial, operating, strategic and managerial decisions. Accordingly investments in equity shares of GETL is classified as investment in joint venture and has been accounted for under equity method of accounting in the consolidated financial statements.

(b) Key sources of estimation uncertainty

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

(i) Write –downs of Inventory

The Group write-downs the inventories to net realisable value on account of obsolete and slow-moving inventories, which is recognised on case to case basis based on the management's assessment.

The Group uses following significant judgements to ascertain value for write-downs of inventories to net realisable:

- a) nature of inventories mainly comprise of iron, steel, forging and casting which are non-perishable in nature;
- b) probability of decrease in the realisable value of slow moving inventory due to obsolesce or not having an alternative use is low considering the fact that these can also be used after necessary engineering modification;
- c) maintaining appropriate inventory levels for after sales services considering the long useful life of the product.

Notes to the Consolidated Financial Statements

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(ii) Employee benefit plans

The cost of the defined benefit plans and other long term employee benefits and the present value of the obligation thereon are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, attrition and mortality rates. Due to the complexities involved in the valuation and its long-term nature, obligation amount is highly sensitive to changes in these assumptions.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans, the management considers the interest rates of government bonds. Future salary increases are based on expected future inflation rates and expected salary trends in the industry. Attrition rates are considered based on past observable data on employees leaving the services of the Group. The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. See note 35 for further disclosures.

(iii) Provision for warranty claims

The Group, in the usual course of sale of its products, gives warranties on certain products and services, undertaking to repair or replace the items that fail to perform satisfactorily during the specified warranty period. Provisions made represent the amount of expected cost of meeting such obligations of rectifications / replacements based on best estimate considering the historical warranty claim information and any recent trends that may suggest future claims could differ from historical amounts. The assumptions made in relation to the current period are consistent with those in the prior years.

(iv) Provision for liquidated damages

It represents the potential liability which may arise from contractual obligation towards customers with respect to matters relating to delivery and performance of the Group's products. The provision represents the amount estimated to meet the

cost of such obligations based on best estimate considering the historical trends, merits of the case and apportionment of delays between the contracting parties.

(v) Provision for litigations and contingencies

The provision for litigations and contingencies are determined based on evaluation made by the management of the present obligation arising from past events the settlement of which is expected to result in outflow of resources embodying economic benefits, which involves judgements around estimating the ultimate outcome of such past events and measurement of the obligation amount.

(vi) Useful life and residual value of plant, property and equipment and intangible assets

The useful life and residual value of plant, property and equipment and intangible assets are determined based on technical evaluation made by the management of the expected usage of the asset, the physical wear and tear and technical or commercial obsolescence of the asset. Due to the judgements involved in such estimations, the useful life and residual value are sensitive to the actual usage in future period.

(vii) Tax charge on intangible assets recognised at time of vesting of turbine business

The Group has been claiming allowance for depreciation on written down value method on certain intangibles recognised upon vesting of the steam turbine business in earlier years pursuant to a scheme of demerger. While such claims for certain years have been adjudicated in favor of the Group at the first appellate stage, the Revenue department has consistently disallowed the same in tax assessments. In view of uncertainty with regard to the ultimate decision in such matter at higher judicial forums, the Group has not considered the benefit of the aforesaid favorable decisions and has continued to recognise charge for tax without considering depreciation benefits on such intangible assets, the tax effect of which aggregates to ₹ 187.44 Million till March 31, 2019 (March 31, 2018: ₹ 187.44 Million)

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Note 3: Property, plant and equipment and capital work-in-progress

(₹ in Million)

	Property, plant and equipment				Total	Capital work-in-progress	
	Freehold Land	Leasehold Land	Buildings	Plant and Equipment			Office Furniture & Fixtures
Year ended March 31, 2018							
Gross carrying amount							
Opening gross carrying amount	36.42	388.65	1,083.50	855.71	16.22	50.37	41.88
Additions	-	-	22.44	66.26	7.02	6.52	9.94
Disposals	-	-	(0.26)	(1.01)	(0.17)	(0.08)	(0.62)
Transfer	-	-	-	-	-	-	-
Closing gross carrying amount	36.42	388.65	1,105.68	920.96	23.07	56.81	51.20
Accumulated depreciation							
Opening accumulated depreciation	-	-	19.53	194.07	5.83	9.73	16.08
Depreciation charge during the year	-	-	36.86	100.43	3.73	5.51	11.58
Disposals	-	-	(0.03)	(0.14)	(0.16)	-	(0.06)
Closing accumulated depreciation	-	-	56.36	294.36	9.40	15.24	27.60
Net carrying amount	36.42	388.65	1,049.32	626.60	13.67	41.57	23.60
Year ended March 31, 2019							
Gross carrying amount							
Opening gross carrying amount	36.42	388.65	1,105.68	920.96	23.07	56.81	51.20
Additions	-	-	64.36	400.78	2.53	3.26	2.97
Disposals	-	-	-	(1.97)	(0.62)	(0.08)	(0.55)
Transfer	-	-	-	-	-	-	-
Closing gross carrying amount	36.42	388.65	1,170.04	1,319.77	24.98	59.99	53.62
Accumulated depreciation							
Opening accumulated depreciation	-	-	56.36	294.36	9.40	15.24	27.60
Depreciation charge during the year	-	-	38.51	111.64	3.96	6.05	7.75
Disposals	-	-	-	(1.24)	(0.54)	(0.06)	(0.55)
Closing accumulated depreciation	-	-	94.87	404.76	12.82	21.23	34.80
Net carrying amount	36.42	388.65	1,075.17	915.01	12.16	38.76	18.82

(i) Leased assets

The leasehold land above represents land at Sompura, acquired by the Group during financial year 2014-15 from Karnataka Industrial Areas Development Board, on a lease-cum-sale basis. The land is under lease for initial period of ten years thereafter the ownership of the land will be transferred in favour of the Group. Accordingly such land is considered as land under finance lease (refer note 42(ii)).

(ii) Restrictions on property, plant and equipment

Refer note 15 & 17 for information on charges created on property, plant and equipment.

(iii) Contractual commitments

Refer note 43 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

(iv) Capital work-in-progress

Capital work-in-progress mainly comprises of extension of factory building at Sompura manufacturing facility.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2019

Note 4: Intangible assets

(₹ in Million)

	Computer software	Website	Design and Drawings	Total
Year ended March 31, 2018				
Gross carrying amount				
Opening gross carrying amount	57.04	1.42	37.51	95.97
Additions	20.90	-	-	20.90
Disposals	(0.80)	-	-	(0.80)
Closing gross carrying amount	77.14	1.42	37.51	116.07
Accumulated amortisation				
Opening accumulated amortisation	24.99	0.86	17.22	43.07
Amortisation charge for the year	18.53	0.41	7.76	26.70
Disposals	(0.80)	-	-	(0.80)
Closing accumulated amortisation	42.72	1.27	24.98	68.97
Closing net carrying amount	34.42	0.15	12.53	47.10
Year ended March 31, 2019				
Gross carrying amount				
Opening gross carrying amount	77.14	1.42	37.51	116.07
Additions	10.36	-	5.76	16.12
Disposals	(0.32)	-	-	(0.32)
Closing gross carrying amount	87.18	1.42	43.27	131.87
Accumulated amortisation				
Opening accumulated amortisation	42.72	1.27	24.98	68.97
Amortisation charge for the year	20.56	0.15	6.79	27.50
Disposals	(0.32)	-	-	(0.32)
Closing accumulated amortisation	62.96	1.42	31.77	96.15
Closing net carrying amount	24.22	-	11.50	35.72

(i) All intangible assets disclosed above represents acquired intangible assets.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2019

Note 5: Investments

(a) Investments accounted for using the equity method

(₹ in Million)

	31-Mar-19	31-Mar-18
At cost		
Unquoted investments (fully paid-up)		
Investments in equity instruments		
- of joint venture		
8,000,001 (March 31, 2018: 8,000,001) Equity shares of ₹10/- each of GE Triveni Limited (refer note 2 (a) (i) and note 17 (ii) and note 40(ii))	138.29	106.58
Total investments accounted for using the equity method	138.29	106.58
Total investments accounted for using the equity method	138.29	106.58
Aggregate amount of quoted investments and market value thereof	-	-
Aggregate amount of unquoted investments	138.29	106.58
Aggregate amount of impairment in the value of investments	-	-

(b) Current investments

(₹ in Million)

	31-Mar-19	31-Mar-18
At fair value through Profit & Loss		
Unquoted investments		
Investments in mutual funds		
Nil (March 31, 2018: 108,003) Mutual Funds Units of Birla Sun Life Cash Plus Growth - Direct Plan	-	30.17
Nil (March 31, 2018: 632,303) Mutual Funds Units of JM High Liquidity Fund Growth - Direct Plan	-	30.08
Nil (March 31, 2018: 5,942) Mutual Funds Units of HDFC Liquid Fund - Direct Plan	-	20.34
Nil (March 31, 2018: 4,756) Mutual Funds Units of IDFC Cash Fund Growth - Direct Plan	-	10.04
167,402 (March 31, 2018: Nil) Aditya Birla Sun Life Liquid Fund -Growth-- Direct Plan	50.05	-
Total current investments	50.05	90.63
Total current investments	50.05	90.63
Aggregate amount of quoted investments and market value thereof	-	-
Aggregate amount of unquoted investments	50.05	90.63
Aggregate amount of impairment in the value of investments	-	-

Notes to the Consolidated Financial Statements

for the year ended March 31, 2019

Note 6: Trade receivables

(₹ in Million)

	31-Mar-19		31-Mar-18	
	Current	Non- current	Current	Non- current
Trade receivables (at amortised cost)	1,789.85	12.02	2,114.32	12.42
Less: Allowance for bad and doubtful debts	(40.33)	-	(36.65)	-
Total trade receivables	1,749.52	12.02	2,077.67	12.42
Trade receivables				
Secured, considered good	585.54	-	664.17	-
Unsecured, considered good	1,163.98	12.02	1,413.49	12.42
Trade receivables which have significant increase in credit Risk	5.42	-	3.81	-
Trade receivables - credit impaired	34.91	-	32.84	-
	1,789.85	12.02	2,114.32	12.42
Impairment Allowance (allowance for bad and doubtful debts)				
Trade receivables which have significant increase in credit Risk	5.42	-	3.81	-
Trade receivables - credit impaired	34.91	-	32.84	-
	40.33	-	36.65	-

- (i) Refer note 38 for disclosures related to credit risk, impairment of trade receivables under expected credit loss model and related disclosures.
- (ii) Reconciliation of loss allowance provision on trade receivables:

(₹ in Million)

	31-Mar-19	31-Mar-18
Balance at beginning of the year	36.65	37.94
Additional provisions recognised	3.68	0.54
Amounts used during the year	-	(1.83)
Balance at the end of the year	40.33	36.65

Note 7: Loans

(₹ in Million)

	31-Mar-19		31-Mar-18	
	Current	Non- current	Current	Non- current
Loan to employees (at amortised cost)				
- Unsecured, considered good	2.45	0.19	2.20	0.22
Total loans	2.45	0.19	2.20	0.22

Notes to the Consolidated Financial Statements

for the year ended March 31, 2019

Note 8: Other financial assets

(₹ in Million)

	31-Mar-19		31-Mar-18	
	Current	Non- current	Current	Non- current
At amortised cost				
Security deposits	1.09	7.12	1.20	5.82
Earnest money deposits	8.29	-	5.43	-
Interest accrued on bank deposits	-	-	0.13	-
Amount recoverable from banks (related to hedging transactions)	0.69	-	12.50	-
Unbilled revenue	35.31	-	8.81	-
Others	-	-	-	-
Total other financial assets at amortised cost [A]	45.38	7.12	28.07	5.82
At fair value through Other Comprehensive Income (OCI)				
Derivatives financial instruments carried at fair value				
- Foreign-exchange forward contracts	100.83	-	-	-
Total other financial assets at fair value through OCI [B]	100.83	-	-	-
Total other financial assets ([A]+[B])	146.21	7.12	28.07	5.82

Note 9: Other assets

(₹ in Million)

	31-Mar-19		31-Mar-18	
	Current	Non- current	Current	Non- current
Capital advances	-	9.31	-	9.64
Advances to suppliers				
Considered good	96.92	-	118.74	-
Considered doubtful	0.52	-	-	-
	97.44	-	118.74	-
Less: Provision for doubtful receivable	(0.52)	-	-	-
	96.92	-	118.74	-
Indirect tax and duties recoverable				
Considered good	74.61	7.87	364.73	3.73
Considered doubtful	-	2.64	-	2.64
	74.61	10.51	364.73	6.37
Less: Provision for doubtful receivable	-	(2.64)	-	(2.64)
	74.61	7.87	364.73	3.73
Export incentives receivable				
Considered good	37.12	-	87.56	-
Considered doubtful	-	11.14	-	11.86
	37.12	11.14	87.56	11.86
Less: Provision for doubtful receivable	-	(11.14)	-	(11.86)
	37.12	-	87.56	-
Prepaid expenses	18.06	0.69	21.83	0.95
Due from customers (Turbine extended scope turnkey project revenue adjustment)*	5.85	-	4.52	-
Others	0.07	-	0.44	-
Total other assets	232.63	17.87	597.82	14.32

Notes to the Consolidated Financial Statements

for the year ended March 31, 2019

Note 10: Inventories

	(₹ in Million)	
	31-Mar-19	31-Mar-18
Raw materials and components [includes stock in transit ₹ 0.03 Million (March 31, 2018 : ₹ 5.77 Million)]	1,037.69	1,082.12
Less: Allowance for non moving inventories	(19.52)	(12.79)
Work-in-progress	960.79	752.18
Less: Allowance for non moving inventories	(14.38)	(14.45)
Finished goods [includes stock in transit ₹ 138.52 Million (March 31, 2018: ₹ Nil)]	203.67	-
Others - Scrap and low value patterns	0.12	0.05
Total inventories	2,168.37	1,807.11

- (i) The cost of inventories recognised as an expense during the year was ₹ 5,619.45 Million (March 31, 2018: ₹ 4,639.69 Million)
- (ii) The mode of valuation of inventories has been stated in note 1 (k).
- (iii) In view of the order-to-dispatch cycle being normally around twelve months, most of the inventories held are expected to be utilized during the next twelve months. However, there may be some exceptions on account of unanticipated cases where the dispatch is held up due to reasons attributable to the customers, slow movement in spares and advance manufacture in anticipation of orders. Accordingly, the same has been considered as current.
- (iv) Refer note 17(i) for information on charges created on inventories.
- (v) For write-downs of inventories to net realisable value on account of obsolescence and slow moving items refer note 31.
- (vi) During the year, the Company has written down certain inventories to net realisable value on account of measurement at the lower of cost and net realisable value amounting by ₹ 54.57 million (March 31, 2018: ₹ Nil) and recognised as an expense under the head 'changes in inventories of finished goods and work-in-progress'. These amounts have also included in note (i) above.

Note 11: Cash and bank balances

(a) Cash and cash equivalents

	(₹ in Million)	
	31-Mar-19	31-Mar-18
At amortised cost		
Balances with banks		
- in current accounts	270.04	115.12
Cash on hand	0.11	0.24
Total cash and cash equivalents	270.15	115.36

(b) Bank balances other than cash and cash equivalents

	(₹ in Million)	
	31-Mar-19	31-Mar-18
At amortised cost		
Balances with banks		
- Deposits with maturity with less than 12 months*	-	9.55
Earmarked balances with banks		
- unpaid dividend account	1.49	1.31
Total other bank balances	1.49	10.86

* Held as security deposits against bank guarantee

Notes to the Consolidated Financial Statements

for the year ended March 31, 2019

Note 12: Assets classified as held for sale

	(₹ in Million)	
	31-Mar-19	31-Mar-18
Plant and equipment	2.60	2.60
Total assets classified as held for sale	2.60	2.60

The Group intends to dispose off certain old machines not in usable condition, the total book value of these machines as at March 31, 2019 was ₹ 2.60 Million (March 31, 2018 : ₹ 2.60 Million) . No impairment loss is recognized on re-classification including subsequent measurement of these machines to "Assets held of sale" as the fair value less cost of sale is higher than the carrying amount, as determined from quotations received from potential buyers.

Note 13: Equity share capital

	31-Mar-19		31-Mar-18	
	Number of shares	Amount (₹ in Million)	Number of shares	Amount (₹ in Million)
Authorised				
Equity shares of ₹ 1 each	450,000,000	450.00	450,000,000	450.00
8% Cumulative Redeemable Preference Shares of ₹ 10 each	5,000,000	50.00	5,000,000	50.00
		500.00		500.00
Issued, Subscribed and Fully Paid Up				
Equity shares of ₹ 1 each	323,305,484	323.30	329,972,150	329.97

(i) Movements in equity share capital

	Number of shares	Amount (₹ in Million)
As at April 1, 2017	329,972,150	329.97
Movement during the year	-	-
As at March 31, 2018	329,972,150	329.97
Less: Buy-back of shares [refer note (iv) below]	(6,666,666)	(6.67)
As at March 31, 2019	323,305,484	323.30

Terms and rights attached to equity shares

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

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

Notes to the Consolidated Financial Statements

for the year ended March 31, 2019

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

	31-Mar-19		31-Mar-18	
	Number of shares	% holding	Number of shares	% holding
Triveni Engineering & Industries Limited	70,627,980	21.85	72,000,000	21.82
Dhruv M. Sawhney	23,386,813	7.23	24,924,645	7.55
Nalanda India Fund Limited	18,170,454	5.62	23,740,454	7.19
Subhadra Trade & Finance Limited	86,929,264	26.89	87,330,417	26.47
Reliance Mutual Fund	18,473,185	5.71	-	-

(iii) Aggregate number of bonus shares issued and shares issued for consideration other than cash during the period of five years immediately preceding the reporting date

The Company has not issued any bonus shares during five years immediately preceding March 31, 2019. Further, the Company has not issued any shares for consideration other than cash during five years immediately preceding March 31, 2019.

(iv) Buy-back of Shares

The Company has completed buy-back of 6,666,666 equity shares of ₹ 1/- each (representing 2.02% of total pre buy-back paid up equity capital of the Company) from the shareholders of the Company on a proportionate basis through the tender offer route at a price of ₹ 150 per equity share for an aggregate amount of ₹ 1,000 Million. Accordingly, the Company has extinguished 6,663,121 fully paid up equity shares of ₹ 1 each (in dematerialized form) and 3,545 fully paid up equity shares of ₹ 1 each (in physical form) as a result of the conclusion of buy-back of 6,666,666 equity shares. Share capital of the Company (post extinguishment) is 323,305,484 shares of ₹ 1/- each. The Company has funded the buy-back from its Securities Premium, General Reserve and Retained Earnings. In accordance with section 69 of the Companies Act, 2013, the Company has transferred an amount of ₹ 6.67 Million to Capital Redemption Reserve which is equal to the nominal value of the shares bought back, as an appropriation from retained earnings.

Note 14: Other equity

	(₹ in Million)	
	31-Mar-19	31-Mar-18
Capital redemption reserve	34.67	28.00
Securities premium	-	4.69
General reserve	-	839.23
Retained earnings	3,933.20	3,322.00
Cash flow hedging reserve	42.70	(4.68)
Foreign currency translation reserve	(0.01)	2.09
Total other equity	4,010.56	4,191.33

Notes to the Consolidated Financial Statements

for the year ended March 31, 2019

(i) Capital redemption reserve

(₹ in Million)

	31-Mar-19	31-Mar-18
Opening balance	28.00	28.00
Add: Transferred from retained earnings on buy-back of shares [refer note 13 (iv)]	6.67	-
Closing balance	34.67	28.00

Capital Redemption Reserve up to March 31, 2018 was created consequent to redemption of preference share capital, as required under the provisions of the Companies Act, 1956. During the year, the Company has recognised Capital Redemption Reserve on Buy-back of equity shares from its retained earnings. The amount in Capital Redemption Reserve recognised during the year is equal to the nominal amount of equity shares bought back. This reserve shall be utilised in accordance with the provisions of Companies Act, 2013.

(ii) Securities premium

(₹ in Million)

	31-Mar-19	31-Mar-18
Opening balance	4.69	4.69
Less: Amount utilised on account of buy-back of shares [refer note 13 (iv)]	(4.69)	-
Closing balance	-	4.69

Securities premium reserve is used to record the premium on issue of shares. This reserve has been utilised during the year on account of buy-back of equity shares.

(iii) General reserve

(₹ in Million)

	31-Mar-19	31-Mar-18
Opening balance	839.23	839.23
Less: Amount utilised on account of buy-back of shares [refer note 13 (iv)]	(839.23)	-
Closing balance	-	839.23

It represents amount kept separately by the Group out of its profits for future purposes not earmarked for special purpose. This reserve has been utilised during the year on account of buy-back of equity shares.

(iv) Retained earnings

(₹ in Million)

	31-Mar-19	31-Mar-18
Opening balance	3,322.00	2,835.32
Net profit for the year	1,002.25	959.69
Other comprehensive income arising from the remeasurement of defined benefit obligation net of income tax	(3.35)	3.57
Transferred to capital redemption reserve on account of buy-back of shares [refer note 13 (iv)]	(6.67)	-
Amount utilised on account of buy-back of shares [refer note 13 (iv)]	(149.41)	-
Transaction cost related to buy-back of shares [refer note 13 (iv)]	(12.82)	-
Dividends paid	(181.49)	(395.97)
Dividend distribution tax (DDT)	(37.31)	(80.61)
Closing balance	3,933.20	3,322.00

Notes to the Consolidated Financial Statements

for the year ended March 31, 2019

- (a) It represents undistributed profits of the Group which can be distributed by the Group to its equity shareholders in accordance with the requirements of the Companies Act, 2013.
- (b) As required under Ind AS compliant Schedule III, the Group has recognised remeasurement of defined benefit plans (net of tax) as part of retained earnings.
- (c) Details of dividend distributions made and proposed:

	(₹ in Million)	
	31-Mar-19	31-Mar-18
Cash dividends on equity shares declared and paid:		
Interim dividend : Nil(₹ Nil per equity share of ₹ 1/- each) [March 31, 2018: 45% (₹ 0.45 per equity share of ₹ 1/- each)]	-	148.49
Dividend distribution tax (DDT) on interim dividend	-	30.23
Final dividend : 55% (₹ 0.55 per equity share of ₹ 1/- each) [March 31, 2018: 75% (₹ 0.75 per equity share of ₹ 1/- each)]	181.49	247.48
Dividend distribution tax (DDT) on final dividend	37.31	50.38
Total cash dividends on equity shares declared and paid	218.80	476.58
Proposed dividend on equity shares:		
Proposed dividend : Nil (₹ Nil per equity share of ₹ 1/- each) [March 31, 2018: 55% (₹ 0.55 per equity share of ₹ 1/- each)]	-	181.49
Dividend distribution tax (DDT) on final proposed dividend	-	37.31
Total proposed dividend on equity shares	-	218.80

Proposed dividend on equity shares as on March 31, 2018 was subject to approval by shareholders at the Annual General Meeting and has not been included as a liability in previous year financial statements. The proposed equity dividend is payable to all holders of fully paid equity shares.

(v) Cash flow hedging reserve

	(₹ in Million)	
	31-Mar-19	31-Mar-18
Opening balance	(4.68)	-
Other comprehensive gain/(loss) arising from effective portion of loss on designated portion of hedging instruments in a cash flow hedge	72.83	(7.16)
Income tax on above	25.45	(2.48)
Closing balance	42.70	(4.68)

The Group uses hedging instruments as a part of its management of foreign currency risk associated with its highly probable forecast sale. For hedging foreign currency risk, the Group uses foreign currency forward contracts which are designated as cash flow hedge. To the extent, these hedge are effective, the changes in fair value of hedging instruments is recognised in the cash flow hedging reserve. Amount recognised in the cash flow hedging reserve is reclassified in profit and loss when hedge items effects profit or loss i.e. sales.

(vi) Foreign currency translation reserve

	(₹ in Million)	
	31-Mar-19	31-Mar-18
Opening balance	2.09	(2.61)
Exchange differences arising on translating the foreign operations	(2.10)	4.70
Closing balance	(0.01)	2.09

Notes to the Consolidated Financial Statements

for the year ended March 31, 2019

Exchange differences relating to the translation of the foreign operations are recognised in other comprehensive income and accumulated in the foreign currency translation reserve. The cumulative amount is reclassified to profit or loss when the net investment is disposed-off.

Note 15: Non-current borrowings

	(₹ in Million)			
	31-Mar-19		31-Mar-18	
	Current	Non- current	Current	Non- current
Secured- at amortised cost				
Term loans				
- from other parties	0.49	0.02	0.56	0.51
	0.49	0.02	0.56	0.51
Less: Amount disclosed under the head "Other financial liabilities" (refer note 19)	(0.49)	-	(0.56)	-
Total non-current borrowings	-	0.02	-	0.51

Term loans from other parties represents vehicles loan taken from Kotak Mahindra Prime Ltd. which are secured by hypothecation of vehicles acquired under the respective vehicle loans. These loans carry interest in the range of 9.98% p.a to 11.96%p.a. The loans are repayable in 60 equated monthly instalments.

Note 16: Provisions

	(₹ in Million)			
	31-Mar-19		31-Mar-18	
	Current	Non- current	Current	Non- current
Provision for employee benefits				
Gratuity (refer note 35)	-	31.94	-	17.25
Compensated absences	31.49	-	25.72	-
Employee retention bonus	5.89	6.59	6.96	6.55
Other provisions				
Warranty	31.09	29.50	42.13	19.64
Liquidated damages	15.93	-	12.84	-
Provision for corporate social responsibility	-	-	0.11	-
Total provisions	84.40	68.03	87.76	43.44

(i) Information about individual provisions and significant estimates

(a) Compensated absences

Compensated absences comprises earned leaves and sick leaves, the liabilities of which are not expected to be settled wholly within twelve months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. The Group presents the compensated absences as a current liability in the balance sheet wherever it does not have an unconditional right to defer its settlement beyond twelve months after the reporting date.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2019

(b) Employee retention bonus:

The Group, as a part of retention policy, pays retention bonus to certain employees after completion of specified period of service. The timing of the outflows is expected to be within a period of five years. They are therefore measured as the present value of expected future payments, with management best estimates.

(c) Warranty:

The Group, in the usual course of sale of its products, gives warranties on certain products and services, undertaking to repair or replace the items that fail to perform satisfactorily during the specified warranty period. Provisions made represent the amount of expected cost of meeting such obligations of rectifications / replacements based on best estimate considering the historical warranty claim information and any recent trends that may suggest future claims could differ from historical amounts.

(d) Liquidated damages:

Represents the provision on account of contractual obligation towards customers in respect of certain products for matters relating to delivery and performance. The provision represents the amount estimated to meet the cost of such obligations based on best estimate considering the historical liquidated damages claim information and any recent trends that may suggest future claims could differ from historical amounts.

(e) Corporate social responsibility:

Represents provision made for amounts payable under an agreement for CSR activities of the Company. The timing of outflow is expected to be within one year.

(ii) Movement in other provisions

Movement in each class of other provisions during the financial year, are set out below:

	(₹ in Million)		
	Warranty	Liquidated damages	Corporate social responsibility
Balance as at April 1, 2017	58.87	14.70	0.14
Additional provisions recognised	39.96	19.82	0.11
Amounts used during the year	(17.72)	(13.37)	(0.14)
Unused amounts reversed during the year	(19.34)	(8.31)	-
Balance as at March 31, 2018	61.77	12.84	0.11
Additional provisions recognised	34.82	22.12	-
Amounts used during the year	(13.72)	(14.94)	(0.11)
Unused amounts reversed during the year	(22.28)	(4.09)	-
Balance as at March 31, 2019	60.59	15.93	-

Note 17: Current borrowings

	(₹ in Million)	
	31-Mar-19	31-Mar-18
Secured- at amortised cost		
Repayable on demand		
- Cash credits from banks [#]	-	-
Total current borrowings	-	-

[#] As at March 31, 2019 and March 31, 2018, cash credit has a favourable bank balances, hence the same has been disclosed under cash and cash equivalent.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2019

- (i) Cash credit from banks is secured by hypothecation of entire current assets inclusive of stock-in-trade, raw materials, stores and spares, work-in-progress and trade receivables and a second charge on entire movable fixed assets of the Company and immovable fixed assets situated at Peenya Industrial Area, Bengaluru both present and future on a pari-passu basis. Interest rates ranges from 8.45% to 10.15% per annum.
- (ii) In respect of working capital facilities sanctioned by a bank to the joint venture company, M/s GE Triveni Ltd (GETL), the Company has given an undertaking not to dispose of its investments in the equity shares of GETL aggregating to ₹ 80.00 Million (March 31, 2018: ₹ 80.00 Million) during the tenure of the facilities.

Note 18: Trade payable

	(₹ in Million)	
	31-Mar-19	31-Mar-18
Trade payables (at amortised cost)		
- Total outstanding dues of micro enterprises and small enterprises (refer note 45)	100.77	96.53
- Total outstanding dues of creditors other than micro enterprises and small enterprises	1,065.14	1,367.95
Total trade payables	1,165.91	1,464.48

Note 19: Other financial liabilities

	(₹ in Million)	
	31-Mar-19	31-Mar-18
At amortised cost		
Current maturities of long-term borrowings (refer note 15)	0.49	0.56
Interest accrued	-	0.01
Capital creditors	18.06	12.50
Employee benefits and other dues payable	115.42	72.53
Unpaid dividends (see (i) below)	1.48	1.30
Total other financial liabilities at amortised cost [A]	135.45	86.90
At fair value through Other Comprehensive Income (OCI)		
Derivatives financial instruments carried at fair value		
- Foreign-exchange forward contracts	-	8.68
Total other financial liabilities at fair value through OCI [B]	-	8.68
Total other financial liabilities ([A]+ [B])	135.45	95.58

- (i) There are no amounts as at the end of the year which are due and outstanding to be credited to the Investors Education and Protection Fund.

Note 20: Other current liabilities

	(₹ in Million)	
	31-Mar-19	31-Mar-18
Advance from customers	1,334.47	1,040.74
Deferred income	52.22	34.18
Amount due to customers (Turbine extended scope turnkey project revenue adjustment) (refer note 9(i))	4.13	46.01
Statutory remittances	29.04	29.38
Total other liabilities	1,419.86	1,150.31

Notes to the Consolidated Financial Statements

for the year ended March 31, 2019

Note 21: Income tax balances

(₹ in Million)

	31-Mar-19		31-Mar-18	
	Current	Non-current	Current	Non-current
Income tax assets				
Tax refund receivable (net)	-	15.02	-	13.83
	-	15.02	-	13.83
Income tax liabilities				
Provision for income tax (net)	60.53	-	86.33	-
	60.53	-	86.33	-

Note 22: Deferred tax balances

(₹ in Million)

	31-Mar-19	31-Mar-18
Deferred tax assets	(81.10)	(69.24)
Deferred tax liabilities	222.00	146.76
Net deferred tax liabilities (net)	140.90	77.52

(i) Movement in deferred tax balances

For the year ended March 31, 2019

(₹ in Million)

	Opening balance	Recognised in Profit or loss	Recognised in OCI	Closing balance
Tax effect of items constituting deferred tax assets/ (liabilities)				
Liabilities and provisions tax deductible only upon payment/actual crystallisation				
- Employee benefits	15.17	10.56	1.81	27.54
- Statutory taxes and duties	-	-	-	-
- Other contractual provisions	21.20	0.66	-	21.86
Impairment provisions on financial/other assets made in books, but tax deductible only on actual write-off	27.40	3.54	-	30.94
Fair valuation of financial assets/(liabilities)	4.43	(9.50)	(25.45)	(30.52)
Difference in carrying values of property, plant & equipment and intangible assets	(146.76)	(44.72)	-	(191.48)
Other temporary differences	1.04	(0.28)	-	0.76
Net deferred tax assets/(liabilities)	(77.52)	(39.74)	(23.64)	(140.90)

Notes to the Consolidated Financial Statements

for the year ended March 31, 2019

For the year ended March 31, 2018

(₹ in Million)

	Opening balance	Recognised in Profit or loss	Recognised in OCI	Closing balance
Tax effect of items constituting deferred tax assets/ (liabilities)				
Liabilities and provisions tax deductible only upon payment/actual crystallisation				
- Employee benefits	19.33	(2.30)	(1.86)	15.17
- Statutory taxes and duties	0.52	(0.52)	-	-
- Other contractual provisions	11.91	9.29	-	21.20
Impairment provisions on financial/other assets made in books, but tax deductible only on actual write-off	19.90	7.50	-	27.40
Fair valuation of financial assets/(liabilities)	(22.86)	24.81	2.48	4.43
Difference in carrying values of property, plant & equipment and intangible assets	(137.60)	(9.16)	-	(146.76)
Other temporary differences	(0.01)	1.05	-	1.04
Net deferred tax assets/(liabilities)	(108.81)	30.67	0.62	(77.52)

Note 23: Revenue from operations

(₹ in Million)

	31-Mar-19	31-Mar-18
Sale of products (including excise duty) (refer note 47 and 49(i))		
Finished goods		
- Turbines (including related equipments and supplies)	5,731.40	4,719.22
- Spares	1,593.23	1,751.64
Sale of services		
Servicing, operation and maintenance	666.07	684.94
Erection and commissioning	196.39	143.98
Turbine extended scope turnkey project	43.22	94.86
Other operating revenue		
Sale of scrap	4.51	4.40
Royalty	4.98	1.64
Export incentives	160.06	132.49
Total revenue from operations	8,399.86	7,533.17

Notes to the Consolidated Financial Statements

for the year ended March 31, 2019

Note 24: Other income

	(₹ in Million)	
	31-Mar-19	31-Mar-18
Interest income (at amortised cost)		
Interest income from bank deposits	1.22	0.15
Interest income from customers	0.17	1.56
	1.39	1.71
Other non-operating income (net of expenses directly attributable to such income)		
Rental income	7.62	7.54
Government grant (refer note (i) below)	-	3.60
Miscellaneous income	6.95	3.03
	14.57	14.17
Other gains/ (losses)		
Net profit on sale/redemption of current investments	30.36	22.05
Net fair value (losses)/gains on current investments	(0.35)	0.29
Net foreign exchange rate fluctuation gains	87.92	34.04
Credit balances written back	23.99	9.10
Excess provision for liquidated damages reversed (net) (refer note 16)	4.00	-
	145.92	65.48
Total other income	161.88	81.36

(i) Government grant

During the previous year, the Group had received grant of ₹ 3.6 Million from Ministry of New and Renewal Energy, Government of India, in respect of a scientific project undertaken jointly in collaboration with Indian Institute of Science, Bengaluru (IISc). As per agreement with IISc, the Group's commitment towards this project is ₹ 15.00 Million out of which the Group will receive grant of ₹ 8.00 Million over a period of three tranches from Government of India. The amount of ₹ 3.6 Million received during the previous year was grant received for the first tranches.

Note 25: Cost of materials consumed

	(₹ in Million)	
	31-Mar-19	31-Mar-18
Stock at the beginning of the year	1,082.12	646.06
Add: Purchases	5,058.91	4,218.74
Less: Stock at the end of the year	(1,037.69)	(1,082.12)
Total cost of materials consumed	5,103.34	3,782.68

Note 26: Changes in inventories of finished goods and work-in-progress

	(₹ in Million)	
	31-Mar-19	31-Mar-18
Inventories at the beginning of the year:		
Work-in progress	752.18	752.38
Finished goods	-	79.74
Total inventories at the beginning of the year	752.18	832.12
Inventories at the end of the year:		
Work-in progress	960.84	752.18
Finished goods	203.67	-
Total inventories at the end of the year	1,164.51	752.18
Less: Impact of excise duty on finished goods	-	(10.08)
Total changes in inventories of finished goods and work-in-progress	(412.33)	69.86

Notes to the Consolidated Financial Statements

for the year ended March 31, 2019

Note 27: Employee benefits expense

	(₹ in Million)	
	31-Mar-19	31-Mar-18
Salaries and wages	892.65	788.25
Contribution to provident and other funds (refer note 35)	56.97	54.09
Staff welfare expenses	41.54	38.26
Total employee benefit expense	991.16	880.60

Note 28: Finance costs

	(₹ in Million)	
	31-Mar-19	31-Mar-18
Interest costs		
- Interest on borrowings	3.68	0.15
- other interest expense	6.47	4.06
Other borrowing costs		
- Processing/renewal fees	1.08	1.13
Total finance costs	11.23	5.34

Note 29: Depreciation and amortisation expense

	(₹ in Million)	
	31-Mar-19	31-Mar-18
Depreciation of property, plant and equipment (refer note 3)	173.74	164.54
Amortisation of intangible assets (refer note 4)	27.50	26.70
Total depreciation and amortisation expense	201.24	191.24

Note 30: Impairment loss on financial assets (including reversals of impairment losses)

	(₹ in Million)	
	31-Mar-19	31-Mar-18
Bad debts written off of trade receivables and other financial assets carried at amortised cost	0.73	4.27
Impairment loss allowance on trade receivables (net of reversals) (refer note 6)	3.68	0.54
Total impairment loss on financial assets (including reversal of impairment losses)	4.41	4.81

Note 31: Other expenses

	(₹ in Million)	
	31-Mar-19	31-Mar-18
Stores, spares and tools consumed	183.16	136.54
Power and fuel	40.50	34.92
Design and engineering charges	11.32	8.92
Erection and commissioning expenses	1.41	82.50
Repairs and maintenance		
- Machinery	19.54	31.80
- Building	6.01	14.93
- Others	46.45	22.75
Travelling and conveyance	195.56	196.48

Notes to the Consolidated Financial Statements

for the year ended March 31, 2019

	(₹ in Million)	
	31-Mar-19	31-Mar-18
Rent and hire charges	17.09	17.05
Rates and taxes	7.36	5.65
Insurance	9.13	11.23
Directors' fee	2.36	2.04
Directors' commission	6.00	6.00
Certification and consultation charges	82.61	82.07
Group shared service cost	38.04	43.42
Bank charges and guarantee commission	19.84	17.48
Amount written off of non financial assets	7.59	5.26
Provision for doubtful advances	1.06	14.50
"Warranty expenses [includes provision for warranty (net) ₹ 12.54 Million (March 31, 2018: ₹ 20.62 Million) (refer note 16)]"	24.65	42.71
Provision for liquidated damages (refer note 47)	-	11.51
Payment to auditors [see (i) below]	5.15	5.17
Corporate social responsibility expenses [see (ii) below]	32.08	30.92
Allowance for non moving inventories (refer note 10)	6.66	7.68
Loss on sale / write off of property, plant and equipment	1.73	4.23
Packing expenses	50.24	43.48
Freight outward	152.87	131.19
Selling commission	86.66	59.09
Miscellaneous expenses	145.55	125.44
Total other expenses	1,200.62	1,194.96

(i) Detail of payment to auditors

	(₹ in Million)	
	31-Mar-19	31-Mar-18
Statutory Auditor		
Audit fee	3.32	4.01
Limited review fee	0.65	0.52
Certification charges*	0.32	0.08
Reimbursement of expenses	0.28	0.27
Total payment to statutory auditors	4.57	4.88
Cost Auditor		
Audit fee	0.08	0.08
Total payment to cost auditor	0.08	0.08
Tax Auditor		
Audit fee	0.50	0.21
Total payment to tax auditor	0.50	0.21
Total payment to auditors	5.15	5.17

* This amount is exclusive of ₹ 0.24 million paid to the statutory auditors towards buy-back related certificates. The same has been adjusted against retained earnings, as these are transaction costs pertaining to buy-back. [refer note 14(iv)]

Notes to the Consolidated Financial Statements

for the year ended March 31, 2019

(ii) Corporate Social Responsibility (CSR)

(a) The Company has incurred CSR expenses mainly towards promoting education and healthcare, ensuring environmental sustainability and contributing to technological institutions which are specified in Schedule VII of the Companies Act, 2013.

(b) Details of CSR expenses

	(₹ in Million)	
	31-Mar-19	31-Mar-18
a) Gross amount required to be spent during the year #	31.90	30.91
b) Amount spent during the year	32.08	30.92
In cash		
i) Construction/acquisition of any asset	1.62	-
ii) On purposes other than (i) above	30.46	30.81
Yet to be paid in cash		
i) Construction/acquisition of any asset	-	-
ii) On purposes other than (i) above	-	0.11

Amounts computed is based upon profits as per relevant GAAP applicable for the respective years.

Note 32: Income tax expense

(i) Income tax recognised in profit or loss

	(₹ in Million)	
	31-Mar-19	31-Mar-18
Current tax		
In respect of the current year	447.26	498.02
In respect of the prior years	4.51	10.77
Total current tax expense	451.77	508.79
Deferred tax		
In respect of current year	39.19	7.60
In respect of prior years	0.55	(38.27)
Total deferred tax expense/(income)	39.74	(30.67)
Total income tax expense recognised in profit or loss	491.51	478.12

Reconciliation of income tax expense and the accounting profit multiplied by Company's tax rate:

	(₹ in Million)	
	31-Mar-19	31-Mar-18
Profit before tax from continuing operations	1,493.76	1,437.81
Income tax expense calculated @ 34.944% (March 31, 2018: 34.608%)	521.98	497.60
Effect of expenses that are non-deductible in determining taxable profit	11.78	10.18
Effect of tax incentives and concessions (research & development and other allowances)	(9.47)	(10.23)
Effect of tax on share of net (profit)/loss of joint venture	(11.08)	8.65
Effect of different tax rates of subsidiaries operating in other jurisdictions	(26.49)	(0.56)
Others	(0.27)	(0.02)
	486.45	505.62
Adjustments recognised in the current year in relation to the current tax of prior years	4.51	10.77
Adjustments recognised in the current year in relation to the deferred tax of prior years	0.55	(38.27)
Total income tax expense	491.51	478.12

Notes to the Consolidated Financial Statements

for the year ended March 31, 2019

(ii) Income tax recognised in other comprehensive income

	(₹ in Million)	
	31-Mar-19	31-Mar-18
Deferred tax related to items recognised in other comprehensive income during the year:		
Remeasurement of defined benefit obligations	(1.81)	1.86
Effective portion of loss on designated portion of hedging instruments in a cash flow hedge	25.45	(2.48)
Total income tax expense recognised in other comprehensive income	23.64	(0.62)
Bifurcation of the income tax recognised in other comprehensive income into:		
Items that will not be reclassified to statement of profit or loss	(1.81)	1.86
Items that will be reclassified to statement of profit or loss	25.45	(2.48)
Total income tax expense recognised in other comprehensive income	23.64	(0.62)

Note 33: Earnings per share

	(₹ in Million)	
	31-Mar-19	31-Mar-18
Profit for the year attributable to owners of Triveni Turbine Limited [A]	1,002.25	959.69
Weighted average number of equity shares for the purposes of basic EPS/ diluted EPS [B]	328,985,849	329,972,150
Basic earning per share (face value of ₹ 1 per share) [A/B] (in ₹)	3.05	2.91
Diluted earning per share (face value of ₹ 1 per share) [A/B] (in ₹)	3.05	2.91

Note 34: Segment information

The Group primarily operates in one business segment- Power generating equipment and solutions.

The Group's non-current assets are located in/relates to India (Country of domicile of the Company) except following:

- (i) PPE of foreign subsidiaries having net carrying value of ₹ 0.39 Million as at March 31, 2019 (March 31, 2018: ₹ 0.45 Million)
- (ii) Income tax assets of foreign subsidiaries having net carrying value of ₹ 1.07 Million as at March 31, 2019 (March 31, 2018: Nil)

The amount of Group's revenue from external customers based on geographical area and nature of the products/ services are shown below:

Revenue by geographical area

	(₹ in Million)	
	31-Mar-19	31-Mar-18
India	4,450.49	4,156.73
Rest of the world	3,779.82	3,237.91
Total	8,230.31	7,394.64

Notes to the Consolidated Financial Statements

for the year ended March 31, 2019

Revenue by nature of products / services (refer note 23)

	(₹ in Million)	
	31-Mar-19	31-Mar-18
Sale of products (including excise duty) [refer note 47 and 49(i)]		
Finished goods		
- Turbines (including related equipments and supplies)	5,731.40	4,719.22
- Spares	1,593.23	1,751.64
Sale of Services		
Servicing, operation and maintenance	666.07	684.94
Erection and commissioning	196.39	143.98
Turbine extended scope turnkey project	43.22	94.86
Total	8,230.31	7,394.64

There is no single customer who has contributed 10% or more to the Groups revenue for both the years ended March 31, 2019 and March 31, 2018.

Note 35: Employee benefit plans

(i) Defined contribution plans

- (a) The Group operates defined contribution retirement benefit plans under which the Group pays fixed contributions to separate entities (funds) or financial institutions or state managed benefit schemes. The Group has no further payment obligations once the contributions have been paid. Following are the schemes covered under defined contributions plans of the Group:

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

Employee State Insurance: The Group makes prescribed monthly contributions towards Employees State Insurance Scheme.

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

Other defined contribution plans: The Group makes contributions to certain schemes for the benefit of employees in United Kingdom, Africa and Indonesia which are administered and managed by respective government authorities.

- (b) The expense recognised during the period towards defined contribution plans are as follows:

	(₹ in Million)	
	31-Mar-19	31-Mar-18
Group's contribution to provident fund	33.26	31.04
Administrative charges on above	1.50	1.73
Group's contribution to employee state insurance	1.11	1.04
Group's contribution to superannuation scheme	7.43	7.12
Group's contribution to other defined contribution plan	1.74	1.69

Notes to the Consolidated Financial Statements

for the year ended March 31, 2019

(ii) Defined benefit plans

(a) The Group provides for gratuity obligations through a defined benefit retirement plan (the 'Gratuity Plan') covering all employees. The Gratuity Plan provides a lump sum payment to vested employees at retirement/termination of employment or death of an employee, based on the respective employees' salary and years of employment with the Company. In respect of certain employees of the foreign subsidiaries, the gratuity benefit is accrued on the basis of their current salary and length of service as per the extant rules of the particular jurisdiction where such subsidiaries operate. The gratuity plan in respect of the employees of such foreign subsidiaries is unfunded. The disclosures mentioned herein below do not include the gratuity obligation of ₹ 8.46 Million as at March 31, 2019 (March 31, 2018: ₹ 5.93 Million) and gratuity expenses of ₹ 2.20 Million for the year ended March 31, 2019 (March 31, 2018: ₹ 1.15 Million) which pertains to employees of such foreign subsidiaries.

(b) Risk exposure

These plans typically expose the Group to a number of actuarial risks, the most significant of which are detailed below:

Investment risk: The plan liabilities are calculated using a discount rate set with references to government bond yields as at end of reporting period; if plan assets under perform compared to the government bonds discount rate, this will create or increase a deficit. The Plan assets comprise principally Group Gratuity Plans offered by the life insurance companies. Majority of the funds invested are under the traditional platform where the insurance companies declare a return at the end of each year based upon its performance. Certain investments are also made in funds (growth plans) managed by the life insurance companies under which the returns are based upon the accretion to the net asset value (NAV) of the particular fund, which are declared on a daily basis. The NAV based funds of the insurance companies are approved and regulated by the Insurance Regulatory and Development Authority of India and the investment risk is mitigated by investment in funds where the asset allocation is primarily in sovereign and debt securities. The Group has a risk management strategy which defines exposure limits and acceptable credit risk rating.

Interest risk: A decrease in government bond yields will increase plan liabilities, although this is expected to be partially offset by an increase in the value of the plan's debt instruments.

Life expectancy: The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants during their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk: The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants. A change in the life expectancy of the plan participants will impact the plan's liability.

Attrition rate: The present value of the defined benefit plan liability is impacted by the rate of employee turnover, disability and early retirement of plan participants. A decrease in the attrition rate of the plan participants will increase the plan's liability.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2019

- (c) The significant actuarial assumptions used for the purposes of the actuarial valuation of gratuity were as follows:

(₹ in Million)

	Valuation as at	
	31-Mar-19	31-Mar-18
Discounting rate	7.65%	7.78%
Future salary growth rate	8.00%	8.00%
Life expectancy/ Mortality rate	*	*
Attrition rate	- Below 31 years - 11.00%	- Below 31 years - 10.00%
	- 31-44 years - 6.00%	- 31-44 years - 7.00%
	- Above 44 years - 4.00%	- Above 44 years - 4.00%
Method used	Projected unit credit method	Projected unit credit method

*Assumptions regarding future mortality are set based on actuarial advice in accordance with published statistics (i.e. IALM 2006-08 Ultimate). These assumptions translate into an average life expectancy in years at retirement age.

- (d) In addition to the expense related to employees of foreign subsidiaries as mentioned in (ii) (a) above, amounts recognised in statement of profit and loss in respect of defined benefit plan (Gratuity Plan) are as follows :

(₹ in Million)

	31-Mar-19	31-Mar-18
Current service cost	11.29	9.87
Net interest expense	0.63	1.62
Components of defined benefit costs recognised in statement of profit or loss	11.92	11.49
Remeasurement on the net defined benefit liability		
- Return on plan assets (excluding amount included in net interest expense)	(0.85)	0.71
- Actuarial loss/(gain) arising form changes in financial assumptions	1.28	(5.68)
- Actuarial loss/(gain) arising form changes in demographic assumptions	0.09	(0.29)
- Actuarial loss/(gain) arising form experience adjustments	4.66	(0.09)
Components of defined benefit costs recognised in other comprehensive income	5.18	(5.35)
Total	17.10	6.14

The current service cost and the net interest expense for the year are included in the 'Employee benefits expense' line item in the statement of profit and loss. The remeasurement of the net defined benefit liability is included in other comprehensive income.

- (e) In addition to the obligation related to employees of foreign subsidiaries as mentioned in (ii) (a) above, amounts included in the balance sheet arising from the Group's obligation in respect of its defined benefit plan (Gratuity Plan) is as follows:

(₹ in Million)

	31-Mar-19	31-Mar-18
Present value of defined benefit obligation as at the end of the year	132.70	111.87
Fair value of plan assets	109.22	100.55
Funded status	(23.48)	(11.32)
Net liability arising from defined benefit obligation recognised in the balance sheet	(23.48)	(11.32)

Notes to the Consolidated Financial Statements

for the year ended March 31, 2019

- (f) Movement in the present value of the defined benefit obligation (Gratuity Plan obligation), in respect of Group's employees other than employees of foreign subsidiaries as mentioned in (ii) (a) above, are as follows:

	(₹ in Million)	
	31-Mar-19	31-Mar-18
Present value of defined benefit obligation at the beginning of the year	111.87	107.95
Expenses recognised in statement of profit and loss		
- Current service cost	11.29	9.87
- Interest expense	8.45	7.85
Remeasurement gains / (losses) recognised in other comprehensive income		
- Actuarial gain (loss) arising from:		
i. Demographic assumptions	0.09	(0.29)
ii. Financial assumptions	1.28	(5.68)
iii. Experience adjustments	4.66	(0.09)
Benefit payments	(4.94)	(7.74)
Present value of defined benefit obligation at the end of the year	132.70	111.87

- (g) Movement in the fair value of plan assets are as follows:

	(₹ in Million)	
	31-Mar-19	31-Mar-18
Fair value of plan assets at the beginning of the year	100.55	80.03
Expenses recognised in statement of profit and loss		
- Expected return on plan assets	7.82	6.23
Remeasurement gains / (losses) recognised in other comprehensive income		
- Actual Return on plan assets in excess of the expected return	0.85	(0.71)
Contributions by employer	4.94	22.65
Benefit payments	(4.94)	(7.65)
Fair value of plan assets at the end of the year	109.22	100.55

The fair value of the plan assets at the end of the reporting period for each category, are as follows:

	31-Mar-19			31-Mar-18		
	Quoted	Unquoted	Total	Quoted	Unquoted	Total
Cash and cash equivalents	-	0.60	0.60	-	0.56	0.56
Group Gratuity Plans with Insurance Companies	-	108.62	108.62	-	99.99	99.99
Total plan assets	-	109.22	109.22	-	100.55	100.55

The Plan assets comprise principally Group Gratuity Plans offered by the life insurance companies. Majority of the funds invested are under the traditional platform where the insurance companies declare a return at the end of each year based upon its performance. Certain investments are also made in funds (growth plans) managed by the life insurance companies under which the returns are based upon the accretion to the net asset value (NAV) of the particular fund, which are declared on a daily basis. The NAV based funds of the insurance companies are approved and regulated by the Insurance Regulatory and Development Authority of India and the investment risk is mitigated by investment in funds where the asset allocation is primarily in sovereign and debt securities. There has been no change in the process used by the Group to manage its risks from prior periods.

Notes to the Consolidated Financial Statements

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(h) Sensitivity analysis

The sensitivity of the defined benefit obligation, in respect of Group's employees other than employees of foreign subsidiaries as mentioned in (ii) (a) above, to changes in the weighted principal assumptions is:

	Change in assumption by		Impact on defined benefit obligation			
			Increase in assumption		Decrease in assumption	
			31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18
Discounting rate	0.5%	₹ in Million	(4.99)	(5.88)	5.34	6.41
		in %	-3.76%	-5.26%	4.03%	5.73%
Future salary growth rate	0.5%	₹ in Million	5.30	6.32	(5.00)	(5.85)
		in %	3.99%	5.65%	-3.77%	-5.23%
Mortality rate	10%	₹ in Million	(0.02)	(0.04)	-	0.01
		in %	-0.01%	-0.03%	0.00%	0.00%
Attrition rate	0.5%	₹ in Million	(0.19)	(0.07)	0.19	0.04
		in %	-0.14%	-0.07%	0.14%	0.04%

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practise, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to prior period.

(i) Defined benefit liability and employer contributions

The Group shall strive to bridge the deficit in defined benefit gratuity plan in the next year.

The Group expects to contribute ₹ 31.34 Million to the defined benefit plan during the year ending March 31, 2020.

The weighted average duration of the defined obligation as at March 31, 2019 is 8 years.

The expected maturity analysis of undiscounted defined benefit obligation as at March 31, 2019 is as follows:

	(₹ in Million)				
	Less than a year	Between 2-5 years	Between 6-10 years	More than 10 years	Total
Defined benefit obligation (Gratuity)	25.19	42.59	62.05	157.30	287.13

Notes to the Consolidated Financial Statements

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Note 36: Related party transactions

(i) Related parties with whom transactions have taken place during the year :

Subsidiaries

- (a) Investing company holding substantial interest
Triveni Engineering & Industries Limited (TEIL)
- (b) Joint Venture
GE Triveni Limited (GETL)
- (c) Key Management Personnel (KMP)
Mr. D.M. Sawhney, Chairman & Managing Director of the Company (DMS)
Mr. Nikhil Sawhney, Vice Chairman and Managing Director of the Company (NS)
Mr. Arun Mote, Executive Director of the Company (AM)
Mr. Deepak Kumar Sen, Executive Vice President & CFO of the Company (DKS)
Mr. Tarun Sawhney, Promoter Non Executive Director of the Company (TS)
Lt. General Kanwal Kishan Hazari (Retired), Independent Non Executive Director of the Company (KKH)*
Mrs. Vasantha Bharucha, Independent Non Executive Director of the Company (VB)
Mr. Shekhar Datta, Independent Non Executive Director of the Company (SD)
Dr. Santosh Pande Independent Non Executive Director of the Company (SP)**
Ms. Homai A. Daruwalla, Independent Non Executive Director (HAD)***
Dr. Anil Kakodkar , Independent Non Executive Director (AK)***
- (d) Parties in which key management personnel or their relatives have significant influence
Subhadra Trade & Finance Limited (STFL)
Tirath Ram Shah Charitable Trust (TRSCT)
- (e) Post employment benefit plans
Triveni Turbine Limited Officers Pension Scheme (TTLOPS)
Triveni Turbine Limited Employees Gratuity Trust (TTLEGT)
* Ceased to be KMP, due to his resignation, w.e.f. November 1, 2018
** w.e.f July 19, 2017
*** w.e.f November 1, 2018.

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for the year ended March 31, 2019

(iii) Details of transactions between the Company and related parties during the year and outstanding balances as on March 31, 2019:

Nature of transactions with Related Parties	Financial year	Investing company holding substantial interest	Joint Venture	KMP	NS	AM	DKS	TS	KKH	VB	SD	SP	HAD	AK	Parties in which KMP or their relatives have significant influence			Total	
															STFL	TRSC	TTLOPS		
		TEIL	GETL	DMS															
Nature of transactions with Related Parties																			
Sales and rendering of services*	31-Mar-19	192.35	463.17	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	655.52
	31-Mar-18	38.25	537.38	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	575.63
Purchases and receiving services*	31-Mar-19	431.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	431.00
	31-Mar-18	430.40	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	430.40
Rent & other charges income*	31-Mar-19	-	8.89	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	8.89
	31-Mar-18	-	8.84	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	8.84
Royalty Income*	31-Mar-19	-	5.88	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5.88
	31-Mar-18	-	1.94	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.94
Rent expenditure	31-Mar-19	2.05	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2.05
	31-Mar-18	2.04	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2.04
Remuneration expenditure	31-Mar-19	-	-	42.05	40.98	26.49	5.86	-	-	-	-	-	-	-	-	-	-	-	115.38
	31-Mar-18	-	-	36.59	36.50	24.30	5.18	-	-	-	-	-	-	-	-	-	-	-	102.57
Directors fee expenditure	31-Mar-19	-	-	-	-	-	-	0.34	0.17	0.60	0.35	0.55	0.21	0.15	-	-	-	-	2.37
	31-Mar-18	-	-	-	-	-	-	0.37	0.47	0.50	0.35	0.35	-	-	-	-	-	-	2.04
Directors commission expenditure	31-Mar-19	-	-	-	-	-	-	1.12	-	1.12	1.12	1.12	0.76	0.76	-	-	-	-	6.00
	31-Mar-18	-	-	-	-	-	-	1.12	1.32	1.32	1.12	1.12	-	-	-	-	-	-	6.00
Corporate social responsibility expenditure	31-Mar-19	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	9.00
	31-Mar-18	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	9.81
Contribution to post employment benefit plans	31-Mar-19	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	7.43
	31-Mar-18	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4.95
Expenses incurred by the Company on behalf of party (net of expenses incurred by party on behalf of the Company)	31-Mar-19	(2.35)	16.89	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	14.54
	31-Mar-18	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	14.77
Dividend Paid	31-Mar-19	39.60	-	13.71	8.29	0.04	-	7.85	-	-	0.01	-	-	-	-	-	-	-	117.53
	31-Mar-18	86.40	-	29.91	18.09	0.09	-	17.12	-	-	0.01	-	-	-	-	-	-	-	256.42
Buyback of Shares	31-Mar-19	205.80	-	77.22	46.70	-	-	44.20	-	-	-	-	-	-	-	-	-	-	623.54
	31-Mar-18	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Outstanding balances																			
Receivable	31-Mar-19	137.41	482.33	-	-	-	0.03	-	-	-	-	-	-	-	-	-	-	-	619.77
	31-Mar-18	131.05	182.02	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	313.07
Payable	31-Mar-19	53.18	51.17	0.52	0.21	0.39	1.12	-	-	1.12	1.12	1.12	0.76	0.76	-	-	-	-	113.33
	31-Mar-18	108.20	35.41	1.11	0.21	0.64	1.12	1.32	1.32	1.32	1.12	1.12	-	-	-	-	-	-	151.57

*including taxes

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(iv) Compensation of key managerial personnel:

	(₹ in Million)	
	31-Mar-19	31-Mar-18
Short-term employee benefits	108.67	96.62
Post-employment benefits	6.71	5.95
Total	115.38	102.57

The remuneration of directors and key executives is determined by the remuneration committee having regard to the performance of individuals and market trends.

(v) Terms & conditions:

The sales to and purchases from related parties, including rendering / availment of services, are made on terms which are at arm's length after taking into consideration market considerations, external benchmarks and adjustment thereof, terms of Joint Venture agreement and methodology of sharing common group costs. There has not been any transactions with key management personnel other than the approved remuneration having regard to experience, performance and market trends. The outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. The Group has not recorded any impairment of receivables relating to amounts owed by related parties for the year ended March 31, 2019 and March 31, 2018.

(vi) In respect of figures disclosed above:

- the amount of transactions/ balances are without giving effect to the Ind AS adjustments on account of fair valuation/ amortisation.
- Remuneration and outstanding balances of KMP does not include long term benefits by way of gratuity and compensated absences, which are currently not payable and are provided on the basis of actuarial valuation by the Group.

Note 37: Capital management

For the purpose of capital management, capital includes total equity of the Group. The primary objective of the capital management is to maximize shareholder value. The Group is by and large debt free.

The business model of the Group is not capital intensive and being in the engineered-to-order capital goods space, the working capital is largely funded by advances from customers. The Group, therefore, prefers low gearing ratio. The Group manages its capital structure and makes adjustments in light of changes in economic conditions which may be in the form of payment of dividend subject to benchmark pay-out ratio, return capital to the shareholders or issue of new shares. Currently, the Group is cash positive and does not require any equity infusion or borrowings.

	(₹ in Million)	
	31-Mar-19	31-Mar-18
Non-current borrowings (note 15)	0.02	0.51
Current borrowings (note 17)	-	-
Trade payables (note 18)	1,165.91	1,464.48
Other financial liabilities (note 19)	135.45	95.58
Total debt	1,301.38	1,560.57
Less: Cash and cash equivalent (note 11(a))	(270.15)	(115.36)
Net debt (A)	1,031.23	1,445.21
Total equity (note 13 & note 14)	4,333.86	4,521.30
Total equity and net debt (B)	5,365.09	5,966.51
Gearing ratio (A/B)	19%	24%

Notes to the Consolidated Financial Statements

for the year ended March 31, 2019

Further, no changes were made in the objectives, policies or process for managing capital during the years ended March 31, 2019 and March 31, 2018.

The Group is not subject to any externally imposed capital requirements.

Note 38: Financial risk management

The Group's principal financial liabilities comprises trade payables and other payables and by and large there are no borrowings, other than necessitated by temporary mismatch. The main purpose of the financial liabilities is to finance the Group's operations. The Group's principal financial assets include trade receivables, other receivables and cash and bank balances that derive directly from its operations. The Group also holds FVTPL investments and loans. The Group has substantial exports and is exposed to foreign currencies fluctuations during the contractual delivery period which is normally in the range of one year. The Group uses extensive derivatives to hedge its foreign exchange exposures which arise from export orders.

The Group's activities expose it mainly to market risk, liquidity risk and credit risk. The monitoring and management of such risks is undertaken by the senior management of the Group and there are appropriate policies and procedures in place through which such financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. The Group has specialized teams to undertake derivative activities for risk management purposes and such team has appropriate skills, experience and expertise. It is the Group policy not to carry out any trading in derivative for speculative purposes. The Audit Committee and the Board are regularly apprised of such risks every quarter and each such risk and mitigation measures are extensively discussed.

(i) Credit risk

Credit risk arises when a counterparty defaults on its contractual obligations to pay resulting in financial loss to the Group. The Group is exposed to credit risk from its operating activities, primarily trade receivables. The credit risks in respect of deposits with the banks, foreign exchange transactions and other financial instruments are only nominal.

(a) Credit risk management

The customer credit risk is managed subject to the Group's established policy, procedure and controls relating to customer credit risk management. In order to contain the business risk, prior to acceptance of an order from a customer, the creditworthiness of the customer is ensured through scrutiny of its financials, status of financial closure of the project, if required, market reports and reference checks. The Group remains vigilant and regularly assesses the financial position of customers during execution of contracts with a view to limit risks of delays and default. Further, in most of the cases, the Group prescribes stringent payment terms including ensuring full payments before delivery of goods. Retention amounts, if applicable, are payable after satisfactory commissioning and performance. In view of the industry practice and being in a position to prescribe the desired commercial terms, credit risks from receivables are well contained on an overall basis.

The impairment analysis is performed on each reporting period on individual basis for major customers. In addition, a large number of receivables are grouped and assessed for impairment collectively. The calculation is based on historical data of losses, current conditions and forecasts and future economic conditions. The Group's maximum exposure to credit risk at the reporting date is the carrying amount of each financial asset as detailed in note 5, 6, 7, 8 and 11.

The trade receivables position is provided here below:

	(₹ in Million)	
	31-Mar-19	31-Mar-18
Total receivables (Note 6)	1,761.54	2,090.09
Receivables individually in excess of 10% of the total receivables	482.33	481.79
Percentage of above receivables to the total receivables of the Group	27%	23%

Notes to the Consolidated Financial Statements

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From the above table, it can be observed that the concentration of risk in respect of trade receivables is well spread out and moderate. Further, its customers are located in several jurisdictions and industries and operate in largely independent markets.

(b) Provision for expected credit losses

Basis as explained above, apart from specific provisioning against impairment on an individual basis for major customers, the Group provides for expected credit losses (ECL) for other receivables based on historical data of losses, current conditions and forecasts and future economic conditions, including loss of time value of money due to delays. In view of the business model of the Group, engineered-to-order products and the prescribed commercial terms, the determination of provision based on age analysis may not be a realistic and hence, the provision of expected credit loss is determined for the total trade receivables outstanding as on the reporting date. Considering all such factors, ECL (net of specific provisioning) for trade receivables as at year end worked out as follows:

	31-Mar-19	31-Mar-18
Expected credit loss (%)	0.44%	0.35%
Expected credit loss (₹ in Million)	5.42	3.81

(ii) Liquidity risk

The Group uses liquidity forecast tools to manage its liquidity. As per the business model of the Group, the requirement of working capital is not intensive. The Group is able to substantially fund its working capital from advances from customers and from internal accruals and hence, its reliance on funding through borrowings is negligible. In view of free cash flows, the Group has even been able to fund substantial capital expenditure from internal accruals.

	31-Mar-19	31-Mar-18
	(₹ in Million)	
Current financial assets (CFA) (refer note 5, 6, 7, 8 & 11)	2,219.87	2,324.79
Non-current financial assets (NCFA) (refer note 6, 7 & 8)	19.33	18.46
Total financial assets (FA)	2,239.20	2,343.25
Current financial liabilities (CFL) (note 17, 18 & 19)	1,301.36	1,560.06
Non-current financial liabilities (NCFL) (note 15)	0.02	0.51
Total financial liabilities (FL)	1,301.38	1,560.57
Ratios		
CFA/ CFL	1.71	1.49
NCFA/NCFL	966.50	36.20
FA/FL	1.72	1.50

Above ratio indicates fair liquidity. The Group invests surplus funds in bank deposits or liquid mutual funds for appropriate tenures in consonance with cash flow forecasts.

Notes to the Consolidated Financial Statements

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Maturities analysis of financial liabilities:

(₹ in Million)

	on demand	< 1 year	1-5 years	Total	Carrying amount
As at March 31, 2019					
Non-current borrowings	-	-	0.02	0.02	0.02
Trade payables	-	1,165.91	-	1,165.91	1,165.91
Other financial liabilities	-	135.45	-	135.45	135.45
	-	1,301.36	0.02	1,301.38	1,301.38
As at March 31, 2018					
Non-current borrowings	-	-	0.51	0.51	0.51
Trade payables	-	1,464.48	-	1,464.48	1,464.48
Other financial liabilities	-	95.58	-	95.58	95.58
	-	1,560.06	0.51	1,560.57	1,560.57

(iii) Market risk

The Group is virtually debt free and is largely insulated from interest rate risks. Even with respect to investments in mutual funds, the impact of interest rate risk is nominal as the investment is carried in liquid or substantially liquid funds. The Group is essentially exposed to currency risks as export sales forms substantial part of the total sales of the Group. While the Group is mainly exposed to US Dollars, the Group also deals in other currencies, such as, Euro, GBP etc.

The cycle from booking order to collection extends to about a year and the Group is exposed to foreign exchange fluctuation risks during this period. As a policy, the Group remains substantially hedged through forward exchange contracts or other simple structures. It considerably mitigates the risk and the Group is also benefitted in view of incidental forward premium. The policy of substantial hedging insulates the Group from the exchange rate fluctuation and the impact of sensitivity is nominal.

(a) Foreign currency risk exposure

The Group's exposure to foreign currency risk at the end of the reporting period are as follows:

		USD	EURO	GBP	Other foreign currencies
As at 31 March 2019					
Financial assets					
- Trade receivables	in foreign currency (Million)	3.01	1.20	1.17	-
	in equivalent ₹ (Million)	205.81	91.54	103.85	-
- Cash and bank balances	in foreign currency (Million)	0.78	0.04	-	*
	in equivalent ₹ (Million)	53.41	3.43	-	2.10
- Other financial assets	in foreign currency (Million)	-	-	-	*
	in equivalent ₹ (Million)	-	-	-	0.72

Notes to the Consolidated Financial Statements

for the year ended March 31, 2019

		USD	EURO	GBP	Other foreign currencies
Derivative assets (in respect of underlying financial assets)					
- Foreign exchange forward contracts	in foreign currency (Million)	2.24	1.20	1.00	-
sell foreign currency	in equivalent ₹ (Million)	153.10	91.54	89.22	-
Net exposure to foreign currency risk (assets)	in foreign currency (Million)	1.55	0.04	0.17	-
	in equivalent ₹ (Million)	106.12	3.43	14.63	2.82
Financial liabilities					
- Trade payables	in foreign currency (Million)	0.71	0.35	0.03	*
	in equivalent ₹ (Million)	49.73	28.03	2.49	32.45
- Other financial liabilities	in foreign currency (Million)	-	-	-	*
	in equivalent ₹ (Million)	-	-	-	3.76
Net exposure to foreign currency risk (liabilities)	in foreign currency (Million)	0.71	0.35	0.03	*
	in equivalent ₹ (Million)	49.73	28.03	2.49	36.21
		USD	EURO	GBP	Other foreign currencies
As at 31 March 2018					
Financial assets					
- Trade receivables	in foreign currency (Million)	7.72	2.35	0.12	-
	in equivalent ₹ (Million)	496.64	185.44	10.86	-
- Cash and bank balances	in foreign currency (Million)	0.38	0.18	-	*
	in equivalent ₹ (Million)	24.47	13.98	-	1.85
- Other financial assets	in foreign currency (Million)	-	-	-	*
	in equivalent ₹ (Million)	-	-	-	1.91
Derivative assets (in respect of underlying financial assets)					
- Foreign exchange forward contracts	in foreign currency (Million)	6.65	1.78	-	-
sell foreign currency	in equivalent ₹ (Million)	427.30	139.89	-	-
Net exposure to foreign currency risk (assets)	in foreign currency (Million)	1.45	0.75	0.12	*
	in equivalent ₹ (Million)	93.81	59.53	10.86	3.76

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		USD	EURO	GBP	Other foreign currencies
Financial liabilities					
- Trade payables	in foreign currency (Million)	0.22	0.50	0.34	*
	in equivalent ₹ (Million)	14.23	39.44	31.60	7.86
- Other financial liabilities	in foreign currency (Million)	-	-	-	*
	in equivalent ₹ (Million)	-	-	-	4.89
Net exposure to foreign currency risk (liabilities)	in foreign currency (Million)	0.22	0.50	0.34	*
	in equivalent ₹ (Million)	14.23	39.44	31.60	12.75

* In view of diversified foreign currencies involved, only the equivalent amount in ₹ has been disclosed

The Group's foreign currency derivatives outstanding (including for firm commitments) at the end of the reporting period are as follows:

		USD	EURO	GBP	Other foreign currencies
As at March 31, 2019					
Foreign exchange forward contracts to sell foreign currency	in foreign currency (Million)	19.37	6.56	3.49	-
	in equivalent ₹ (Million)	1,325.78	500.48	310.74	-
As at March 31, 2018					
Foreign exchange forward contracts to sell foreign currency	in foreign currency (Million)	25.37	5.95	-	-
	in equivalent ₹ (Million)	1,631.58	468.39	-	-

(B) Impact of hedging activities

(a) Disclosure of effects of cash flow hedge accounting on financial position towards hedging foreign currency risk through foreign currency forward contracts.

	31-Mar-19	31-Mar-18
Carrying amount of hedging instruments		
-Assets/ (liabilities) (₹ in Million)	100.83	(8.68)
Line item affected in Balance sheet	Other financial assets	Other financial liabilities
Maturity date	April 2019 - January 2020	April 2018 - February 2019
Hedge ratio	73%	77%

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	31-Mar-19	31-Mar-18
weighted average strike price/rate	US\$ 1= INR 73.15 EURO 1= INR 85.85 GBP= INR 94.72	US\$ 1= INR 65.91 EURO 1= INR 79.97
Changes in fair value of hedging instruments (₹ in Million)	114.23	15.30
Change in the value of hedged item used as the basis for recognising hedge effectiveness (₹ in Million)	(114.23)	(15.30)

(b) Disclosure of effects of cash flow hedge accounting on financial performance

	31-Mar-19	31-Mar-18
	(₹ in Million)	
Changes in the value of the hedging instrument recognised in other comprehensive income	114.23	15.30
Hedge ineffectiveness recognised in profit or loss	0.23	(15.03)
Amount reclassified from cash flow hedging reserve to profit or loss	(41.63)	(7.43)
Line item affected in statement of profit and loss because of the reclassification	Revenue	Revenue

(c) Movements in cash flow hedging reserve

	31-Mar-19	31-Mar-18
	(₹ in Million)	
Opening Balance	(4.68)	-
Add: Changes in discounted spot element of foreign exchange forward contracts, net	114.23	15.30
Less: Hedge ineffectiveness recognised in profit or loss	0.23	(15.03)
Less: Amount reclassified from cash flow hedging reserve to profit or loss	(41.63)	(7.43)
	68.15	(7.16)
Less: Deferred tax relating to above	25.45	(2.48)
Closing balance	42.70	(4.68)

(C) Sensitivity

The following table demonstrate the sensitivity of net unhedged foreign currency exposures to a reasonably possible changes in foreign currency exchange rates, with all other variables held constant.

	Change in FC exchange rate by	Impact on profit or loss and equity (in ₹ in Million)			
		Increase in FC exchange rates		Decrease in FC exchange rates	
		31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18
USD sensitivity	5%	2.82	3.98	(2.82)	(3.98)
EURO sensitivity	5%	(1.23)	1.00	1.23	(1.00)
GBP sensitivity	5%	0.61	(1.04)	(0.61)	1.04
Other foreign currencies sensitivity	5%	(1.67)	(0.45)	1.67	0.45

In addition to the above, an increase in exchange rates of subsidiaries' functional currency by 5% will result in increase in foreign currency translation reserve (a component of other equity) for the year ended March 31, 2019 by ₹ 1.16 Million (March 31, 2018: ₹ 2.78 Million). A decrease in such exchange rates will have a reverse impact with equivalent amounts. There is no impact on the profits of the Group.

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Further, the change in foreign currency rates will impact the fair value of the derivatives and correspondingly impact the profit or loss, but there will not be any impact over the hedge period as the derivatives will enable capturing the hedged rates and the budgeted profitability would remain unchanged.

Note 39: Fair value measurements

(i) Financial instruments by category

(₹ in Million)

	31-Mar-19			31-Mar-18		
	FVTPL *	FVOCI	Amortised cost	FVTPL *	FVOCI	Amortised cost
Financial assets						
Investments in mutual funds	50.05	-	-	90.63	-	-
Trade receivables	-	-	1,761.54	-	-	2,090.09
Unbilled revenue	-	-	35.31	-	-	8.81
Loans	-	-	2.64	-	-	2.42
Cash and bank balances	-	-	271.64	-	-	126.22
Security deposits	-	-	8.21	-	-	7.02
Earnest money deposits	-	-	8.29	-	-	5.43
Derivative financial assets	-	100.83	-	-	-	-
Other receivables	-	-	0.69	-	-	12.63
Total financial assets	50.05	100.83	2,088.32	90.63	-	2,252.62
Financial liabilities						
Borrowings	-	-	0.51	-	-	1.07
Trade payables	-	-	1,165.91	-	-	1,464.48
Capital creditors	-	-	18.06	-	-	12.50
Derivative financial liabilities	-	-	-	-	8.68	-
Other payables	-	-	116.90	-	-	73.84
Total financial liabilities	-	-	1,301.38	-	8.68	1,551.89

*Mandatorily measured at FVTPL, there is no financial instrument which is designated as FVTPL

(ii) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Financial assets and liabilities measured at fair value - recurring fair value measurements

(₹ in Million)

	Note No.	Level 1	Level 2	Level 3	Total
As at March 31, 2019					
Financial assets					
- Investments in mutual funds (Unquoted)	5 (b)	-	50.05	-	50.05
- Foreign exchange forward contracts at FVOCI	8	-	100.83	-	100.83
		-	150.88	-	150.88
Financial liabilities					
- Foreign exchange forward contracts at FVOCI	19	-	-	-	-
		-	-	-	-

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					(₹ in Million)
	Note No.	Level 1	Level 2	Level 3	Total
As at March 31, 2018					
Financial assets					
- Investments in mutual funds (Unquoted)	5 (b)	-	90.63	-	90.63
- Foreign exchange forward contracts at FVOCI	8	-	-	-	-
		-	90.63	-	90.63
Financial liabilities					
- Foreign exchange forward contracts at FVOCI	19	-	8.68	-	8.68
		-	8.68	-	8.68

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. No assets are classified in this category.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. No assets are classified in this category.

There are no transfers between levels 1 and 2 during the year.

(iii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the fair value of the mutual funds is determined using daily NAV as declared for the particular scheme by the Asset Management Company. The fair value estimates are included in Level 2.
- the fair value of foreign exchange forward contracts is determined using market observable inputs, including prevalent forward rates for the maturities of the respective contracts and interest rate curves as indicated by Banks and third parties.

All of the resulting fair value estimates are included in level 2.

(iv) Valuation process

The Corporate finance team has requisite knowledge and skills. The team headed by group CFO directly reports to the audit committee to arrive at the fair value of financial instruments.

(v) Fair value of financial assets and liabilities that are not measured at fair value (but fair value disclosures are required)

The management considers that the carrying amounts of financial assets and financial liabilities recognised in the financial statements approximate their fair values

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Note 40: Interest in other entities

(i) Subsidiary

Details of the Group's subsidiary at the end of the reporting period is as follows:

Name of Subsidiary	Principal activities	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Group	
			31-Mar-19	31-Mar-18
Triveni Turbines Europe Private Limited	Trading & services of steam turbines	United Kingdom	100%	100%
Triveni Turbines DMCC (step-down subsidiary)	Trading of steam turbines	Dubai, United Arab Emirates	100%	100%
Triveni Turbines Africa Pvt. Ltd. (step-down subsidiary)	Trading & services of steam turbines	South Africa	100%	100%

(ii) Interest in joint venture (refer note 2(a)(i))

Details of the Group's joint venture at the end of the reporting period is as follows:

Name of Subsidiary	Principal activities	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Group	
			31-Mar-19	31-Mar-18
GE Triveni Limited	Trading & services of steam turbines	India	50%	50%

The above joint venture is accounted for using the equity method in these consolidated financial statements.

(a) Summarised financial information for joint venture

The summarised financial information below represents amounts shown in the joint venture's financial statements prepared in accordance with Ind AS adjusted by the Group for equity accounting purposes.

Summarised balance sheet of GE Triveni Limited

	(₹ in Million)	
	31-Mar-19	31-Mar-18
Current assets		
Cash and cash equivalent	7.81	1.19
Other assets	1,012.35	554.09
Total current assets	1,020.16	555.28
Total non-current assets	214.77	253.28
Current liabilities		
Financial liabilities (excluding trade payables and provisions)	5.97	8.91
Other liabilities	892.39	551.37
Total current liabilities	898.36	560.28
Non-current liabilities		
Financial liabilities (excluding trade payables and provisions)	7.34	9.26
Other liabilities	1.81	1.41
Total non-current liabilities	9.15	10.67
Net assets	327.42	237.61

Notes to the Consolidated Financial Statements

for the year ended March 31, 2019

Summarised statement of profit and loss of GE Triveni Limited

	(₹ in Million)	
	31-Mar-19	31-Mar-18
Revenue	777.28	949.16
Interest income	1.07	0.85
Depreciation and amortisation	30.58	27.78
Interest expense	1.98	0.95
Income tax expense	38.20	(35.60)
Profit from continuing operations	89.77	(69.05)
Profit from discontinued operations	-	-
Profit for the year	89.77	(69.05)
Other comprehensive income	0.04	0.16
Total comprehensive income	89.81	(68.89)
Dividend received from the joint venture	-	-

Reconciliation of the above summarised financial information to the carrying amount of the interest in the joint venture recognised in consolidated financial statements:

	(₹ in Million)	
	31-Mar-19	31-Mar-18
Net assets of GE Triveni Limited	327.42	237.61
Group's share in %	50%	50%
Group's share in ₹ in Million	163.71	118.81
Adjustments:		
Group's share in adjustment for unrealised profits on inter-company transactions (net of tax)	(10.37)	(5.46)
Group's share in adjustment for tax on balance undistributed profits	(15.05)	(6.77)
Carrying amount	138.29	106.58

Consolidated Notes to the Financial Statements

for the year ended March 31, 2019

Note 41: Additional information required by Schedule III

Name of the entity in the Group	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount (₹ in Million)	As % of consolidated profit or loss	Amount (₹ in Million)	As % of consolidated other comprehensive income	Amount (₹ in Million)	As % of consolidated comprehensive income	Amount (₹ in Million)
Parent								
Triveni Turbine Limited								
March 31, 2019	95.57%	4,141.41	87.42%	876.05	104.08%	43.64	88.08%	919.69
March 31, 2018	98.39%	4,448.36	102.38%	982.52	29.53%	1.06	102.11%	983.58
Subsidiaries (Group's share)								
Foreign								
Triveni Turbines Europe Private Ltd								
March 31, 2019	1.67%	72.19	4.06%	40.70	-4.13%	(1.73)	3.73%	38.97
March 31, 2018	0.80%	36.09	-0.39%	(3.73)	68.25%	2.45	-0.13%	(1.28)
Triveni Turbines DMCC								
March 31, 2019	0.58%	25.05	5.24%	52.52	-	-	5.03%	52.52
March 31, 2018	-0.06%	(2.81)	0.28%	2.65	-	-	0.28%	2.65
Triveni Turbines Africa Pvt. Ltd.								
March 31, 2019	0.85%	36.92	0.13%	1.29	-	-	0.12%	1.29
March 31, 2018	0.29%	13.09	0.34%	3.24	-	-	0.34%	3.24
Joint ventures (Investments as per the equity method)								
Indian								
GE Triveni Limited								
March 31, 2019	1.33%	58.29	3.15%	31.69	0.05%	0.02	3.04%	31.71
March 31, 2018	0.59%	26.57	-2.61%	(24.99)	2.23%	0.08	-2.59%	(24.91)
Total								
March 31, 2019	100%	4,333.86	100%	1,002.25	100%	41.93	100%	1,044.18
March 31, 2018	100%	4,521.30	100%	959.69	100%	3.59	100%	963.28

Notes to the Consolidated Financial Statements

for the year ended March 31, 2019

Note 42: Leases

(i) Obligations under finance leases

During financial year 2014-15, the Group had acquired land at Sompura from Karnataka Industrial Areas Development Board (KIADB) on a lease-cum-sale basis. The land is under lease for initial period of ten years thereafter the ownership of the land will be transferred in favour of the Group thus same is considered as land under finance lease (refer note 3(ii)). Initial upfront lease payment (including slum cess and process fee) of ₹ 365.81 Million was made to the KIADB for acquisition of land and thereafter, the Group's obligations under finance lease is yearly recurring maintenance charges of ₹ 0.14 Million during the lease period. There is no contingent rent or restriction imposed in the lease agreement.

(ii) Operating lease arrangements

As Lessee

The Group has taken various residential / office premises and certain office equipment under operating leases. These leases are generally not non-cancellable, except in the case of some office equipment. The unexpired period of the leases ranges between one month to less than five years and these are renewable by mutual consent on mutually agreeable terms. The Group has given refundable interest-free security deposits under certain agreements. There is no contingent rent, sublease payments or restriction imposed in the lease agreement.

Payments recognised as expense

	(₹ in Million)	
	31-Mar-19	31-Mar-18
Minimum lease payments (refer note 31)	17.09	17.05
	17.09	17.05

Non-cancellable operating lease commitments

	(₹ in Million)	
	31-Mar-19	31-Mar-18
Not later than one year	10.48	5.78
Later than one year and not later than five years	19.45	14.25
Later than five years	-	-
	29.93	20.03

As Lessor

The Group has given certain portions of its office premises under operating leases. These leases are not non-cancellable and are extendable by mutual consent and at mutually agreeable terms. The gross carrying amount, accumulated depreciation and depreciation recognized in the statement of profit and loss in respect of such portion of the leased premises are not separately identifiable. There is no impairment loss in respect of such premises. No contingent rent has been recognised in the statement of profit and loss. There are no minimum future lease payments as there are no non-cancellable leases. Lease income is recognised in the statement of profit and loss under "Other Income" (refer note 24). Initial direct costs incurred, if any, to earn revenues from an operating lease are recognised as an expense in the statement of profit and loss in the period in which they are incurred.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2019

Note 43: Commitments

	(₹ in Million)	
	31-Mar-19	31-Mar-18
(i) Estimated amount of contracts remaining to be executed on capital account and not provided for (against which advances paid aggregating to ₹ 9.31 Million (March 31, 2018: ₹ 9.64 Million)	70.34	77.39
(ii) Other commitments:		
(a) Operating leases commitments		Refer note 42 (ii)
(b) Derivative instruments		Refer note 38 (iii) (a), (b)
(c) Non-disposal of investments in joint venture		Refer note 17 (ii)

Note 44: Contingent liabilities and contingent assets

Contingent liabilities

	(₹ in Million)			
	31-Mar-19	31-Mar-18		
Claims against the Group not acknowledged as debts:	79.55	67.39		
(i) Claims which are being contested by the Group and in respect of which the Group has paid amounts aggregating to ₹ 1.66 Million (March 31, 2018: ₹ 1.36 Million), excluding interest, under protest pending final adjudication of the cases:				
Sl. No.	Amount of contingent liability		Amount paid	
	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18
1 Excise duty	8.11	7.80	0.09	0.09
2 Service tax	50.75	37.53	1.57	1.27
3 Income tax	18.79	15.04	-	-
4 Others	1.90	7.02	-	-

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

- (ii) The Hon'ble Supreme Court of India has passed a judgement relating to definition of wages under the Provident Fund Act, 1952 on February 28, 2019. However, considering that there are numerous interpretative issues related to the judgement and in the absence of reliable measurement of the provision for the earlier period, the Group has made provision for provident fund contribution from the date of order. The Group will evaluate its position and update provision, if required, after receiving further clarity in this regard.

Contingent assets

Based on management analysis, there are no material contingent assets as on March 31, 2019 (March 31, 2018: Nil).

Notes to the Consolidated Financial Statements

for the year ended March 31, 2019

Note 45: Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

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

	(₹ in Million)	
	31-Mar-19	31-Mar-18
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of accounting year; as at the end of the year		
(i) Principal amount	100.77	96.53
(ii) Interest due on above	-	-
The amount of interest paid by the buyer in terms of section 16 of Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-

Note 46: Research & development expenses

During the year, the Group has incurred expenditure of ₹ 81.93 Million (March 31, 2018: ₹ 85.80 Million) on research and development activities as per following details:

	(₹ in Million)	
	31-Mar-19	31-Mar-18
Revenue Expenses	68.77	63.08
Capital Expenditure	13.16	22.72
Total	81.93	85.80

Notes to the Consolidated Financial Statements

for the year ended March 31, 2019

Note 47: Ind AS 115 – Revenue from Contracts with Customers

Ind AS 115 – Revenue from Contracts with Customers, mandatory for reporting periods beginning on or after April 01, 2018, replaces the requirements of existing revenue recognition standard Ind AS 18. The Group has applied the modified retrospective approach to all open contracts as at April 01, 2018. The provision of new standard required recognition of revenue at transaction price net of variable consideration which were earlier accounted as an expense. The application of Ind AS 115 has no material impact on financial statements of the current year.

i) Disaggregated revenue information

In the following table, revenue is disaggregated by major products/service lines and timing of revenue recognition:

	Timing of revenue recognition	(₹ in Million) 31-Mar-19
Sale of products		
Finished goods		
- Turbines (including related equipments and supplies)	At point in time	5,731.40
- Spares	At point in time	1,593.23
Sale of Services		
Servicing, operation and maintenance	Over time	666.07
Erection and commissioning	At point in time	196.39
Turbine extended scope turnkey project	Over time	43.22
Sale of scrap	At point in time	4.51
Royalty	At point in time	4.98
Export incentives	At point in time	160.06
		8,399.86

ii) Contract balances

In the following table, revenue is disaggregated by major products/service lines and timing of revenue recognition:

	(₹ in Million)	
	31-Mar-19	31-Mar-18
Trade receivables	1,761.54	2,090.09
Contract assets – Amounts due from Customers under construction contracts	5.85	4.52
Contract assets – Unbilled revenue	35.31	8.81
Contract liabilities – Advance from customers	1,334.47	1,040.74
Contract liabilities – Deferred revenue	52.22	34.18
Contract liabilities – Amount due to customers under construction contracts	4.13	46.01

Trade receivables have decreased by ₹ 328.55 million over previous year even though the revenue from operation is increased by ₹ 866.69 million, due to improved realization of dues towards the year-end. During the year, provision for doubtful debts and expected credit losses on trade receivables was recognised as disclosed below.

	(₹ in Million)	
	31-Mar-19	31-Mar-18
Provision, net of reversal for doubtful debts	3.68	0.54
	3.68	0.54

Contract liabilities include advances received from customers and deferred revenue. The outstanding balances of these accounts has increased by ₹ 269.89 million primarily on account of satisfaction of performance obligation subsequent to year-end against which the advances were received during the year.

During the year, the Group has recognised revenue of ₹ 1,079.25 million out of the contract liabilities outstanding at the beginning of the year.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2019

iii) Reconciliation of revenue recognised with contract price

	(₹ in Million)
	31-Mar-19
Contract price	8,423.37
Adjustments for:	
Variable Considerations - Others	23.51
Total revenue from operations	8,399.86

iv) Performance obligation

Information about the Group's performance obligations are summarised below:

Sale of goods

The performance obligation is satisfied upon shipment of the goods and transfer of control. The Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price is allocated.

Sale of services

The performance obligation is satisfied over-time or point in time based on the nature of services and payment is generally due upon completion of services

Obligation towards warranties

The Group provides for warranties to its customers in the nature of assurance-type. The assurance-type warranty is accounted for as obligation and provided for under Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets.

Note 48: Standards issued but not yet effective

The standards that are issued, but not yet effective, up to the date of issuance of the Group's financial statements are disclosed below. The Group intends to adopt these standards, if applicable, when they become effective.

Ind AS 116 Leases was notified by MCA on March 30, 2019 and it replaces Ind AS 17 Leases, including appendices thereto. Ind AS 116 is effective for annual periods beginning on or after April 1, 2019. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. The standard includes two recognition exemptions for lessees – leases of 'low-value' assets (e.g., personal computers) and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

Lessees will be also required to remeasure the lease liability upon the occurrence of certain events (e.g., a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The lessee will generally recognise the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset.

The Group will adopt the aforesaid standard effective from April 1, 2019. The Group does not have any material leases, however, the Group is in the process of evaluating the requirements of the aforesaid standard and the impact on its financial statements in the period of initial application.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2019

Note 49: Comparatives

- (i) Post implementation of Goods and Services Tax ("GST") with effect from July 1, 2017, revenue from operations is disclosed net of GST. Revenue from operations for the year ended March 31, 2018 includes excise duty up to June 30, 2017 which is now subsumed in the GST. Accordingly, revenue from operations for the year ended March 31, 2018 are not comparable with those of the previous year presented.
- (ii) The previous year's figure have been regrouped/rearranged wherever necessary, to make them comparable to those of the current year.

Note 50. Approval of Consolidated Financial Statements

The Consolidated financial Statements were approved for issue by the Board of Directors of the Company on May 20, 2019 subject to approval of shareholders.

As per our report of even date attached

For **Walker Chandiok & Co LLP**
Chartered Accountants

Vijay Vikram Singh
Partner

Place : Noida (U.P.)
Date : May 20, 2019

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

Dhruv M. Sawhney
Chairman & Managing Director
DIN: 00102999

Deepak Kumar Sen
Executive Vice President & CFO

Homai A. Daruwalla
Director & Audit Committee Chairperson
DIN: 00365880

Rajiv Sawhney
Company Secretary

Information on the Company's Business Locations

Registered Office

A-44, Hosiery Complex,
Phase II Extension,
Noida - 201 305 (U.P.)
STD Code: 0120 Phone: 4748000 Fax: 4243049
CIN: L29110UP1995PLC041834
Website: www.triveniturbines.com

Corporate Office

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

Share Department / Investors' Grievances

'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

Registrar and Share Transfer Agents

For Equity Shares held in physical and electronic mode
(Correspondence Address)
M/s Alankit Assignments Ltd.,
Alankit Heights
Unit: Triveni Turbine Limited
1E/13, Jhandewalan Extension,
New Delhi - 110 055.
STD Code: 011 Phone: 42541234, 23451234
Fax: 011- 41543474
Email: rta@alankit.com

Manufacturing Facility

- 1) 12-A, Peenya Industrial Area,
Peenya, Bengaluru - 560 058
STD Code: 080
Phone: 22164000 Fax: 22164100
- 2) No. 491, Sompura 2nd Stage
KIADB Sompura Industrial Area
Nelamangala Taluk
Bengaluru - 562123
STD Code: 080
Phone: 28060700

Subsidiary Companies

GE Triveni Limited
12-A, Peenya Industrial Area, Peenya, Bengaluru - 560 058
STD Code: 080 Phone: 22164000, Fax: 22164100

Triveni Turbines Europe Private Limited
Foreign Subsidiary
U.K.

Triveni Turbines DMCC
Foreign Subsidiary
Dubai, UAE

Triveni Turbines Africa (Pty) Ltd
Foreign Subsidiary
South Africa

Corporate Information

Chairman and Managing Director

Mr. Dhruv M Sawhney (DIN 00102999)

Vice Chairman and Managing Director

Mr. Nikhil Sawhney (DIN 00029028)

Executive Director

Mr. Arun Prabhakar Mote (DIN 01961162)

Directors

Mr. Tarun Sawhney (DIN 00382878)
Ms Homai A Daruwalla (DIN 00365880)
Dr. Anil Kakodkar (DIN 03057596)
Dr. (Mrs.) Vasantha S Bharucha (DIN 02163753)
Dr. Santosh Pande (DIN 01070414)
Mr. Shailendar Bhandari (DIN 00317334)

Executive Vice President & CFO

Mr. Deepak Kumar Sen

Company Secretary

Mr. Rajiv Sawhney

Bankers

Axis Bank Ltd
IDBI Bank Ltd
Punjab National Bank
Yes Bank Ltd
Standard Chartered Bank
Barclays Bank PLC

Auditors

M/s Walker Chandiook & Co. LLP

Triveni Group website: www.trivenigroup.com



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