

Other Current Assets

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

Non-Current Liabilities

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

Current Liabilities

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

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

Consolidated Financial Statements

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

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

(₹ in Million)

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

Risk Management and Internal Financial Control System

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

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

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

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

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