Differentiating through **Innovation**

2017-18 ANNUAL REPORT

Triveni TURBINES

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Forward-looking statement

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

To view this report online or for any other relevant information please log on to
www.triveniturbines.com

Differentiating through **Innovation**

Differentiating through Innovation lies at the core of our business growth strategy. At Triveni Turbines, being innovative goes beyond the Research and Development department, as we regard all aspects of our business a part of our Integrated Innovation framework. Right from the business structure to processes, network, product performance, service value maximisation to customers, all the functions are integrated for long-term value creation leading towards growth that is sustainable.

Triveni TURBINES

A Differentiated **Business Entity**

Triveni Turbines is one of the largest manufacturers of industrial steam turbines globally. The Company designs and manufactures steam turbines up to 100 MW, and delivers robust, reliable and efficient end-to-end solutions.

Triveni Turbine Ltd. (TTL) is also one of the largest players globally in the Biomass segment, with ~ 20% market share over the past 5 years. The Company provides renewable power solutions specifically for Biomass, Independent Power Producers, Sugar & Process Co-generation, Waste-to-Energy and District Heating. Its steam turbines are used in diverse industries, ranging from Sugar, Steel, Textiles, Chemical, Pulp & Paper, Petrochemicals, Fertilisers, Solvent Extraction, Metals, Palm Oil to Food Processing and more.

2
WORLD-CLASS MANUFACTURING FACILITIES

16
GLOBAL SERVICE CENTRES

12 GW+
POWER GENERATION CAPACITY CREATED GLOBALLY

18+
INDUSTRIES SERVED

70+
COUNTRIES OF INSTALLATION

Key Growth Drivers

- Global shift to renewable power source due to Government mandate to reduce the dependence on fossil fuel
- Demand for localised source of power rather than depending on power grid
- Continuous technological advancements to meet ever-growing customer demand for better efficiencies at lower operating costs
- Increasing demand of power due to rapidly growing population, urbanisation and industrialisation
- Wider product portfolio covering diverse application

Product & Service Portfolio

Comprehensive Product Range

We offer robust back-pressure, condensing, extraction condensing, injection steam turbines up to 100 MW that work across a wide range of pressure and flow applications.

UP TO 30 MW

Condensing Steam Turbines

- Straight Condensing Type
- Extraction Condensing Type
- Bleed Condensing Type
- Injection Condensing Type

Back Pressure Steam Turbines

- Straight Back Pressure Type
- Extraction Back Pressure Type
- Bleed Back Pressure Type

ABOVE 30 MW TO 100 MW

Condensing Steam Turbines

- Uncontrolled Extraction
- Controlled Extraction

Back Pressure Steam Turbines

- Uncontrolled Extraction
- Controlled Extraction

Aftermarket Solutions

Responsible and responsive customer support is at the heart of our service solutions portfolio. We value our customers' trust and are always there for them, responding quickly and effectively to all their needs, round the clock. Our end-to-end holistic, diagnostic, predictive, and comprehensive solutions include both remote and on-site support, making us a complete service provider, addressing all aspects of turbine installation, commissioning, operation and maintenance. Our support services are available to our customers 24/7, helping them enhance the productivity and efficiencies of their equipment and their business. Our 360° Customised Service Portfolio is designed to complement every stage of the lifecycle of our customers' turbines. We provide both off-site support and on-site services.

Global Growth Strategy

Our foray into international market has been not only to expand our growth globally but also to offset the effects of any downslide in the domestic market. We have been successfully leveraging our core competency of offering innovative solutions with a cost advantage to the global customers for over a decade. With a presence in over 70 countries through more than 3,000 installations, we have established our brand across geographies and specific markets within those geographies. Territorial diversification protects us against regional volatility in demand, pricing and also enables us to concentrate on high-growth and better-margin areas. We are aggressively working on expanding our market reach as well as market penetration.

3,000+
INSTALLATIONS GLOBALLY

130+
COUNTRIES WITH ENQUIRIES

5 GW+
OF INTERNATIONAL ENQUIRY PIPELINE

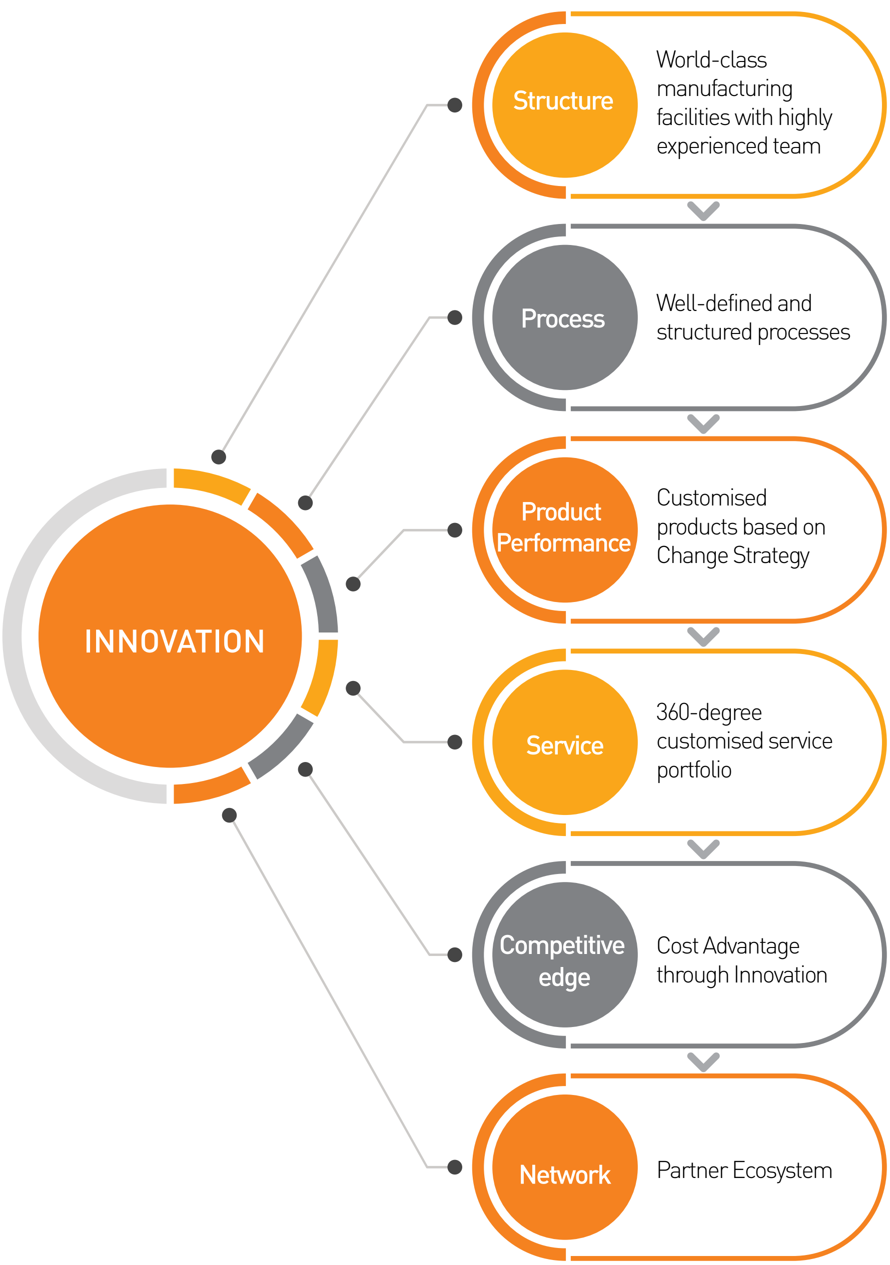
51%
EXPORTS ORDER BOOKING

The Innovation **Edge**

We have been successful due to our continuous focus on integrating innovation in our business model. Effective implementation of our Innovation Framework helps us in delivering steam turbine solutions to our customers 24/7, helping them to enhance the productivity and efficiencies of their equipment and business.

In today's highly competitive and dynamic marketplace, the customers demand higher efficiencies at lower costs both in terms of ownership and operations. We have been delivering highly customised steam turbines to our customers at an optimal cost while achieving unhindered performance and power self-sufficiency.

The Innovation Framework



Leading Edge Technology
Enhancing performance by deploying latest design tools and software like Turbo-machinery CFD tools, FEA tools, CAD modelling, lateral & torsional rotor dynamics software

Superior Designs
Maximising efficiency and reliability by enhancing steam turbine designs for higher inlet temperature & pressure

Total Customer Satisfaction
Delivering more to the customer - help them to achieve unhindered performance and power self-sufficiency at optimal cost

Cost-Efficiencies
Higher efficiencies and lower cost in terms of ownership and operations

We have two world-class manufacturing facilities equipped with latest machines and tools to manufacture robust and reliable steam turbines. Our highly experienced team works closely with the customers to understand the requirements and then manufacture products meeting international quality standards. Well-defined and structured processes and systems are in place to ensure zero defect products providing maximum uptime for the customer's plant operations.

We have built a strong Partner Ecosystem which includes robust supply chain, starting from procurement process to delivery system. The essence of our proposition lies in our partnership approach and remains focussed on energising collective progress. We are also working very closely with world-renowned design houses and academia to develop advanced aero technology and cost competitive models, with much reduced carbon footprint for our diverse global customers. We have shorter development cycle due to an agile organisational structure which helps in responding to everchanging market requirements quickly.

At Triveni, we ensure that the latest equipment and technological know-how is accessible to our team in order to keep ahead of the competition in the innovation learning curve. In order to achieve this, we have a state-of-the-art Innovation and Learning Centre where our employees are trained on latest industrial trends.

From innovating new models and variants of products, to pioneering breakthrough technological innovations, the Company's state-of-the-art Design and Development (D&D) Centre is manned with domain experts in steam turbine technology, fluid dynamics, metallurgy and structural designs as well as in other related fields. The D&D team works closely with the production, marketing and service teams. The latest market trends and customers' ever-changing requirements are gathered from the marketing and service teams based on which new product and technology innovation programmes are designed to develop innovative solutions across our products and service portfolio.

We have been at the forefront of delivering competitive solutions to our customers by maximising product output and performance and lowering life cycle costs thus achieving total customer satisfaction.

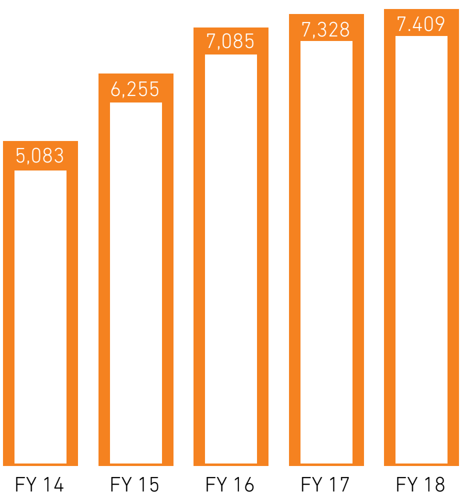
Underlying our innovation framework is the constant objective of delivering best-in-class products and services to boost customers' ROI globally.

The Company won the prestigious National Intellectual Property Award 2016 for "Top Organisation in Design"

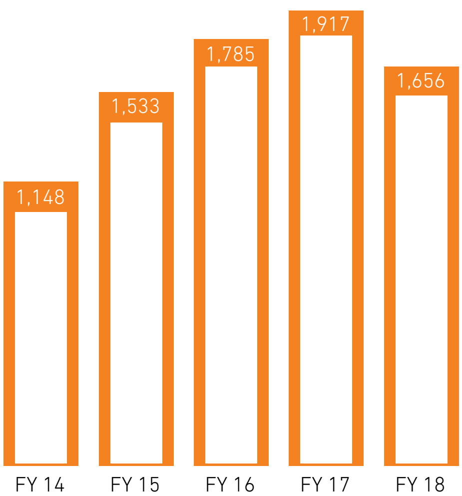
223 INTELLECTUAL PROPERTY RIGHTS FILED, GRANTED AND IN MARKET GLOBALLY

Financial **Highlights**

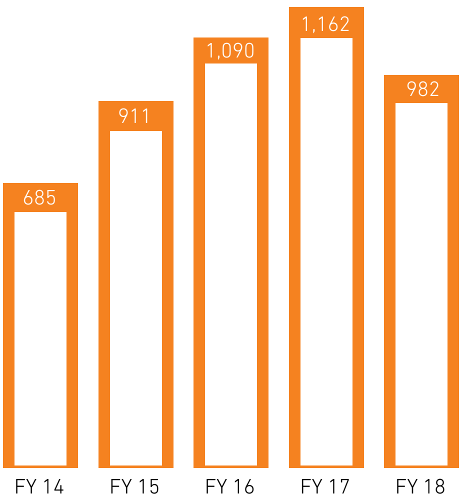
Net Sales
(₹ in Million)



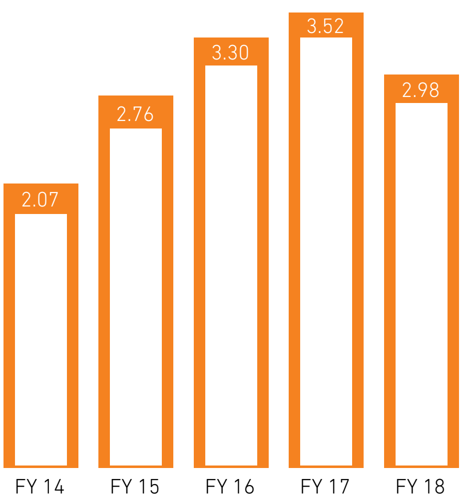
EBITDA
(₹ in Million)



PAT
(₹ in Million)



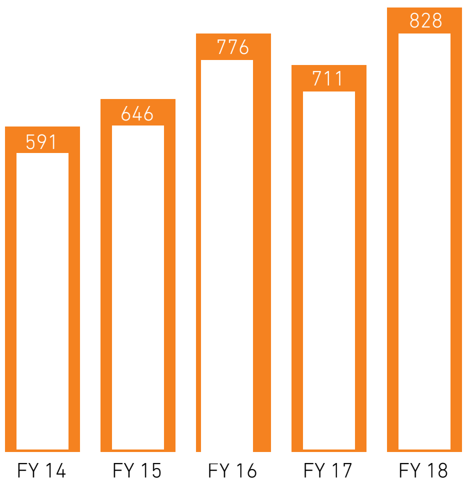
Earnings Per Share
(₹)

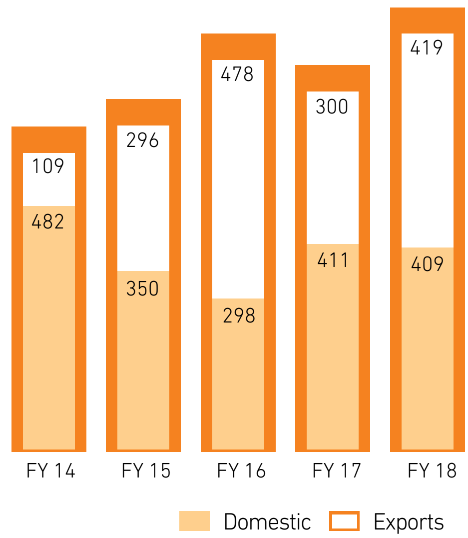


Figures for FY 16, FY 17 and FY 18 are based on Ind AS financial statements

Order Booking

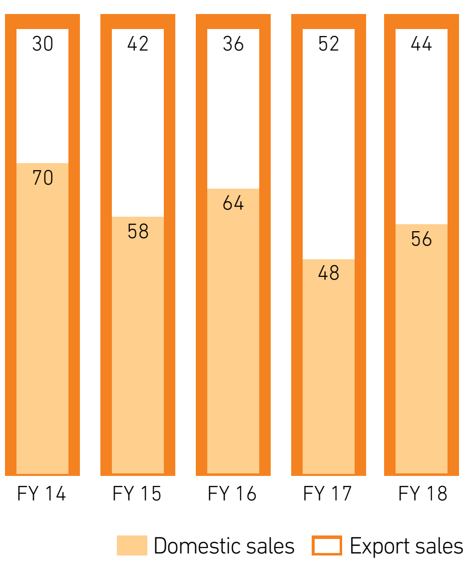
(₹ in Million)

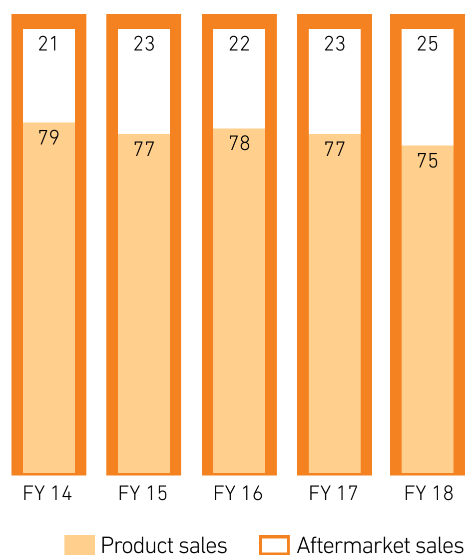




Share in Net Sales

(%)





Message from the **Chairman**

The Company has raised the bar across every facet of its business value chain, with pioneering breakthroughs designed to boost operational and cost efficiencies through product excellence and exemplary service.

Dear Shareholders,

Amid a transforming industry landscape, to retain a differentiated edge requires a visionary focus and a futuristic approach. At Triveni Turbines, we have evolved on both these counts to further boost the momentum of our growth.

Underlining the Company's differentiated business model is its strong innovation-led strategic agenda, led by a powerful thrust on sustainable value-led growth. Blending a deep understanding of the evolving customer needs with a holistic outlook on innovation, the Company has raised the bar across every facet of its business value chain, with pioneering breakthroughs designed to boost operational and cost efficiencies through product excellence and exemplary service.

Revival in consumer sentiment propelled consumption, even as the effects of demonetisation faded away, while the introduction of GST led to better consolidation in the organised sector. The global growth scenario aided this acceleration, with improving fiscal conditions and a favourable market sentiment enabling a marked positivity in both, the advanced and the emerging economies. All these factors augur well for the upturn in the investment cycle in the economy and we believe this could lead to improved capex cycle as well.

While the domestic market remained muted during FY 18, the improved enquiry and order booking situation witnessed from many markets globally, helped TTL to have significant improvement in order finalisation which validated the success of the Company's differentiated business strategy in capturing the opportunities for growth unleashed by the changing industry scenario. Our strong global footprint across various markets and geographies is helping us to offset the slow domestic market growth which is evident through significant increase in exports order booking in FY 18. We are seeing signs of revival and subsequent growth in the domestic market.

The industry, as is evident, is moving aggressively towards a low-cost high-efficiency model, and keeping pace with this transition necessitates the creation of a new business eco-system designed to deliver these efficiencies in a sustained and sustainable manner. TTL's value proposition, with its exceptional focus on driving differentiation through innovation, is centred on delivering customised solutions to match the specific needs of customers.

The dedicated efforts of our people, who remained unwaveringly aligned to the Company's vision and goals, once again played a pivotal role in leading this performance, which was pillared on a strong focus on innovation. TTL has successfully brought in a new scale of efficiencies to cater to the dynamically evolving needs of its customers for the power generation.

While design innovation is ensured by partnering with some of the top global design houses, technology disruption is achieved through deployment of the latest machines and tools. Innovation is also used extensively to streamline systems and processes to bring in greater agility into the organisation, thereby making it more responsive to market changes and consumer needs.

The dedicated efforts of our people, who remained unwaveringly aligned to the Company's vision and goals, once again played a pivotal role in leading this performance, which was pillared on a strong focus on innovation.

This innovation edge is what, in my opinion, will continue to drive the Company's success in the coming years, as it engages itself more deeply with its customers to create innovative products and solutions across sectors and geographies. We maintain constant communication with our customers to gauge their needs and strive to develop customer-centric solutions. We remain committed to ensuring total customer satisfaction with our value-accretive business model, which is structured to map higher productivity and efficiencies for our clients at lower lifecycle costs.

At the same time, we also remain steadfast in our commitment to create value for all our stakeholders, through our service excellence, which we shall continue to augment with our distinctive approach to business. To all of them, as also to our customers and employees, I would like to convey the heartfelt gratitude of the Board for their continued cooperation and trust in the Company's differentiated growth strategy. Had it not been for their resolute support, TTL would not have embarked on this innovation-driven journey of differentiating, and of making a difference to the world.

With best regards,

Dhruv M. Sawhney
Chairman & Managing Director

Q&A with the **Vice Chairman & Managing Director**

Nikhil Sawhney

Q Has the Company's performance during the year been in line with your expectations?

The industry has seen a lot of positivity over the past few months in both the domestic and the international markets. This has naturally translated into improved enquiry generation and order finalisation over the previous year in the domestic steam turbine market for under 30 MW. A lot of these enquiries have come from sectors that are on a high growth trajectory, such as Cement, Steel, Paper & Pulp etc., which have picked up momentum since the demonetisation and GST related issues started stabilising.

As far as the international market is concerned, the turmoil of the previous year has given way to a stable macro environment, leading to a major spike in order booking, which has shown a substantial 40% increase over FY 17. This growth has come mainly from South East Asia, parts of Europe, and SAARC etc.

Given the overall positive churn in the export market, we have moved more aggressively in enhancing our Aftermarket service proposition in international markets. Our international offices will help in catering to customer needs more effectively across time zones. We see the Aftermarket segment emerging as a key growth driver for the Company in coming years.

Q How would you summarise the operational and financial highlights for the year?

Net Income from Operations has been almost flat, at ₹ 7,511 million in FY 18 as against ₹ 7,446 million in FY 17. However, the profit after tax declined at ₹ 960 million in FY 18 as against ₹ 1,236 million in FY 17. The main reason is the product mix that has been executed during the year – with 55% share of domestic sales in the total sales. The decline in exports turnover during the current year was on account of lower export order booking in FY 17. Similarly, in the aftermarket segment, the revenue from refurbishment has been lower than our estimation, which also had an impact on the margins.

The year under review recorded a strong order inflow from the export market. The mix of exports in the current year's order booking has gone up to 51% from 42% in FY 17. The overall consolidated closing order book at ₹ 7.1 billion during FY 18 is higher by 12% as compared to the opening order book as on April 1, 2017. This should help in improved profitability and margins going forward. The Company continues to retain the market leadership with a market share of 64%.

Q Innovation has emerged as a key driver of your growth strategy. What are the steps being taken to strengthen this edge?

The Company's innovation focus has evolved over the years to align our business strategy even more closely with customers' needs, in order to deliver customised products and solutions that boost efficiencies through the product lifecycle. We are cognizant of the need to propel sustainable growth through low-cost, high-efficiency products and solutions, benchmarked to global standards of excellence. Our differentiated business strategy is mapped to our innovation thrust, which we continued to strengthen during the year with regular product design and quality upgradation, new technological advancements and diversification into cleaner products operating on renewable energy.

Adopting new digital technologies, and harnessing the IOT (Internet of Things) strength, TTL is also continually upping its digital ante to reach out more effectively to its customers.

With customer at the centre of all our initiatives, we are now providing remote monitoring and diagnostic facilities, as well as better control during the product lifecycle with our updated Product Lifecycle Management software. Upgradation of ERP is also in line with our enhanced technology focus. Overall, innovation is making our business more resilient and able to withstand external pressures.

Q Apart from innovation, what other drivers of growth do you see propelling the Company's expansion and progress in the coming years?

The Company's growth strategy is impelled by a multitude of synergistic elements, all of which are collaborating to push the momentum of our business development and expansion.

A strong process-based management structure assures a high level of quality assurance to ensure total customer satisfaction. At TTL, we believe in, and follow, a partnership approach, which enables stringent adherence to quality through alignment of our partners to our strategic agenda.

Our products are benchmarked to global quality norms, with a 'Zero Defect' policy and an automated customer complaint resolution system further enhancing our quality compliance. Manufacturing excellence has been built into each of our facilities, thus ensuring the highest levels of quality adherence, as well as commitment to globally benchmarked standards of Environment, Health and Safety.

Our core of capabilities, led by a visionary leadership, is another pillar of our differentiated business model. A highly motivational HR framework ensures consistent talent nurturance and retention that keeps our people consistently aligned to the Company's transformational goals. This has also helped in building and sustaining a culture of continuous innovation and enhancement across the organisation. We have laid strong foundation for future growth and progress over the coming years is clearly visible.

Q Could you give an update on the GE Triveni Limited (GETL) joint venture?

The overall performance of GETL for the year under review has been below expectation due to deferment of deliveries by few customers. During FY 18, GETL recorded sales of ₹ 949 million with a Loss After Tax of ₹ 69 million. Owing to sluggish market conditions both in international and domestic markets, the joint venture received only one order during the year for a 35 MW turbine from the international market. However, the orders in hand and enquiry pipeline is encouraging from international market which we believe should help in better order booking in coming quarters. Though the competition in this segment is strong, we are confident about our ability to harness the growth in demand that we see ahead in the global market for turbines in the above 30-100 MW range. The Company's innovation thrust extends to GETL, which, I feel, will continue to scale up its growth prospects in the near future.

Q What are the Company's areas of focus as we go into FY 19?

The key areas of focus during FY 19 and beyond will remain on our growth strategy that links innovation with growth in market reach across international geographies while supporting it with strong customer-centric aftermarket solutions. We believe that the coming year should be a strong year in terms of the overall performance of the Company owing to the increasing export order booking and aftermarket businesses and a strong carry forward order book and robust enquiry pipeline. The increased focus and market penetration in new geographies have started showing signs of positive results that should strengthen the Company's growth in the export market going forward. This also helps us in evenly spreading our order booking from various markets, which in turn will support us in mitigating the risks in market volatility to a very great extent. Similarly, the offices we established in different countries are also gaining traction in terms of enquiry generation. In the domestic market, the Company has a good pipeline of enquiries spread across process co-generation, sugar co-generation, IPPs, and metals which is expected to result in order booking going forward.

Q How do you see the long-term future of the Company?

We believe investment in new technology, innovation and customer growth through extensive market reach and penetration are the drivers for the long-term business growth. We are aware that in order to achieve this, a dedicated and experienced team is needed. We are proud to have an excellent employee base of highly skilled engineers with a perfect balance of new recruitments and retained employees who have been working with us for over a decade and more. We are focussed not only on the growth opportunities available in the current market scenario but also envisaging the future growth areas and working simultaneously to come up with solutions that can help us in exploiting these opportunities in the future. We are confident of not only maintaining our leadership in the domestic market but also furthering our stronger foothold in the international market in the coming years.

Triveni TURBINES

Management **Discussion and Analysis**

Manufacturing has emerged as one of the high growth sectors in India. The 'Make in India' programme is aimed to place India on the world map as a manufacturing hub and give global recognition to the Indian economy

Indian Economy

India has emerged as the fastest growing major economy in the world and is expected to be one of the top three economic powers of the world over the next 10-15 years. According to the International Monetary Fund (IMF), India has consolidated its position as the world's fastest-growing major economy. India's economy is forecast to grow 7.4% in FY 19 from 6.7% in FY 18 and accelerate further in FY 20 to 7.8%, lifted by strong private consumption as well as fading transitory effects of the demonetisation and implementation of the national Goods and Services Tax.

Manufacturing Sector in India

Manufacturing has emerged as one of the high growth sectors in India. The 'Make in India' programme is aimed to place India on the world map as a manufacturing hub and give global recognition to the Indian manufacturing. India is expected to become one of the largest manufacturing countries in the world by the end of year 2020.

Under the Make in India initiative, the Government of India aims to increase the share of the manufacturing sector in the gross domestic product (GDP) from 16% presently to 25% by 2022, by creating 100 million new jobs. The improvements in ease of doing business, continuing improvements in infrastructure and skilled workforce should support the spurt in manufacturing activities in coming years.

Power Industry Trends

2017 witnessed changing global energy landscape that has outgrown the traditional centres of demand and has turned its focus to emerging economies and the challenge of meeting the new demands of technology-conscious consumers. The only way to meet the growing demand for change is through innovation and economising the entire business model of energy production as well as its distribution. Digitisation of assets, changing energy mix from conventional sources to renewable sources, eco-friendly policies are key factors working towards an inclusive, environment-friendly energy producing space.

Triveni Turbines provide solutions and services for both Industrial captive and renewable power generation applications globally. Its turbines are used in a wide range of applications such as Co-generation, Combined Heat & Power Generation, Waste to Energy, Captive Power Generation and Independent Power Generation.

Varied market trends affect the business in different geographies and at different points of time. In the coming section some of the key trends are discussed to give a better view of our addressable market.

Steam Turbines Market in India

Steam turbines cater to the power generation sector like the Utilities and the captive and energy intensive segments like Steel, Cement, or process co-generation sector like the sugar, paper and pulp, chemicals and other process industries.

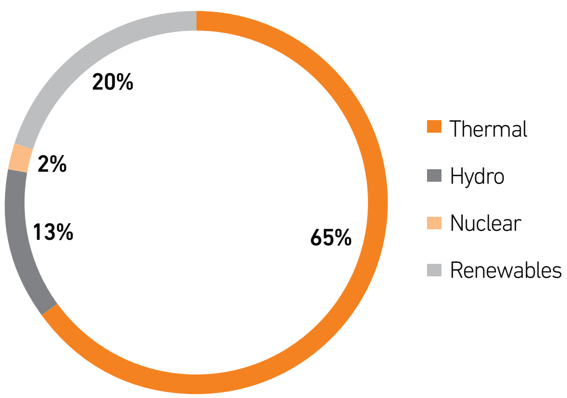
With the expected increase in activities in industries like Steel, Pulp & Paper, Cement and Sugar sector, the demand for steam turbines should remain robust in the coming years.

Global Steam Turbines Market

Globally, the largest market by fuel type is in coal-fired plants and steam turbines market for this fuel type is estimated to grow faster than other fuel type plants such as nuclear, combined cycle and natural gas. The main reason is that many new coal plants are already under construction or planned for future specially in Asia-Pacific region. Steam turbines for Biomass application also holds a significant portion in Asia-Pacific as well as the LatAm & Africa region.

Renewable Power

Utility Installed Capacity in India (as on 31.03.2018)



India's installed power capacity is at 344,002 MW as on March 31, 2018 which includes 20% of renewable power generation capacity. Out of the total renewable capacity of 69,022 MW, around 8,700 MW is from Bio Power and 138 MW from waste to energy. The Government has set a target to achieve renewable power capacity at 175 GW by 2022 which includes 10 GW from biomass power.

The bioenergy potential in the country has been estimated at 25 GW and the Government has been consistently promoting the Biomass Power and Bagasse co-generation programme. Various policy measures have been initiated by the Government including providing financial support to various schemes being implemented by the Ministry of New and Renewable Energy (MNRE), suitable amendments to the Electricity Act and Tariff Policy for strong enforcement of Renewable Purchase Obligation (RPO) and for providing Renewable Generation Obligation (RGO); raising funds from bilateral and international donors as also the Green Climate Fund to achieve the target.

In the Middle East and Africa region, many countries are proactively pursuing renewables to reduce Green House Gases (GHG) through various support mechanisms, such as, renewable targets, renewable portfolio standards (RPS), feed in tariffs (FiTs)/auctions, net metering and tax exemptions/subsidies etc.

As per the industry estimates, globally, around 565 million tonnes of bagasse is produced annually which is used for meeting the energy requirements of the sugar mills and the additional bagasse can be used to generate additional power for sale to the grid. Bagasse based co-generation has been well established in many countries globally especially in the largest sugar-producing countries such as Brazil and India. Many sugarcane producing countries such as Australia, Guatemala, Kenya, Uganda, Vietnam and the Philippines are already generating electricity from bagasse. It is estimated that the power generation potential from bagasse in co-generation process is around 135,029 GWh per year globally and 3,885 GWh per year in Eastern and Southern Africa. Eastern and Southern Africa has estimated potential to double the contribution of electricity produced from bagasse co-generation.

Apart from the traditional Biomass power generation through bagasse co-generation, Waste to Energy (WtE) is a recent source of input for power generation. Residual waste is treated with various Waste to Energy (WtE) technologies for disposal of Municipal Solid Waste and energy generation. The global WtE market is expected to grow steadily till 2023, and it is estimated to be worth USD 40 billion, growing at a CAGR of over 5.5% from 2016 to 2023. Europe is one of the largest market for WtE technologies. Rapidly increasing industrial waste along with stringent EU-wide waste legislation have been the key drivers for the growth of WtE technology in European market. Switzerland, Germany, Sweden, Austria and Netherlands lead installation capacity within Europe. The Asia-Pacific market is also expanding its WtE market rapidly and is estimated to grow at CAGR of 7.5% due to increasing waste generation, higher focus of the Government in China and India and higher technology penetration in Japan.

Combined heat and power production (CHP) is operated to manage the supply of energy by optimising the costs of meeting the demand for electricity and heat. The CHP market is estimated to increase its installed capacity from 755.2 Gigawatts (GW) in 2016 to 971.9 GW by 2025, at a compound annual growth rate of 2.8%. The key market drivers are need for energy efficiency, growing environmental concern, and increasing government incentives and policies to promote co-generation. Asia-Pacific (excluding China), South and Central America, and the Middle East and Africa are expected to be the major markets in the coming years.

Captive Power Generation

Global captive power generation market is expected to grow due to the increasing power demand in emerging markets of China, India, and Middle East and presence of cross subsidised charge to the per unit power generation cost. The largest market for captive power generation globally is Industrial sector which is likely to contribute to the growth of captive power generation market over the next few years. The key growth drivers for this market are increasing demand for metals, chemicals and cement due to rising activities such as construction, development of infrastructure, automotive and electronics industries etc. The installed captive power generation capacity in the country as on March 31, 2018 is 40,726 MW.

One of the largest markets for captive power generation is expected to remain Asia-Pacific on account of robust manufacturing base of aluminium, steel and copper in China and India. Middle East is also expected to be another key growth market for captive power generation due to expansion of petrochemical refining capacity.

Independent Power Producers (IPPs)

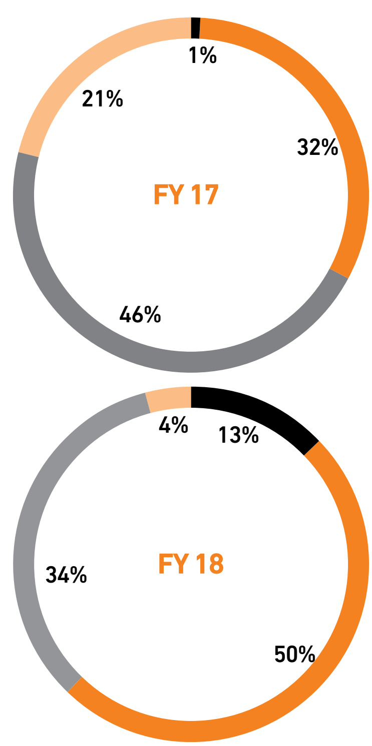
IPPs are private entities and one of the primary tier of the power sector, as their sole business is generating power for sale to the grid or specific customers. IPPs may be privately-held facilities, cooperatives or non-energy industrial concerns focussing on feeding excess energy into the system. A feed-in Tariff or Power Purchase Agreement provides a long-term price guarantee for the majority of IPPs, particularly in the renewable energy industry.

Business Review

Domestic Market

The overall steam turbines market in India for under 30 MW size remained at the same level as the previous year and in line with that our domestic order booking has remained flat during the year at ₹ 4.1 billion. The market condition has led to considerable competition, which in turn resulted in lower prices and declining margins. The Company continues to retain the market leadership with a market share of 64%. The enquiries from the domestic market increased during the current year by 7% over last year and these enquiries have been spread over larger end user segments such as Sugar, Cement, Steel, Paper and Pulp and other process industries.

The segment-wise orders booked in FY 17 and FY 18:



■ Independent Power Producers ■ Process Co-generation

■ Sugar Co-generation ■ Steel

In FY 18, the total order booking from International market stood at ₹ 4.19 billion, a growth by 40% over previous year. The renewable based IPP segment contributed 65% of the total exports order booking while the process co-generation and sugar co-generation segments contributed 25% and 10% respectively.

International Market

With the International Market stabilising after a tumultuous FY 17, resulting from Brexit, political and economic turmoil in various economies across the globe, orders finalisations have significantly improved in the current year from most of the international markets. In FY 18, the total order booking from International market stood at ₹ 4.19 billion, a growth of 40% over previous year. The renewable based IPP segment contributed 65% of the total exports order booking while the process co-generation and sugar co-generation segments contributed 25% and 10% respectively. The key geographies which have recorded the orders are Europe including Turkey, SEA Markets, SAARC and parts of Africa, Central & South American countries etc. The mix of exports in total order booking has increased to 51% in FY 18 from 42% in FY 17.

Aftermarket Business

The Aftermarket team is responsible for nurturing relationship with the customers after the product is supplied and represents the Company to the customers to support the product throughout its life cycle. The team maintains close relations with customers to increase product efficiencies and minimise breakdown, not only for the products supplied by the Company but also for turbines of other makes. Being an OEM, the services provided by the Company are considered to be more reliable and credible. It is responsible for driving customer satisfaction by ensuring designed performance of turbines through service and spares support to the customers in a timely manner.

Aftermarket business has now been further fortified with focus on modernisation, upgrades, refurbishing and efficiency improvements solutions not only to its own turbines, but also to turbines of other makes. These enhancement packages guarantee adequate ROI for the end user, thus creating more value for them and strengthening their bond with the Company.

Reinforcing customer-centricity as the core of its business philosophy, the Company has strengthened its strategically located service offices across India to cater to the domestic market.

To provide service backup to the international customers, the Company has set up international offices, including wholly-owned subsidiaries and their branches/offices, based on the concentration of customers and potential for additional business opportunities. Such international offices now encompass, Europe, West Asia, South East Asia and Africa. This is to extend the reach of the Company, bring it closer to the customers and earning their trust by providing quality and timely support. As in the domestic market, the Company is committed to provide excellent and timely service to international customers irrespective of their time zones.

During FY 18, the Company undertook some turnkey aftermarket projects from the international market and also refurbishments for other makes of turbines, which should provide referrals for future.

The Company is continually leveraging IOT (Internet of Things) and establishing itself in the digital domain by developing and offering remote monitoring and diagnostics solution for its turbines for continuous remote monitoring of the performance of the turbines and diagnose the causes of malfunction. It will help in taking timely remedial/preventative action and reduce the expensive downtime. This tool further enhances the Company's capability to give strong service delivery and to give live support to customers.

During FY 18, the Aftermarket segment has shown a growth of 12% over the previous year in terms of order booking while the sales growth stood at 8% over the previous year. The Company is ensuring that in coming years, the aftermarket segment will provide a larger share in its overall growth.

The aftermarket business has developed traction in export markets too with exports contributing over 30% of the order booking and revenue for FY 18.

Manufacturing facility

The Company has two manufacturing facilities in Bengaluru. The older facility is in Peenya Industrial Area within Bengaluru city and is now dedicated for turbine assembly and refurbishment activities. This facility also houses the Company's state-of-the-art R&D centre, high speed balancing tunnel and fully equipped test beds for carrying out mechanical run test of turbines. The facility has capacity to produce around 150 turbines annually.

The Company's new facility in Sompura Industrial Area in the outskirts of Bengaluru is equipped with world-class machines such as CNC machines, a new state-of-the-art high speed balancing machine capable of balancing rotors up to 55 tonnes, 4 M diameter and 11 metre length and boiler with steam generating capacity of 42 ata 380 degree centigrade. With this, the Company is now able to cater to turbines up to 150 MW. The new manufacturing campus is green, eco-friendly, energy-efficient and equipped with best-in-class production facility built to modern aesthetic design.

With these two facilities, the Company is now in a position to provide faster deliveries of the widest range (from 1 MW to 100 MW) of high quality industrial turbines. The Company takes pride in participating in the Indian Government's "Make in India" campaign with designing, engineering, manufacturing and supplying cost efficient high quality steam turbines, while successfully competing with large MNCs. The products are shipped from these two facilities to global customers and comply with the best quality standards including those of API.

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 models. Furthermore, continuous product upgradation results in high-power dense, cost-competitive, robust and efficient turbines to fulfil the requirements of the evolving global market. The Company continuously monitors global trends and updates its product programmes to keep the Company aligned to latest international standards with respect to products of global manufacturers.

The Company is associated with premier technology development institutions such as IISc, Bangalore & 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. Prior to commercial use, extensive validation of the developed technology is done and the performance parameters in the field are monitored closely to evaluate satisfactory performance. The Company has well-defined processes for development, testing, field feedback and continuous advancement of technology through in-house processes and through association with global research and scientific institutions.

The Company continues to develop cost competitive models, with much reduced carbon footprints so as to provide power solutions needed by 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 focusing on high efficiency cycles. Even as such products become a reality in the near future, 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

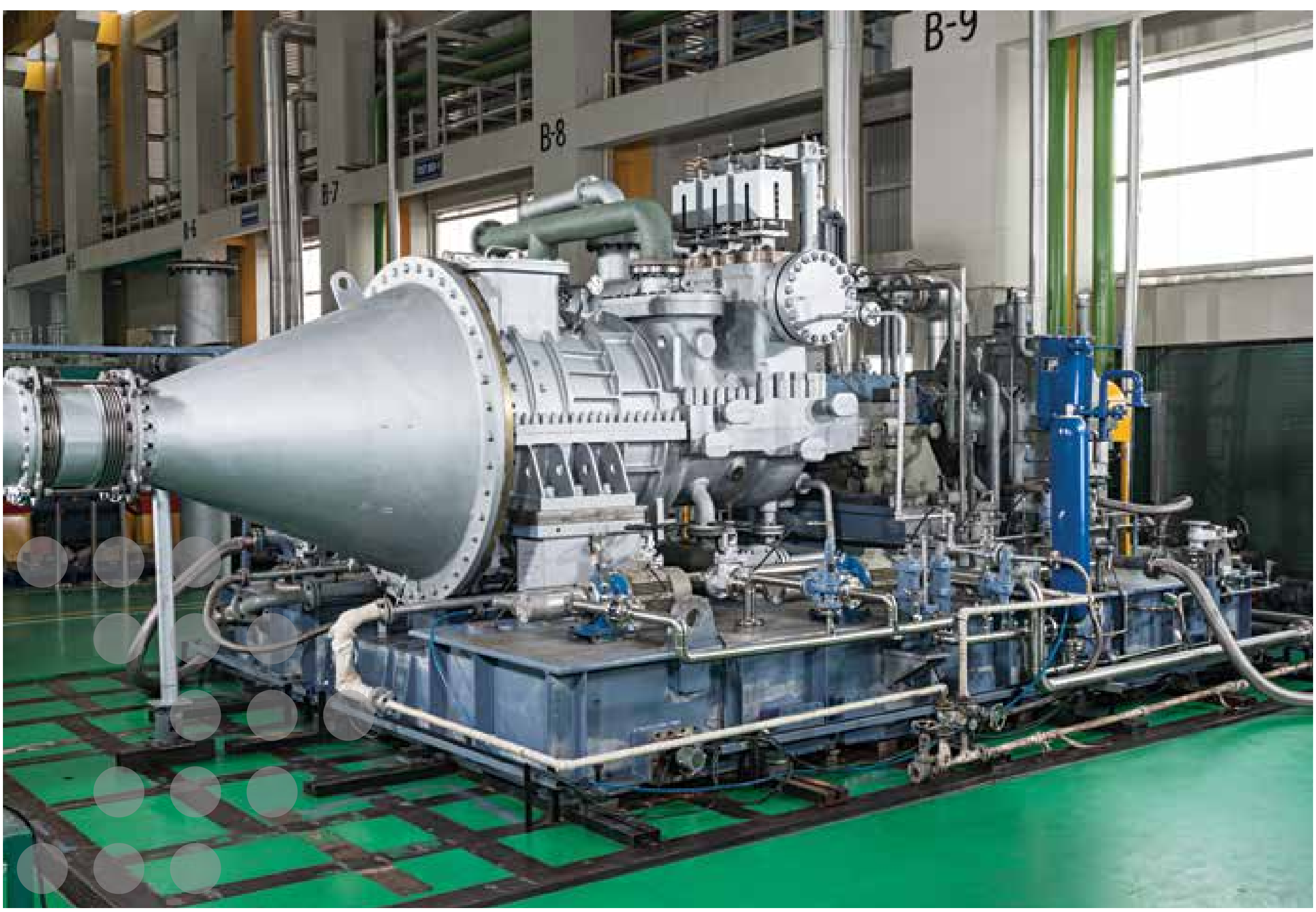
Several innovations take place during the process of delivering new technologies and product variants to customers. Such innovations and technological upgradations in steam turbines result in valuable intellectual property to be generated in-house. As such, building and safeguarding the Intellectual Property (IP) portfolio assume paramount importance for the Company. In order to ensure that the generated Intellectual Property is adequately captured and protected, a dedicated team of specialists work closely with the Research & Development team from the planning and conceptualisation phase to the product manufacturing phase.

The Company has carried out an extensive IP strategy for creation and protection of long-term IP assets to secure and preserve the technological advantage. Reflecting its global focus, the Company constantly undertakes patent and industrial design filings in different international jurisdictions, even though the IP portfolio is developed in India. The Company has, in recent times, filed patent applications and design registrations in India, Europe, South East Asia, and in the U.S. In the future, filing of patent applications and design registrations is planned in new international markets which are served by the Company.

A substantial number of Intellectual Property Rights have already been awarded to the Company in various jurisdictions. 223 IPRs filed granted and in market globally till March 2018.

Digitalisation Efforts

Participating wholeheartedly in the Government of India's Digital Initiative and to align with the customers' technological and commercial needs, the Company has embarked on Digital transformation in a planned manner. The Company has upgraded its ERP to latest version thereby bringing technology closer to business. All the functionalities are customised and integrated to lay strong and complimentary processes to manufacture and deliver quality product on time to our customers. Besides, the Company has recently gone live with updated Product Lifecycle Management software which enables Design and Engineering to function in an efficient, fast, transparent, secured platform and also provides a systematised control during the product lifecycle. Remote Monitoring & Diagnostic platform envisages capturing, analysing and diagnosing turbine related data from our installed base. This initiative has significantly increased satisfaction level of customers and has also helped to improve our own technological capabilities. The Company has also implemented Customer Relation Management (CRM) which is core to



complex marketing needs and customer satisfaction. The Company is leveraging the ever changing IOT platform to meet its business needs. There is a tight alignment of business with technology.

Supply Chain

The Company continues to operate an effective and robust supply chain management system starting from procurement process to delivery system for sustaining competitive advantage. Successful Supply Chain policy includes inventory reduction, improved delivery service and shorter product development cycle. The emphasis is on Customer Satisfaction, cost control, including reducing rework time and rejections, quality, timely delivery, working capital management, consistency and transparency. The Company believes in the development and nurturing of "think outside of the box" and use different mutually rewarding combinations to establish a long-term partnership in its supply value chain system, which ensures achievement of its objectives.

Supplier's Code of Conduct, Annual/monthly plan, new product design, international best practices and improvement in value engineering are shared with the supply chain partners to enable them to align their businesses with the Company's vision and requirements. With a growing focus on exports, the supply chain partners' capabilities to meet international standards of production and supplies and competitive price have been enhanced in a planned and structured manner to meet competition and customers' expectations. This has been possible through regular interaction with suppliers/vendors/contractors, backed by regular exchange of information, training, planned reduction of cost, reduction of rejections, building up of sustainable trust and confidence and various other business development parameters generally followed in good business practices.

There is a strong realisation and acceptance of 'Zero Defect' and 'Do it right the first time, every time' concepts by the supply chain partners and, to ensure strict adherence to these concepts, supplier upgradation programmes are regularly conducted and suppliers are evaluated using structured parameters and tools. The existing supplier partners are periodically re-assessed through a third party agency in order to ensure that the prescribed quality standards are maintained and technology is upgraded in line with the evolving requirements. For new suppliers, a well-defined qualification process is in place along with EHS requirements. All the supplier partners are governed by a strict code of conduct and non-disclosure agreements.

The Company has successfully controlled the input costs by means of value engineering in design and materials, development of cost-effective supplier partners and sourcing of raw materials and components from some of the most cost-effective suppliers in India and around the globe. The Company's supply chain always strives to be a value creator through implementation of strategic initiatives year on year. In similar manner, TTL has an effective logistic system for safe and timely deliveries of its products, in India and in the International markets at a competitive cost.

Quality Assurance

The Company is AS9100D / ISO 9001:2015 certified, with a sound quality management system integrated throughout the organisation. The Company has implemented a process-based management structure, where the processes are continuously evolved and owned by process owners and focussed on customer.

The Company ensures that its network of suppliers and dedicated sub-contractors also comply with these standards through supplier qualification, QAPs, check lists and Standard Operating Procedures (SOPs) to maintain comprehensive quality control of turbine and its auxiliary systems.

Products are designed, manufactured and commissioned in accordance with the International quality norms, such as API/Shell, ASME, AGMA, NEMA and IEC, among others. Systems are developed to address country-specific product requirements. These systems have helped the Company to meet the stringent requirements of export customers, such as CE/PED and GOST certification.

The Company has adopted the 'Zero Defect' concept with respect to quality, which is supported by tools and techniques like visual management system, root cause analysis, followed by CAPA, DWM, DMAIC, Kaizen, SQIP (Supplier Quality Improvement Programme), SQDCM, Quality Circles, and a rigorous automated Customer Complaint Resolution System on continuous basis.

"Kaizen" movement was started in the Company in 2010 to inculcate a culture of continuous innovation and improvements throughout the organisation, involving people at all levels. The movement continues to provide significant benefits in productivity, quality, cost and EHS. The Company regularly participates in All India Kaizen events organised by CII-TPM Club of India, and has bagged several awards.

Products are designed, manufactured and commissioned in accordance with the International quality norms, such as API/Shell, ASME, AGMA, NEMA and IEC, among others. Systems are developed to address country-specific product requirements.

Human Resources

In order to sustain in this dynamic business environment, and remain competitive in the global market, the Company is continuously building the capabilities of its personnel. Our People Strategy is influenced by the dynamic industry landscape and is geared to deliver transformation and growth in the current and emerging business context. We believe in building a culture that nurtures talent, drives strong performance & enables customer-centricity.

The Company emphasise on Career Growth with the focus to build talent from within and also build a scalable talent supply chain model with our Young Engineers Program (YEP). In the face of rapidly changing client expectations, the Company is investing in programmes that equip people with futuristic skills and competencies. We continue to focus on building a robust talent pipeline year-on-year by inducting fresh Graduate and Post Graduate Engineers through a structured selection and training programmes.

The 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 & objectives. We continue to drive a high-performance culture.

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

The Learning Centre continues to be the nodal point for employees and customers, undertaking training on a continuous basis, about the Company's product and operation and maintenance of steam turbines. In FY 18, Officers from Manufacturing underwent certification training on Special Process in Non-Destructive Testing and Welding Techniques for further Product Quality Improvement.

The Company has commissioned a modern new plant (Phase 1) at Sompura, near Bengaluru. The Company has strictly adhered to applicable EHS norms throughout the duration of construction, erection and commissioning of the civil work thereby achieving 1.7 million safe man-hours.

The Company continued with the advanced training programme for its Customer Care Engineers on 'Service Excellence', with emphasis on building Technical, Functional, Behavioural and Customer Relationship Management skills. The "Supplier Quality Improvement Programme (SQIP)", as part of "Continuous Improvement" training programme for suppliers also continued in FY 18.

Computer Based Product Training Lab (CBT), a unique platform developed by the Learning Centre is a comprehensive self-learning aide on turbine product and its auxiliaries. This platform is upgraded on a continuous basis to cover the technological upgradations. This also includes innovative processes being introduced/adopted.

The Company dedicated a total of 5,141 plus Training Man-days during FY 18. It launched multiple programmes to upskill/reskill employees in technical as well as behavioural competences. Employees build their capabilities through classroom trainings, e-learning modules, expert and peer learning outbound trainings, on-job learnings & mentoring.

Environment, Health & Safety

The Company has commissioned a modern new plant (Phase 1) at Sompura, near Bengaluru. The Company has strictly adhered to applicable EHS norms throughout the duration of construction, erection and commissioning of the civil work thereby achieving 1.7 million safe man-hours.

This objective was achieved through training, coaching and providing greater accountability to supervisors, along with broader employee engagement through peer-to-peer feedback and by changing "at-risk behaviour" to "safe behaviour" and by fostering a more collaborative working environment and providing necessary safety equipment. EHS practice in Peenya facility continues during the year in the same spirit. The Company's safety practices have contributed to zero reportable accidents during the previous six years.

Occupational Health and Safety

Certification renewal audit of both the manufacturing plants have been carried out in line with OHSAS 18001:2007 standards. Both the units have been recommended for continuation of certification with Zero Non Conformances for Occupational Health and Safety Management systems valid through March 2020.

Environmental Management System and Compliance Audits

The Company's Environmental Management System (EMS) is a comprehensive approach to environmental management and continual improvement that measures the performance against regulatory and management standards. Certification renewal audit of both the manufacturing have been carried out in line with ISO 14001:2015 standards. Both the units have been recommended for continuation of certification with Zero Non Conformances for the upgraded Environmental Management System standards. The certification is valid through March 2020. Ambient air monitoring study for particulates and gases, ambient noise monitoring study and drinking water analysis are being conducted on a regular basis as per norms specified by the Karnataka State Pollution Control Board and the results have been within regulatory limits.

Business Outlook

At the global level, according to a report by the UN, growth is expected to remain steady at 3.0% in 2018 and 2019.

The recent acceleration in world gross product growth stems predominantly from firmer growth in several developed economies, although East and South Asia remain the world's most dynamic regions. Cyclical improvements in Argentina, Brazil, Nigeria and the Russian Federation, economies emerging from recession, also explain roughly a third of the rise in the rate of global growth between 2016 and 2017.

After witnessing a slowdown across major international markets in FY 17, the Company has been able to secure orders from Europe, South Africa, LATAM and South East Asia and together with the domestic market, it has had a record order booking in FY 18.

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

With a robust enquiry pipeline, increasing global presence and strategic marketing activities, the Company is expecting to carry the momentum in FY 19, both in domestic and international businesses.

Subsidiaries

During the year, the foreign subsidiaries/step-subsidiaries along with their branches have firmly established their presence in their respective regions and are actively promoting the products and brand of the Company. The subsidiary in Dubai has played an important role in API sector in the Middle East besides Oil & Gas sectors in Middle East as well as in West Asia. The presence of subsidiary in the UK has made possible to secure some orders for the Company in a sluggish market in Europe. These offices, being close to customers and capable to provide specialised services, are gaining confidence of the customers and are promoting the brand strongly, which is essential and helps the Company's strategy to achieve market penetration on sustainable basis. These offices are well equipped with trained sales and service personnel with local talents as well as from India.

During the year, the Dubai subsidiary has set up a new subsidiary in South Africa. It is heartening to note that the new subsidiary in South Africa is gaining traction in the first year of operation itself with strong order intake and good enquiry base.

The Company expects that the foreign subsidiaries will further augment business growth in the coming years.

GE Triveni Limited (GETL)

GE Triveni Limited, joint venture Company with Baker Hughes GE (BHGE), 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 manufacturing facilities located at Bengaluru, and 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.

After two years of successive growth in sales and profits, the financial results are not so encouraging in the year under review due to delayed offtake by certain customers and other technical reasons. GETL booked one international order during the year. The enquiry pipeline is encouraging from international market and GETL expects to perform well in order booking despite stiff competition in this segment. The Indian market continue to remain sluggish, as in the previous year, and is likely to take some more time to show any positive outlook.

GETL registered a loss on account of provisioning for a turbine supplied in FY 17 and due to delay in despatches of turbines on account of customer deferment. The JV partners are having constant dialogues in order to improve the enquiry generation and order finalisation in the JV despite the market condition being tough and the Company feel that with this renewed sales efforts, the performance should improve in the coming years.

On assessment of the present market scenario and roadmap of technology developments in fray, the Company strongly believes that GETL will continue to remain financially stable with good business prospects in near future.

Corporate Social Responsibility (CSR)

At Triveni Turbines, we believe that the foundation of a robust business is the collective growth of its people and society. The Company is committed to create an environment that contributes to the well-being of communities and the conservation of nature.

CSR Objectives

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 the deprived, under-privileged and differently able persons. Its approach will be based on merits only, without any regard to religion, caste or creed.

CSR Focus Areas

Keeping the corporate philosophy in mind, the following focus areas have been identified by the CSR Committee to meet the Company's CSR objectives:

- Healthcare
- Education
- Technology & Innovation
- Environment
- Women Empowerment

Highlights of the CSR Initiatives undertaken during FY 18

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 promoting healthcare in women, especially of the lower socio-economic strata. Under this project, the Company provided free investigations and medical advice/consultation to more than 1,200 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 these 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.

Protecting the Infant Child from Rotavirus Diarrhoea

TTL identified a project under healthcare which focussed on preventing Rotaviral diarrhoea among infants. India accounts for nearly 23% of all Rotaviral diarrhoea deaths in the world. Rotavirus infection is highly contagious, most vulnerable being children less than 5 years of age. Vaccination against this disease has to be completed before 34 – 35 weeks of age. During the year, the project was implemented and free vaccination was given to 195 new-borns and infants up to the age of 8 months to protect them from rotaviral infection.

New Born Screening Programme

800 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 1000 babies

in India. Next to that, G6PD deficiency is more common among the population of India. They constitute 8.6% of India's total population. NBS is done to find out if a baby has a higher risk for 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, provide scholarships to good performers and deserving students, and subsidise fees to students from economically weaker section of the society.

Other Educational Initiatives

The Company has sponsored education and training programmes for differently-abled students and provided financial support for development of the infrastructure of these schools. The Company also provided financial support to Government Model Primary School in Peenya and Sompura, located near factories, towards running pre nursery school which provides primary education to under privileged children in this 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 rise 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; enhance awareness, disseminate knowledge amongst various stakeholders on Tool to enhance improve water security of an area.

It is in this context that the 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.

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 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 support technological developments undertaken by various reputed technological institutes of National importance which are directed towards protection of environment and natural resources. During the year, the Company has provided financial support to the following two technological projects:

Support to IIT Bombay

The Company supported eminent national institute, IIT Bombay, in the development of a small-scale low-grade energy recovery system. Low-grade waste heat is generally lost and not recovered for any useful applications. In a rural setting, such low-grade energy recovery systems can be employed for recovery of waste heat. This would not only enable recovery of energy otherwise wasted away, but also help in providing energy solutions to villages where electricity reach is low. The Company sponsored IIT Bombay on this project and IIT Bombay has performed extensive system analysis and a low footprint energy recovery system was developed.

Support to IISc.

The Company is supporting advanced research institute, IISc., Bangalore for the development of alternative energy recovery system for social applications. This alternative energy recovery system is being developed for tapping waste heat and improving efficiency in overall energy generation. The system can be used as a hybrid model along with solar power systems and as well as agricultural waste heat in rural areas. Further, it can also be utilised for electricity generation using recovered low-grade waste heat from industries.

Financial Review

The financial results of the Company for the financial year 2017-18 compared with the previous year are summarised hereunder:

(₹ in Million)

Description	FY 18	FY 17	Change %
Revenue from operations (gross)	7,431.4	7,537.2	(1.4%)
Revenue from operations (net)	7,409.2	7,327.6	1.1%
Other Income	88.0	285.7	(69.2%)
EBITDA	1,656.4	1,917.4	(13.6%)
EBITDA Margin	22.3%	25.4%	
Depreciation & Amortisation	191.1	148.0	(29.1%)
PBIT	1,465.3	1,769.4	(17.2%)
PBIT Margin	19.7%	23.5%	
Finance Cost	5.3	3.3	60.6%
PBT	1,460.0	1,766.1	(17.3%)
PBT Margin	19.6%	23.4%	
PAT	982.3	1,161.9	(15.5%)
PAT Margin	13.2%	15.4%	
Other Comprehensive Income (net of Tax)	-1.2	-13.0	(90.8%)
Total Comprehensive Income	981.1	1,148.8	(14.6%)

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

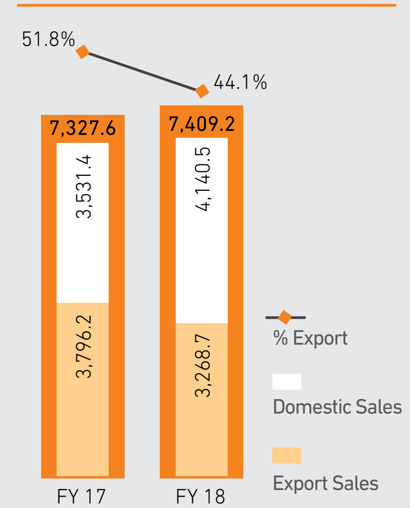
The lower profitability and margin for the year are due to lower foreign exchange gains due to technical reasons (and as detailed under Other Income), higher marketing penetration and efforts in the international market and its associated costs and costs associated with new manufacturing facilities. All these costs will help in securing additional business which will be met through recently developed state-of-the-art manufacturing facilities, including for higher range of turbines.

Revenue from Operations

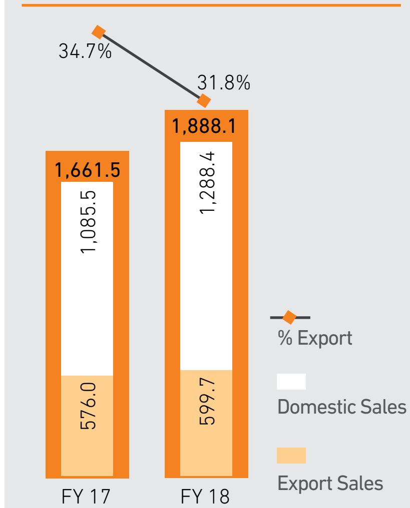
After implementation of Goods and Services Tax ("GST") with effect from July 1, 2017, Revenue from operations is stated net of GST. Revenue from operations for the year ended March 31, 2017 includes excise duty of ₹ 209.6 million for the full year whereas revenue from operations for the year ended March 31, 2018, includes excise duty of ₹ 22.2 million for the first three months only, i.e. till implementation of GST Act. Revenue from operations for the current financial year is thus not comparable with the previous year. Revenues from operations, if considered without excise duty, will be marginally higher by 1.1% over the previous year as against a reported decline of 1.4%.

The growth in Revenues is largely a function of order booking achieved during the previous year and represents subdued business sentiments in the capital goods market, domestically as well as internationally. The business conditions domestically were disrupted by major economic events, such as, Demonetisation which was announced in November 2016 and also during run-up to the new indirect tax regime, GST, from July 2017. However, the order booking has improved considerably in the current year with increase of 18% over the previous year. The domestic market segment, which remained largely flat till third quarter of the year, has shown early signs of revival due to improved business sentiments and tapering of the impact of demonetisation and GST.

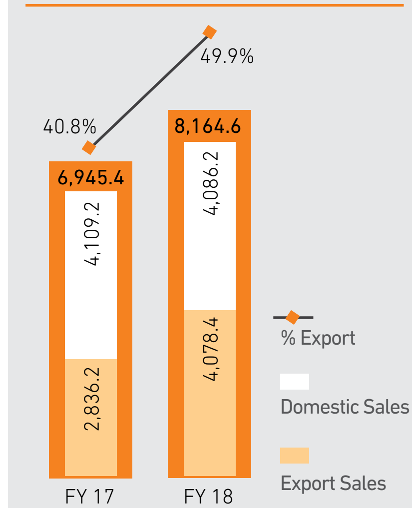
Revenue from Operations (₹ in Million)



Aftermarket Sales (₹ in Million)



Order Booking (₹ in Million)



In view of lead time of around 8-10 months for turbines from order-to-sale, the order booking in the previous year forms the basis of sales during a financial year apart from the possibility of billing orders secured in the first quarter of the financial year and shorter conversion period of 5-6 months for the aftermarket business. In consonance with the order booking, Revenues from domestic sales were 17.2% higher at ₹ 4,140.5 million whereas the Revenues from exports were 13.9% lower at ₹ 3,268.7 million. The healthy order booking position during the current financial year, especially in the export segments, together with 12% higher order book at year end augurs well for future.

The strengthening of aftermarket organisation and aggressive marketing strategy has driven growth of its Revenues by 13.6% over the previous year. The orders in hand at year end of the aftermarket business, especially exports is healthy.

Other Income

Other Income during the year was lower by 69.2% at ₹ 88.0 million as against ₹ 285.7 million in the previous year. The decline is mainly due to decline in foreign exchange gains by ₹ 161.5 million. Consequent to the adoption of Ind-AS in the previous year, all MTM gains on outstanding derivatives had to be accounted for in the previous year, which otherwise would have been booked in the current financial year, thereby leading to higher booking of foreign exchange gains in the previous year and lower booking of foreign exchange gains in the current year. Further, the Company has adopted Hedge Accounting from April 1, 2017 which has enabled booking of MTM gains/losses on derivatives along with recognising export sales. The purpose of adopting hedge accounting is to minimise fluctuations on the financial results due to periodic MTM gains/losses. Hedge Accounting is applied on derivatives which are used to hedge foreign currency risk of the Company.

Expenses

Raw Material consumption

(₹ in Million)

Description	FY 18	FY 17	Change %
Raw material consumption and change in inventories	3,853.6	3,898.2	1.1
Percentage of sales	51.9%	51.7%	

The efficiency of raw material consumption is generally measured as a percentage of sales subject to changes in the product mix. Material cost during the current financial year is at 51.9% of Sales, which is at the same level as in the previous year, indicating that material cost has been well optimised during the year. The Company dynamically strives to optimise material cost through value engineering processes and various supply chain initiatives. The manufacturing process, including that of supply chain partners, is continually improved upon to reduce/reuse of wastes and rejections. However, the product mix can also impact the above percentage.

Personnel Cost, Other Expenses and Depreciation

(₹ in Million)

Description	FY 18	FY 17	Change %
Personnel Cost	796.2	742.5	7.2
% to Total Sales	10.7%	9.9%	
Other Expenses	1,186.1	1,048.7	13.1
% to Total Sales	16.0%	13.9%	
Depreciation & Amortisation	191.1	148.0	29.1
% to Total Sales	2.6%	2.0%	

Employee Cost

During the year, as a part of HR initiatives, the Company has strengthened its organisation structure and recruited talents at senior and middle level management for augmenting its business. The increase in employee cost is due to the combined effect of additional manpower resources and annual salary increase.

Other Expenses

It comprises of manufacturing expenses, administrative expenses and selling expenses. The operations of the second manufacturing plant has commenced during the year leading to higher manufacturing expenses and further, increased level of business travelling and marketing efforts, which are aligned with the business strategy of stronger market penetration, especially in overseas market, has led to increased marketing expenses. Increase in these costs is already yielding higher business, as can be seen from higher order booking in domestic and international market.

Depreciation and Amortisation

The second manufacturing plant at Sompura was commissioned and capitalised towards the close of the previous year and consequently, the increase represents incremental depreciation of the capitalised facilities.

Balance Sheet

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

Non-Current Assets

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

PPE and Capital work-in-progress are the main components of Non-current assets. There was no significant addition to PPE during the year. However, capital work-in-progress increased from ₹ 103.0 million to ₹ 385.1 million on account of expansion of Sompura manufacturing facilities.

Current Assets

Inventories

Total inventory at the year end was ₹ 1,807.1 million, as against ₹ 1,458.7 million in the previous year, an increase by ₹ 348.4 million. Higher inventories are commensurate with the increased orders in hand and have been procured/built up to meet higher production requirements.

Trade Receivables

Current trade receivables are at ₹ 2,058.1 million as on March 31, 2018 as against ₹ 1,489.4 million as on March 31, 2017, an increase by ₹ 568.7 million. Increase in current trade receivable is on account record sales made in the last quarter of the year and some of the sales under Letter of Credit could not be collected by the year end.

Non-current trade receivables, however remains in the same level as previous year, that is ₹ 12.4 million as against ₹ 12.6 million in previous year. These are contractually not due for collection in the next 12 months.

Other Current Assets

Other current assets have increased by ₹ 197.8 million from ₹ 392.3 million to ₹ 590.1 million. The major component of increase is GST recoverable, representing unutilised input credit on bought out material for exports, which could not be utilised as the final export products are not subject to GST. The Company has taken steps to secure refund of such unutilised input credit.

During the year, the Company received a refund of disputed VAT of ₹ 219.3 million consequent to a Court Order in favour of the Company.

Current Liabilities

Current liabilities mainly consist of trade payable for goods and services and advances from customers. Trade payable has increased to ₹ 1,447.7 million as on March 31, 2018 from ₹ 921.6 million as on March 31, 2017 on account of higher purchase of raw material in the last quarter of the year to meet the increased production requirements, which are due for payment subsequent to the year.

Advances from Customers forms the other major component and it has increased by 26.4% to ₹ 1,023.7 million commensurate with increased order booking.

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 step down subsidiaries, Triveni Turbines DMCC (TTDMCC), Dubai and its wholly-owned subsidiary in South Africa called Triveni Turbines Africa (Pty) Ltd (TTAPL), which was incorporated during the year. The Consolidation is made by adding line by line items complying 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 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)	7,533.2	7,431.4
2	Profit before tax	1,462.8	1,460.0
3	Share of income of joint venture	-25.0	-
4	Profit after tax	959.7	982.3
5	Total Comprehensive Income	963.3	981.1

Risk Management & Internal Financial Controls

The Company's Risk Management and Mitigation framework is aligned with ISO 31000. The framework is reviewed from time to time to ensure its effectiveness in line with the changing business dynamics. The framework identifies all the possible risks that the Company might be exposed to, including their categorisation based on their severity, for regular monitoring and reporting. The policy identifies risk ownership, accountability and mitigation procedures. It is the endeavour of the Company to strengthen the control environment on a dynamic basis with a view to lower the overall risk profile.

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 the risk management policy, the Company presents an enterprise-wise approach to ensure that key aspects of risks that have an enterprise-wide 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.

The Company's business relates to manufacture and sale of steam turbines which falls under the capital goods industry segment and is closely linked with the country's economic activities, domestic and global, as well as the sectors wherein the Company's products are used. Even though several factors relating to the industry are not within the control of the Company, it strives to mitigate the externalities in the best possible manner by ensuring diversified streams of revenues and avoiding over dependence on any sector/s or geographies.

Further, 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 assess its operational effectiveness by conducting reviews of all Risk Control Matrix. This Control System 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, the accuracy and completeness of accounting records and timely preparation of financial information.

Directors' **Report**

Your Directors have pleasure in presenting the 23rd Annual Report and audited financial statements for the financial year ended March 31, 2018.

Financial Results

(₹ in Millions)

	2017-18	2016-17
Revenue from operations (Gross)	7431.42	7537.24
Operating Profit (EBITDA)	1656.38	1917.40
Finance Cost	5.34	3.32
Depreciation & amortisation	191.08	147.96
Profit before exceptional items & tax	1459.96	1766.12
Exceptional Items	-	-
Profit before tax (PBT)	1459.96	1766.12
Tax expenses	477.71	604.26
Profit after Tax (PAT)	982.25	1161.86
Other Comprehensive income (net of tax)	(1.19)	(13.04)
Total Comprehensive income	981.06	1148.82
Earning per equity share of ₹ 1 each (in ₹)	2.98	3.52
Retained earnings brought forward	2755.13	1785.03
Appropriation:	-	
- Equity dividend (including dividend distribution tax)*	476.58	178.72
- Transfer to General Reserves	-	-
Retained earnings carried forward	3264.29	2755.13

* including proposed final dividend of the previous year which was paid during the year.

With the plough back of profitability of ₹ 504.48 million during the year in the Retained Earnings, Other Equity stands at ₹ 4131.53 million and the net worth of the Company is ₹ 4461.50 million as on 31.3.18.

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 performance may be considered satisfactory given the subdued business conditions in the domestic and international market and various key positives achieved by the Company.

During the year, the Company has achieved 18% higher order intake, over the previous year. This has been made possible through effective marketing and focus on key markets, and our international offices have played a pivotal role in achieving the target. A healthy carry forward order book, higher by 12% over the previous year's, forms the basis for an expected improved performance during the next financial year. Further, world class new manufacturing facility has been set up which will help the Company in quality improvement, shortening delivery lead time, manufacturing turbines of higher range and making available capacity to meet higher demand.

The order booking in the domestic market during the year was almost at the same level as the previous year. There are some early signals of moderate improvement in the domestic market of under 30 MW in the last quarter of the year. This may be due to gradual wearing of the effects of demonetisation and GST. New enquiry generation during the current year has been good with an increase of 7 percent over last year.

The order booking in the international market was higher by 44% over the previous year and the trend of order booking continues to be encouraging till the date of the report. During the year, the business buoyancy was not broad based but was limited to only a few select regions showing spurts of growth, but our Company has consciously broad based our offerings over a wider geography, thereby minimising the risk of overdependence on few geographies. The Company has consciously also focused efforts on high potential pockets for growth in identified areas.

In order to maintain sustainable revenue growth in near future, the Company has focused to strengthen the marketing organisation with competent professionals, clear accountability and targets. Necessary investments have been made in product development and marketing set-up in India and for foreign subsidiaries. The benefits of these investments is expected to be reflected in the future operations.

Despite subdued business conditions, the aftermarket business has shown good growth of 14%. The activity level in the domestic market has picked up steam and has seen a steady growth in enquiry generation. Driven by our persistent efforts in the domestic market in several key sectors, we could persuade customers for improvements and upgrades on their existing steam turbines. Building up on the past efforts in setting up global offices and ensuring close proximity to our customer base, the Company is actively pursuing new enquiries with a view to grow international aftermarket business. The Company has already seen a build-up in sentiment in select export markets.

A robust R&D is at the core of our strategy to benchmark against the global leaders and narrow any gap that may exist in product performance and competitiveness, without sacrificing on cost competitiveness and our unique ability of delivering against aggressive timelines. The Company strives to build on its leadership position in industrial steam turbines by providing a value proposition to customers – technically efficient products and world class service backed by technology.

Dividend

The Board has in its meeting held on November 08, 2017 declared an Interim dividend of 45% (₹ 0.45 per equity share). Further, the Board of Directors have recommended a final dividend of 55% (₹ 0.55 per equity share) for the financial year ended March 31, 2018 and consequently, the total equity dividend for FY 18 amounts to ₹ 1.00 per equity share (100%) and the total outgo including for the proposed final dividend for the FY 18, is ₹ 397.50 million (including dividend distribution tax) versus ₹ 476.58 million (corresponding to 120 % dividend) in the previous year.

Dividend Distribution Policy

As per the provision of Regulation 43A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015 (Listing Regulations), the top 500 listed companies, based on Market Capitalisation shall formulate a Dividend Distribution Policy (Policy). Accordingly, the Policy was adopted to set out the parameters and circumstances that will be taken into account by the Board in determining the distribution of dividend to the shareholders of the Company and to retain profits earned by the Company. The Policy is available on the web site of the Company at http://www.triveniturbines.com/key-policies.

Subsidiary

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 newly incorporated foreign subsidiary, namely, Triveni Turbines Africa (Pty) Ltd (TTAPL), (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 performance of GETL for the current year has not been satisfactory due to deferment of some high value despatches to next year as per requirement of the customers. The loss after tax during the year is at ₹ 69.05 million, mainly on account of low turnover and increase in expenses. However, based on the enquiry levels, it is expected that GETL will be able to secure more orders and scale up its activities and make its presence felt in the segment it is operating.

The wholly owned foreign subsidiaries are expanding their foot prints and presence in their respective regional territories. This international structures are providing strong marketing support for product order booking and aftermarket services.

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.

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, 2018, 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, 2018, 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.

Corporate Governance

In accordance with SEBI 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 Risk Committee, comprising of functional heads and the Executive Director, oversees the risk management activities in the Company. The risk management policy and framework are reviewed regularly to assess and maintain its effectiveness and relevance.

As required under Section134 (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. Dhruv M Sawhney 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.

By virtue of provisions of Section 161(1) of the Act, the Board of Directors of the Company have appointed Dr. Santosh Pande as an Additional Director with effect from July 19, 2017. The Shareholders of the Company at their 22nd AGM held on August 09, 2017 appointed Dr. Pande as an Independent Director of the Company for a period of 5 years.

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 Chandiok & 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 18 does not contain any qualification, reservation or adverse remark. Further pursuant to section 143(12) of the Act, the Statutory auditors of the Company has 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 19. 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 19. 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 18. 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 athttp://www.triveniturbines.com/key-policies.The composition of CSR Committee and Annual Report on CSR Activities during FY 18 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.

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

The investment made by the Company in body corporate comprise only investments made by it in equity share capital of its subsidiary as disclosed in the notes to the audited financial statements forming part of this Annual Report. 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, 2018, 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 Rule12(1) of the Companies (Management and Administration) Rules, 2014, extracts of the annual return in the prescribed form is annexed as **Annexure J** to the Board's Report.

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 operates in technologically dynamic environment and competes with globally reputed players. The Company engages highly trained and motivated team to market its products, carry out continual product improvements, evolve new technologies, provide value proposition for its customers and offer products which meet benchmark efficiency and quality standards.

The Company believes in continuous learning and the state-of-the-art in-house learning centre provides theme based training to all employees round the year to keep them abreast with the technological and market developments. The learning centre imparts focused training programmes dealing with product knowledge, skill building, design capabilities, and in-house developed computer based training on product and leadership. Specially designed development modules have been created for our customer care engineers.

The Company has a robust and effective performance management system to identify and nurture talents, provide personal growth and job enrichment for retention, reward for their performance and achievements through set KRAs and goals. During FY18, 2.5 man days of training for each employee including workmen was achieved.

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 in the growth and formulating the 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 expressed their satisfaction with the evaluation process.

Appreciation

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

For and on behalf of the Board of Directors

Dhruv M. Sawhney
Chairman and Managing Director
DIN: 00102999

Place: Noida (U.P.)
Date: May 22 , 2018

ANNEXURE-A

Statement Containing Sailent 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- 1 GBP = INR 92.28**	**Currency-USD Exchange rate- 1 USD=INR 65.04**	**Currency- ZAR Exchange rate- 1 ZAR= INR 5.55**
5	Share capital	160.00	18.46	12.41	3.41
6	Reserves & surplus	77.61	24.80	3.38	3.62
7	Total assets	808.56	104.23	37.88	16.95
8	Total Liabilities	570.95	60.97	22.10	9.92
9	Investments	-	11.47 *	3.25**	-
10	Turnover	949.16	243.08	146.06	19.96
11	Profit before taxation	(104.65)	(4.64)	2.65	4.56
12	Provision for taxation	35.60	0.91	-	(1.32)
13	Profit after taxation	(69.05)	(3.73)	2.65	3.24
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 Ind AS 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 , 2018
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%, Board representation and management participation
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	106.58
7.	Profit /(Loss) for the year (after tax) (₹ million)*	(69.05)
8.	Total Comprehensive Income / (Loss) for the year (₹ million) –	(68.89)
	i. Considered in Consolidation (₹ million)*	(24.91)
	ii. Not Considered in Consolidation	-

*Net of adjustment on account 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

Lt. Gen. K K Hazari (Retd.)
Director & Chairman Audit Committee
DIN: 00090909

Place: Noida (U.P.)
Date: May 22 , 2018

Deepak Kumar Sen
Executive Vice President & CFO

Rajiv Sawhney
Company Secretary

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 March 31, 2018 the Board comprised of 8 (Eight) members which include 4 (Four) Non-Executive Independent Directors including one 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 2017-18 ended on March 31, 2018. Board Meetings were held on May 18, 2017, August 09, 2017, November 08, 2017 and February 10, 2018. 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).

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 organisation'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	No. of other Directorships##	No. of Committee positions held in other companies###	
					Chairman	Member
Mr. Dhruv M. Sawhney# Chairman & Managing Director DIN-00102999	Promoter & Executive Director	4	Yes	2	1	Nil
Mr. Nikhil Sawhney# Vice Chairman and Managing Director DIN-00029028	Promoter & Executive Director	4	Yes	3	Nil	1
Mr. Tarun Sawhney# DIN-00382878	Promoter & Non-Executive Director	4	Yes	3	Nil	2
Mr. Arun Prabhakar Mote## Executive Director DIN-01961162	Executive Director	4	Yes	1	Nil	Nil
Lt. Gen. K.K. Hazari (Retd.)## DIN-00090909	Independent Non Executive Director	3	Yes	2	1	1
Mr. Shekhar Datta## DIN-00045591	Independent Non Executive Director	4	Yes	3	2	2
Dr. (Mrs) Vasantha S Bharucha DIN-02163753	Independent Non Executive Director	3	No	1	Nil	Nil
Dr. Santosh Pande* DIN- 01070414	Independent Non Executive Director	3	Yes	2	Nil	1

* Appointed as Director w.e.f July 19 , 2017

\# 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.

Board Functioning and procedure

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

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

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

(iii) Quarterly results of the Company.

(iv) Minutes of the meetings of the committees of the Board.

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

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

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

(viii) Any issue, which involves possible public or product liability claims of substantial nature, including any judgment or order which, may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that can have negative implications on the Company.

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

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

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

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

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

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

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

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

(xvii) General notices of interest of directors.

(xviii) Appointment, remuneration and resignation of 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.

Re-appointment of Director: The information/details pertaining to Director seeking 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, 2018, the Committee held four meetings on May 18, 2017, August 09, 2017, November 07, 2017 and February 10, 2018. 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
Lt. Gen. K.K. Hazari (Retd.) Chairman	Independent Non Executive Director	4	3
Mr. Nikhil Sawhney	Promoter & Executive Director	4	4
Dr. (Mrs.) Vasantha S. Bharucha	Independent Non Executive Director	4	3
Dr. Santosh Pande*	Independent Non Executive Director	3	3

*Appointed as member w.e.f. August 02 , 2017.

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 22nd AGM held on August 09, 2017 to answer the shareholders query.

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

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

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

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

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

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

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

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

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

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

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

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

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, 2018 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, 2018 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, 2018, the Committee held two meetings on July 14, 2017 and February 10, 2018. 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	1
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 Directors 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 2017-18, 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 2017-18 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, 2018.	24924645	15071557	72000
Service Period	10.05.2016 to 09.05.2019	10.05.2016 to 09.05.2021	01.11.2016 to 31.10.2018
Salary	Nil	28.23	21.32
Performance Bonus/Commission	Nil	2.75	1.75
Contribution to PF and other Funds	Nil	4.51	1.09
Other Perquisites	Nil	1.01	0.14
Total	**Nil**	**36.50**	**24.30**

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 2017-18 to NEDs are as under:-

(₹ in million)

Name of the Non-Executive Director	Sitting Fees for the year ended March 31, 2018	Commission for the year ended March 31, 2018	No. of shares held as on March 31, 2018
Mr. Tarun Sawhney	0.37	1.12	14,266,775
Lt. Gen. K.K. Hazari (Retd.)	0.47	1.32	–
Mr. Shekhar Datta	0.35	1.12	10,000
Dr. (Mrs) Vasantha S. Bharucha	0.50	1.32	–
Dr. Santosh Pande	0.35	1.12	–

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. Lt. Gen. K.K. Hazari (Retd.) and Mr. Shekhar Datta, 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, 2018, the Committee held four meetings on May 18, 2017, August 09, 2017, November 07, 2017 and February 10, 2018. There has been no change in the composition of the committee during year.

The Company Secretary is the Compliance Officer of the Company.

Name of the Members	Category	No. of meetings	
		Held	Attended
Lt. Gen. K. K. Hazari (Retd.)- Chairman	Independent Non Executive Director	4	3
Mr. Nikhil Sawhney	Promoter and Executive Director	4	4
Mr. Tarun Sawhney	Promoter and Non Executive Director	4	4

Function and term of reference:

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

Details of Investor complaints

During the FY18 ended on March 31, 2018, 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 FY18 are as follows:

Opening Balance	Received	Resolved*	Pending
Nil	7	7	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, 2018. Number of Complaints received during the year as a percentage of total number of members as on March 31, 2018 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, 2018, the Committee met two times on May 18, 2017 and February 10, 2018. The composition 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	2	2
Mr. Tarun Sawhney	Promoter and Non Executive Director	2	2
Mr. Arun Prabhakar Mote	Executive Director	2	2
Lt Gen. K.K. Hazari (Retd)	Independent Non Executive Director	2	2

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

In compliance with the amended listing regulations the Board of Directors of the Company at their meeting held on May 22, 2018 has re-constituted the existing Risk Management Committee with immediate effect. The re-constituted committee consists of Mr. Nikhil Sawhney as Chairman, Mr. Arun Prabhakar Mote, Dr. Santosh Pande and Mr Deepak K Sen as members of the committee .

Function and term of reference:

The functions of the Committee are as under

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 four (4) Directors to oversee routine items that are in the normal course of the business. The Board of Directors have delegated certain powers to this Committee to facilitate the working of the Company. The Committee met one time during the FY 18 ended on March 31,2018.

III GENERAL BODY MEETINGS

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

Year	Date & Day	Location	Time	Special Resolution
2016-17	August 09, 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 22nd Annual General Meeting of the Company.
2015-16	August 04, 2016 Thursday	Expo Centre, A-11, Sector-62, NH-24, Noida- 201301	10.30 am	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 09, 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 09, 2021 .
2014-15	August 06, 2015 Thursday	Expo Centre, A-11, Sector-62, NH-24, Noida -201301	11.00 am	1. Approval to permit FIIs registered with SEBI to acquire and hold on their own account and on behalf of their SEBI approved sub-accounts or Foreign Portfolio Investors to make investment in the equity shares of the Company up to an aggregate limit of 49% of the paid-up equity share capital of the Company. 2. Approval for execution of a material contract for turbine extended scope project of the outstanding value of ₹ 20 crore plus applicable taxes and duties and escalation, if any, outsourced by Triveni Engineering and Industries Ltd to the Company and for entering into contracts/ arrangements/transactions with GE Triveni Ltd. Upto a limit not exceeding ₹ 200 crore in any financial year.

There was no Extra-Ordinary General Meeting held during the financial year 2017-18 ended on March 31, 2018.

Postal Ballot

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

During the FY 18 ended on March 31, 2018, the Company has not sought approval from its shareholders for passing of any special resolution through the process of Postal Ballot.

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. The half yearly unaudited results were also sent though e-mail to those shareholders who had registered their email IDs with the Company/ Depositories.

(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 10, 2018
Time	:	11.00 am
Venue	:	Stardom Convention, Ground Floor, C-1, Word TradeTower, Sector 16, Noida 201301
Financial Year	:	April to March
Book Closure date for dividend	:	September 07, 2018 to September 10, 2018 (both days inclusive)
Dividend	:	October 01, 2018 Payment Date

(b) Financial Year: April to March

Financial Calendar for the financial year 2018-19 (tentative)

Financial Reporting for the 1st Quarter ending June 30, 2018	By mid of August, 2018
Financial Reporting for the 2nd Quarter ending September 30, 2018	By mid of November, 2018
Financial Reporting for the 3rd Quarter ending December 31, 2018	By mid of February, 2019
Financial Reporting for the Annual Audited Accounts ending March 31, 2019	By the end of May, 2019

(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 – 400 023.	533655
2	National Stock Exchange of India Ltd. Exchange Plaza, 5th Floor Plot No. C/1, G Block, Bandra (E) Mumbai – 400 051.	TRITURBINE

The Company has paid the listing fees upto the Financial Year 2018-2019 to both the aforesaid Stock Exchanges.

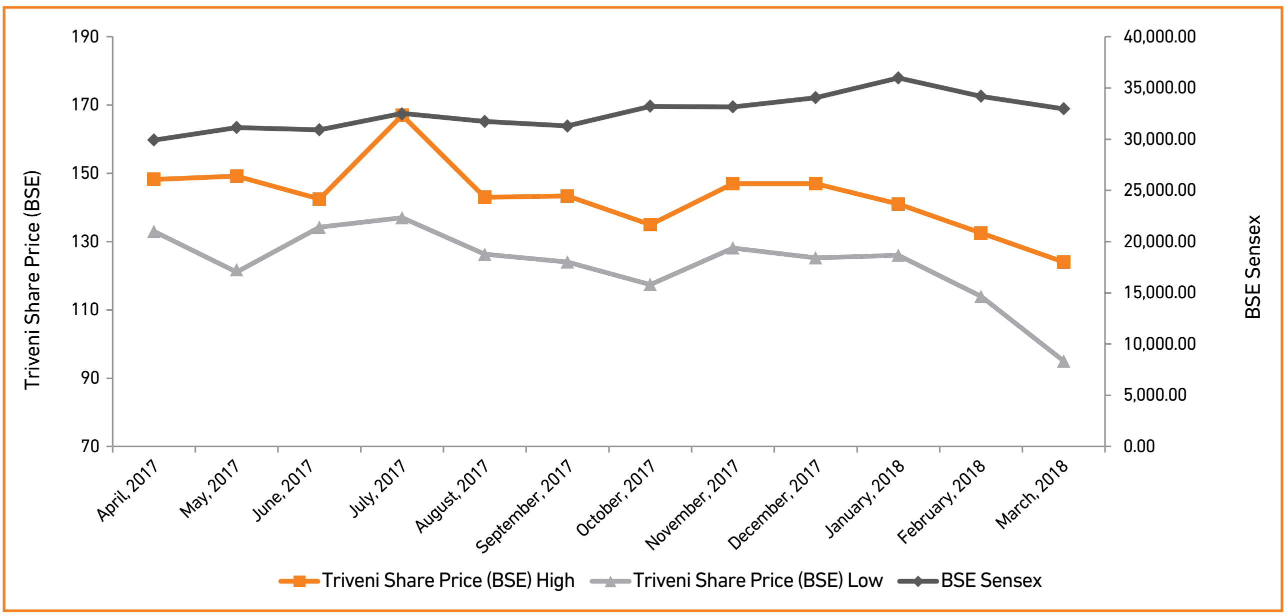
(d) Market Price Data/Stock Performance: FY18 ended on March 31, 2018

During the year under report, the trading in Company's equity shares was from April 01 2017 to March 31, 2018.

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, 2017	148.20	133.00	148.00	135.00
May, 2017	149.15	121.10	149.00	127.00
June, 2017	142.50	134.20	143.00	133.10
July, 2017	167.00	137.00	167.25	138.95
August, 2017	143.00	126.30	143.40	125.20
September, 2017	143.35	124.00	149.50	124.90
October, 2017	135.00	117.45	135.00	117.25
November, 2017	147.00	128.15	147.30	129.00
December, 2017	147.00	125.25	138.05	124.90
January, 2018	141.00	126.00	140.70	126.25
February, 2018	132.50	113.95	132.00	113.15
March, 2018	124.00	95.00	123.00	95.05

(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, 2018

Group of Shares	Number of Shareholders	% to total Shareholders	Number of Shares held	% to Total Shares
1-500	29690	89.95	3076892	0.93
501-1000	1502	4.55	1187181	0.36
1001-2000	872	2.64	1263175	0.38
2001-3000	298	0.90	724635	0.22
3001-4000	142	0.43	509003	0.16
4001-5000	117	0.35	537440	0.16
5001-10000	180	0.55	1330575	0.40
10001 & above	207	0.63	321343249	97.39
Total	**33008**	**100.00**	**329972150**	**100**

(i) Shareholding Pattern of Equity Shares as on March 31, 2018

Category	Number of Shares held	Shareholding %
Indian Promoters	223504533	67.73
Mutual Funds/UTI	39484069	11.97
Banks, Financial Institutions, Insurance Cos	17546	0.01
FIIs	-	-
Foreign Portfolio Investor	47665097	14.45
Bodies Corporate	3480802	1.05
Indian Public(*)	14857275	4.50
NRIs/OCBs	723586	0.22
Others – Clearing Members & Trust	239242	0.07
Total	**329972150**	**100.00**

(*) Includes 94 650 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 will be as under:

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

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

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

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

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

As on March 31, 2018, 99.95% of total equity share capital of the Company were held in dematerialised form. The ISIN allotted in respect of equity shares of ₹1/- each of the Company by NSDL/CDSL is INE152M01016. Confirmation in respect of the requests for dematerialisation of shares is sent to NSDL and CSDL within the stipulated period.

(k) 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

During the financial year 2017-18 no amount was required to be transferred to the Investor Education and Protection Fund (IEPF), administered by the Central Government under Section 125 of the Companies Act, 2013. The dividends which remain unclaimed for 7 years will be transferred by the Company to the said IEPF on the due dates as given hereunder:

Financial Year/Period	Whether Interim/Final	Date of declaration of dividend	Due date for transfer to IEPF
2011-12	1st interim dividend	27.10.2011	26.10.2018
2011-12	2nd interim dividend	13.01.2012	12.01.2019
2011-12	Final dividend	16.07.2012	15.07.2019
2012-13	Interim dividend	29.10.2012	28.10.2019
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

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).

(o) Locations

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

Transfer of Equity Shares to Investor Education and Protection Fund

In compliance with the requirements laid down in Section 124(6) of the Companies Act, 2013 read with the 'Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016', the Company is required to transfer all equity shares in respect of which dividends had remained unpaid or unclaimed by the shareholders for seven consecutive years or more, to the Demat Account of the IEPF. However, the Shareholders are entitled to claim their shares including all the corporate benefits accruing on such shares, if any, from the IEPF Authority by submitting an online application in Form IEPF5 and sending a physical copy of the Form IEPF-

5 duly signed by all the joint shareholders, if any, as per the specimen signature recorded with the Company along with requisite documents enumerated in the Form IEPF-5, to the Company's RTA. The Rules and Form IEPF-5, as prescribed, for claiming back the shares, are available on the website of the IEPF www.iepf.gov.in. It may please be noted that no claim shall lie against the Company in respect of share(s) transferred to IEPF pursuant to the said Rules. The details of the shareholders whose equity shares will be transferred to the Demat Account of the IEPF will be available on the website of the Company at URL: https://www.triveniturbines.com/tranafer-shares-iepf-html.

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

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, 2018, 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.

- **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, 2018. 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, 2018.

Place: Noida **Dhruv M. Sawhney**
Date: May 22, 2018 Chairman and Managing Director

CEO/CFO 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, 2018. The said certificate forms part of the Annual Report.

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, 2018 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, 2018, 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 22, 2018 from the Statutory Auditors of the Company M/s Walker Chandiok & 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 22, 2018.

For and on behalf of the Board of Directors

Dhruv M. Sawhney
Place: Noida Chairman and Managing Director
Date: May 22, 2018 DIN: 00102999

ANNEXURE-C

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

Independent Auditor's 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 September 18, 2017.

2. We have examined the compliance of conditions of corporate governance by Triveni Turbine Limited ('the Company') for the year ended on March 31, 2018, 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 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 March 31, 2018.

   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 Chandiok & Co LLP**
Chartered Accountants
Firm Registration No. 001076N/N500013

Place: Noida
Date: May 22, 2018

per **Vijay Vikram Singh**
Partner Membership No.: 059139

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, 2018 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 22, 2018

ANNEXURE-D

Secretarial Audit **Report**

For the Financial year ended March 31, 2018
(Pursuant to Section 204 (1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

To
The Members
Triveni Turbine Limited
(CIN L 29110UP1995PLC041834)
A-44, Hosiery Complex, Phase II Extension, Noida 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 authorised 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 March 31, 2018 ("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 March 31, 2018 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;

(v) The following Regulations 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;

(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 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

(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.

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

(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. 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 of the Board Meetings. Agenda and detailed notes on agenda are 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.

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

Sanjay Grover
Managing Partner
CP No.: 3850

New Delhi
May 22, 2018

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

   (iii) Mr. Tarun Sawhney

   (iv) Mr. Arun P. Mote

3. Average Net Profit of the Company for last 3 financial years: ₹ 1545.36 million

4. Prescribed CSR expenditure (2% of amount): ₹ 30.91 million

5. Details of CSR activities/projects undertaken during the year:

   a) Total amount spent /committed to be spent for the financial year: ₹ 30.92 million

   b) Amount unspent, if any: ₹ 0.11 million. However, the Company has committed full amount of ₹ 30.92 million and provided the same in the financial statements

   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	1.27	1.27	1.27	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	1.44	1.44	1.44	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	0.30	0.30	0.30	Through implementing agency: Govt Model Primary School , Peenya
4	Providing education to the rural students	Promoting education among children	1. Local Area 2. Kasegoan	1.00	1.00	1.00	Through implementing agency: Kasegaon Educational Society
5	Providing infrastructure support for classrooms	Promoting Education	1. Local Area 2. Bengaluru	0.11	-	-	Through implementing agency: Govt. Primary school- Sompura
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

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**
7	Providing training on environmental sustainability to various renewable energy plants	Ensuring environmental sustainability,	1. Local Area 2. Bengaluru	2.15	2.15	2.15	Through implementing agency: Merits ERC (I) Pvt Ltd ,
8	Providing support for animal welfare	Ensuring Animal Welfare	1. Local Area 2. Bengaluru	0.50	0.50	0.50	Through Compassion Unlimited Plus Action (CUPA), Bengaluru
9	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
10	ORC Turbine loop development	Ensuring environmental sustainability;conservation of natural resources	1. Other 2. Mumbai	0.70	0.70	0.70	Through implementing agency: IIT, Bombay
11	Support for new SCO2 based power generator project	Ensuring environmental sustainability;conservation of natural resources	1. Local Area 2. Bengaluru	3.00	3.00	3.00	Through implementing agency:IISc, Bengaluru
12	Preventive health programme for females	Promoting healthcare including preventive health care	1. Others 2. Delhi	4.00	4.00	4.00	Through implementing agency: Tirath Ram Shah Charitable Trust
13	Protecting the Girl Child from Cervical Cancer	Promoting healthcare including preventive health care	1. Others 2. Delhi	0.33	0.33	0.33	Through implementing agency: Tirath Ram Shah Charitable Hospital
14	Protecting the infant Child from Rotavirus Diarrhoea	Promoting healthcare including preventive health care	1. Others. 2. Delhi	0.42	0.42	0.42	Through implementing agency: Tirath Ram Shah Charitable Hospital
15	New Born Screening Programme	Promoting healthcare including preventive health care	1. Others 2. Delhi	2.15	2.15	2.15	Through implementing agency: Tirath Ram Shah Charitable Hospital
16	Project Management Expenses			0.65	0.65	0.65	
		Total		**30.92**	**30.81**	**30.81**	

* Note: Column 6 represents direct expenditure on the projects except in Sr. No. 16 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

   The Company has fully met its obligation by committing to the aforesaid projects. However, due to delayed activity in Project at serial number 5, the payment could be made only in April, 2018.

   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) The steps taken or impact on conservation of energy;

The manufacturing facilities of the Company are not power 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.

Existing Peenya Plant:

Existing fluorescent tube lights / CFL lights / Mercury vapour lamps / Spot lights have been replaced with energy efficient LED tubeswhich will result in power savings of about 24100 KWH / year.

New Sompura Plant:

The plant was commissioned towards the end of the FY 2016-17. It was designed and conceptualized taking into consideration various energy conservation systems and accordingly, various types of capital equipment to achieve power efficiency were installed. Energy conservation benefits majorly accrued in the current year and will be realized in the ensuing years at higher level as the scale of manufacturing activities increase.

Some of energy conservation measures /systems incorporated in the new manufacturing plant:

- Benefit of cycle time reduction in blade machining process through modified program, tooling and improved campling has reduced power consumption in the production of blades – savings 9850 KWH/year
- Energy efficient LED lamps in machine tools: power savings of about 2475 KWH/Year over CFL lamps
- Power factor is monitored and controlled between 0.95 to 1.0
- All electric overhead travelling cranes (EOT) are provided with AC drive to ensure smooth starting, safe operation and energy conservation: savings of 67500 KWH/Year
- Variable Frequency Drives for auxiliary oil pump and emergency oil pump used for mechanical run test has been installed to reduce consumption of electrical energy during mechanical run test.
- Roof top rain water is collected and utilised for ground water recharging as a part of Rain Water Harvesting.
- Boiler and Cooling Tower is equipped with Variable Frequency Drive (VFD) for the forced draft fan: savings of about 110,592 KWH/per year.
- Self driven roof fume extractors are provided in the shop floor for energy free air circulation: saving of 63,072 KWH/per year
- Polycarbonate roof sheets are provided to avail natural day light: savings of 3103 KWH/per year.
- Timer control for the street lights: savings of 2044 KWH/ per year.
- Auto level controller for domestic and firefighting water pumps.

(ii) The steps taken by the Company for Utilising alternate sources of energy;

Solar Photovoltaic (PV) plant of 300 KW capacity was commissioned in the month of December 2015. Annual yield during the financial year 2017-18 is 340.55 Mwh.

(iii) The capital investment on energy conservation equipment;

The Company made capital investments amounting to ₹ 2.86 Million for introducing Variable Frequency Drive (VFD) for Auxiliary oil pump (AOP) and Emergency oil pump (EOP) testing during Mechanical Run Test (MRT)

(B) TECHNOLOGY ABSORPTION

The Company is continually engaged in improvement of technology for steam turbines and in the development of new generation technology to improve robustness and operability of its products, to achieve benchmark energy conversion efficiencies at competitive prices, to evolve robust models with improved features such as higher steam ratings, injection sections and advanced aero-sections and be able to monitor and validate the functionality of the turbines remotely. The Company has not acquired any technology or technical know-how from foreign sources, but has leveraged capabilities of in-house R&D facility along with top Indian research institutions.

(i) The efforts made towards technology absorption:

i. Employing injection steam cycles for waste heat recovery in steam turbine projects.

ii. Executing steam turbine projects in API segment for drive application.

iii. Enhancement of Product Lifecycle Management (PLM) software.

iv. Continuous upgradation of efficiency levels of the Energy conversion with new aero-section.

v. Development of competitive models by modular series.

vi. Development of high back pressure turbines.

vii. Employing brush seals and abradable seals.

viii. Executing compressor drive turbine projects.

(ii) 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 & quicker delivery.

iii. Improvement in reliability, performance and in digenization.

iv. Improved data storage and retrievability for tracking and analysis.

v. Improved design automation through PLM software.

vi. Contribution towards environmental sustainability through reduction in carbon footprints of TG Set.

vii. Improvement in efficiency at several levels by using state-of-the-art CFD, Heat Transfer, Transient Analysis and Stress Analysis software to suit the diversified application cycle requirements.

(iii) 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

(iv) The expenditure incurred on Research and Development.

Expenditure on R&D

(₹ in Million)

Particulars	31-Mar-2018	31-Mar-2017
a) Capital	22.72	11.93
b) Recurring	63.08	85.85
c) Total	85.80	97.78
d) Total R&D expenditure as percentage of turnover	1.16%	1.33%

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO

(₹ in Million)

Particulars	31-Mar-2018	31-Mar-2017
Foreign Exchange earned in terms of actual inflows	3,284.21	3,192.47
Foreign Exchange outgo in terms of actual outflows	640.34	638.74

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 2017-18 and percentage increase in remuneration of each Director, CFO and CS in the Financial year 2017-18.

Name of Director/KMP and Designation	Ratio of remuneration of Directors to Median Remuneration	% of increase of remuneration in the Financial Year 2017-18
Mr. Dhruv M. Sawhney* Chairman and Managing Director	NA	NA
Mr. Nikhil Sawhney Vice Chairman and Managing Director	61.86	20.87%
Mr. ArunPrabhakar Mote Executive Director	41.19	16.97%
Mr. TarunSawhney Non Executive Director	2.53	(9.15%)
Lt. Gen. K. K. Hazari (Retd.) Non Executive Independent Director	3.03	(11.63%)
Mr. ShekharDatta Non Executive Independent Director	2.49	(8.13%)
Dr. (Mrs.) Vasantha S Bharucha Non Executive Independent Director	3.08	(2.67%)
Dr Santosh Pande** Non Executive Independent Director	2.49	NA
Mr. Deepak Kumar Sen Chief Financial Officer	8.78	(0.91%)
Mr. Rajiv Sawhney Company Secretary	4.41	13.24%

*No Salary is being drawn by the CMD.

** Joined w.e.f July 19, 2017.

(ii) The median remuneration of employees during the financial year was ₹ 0 .59 million.

(iii) In the financial year, there was an increase of 0.5% in the median remuneration of employees.

(iv) There were 630 permanent employees (529 officers and101 workmen) on the rolls of the Company as on March 31, 2018.

(v) The average percentile salary increase of employees other than managerial personnel was 6.8% as against 19.28% in the managerial remuneration. The aforesaid high increase in managerial remuneration is due to uneven expenses in the two comparable periods but in substance, the actual increase is 7.40%. The increase of remuneration of managerial and non-managerial employees is normal as per the industry standards and reflective of enormous responsibility to internationalize the operations of the Company.

(vi) It is hereby affirmed that the remuneration paid during the financial year ended March 31, 2018 is as per the Nomination and Remuneration policy of the Company.

Note:

1) 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.

2) The employee and salary details provided above do not include trainees.

For and on behalf of the Board of Directors

Dhruv M. Sawhney
Chairman and Managing Director
DIN: 00102999

ANNEXURE-I

Business Responsibility Report – 2017-18

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** – 2017-18

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 Parts

   3 Refurbishing and Services

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
✓	✓	✓	✓

Please refer to “Presence across markets” section of Company’s Annual Report for the financial year 2017-18 for complete list of markets served.

Section B: Financial Details of the Company

		Triveni Turbine Limited FY-18 Standalone ₹ million	FY-18 Consolidated ₹ million
1	Paid-up Capital	329.97	329.97
2	Total Turnover		
	(a) Revenue from operations (gross)	7,431.42	7,533.17
	(b) Other income	87.97	81.36
3	Total Comprehensive Income for the year	981.06	963.28

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

The Company has spent an amount of ₹30.92 million during the financial year 2017-18 which amounts to 2% of averagenet profit before tax for previous three years on standalone basis.Thus the total CSR spent for the year 2017-18 is 3.15% 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 2017-18, the Joint Venture Company, GE Triveni Ltd, Bengaluru has spent ₹2.04 million for CSR activities as per its obligations despite incurring a loss in the current year.

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 awholly 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 ExecutiveDirector 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) and SOPs (Environment Occupational Health & Safety Policy, Policy of Sexually Harassment, Quality Policy) The link for the Policies: www.triveniturbines.com								
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 grievanceredressal 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.								

S. No	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
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 audited 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	NOT APPLICABLE							
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.								
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 I 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?

  This is the Second Business Responsibility Report relating to the financial year 2017-18 which forms part of the Company's annual report for the financial year 2017-18. The annual report containing this Business Responsibility Report will be put up on the web site of the Company at www.triveniturbines.com.

  The Company publish BR report once a year. The report is also hosted in share point platform which enables employees of the Company to view the report.

The Company actively engages itself with all the aspects covered under the BR initiatives and endeavors to do something worthwhile which is useful and shall contribute to the welfare of the community as a whole

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 ownedforeign 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 queries from shareholders (07) during the year, which were all resolved during the year. Further, 50 nos. Customer queries/ complaints were received during the year relating to functionality and quality of the steam turbines of which 93% were resolved satisfactorily 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 fuels like sugarcane bagasse, biomass, municipal waste and waste heat from process plants and gas turbines. The Company has awell-equipped Research and Development department which is engaged in continually developing highly efficient turbines keeping in view the social and environmentalconcerns.

   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 withsame 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 per MW of power generation, including reduction in consumption of fossil fossils 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 installed roof top Solar PV Power Panels as part of the ambitious goal of sourcing 15% electricity from renewable source. The installed plant is 300 KW solar photovoltaic (PV) plant in the factory capable of generating 0.38 million units annually which reduced the carbon footprints of 392.008 tonnes during the year 2017-18, resulted in net saving of about ₹ 3.0 million in electricity charges.

In addition, CFL lamps in the office and meeting rooms of the administration building, Training Centre Building have been replaced with energy efficient LED lamps which has resulted in significant power saving.

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	1283 as on March 31, 2018 (includes Permanent, Temporary, trainee and contractual employees)
2.	Total numbers of employees hired on temporary / contractual / casual basis	604 as on March 31, 2018
3.	Total number of permanent women employees	32 as on March 31, 2018
4.	Total number of permanent employees with disabilities	NIL
5.	Do you have employee association that is recognizedby management?	Yes
6.	What percentages of your permanent employees are members of this recognized employee association?	Around 15 %

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 wereno 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	63%	72%
Permanent Women Employees	80%	78%
Casual / Temporary / Contractual employees	30%	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 2017-18, 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 2018, which is also provided at www.triveniturbines.com

   Under Company's various "Green initiatives", the Company's manufacturing plants have more than 2500 trees, zero discharge facility with 100% waste water getting treated and used for gardening along with Kitchen Waste Compost unit. 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.

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, the Company is working with Indian Green Building Council (IGBC) pioneer in green building movement for its manufacturing facilities. The Company has applied for "Platinum Green building certification" 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 Conservations 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 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 ₹ 30.92million during the financial year. Additionally, a subsidiary of the Company has incurred ₹ 2.04 million 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 communitythat 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**

   As on March 31, 2018 9% of customer complaints are pending.

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, 2018
[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	86.84
2	Servicing, operation and maintenance of steam turbines.	331- Repair of fabricated metal products, machinery and equipment	13.16

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	33042557	0	33042557	10.014	0.000
(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	159330417	0	159330417	48.286	0
(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**	**192372974**	**0**	**192372974**	**58.300**	**0.000**
2	**Foreign**									
(a)	NRI - Individuals	31131559	0	31131559	9.434	31131559	0	31131559	9.434	0.000
(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**	**31131559**	**0**	**31131559**	**9.434**	**0.000**
	Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	**223504533**	**0**	**223504533**	**67.734**	**223504533**	**0**	**223504533**	**67.734**	**0.000**
(B)	**Public shareholding**									
1	**Institutions**									
(a)	Mutual Funds/UTI	20436754	0	20436754	6.193	39484069	0	39484069	11.966	5.772
(b)	Bank / FI	18727	0	18727	0.006	17546	0	17546	0.005	0.000
(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)	FIIs	51326766	0	51326766	15.555	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)	17502209	0	17502209	5.304	47665097	0	47665097	14.445	9.141
	Sub-Total (B)(1)	**89284456**	**0**	**89284456**	**27.058**	**87166712**	**0**	**87166712**	**26.416**	**-0.642**
2	**Non-institutions**									
(a)	Bodies Corporate									
i)	Indian	2382114	1	2382115	0.722	3480801	1	3480802	1.055	0.333
ii)	Overseas	0	0	0	0	0	0	0	0	0

	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	
(b)	Individuals -	0	0	0	0	0	0	0	0	0
	i. Individual shareholders holding nominal share capital up to ₹ 1 lakh.*	8577058	180385	8757443	2.654	10193613	163120	10356733	3.139	0.485
	ii. Individual shareholders holding nominal share capital in excess of ₹ 1 lakh.	4307981	0	4307981	1.306	4158481	0	4158481	1.260	-0.045
(c)	Any Other (specify)	0	0	0	0	0	0	0	0	0
	[i] NRI	1295348	50	1295398	0.393	723586	0	723586	0.219	-0.173
	[ii] HUF	244999	0	244999	0.074	342061	0	342061	0.104	0.029
	[iii] Clearing Member	174725	0	174725	0.053	212842	0	212842	0.065	0.012
	[iv] Trust	20500	0	20500	0.006	26400	0	26400	0.008	0.002
	Sub-Total (B)(2)	**17002725**	**180436**	**17183161**	**5.207**	**19137784**	**163121**	**19300905**	**5.849**	**0.642**
	Total Public Shareholding (B)= (B)(1)+(B)(2)	**106287181**	**180436**	**106467617**	**32.266**	**106304496**	**163121**	**106467617**	**32.266**	**0.000**
(C)	**Shares held by Custodians for GDRs & ADRs**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
	Grand Total (A)+(B)+(C)	**106287181**	**180436**	**106467617**	**100.000**	**106304496**	**163121**	**106467617**	**100.000**	**0.000**

* Includes 94650 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	24924645	7.553	0	0
2	Mrs. Rati Sawhney	6206914	1.881	0	6206914	1.881	0	0.000
3	Mr. Tarun Sawhney	14266775	4.324	42.06	14266775	4.324	42.06	0
4	Mr. Nikhil Sawhney	15071557	4.567	0	15071557	4.567	0	0
5	Manmohan Sawhney (HUF)	3679225	1.115	0	3679225	1.115	0	0
6	Mrs. Tarana Sawhney	25000	0.008	0	25000	0.008	0	0
	Total (a)	**64174116**	**19.448**	**9.35**	**64174116**	**19.448**	**9.35**	**0.000**
(b)	**Bodies Corporate**							
1	Triveni Engineering & Industries Ltd.	72000000	21.820	0	72000000	21.820	0	0.000
2	Subhadra Trade & Finance Limited	87330417	26.466	0	87330417	26.466	0	0.000
3	Tarun Sawhney Trust	0	0.000	0	0	0.000	0	0.000
4	Nikhil Sawhney Trust	0	0.000	0	0	0.000	0	0.000
	Total (b)	**159330417**	**48.286**	**0**	**159330417**	**48.286**	**0**	**0.000**
	Total(a+b)	**223504533**	**67.734**	**2.68**	**223504533**	**67.734**	**2.68**	**0.000**

(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
During the year there is no Change in promoters shareholding								

(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	25788000	7.815	-	0	Transfer	25788000	7.815
				05/01/2018	-1932546	Transfer	23855454	7.230
				19/01/2018	-115000	Transfer	23740454	7.195
2*	Amansa Holding Pvt. Ltd.	14705950	4.457	-	0	Transfer	14705950	4.457
				02/02/2018	-14705950	Transfer	0	0.000
3	Nalanda India Equity Fund Limited	9802350	2.971	-	0	Transfer	9802350	2.971
4	Franklin India Smaller Companies Fund	6165846	1.869	07/07/2017	-145195	Transfer	6020651	1.825
				14/07/2017	-17180	Transfer	6003471	1.819
				18/08/2017	3356	Transfer	6006827	1.820
				20/10/2017	750000	Transfer	6756827	2.048
				05/01/2018	700000	Transfer	7456827	2.260
5	National Westminster Bank Plc as Trustee of the Jupiter India Fund	3922744	1.189	30/06/2017	237724	Transfer	4160468	1.261
				09/02/2018	252268	Transfer	4412736	1.337
6*	Motilal Oswal Most Focused Midcap 30 Fund	3287560	0.996	30/06/2017	-720662	Transfer	2566898	0.778
				14/07/2017	-25766	Transfer	2541132	0.770
				18/08/2017	-401132	Transfer	2140000	0.649
				22/09/2017	-985000	Transfer	1155000	0.350
				30/09/2017	-296976	Transfer	858024	0.260
				06/10/2017	-8601	Transfer	849423	0.257
				13/10/2017	-376423	Transfer	473000	0.143
7	DSP Blackrock Micro CAP Fund	2952112	0.895	28/04/2017	92607	Transfer	3044719	0.923
				05/05/2017	37061	Transfer	3081780	0.934
				12/05/2017	20996	Transfer	3102776	0.940
				25/08/2017	154734	Transfer	3257510	0.987
				01/09/2017	10417	Transfer	3267927	0.990
				08/09/2017	14052	Transfer	3281979	0.995
				15/09/2017	21211	Transfer	3303190	1.001
				22/09/2017	452119	Transfer	3755309	1.138
				30/09/2017	281564	Transfer	4036873	1.223

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
8	Akash Bhanshali	2750000	0.833	/	0	Transfer	2750000	0.833
9*	Schroder International Selection Fund Asian Smaller Companies	2505534	0.759	07/04/2017	-43521	Transfer	2462013	0.746
				14/04/2017	-28759	Transfer	2433254	0.737
				21/04/2017	-44005	Transfer	2389249	0.724
				28/04/2017	-90835	Transfer	2298414	0.697
				05/05/2017	-17190	Transfer	2281224	0.691
				12/05/2017	-15578	Transfer	2265646	0.687
				19/05/2017	-40899	Transfer	2224747	0.674
				02/06/2017	-16926	Transfer	2207821	0.669
				09/06/2017	-30186	Transfer	2177635	0.660
				16/06/2017	-48672	Transfer	2128963	0.645
				23/06/2017	-98319	Transfer	2030644	0.615
				30/06/2017	-71521	Transfer	1959123	0.594
				07/07/2017	-38616	Transfer	1920507	0.582
				14/07/2017	-28943	Transfer	1891564	0.573
				21/07/2017	-439	Transfer	1891125	0.573
				28/07/2017	-1920	Transfer	1889205	0.573
				02/08/2017	-100	Transfer	1889105	0.573
				08/12/2017	-77372	Transfer	1811733	0.549
				16/12/2017	-44781	Transfer	1766952	0.535
				22/12/2017	-108159	Transfer	1658793	0.503
				29/12/2017	-23857	Transfer	1634936	0.495
				05/01/2018	-155636	Transfer	1479300	0.448
				12/01/2018	-390702	Transfer	1088598	0.330
				19/01/2018	-147966	Transfer	940632	0.285
				25/01/2018	-67538	Transfer	873094	0.265
				02/02/2018	-227360	Transfer	645734	0.196
				09/02/2018	-440222	Transfer	205512	0.062
				16/02/2018	-145543	Transfer	59969	0.018
10	Malabar India Fund Limited	1985149	0.602	07/07/2017	-243720	Transfer	1741429	0.528
				05/01/2018	79231	Transfer	1820660	0.552
				02/02/2018	96946	Transfer	1917606	0.581
				09/02/2018	323823	Transfer	2241429	0.679
				16/02/2018	500000	Transfer	2741429	0.831
				23/03/2018	350000	Transfer	3091429	0.937

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
11**	Reliance Capital Trustee Co. Ltd A/C Relianceequity Opportunities Fund	0	0.000	16/02/2018	9120000	Transfer	9120000	2.764
12**	Reliance Capital Trustee Co Ltd - Reliance Top 200 Fund	0	0.000	16/02/2018	6080000	Transfer	6080000	1.843
13**	L&T Mutual Fund Trustee Limited-L&T Emerging Businesses Fund	921600	0.279	07/04/2017	48700	Transfer	970300	0.294
				14/04/2017	20000	Transfer	990300	0.300
				19/05/2017	150000	Transfer	1140300	0.346
				26/05/2017	25000	Transfer	1165300	0.353
				02/06/2017	15000	Transfer	1180300	0.358
				09/06/2017	50000	Transfer	1230300	0.373
				16/06/2017	5000	Transfer	1235300	0.374
				23/06/2017	25000	Transfer	1260300	0.382
				30/06/2017	50742	Transfer	1311042	0.397
				07/07/2017	50000	Transfer	1361042	0.412
				21/07/2017	18593	Transfer	1379635	0.418
				02/08/2017	41798	Transfer	1421433	0.431
				04/08/2017	10560	Transfer	1431993	0.434
				18/08/2017	2948	Transfer	1434941	0.435
				25/08/2017	101059	Transfer	1536000	0.465
				13/10/2017	101575	Transfer	1637575	0.496
				20/10/2017	304925	Transfer	1942500	0.589
				17/11/2017	181800	Transfer	2124300	0.644
				24/11/2017	98261	Transfer	2222561	0.674
				01/12/2017	96439	Transfer	2319000	0.703
				29/12/2017	285037	Transfer	2604037	0.789
				05/01/2018	560515	Transfer	3164552	0.959
				23/02/2018	177167	Transfer	3341719	1.013
				02/03/2018	350543	Transfer	3692262	1.119
				09/03/2018	423949	Transfer	4116211	1.247
				16/03/2018	17777	Transfer	4133988	1.253

*Ceased to be in the list of top 10 shareholders as on March 31, 2018. However, the same has been reflected above since the shareholder was one of the top 10 shareholders as on April 1, 2017.

**Not in the list of top 10 shareholders as on April 1, 2017. However, the same has been reflected above since the shareholder was one of the top 10 shareholders as on March 31, 2018.

(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		0		24924645	7.553
2	Mr. Tarun Sawhney	14266775	4.324	-	0	-	14266775	4.324
3	Mr. Nikhil Sawhney	15071557	4.567	-	0	-	15071557	4.567
4	Mr. Arun Prabhakar Mote	72000	0.022				72000	0.022
5	Lt. Gen. K.K. Hazari (Retd.)	0	0	-	0	-	0	0
6	Mr. Shekhar Datta	10000	0.003	-	0	-	10000	0.003
7	Mr. Santosh Pande	0	0	-	0	-	0	0
8	Dr. (Mrs.) Vasantha S. Bharucha	0	0	-	0	-	0	0
B.	**Key Managerial Personnel**							
9	Mr. Deepak K Sen	0	0	-	0	-	0	0
10	Mr. Rajiv Sawhney	35475	0.011	-	0	-	35475	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, 2017				
i) Principal Amount	4.15	-	-	4.15
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	0.04	-	-	0.04
Total (i+ii+iii)	**4.19**	**-**	**-**	**4.19**
Change in Indebtedness during the financial year				
Addition	-	-	-	
Reduction	3.08	-	-	3.08
Net Change	-	-	-	-
Indebtedness at the end of the financial year				
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**

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	28.23	21.32	49.55
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	1.01	0.14	1.15
	(c) Profits in lieu of salary under17(3) Income-tax Act, 1961	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission				
	- as % of profit	-	-	-	-
	- others (Performance Bonus)		2.75	1.75	4.50
5.	Others (Retiral Benefits)	Nil	4.51	1.09	5.60
	Total (A)	**Nil**	**36.50**	**24.30**	**60.80**
	Ceiling as per the Act (Being 10% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013).				141.94

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.)	0.47	1.32	-	1.79
	Mr. Shekhar Datta	0.35	1.12	-	1.47
	Dr. (Mrs.) Vasantha S. Bharucha	0.50	1.32	-	1.82
	Dr. Santosh Pande	0.35	1.12	-	1.47
	Total (1)	**1 .67**	**4.88**	**-**	**6.55**
2.	**Other Non-Executive Directors**				
	Mr. Tarun Sawhney	0.37	1.12	-	1.49
	Total (2)	**0.37**	**1.12**	**-**	**1.49**
	Total (B) = (1+2)	**2.04**	**6.00**	**-**	**8.04**
	Total Managerial Remuneration (B)		**6.00**		
	Ceiling as per the Act (Being 1 % of the net profits of the Company Calculated as per Section 198 of the Companies Act, 2013)				14.19
	Total Managerial Remuneration (A+B)				**66.80**
	Overall ceiling as per the Act				156.13

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

(₹ in Million)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CFO	CS	Total
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	NA	4.80	2.32	7.12
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NA	0.03	0.03	0.06
	(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	0.35	0.25	0.60
	Total	**NA**	**5.18**	**2.60**	**7.78**

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 Standalone Financial Statements

1. We have audited the accompanying standalone financial statements of Triveni Turbine Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2018, 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.

Management's Responsibility for the Standalone Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('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), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ('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 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these standalone financial statements based on our audit.

4. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether these standalone financial statements are free from material misstatement.

6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Company's preparation of the standalone financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone financial statements.

7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on these standalone financial statements.

Opinion

8. 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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Ind AS specified under Section 133 of the Act, of the state of affairs (financial position) of the Company as at 31 March 2018, and its profit (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Other Matter

The audit of standalone financial statements of the Company for the year ended 31 March 2017 included in the standalone financial statements was carried out and reported by J.C. Bhalla and Co., Chartered Accountants vide their unmodified audit report dated 18 May 2017, whose audit report has been furnished to us and which has been relied upon by us for the purpose of our audit of the standalone financial statements. Our audit report is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

9. 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.

10. 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 is disqualified as on 31 March 2018 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 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date and our report dated 22 May 2018 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;

        ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

        iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;

        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

per **Vijay Vikram Singh**
Partner
Membership No.: 059139

Place: Noida
Date: 22 May 2018

Annexure I to the Independent Auditor's Report

of even date to the members of Triveni Turbine Limited, on the standalone financial statements for the year ended 31 March 2018

Annexure I

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

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

(b) The 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. For stocks lying with third parties at the year-end, 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, duty of customs, 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	7.80	0.09	FY 2007-08	CESTAT, Bengaluru
Finance Act, 1994	Service tax	37.53	1.27	FY 2006-07 to FY 2011-12	CESTAT, Bengaluru
Income Tax Act, 1961	Income Tax	36.62	-	FY 2012-13	Commissioner of Income Tax (Appeal)
Income Tax Act, 1961	Income Tax	2.57	-	FY 2013-14	Commissioner of Income Tax (Appeal)

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

per **Vijay Vikram Singh**
Partner
Membership No.: 059139

Place: Noida
Date: 22 May 2018

Annexure II to the Independent Auditor's Report

of even date to the members of Triveni Turbine Limited on the standalone financial statements for the year ended 31 March 2018

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 2018, 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 standalone 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 2018, based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal controls stated in the Guidance Note issued by the ICAI.

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

per **Vijay Vikram Singh**
Partner
Membership No.: 059139

Place: Noida
Date: 22 May 2018

Balance Sheet
as at March 31, 2018

(₹ in Million)

	Note No.	31-Mar-18	31-Mar-17
ASSETS			
Non-current assets			
Property, plant and equipment	3	2,209.11	2,265.81
Capital work-in-progress	3	385.10	103.02
Intangible assets	4	47.06	52.86
Investments in subsidiary and joint venture	5 (a)	98.47	98.47
Financial assets			
i. Trade receivables	6	12.42	12.55
ii. Loans	7	0.22	0.35
iii. Other financial assets	8	5.82	5.40
Other non-current assets	9	14.32	190.62
Income tax assets (net)	21	12.85	12.68
Total non-current assets		**2,785.37**	**2,741.76**
Current assets			
Inventories	10	1,807.11	1,458.66
Financial assets			
i. Investments	5 (b)	90.63	40.12
ii. Trade receivables	6	2,058.08	1,489.38
iii. Cash and cash equivalents	11 (a)	40.97	87.33
iv. Bank balances other than cash and cash equivalents	11 (b)	10.86	1.08
v. Loans	7	2.20	2.41
vi. Other financial assets	8	27.16	74.29
Other current assets	9	590.14	392.27
		4,627.15	**3,545.54**
Assets classified as held for sale	12	2.60	6.05
Total current assets		**4,629.75**	**3,551.59**
Total assets		**7,415.12**	**6,293.35**
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	13	329.97	329.97
Other equity	14	4,131.53	3,627.05
Total equity		**4,461.50**	**3,957.02**
LIABILITIES			
Non-current liabilities			
Financial Liabilities			
i. Borrowings	15	0.51	2.38
Provisions	16	37.51	49.93
Deferred tax liabilities (net)	22	77.52	108.81
Total non-current liabilities		**115.54**	**161.12**
Current liabilities			
Financial liabilities			
i. Borrowings	17	-	-
ii. Trade payables	18	1,447.68	921.64
iii. Other financial liabilities	19	90.69	134.98
Other current liabilities	20	1,127.09	957.00
Provisions	16	87.76	94.32
Income tax liabilities (net)	21	84.86	67.27
Total current liabilities		**2,838.08**	**2,175.21**
Total liabilities		**2,953.62**	**2,336.33**
Total equity and liabilities		**7,415.12**	**6,293.35**

The accompanying notes 1 to 47 form an integral part of the standalone financial statements

As per our report of even date attached

For Walker Chandiok & Co LLP
Chartered Accountants

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

Per **Vijay Vikram Singh**
Partner

Dhruv M. Sawhney
Chairman & Managing Director
DIN: 00102999

Lt. Gen. K K Hazari (Retd.)
Director & Chairman Audit Committee
DIN: 00090909

Place : Noida (U.P.)
Date : May 22, 2018

Deepak Kumar Sen
Executive Vice President & CFO

Rajiv Sawhney
Company Secretary

Statement of Profit and Loss

for the year ended March 31, 2018

(₹ in Million)

	Note No.	31-Mar-18	31-Mar-17
Revenue from operations	23	7,431.42	7,537.24
Other income	24	87.97	285.67
Total income		**7,519.39**	**7,822.91**
Expenses			
Cost of materials consumed	25	3,783.76	3,865.16
Changes in inventories of finished goods and work-in-progress	26	69.86	33.03
Excise duty on sale of products		22.24	209.63
Employee benefits expense	27	796.21	742.48
Finance costs	28	5.34	3.32
Depreciation and amortisation expense	29	191.08	147.96
Impairment loss on financial assets (including reversals of impairment losses)	30	4.81	6.53
Other expenses	31	1,186.13	1,048.68
Total expenses		**6,059.43**	**6,056.79**
Profit before tax		**1,459.96**	**1,766.12**
Tax expense:			
- Current tax	32	508.38	584.76
- Deferred tax	32	(30.67)	19.50
Total tax expense		**477.71**	**604.26**
Profit for the year		**982.25**	**1,161.86**
Other comprehensive income			
A (i) Items that will not be reclassified to profit or loss			
- Remeasurements of the defined benefit plans	35	5.35	(19.94)
		5.35	**(19.94)**
(ii) Income tax relating to items that will not be reclassified to profit or loss	32	1.86	(6.90)
		3.49	**(13.04)**
B (i) Items that will be reclassified to profit or loss			
- Effective portion of loss on designated portion of hedging instruments in a cash flow hedges	38(iii)(b)	(7.16)	-
		(7.16)	**-**
(ii) Income tax relating to items that may be reclassified to profit or loss	32	(2.48)	-
		(4.68)	**-**
Other comprehensive income for the year, net of tax		**(1.19)**	**(13.04)**
Total comprehensive income for the year		**981.06**	**1,148.82**
Earnings per equity share of ₹ 1 each			
Basic earnings per share	33	2.98	3.52
Diluted earnings per share	33	2.98	3.52

The accompanying notes 1 to 47 form an integral part of the standalone financial statements

As per our report of even date attached

For Walker Chandiok & Co LLP
Chartered Accountants

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

Per **Vijay Vikram Singh**
Partner

Dhruv M. Sawhney
Chairman & Managing Director
DIN: 00102999

Lt. Gen. K K Hazari (Retd.)
Director & Chairman Audit Committee
DIN: 00090909

Place : Noida (U.P.)
Date : May 22, 2018

Deepak Kumar Sen
Executive Vice President & CFO

Rajiv Sawhney
Company Secretary

Statement of Changes in Equity

for the year ended March 31, 2018

A. Equity share capital

Equity shares of ₹ 1 each issued, subscribed and fully paid up

(₹ in Million)

As at April 1, 2016	329.97
Changes in equity share capital during the year	-
As at March 31, 2017	329.97
Changes in equity share capital during the year	-
As at March 31, 2018	329.97

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 1,2016	**28.00**	**4.69**	**839.23**	**1,785.03**	**-**	**2,656.95**
Profit for the year	-	-	-	1,161.86	-	1,161.86
Other comprehensive loss net of income tax	-	-	-	(13.04)	-	(13.04)
Total comprehensive income for the year	**-**	**-**	**-**	**1,148.82**	**-**	**1,148.82**
Transactions with owners in their capacity as owners:						
Dividends paid	-	-	-	(148.49)	-	(148.49)
Dividend distribution tax (DDT)	-	-	-	(30.23)	-	(30.23)
Balance as at March 31, 2017	**28.00**	**4.69**	**839.23**	**2,755.13**	**-**	**3,627.05**
Profit for the year	-	-	-	982.25	-	982.25
Other comprehensive 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**

The accompanying notes 1 to 47 form an integral part of the standalone financial statements

As per our report of even date attached

For Walker Chandiok & Co LLP
Chartered Accountants

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

Per **Vijay Vikram Singh**
Partner

Dhruv M. Sawhney
Chairman & Managing Director
DIN: 00102999

Lt. Gen. K K Hazari (Retd.)
Director & Chairman Audit Committee
DIN: 00090909

Place : Noida (U.P.)
Date : May 22, 2018

Deepak Kumar Sen
Executive Vice President & CFO

Rajiv Sawhney
Company Secretary

Statement of Cash Flows

for the year ended March 31, 2018

(₹ in Million)

	31-Mar-18	31-Mar-17
Cash flows from operating activities		
Profit before tax	1,459.97	1,766.12
Adjustments for		
Depreciation and amortisation expense	191.08	147.96
Loss on sale/write off of property, plant and equipment	4.23	2.30
Net profit on sale/redemption of current investments	(22.05)	(22.51)
Net fair value (gains)/losses on current investments	(0.29)	0.68
Interest income	(1.71)	(1.37)
Provision for doubtful advances	14.50	-
Amount written off of non financial assets	5.26	3.51
Allowance for non moving inventories	7.68	19.57
Impairment loss on financial assets (including reversals of impairment losses)	4.81	6.53
Finance costs	5.34	3.32
Unrealised foreign exchange (gain)/ losses	(2.11)	18.84
Credit balances written back	(9.10)	(22.06)
Mark-to-market losses/(gains) on derivatives	1.52	(48.93)
Working capital adjustments :		
Change in inventories	(356.12)	89.26
Change in trade receivables	(565.64)	(193.45)
Change in other financial assets	34.94	39.83
Change in other assets	(82.17)	39.86
Change in trade payables	525.01	63.78
Change in other financial liabilities	48.91	(28.86)
Change in other liabilities	177.06	(570.34)
Change in provisions	(13.65)	2.40
Cash generated from operations	**1,427.47**	**1,316.44**
Income tax paid	(490.97)	(572.36)
Net cash inflow from operating activities	**936.50**	**744.08**
Cash flows from investing activities		
Purchase of property, plant and equipment	(477.17)	(833.72)
Proceeds from sale of property, plant and equipment	2.26	0.63
Purchase of current investments	(2,607.50)	(800.00)
Proceeds from sale of current investments	2,579.33	893.22
Proceeds from sale of assets classified as held for sale	3.45	-
Interest received	1.58	0.39
Net cash outflow from investing activities	**(498.05)**	**(739.48)**

Statement of Cash Flows

for the year ended March 31, 2018

(₹ in Million)

	31-Mar-18	31-Mar-17
Cash flows from financing activities		
Repayment of long term borrowings	(3.09)	(3.38)
Interest paid	(5.37)	(3.35)
Dividend paid to Company's shareholders	(395.74)	(148.40)
Dividend distribution tax	(80.61)	(30.23)
Net cash outflow from financing activities	**(484.81)**	**(185.36)**
Net decrease in cash and cash equivalents	(46.36)	(180.76)
Cash and cash equivalents at the beginning of the year (refer note 11 (a))	87.33	268.09
Cash and cash equivalents at the end of the year (refer note 11 (a))	**40.97**	**87.33**

Reconciliation of liabilities arising from financing activities:

	Non-current borrowings (including current maturities)	Interest payable on borrowings	Dividend paid to Company's shareholders (including DDT)
Balance as at March 31, 2017	4.16	0.04	1.07
Cash flows	(3.09)	(5.37)	(476.35)
Finance costs accruals	-	5.34	-
Dividend distributions (including DDT) accruals	-	-	476.58
Balance as at March 31, 2018	**1.07**	**0.01**	**1.30**

The accompanying notes 1 to 47 form an integral part of the standalone financial statements

As per our report of even date attached

For Walker Chandiok & Co LLP
Chartered Accountants

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

Per **Vijay Vikram Singh**
Partner

Dhruv M. Sawhney
Chairman & Managing Director
DIN: 00102999

Lt. Gen. K K Hazari (Retd.)
Director & Chairman Audit Committee
DIN: 00090909

Place : Noida (U.P.)
Date : May 22, 2018

Deepak Kumar Sen
Executive Vice President & CFO

Rajiv Sawhney
Company Secretary

Notes to the Financial Statements

for the year ended March 31, 2018

CORPORATE INFORMATION

Triveni TurbineLimited ("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 is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of excise duty and net of returns, trade allowances, rebates, other similar allowances, value added taxes, service tax, goods and service tax and amounts collected on behalf of third parties, if any.

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Company and specific criteria have been met for each of the Company's activities as described below.

Recognising revenue from major business activities

(i) Sale of goods

Revenue from the sale of goods is recognised when the goods are delivered and titles have passed, at which time all the following conditions are satisfied:

- the Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Company; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Notes to the Financial Statements

for the year ended March 31, 2018

(ii) Rendering of services

Revenue from a contract to provide services is recognised when the outcome of a transaction involving the rendering of services can be estimated reliably, by reference to the stage of completion of the contract. The stage of completion of the contract is determined as follows:

- erection & 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 & maintenance revenue is recognised by reference to the stage of completion of operations & maintenance work, determined as the proportion of the total period of services contract that has elapsed at the end of the reporting period

(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.

(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.

Notes to the Financial Statements

for the year ended March 31, 2018

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 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 groupsof 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 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 creditsand 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

Notes to the Financial Statements

for the year ended March 31, 2018

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 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

Notes to the Financial Statements

for the year ended March 31, 2018

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 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 1 April 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. Post implementation of Goods and Services Tax ("GST") with effect from July 1, 2017, excise duty is included in the value of finished goods upto June 30, 2017.

(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

Notes to the Financial Statements

for the year ended March 31, 2018

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 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

Notes to the Financial Statements

for the year ended March 31, 2018

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 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.

Notes to the Financial Statements

for the year ended March 31, 2018

(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:

- **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 11 Construction Contractsand Ind AS 18 Revenue, 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

Notes to the Financial Statements

for the year ended March 31, 2018

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.

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.

Notes to the Financial Statements

for the year ended March 31, 2018

(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.

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 remeasurementrecognised 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.

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for the year ended March 31, 2018

(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 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-

Notes to the Financial Statements

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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 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) 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.

(ii) Provision for warranty claims

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. The assumptions made in relation to the current period are consistent with those in the prior years.

(iii) 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.

(iv) 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.

(v) 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.

(vi) 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, 2018 (March 31, 2017: ₹187.19 Million)

NOTE 3: PROPERTY, PLANT AND EQUIPMENT AND CAPITAL WORK-IN-PROGRESS

(₹ in Million)

	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, 2017										
Gross carrying amount										
Opening gross carrying amount	36.42	388.65	241.16	643.24	10.79	20.02	28.46	27.68	1,396.42	328.78
Additions	-	-	842.34	221.60	5.67	30.35	21.30	15.16	1,136.42	848.14
Disposals	-	-	-	(0.45)	(0.33)	-	(1.56)	(1.21)	(3.55)	(1,073.90)
Other adjustments (see (v) below)	-	-	-	(8.68)	-	-	-	-	(8.68)	-
Closing 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**
Accumulated depreciation										
Opening accumulated depreciation	-	-	7.99	103.81	3.09	5.99	4.50	7.33	132.71	-
Depreciation charge during the year	-	-	11.53	92.90	2.79	3.74	5.47	8.92	125.35	-
Disposals	-	-	-	(0.01)	(0.04)	-	(0.39)	(0.19)	(0.63)	-
Other adjustments (see (v) below)	-	-	-	(2.63)	-	-	-	-	(2.63)	-
Closing accumulated depreciation	**-**	**-**	**19.52**	**194.07**	**5.84**	**9.73**	**9.58**	**16.06**	**254.80**	**-**
Net carrying amount	**36.42**	**388.65**	**1,063.98**	**661.64**	**10.29**	**40.64**	**38.62**	**25.57**	**2,265.81**	**103.02**
Year ended March 31, 2018										
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)	(98.11)
Other adjustments (see (v) below)	-	-	-	-	-	-	-	-	-	-
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)	-
Other adjustments (see (v) below)	-	-	-	-	-	-	-	-	-	-
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**

(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 thus same is considered as land under finance lease (refer note 40(i)).

(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 plant in the process of being installed at new manufacturing facility at Sompura.

(v) Other adjustments

Represent certain obsolete machines which the Company intends to dispose off thus has been classified as assets held for sale (refer note 12).

Notes to the Financial Statements

for the year ended March 31, 2018

NOTE 4: INTANGIBLE ASSETS

(₹ in Million)

	Computer software	Website	Design and Drawings	Total
Year ended March 31, 2017				
Gross carrying amount				
Opening gross carrying amount	33.90	1.42	37.51	72.83
Additions	23.10	-	-	23.10
Disposals	-	-	-	-
Closing gross carrying amount	**57.00**	**1.42**	**37.51**	**95.93**
Accumulated amortisation				
Opening accumulated amortisation	10.88	0.49	8.85	20.22
Amortisation charge for the year	14.11	0.37	8.37	22.85
Disposals	-	-	-	-
Closing accumulated amortisation	**24.99**	**0.86**	**17.22**	**43.07**
Closing net carrying amount	**32.01**	**0.56**	**20.29**	**52.86**
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**

(i) All intangible assets disclosed above represents acquired intangible assets.

Notes to the Financial Statements

for the year ended March 31, 2018

NOTE 5: INVESTMENTS

(a) Investments in subsidiary and joint venture

(₹ in Million)

	31-Mar-18	31-Mar-17
At Cost		
Unquoted Investments (fully paid-up)		
Investments in Equity Instruments		
- **of Subsidiary**		
200,000 (March 31, 2017: 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, 2017: 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	Proportion of ownership interest and voting power held by the Company	
		31-Mar-18	31-Mar-17
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-18	31-Mar-17
At Fair value through P&L		
Unquoted investments		
Investments in Mutual Funds		
108,003 (March 31, 2017: 153,527) Mutual Funds Units of Birla Sun Life Cash Plus Growth - Direct Plan	30.17	40.12
632,303 (March 31, 2017: Nil) Mutual Funds Units of JM High Liquidity Fund Growth - Direct Plan	30.08	-
5,942 (March 31, 2017: Nil) Mutual Funds Units of HDFC Liquid Fund - Direct Plan	20.34	-
4,756 (March 31, 2017: Nil) Mutual Funds Units of IDFC Cash Fund Growth - Direct Plan	10.04	-
Total current investments	**90.63**	**40.12**
Total current investments	**90.63**	**40.12**
Aggregate amount of quoted investments and market value thereof	-	-
Aggregate amount of unquoted investments	90.63	40.12
Aggregate amount of impairment in the value of investments	-	-

Notes to the Financial Statements

for the year ended March 31, 2018

NOTE 6: TRADE RECEIVABLES

(₹ in Million)

	31-Mar-18		31-Mar-17	
	Current	Non- current	Current	Non- current
Trade receivables (at amortised cost)				
- Unsecured, considered good	2,058.08	12.42	1,489.38	12.55
- Doubtful	36.65	-	37.94	-
Less: Allowance for bad and doubtful debts	(36.65)	-	(37.94)	-
Total trade receivables	**2,058.08**	**12.42**	**1,489.38**	**12.55**

(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:

	31-Mar-18	31-Mar-17
Balance at beginning of the year	37.94	35.88
Additional provisions recognised	0.54	15.76
Amounts used during the year	(1.83)	(3.65)
Unused amounts reversed during the year	-	(10.05)
Balance at the end of the year	36.65	37.94

(iii) Current trade receivables include ₹ Nil (March 31, 2017 : ₹ 39.28 Million) expected to be received after twelve months within the operating cycle.

NOTE 7: LOANS

(₹ in Million)

	31-Mar-18		31-Mar-17	
	Current	Non- current	Current	Non- current
Loan to employees (at amortised cost)				
- Unsecured, considered good	2.20	0.22	2.41	0.35
Total loans	**2.20**	**0.22**	**2.41**	**0.35**

NOTE 8: OTHER FINANCIAL ASSETS

(₹ in Million)

	31-Mar-18		31-Mar-17	
	Current	Non- current	Current	Non- current
At amortised cost				
Security deposits	0.29	5.82	0.74	5.17
Earnest money deposits	5.43	-	2.38	-
Interest accrued on bank deposits	0.13	-	-	-
Amount recoverable from banks (related to hedging transactions)	12.50	-	0.68	-
Unbilled revenue	8.81	-	21.56	-
Others	-	-	-	0.23
Total other financial assets at amortised cost [A]	**27.16**	**5.82**	**25.36**	**5.40**
At fair value through P&L				
Derivatives financial instruments carried at fair value				
- Foreign-exchange forward contracts	-	-	48.93	-
Total other financial assets at fair value through P&L [B]	**-**	**-**	**48.93**	**-**
Total other financial assets ([A]+[B])	**27.16**	**5.82**	**74.29**	**5.40**

Notes to the Financial Statements

for the year ended March 31, 2018

NOTE 9: OTHER ASSETS

(₹ in Million)

	31-Mar-18		31-Mar-17	
	Current	Non- current	Current	Non- current
Capital advances	-	9.64	-	50.48
Advances to suppliers	118.74	-	95.21	-
Indirect tax and duties recoverable				
Considered good	360.21	3.73	197.11	138.82
Considered doubtful	-	2.64	-	-
	360.21	**6.37**	**197.11**	**138.82**
Less: Provision for doubtful receivable	-	(2.64)	-	-
	360.21	**3.73**	**197.11**	**138.82**
Export incentives receivable				
Considered good	87.56	-	58.15	-
Considered doubtful	-	11.86	-	-
	87.56	**11.86**	**58.15**	**-**
Less: Provision for doubtful receivable	-	(11.86)	-	-
	87.56	**-**	**58.15**	**-**
Prepaid expenses	19.11	0.95	15.35	1.32
Due from customers (refer note (i) below) (Turbine extended scope turnkey project revenue adjustment)	4.52	-	26.44	-
Others	-	-	0.01	-
Total other assets	**590.14**	**14.32**	**392.27**	**190.62**

(i) Contract assets

(₹ in Million)

	31-Mar-18	31-Mar-17
Contracts in Progress at the end of reporting period		
Construction costs incurred plus profits recognised less losses recognised	2,034.57	1,939.71
Less: Progress Billings	(2,076.06)	(1,992.43)
	(41.49)	**(52.72)**
Recognised and included in Standalone Financial Statements as amounts due		
(i) Amounts due from Customers under construction contracts	4.52	26.44
(ii) Amounts due to Customers under construction contracts	(46.01)	(79.16)
	(41.49)	**(52.72)**
Retentions held by customers	172.93	177.30
Advances received from customers	0.98	3.47

Notes to the Financial Statements

for the year ended March 31, 2018

NOTE 10: INVENTORIES

(₹ in Million)

	31-Mar-18	31-Mar-17
Raw materials & components [includes stock in transit ₹ 5.77 Million (March 31, 2017 :₹ 15.50 Million)]	1,082.12	646.06
Less: Allowance for non moving inventories	(12.79)	(5.08)
Work-in-progress	752.18	752.38
Less: Allowance for non moving inventories	(14.45)	(14.49)
Finished goods [includes stock in transit ₹ Nil (March 31, 2017: ₹ 16.61 Million)]	-	79.74
Others - Scrap & low value patterns	0.05	0.05
Total inventories	**1,807.11**	**1,458.66**

(i) The cost of inventories recognised as an expense during the year was ₹ 4,639.69 Million (March 31, 2017: ₹ 4,624.54 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 of charges created on inventories.

(v) For impairment losses recognised during the year refer note 31.

NOTE 11: CASH AND BANK BALANCES

(a) Cash and cash equivalents

(₹ in Million)

	31-Mar-18	31-Mar-17
At amortised cost		
Balances with banks	40.73	87.14
Cash on hand	0.24	0.19
Total cash and cash equivalents	**40.97**	**87.33**

(b) Bank balances other than cash and cash equivalents

(₹ in Million)

	31-Mar-18	31-Mar-17
At amortised cost		
Balances with banks		
-Deposits with maturity with less than 12 months*	9.55	-
Earmarked balances with banks		
- unpaid dividend account	1.31	1.08
Total other bank balances	**10.86**	**1.08**

* Held as security deposits against bank guarantee

Notes to the Financial Statements

for the year ended March 31, 2018

NOTE 12: ASSETS CLASSIFIED AS HELD FOR SALE

(₹ in Million)

	31-Mar-18	31-Mar-17
Plant & equipment	2.60	6.05
Total assets classified as held for sale	**2.60**	**6.05**

The Company intends to dispose off certain old machines not in usable condition, the total book value of these machines as at March 31, 2018 was ₹ 2.60 Million (March 31, 2017 : ₹ 6.05 Million) . No impairment loss is recognized on re-classification 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: SHARE CAPITAL

(₹ in Million)

	31-Mar-18		31-Mar-17	
	Number of shares	Amount	Number of shares	Amount
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	**329,972,150**	**329.97**	**329,972,150**	**329.97**

(i) Movements in equity share capital

	Number of shares	Amount (₹ in Million)
As at April 1, 2016	**329,972,150**	329.97
Movement during the year	-	-
As at March 31, 2017	**329,972,150**	**329.97**
Movement during the year	-	-
As at March 31, 2018	**329,972,150**	**329.97**

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 Financial Statements
for the year ended March 31, 2018

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

	31-Mar-18		31-Mar-17	
	Number of shares	% holding	Number of shares	% holding
Triveni Engineering & Industries Limited	72,000,000	21.82	72,000,000	21.82
Dhruv M. Sawhney	24,924,645	7.55	24,924,645	7.55
Nalanda India Fund Limited	23,740,454	7.19	25,788,000	7.82
Subhadra Trade & Finance Limited	87,330,417	26.47	87,330,417	26.47

(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 neither issued any bonus shares nor has there been any buy back of shares during five years immediately preceding March 31, 2018. Further, the Company has not issued any shares for consideration other than cash during five years immediately preceding March 31, 2018.

NOTE 14: OTHER EQUITY

(₹ in Million)

	31-Mar-18	31-Mar-17
Capital redemption reserve	28.00	28.00
Securities premium	4.69	4.69
General reserve	839.23	839.23
Retained earnings	3,264.29	2,755.13
Cash flow hedging reserve	(4.68)	-
Total other equity	**4,131.53**	**3,627.05**

(i) Capital redemption reserve

(₹ in Million)

	31-Mar-18	31-Mar-17
Opening balance	28.00	28.00
Movement during the year	-	-
Closing balance	**28.00**	**28.00**

Capital Redemption Reserve was created consequent to redemption of preference share capital, as required under the provisions of the Companies Act, 1956. This reserve shall be utilised in accordance with the provisions of Companies Act, 2013.

(ii) Securities premium

(₹ in Million)

	31-Mar-18	31-Mar-17
Opening balance	4.69	4.69
Movement during the year	-	-
Closing balance	**4.69**	**4.69**

Securities premium reserve is used to record the premium on issue of shares. This reserve shall be utilised in accordance with the provisions of Companies Act, 2013.

Notes to the Financial Statements

for the year ended March 31, 2018

(iii) General reserve

(₹ in Million)

	31-Mar-18	31-Mar-17
Opening balance	839.23	839.23
Movement during the year	-	-
Closing balance	**839.23**	**839.23**

It represents amount kept separately by the Company out of its profits for future purposes. It is not earmarked for any special purpose.

(iv) Retained earnings

(₹ in Million)

	31-Mar-18	31-Mar-17
Opening balance	2,755.13	1,785.03
Net profit for the year	982.25	1,161.86
Other comprehensive income arising from the remeasurements of defined benefit obligation net of income tax	3.49	(13.04)
Dividends paid	(395.97)	(148.49)
Dividend distribution tax (DDT)	(80.61)	(30.23)
Closing balance	**3,264.29**	**2,755.13**

(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-18	31-Mar-17
Cash dividends on equity shares declared and paid:		
First interim dividend for the year ended March 31, 2018: 45% (₹ 0.45 per equity share of ₹ 1/- each) [March 31, 2017: 45% (₹ 0.45 per equity share of ₹ 1/- each)]	148.49	148.49
Dividend distribution tax (DDT) on first interim dividend	30.23	30.23
Final dividend for the year ended March 31, 2017: 75% (₹ 0.75 per equity share of ₹ 1/- each)	247.48	-
Dividend distribution tax (DDT) on final dividend	50.38	-
Total cash dividends on equity shares declared and paid	**476.58**	**178.72**
Proposed dividend on equity shares:		
Final proposed dividend for the year ended March 31, 2018: 55% [March 31, 2017 : 75% (₹ 0.75 per equity share of ₹ 1/- each)]	181.48	247.48
Dividend distribution tax (DDT) on final proposed dividend	37.30	50.38
Total proposed dividend on equity shares	**218.78**	**297.86**

Proposed dividend on equity shares is subject to approval by shareholders at the Annual General Meeting and has not been included as a liability in these financial statements. The proposed equity dividend is payable to all holders of fully paid equity shares.

Notes to the Financial Statements

for the year ended March 31, 2018

(v) Cash flow hedging reserve

(₹ in Million)

	31-Mar-18	31-Mar-17
Opening balance	-	-
Other comprehensive loss arising from effective portion of loss on designated portion of hedging instruments in a cash flow hedge	(7.16)	-
Income tax on above	(2.48)	-
Closing balance	**(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, theses 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.

NOTE 15: NON-CURRENT BORROWINGS

(₹ in Million)

	31-Mar-18		31-Mar-17	
	Current	Non- current	Current	Non- current
Secured- at amortised cost				
Term loans				
- from other parties	0.56	0.51	1.78	2.38
	0.56	**0.51**	**1.78**	**2.38**
Less: Amount disclosed under the head "Other financial liabilities" (refer note 19)	(0.56)	-	(1.78)	-
Total non-current borrowings	**-**	**0.51**	**-**	**2.38**

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-18		31-Mar-17	
	Current	Non- current	Current	Non- current
Provision for employee benefits				
Gratuity (refer note 35)	-	11.32	-	27.92
Compensated absences	25.72	-	29.26	-
Employee retention bonus	6.96	6.55	7.71	5.65
Other provisions				
Warranty	42.13	19.64	42.51	16.36
Cost to completion	-	-	-	-
Liquidated damages	12.84	-	14.70	-
Provision for corporate social responsibility	0.11	-	0.14	-
Total provisions	**87.76**	**37.51**	**94.32**	**49.93**

Notes to the Financial Statements

for the year ended March 31, 2018

(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 12 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.

(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) Cost to completion:

The provision represents cost of material and services required to be incurred at project site in respect of goods supplied for which full revenue has been recognised.

(e) 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.

(f) 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	Cost of completion	Liquidated damages	Corporate social responsibility
Balance as at April 1, 2016	**42.33**	**20.66**	**29.36**	**-**
Additional provisions recognised	48.77	-	7.08	0.14
Amounts used during the year	(10.35)	(1.61)	(6.96)	-
Unused amounts reversed during the year	(21.88)	(19.05)	(14.78)	-
Balance as at March 31, 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**

Notes to the Financial Statements
for the year ended March 31, 2018

NOTE 17: CURRENT BORROWINGS

(₹ in Million)

	31-Mar-18	31-Mar-17
Secured- at amortised cost		
Repayable on demand		
- Cash credits from banks#	-	-
Total current borrowings	**-**	**-**

As at March 31, 2018 and March 31, 2017, 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 & 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 8.50% to 9.90% 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, 2017: ₹ 80.00 Million) during the tenure of the facilities.

NOTE 18: TRADE PAYABLES

(₹ in Million)

	31-Mar-18	31-Mar-17
Trade payables (at amortised cost)		
- Total outstanding dues of micro enterprises and small enterprises (refer note 43)	96.53	90.49
- Total outstanding dues of creditors other than micro enterprises and small enterprises	1,351.15	831.15
Total trade payables	**1,447.68**	**921.64**

NOTE 19: OTHER FINANCIAL LIABILITIES

(₹ in Million)

	31-Mar-18	31-Mar-17
At amortised cost		
Current maturities of long-term borrowings (refer note 15)	0.56	1.78
Interest accrued	0.01	0.04
Capital creditors	12.50	113.37
Employee benefits & other dues payable	67.64	18.62
Unpaid dividends (see (i) below)	1.30	1.07
Others	-	0.10
Total other financial liabilities at amortised cost [A]	**82.01**	**134.98**
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])	**90.69**	**134.98**

(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, 2018

NOTE 20: OTHER CURRENT LIABILITIES

(₹ in Million)

	31-Mar-18	31-Mar-17
Advance from customers	1,023.71	809.60
Deferred income	30.21	32.64
Amount due to customers (Turbine extended scope turnkey project revenue adjustment) (refer note 9(i))	46.01	79.16
Statutory remittances	27.16	35.60
Total other liabilities	**1,127.09**	**957.00**

NOTE 21: INCOME TAX BALANCES

(₹ in Million)

	31-Mar-18		31-Mar-17	
	Current	Non- current	Current	Non- current
Income tax assets				
Tax refund receivable (net)	-	12.85	-	12.68
	-	**12.85**	**-**	**12.68**
Income tax liabilities				
Provision for income tax (net)	84.86	-	67.27	-
	84.86	**-**	**67.27**	**-**

NOTE 22: DEFERRED TAX BALANCES

(₹ in Million)

	31-Mar-18	31-Mar-17
Deferred tax assets	69.24	51.66
Deferred tax liabilities	(146.76)	(160.47)
Net deferred tax liabilities	**(77.52)**	**(108.81)**

(i) Movement in deferred tax balances

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)	-	0.00
- Other contractual provisions	11.91	9.29	-	21.20

Notes to the Financial Statements

for the year ended March 31, 2018

(₹ in Million)

	Opening balance	Recognised in Profit or loss	Recognised in OCI	Closing balance
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)**

For the year ended March 31, 2017

(₹ 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	9.99	2.44	6.90	19.33
- Statutory taxes and duties	5.83	(5.31)	-	0.52
- Other contractual provisions	11.26	0.65	-	11.91
Impairment provisions on financial/other assets made in books, but tax deductible only on actual write-off	12.42	7.48	-	19.90
Fair valuation of financial assets/(liabilities)	(15.48)	(7.38)	-	(22.86)
Difference in carrying values of property, plant & equipment and intangible assets	(120.23)	(17.37)	-	(137.60)
Other temporary differences	-	(0.01)	-	(0.01)
Net deferred tax assets/(liabilities)	**(96.21)**	**(19.50)**	**6.90**	**(108.81)**

NOTE 23: REVENUE FROM OPERATIONS

(₹ in Million)

	31-Mar-18	31-Mar-17
Sale of products (including excise duty) (refer note 46(i))		
Finished goods		
- Turbines (including related equipments and supplies)	4,719.22	4,924.38
- Spares	1,736.82	1,660.53
Sale of Services		
Servicing, operation and maintenance	598.01	531.42
Erection and commissioning	143.98	92.88
Turbine extended scope turnkey project	94.86	242.50
Other operating revenue		
Sale of scrap	4.40	3.07
Royalty	1.64	-
Export incentives	132.49	82.46
Total revenue from operations	**7,431.42**	**7,537.24**

Notes to the Financial Statements

for the year ended March 31, 2018

NOTE 24: OTHER INCOME

(₹ in Million)

	31-Mar-18	31-Mar-17
Interest income (at amortised cost)		
Interest income from bank deposits	0.15	-
Interest income from customers	1.56	0.39
Interest income from financial assets	-	0.98
	1.71	**1.37**
Other non-operating income (net of expenses directly attributable to such income)		
Rental income	7.54	7.14
Government grant (refer note (i) below)	3.60	-
Miscellaneous income	3.02	4.35
	14.16	**11.49**
Other gains/ (losses)		
Net profit on sale/redemption of current investments	22.05	22.51
Net fair value gains/(losses) on current investments	0.29	(0.68)
Net gains/(losses) on derivatives (including fair value changes) (refer note 46 (ii))	-	184.89
Net foreign exchange rate fluctuation gains/(losses)	40.66	17.28
Credit balances written back	9.10	22.06
Excess provision for cost to completion reversed (net) (refer note 16)	-	19.05
Excess provision for liquidated damages reversed (net) (refer note 16)	-	7.70
	72.10	**272.81**
Total other income	**87.97**	**285.67**

(i) Government grant

During the year, the Company has 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 years from Government of India. The amount of ₹ 3.6 Million received during the year is grant received for the first year.

NOTE 25: COST OF MATERIALS CONSUMED

(₹ in Million)

	31-Mar-18	31-Mar-17
Stock at the beginning of the year	646.06	685.63
Add: Purchases	4,219.82	3,825.59
Less: Stock at the end of the year	(1,082.12)	(646.06)
Total cost of materials consumed	**3,783.76**	**3,865.16**

Notes to the Financial Statements
for the year ended March 31, 2018

NOTE 26: CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

(₹ in Million)

	31-Mar-18	31-Mar-17
Inventories at the beginning of the year:		
Work-in progress	752.38	719.49
Finished goods	79.74	160.92
Total inventories at the beginning of the year	**832.12**	**880.41**
Inventories at the end of the year:		
Work-in progress	752.18	752.38
Finished goods	-	79.74
Total inventories at the end of the year	**752.18**	**832.12**
Add/(Less): Impact of excise duty on finished goods	(10.08)	(15.26)
Total changes in inventories of finished goods and work-in-progress	**69.86**	**33.03**

NOTE 27: EMPLOYEE BENEFIT EXPENSE

(₹ in Million)

	31-Mar-18	31-Mar-17
Salaries and wages	706.71	676.81
Contribution to provident and other funds (refer note 35)	52.41	48.20
Staff welfare expenses	37.09	27.02
	796.21	**752.03**
Less : Amount capitalised	-	(9.55)
Total employee benefit expense	**796.21**	**742.48**

NOTE 28: FINANCE COSTS

(₹ in Million)

	31-Mar-18	31-Mar-17
Interest costs		
- Interest on borrowings	0.15	0.61
- other interest expense	4.06	1.14
Other borrowing costs		
- Processing/renewal fees	1.13	1.57
Total finance costs	**5.34**	**3.32**

NOTE 29: DEPRECIATION AND AMORTISATION EXPENSE

(₹ in Million)

	31-Mar-18	31-Mar-17
Depreciation of property, plant and equipment (refer note 3)	164.38	125.35
Less : Amount capitalised	-	(0.24)
	164.38	**125.11**
Amortisation of intangible assets (refer note 4)	26.70	22.85
Total depreciation and amortisation expense	**191.08**	**147.96**

Notes to the Financial Statements

for the year ended March 31, 2018

NOTE 30: IMPAIRMENT LOSS ON FINANCIAL ASSETS (INCLUDING REVERSALS OF IMPAIRMENT LOSSES)

(₹ in Million)

	31-Mar-18	31-Mar-17
Bad debts written off of trade receivables and other financial assets carried at amortised cost	4.27	4.47
Impairment loss allowance on trade receivables (net of reversals) (refer note 6)	0.54	2.06
Total impairment loss on financial assets (including reversal of impairment losses)	**4.81**	**6.53**

NOTE 31: OTHER EXPENSES

(₹ in Million)

	31-Mar-18	31-Mar-17
Stores, spares and tools consumed	136.54	107.31
Power and fuel	34.92	22.25
Design and engineering charges	8.92	4.40
Repairs and maintenance		
- Machinery	31.80	23.60
- Building	14.93	4.16
- Others	22.75	14.30
Travelling and conveyance	170.42	154.54
Rent and hire charges	11.29	6.78
Rates and taxes	5.08	7.34
Insurance	10.82	6.60
Directors' fee	2.04	2.38
Directors' commission	6.00	6.40
Certification and consultation charges	62.52	60.09
Group shared service cost	43.42	43.93
Bank charges and guarantee commission	16.47	13.65
Amount written off of non financial assets	5.26	3.51
Provision for doubtful advances	14.50	-
Warranty expenses [includes provision for warranty (net) ₹ 20.62 Million (March 31, 2017: ₹ 26.89 Million) (refer note 16)]	42.71	35.15
Provision for liquidated damages	11.51	-
Payment to auditors (see (i) below)	3.21	3.17
Corporate social responsibility expenses (see (ii) below)	30.92	25.96
Allowance for non moving inventories	7.68	19.57
Loss on sale / write off of property, plant and equipment	4.23	2.30
Packing expenses	43.48	24.32
Freight outward	131.19	145.78
Selling commission	59.09	70.50
Marketing support expenses and incentives	131.30	118.69
Miscellaneous expenses	123.13	125.63
Less : Amount capitalised	-	(3.63)
Total other expenses	**1,186.13**	**1,048.68**

Notes to the Financial Statements

for the year ended March 31, 2018

(i) Detail of payment to auditors*

(₹ in Million)

	31-Mar-18	31-Mar-17
Statutory Auditor		
Audit fee	2.05	0.91
Tax audit fee	-	0.33
Limited review fee	0.52	0.51
Certification charges	0.08	0.60
Reimbursement of expenses	0.27	0.52
	2.92	**2.87**
Cost Auditor		
Audit fee	0.08	0.08
	0.08	**0.08**
Tax Auditor		
Audit fee	0.21	-
	0.21	**-**
Total payment to auditors	**3.21**	**2.95**

* Excluding service tax of ₹ Nil (March 31, 2017: ₹0.22 Million) charged to statement of profit and loss.

(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.

(ii) Details of CSR expenses

(₹ in Million)

	31-Mar-18	31-Mar-17
a) Gross amount required to be spent during the year #	**30.91**	**25.95**
b) Amount spent during the year	**30.92**	**25.96**
In cash		
i) Construction/acquisition of any asset	-	-
ii) On purposes other than (i) above	30.81	25.82
Yet to be paid in cash		
i) Construction/acquisition of any asset	-	-
ii) On purposes other than (i) above	0.11	0.14

Amounts computed is based upon profits as per relevant GAAP applicable for the respective years.

Notes to the Financial Statements

for the year ended March 31, 2018

NOTE 32: INCOME TAX EXPENSE

(i) Income tax recognised in profit or loss

(₹ in Million)

	31-Mar-18	31-Mar-17
Current tax		
In respect of the current year	497.61	584.14
In respect of the prior years	10.77	0.62
Total current tax expense	**508.38**	**584.76**
Deferred tax		
In respect of current year	7.60	16.78
In respect of prior years	(38.27)	2.72
Total deferred tax (income)/expense	**(30.67)**	**19.50**
Total income tax expense recognised in profit or loss	**477.71**	**604.26**

Reconciliation of income tax expense and the accounting profit multiplied by Company's tax rate:

(₹ in Million)

	31-Mar-18	31-Mar-17
Profit before tax from continuing operations	1,459.96	1,766.12
Income tax expense calculated @ 34.608%	505.27	611.22
Effect of expenses that is non-deductible in determining taxable profit	10.17	15.65
Effect of tax incentives and concessions (research and development and other allowances)	(10.23)	(25.95)
	505.21	**600.92**
Adjustments recognised in the current year in relation to the current tax of prior years	10.77	0.62
Adjustments recognised in the current year in relation to the deferred tax of prior years	(38.27)	2.72
Total income tax expense	**477.71**	**604.26**

(ii) Income tax recognised in other comprehensive income

(₹ in Million)

	31-Mar-18	31-Mar-17
Deferred tax related to items recognised in other comprehensive income during the year:		
Remeasurement of defined benefit obligations	1.86	(6.90)
Effective portion of loss on designated portion of hedging instruments in a cash flow hedge	(2.48)	-
Total income tax expense recognised in other comprehensive income	**(0.62)**	**(6.90)**
Bifurcation of the income tax recognised in other comprehensive income into:		
Items that will not be reclassified to statement of profit & loss	1.86	(6.90)
Items that will be reclassified to statement of profit & loss	(2.48)	-
Total income tax expense recognised in other comprehensive income	**(0.62)**	**(6.90)**

Notes to the Financial Statements
for the year ended March 31, 2018

NOTE 33: EARNINGS PER SHARE

(₹ in Million)

	31-Mar-18	31-Mar-17
Profit for the year attributable to owners of the Company [A]	982.25	1,161.86
Weighted average number of equity shares for the purposes of basic EPS/ diluted EPS [B]	329,972,150	329,972,150
Basic earning per share (face value of ₹ 1 per share) [A/B]	2.98	3.52
Diluted earning per share (face value of ₹ 1 per share) [A/B]	2.98	3.52

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, 2018 (March 31, 2017 : ₹ 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-18	31-Mar-17
India	4,156.73	3,742.79
Rest of the world	3,136.16	3,708.92
Total	**7,292.89**	**7,451.71**

Revenue by nature of products / services (refer note 23)

(₹ in Million)

	31-Mar-18	31-Mar-17
Sale of products (including excise duty) (refer note 46(i))		
Finished goods		
- Turbines (including related equipments and supplies)	4,719.22	4,924.38
- Spares	1,736.82	1,660.53
Sale of Services		
Servicing, operation and maintenance	598.01	531.42
Erection and commissioning	143.98	92.88
Turbine extended scope turnkey project	94.86	242.50
Total	**7,292.89**	**7,451.71**

There is no single customer who has contributed 10% or more to the Company's revenue for both the years ended March 31, 2018 and March 31, 2017.

Notes to the Financial Statements

for the year ended 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 & 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-18	31-Mar-17
Company's contribution to Employee's Provident Fund	31.04	28.12
Administrative charges on above	1.73	2.02
Company's contribution to Employee State Insurance	1.04	0.61
Company's contribution to Superannuation Scheme	7.12	7.24

Out of above expense towards defined contributions plans, ₹ Nil (March 31, 2017: ₹ 0.37 Million) is capitalised.

(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.

(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.

Notes to the Financial Statements

for the year ended March 31, 2018

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:

	Valuation as at	
	31-Mar-18	31-Mar-17
Discounting rate	7.78%	7.33%
Future salary growth rate	8.00%	8.00%
Life expectancy/ Mortality rate	*	*
Attrition rate	- Below 31 years - 10.00% - 31-44 years - 7.00% - Above 44 years - 4.00%	- Below 31 years - 7.00% - 31-44 years - 4.00% - Above 44 years - 5.00%
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) Amounts recognised in statement of profit & loss in respect of defined benefit plan (Gratuity Plan) are as follows:

(₹ in Million)

	31-Mar-18	31-Mar-17
Current service cost	9.87	10.12
Net interest expense	1.62	0.09
Components of defined benefit costs recognised in statement of profit or loss	**11.49**	**10.21**
Remeasurement on the net defined benefit liability		
- Return on plan assets (excluding amount included in net interest expense)	0.71	(0.79)
- Actuarial (gain)/ loss arising form changes in financial assumptions	(5.68)	16.81
- Actuarial (gain) / loss arising form changes in demographic assumptions	(0.29)	0.02
- Actuarial (gain) / loss arising form experience adjustments	(0.09)	3.90
Components of defined benefit costs recognised in other comprehensive income	**(5.35)**	**19.94**
Total	**6.14**	**30.15**

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 & loss. The remeasurement of the net defined benefit liability is included in other comprehensive income.

Notes to the Financial Statements

for the year ended March 31, 2018

(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-18	31-Mar-17
Present value of defined benefit obligation as at the end of the year	111.87	107.95
Fair value of plan assets	100.55	80.03
Funded status	**(11.32)**	**(27.92)**
Net liability arising from defined benefit obligation recognised in the balance sheet	**(11.32)**	**(27.92)**

(f) Movement in the present value of the defined benefit obligation (Gratuity Plan obligation) are as follows:

(₹ in Million)

	31-Mar-18	31-Mar-17
Present value of defined benefit obligation at the beginning of the year	107.95	78.41
Expenses recognised in statement of profit and loss		
- Current service cost	9.87	10.12
- Interest expense (income)	7.85	5.50
Remeasurement (gains)/ losses recognised in other comprehensive income		
- Actuarial (gain)/loss arising from:		
i. Demographic assumptions	(0.29)	0.02
ii. Financial assumptions	(5.68)	16.81
iii. Experience adjustments	(0.09)	3.90
Benefit payments	(7.74)	(6.81)
Present value of defined benefit obligation at the end of the year	**111.87**	**107.95**

(g) Movement in the fair value of plan assets are as follows:

(₹ in Million)

	31-Mar-18	31-Mar-17
Fair value of plan assets at the beginning of the year	80.03	73.83
Expenses recognised in statement of profit and loss		
- Expected return on plan assets	6.23	5.41
Remeasurement gains / (losses) recognised in other comprehensive income		
- Actual Return on plan assets in excess of the expected return	(0.71)	0.79
Contributions by employer	22.65	6.81
Benefit payments	(7.65)	(6.81)
Fair value of plan assets at the end of the year	**100.55**	**80.03**

The fair value of the plan assets at the end of the reporting period for each category, are as follows:

(₹ in Million)

	31-Mar-18			31-Mar-17		
	Quoted	**Unquoted**	**Total**	Quoted	Unquoted	Total
Cash and cash equivalents	-	0.56	0.56	-	0.53	0.53
Group Gratuity Plans with Insurance Companies	-	99.99	99.99	-	79.50	79.50
Total plan assets	**-**	**100.55**	**100.55**	**-**	**80.03**	**80.03**

Notes to the Financial Statements

for the year ended March 31, 2018

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-18	31-Mar-17	31-Mar-18	31-Mar-17
Discounting rate	0.5%	₹ in Million	(5.88)	(7.30)	6.41	7.59
		in %	-5.26%	-6.77%	5.73%	7.03%
Future salary growth rate	0.5%	₹ in Million	6.32	4.45	(5.85)	(4.57)
		in %	5.65%	4.12%	-5.23%	-4.24%
Mortality rate	10%	₹ in Million	(0.04)	(0.59)	0.01	0.59
		in %	-0.03%	-0.54%	0.00%	0.54%
Attrition rate	0.5%	₹ in Million	(0.07)	(1.15)	0.04	1.14
		in %	-0.07%	-1.07%	0.04%	1.06%

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 Company shall strive to bridge the deficit in defined benefit gratuity plan in the next year.

The Company expects to contribute ₹ 15.00 Million to the defined benefit plan during the year ending March 31, 2019.

The weighted average duration of the defined obligation as at March 31, 2018 is 13.1 years.

The expected maturity analysis of undiscounted defined benefit obligation as at March 31, 2018 is as follows:

(₹ in Million)

	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
Defined benefit obligation (Gratuity)	13.44	8.77	14.26	309.20	345.67

Notes to the Financial Statements

for the year ended March 31, 2018

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)

Mr. Amal Ganguli, Independent Non Executive Director (AG)**

Mrs. Vasantha Bharucha, Independent Non Executive Director (VB)

Mr. Shekhar Datta, Independent Non Executive Director (SD)

Dr. Santosh Pande, Independent Non Executive Director (SP)***

(e) Parties in which key management personnel or their relatives have significant influence

Subhadra Trade & Finance Limited (STFL)

Tirath Ram Shah Charitable Trust (TRSCT)

(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

** Ceased to be KMP, due to his death, w.e.f. May 8, 2017

*** w.e.f July 19, 2017

Notes to the Financial Statements

for the year ended March 31, 2018

(iii) Details of transactions between the Company and related parties during the year and outstanding balances as on March 31, 2018:

(₹ in Million)

	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
		TEIL*	TTEPL	TTD	TTAPL	GETL*	DMS	NS	AM	DKS	TS	KKH	AG	VB	SD	SP	STFL	TRSCT	TTLOPS	TTLEGT	
Nature of transactions with Related Parties																					
Sales and rendering of services*	31-Mar-18	38.25	33.47	36.11	5.86	549.53	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**663.22**
	31-Mar-17	107.97	5.71	3.89	-	26.94	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**144.51**
Purchases and receiving services*	31-Mar-18	430.40	131.17	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**561.57**
	31-Mar-17	322.94	118.69	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**441.63**
Rent & other charges income	31-Mar-18	-	-	-	-	8.84	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**8.84**
	31-Mar-17	-	-	-	-	8.21	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**8.21**
Royalty Income*	31-Mar-18	-	-	-	-	1.94	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**1.94**
	31-Mar-17	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**-**
Rent expenditure*	31-Mar-18	2.04	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**2.04**
	31-Mar-17	1.60	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**1.60**
Remuneration expenditure	31-Mar-18	-	-	-	-	-	-	36.50	24.30	5.18	-	-	-	-	-	-	-	-	-	-	**65.98**
	31-Mar-17	-	-	-	-	-	-	30.20	20.77	5.23	-	-	-	-	-	-	-	-	-	-	**56.20**
Directors fee expenditure	31-Mar-18	-	-	-	-	-	-	-	-	-	0.37	0.47	-	0.50	0.35	0.35	-	-	-	-	**2.04**
	31-Mar-17	-	-	-	-	-	-	-	-	-	0.44	0.62	0.45	0.47	0.40	-	-	-	-	-	**2.38**
Directors commission expenditure	31-Mar-18	-	-	-	-	-	-	-	-	-	1.12	1.32	-	1.32	1.12	1.12	-	-	-	-	**6.00**
	31-Mar-17	-	-	-	-	-	-	-	-	-	1.20	1.40	1.20	1.40	1.20	-	-	-	-	-	**6.40**
Corporate social responsibility expenditure	31-Mar-18	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	9.81	-	-	**9.81**
	31-Mar-17	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	8.89	-	-	**8.89**
Contribution to post employment benefit plans	31-Mar-18	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	7.12	7.65	**14.77**
	31-Mar-17	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	7.24	6.81	**14.05**
Expenses incurred by the Company on behalf of party (net of expenses incurred by party on behalf of the Company)	31-Mar-18	1.88	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**1.88**
	31-Mar-17	(0.28)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**(0.28)**
Dividend Paid	31-Mar-18	86.40	-	-	-	-	29.91	18.09	0.09	-	17.12	-	-	-	0.01	-	104.80	-	-	-	**256.42**
	31-Mar-17	32.40	-	-	-	-	11.22	6.78	0.03	-	6.42	-	-	-	-	-	7.34	-	-	-	**64.19**
Deposit received	31-Mar-18	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**-**
	31-Mar-17	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.10	-	-	-	**0.10**
Outstanding balances																					
Receivable	31-Mar-18	131.05	3.88	-	5.93	182.02	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**322.88**
	31-Mar-17	187.82	4.83	3.89	-	104.91	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**301.45**
Payable	31-Mar-18	108.20	15.14	-	-	35.41	0.52	0.21	0.64	-	1.12	1.32	-	1.32	1.12	1.12	-	-	-	-	**166.12**
	31-Mar-17	46.03	10.64	-	-	63.14	0.26	1.34	1.20	0.03	1.20	1.40	1.20	1.40	1.20	-	0.10	-	-	-	**129.14**
Guarantees outstanding (see (vi) below)	31-Mar-18	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**-**
	31-Mar-17	149.05	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**149.05**

* Including taxes

Notes to the Financial Statements

for the year ended March 31, 2018

(iv) Compensation of key managerial personnel:

(₹ in Million)

	31-Mar-18	31-Mar-17
Short-term employee benefits	60.03	50.85
Post-employment benefits	5.95	5.35
Total	**65.98**	**56.20**

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, 2018 and March 31, 2017.

(vi) Guarantees outstanding comprises a corporate guarantee of ₹ Nil (March 31, 2017: ₹ 149.05 Million) equivalent to GBP Nil (March 31, 2017: GBP 1.76 Million) given by TEIL on behalf of the Company as a surety for due performance of the Company's obligations under a contract awarded by an overseas customer and in respect of which, the Company has fully indemnified TEIL against any claims, damages or expenses, including legal costs.

(vii) 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.

(c) TRSCT's outstanding balance does not include provision made for amounts payable by the Company under an agreement with TRSCT in respect of CSR obligation of the Company of ₹ Nil (March 31, 2017: ₹ 0.14 Million).

(viii) 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.

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for the year ended March 31, 2018

(₹ in Million)

	31-Mar-18	31-Mar-17
Non-current borrowings (note 15)	0.51	2.38
Current borrowings (note 17)	-	-
Trade payables (note 18)	1,447.68	921.64
Other financial liabilities (note 19)	90.69	134.98
Total debt	**1,538.88**	**1,059.00**
Less: Cash and cash equivalent (note 11(a))	(40.97)	(87.33)
Net debt (A)	**1,497.91**	**971.67**
Total equity (note 13 & note 14)	**4,461.50**	**3,957.02**
Total equity and net debt (B)	**5,959.41**	**4,928.69**
Gearing ratio (A/B)	**25%**	**20%**

Further, no changes were made in the objectives, policies or process for managing capital during the years ended March 31, 2018 and March 31, 2017.

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 industry

Notes to the Financial Statements

for the year ended March 31, 2018

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 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-18	31-Mar-17
Total receivables	2,070.50	1,501.93
Receivables individually in excess of 10% of the total receivables	481.79	466.90
Percentage of above receivables to the total receivables of the Company	23%	31%

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:

	31-Mar-18	31-Mar-17
Expected credit loss (%)	0.35%	0.53%
Expected credit loss (₹ in Million)	3.81	3.39

(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.

Notes to the Financial Statements

for the year ended March 31, 2018

(₹ in Million)

	31-Mar-18	31-Mar-17
Current financial assets (CFA) (refer note 5, 6, 7, 8 & 11)	2,229.90	1,694.61
Non-current financial assets (NCFA) (refer note 6, 7 & 8)	18.46	18.30
Total financial assets (FA)	**2,248.36**	**1,712.91**
Current financial liabilities (CFL) (note 17, 18 & 19)	1,538.37	1,056.62
Non-current financial liabilities (NCFL) (note 15)	0.51	2.38
Total financial liabilities (FL)	**1,538.88**	**1,059.00**
Ratios		
CFA/ CFL	1.45	1.58
NCFA/NCFL	36.20	7.70
FA/FL	1.46	1.60

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.

Maturities analysis of financial liabilities:

(₹ in Million)

	on demand	< 1 year	1-5 years	Total	Carrying amount
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**
As at March 31, 2017					
Non-current borrowings	-	-	2.38	2.38	2.38
Trade payables	-	921.64	-	921.64	921.64
Other financial liabilities	-	134.98	-	134.98	134.98
	-	**1,056.62**	**2.38**	**1,059.00**	**1,059.00**

(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.

Notes to the Financial Statements

for the year ended March 31, 2018

(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, 2018						
Financial assets						
- Trade receivables	in foreign currency (Million)	7.80	2.38	0.12	-	-
	in equivalent ₹ (Million)	501.49	187.12	10.86	-	-
Derivatives (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)	**1.15**	**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**	**-**
As at March 31, 2017						
Financial assets						
- Trade receivables	in foreign currency (Million)	3.93	4.04	0.12	-	-
	in equivalent ₹ (Million)	251.64	275.25	9.92	-	-
Derivatives (in respect of underlying financial assets)						
- Foreign exchange forward contracts	in foreign currency (Million)	3.74	3.95	-	-	-
sell foreign currency	in equivalent ₹ (Million)	239.69	268.69	-	-	-
Net exposure to foreign currency risk (assets)	in foreign currency (Million)	**0.19**	**0.09**	**0.12**	**-**	**-**
	in equivalent ₹ (Million)	**11.95**	**6.56**	**9.92**	**-**	**-**
Financial liabilities						
- Trade payables	in foreign currency (Million)	0.40	0.11	0.05	12.40	0.01
	in equivalent ₹ (Million)	25.95	7.45	3.84	7.28	0.33
Net exposure to foreign currency risk (liabilities)	in foreign currency (Million)	**0.40**	**0.11**	**0.05**	**12.40**	**0.01**
	in equivalent ₹ (Million)	**25.95**	**7.45**	**3.84**	**7.28**	**0.33**

Notes to the Financial Statements

for the year ended March 31, 2018

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, 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	-	-	-
Foreign exchange forward contracts to buy foreign currency	in foreign currency (Million)	-	-	-	-	-
	in equivalent ₹ (Million)	-	-	-	-	-
As at March 31, 2017						
Foreign exchange forward contracts to sell foreign currency	in foreign currency (Million)	9.69	10.49	-	-	-
	in equivalent ₹ (Million)	620.82	714.22	-	-	-
Foreign exchange forward contracts to buy foreign currency	in foreign currency (Million)	-	0.25	-	-	-
	in equivalent ₹ (Million)	-	17.59	-	-	-

All the above contracts are maturing within one year.

(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-18	31-Mar-17
Carrying amount of hedging instruments		
-Assets/ (Liabilities) (₹ in Million)	(8.68)	*
Line item affected in the Balance sheet	Other financial liabilities	*
Maturity Date	April 2018 - February 2019	*
Hedge Ratio	77%	*
weighted average strike price/rate	US$ 1= INR 65.91 EURO 1= INR 79.97	*
Changes in fair value of hedging instruments (₹ in Million)	15.30	*
Change in the value of hedged item used as the basis for recognising hedge effectiveness (₹ in Million)	(15.30)	*

* Not applicable (Refer note 46(ii))

Notes to the Financial Statements

for the year ended March 31, 2018

(b) Disclosure of effects of cash flow hedge accounting on financial performance

(₹ in Million)

	31-Mar-18	31-Mar-17
Changes in the value of the hedging instrument recognised in other comprehensive income	15.30	*
Hedge ineffectiveness recognised in profit or loss	(15.02)	*
Amount reclassified from cash flow hedging reserve to profit or loss	(7.43)	*
Line item affected in statement of profit and loss because of the reclassification	Revenue	*

* Not applicable (Refer note 46(ii))

(c) Movements in cash flow hedging reserve

(₹ in Million)

	31-Mar-18	31-Mar-17
Opening Balance	-	*
Add: Changes in discounted spot element of foreign exchange forward contracts, net	15.30	*
Less: Hedge ineffectiveness recognised in profit or loss	(15.02)	*
Less: Amount reclassified from cash flow hedging reserve to profit or loss	(7.43)	*
	(7.16)	*
Less: Deferred tax relating to above	2.48	*
Closing balance	**(4.68)**	

* Not applicable (Refer note 46(ii))

(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-18	31-Mar-17	31-Mar-18	31-Mar-17
USD sensitivity	5%	2.22	(0.70)	(2.22)	0.70
EURO sensitivity	5%	0.87	(0.04)	(0.87)	0.04
GBP sensitivity	5%	(1.04)	0.30	1.04	(0.30)
JPY sensitivity	5%	(0.35)	(0.36)	0.35	0.36
CHF sensitivity	5%	-	(0.02)	-	0.02

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, 2018

NOTE 39: FAIR VALUE MEASUREMENTS

(i) Financial instruments by category

(₹ in Million)

	31-Mar-18			31-Mar-17		
	FVTPL *	**FVOCI**	**Amortised cost**	FVTPL *	FVOCI	Amortised cost
Financial assets						
Investments in mutual funds	90.63	-	-	40.12	-	-
Trade receivables	-	-	2,070.50	-	-	1,501.93
Unbilled revenue	-	-	8.81	-	-	21.56
Loans	-	-	2.42	-	-	2.76
Cash and bank balances	-	-	51.83	-	-	88.41
Security deposits	-	-	6.11	-	-	5.91
Earnest money deposits	-	-	5.43	-	-	2.38
Derivative financial assets	-	-	-	48.93	-	-
Other receivables	-	-	12.63	-	-	0.91
Total financial assets	**90.63**	**-**	**2,157.73**	**89.05**	**-**	**1,623.86**
Financial liabilities						
Borrowings	-	-	1.07	-	-	4.16
Trade payables	-	-	1,447.68	-	-	921.64
Capital creditors	-	-	12.50	-	-	113.37
Derivative financial liabilities	-	8.68	-	-	-	-
Other payables	-	-	68.95	-	-	19.83
Total financial liabilities	**-**	**8.68**	**1,530.20**	**-**	**-**	**1,059.00**

* 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 31 March 2018					
Financial assets					
- Investments in mutual funds (Unquoted)	5 (b)	-	90.63	-	90.63
- Foreign exchange forward contracts at FVTPL	8	-	-	-	-
		-	**90.63**	**-**	**90.63**
Financial liabilities					
- Foreign exchange forward contracts at FVOCI	19	-	8.68	-	8.68
		-	**8.68**	**-**	**8.68**
As at 31 March 2017					
Financial assets					
- Investments in mutual funds (Unquoted)	5 (b)	-	40.12	-	40.12
- Foreign exchange forward contracts at FVTPL	8	-	48.93	-	48.93
		-	**89.05**	**-**	**89.05**
Financial liabilities					
- Foreign exchange forward contracts at FVOCI		-	-	-	-
		-	**-**	**-**	**-**

Notes to the Financial Statements

for the year ended March 31, 2018

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 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 processes

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)

Except as detailed in the following table, the management considers that the carrying amounts of financial assets and financial liabilities recognised in the financial statements approximate their fair values

(₹ in Million)

	31-Mar-18		31-Mar-17	
	Carrying amount	**Fair value**	Carrying amount	Fair value
Financial assets				
Trade receivables	-	-	1,501.93	1,496.70
	-	**-**	**1,501.93**	**1,496.70**

Fair value hierarchy

(₹ in Million)

	Level 1	Level 2	Level 3	Total
As at 31 March 2018				
Financial assets				
Trade receivables	-	-	-	-
	-	**-**	**-**	**-**
As at 31 March 2017				
Financial assets				
Trade receivables	-	-	1,496.70	1,496.70
	-	**-**	**1,496.70**	**1,496.70**

The fair values for trade receivables which are expected to be received after twelve months (though within the operating cycle) are computed based on discounted cash flows. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk. The carrying amounts of the remaining trade receivables are considered to be the same as their fair values, due to their short-term nature.

Notes to the Financial Statements

for the year ended March 31, 2018

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-18	31-Mar-17
Minimum lease payments (refer note 31)	11.29	6.78
	11.29	**6.78**

Non-cancellable operating lease commitments

(₹ in Million)

	31-Mar-18	31-Mar-17
Not later than one year	5.78	0.83
Later than one year and not later than five years	14.25	1.33
Later than five years	-	-
	20.03	**2.16**

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. 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

NOTE 41: COMMITMENTS

(₹ in Million)

		31-Mar-18	31-Mar-17
(i)	Estimated amount of contracts remaining to be executed on capital account and not provided for (against which advances paid aggregating to ₹ 9.68 Million (March 31, 2017: ₹ 50.48 Million)	77.39	175.65
(ii)	Other commitments:		
(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)	

Notes to the Financial Statements

for the year ended March 31, 2018

NOTE 42: CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Contingent liabilities

(₹ in Million)

	31-Mar-18	31-Mar-17
Claims against the Company not acknowledged as debts:		
Claims which are being contested by the company and in respect of which the company has paid amounts aggregating to ₹ 1.36 Million (March 31, 2017: ₹ 4.93 Million), excluding interest, under protest pending final adjudication of the cases:	67.39	133.76

Sl. No.	Particulars	Amount of contingent liability		Amount paid	
		31-Mar-18	31-Mar-17	31-Mar-18	31-Mar-17
1	Excise duty	7.80	7.40	0.09	0.09
2	Service tax	37.53	47.48	1.27	4.84
3	VAT *	-	61.96	-	-
4	Income tax	15.04	15.03	-	-
5	Others	7.02	1.89	-	-

* Against the VAT demand, the Commercial Taxes Department has withheld the refund of ₹ Nil (March 31, 2017: ₹48.37 Million)

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 reputedprofessional advisors to protect its interests and has been advised that it has strong legal position against such disputes.

Contingent assets

Based on management analysis, there are no material contingent assets as on March 31, 2018 (March 31, 2017: ₹ Nil).

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-18	31-Mar-17
The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year; as at the end of the year		
(i) Principal amount	96.53	90.49
(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	-	-

Notes to the Financial Statements

for the year ended March 31, 2018

NOTE 44: RESEARCH & DEVELOPMENT EXPENSES

During the year, the Company has incurred expenditure of ₹ 85.80 Million (March 31, 2017: ₹ 97.78 Million) on research and development activities as per following details:

(₹ in Million)

	31-Mar-18	31-Mar-17
Revenue Expenses	63.08	86.92
Less: Scrap value	-	(1.07)
Capital Expenditure	22.72	11.93
Total	**85.80**	**97.78**

NOTE 45: 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.

The Ministry of Corporate Affairs (MCA) has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 issuing the following standard:

Ind AS 115 Revenue from Contracts with Customers

Ind AS 115 was issued on March 28, 2018 and establishes a five-step model to account for revenue arising from contracts with customers. Under Ind AS 115 revenue is recognised when (or as) the entity satisfies a performance obligation by transferring a promised good or service (i.e., an asset) to a customer (i.e., when (or as) the customer obtains control of that asset) at an amount that reflects the consideration to which the entity expects to be entitled in exchange for transferring goods or services to a customer. The new revenue standard will supersede all current revenue recognition requirements under Ind AS. Either a full retrospective application or a modified retrospective application is required for accounting periods commencing on or after April 1, 2018. The Company is in the process of evaluating the requirements of the said standard and its impact on its financial statements.

NOTE 46: 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, 2017 included excise duty which is now subsumed in the GST. Revenue from operations for the year ended March 31, 2018 includes excise duty up to June 30, 2017. Accordingly, revenue from operations for the year ended March 31, 2018 are not comparable with those of the previous year presented.

(ii) Profit after taxes of current year is not comparable due to adoption of hedge accounting in the current financial year as a result hedging gain/losses have been considered in Other Comprehensive Income as against other income/expenses reported in previous year.

(iii) The Company has reclassified certain items of balance sheet of comparative period to confirm this year's classification, however, impact of these re-classification are not material.

NOTE 47. APPROVAL OF STANDALONE FINANCIAL STATEMENTS

The Standalone financial Statements were approved for issue by the Board of Directors of the Company on May 22, 2018 subject to approval of shareholders.

For Walker Chandiok & Co LLP
Chartered Accountants

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

Per **Vijay Vikram Singh**
Partner

Dhruv M. Sawhney
Chairman & Managing Director
DIN: 00102999

Lt. Gen. K K Hazari (Retd.)
Director & Chairman Audit Committee
DIN: 00090909

Place : Noida (U.P.)
Date : May 22, 2018

Deepak Kumar Sen
Executive Vice President & CFO

Rajiv Sawhney
Company Secretary

Independent Auditor's Report

To the Members of Triveni Turbine Limited

Report on the Consolidated Financial Statements

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 joint venture, which comprise the Consolidated Balance Sheet as at 31 March 2018, 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.

Management's Responsibility for the Consolidated Financial Statements

2. The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 ('the Act') that give a true and fair view of the consolidated state of affairs (consolidated financial position), consolidated profit (consolidated financial performance including other comprehensive income), consolidated cash flows and consolidated changes in equity of the Group including its joint venture in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The Holding Company's Board of Directors and the respective Board of Directors/management of the subsidiaries included in the Group and its joint venture are responsible for the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. 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.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

4. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether these consolidated financial statements are free from material misstatement.

6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

7. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph 9 of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on these consolidated financial statements.

Opinion

8. 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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs (consolidated financial position) of the Group and joint venture as at 31 March 2018, and their consolidated profit (consolidated financial performance including other comprehensive income), their consolidated cash flows and consolidated changes in equity for the year ended on that date.

Other Matters

9. We did not audit the financial statements of three subsidiaries, whose financial statements reflect total assets of ₹ 159.04 million and net assets of ₹ 66.08 million as at 31 March 2018, total revenues of ₹ 409.49 million and net cash outflows amounting to ₹ 25.66 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 loss (including other comprehensive income) of ₹ 34.45 million for the year ended 31 March 2018, 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, to the extent applicable, 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 in so far as it relates to the balances and affairs of such subsidiaries and joint venture 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, to the extent applicable, 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.

10. The audit of consolidated financial statements of the Company for the year ended 31 March 2017 included in the consolidated financial statements was carried out and reported by J.C. Bhalla and Co., Chartered Accountants vide their unmodified audit report dated 18 May 2017, whose audit report has been furnished to us and which has been relied upon by us for the purpose of our audit of the consolidated financial statements. Our audit report is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

11. 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 its joint venture company covered under the Act, are disqualified as on 31 March 2018 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 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 Auditor's) 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.

(ii) Provision has been made in the consolidated financial statements, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

(iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies and joint venture company covered under the Act during the year ended 31 March 2018;

(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 consolidated financial statements. Hence, reporting under this clause is not applicable.

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

per **Vijay Vikram Singh**
Partner
Membership No.: 059139

Place: Noida
Date: 22 May 2018

Annexure I to the Independent Auditor's Report

of even date to the members of Triveni Turbine Limited on the consolidated financial statements for the year ended 31 March 2018

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 joint venture as at and for the year ended 31 March 2018, 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 2018, based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal controls stated in the Guidance Note issued by the ICAI.

Other Matters

9. The consolidated financial statements include the Group's share of net loss (including other comprehensive income) of ₹ 34.45 million for the year ended 31 March 2018, 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 reports 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 reports of the other auditor.

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

per **Vijay Vikram Singh**
Partner
Membership No.: 059139

Place: Noida
Date: 22 May 2018

Consolidated Balance Sheet

as at March 31, 2018

(₹ in Million)

	Note No.	31-Mar-18	31-Mar-17
ASSETS			
Non-current assets			
Property, plant and equipment	3	2,209.52	2,266.13
Capital work-in-progress	3	385.10	103.02
Intangible assets	4	47.10	52.90
Investments accounted for using the equity method	5 (a)	106.58	131.48
Financial assets			
i. Trade receivables	6	12.42	12.55
ii. Loans	7	0.22	0.35
iii. Other financial assets	8	5.82	5.40
Other non-current assets	9	14.32	190.62
Income tax assets (net)	21	13.83	12.68
Total non-current assets		**2,794.91**	**2,775.13**
Current assets			
Inventories	10	1,807.11	1,458.66
Financial assets			
i. Investments	5 (b)	90.63	40.12
ii. Trade receivables	6	2,077.67	1,507.14
iii. Cash and cash equivalents	11 (a)	115.36	176.99
iv. Bank balances other than cash and cash equivalents	11 (b)	10.86	1.08
v. Loans	7	2.20	2.41
vi. Other financial assets	8	28.07	74.96
Other current assets	9	597.82	395.84
		4,729.72	**3,657.20**
Assets classified as held for sale	12	2.60	6.05
Total current assets		**4,732.32**	**3,663.25**
Total assets		**7,527.23**	**6,438.38**
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	13	329.97	329.97
Other equity	14	4,191.33	3,704.63
Total equity		**4,521.30**	**4,034.60**
LIABILITIES			
Non-current liabilities			
Financial Liabilities			
i. Borrowings	15	0.51	2.38
Provisions	16	43.44	54.10
Deferred tax liabilities (net)	22	77.52	108.81
Total non-current liabilities		**121.47**	**165.29**
Current liabilities			
Financial liabilities			
i. Borrowings	17	-	-
ii. Trade payables	18	1,464.48	943.74
iii. Other financial liabilities	19	95.58	141.59
Other current liabilities	20	1,150.31	985.85
Provisions	16	87.76	94.32
Income tax liabilities (net)	21	86.33	72.99
Total current liabilities		**2,884.46**	**2,238.49**
Total liabilities		**3,005.93**	**2,403.78**
Total equity and liabilities		**7,527.23**	**6,438.38**

The accompanying notes 1 to 49 form an integral part of the consolidated financial statements

As per our report of even date attached

For Walker Chandiok & Co LLP
Chartered Accountants

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

Per **Vijay Vikram Singh**
Partner

Dhruv M. Sawhney
Chairman & Managing Director
DIN: 00102999

Lt. Gen. K K Hazari (Retd.)
Director & Chairman Audit Committee
DIN: 00090909

Place : Noida (U.P.)
Date : May 22, 2018

Deepak Kumar Sen
Executive Vice President & CFO

Rajiv Sawhney
Company Secretary

Consolidated Statement of Profit and Loss

for the year ended March 31, 2018

(₹ in Million)

	Note No.	31-Mar-18	31-Mar-17
Revenue from operations	23	7,533.17	7,655.70
Other income	24	81.36	289.89
Total income		**7,614.53**	**7,945.59**
Expenses			
Cost of materials consumed	25	3,782.68	3,865.39
Changes in inventories of finished goods and work-in-progress	26	69.86	33.03
Excise duty on sale of products		22.24	209.63
Employee benefits expense	27	880.60	809.24
Finance costs	28	5.34	3.32
Depreciation and amortisation expense	29	191.24	147.98
Impairment loss on financial assets (including reversals of impairment losses)	30	4.81	6.53
Other expenses	31	1,194.96	1,067.98
Total expenses		**6,151.73**	**6,143.10**
Profit before share of net profit of investments accounted for using equity method and tax		**1,462.80**	**1,802.49**
Share of net (loss)/profit of joint venture accounted for using the equity method		(24.99)	43.50
Profit before tax		**1,437.81**	**1,845.99**
Tax expense:			
- Current tax	32	508.79	590.95
- Deferred tax	32	(30.67)	19.50
Total tax expense		**478.12**	**610.45**
Profit for the year		**959.69**	**1,235.54**
Other comprehensive income			
A (i) Items that will not be reclassified to profit or loss			
- Remeasurements of the defined benefit plans	35	5.35	(19.94)
- Share of other comprehensive income of joint venture accounted for using the equity method	40	0.08	0.01
		5.43	**(19.93)**
(ii) Income tax relating to items that will not be reclassified to profit or loss	32	1.86	(6.90)
		3.57	**(13.03)**
B (i) Items that will be reclassified to profit or loss			
- Exchange differences arising on translating the foreign operations		4.70	(3.21)
- Effective portion of loss on designated portion of hedging instruments in a cash flow hedge	38 (iii)(b)	(7.16)	-
		(2.46)	**(3.21)**
(ii) Income tax relating to items that will be reclassified to profit or loss	32	(2.48)	-
		0.02	**(3.21)**
Other comprehensive income/(loss) for the year, net of tax		**3.59**	**(16.24)**
Total comprehensive income for the year		**963.28**	**1,219.30**
Earnings per equity share of ₹ 1 each			
Basic earnings per share	33	2.91	3.74
Diluted earnings per share	33	2.91	3.74

The accompanying notes 1 to 49 form an integral part of the consolidated financial statements

As per our report of even date attached

For Walker Chandiok & Co LLP
Chartered Accountants

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

Per **Vijay Vikram Singh**
Partner

Dhruv M. Sawhney
Chairman & Managing Director
DIN: 00102999

Lt. Gen. K K Hazari (Retd.)
Director & Chairman Audit Committee
DIN: 00090909

Place : Noida (U.P.)
Date : May 22, 2018

Deepak Kumar Sen
Executive Vice President & CFO

Rajiv Sawhney
Company Secretary

Consolidated Statement of Changes in Equity

for the year ended March 31, 2018

A. Equity share capital

Equity shares of ₹ 1 each issued, subscribed and fully paid up

(₹ in Million)

As at April 1, 2016	329.97
Changes in equity share capital during the year	-
As at March 31, 2017	**329.97**
Changes in equity share capital during the year	-
As at March 31, 2018	**329.97**

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, 2016	**28.00**	**4.69**	**839.23**	**1,791.53**	**0.60**	**-**	**2,664.05**
Profit for the year	-	-	-	1,235.54	-	-	1,235.54
Other comprehensive income /(loss), net of income tax	-	-	-	(13.03)	(3.21)	-	(16.24)
Total comprehensive income for the year	**-**	**-**	**-**	**1,222.51**	**(3.21)**	**-**	**1,219.30**
Transactions with owners in their capacity as owners:							
Dividends paid	-	-	-	(148.49)	-	-	(148.49)
Dividend distribution tax (DDT)	-	-	-	(30.23)	-	-	(30.23)
Balance as at March 31, 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**

The accompanying notes 1 to 49 form an integral part of the consolidated financial statements

As per our report of even date attached

For Walker Chandiok & Co LLP
Chartered Accountants

Per **Vijay Vikram Singh**
Partner

Place : Noida (U.P.)
Date : May 22, 2018

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

Dhruv M. Sawhney
Chairman & Managing Director
DIN: 00102999

Lt. Gen. K K Hazari (Retd.)
Director & Chairman Audit Committee
DIN: 00090909

Deepak Kumar Sen
Executive Vice President & CFO

Rajiv Sawhney
Company Secretary

Consolidated Statement of Cash Flows

for the year ended March 31, 2018

(₹ in Million)

	31-Mar-18	31-Mar-17
Cash flows from operating activities		
Profit before tax	1,437.82	1,845.99
Adjustments for		
Share of net loss(profit) of joint venture accounted for using the equity method	24.99	(43.50)
Depreciation and amortisation expense	191.24	147.98
Loss on sale/write off of property, plant and equipment	4.23	2.30
Net profit on sale/redemption of current investments	(22.05)	(22.51)
Net fair value (gains)/losses on current investments	(0.29)	0.68
Interest income	(1.71)	(1.39)
Provision for doubtful advances	14.50	-
Amount written off of non financial assets	5.26	3.51
Allowance for non moving inventories	7.68	19.57
Impairment loss on financial assets (including reversals of impairment losses)	4.81	6.53
Finance costs	5.34	3.32
Unrealised foreign exchange (gain)/ losses	(2.13)	18.59
Credit balances written back	(9.10)	(22.06)
Mark-to-market losses/(gains) on derivatives	1.52	(48.93)
Working capital adjustments :		
Change in inventories	(356.12)	89.26
Change in trade receivables	(564.53)	(208.67)
Change in other financial assets	34.71	61.01
Change in other assets	(85.76)	53.35
Change in trade payables	508.72	72.47
Change in other financial liabilities	53.76	(29.56)
Change in other liabilities	168.77	(559.22)
Change in provisions	(11.92)	4.60
Cash generated from operations	**1,409.74**	**1,393.32**
Income tax paid	(497.00)	(573.04)
Net cash inflow from operating activities	**912.74**	**820.28**
Cash flows from investing activities		
Purchase of property, plant and equipment	(477.42)	(834.11)
Proceeds from sale of property, plant and equipment	2.26	0.63
Purchase of current investments	(2,607.50)	(800.00)
Proceeds from sale of current investments	2,579.33	893.22
Proceeds from sale of assets classified as held for sale	3.45	-
Interest received	1.58	0.41
Net cash outflow from investing activities	**(498.30)**	**(739.85)**

Consolidated Statement of Cash Flows

for the year ended March 31, 2018

(₹ in Million)

	31-Mar-18	31-Mar-17
Cash flows from financing activities		
Repayment of long term borrowings	(3.09)	(3.38)
Interest paid	(5.37)	(3.35)
Dividend paid to Company's shareholders	(395.74)	(148.40)
Dividend distribution tax	(80.61)	(30.23)
Net cash outflow from financing activities	**(484.81)**	**(185.36)**
Increase/(decrease) in cash and cash equivalents due to foreign exchange variation	8.74	(7.62)
Net increase/(decrease) in cash and cash equivalents	(61.63)	(112.55)
Cash and cash equivalents at the beginning of the year (refer note 11 (a))	176.99	289.54
Cash and cash equivalents at the end of the year (refer note 11 (a))	**115.36**	**176.99**

Reconciliation of liabilities arising from financing activities:

	Non-current borrowings (including current maturities)	Interest payable on borrowings	Dividend paid to Company's shareholders (including DDT)
Balance as at March 31, 2017	4.16	0.04	1.07
Cash flows	(3.09)	(5.37)	(476.35)
Finance costs accruals	-	5.34	-
Dividend distributions (including DDT) accruals	-	-	476.58
Balance as at March 31, 2018	**1.07**	**0.01**	**1.30**

The accompanying notes 1 to 49 form an integral part of the consolidated financial statements

As per our report of even date attached

For Walker Chandiok & Co LLP
Chartered Accountants

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

Per **Vijay Vikram Singh**
Partner

Dhruv M. Sawhney
Chairman & Managing Director
DIN: 00102999

Lt. Gen. K K Hazari (Retd.)
Director & Chairman Audit Committee
DIN: 00090909

Place : Noida (U.P.)
Date : May 22, 2018

Deepak Kumar Sen
Executive Vice President & CFO

Rajiv Sawhney
Company Secretary

Notes to the Consolidated Financial Statements

for the year ended March 31, 2018

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 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 is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of excise duty and net of returns, trade allowances, rebates, other similar allowances, value added taxes, service tax, goods and service tax and amounts collected on behalf of third parties, if any.

The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Group and specific criteria have been met for each of the Group's activities as described below.

Recognising revenue from major business activities

(i) Sale of goods

Revenue from the sale of goods is recognised when the goods are delivered and titles have passed, at which time all the following conditions are satisfied:

- the Group has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Group; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

(ii) Rendering of services

Revenue from a contract to provide services is recognised when the outcome of a transaction involving the rendering of services can be estimated reliably, by reference to the stage of completion of the contract. The stage of completion of the contract is determined as follows:

- erection & 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 & maintenance revenue is recognised by reference to the stage of completion of operations & maintenance work, determined as the proportion of the total period of services contract that has elapsed at the end of the reporting period

(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

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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 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.

(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.

(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 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

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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.

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 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.

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

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- 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 1 April 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. Post implementation of Goods and Services Tax ("GST") with effect from July 1, 2017, excise duty is included in the value of finished goods upto June 30, 2017.

(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 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.

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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 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.

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- **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.

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 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 Ind AS 11 Construction Contracts and Ind AS 18 Revenue, 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.

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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 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 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

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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 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.

Notes to the Consolidated Financial Statements

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(i) 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.

(ii) 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.

(iii) 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.

(iv) 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.

(v) 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.

(vi) 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, 2018 (March 31, 2017: ₹ 187.19 Million)

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for the year ended March 31, 2018

NOTE 3: PROPERTY, PLANT AND EQUIPMENT AND CAPITAL WORK-IN-PROGRESS

(₹ in Million)

	Property, plant and equipment									
	Freehold Land	Leasehold Land	Buildings	Plant and Equipment	Office Equipment	Furniture & Fixtures	Vehicles	Computers	Total	Capital work-in- progress
Year ended March 31, 2017										
Gross carrying amount										
Opening gross carrying amount	36.42	388.65	241.16	643.24	10.79	20.02	28.46	27.68	1,396.42	328.78
Additions	-	-	842.34	221.60	5.76	30.35	21.30	15.41	1,136.76	848.14
Disposals	-	-	-	(0.45)	(0.33)	-	(1.56)	(1.21)	(3.55)	(1,073.90)
Other adjustments (see (v) below)	-	-	-	(8.68)	-	-	-	-	(8.68)	-
Closing gross carrying amount	**36.42**	**388.65**	**1,083.50**	**855.71**	**16.22**	**50.37**	**48.20**	**41.88**	**2,520.95**	**103.02**
Accumulated depreciation										
Opening accumulated depreciation	-	-	7.99	103.81	3.09	5.99	4.50	7.33	132.71	-
Depreciation charge during the year	-	-	11.53	92.90	2.79	3.74	5.47	8.94	125.37	-
Disposals	-	-	-	(0.01)	(0.04)	-	(0.39)	(0.19)	(0.63)	-
Other adjustments (see (v) below)	-	-	-	(2.63)	-	-	-	-	(2.63)	-
Closing accumulated depreciation	**-**	**-**	**19.52**	**194.07**	**5.84**	**9.73**	**9.58**	**16.08**	**254.82**	**-**
Net carrying amount	**36.42**	**388.65**	**1,063.98**	**661.64**	**10.38**	**40.64**	**38.62**	**25.80**	**2,266.13**	**103.02**
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	48.20	41.88	2,520.95	103.02
Additions	-	-	22.44	66.26	7.02	6.52	2.24	9.94	114.42	380.19
Disposals	-	-	(0.26)	(1.01)	(0.17)	(0.08)	(7.28)	(0.62)	(9.42)	(98.11)
Other adjustments (see (v) below)	-	-	-	-	-	-	-	-	-	-
Closing gross carrying amount	**36.42**	**388.65**	**1,105.68**	**920.96**	**23.07**	**56.81**	**43.16**	**51.20**	**2,625.95**	**385.10**
Accumulated depreciation										
Opening accumulated depreciation	-	-	19.53	194.07	5.83	9.73	9.58	16.08	254.82	-
Depreciation charge during the year	-	-	36.86	100.43	3.73	5.51	6.43	11.58	164.54	-
Disposals	-	-	(0.03)	(0.14)	(0.16)	-	(2.54)	(0.06)	(2.93)	-
Other adjustments (see (v) below)	-	-	-	-	-	-	-	-	-	-
Closing accumulated depreciation	**-**	**-**	**56.36**	**294.36**	**9.40**	**15.24**	**13.47**	**27.60**	**416.43**	**-**
Net carrying amount	**36.42**	**388.65**	**1,049.32**	**626.60**	**13.67**	**41.57**	**29.69**	**23.60**	**2,209.52**	**385.10**

Notes:

(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 thus same is considered as land under finance lease (refer note 42(i)).

(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 plant in the process of being installed at new manufacturing facility at Sompura.

(v) Other adjustments

Represent certain obsolete machines which the Company intends to dispose off thus has been classified as assets held for sale (refer note 12).

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for the year ended March 31, 2018

NOTE 4: INTANGIBLE ASSETS

(₹ in Million)

	Computer software	Website	Design and Drawings	Total
Year ended March 31, 2017				
Gross carrying amount				
Opening gross carrying amount	33.90	1.42	37.51	72.83
Additions	23.14	-	-	23.14
Disposals	-	-	-	-
Closing gross carrying amount	**57.04**	**1.42**	**37.51**	**95.97**
Accumulated amortisation				
Opening accumulated amortisation	10.88	0.49	8.85	20.22
Amortisation charge for the year	14.11	0.37	8.37	22.85
Disposals	-	-	-	-
Closing accumulated amortisation	**24.99**	**0.86**	**17.22**	**43.07**
Closing net carrying amount	**32.05**	**0.56**	**20.29**	**52.90**
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**

(i) All intangible assets disclosed above represents acquired intangible assets.

NOTE 5: INVESTMENTS

(a) Investments accounted for using the equity method

(₹ in Million)

	31-Mar-18	31-Mar-17
At Cost		
Unquoted Investments (fully paid-up)		
Investments in Equity Instruments		
- of Joint venture		
8,000,001 (March 31, 2017: 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))	106.58	131.48
Total investments accounted for using the equity method	**106.58**	**131.48**
Total investments accounted for using the equity method	**106.58**	**131.48**
Aggregate amount of quoted investments and market value thereof	-	-
Aggregate amount of unquoted investments	106.58	131.48
Aggregate amount of impairment in the value of investments	-	-

Notes to the Consolidated Financial Statements
for the year ended March 31, 2018

(b) Current investments

(₹ in Million)

	31-Mar-18	31-Mar-17
At Fair value through P&L		
Unquoted investments		
Investments in Mutual Funds		
108,003 (March 31, 2017: 153,527) Mutual Funds Units of Birla Sun Life Cash Plus Growth - Direct Plan	30.17	40.12
632,303 (March 31, 2017: Nil) Mutual Funds Units of JM High Liquidity Fund Growth - Direct Plan	30.08	-
5,942 (March 31, 2017: Nil) Mutual Funds Units of HDFC Liquid Fund - Direct Plan	20.34	-
4,756 (March 31, 2017: Nil) Mutual Funds Units of IDFC Cash Fund Growth - Direct Plan	10.04	-
Total current investments	**90.63**	**40.12**
Total current investments	**90.63**	**40.12**
Aggregate amount of quoted investments and market value thereof	-	-
Aggregate amount of unquoted investments	90.63	40.12
Aggregate amount of impairment in the value of investments	-	-

NOTE 6: TRADE RECEIVABLES

(₹ in Million)

	31-Mar-18		31-Mar-17	
	Current	Non- current	Current	Non- current
Trade receivables (at amortised cost)				
- Unsecured, considered good	2,077.67	12.42	1,507.14	12.55
- Doubtful	36.65	-	37.94	-
Less: Allowance for bad and doubtful debts	(36.65)	-	(37.94)	-
Total trade receivables	**2,077.67**	**12.42**	**1,507.14**	**12.55**

(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-18	31-Mar-17
Balance at beginning of the year	37.94	35.88
Additional provisions recognised	0.54	15.76
Amounts used during the year	(1.83)	(3.65)
Unused amounts reversed during the year	-	(10.05)
Balance at the end of the year	36.65	37.94

(iii) Current trade receivables include ₹ Nil (March 31, 2017 : ₹ 39.28 Million) expected to be received after twelve months within the operating cycle.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2018

NOTE 7: LOANS

(₹ in Million)

	31-Mar-18		31-Mar-17	
	Current	Non- current	Current	Non- current
Loan to employees (at amortised cost)				
- Unsecured, considered good	2.20	0.22	2.41	0.35
Total loans	**2.20**	**0.22**	**2.41**	**0.35**

NOTE 8: OTHER FINANCIAL ASSETS

(₹ in Million)

	31-Mar-18		31-Mar-17	
	Current	Non- current	Current	Non- current
At amortised cost				
Security deposits	1.20	5.82	1.41	5.17
Earnest money deposits	5.43	-	2.38	-
Interest accrued on bank deposits	0.13	-	-	-
Amount recoverable from banks (related to hedging transactions)	12.50	-	0.68	-
Unbilled revenue	8.81	-	21.56	-
Others	-	-	-	0.23
Total other financial assets at amortised cost [A]	**28.07**	**5.82**	**26.03**	**5.40**
At fair value through P&L				
Derivatives financial instruments carried at fair value				
- Foreign-exchange forward contracts	-	-	48.93	-
Total other financial assets at fair value through P&L [B]	**-**	**-**	**48.93**	**-**
Total other financial assets ([A]+[B])	**28.07**	**5.82**	**74.96**	**5.40**

NOTE 9: OTHER ASSETS

(₹ in Million)

	31-Mar-18		31-Mar-17	
	Current	Non- current	Current	Non- current
Capital advances	-	9.64	-	50.48
Advances to suppliers	118.74	-	95.21	-
Indirect tax and duties recoverable				
Considered good	364.73	3.73	198.05	138.82
Considered doubtful	-	2.64	-	-
	364.73	**6.37**	**198.05**	**138.82**
Less: Provision for doubtful receivable	-	(2.64)	-	-
	364.73	**3.73**	**198.05**	**138.82**
Export incentives receivable				
Considered good	87.56	-	58.16	-
Considered doubtful	-	11.86	-	-

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(₹ in Million)

	31-Mar-18		31-Mar-17	
	Current	**Non- current**	Current	Non- current
	87.56	**11.86**	**58.16**	**-**
Less: Provision for doubtful receivable	-	(11.86)	-	-
	87.56	**-**	**58.16**	**-**
Prepaid expenses	21.83	0.95	17.51	1.32
Due from customers (refer note (i) below) (Turbine extended scope turnkey project revenue adjustment)	4.52	-	26.44	-
Others	0.44	-	0.47	-
Total other assets	**597.82**	**14.32**	**395.84**	**190.62**

(i) Contract assets

(₹ in Million)

	31-Mar-18	31-Mar-17
Contracts in Progress at the end of reporting year		
Construction costs incurred plus profits recognised less losses recognised	2,034.57	1,939.71
Less: Progress Billings	(2,076.06)	(1,992.43)
	(41.49)	**(52.72)**
Recognised and included in Consolidated Financial Statements as amounts due		
(i) Amounts due from Customers under construction contracts	4.52	26.44
(ii) Amounts due to Customers under construction contracts	(46.01)	(79.16)
	(41.49)	**(52.72)**
Retentions held by customers	172.93	177.30
Advances received from customers	0.98	3.47

NOTE 10: INVENTORIES

(₹ in Million)

	31-Mar-18	31-Mar-17
Raw materials & components [includes stock in transit ₹ 5.77 Million (March 31, 2017: ₹ 15.50 Million)]	1,082.12	646.06
Less: Allowance for non moving inventories	(12.79)	(5.08)
Work-in-progress	752.18	752.38
Less: Allowance for non moving inventories	(14.45)	(14.49)
Finished goods [includes stock in transit ₹ Nil (March 31, 2017: ₹ 16.61 Million)]	-	79.74
Others - Scrap & low value patterns	0.05	0.05
Total inventories	**1,807.11**	**1,458.66**

(i) The cost of inventories recognised as an expense during the year was ₹ 4,639.69 Million (March 31, 2017: ₹ 4,624.54 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 of charges created on inventories.

(v) For impairment losses recognised during the year refer note 31.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2018

NOTE 11: CASH AND BANK BALANCES

(a) Cash and cash equivalents

(₹ in Million)

	31-Mar-18	31-Mar-17
At amortised cost		
Balances with banks	115.12	176.80
Cash on hand	0.24	0.19
Total cash and cash equivalents	**115.36**	**176.99**

(b) Bank balances other than cash and cash equivalents

(₹ in Million)

	31-Mar-18	31-Mar-17
At amortised cost		
Balances with banks		
- Deposits with maturity with less than 12 months*	9.55	-
Earmarked balances with banks		
- unpaid dividend account	1.31	1.08
Total other bank balances	**10.86**	**1.08**

* Held as security deposits against bank guarantee

NOTE 12: ASSETS CLASSIFIED AS HELD FOR SALE

(₹ in Million)

	31-Mar-18	31-Mar-17
Plant & equipment	2.60	6.05
Total assets classified as held for sale	**2.60**	**6.05**

The Group intends to dispose off certain old machines not in usable condition, the total book value of these machines as at March 31, 2018 was ₹ 2.60 Million (March 31, 2017 : ₹ 6.05 Million) . No impairment loss is recognized on re-classification 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: SHARE CAPITAL

	31-Mar-18		31-Mar-17	
	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	**329,972,150**	**329.97**	**329,972,150**	**329.97**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2018

(i) Movements in equity share capital

	Number of shares	Amount (₹ in Million)
As at April 1, 2016	**329,972,150**	329.97
Movement during the year	-	-
As at March 31, 2017	**329,972,150**	**329.97**
Movement during the year	-	-
As at March 31, 2018	**329,972,150**	**329.97**

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-18		31-Mar-17	
	Number of shares	% holding	Number of shares	% holding
Triveni Engineering & Industries Limited	72,000,000	21.82	72,000,000	21.82
Dhruv M. Sawhney	24,924,645	7.55	24,924,645	7.55
Nalanda India Fund Limited	23,740,454	7.19	25,788,000	7.82
Subhadra Trade & Finance Limited	87,330,417	26.47	87,330,417	26.47

(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 neither issued any bonus shares nor has there been any buy back of shares during five years immediately preceding March 31, 2018. Further, the Company has not issued any shares for consideration other than cash during five years immediately preceding March 31, 2018.

NOTE 14: OTHER EQUITY

(₹ in Million)

	31-Mar-18	31-Mar-17
Capital redemption reserve	28.00	28.00
Securities premium	4.69	4.69
General reserve	839.23	839.23
Retained earnings	3,322.00	2,835.32
Cash flow hedging reserve	(4.68)	-
Foreign currency translation reserve	2.09	(2.61)
Total other equity	**4,191.33**	**3,704.63**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2018

(i) Capital redemption reserve

(₹ in Million)

	31-Mar-18	31-Mar-17
Opening balance	28.00	28.00
Movement during the year	-	-
Closing balance	**28.00**	**28.00**

Capital Redemption Reserve was created consequent to redemption of preference share capital, as required under the provisions of the Companies Act, 1956. This reserve shall be utilised in accordance with the provisions of Companies Act, 2013.

(ii) Securities premium

(₹ in Million)

	31-Mar-18	31-Mar-17
Opening balance	4.69	4.69
Movement during the year	-	-
Closing balance	**4.69**	**4.69**

Securities premium reserve is used to record the premium on issue of shares. This reserve shall be utilised in accordance with the provisions of Companies Act, 2013.

(iii) General reserve

(₹ in Million)

	31-Mar-18	31-Mar-17
Opening balance	839.23	839.23
Movement during the year	-	-
Closing balance	**839.23**	**839.23**

It represents amount kept separately by the Group out of its profits for future purposes. It is not earmarked for special purpose.

(iv) Retained earnings

(₹ in Million)

	31-Mar-18	31-Mar-17
Opening balance	2,835.32	1,791.53
Net profit for the year	959.69	1,235.54
Other comprehensive income arising from the remeasurement of defined benefit obligation net of income tax	3.57	(13.03)
Dividends paid	(395.97)	(148.49)
Dividend distribution tax (DDT)	(80.61)	(30.23)
Closing balance	**3,322.00**	**2,835.32**

(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 Schedule III (Division II) to the Companies Act, 2013, the Group has recognised remeasurement of defined benefit plans (net of tax) as part of retained earnings.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2018

(c) Details of dividend distributions made and proposed:

(₹ in Million)

	31-Mar-18	31-Mar-17
Cash dividends on equity shares declared and paid:		
First interim dividend for the year ended March 31, 2018: 45% (₹ 0.45 per equity share of ₹ 1/- each) [March 31, 2017: 45% (₹ 0.45 per equity share of ₹ 1/- each)]	148.49	148.49
Dividend distribution tax (DDT) on first interim dividend	30.23	30.23
Final dividend for the year ended March 31, 2017: 75% (₹ 0.75 per equity share of ₹ 1/- each)	247.48	-
Dividend distribution tax (DDT) on final dividend	50.38	-
Total cash dividends on equity shares declared and paid	**476.58**	**178.72**
Proposed dividend on equity shares:		
Final proposed dividend for the year ended March 31, 2018: 55% [March 31, 2017 : 75% (₹ 0.75 per equity share of ₹ 1/- each)]	181.48	247.48
Dividend distribution tax (DDT) on final proposed dividend	37.30	50.38
Total proposed dividend on equity shares	**218.78**	**297.86**

Proposed dividend on equity shares is subject to approval by shareholders at the Annual General Meeting and has not been included as a liability in these 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-18	31-Mar-17
Opening balance	-	-
Other comprehensive loss arising from effective portion of loss on designated portion of hedging instruments in a cash flow hedge	(7.16)	-
Income tax on above	(2.48)	-
Closing balance	**(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, theses 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.

(vi) Foreign currency translation reserve

(₹ in Million)

	31-Mar-18	31-Mar-17
Opening balance	(2.61)	0.60
Exchange differences arising on translating the foreign operations	4.70	(3.21)
Closing balance	**2.09**	**(2.61)**

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.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2018

NOTE 15: NON-CURRENT BORROWINGS

(₹ in Million)

	31-Mar-18		31-Mar-17	
	Current	Non- current	Current	Non- current
Secured- at amortised cost				
Term loans				
- from other parties	0.56	0.51	1.78	2.38
	0.56	**0.51**	**1.78**	**2.38**
Less: Amount disclosed under the head "Other financial liabilities" (refer note 19)	(0.56)	-	(1.78)	-
Total non-current borrowings	**-**	**0.51**	**-**	**2.38**

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 installments.

NOTE 16: PROVISIONS

(₹ in Million)

	31-Mar-18		31-Mar-17	
	Current	Non- current	Current	Non- current
Provision for employee benefits				
Gratuity (refer note 35)	-	17.25	-	32.09
Compensated absences	25.72	-	29.26	-
Employee retention bonus	6.96	6.55	7.71	5.65
Other provisions				
Warranty	42.13	19.64	42.51	16.36
Cost to completion	-	-	-	-
Liquidated damages	12.84	-	14.70	-
Provision for corporate social responsibility	0.11	-	0.14	-
Total provisions	**87.76**	**43.44**	**94.32**	**54.10**

(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 12 months after the reporting date.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2018

(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) Cost to completion:

The provision represents cost of material and services required to be incurred at project site in respect of goods supplied for which full revenue has been recognised.

(e) 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.

(f) 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	Cost of completion	Liquidated damages	Corporate social responsibility
Balance as at April 1, 2016	**42.33**	**20.66**	**29.36**	**-**
Additional provisions recognised	48.77	-	7.08	0.14
Amounts used during the year	(10.35)	(1.61)	(6.96)	-
Unused amounts reversed during the year	(21.88)	(19.05)	(14.78)	-
Balance as at March 31, 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**

Notes to the Consolidated Financial Statements
for the year ended March 31, 2018

NOTE 17: CURRENT BORROWINGS

(₹ in Million)

	31-Mar-18	31-Mar-17
Secured- at amortised cost		
Repayable on demand		
- Cash credits from banks#	-	-
Total current borrowings	**-**	**-**

As at March 31, 2018 and March 31, 2017, 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 & 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 8.50% to 9.90% 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, 2017: ₹ 80.00 Million) during the tenure of the facilities.

NOTE 18: TRADE PAYABLES

(₹ in Million)

	31-Mar-18	31-Mar-17
Trade payables (at amortised cost)		
- Total outstanding dues of micro enterprises and small enterprises (refer note 45)	96.53	90.49
- Total outstanding dues of creditors other than micro enterprises and small enterprises	1,367.95	853.25
Total trade payables	**1,464.48**	**943.74**

NOTE 19: OTHER FINANCIAL LIABILITIES

(₹ in Million)

	31-Mar-18	31-Mar-17
At amortised cost		
Current maturities of long-term borrowings (refer note 15)	0.56	1.78
Interest accrued	0.01	0.04
Capital creditors	12.50	113.37
Employee benefits & other dues payable	72.53	25.23
Unpaid dividends (see (i) below)	1.30	1.07
Others	-	0.10
Total other financial liabilities at amortised cost [A]	**86.90**	**141.59**
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])	**95.58**	**141.59**

(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 Consolidated Financial Statements

for the year ended March 31, 2018

NOTE 20: OTHER CURRENT LIABILITIES

(₹ in Million)

	31-Mar-18	31-Mar-17
Advance from customers	1,040.74	809.60
Deferred income	34.18	60.83
Amount due to customers (Turbine extended scope turnkey project revenue adjustment) (refer note 9(i))	46.01	79.16
Statutory remittances	29.38	36.26
Total other liabilities	**1,150.31**	**985.85**

NOTE 21: INCOME TAX BALANCES

(₹ in Million)

	31-Mar-18		31-Mar-17	
	Current	Non- current	Current	Non- current
Income tax assets				
Tax refund receivable (net)	-	13.83	-	12.68
	-	**13.83**	**-**	**12.68**
Income tax liabilities				
Provision for income tax (net)	86.33	-	72.99	-
	86.33	**-**	**72.99**	**-**

NOTE 22: DEFERRED TAX BALANCES

(₹ in Million)

	31-Mar-18	31-Mar-17
Deferred tax assets	69.24	51.66
Deferred tax liabilities	(146.76)	(160.47)
Net deferred tax liabilities	**(77.52)**	**(108.81)**

(i) Movement in deferred tax balances

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

Notes to the Consolidated Financial Statements

for the year ended March 31, 2018

(₹ in Million)

	Opening balance	Recognised in Profit or loss	Recognised in OCI	Closing balance
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)**

For the year ended March 31, 2017

(₹ 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	9.99	2.44	6.90	19.33
- Statutory taxes and duties	5.83	(5.31)	-	0.52
- Other contractual provisions	11.26	0.65	-	11.91
Impairment provisions on financial/other assets made in books, but tax deductible only on actual write-off	12.42	7.48	-	19.90
Fair valuation of financial assets/(liabilities)	(15.48)	(7.38)	-	(22.86)
Difference in carrying values of property, plant & equipment and intangible assets	(120.23)	(17.37)	-	(137.60)
Other temporary differences	-	(0.01)	-	(0.01)
Net deferred tax assets/(liabilities)	**(96.21)**	**(19.50)**	**6.90**	**(108.81)**

NOTE 23: REVENUE FROM OPERATIONS

(₹ in Million)

	31-Mar-18	31-Mar-17
Sale of products (including excise duty) (refer note 48(i))		
Finished goods		
- Turbines (including related equipments and supplies)	4,719.22	4,924.38
- Spares	1,751.64	1,660.83
Sale of Services		
Servicing, operation and maintenance	684.94	649.58
Erection and commissioning	143.98	92.88
Turbine extended scope turnkey project	94.86	242.50
Other operating revenue		
Sale of scrap	4.40	3.07
Royalty	1.64	-
Export incentives	132.49	82.46
Total revenue from operations	**7,533.17**	**7,655.70**

Notes to the Consolidated Financial Statements
for the year ended March 31, 2018

NOTE 24: OTHER INCOME

(₹ in Million)

	31-Mar-18	31-Mar-17
Interest income (at amortised cost)		
Interest income from bank deposits	0.15	0.02
Interest income from customers	1.56	0.39
Interest income from financial assets	-	0.98
	1.71	**1.39**
Other non-operating income (net of expenses directly attributable to such income)		
Rental income	7.54	7.14
Government grant (refer note (i) below)	3.60	-
Miscellaneous income	3.03	4.35
	14.17	**11.49**
Other gains/ (losses)		
Net profit on sale/redemption of current investments	22.05	22.51
Net fair value gains/(losses) on current investments	0.29	(0.68)
Net gains on derivatives (including fair value changes) (refer note 48 (ii))	-	184.89
Net foreign exchange rate fluctuation gains	34.04	21.48
Credit balances written back	9.10	22.06
Excess provision for cost to completion reversed (net) (refer note 16)	-	19.05
Excess provision for liquidated damages reversed (net) (refer note 16)	-	7.70
	65.48	**277.01**
Total other income	**81.36**	**289.89**

(i) Government grant

During the year, the Group has 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 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 years from Government of India. The amount of ₹ 3.6 Million received during the year is grant received for the first year.

NOTE 25: COST OF MATERIALS CONSUMED

(₹ in Million)

	31-Mar-18	31-Mar-17
Stock at the beginning of the year	646.06	685.63
Add: Purchases	4,218.74	3,825.82
Less: Stock at the end of the year	(1,082.12)	(646.06)
Total cost of materials consumed	**3,782.68**	**3,865.39**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2018

NOTE 26: CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

(₹ in Million)

	31-Mar-18	31-Mar-17
Inventories at the beginning of the year:		
Work-in progress	752.38	719.49
Finished goods	79.74	160.92
Total inventories at the beginning of the year	**832.12**	**880.41**
Inventories at the end of the year:		
Work-in progress	752.18	752.38
Finished goods	-	79.74
Total inventories at the end of the year	**752.18**	**832.12**
Add/(Less): Impact of excise duty on finished goods	(10.08)	(15.26)
Total changes in inventories of finished goods and work-in-progress	**69.86**	**33.03**

NOTE 27: EMPLOYEE BENEFIT EXPENSE

(₹ in Million)

	31-Mar-18	31-Mar-17
Salaries and wages	788.25	738.80
Contribution to provident and other funds (refer note 35)	54.09	51.07
Staff welfare expenses	38.26	28.92
	880.60	**818.79**
Less : Amount capitalised	-	(9.55)
Total employee benefit expense	**880.60**	**809.24**

NOTE 28: FINANCE COSTS

(₹ in Million)

	31-Mar-18	31-Mar-17
Interest costs		
- Interest on borrowings	0.15	0.61
- other interest expense	4.06	1.14
Other borrowing costs		
- Processing/Renewal fees	1.13	1.57
Total finance costs	**5.34**	**3.32**

NOTE 29: DEPRECIATION AND AMORTISATION EXPENSE

(₹ in Million)

	31-Mar-18	31-Mar-17
Depreciation of property, plant and equipment (refer note 3)	164.54	125.37
Less : Amount capitalised	-	(0.24)
	164.54	**125.13**
Amortisation of intangible assets (refer note 4)	26.70	22.85
Total depreciation and amortisation expense	**191.24**	**147.98**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2018

NOTE 30: IMPAIRMENT LOSS ON FINANCIAL ASSETS (INCLUDING REVERSALS OF IMPAIRMENT LOSSES)

(₹ in Million)

	31-Mar-18	31-Mar-17
Bad debts written off of trade receivables and other financial assets carried at amortised cost	4.27	4.47
Impairment loss allowance on trade receivables (net of reversals) (refer note 6)	0.54	2.06
Total impairment loss on financial assets (including reversal of impairment losses)	**4.81**	**6.53**

NOTE 31: OTHER EXPENSES

(₹ in Million)

	31-Mar-18	31-Mar-17
Stores, spares and tools consumed	136.54	107.31
Power and fuel	34.92	22.25
Design and engineering charges	8.92	4.40
Erection and commissioning expenses	82.50	82.73
Repairs and maintenance		
- Machinery	31.80	23.60
- Building	14.93	4.16
- Others	22.75	14.33
Travelling and conveyance	196.48	173.04
Rent and hire charges	17.05	10.29
Rates and taxes	5.65	8.90
Insurance	11.23	6.81
Directors' fee	2.04	2.38
Directors' commission	6.00	6.40
Certification and consultation charges	82.07	60.09
Group shared service cost	43.42	43.93
Bank charges and guarantee commission	17.48	14.28
Amount written off of non financial assets	5.26	3.51
Provision for doubtful advances	14.50	-
Warranty expenses [includes provision for warranty (net) ₹ 20.62 Million (March 31, 2017: ₹ 26.89 Million) (refer note 16)]	42.71	35.15
Provision for liquidated damages	11.51	-
Payment to auditors (see (i) below)	5.17	4.80
Corporate social responsibility expenses (see (ii) below)	30.92	25.96
Allowance for non moving inventories	7.68	19.57
Loss on sale / write off of property, plant and equipment	4.23	2.30
Packing expenses	43.48	24.39
Freight outward	131.19	145.78
Selling commission	59.09	70.50
Miscellaneous expenses	125.44	154.75
Less : Amount capitalised	-	(3.63)
Total other expenses	**1,194.96**	**1,067.98**

Triveni TURBINES

Notes to the Consolidated Financial Statements

for the year ended March 31, 2018

(i) Detail of payment to auditors*

(₹ in Million)

	31-Mar-18	31-Mar-17
Statutory Auditor		
Audit fee	4.01	2.54
Tax audit fee		0.33
Limited review fee	0.52	0.51
Certification charges	0.08	0.60
Reimbursement of expenses	0.27	0.52
Total payment to statutory auditors	**4.88**	**4.50**
Cost Auditor		
Audit fee	0.08	0.08
	0.08	**0.08**
Tax Auditor		
Audit fee	0.21	-
	0.21	**-**
Total payment to auditors	**5.17**	**4.58**

* Excluding service tax of ₹ Nil (March 31, 2017: ₹ 0.22 Million) charged to statement of profit and loss.

(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.

(iii) Details of CSR expenses

(₹ in Million)

	31-Mar-18	31-Mar-17
a) Gross amount required to be spent during the year #	30.91	25.95
b) Amount spent during the year	**30.92**	**25.96**
In cash		
i) Construction/acquisition of any asset	-	-
ii) On purposes other than (i) above	30.81	25.82
Yet to be paid in cash		
i) Construction/acquisition of any asset	-	-
ii) On purposes other than (i) above	0.11	0.14

Notes to the Consolidated Financial Statements

for the year ended March 31, 2018

Amounts computed is based upon profits as per relevent GAAP appplicable for the respective years.

NOTE 32: INCOME TAX EXPENSE

(i) Income tax recognised in profit or loss

(₹ in Million)

	31-Mar-18	31-Mar-17
Current tax		
In respect of the current year	498.02	590.33
In respect of the prior years	10.77	0.62
Total current tax expense	**508.79**	**590.95**
Deferred tax		
In respect of current year	7.60	16.78
In respect of prior years	(38.27)	2.72
Total deferred tax (income)/ expense	**(30.67)**	**19.50**
Total income tax expense recognised in profit or loss	**478.12**	**610.45**

Reconciliation of income tax expense and the accounting profit multiplied by Company's tax rate:

(₹ in Million)

	31-Mar-18	31-Mar-17
Profit before tax from continuing operations	1,437.81	1,845.99
Income tax expense calculated @ 34.608%	497.60	638.86
Effect of expenses that are non-deductible in determining taxable profit	10.18	15.70
Effect of tax incentives and concessions (research & development and other allowances)	(10.23)	(25.97)
Effect of tax on share of net profit/(loss) of joint venture	8.65	(15.06)
Effect of different tax rates of subsidiaries operating in other jurisdictions	(0.56)	(6.35)
Others	(0.02)	(0.07)
	505.62	**607.11**
Adjustments recognised in the current year in relation to the current tax of prior years	10.77	0.62
Adjustments recognised in the current year in relation to the deferred tax of prior years	(38.27)	2.72
Total income tax expense	**478.12**	**610.45**

(ii) Income tax recognised in other comprehensive income

(₹ in Million)

	31-Mar-18	31-Mar-17
Deferred tax related to items recognised in other comprehensive income during the year:		
Remeasurement of defined benefit obligations	1.86	(6.90)
Effective portion of loss on designated portion of hedging instruments in a cash flow hedge	(2.48)	-
Total income tax expense recognised in other comprehensive income	**(0.62)**	**(6.90)**
Bifurcation of the income tax recognised in other comprehensive income into:		
Items that will not be reclassified to statement of profit & loss	1.86	(6.90)
Items that will be reclassified to statement of profit & loss	(2.48)	-
Total income tax expense recognised in other comprehensive income	**(0.62)**	**(6.90)**

Notes to the Consolidated Financial Statements
for the year ended March 31, 2018

NOTE 33: EARNINGS PER SHARE

(₹ in Million)

	31-Mar-18	31-Mar-17
Profit for the year attributable to owners of Triveni Turbine Limited [A]	959.69	1,235.54
Weighted average number of equity shares for the purposes of basic EPS/ diluted EPS [B]	329,972,150	329,972,150
Basic earning per share (face value of ₹ 1 per share) [A/B]	2.91	3.74
Diluted earning per share (face value of ₹ 1 per share) [A/B]	2.91	3.74

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 ₹ 0.45 Million as at March 31, 2018 (March 31, 2017: ₹ 0.36 Million)

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-18	31-Mar-17
India	4,156.73	3,742.79
Rest of the world	3,237.91	3,827.38
Total	**7,394.64**	**7,570.17**

Revenue by nature of products / services (refer note 23)

(₹ in Million)

	31-Mar-18	31-Mar-17
Sale of products (including excise duty) (refer note 48(i))		
Finished goods		
- Turbines (including related equipments and supplies)	4,719.22	4,924.38
- Spares	1,751.64	1,660.83
Sale of Services		
Servicing, operation and maintenance	684.94	649.58
Erection and commissioning	143.98	92.88
Turbine extended scope turnkey project	94.86	242.50
Total	**7,394.64**	**7,570.17**

There is no single customer who has contributed 10% or more to the Groups revenue for both the years ended March 31, 2018 and March 31, 2017.

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for the year ended 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 & 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-18	31-Mar-17
Group's contribution to Employee's Provident Fund	31.04	28.12
Administrative charges on above	1.73	2.02
Group's contribution to Employee State Insurance	1.04	0.61
Group's contribution to Superannuation Scheme	7.12	7.24
Group's contribution to other Defined Contribution Plan	1.69	0.67

Out of above expense towards defined contributions plans, ₹ Nil (March 31, 2017: ₹ 0.37 Million) is capitalised

(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 ₹ 5.93 Million as at March 31, 2018 (March 31, 2017: ₹ 4.17 Million) and gratuity expenses of ₹ 1.15 Million for the year ended March 31, 2018 (March 31, 2017: ₹ 2.20 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:

Notes to the Consolidated Financial Statements

for the year ended March 31, 2018

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 the 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.

(c) The significant actuarial assumptions used for the purposes of the actuarial valuation of gratuity were as follows:

	Valuation as at	
	31-Mar-18	31-Mar-17
Discounting rate	7.78%	7.33%
Future salary growth rate	8.00%	8.00%
Life expectancy/ Mortality rate	*	*
Attrition rate	- Below 31 years - 10.00% - 31-44 years - 7.00% - Above 44 years - 4.00%	- Below 31 years - 7.00% - 31-44 years - 4.00% - Above 44 years - 5.00%
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 Consolidated Financial Statements

for the year ended March 31, 2018

(d) In addition to the expense related to employees of foreign subsidiaries as mentioned in (ii) (a) above, amounts recognised in statement of profit & loss in respect of defined benefit plan (Gratuity Plan) are as follows :

(₹ in Million)

	31-Mar-18	31-Mar-17
Current service cost	9.87	10.12
Net interest expense	1.62	0.09
Components of defined benefit costs recognised in statement of profit or loss	**11.49**	**10.21**
Remeasurement on the net defined benefit liability		
- Return on plan assets (excluding amount included in net interest expense)	0.71	(0.79)
- Actuarial (gain)/ loss arising form changes in financial assumptions	(5.68)	16.81
- Actuarial (gain) / loss arising form changes in demographic assumptions	(0.29)	0.02
- Actuarial (gain) / loss arising form experience adjustments	(0.09)	3.90
Components of defined benefit costs recognised in other comprehensive income	**(5.35)**	**19.94**
Total	**6.14**	**30.15**

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 & 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-18	31-Mar-17
Present value of defined benefit obligation as at the end of the year	111.87	107.95
Fair value of plan assets	100.55	80.03
Funded status	**(11.32)**	**(27.92)**
Net liability arising from defined benefit obligation recognised in the balance sheet	**(11.32)**	**(27.92)**

(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-18	31-Mar-17
Present value of defined benefit obligation at the beginning of the year	107.95	78.41
Expenses recognised in statement of profit and loss		
- Current service cost	9.87	10.12
- Interest expense	7.85	5.50
Remeasurement (gains)/losses recognised in other comprehensive income		
- Actuarial (gain)/ loss arising from:		
i. Demographic assumptions	(0.29)	0.02
ii. Financial assumptions	(5.68)	16.81
iii. Experience adjustments	(0.09)	3.90
Benefit payments	(7.74)	(6.81)
Present value of defined benefit obligation at the end of the year	**111.87**	**107.95**

Notes to the Consolidated Financial Statements
for the year ended March 31, 2018

(g) Movement in the fair value of plan assets are as follows:

(₹ in Million)

	31-Mar-18	31-Mar-17
Fair value of plan assets at the beginning of the year	80.03	73.83
Expenses recognised in statement of profit and loss		
- Expected return on plan assets	6.23	5.41
Remeasurement gains / (losses) recognised in other comprehensive income		
- Actual Return on plan assets in excess of the expected return	(0.71)	0.79
Contributions by employer	22.65	6.81
Benefit payments	(7.65)	(6.81)
Fair value of plan assets at the end of the year	**100.55**	**80.03**

The fair value of the plan assets at the end of the reporting period for each category, are as follows:

(₹ in Million)

	31-Mar-18			31-Mar-17		
	Quoted	Unquoted	Total	Quoted	Unquoted	Total
Cash and cash equivalents	-	0.56	0.56	-	0.53	0.53
Group Gratuity Plans with Insurance Companies	-	99.99	99.99	-	79.50	79.50
Total plan assets	**-**	**100.55**	**100.55**	**-**	**80.03**	**80.03**

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.

(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-18	31-Mar-17	31-Mar-18	31-Mar-17
Discounting rate	0.5%	₹ in Million	(5.88)	(7.30)	6.41	7.59
		in %	-5.26%	-6.77%	5.73%	7.03%
Future salary growth rate	0.5%	₹ in Million	6.32	4.45	(5.85)	(4.57)
		in %	5.65%	4.12%	-5.23%	-4.24%
Mortality rate	10%	₹ in Million	(0.04)	(0.59)	0.01	0.59
		in %	-0.03%	-0.54%	0.00%	0.54%
Attrition rate	0.5%	₹ in Million	(0.07)	(1.15)	0.04	1.14
		in %	-0.07%	-1.07%	0.04%	1.06%

Notes to the Consolidated Financial Statements
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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 ₹ 15.00 Million to the defined benefit plan during the year ending March 31, 2019.

The weighted average duration of the defined obligation as at March 31, 2018 is 13.1 years.

The expected maturity analysis of undiscounted defined benefit obligation as at 31 March 2018 is as follows:

(₹ in Million)

	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
Defined benefit obligation (Gratuity)	13.44	8.77	14.26	309.20	345.67

NOTE 36: RELATED PARTY TRANSACTIONS

(i) Related parties with whom transactions have taken place during the year :

(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 (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)

Mr. Amal Ganguli, Independent Non Executive Director (AG)**

Mrs. Vasantha Bharucha, Independent Non Executive Director (VB)

Mr. Shekhar Datta, Independent Non Executive Director (SD)

Dr. Santosh Pande, Independent Non Executive Director (SP)***

(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 death, w.e.f. May 8, 2017

** w.e.f July 19, 2017

(iii) Details of transactions between the Company and related parties during the year and outstanding balances as on March 31, 2018:

(₹ in Million)

	Financial year	Investing company holding substantial interest	Joint Venture	KMP										Parties in which KMP or their relatives have significant influence		Post employment benefit plans		Total
		TEIL*	GETL*	DMS	NS	AM	DKS	TS	KKH	AG	VB	SD	SP	STFL	TRSCT	TTLOPS	TTLEGT	
Nature of transactions with Related Parties																		
Sales and rendering of services*	31-Mar-18	38.25	549.53	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**587.78**
	31-Mar-17	107.97	26.94	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**134.91**
Purchases and receiving services*	31-Mar-18	430.40	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**430.40**
	31-Mar-17	322.94	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**322.94**
Rent & other charges income	31-Mar-18	-	8.84	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**8.84**
	31-Mar-17	-	8.21	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**8.21**
Royalty Income*	31-Mar-18	-	1.94	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**1.94**
	31-Mar-17	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**-**
Rent expenditure	31-Mar-18	2.04	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**2.04**
	31-Mar-17	1.60	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**1.60**
Remuneration expenditure	31-Mar-18	-	-	36.59	36.50	24.30	5.18	-	-	-	-	-	-	-	-	-	-	**102.57**
	31-Mar-17	-	-	38.20	30.20	20.77	5.23	-	-	-	-	-	-	-	-	-	-	**94.40**
Directors fee expenditure	31-Mar-18	-	-	-	-	-	-	0.37	0.47	-	0.50	0.35	0.35	-	-	-	-	**2.04**
	31-Mar-17	-	-	-	-	-	-	0.44	0.62	0.45	0.47	0.40	-	-	-	-	-	**2.38**
Directors commission expenditure	31-Mar-18	-	-	-	-	-	-	1.12	1.32	-	1.32	1.12	1.12	-	-	-	-	**6.00**
	31-Mar-17	-	-	-	-	-	-	1.20	1.40	1.20	1.40	1.20	-	-	-	-	-	**6.40**
Corporate social responsibility expenditure	31-Mar-18	-	-	-	-	-	-	-	-	-	-	-	-	-	9.81	-	-	**9.81**
	31-Mar-17	-	-	-	-	-	-	-	-	-	-	-	-	-	8.89	-	-	**8.89**
Contribution to post employment benefit plans	31-Mar-18	-	-	-	-	-	-	-	-	-	-	-	-	-	-	7.12	7.65	**14.77**
	31-Mar-17	-	-	-	-	-	-	-	-	-	-	-	-	-	-	7.24	6.81	**14.05**
Expenses incurred by the Company on behalf of party (net of expenses incurred by party on behalf of the Company)	31-Mar-18	1.88	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**1.88**
	31-Mar-17	(0.28)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**(0.28)**
Dividend Paid	31-Mar-18	86.40	-	29.91	18.09	0.09	-	17.12	-	-	-	0.01	-	104.80	-	-	-	**256.42**
	31-Mar-17	32.40	-	11.22	6.78	0.03	-	6.42	-	-	-	-	-	7.34	-	-	-	**64.19**
Deposit received	31-Mar-18	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**-**
	31-Mar-17	-	-	-	-	-	-	-	-	-	-	-	-	0.10	-	-	-	**0.10**
Outstanding balances																		
Receivable	31-Mar-18	131.05	182.02	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**313.07**
	31-Mar-17	187.82	104.91	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**292.73**
Payable	31-Mar-18	108.20	35.41	1.11	0.21	0.64	-	1.12	1.32	-	1.32	1.12	1.12	-	-	-	-	**151.57**
	31-Mar-17	46.03	63.14	5.26	1.34	1.20	0.03	1.20	1.40	1.20	1.40	1.20	-	0.10	-	-	-	**123.50**
Guarantees outstanding (see (vi) below)	31-Mar-18	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**-**
	31-Mar-17	149.05	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**149.05**

* Including taxes

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(iv) Compensation of key managerial personnel:

(₹ in Million)

	31-Mar-18	31-Mar-17
Short-term employee benefits	96.62	89.05
Post-employment benefits	5.95	5.35
Total	**102.57**	**94.40**

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, 2018 and March 31, 2017.

(vi) Guarantees outstanding comprises a corporate guarantee of ₹ Nil (March 31, 2017: ₹ 149.05 Million) equivalent to GBP Nil (March 31, 2017: GBP 1.76 Million) given by TEIL on behalf of the Company as a surety for due performance of the Company's obligations under a contract awarded by an overseas customer and in respect of which, the Company has fully indemnified TEIL against any claims, damages or expenses, including legal costs.

(vii) 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 Group.

(c) TRSCT's outstanding balance does not include provision made for amounts payable by the Company under an agreement with TRSCT in respect of CSR obligation of the Company of ₹ Nil (March 31, 2017: ₹ 0.14 Million).

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-18	31-Mar-17
Non-current borrowings (note 15)	0.51	2.38
Current borrowings (note 17)	-	-
Trade payables (note 18)	1,464.48	943.74
Other financial liabilities (note 19)	95.58	141.59
Total debt	**1,560.57**	**1,087.71**
Less: Cash and cash equivalent (note 11(a))	(115.36)	(176.99)
Net debt (A)	**1,445.21**	**910.72**
Total equity (note 13 & note 14)	**4,521.30**	**4,034.60**
Total equity and net debt (B)	**5,966.51**	**4,945.32**
Gearing ratio (A/B)	**24%**	**18%**

Further, no changes were made in the objectives, policies or process for managing capital during the years ended March 31, 2018 and March 31, 2017.

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

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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-18	31-Mar-17
Total receivables (Note 6)	2,090.09	1,519.69
Receivables individually in excess of 10% of the total receivables	481.79	466.90
Percentage of above receivables to the total receivables of the Group	23%	31%

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-18	31-Mar-17
Expected credit loss (%)	0.35%	0.53%
Expected credit loss (₹ in Million)	3.81	3.39

(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.

(₹ in Million)

	31-Mar-18	31-Mar-17
Current financial assets (CFA) (refer note 5, 6, 7, 8 & 11)	2,324.79	1,802.70
Non-current financial assets (NCFA) (refer note 6, 7 & 8)	18.46	18.30
Total financial assets (FA)	**2,343.25**	**1,821.00**
Current financial liabilities (CFL) (note 17, 18 & 19)	1,560.06	1,085.33
Non-current financial liabilities (NCFL) (note 15)	0.51	2.38
Total financial liabilities (FL)	**1,560.57**	**1,087.71**
Ratios		
CFA/ CFL	1.49	1.66
NCFA/NCFL	36.20	7.69
FA/FL	1.50	1.67

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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.

Maturities analysis of financial liabilities:

(₹ in Million)

	on demand	< 1 year	1-5 years	Total	Carrying amount
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**
As at March 31, 2017					
Non-current borrowings	-	-	2.38	2.38	2.38
Trade payables	-	943.74	-	943.74	943.74
Other financial liabilities	-	141.59	-	141.59	141.59
	-	**1,085.33**	**2.38**	**1,087.71**	**1,087.71**

(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 March 31, 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
Derivatives (in respect of underlying financial assets)					
- Foreign exchange forward contracts sell foreign currency	in foreign currency (Million)	6.65	1.78	-	-
	in foreign currency (Million)	427.30	139.89	-	-

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		USD	EURO	GBP	Other foreign currencies
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**
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**
As at March 31, 2017					
Financial assets					
- Trade receivables	in foreign currency (Million)	3.90	4.20	0.12	-
	in equivalent ₹ (Million)	250.03	284.09	9.92	-
- Cash and bank balances	in foreign currency (Million)	0.67	0.04	-	*
	in equivalent ₹ (Million)	43.45	2.58	-	1.25
- Other financial assets	in foreign currency (Million)	-	-	-	*
	in equivalent ₹ (Million)	-	-	-	0.62
Derivatives (in respect of underlying financial assets)					
- Foreign exchange forward contracts	in foreign currency (Million)	3.74	3.95	-	-
sell foreign currency	in equivalent ₹ (Million)	239.69	268.69	-	-
Net exposure to foreign currency risk (assets)	in foreign currency (Million)	**0.83**	**0.29**	**0.12**	*****
	in equivalent ₹ (Million)	**53.79**	**17.98**	**9.92**	**1.87**
Financial liabilities					
- Trade payables	in foreign currency (Million)	0.24	0.30	0.05	*
	in equivalent ₹ (Million)	15.61	19.36	3.84	8.18
- Other financial liabilities	in foreign currency (Million)	-	-	-	*
	in equivalent ₹ (Million)	-	-	-	3.71
Net exposure to foreign currency risk (liabilities)	in foreign currency (Million)	**0.24**	**0.30**	**0.05**	*****
	in equivalent ₹ (Million)	**15.61**	**19.36**	**3.84**	**11.89**

* In view of diversed 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, 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	-	-
Foreign exchange forward contracts to buy foreign currency	in foreign currency (Million)	-	-	-	-
	in equivalent ₹ (Million)	-	-	-	-
As at March 31, 2017					
Foreign exchange forward contracts to sell foreign currency	in foreign currency (Million)	9.69	10.49	-	-
	in equivalent ₹ (Million)	620.82	714.22	-	-
Foreign exchange forward contracts to buy foreign currency	in foreign currency (Million)	-	0.25	-	-
	in equivalent ₹ (Million)	-	17.59	-	-

All the above contracts are maturing within one year.

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(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-18	31-Mar-17
Carrying amount of hedging instruments		
-Assets/ (Liabilities) (₹ in Million)	(8.68)	*
Maturity Date	April 2018 - February 2019	*
Line item affected in the Balance sheet	Other current liabilities	
Hedge Ratio	77%	*
weighted average strike price/rate	US$ 1= INR 65.91 EURO 1= INR 79.97	*
Changes in fair value of hedging instruments (₹ in Million)	15.30	*
Change in the value of hedged item used as the basis for recognising hedge effectiveness (₹ in Million)	(15.30)	*

* Not applicable (Refer note 48(ii))

(b) Disclosure of effects of cash flow hedge accounting on financial performance

(₹ in Million)

	31-Mar-18	31-Mar-17
Changes in the value of the hedging instrument recognised in other comprehensive income	15.30	*
Hedge ineffectiveness recognised in profit or loss	(15.02)	*
Amount reclassified from cash flow hedging reserve to profit or loss	(7.43)	*
Line item affected in statement of profit and loss because of the reclassification	Revenue	*

* Not applicable (Refer note 48(ii))

(c) Movements in cash flow hedging reserve

(₹ in Million)

	31-Mar-18	31-Mar-17
Opening Balance	-	*
Add: Changes in discounted spot element of foreign exchange forward contracts, net	15.30	*
Less: Hedge ineffectiveness recognised in profit or loss	(15.02)	*
Less: Amount reclassified from cash flow hedging reserve to profit or loss	(7.43)	*
	(7.16)	*
Less: Deferred tax relating to above	2.48	*
Closing balance	**(4.68)**	

* Not applicable (Refer note 48(ii))

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(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-18	31-Mar-17	31-Mar-18	31-Mar-17
USD sensitivity	5%	3.98	1.91	(3.98)	(1.91)
EURO sensitivity	5%	1.00	(0.07)	(1.00)	0.07
GBP sensitivity	5%	(1.04)	0.30	1.04	(0.30)
Other foreign currencies sensitivity	5%	(0.45)	(0.50)	0.45	0.50

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, 2018 by ₹ 2.78 Million (March 31, 2017: ₹ 4.22 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.

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-18			31-Mar-17		
	FVTPL *	FVOCI	Amortised cost	FVTPL *	FVOCI	Amortised cost
Financial assets						
Investments in mutual funds	90.63	-	-	40.12	-	-
Trade receivables	-	-	2,090.09	-	-	1,519.69
Unbilled revenue	-	-	8.81	-	-	21.56
Loans	-	-	2.42	-	-	2.76
Cash and bank balances	-	-	126.22	-	-	178.07
Security deposits	-	-	7.02	-	-	6.58
Earnest money deposits	-	-	5.43	-	-	2.38
Derivative financial assets	-	-	-	48.93	-	-
Other receivables	-	-	12.63	-	-	0.91
Total financial assets	**90.63**	**-**	**2,252.62**	**89.05**	**-**	**1,731.95**
Financial liabilities						
Borrowings	-	-	1.07	-	-	4.16
Trade payables	-	-	1,464.48	-	-	943.74
Capital creditors	-	-	12.50	-	-	113.37
Derivative financial liabilities	-	8.68	-	-	-	-
Other payables	-	-	73.84	-	-	26.44
Total financial liabilities	**-**	**8.68**	**1,551.89**	**-**	**-**	**1,087.71**

* Mandatorily measured at FVTPL, there is no financial instrument which is designated as FVTPL

Notes to the Consolidated Financial Statements

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(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 31 March 2018					
Financial assets					
- Investments in mutual funds (Unquoted)	5 (b)	-	90.63	-	90.63
- Foreign exchange forward contracts at FVTPL	8	-	-	-	-
		-	**90.63**	**-**	**90.63**
Financial liabilities					
- Foreign exchange forward contracts at FVOCI	19	-	8.68	-	8.68
		-	**8.68**	**-**	**8.68**
As at 31 March 2017					
Financial assets					
- Investments in mutual funds (Unquoted)	5 (b)	-	40.12	-	40.12
- Foreign exchange forward contracts at FVTPL	8	-	48.93	-	48.93
		-	**89.05**	**-**	**89.05**
Financial liabilities					
- Foreign exchange forward contracts at FVOCI	19	-	-	-	-
		-	**-**	**-**	**-**

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 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.

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(iv) Valuation processes

The Corporate finance team has requisite knowledge and skills in valuation of financial instruments. 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)

Except as detailed in the following table, the management considers that the carrying amounts of financial assets and financial liabilities recognised in the financial statements approximate their fair values

(₹ in Million)

	31-Mar-18		31-Mar-17	
	Carrying amount	**Fair value**	Carrying amount	Fair value
Financial assets				
Trade receivables	-	-	1,519.69	1,514.46
	-	**-**	**1,519.69**	**1,514.46**

Fair value hierarchy

(₹ in Million)

	Level 1	Level 2	Level 3	Total
As at 31 March 2018				
Financial assets				
Trade receivables	-	-	-	-
	-	**-**	**-**	**-**
As at 31 March 2017				
Financial assets				
Trade receivables	-	-	1,514.46	1,514.46
	-	**-**	**1,514.46**	**1,514.46**

The fair values for trade receivables which are expected to be received after twelve months (though within the operating cycle) are computed based on discounted cash flows. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk. The carrying amounts of the remaining trade receivables are considered to be the same as their fair values, due to their short-term nature.

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-18**	31-Mar-17
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%	-

* w.e.f August 29, 2017

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(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 joint venture	Principal activities	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Group 31-Mar-18	31-Mar-17
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 ASs adjusted by the Group for equity accounting purposes.

Summarised balance sheet of GE Triveni Limited

(₹ in Million)

	31-Mar-18	31-Mar-17
Current assets		
Cash and cash equivalent	1.19	74.95
Other assets	554.09	776.72
Total current assets	**555.28**	**851.67**
Total non-current assets	**253.28**	**234.19**
Current liabilities		
Financial liabilities (excluding trade payables and provisions)	8.91	2.56
Other liabilities	551.37	750.44
Total current liabilities	**560.28**	**753.00**
Non-current liabilities		
Financial liabilities (excluding trade payables and provisions)	9.26	9.73
Other liabilities	1.41	16.63
Total non-current liabilities	**10.67**	**26.36**
Net assets	**237.61**	**306.50**

Summarised balance sheet of GE Triveni Limited

(₹ in Million)

	31-Mar-18	31-Mar-17
Revenue	949.16	1,213.18
Interest income	0.85	3.01
Depreciation and amortisation	27.78	27.09
Interest expense	0.95	1.96
Income tax expense	(35.60)	54.27
Profit from continuing operations	(69.05)	102.03
Profit from discontinued operations	-	-
Profit for the year	(69.05)	102.03
Other comprehensive income	0.16	0.02
Total comprehensive income	(68.89)	102.05
Dividend received from the joint venture	-	-

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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-18	31-Mar-17
Net assets of GE Triveni Limited	237.61	306.50
Group's share in %	50%	50%
Group's share in ₹ in Million	118.81	153.25
Adjustments:		
Group's share in adjustment for unrealised profits on inter-company transactions (net of tax)	(5.46)	(8.61)
Group's share in adjustment for tax on balance undistributed profits	(6.77)	(13.16)
Carrying amount	**106.58**	**131.48**

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 total comprehensive income	Amount (₹ in Million)
Parent								
Triveni Turbine Limited								
March 31, 2018	98.39%	4,448.36	102.38%	982.52	29.53%	1.06	102.11%	983.58
March 31, 2017	97.67%	3,940.47	94.05%	1,162.06	98.93%	(16.07)	93.99%	1,145.99
Subsidiaries (Group's share)								
Foreign								
Triveni Turbines Europe Private Ltd								
March 31, 2018	0.80%	36.09	-0.39%	(3.73)	68.25%	2.45	-0.13%	(1.28)
March 31, 2017	0.83%	33.54	2.00%	24.71	1.14%	(0.18)	2.01%	24.53
Triveni Turbines DMCC								
March 31, 2018	-0.06%	(2.81)	0.28%	2.65	-	-	0.28%	2.65
March 31, 2017	0.23%	9.11	0.43%	5.27	-	-	0.43%	5.27
Triveni Turbines Africa Pvt. Ltd.								
March 31, 2018	0.29%	13.09	0.34%	3.24	-	-	0.34%	3.24
March 31, 2017	-	-	-	-	-	-	-	-
Joint ventures (Investments as per the equity method)								
Indian								
GE Triveni Limited								
March 31, 2018	0.58%	26.58	-2.61%	(24.99)	2.23%	0.08	-2.59%	(24.91)
March 31, 2017	1.28%	51.48	3.52%	43.50	-0.07%	0.01	3.57%	43.51
Total								
March 31, 2018	100%	4,521.31	100%	959.69	100%	3.59	100%	963.28
March 31, 2017	100%	4,034.60	100%	1,235.54	100%	(16.24)	100%	1,219.30

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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(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 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-18	31-Mar-17
Minimum lease payments (refer note 31)	17.05	10.29
	17.05	**10.29**

Non-cancellable operating lease commitments

(₹ in Million)

	31-Mar-18	31-Mar-17
Not later than one year	5.78	0.83
Later than one year and not later than five years	14.25	1.33
Later than five years	-	-
	20.03	**2.16**

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

NOTE 43: COMMITMENTS

(₹ in Million)

			31-Mar-18	31-Mar-17
(i)	Estimated amount of contracts remaining to be executed on capital account and not provided for (against which advances paid aggregating to ₹ 9.68 Million (March 31, 2017: ₹ 50.48 Million)		77.39	175.65
(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)	

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NOTE 44: CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Contingent liabilities

(₹ in Million)

	31-Mar-18	31-Mar-17
Claims against the Group not acknowledged as debts:		
(i) Claims which are being contested by the Group and in respect of which the Group has paid amounts aggregating to ₹ 1.36 Million (March 31, 2017: ₹ 4.93 Million), excluding interest, under protest pending final adjudication of the cases:	67.39	133.76
(ii) Group's share of joint venture's contingent liabilities in regard to sales tax	-	0.21

Sl. No.	Particulars	Amount of contingent liability		Amount paid	
		31-Mar-18	31-Mar-17	31-Mar-18	31-Mar-17
1	Excise duty	7.80	7.40	0.09	0.09
2	Service tax	37.53	47.48	1.27	4.84
3	VAT *	-	61.96	-	-
4	Income tax	15.04	15.03	-	-
5	Others	7.02	1.89	-	-

* Against the VAT demand, the Commercial Taxes Department has withheld the refund of ₹ Nil (March 31, 2017: ₹48.37 Million)

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.

Contingent assets

Based on management analysis, there are no material contingent assets as on March 31, 2018 (March 31, 2017: ₹ Nil).

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-18	31-Mar-17
The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year; as at the end of the year		
(i) Principal amount	96.53	90.49
(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	-	-

Notes to the Consolidated Financial Statements

for the year ended March 31, 2018

NOTE 46: RESEARCH & DEVELOPMENT EXPENSES

During the year, the Group has incurred expenditure of ₹ 85.80 Million (March 31, 2017: ₹ 97.78 Million) on research and development activities as per following details:

(₹ in Million)

	31-Mar-18	31-Mar-17
Revenue Expenses	63.08	86.92
Less: Scrap value	-	(1.07)
Capital Expenditure	22.72	11.93
Total	**85.80**	**97.78**

NOTE 47: 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.

The Ministry of Corporate Affairs (MCA) has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 issuing the following standard:

Ind AS 115 Revenue from Contracts with Customers

Ind AS 115 was issued on March 28, 2018 and establishes a five-step model to account for revenue arising from contracts with customers. Under Ind AS 115 revenue is recognised when (or as) the entity satisfies a performance obligation by transferring a promised good or service (i.e., an asset) to a customer (i.e., when (or as) the customer obtains control of that asset) at an amount that reflects the consideration to which the entity expects to be entitled in exchange for transferring goods or services to a customer. The new revenue standard will supersede all current revenue recognition requirements under Ind AS. Either a full retrospective application or a modified retrospective application is required for accounting periods commencing on or after April 1, 2018. The Group is in the process of evaluating the requirements of the said standard and its impact on its financial statements.

NOTE 48: 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, 2017 included excise duty which is now subsumed in the GST. Revenue from operations for the year ended March 31, 2018 includes excise duty up to June 30, 2017. Accordingly, revenue from operations for the year ended March 31, 2017 are not comparable with previous year.

(ii) Profit after taxes of current year is not comparable due to adoption of hedge accounting in the current financial year as a result hedging gain/losses have been considered in Other Comprehensive Income as against other income/expenses reported in previous year.

(iii) The Group has reclassified certain items of balance sheet of comparative period to confirm this year's classification, however, impact of these re-classification are not material .

NOTE 49: APPROVAL OF CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated financial Statements were approved for issue by the Board of Directors of the Company on May 22, 2018 subject to approval of shareholders.

For Walker Chandiok & Co LLP
Chartered Accountants

Per **Vijay Vikram Singh**
Partner

Place : Noida (U.P.)
Date : May 22, 2018

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

Dhruv M. Sawhney
Chairman & Managing Director
DIN: 00102999

Lt. Gen. K K Hazari (Retd.)
Director & Chairman Audit Committee
DIN: 00090909

Deepak Kumar Sen
Executive Vice President & CFO

Rajiv Sawhney
Company Secretary

Information on the Company's
Business Locations

REGISTERED OFFICE
A-44, Hosiery Complex,
Phase II Extension,
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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
IE/13, Jhandewalan Extension,
New Delhi - 110 055.
Phone: 011-42541234, 23451234
Fax: 011-41543474
Email: rta@alankit.com

MANUFACTURING FACILITIES
1) 12-A, Peenya Industrial Area,
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STD Code: 080
Phone: 22164000, Fax: 22164100

2) No. 491, Sompura 2nd Stage,
KIADB Sompura Industrial Area,
Nelamangala Taluk,
Bengaluru - 562 123
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
UK

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)
Lt. Gen. K.K. Hazari (Retd.) (DIN-00090909)
Mr. Shekhar Datta (DIN-00045591)
Dr. Mrs. Vasantha S Bharucha (DIN-02163753)
Dr. Santosh Pande (DIN-01070414)

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

AUDITORS
M/s Walker Chandiok & Co. LLP

Triveni Group website: www.trivenigroup.com

Triveni
TURBINES

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