Triveni
ENGINEERING & INDUSTRIES LTD.

Investing **In Growth**
Capitalising **On Opportunities**

What lies ahead...

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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 or projections about the future, including but not limited to statements about the Company's strategy for growth, product development, market position, expenditures and financial results, are forward-looking statements. Forward-looking statements are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realised. The Company's actual results, performance or achievements could thus differ materially from those projected in any such forward-looking statements. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements, on the basis of any subsequent developments, information or events. The Company has sourced the industry information from the publicly available resources and has not verified that information independently.

Welcome to the Annual Report 2022-23 of Triveni Engineering & Industries Limited (TEIL). This year's theme is "Investing in Growth, Capitalising on Opportunities".

At TEIL, our business strategy revolves around identifying and harnessing growth opportunities to achieve sustainable long-term value creation for our stakeholders. We have seized significant leadership opportunities in a rapidly evolving and competitive environment.

Driving Growth and Investment: A Strategic Overview of Our FY 23 Initiatives

Our primary objective is to foster growth and returns across all our segments. To accomplish this, we diligently select and invest in opportune ventures. In FY 23, we strategically allocated our capital expenditure (CapEx) in the Sugar business. This investment focusses on modernisation and efficiency improvements at our various manufacturing units, with further CapEx earmarked for future business expansion. Additionally, we are actively pursuing capacity growth in our Engineering businesses, particularly in the promising Power Transmission and Defence segments. By investing wisely, we aim to propel our Company's near-term growth and position TEIL for future achievements.

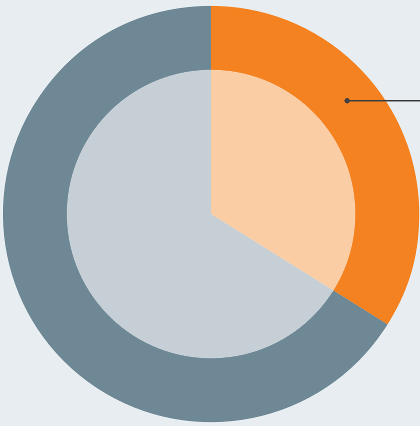
Unlocking Shareholder Value: Strategic Divestment and Focussed Expansion at TEIL

As part of our commitment to enhancing returns for our shareholders, we divested our stake in Triveni Turbine Limited (TTL) in FY 23, unlocking significant value in the process. This strategic move aligns with our overarching focus on expansion in our core assets. By divesting, we unlocked value for shareholders, and unbundled businesses, paving the way for long-term succession planning and facilitating focussed management towards inclusive and value-driven growth at TEIL.

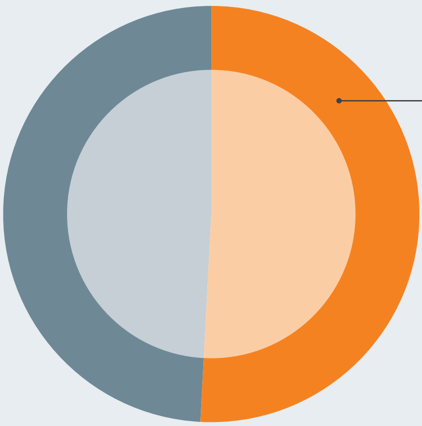
In this Annual Report, we delve deeper into our investment strategies, explore the potential of capitalising on opportunities, and highlight the steps we have taken to ensure sustained growth. Join us as we showcase the initiatives that make TEIL future-ready and equipped to embrace the next phase of growth.

TEIL – Growing Strategically, Expanding Continually

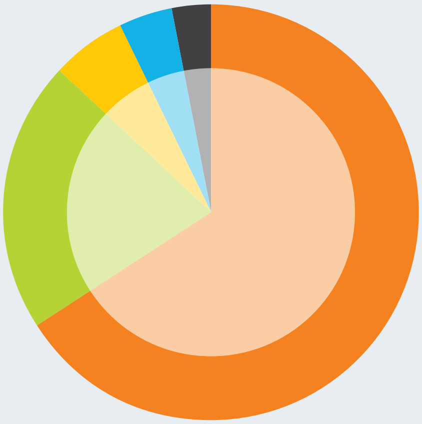
Revenue Diversification#



Profitability Enhancement



Segment-wise Contribution to Revenue in FY 23#



Note:

Revenue from Operations (Gross) include Excise duty of ₹693.26 crore in FY 23 on account of IMIL sales

Percentages calculated on Net Revenue from Operations excluding aforesaid excise duty. Inter-segmental revenue adjusted from Sugar as these are largely due to sale of sugar by-products

FY 23: A Year of Remarkable Achievements

RECORD TURNOVER

We achieved the highest-ever net turnover for the Company over ₹5,600 crore, with record-breaking revenues across all our business segments. In particular, our combined Engineering businesses turnover surpassed ₹500 crore, reaching an impressive ₹577 crore.

IMPRESSIVE PROFITABILITY & FINANCIAL POSITION

Our profitability and financial position have been outstanding. We achieved the highest-ever EBITDA for the Company, with the combined Engineering businesses PBIT crossing ₹100 crore. Our Profit After Tax reached an impressive ₹1,792 crore, showcasing our strong financial performance. Additionally, our debt/equity ratio stands at a commendable 0.32x.

STELLAR SUGAR & ALCOHOL BUSINESS PERFORMANCE

Our Sugar & Alcohol businesses delivered stellar performance as well. We achieved the highest-ever sugarcane crushing in Sugar Season (SS) 2022-23, processing a remarkable 9.33 million tonnes of sugarcane. Moreover, sugarcane crushing across all seven sugar units surpassed the previous season's numbers. Our alcohol production reached an impressive 18 crore litres, representing a substantial increase of 7.3 crore litres or 68% year-on-year.

ROBUST PERFORMANCE IN ENGINEERING BUSINESSES

Our Engineering businesses also demonstrated robust performance. The Power Transmission business witnessed a 22% increase in revenues and a 19% increase in profitability. The Water business experienced a significant revenue growth of 30%. Both segments have a promising outlook, driven by strong domestic demand and our focus on international markets.

RECORD RETURNS TO SHAREHOLDERS

We are delighted to announce record returns to our shareholders. We completed a buyback of ₹800 crore in FY 23 and proposed a final dividend of ₹3.25 per equity share (325%), further enhancing value for our esteemed shareholders.

These achievements demonstrate our commitment to strategic growth and continuous expansion. We remain focussed on delivering exceptional results across all our business segments, leveraging our strengths and seizing the opportunities in the market.

Built on an Expanding Opportunity Landscape

We are a leading and diversified industrial conglomerate, with core competencies in the areas of sugar, alcohol power transmission and water & wastewater treatment. Today, we proudly hold the position of one of India's largest integrated sugar manufacturers and one of the largest ethanol manufacturers, while making significant contributions in Power Transmission and in Water & Wastewater treatment solutions.

Our robust organisational foundations have been built around the expanding opportunity matrix, which we continue to harness proactively at the back of our strong quality and innovation focus. These foundations continue to be reinforced by our core strengths, which enable us to continually leverage the existing and emerging opportunities to grow and expand across our business segments. They are further powered by our well-articulated ESG (Environmental, Social, Governance) principles, with focus on high standards and compliances across the key metrics of performance.

Strategic Priorities amid the Expanding Opportunity Matrix

Sugar

Enhancement in sugarcane yields through sugarcane development and farmer initiatives

Improvements in crushing rates and overall efficiency enhancements

Increased premiumisation through products like refined and pharmaceutical sugar

Sugarcane varietal substitution

Alcohol

Production of Ethanol & ENA through optimal route/sacrifice of sugar, depending upon the product economics

Greenfield and brownfield capacity expansions

Flexibility in distillery operations via multi-feedstock approach including grain, molasses, sugarcane juice/syrup

Power Transmission

Increasing our addressable market by focussing on export markets, contributing to long-term business growth

Strengthening presence in Power Generation, Compressors, Pumps and Built to Print in Industrial and Oil & Gas segments, majorly from western markets

Secure foothold in multiple indigenous product categories in the Defence segment through development of own technology and collaborations

Water & Wastewater Treatment Solutions

Diversification through overseas expansion for new business opportunities

Participation in PPP/HAM concession projects and EPC opportunities

Recurring revenue stream through operations and maintenance services for water & wastewater treatment plants

OUR VISION

We strive to maintain sustainable business growth through continuous innovation, market development and customer retention while creating long-term value for all our stakeholders.

OUR MISSION

We are committed to providing premium quality products, innovative and sustainable solutions that create value for our customers. We continue to look at ways to make a positive environmental, societal and economic difference for the community at large. We build diverse teams and provide equal growth opportunities to all our employees.

OUR VALUES

OPEN

We believe in open communication. We listen to our stakeholders and respond to their suggestions.

PRO-ACTIVE

We understand customers' needs, offer new solutions customised to their requirements and aim to exceed their expectations.

COMMITMENT

We are committed to our customers and live up to promises.

INNOVATION

We are always willing to improve our products and service through continuous research and development.

Growing through Innovation and R&D

Our strengths in innovation and Research & Development (R&D) empower us to effectively translate opportunities into growth. Our sustained focus on pioneering new products, aligned to the transforming customer needs and market trends, has emerged as a key driver of our efforts to scale growth and enable greater value creation. Our experienced R&D team, with an innovation-forward mindset, is continuously leveraging the best and most advanced technologies not just to meet customer needs but, in fact, to exceed them. The focus is on leveraging advanced technologies to develop new-age breakthrough products, particularly in the Power Transmission and Defence segments. We are also making strategic investments in R&D to strengthen our sugarcane development programme, with the aim to improve sugarcane quality and yield.

Integrated & Diversified Conglomerate in Areas Of Sugar, Ethanol And Engineering

SUGAR BUSINESSES

01 SUGAR 02 ALCOHOL

SUGAR

7 modern, FSSC 22000 certified sugar units in the sugar-rich belt of Uttar Pradesh

Products

Multi-grade - Large, Medium and Small

White Crystal Sugar, Refined Sugar, Raw Sugar (for export, basis market dynamics), Pharmaceutical-grade Sugar

Key Highlights

- Extensive sugarcane development programme with farmers

CO-GENERATION

- Generating Power from co-product bagasse
- 104.5 MW grid connected co-generation capacity
- Meeting captive needs, and surplus sold to Uttar Pradesh Power Corporation Limited (UPPCL)
- 3 of the 6 co-generation plants use highly efficient 87 ata/515° C steam cycle

9.33 Million Tonnes
Record sugarcane crushed in SS 2022-23

0.95 Million Tonnes
Sugar produced in SS 2022-23

0.12 Million Tonnes
Sugar exported in FY 23

10.23%
Net Sugar recovery in SS 2022-23

3.30+ Lakh
Farmer Network

~2,04,000 Hectare
Area under Sugarcane

ALCOHOL

4 ultra-modern distillery facilities at Muzaffarnagar (MZN), Sabitgarh (SBT) and Milak Narayanpur (MNP), with an aggregate 660 KLPD capacity

Products

Fuel-Grade Ethanol

Extra Neutral Alcohol (ENA)

Rectified Spirit

Key Highlights

- Among the leading alcohol producers in India
- Commissioned new 200 KLPD multi-feed distillery at MNP to produce ethanol
- Commissioned grain-based distillery of 60 KLPD in MZN to produce Extra Neutral Alcohol (ENA) / Ethanol
- Enhanced capacity at Muzaffarnagar & Sabitgarh from 160 KLPD to 200 KLPD (each)
- Plans to take total capacity to 1110 KLPD
- Flexibility of feedstock and product mix
- Bottling Indian Made Indian Liquor (IMIL) at the bottling facility at our existing distillery in MZN, to effectively use molasses reserved to be sold to country liquor units, and to facilitate forward integration of our distillery operations
- Strong Environment Health Safety compliances

1,81,194 KL

Alcohol produced, +68.4% Y-o-Y

1,80,423 KL

Alcohol sold, +53.1% Y-o-Y

(In FY 23)

ENGINEERING BUSINESSES 01 POWER TRANSMISSION 02 WATER & WASTEWATER TREATMENT SOLUTIONS

POWER TRANSMISSION

3 business segments – Gears, Defence, Built-to-Print, powered by a state-of-the-art integrated manufacturing facility in Mysuru, Karnataka

Products

For Power Transmission – Gears & Gearboxes (including spares)

For Defence – Propulsion gearboxes and other critical gearboxes, critical turbo and motor-driven pumps, gas turbine generators for auxiliary power, propulsion system integration, propulsion shafting

Key Highlights

- Among the largest engineered-to-order turbo gears manufacturers
- Exceptional delivery time, reputation for reliability & product excellence
- Strong focus on value engineering, high-quality manufacturing, R&D
- Expertise in reverse engineering & replacement solutions
- World-class technology, automation & digitalisation
- Strong associations & tie-ups
- Competitive cost integrated manufacturing operations
- Registered with Director General of Quality Assurance for Defence products

12,000+
High-speed Gearboxes installed globally

1,200+
Gearboxes of global brands refurbished

Dominant market player among the engineered-to-order turbo gearbox manufacturers in India

Preferred partner to domestic and multinational Original Equipment Manufacturers (OEMs) for gears / gearboxes

Reliable supplier to Indian Navy for propulsion shafting and turbo pumps, for its indigenous sub-surface project

WATER & WASTEWATER TREATMENT SOLUTIONS

Leading solutions provider for efficient water management for industrial, municipal, urban applications

We are committed to contributing sustainable solutions that lead to environmental protection with an enhanced quality of life.

Advanced Solutions

- **Water Treatment**
- **Water & Wastewater Network Management**
- **Wastewater/Sewage Treatment**
- **Desalination for seawater & brackish water**
- **Recycle & Zero Liquid Discharge**
- **Operations & Maintenance**

Key Highlights

- Wide range of innovative water/ wastewater treatment solutions across all major water usage segments
- Customised, sustainable EPC solutions/services
- Efficient total water management across the water cycle
- Track record of executing some of the largest projects in India

12,000+ Million Litres Per Day (MLD)

Water treated

1,200+

installations successfully operating across India

More than 100 projects in municipal and industrial areas successfully executed

Seizing the right opportunities
Making the right investments

During FY 23, we focussed strategically on seizing the unfolding opportunities to make targeted investments across our business segments. These investments are designed to steer our growth today and for the future.

SUGAR

Opportunities Identified

Leverage the untapped potential of our fertile catchment areas to boost our yields and recovery to provide higher and better-quality sugarcane

Export at the right time to maximise realisations

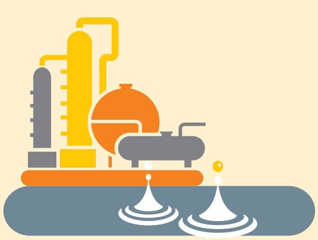
Harness the demand for refined and pharmaceutical sugar to garner a bigger share of revenue in this segment

Investments Made

Modernisation, debottlenecking at various sugar facilities leading to cost optimisation and improving sugarcane crushing efficiency

Expansion of the sugarcane development programme

Process conversion at Deoband to DRP (Refined), increase in pharmaceutical sugar capacity at Sabitgarh



ALCOHOL

Opportunities Identified

Government promotion of production and blending of fuel ethanol with petrol, along with supportive pricing

Government target of 20% blending under Ethanol Blended Petrol (EBP) Programme by 2025 or EBP20

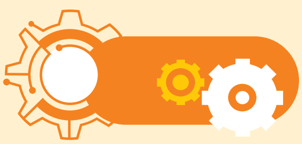
New Government guidelines for producing ethanol from sugarcane-based and grain-based feedstocks, to help distilleries identify the quantity of ethanol produced from different routes

Investments Made

Expansion of distillation capacities from 320 KLPD to 660 KLPD

Modern & efficient technology

Optimisation of product mix while focussing on the bottom-line



POWER TRANSMISSION

Opportunities Identified

Robust economic growth and growing industrial CapEx in sectors like sugar, distillery, oil & gas, cement, steel

Defence push by Government through 'Make in India' and 'Atmanirbhar Bharat' campaigns

Enhance total addressable market

Leverage the global demand opportunity to boost overseas presence

Investments Made

Ongoing expansion of Power Transmission business at an aggregate cost of ₹180 crore which includes setting up a new multi-modal facility, dedicated to Defence products

New bay proposed to be set up along with a large grinder, hobber and other supporting machines & equipment for Power Transmission and Defence products etc. to enhance the capacity from ₹ 250 crore to ₹ 400 crore

WATER & WASTEWATER TREATMENT SOLUTIONS

Opportunities Identified

Growing focus by governments globally on water resource efficiency

Indian Government policies on utilisation of tertiary treated water from sewage / effluent treatment plants

Scope for participation in international projects, where we are well-equipped to identify and respond to the emerging opportunities in a timely and agile manner

Investments Made

Advanced technologies and technological partnerships

Expanding international footprint

Exploring new opportunities in the domestic market

Participation in HAM/PPP opportunities

Strengthening Operations & Maintenance (O&M) support to clients

Delivering growth through the years

Well-diversified and growing revenues

FY 19-23 Gross Revenue; CAGR 19.0%

Rising revenue contribution from non-sugar businesses - from 21% to 34% during FY 19-23#

Progressively improving profitability

FY 19-23 PBIT; CAGR 17.5%

Rising profitability contribution from non-sugar businesses - from 34% to 51% during FY 20-23

Strong balance sheet position

Improved leverage and cost of funds over the 5-year period

ICRA reaffirmed Long Term Credit Rating of AA (Stable) in March 2023

Consistent focus on returns

Long history of returning cash through combination of dividend and buybacks

40% of cash generation during FY 19-23 was utilised towards rewarding shareholders through dividend and buybacks

Creating Shareholder Value

Cash Generation during FY 19-23
₹3,581 crore

Capital Expenditure*
₹929 crore
(26% of the cash generation)

Dividends & Buybacks
(incl. taxes)
₹1,415 crore
(40% of the cash generation)

Funds Retained for Working Capital
₹1,237 crore
(34% of the cash generation)

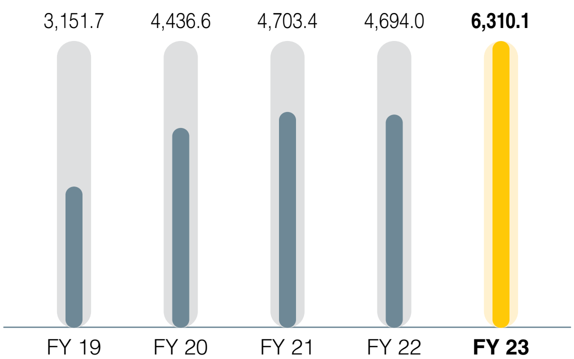
Healthy mix of investments in business for future growth and returns to shareholders

Note:
Based on Standalone Statement of Cash Flows from FY 19 to FY 23
*Capital Expenditure: Purchase of property, plant and equipment and intangible assets, net of term loans availed/paid
#Percentage calculated on net revenue from operations

Our 5-year growth trajectory

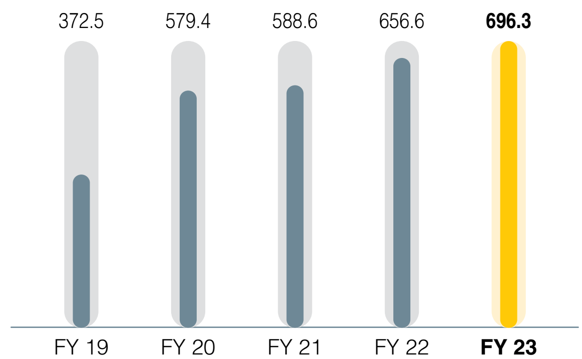
REVENUES (GROSS)

(₹ in crore)



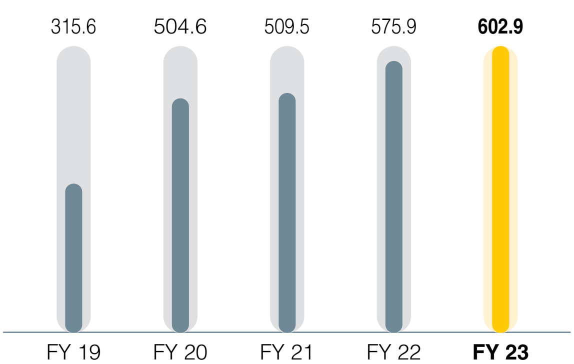
EBITDA

(₹ in crore)



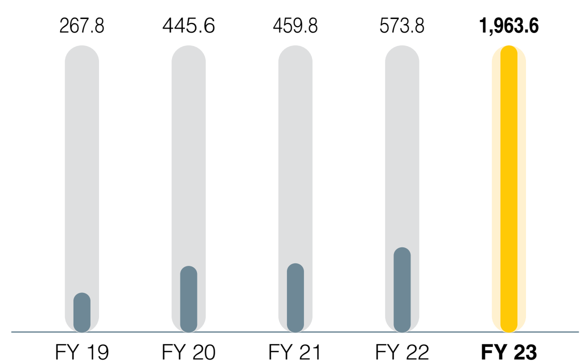
EBIT (Before Exceptional items and Share of Net Profit of Associates)

(₹ in crore)



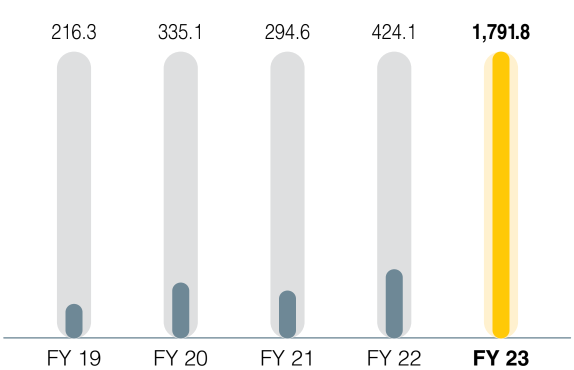
PBT (After Exceptional items and Share of Net Profit of Associates)

(₹ in crore)



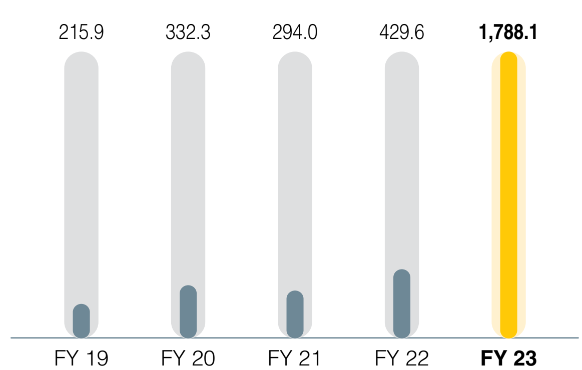
PAT

(₹ in crore)



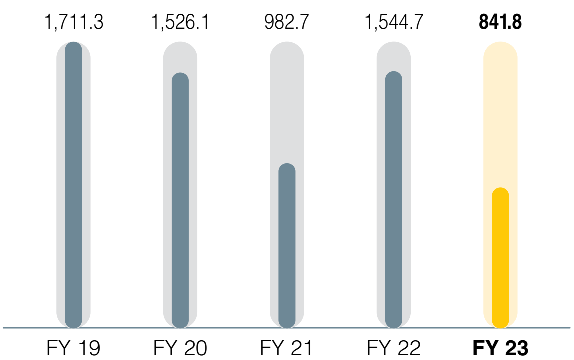
TCI

(₹ in crore)



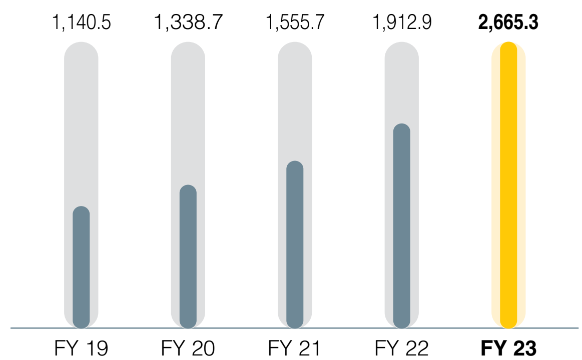
TOTAL DEBT (Net of Cash & Cash Equivalents)

(₹ in crore)



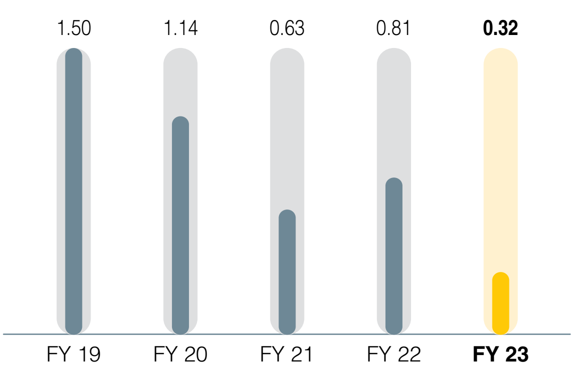
SHAREHOLDERS' EQUITY

(₹ in crore)



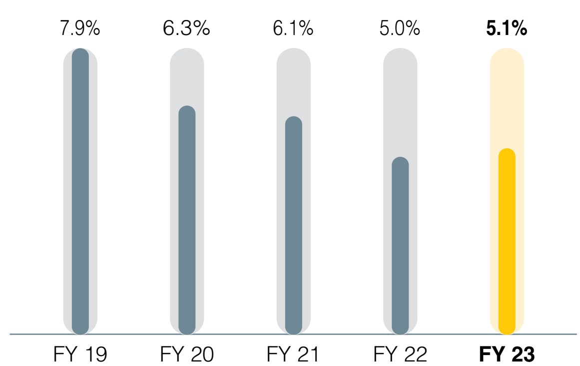
TOTAL DEBT/EQUITY

(x times)

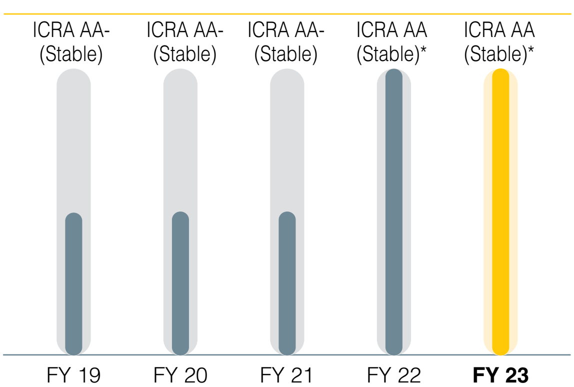


AVERAGE COST OF DEBT (Standalone)

(%)



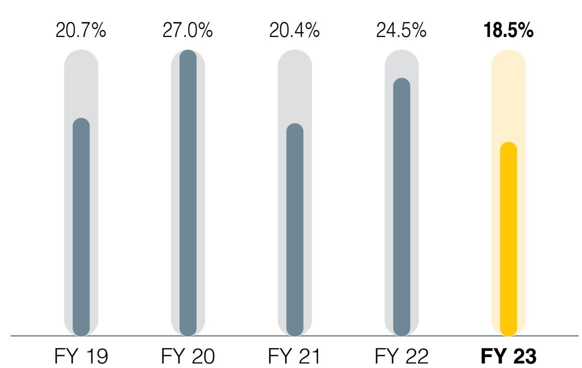
LONG-TERM CREDIT RATING



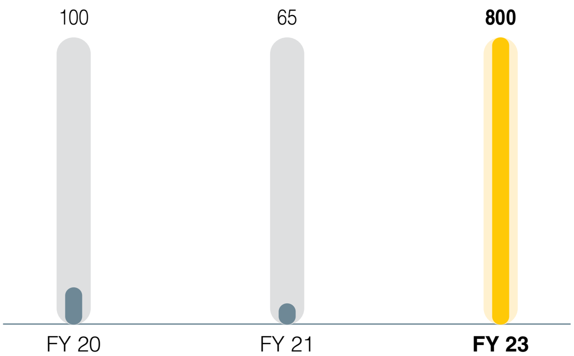
Note: *Upgraded to ICRA AA- (Positive) on April 6, 2021 and further upgraded to ICRA AA (Stable) on November 23, 2021. Reaffirmed on March 24, 2023

ROE

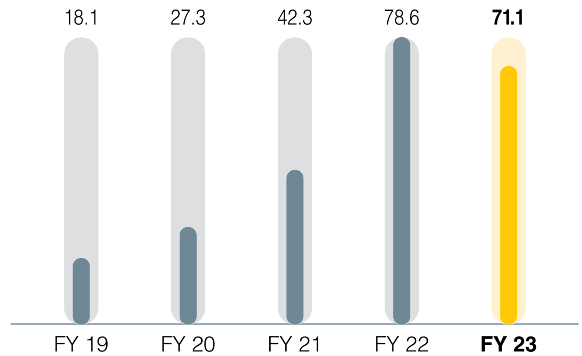
(%)



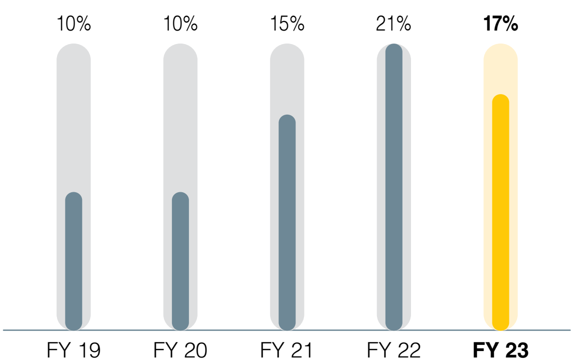
BUYBACK OF SHARES (₹ in crore)



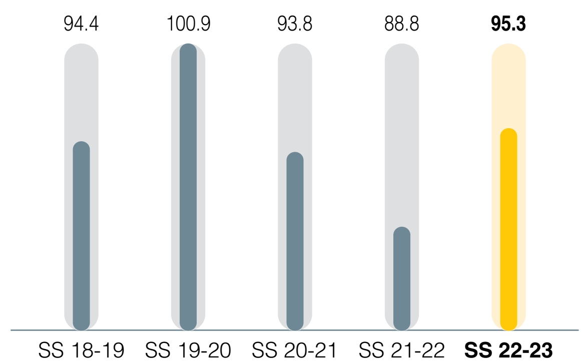
DIVIDEND (₹ in crore)



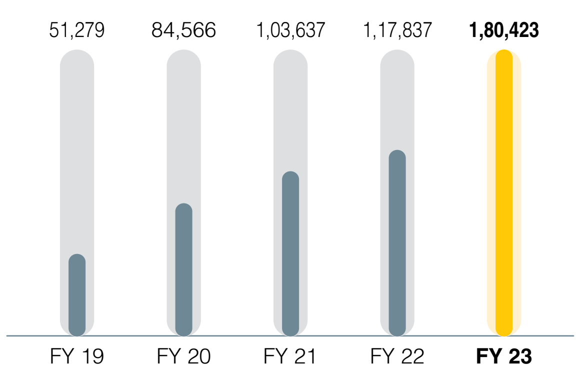
DIVIDEND PAYOUT RATIO (%)



SUGAR PRODUCTION (in lakh quintals)



ALCOHOL SALES (in kilo litres)



SUGAR BUSINESS

Harnessing opportunities today To drive future growth

Government incentives and interventions have helped India's sugar industry in becoming self-sustainable. Aided by the various Government schemes, such as timely export schemes, sugar release quota mechanism, minimum sale price (MSP) etc., India has become the largest sugar producer in the world. The sustained Government push for the Ethanol Blended Petrol (EBP) programme has further contributed to driving sustainability for the sugar industry.

These developments have catalysed new opportunities for the industry players. As a leading integrated corporate, we have successfully maximised these opportunities to scale our efficiencies in the Sugar business. We have harnessed our experience, expertise and close farmer relations to improve productivity and margins through investments in modernisation, debottlenecking and digitisation.

How we invested in Sugar business growth in FY 23

01 Increased our refined sugar production capability from ~40% to ~60% of total sugar production

02 Completed the modernisation and debottlenecking of three of our largest sugar units – Khatauli, Deoband and Sabitgarh, to drive enhanced crushing efficiency. This led to a record sugarcane crush for the Company

03 Sabitgarh unit reported a record pharmaceutical sugar production of nearly 0.03 million tonnes as a result of enhancement of production capacity

04 Efficiency enhancements resulted in reduced process steam consumption, giving a major push to our sustainable growth agenda

In FY 23, we completed CapEx projects worth ₹130 crore, which were announced in FY 22. We further initiated new CapEx projects for a total of ₹175 crore. The projects are aimed at plant modernisation and increase in production of more premium products, such as refined and pharmaceutical sugar, to achieve higher sugarcane crush and higher percentage of refined sugar.

(For more details on the investments and initiatives of FY 23, please refer to the Management Discussion and Analysis section of this Report).

The TEIL Edge

We operate seven state-of-the-art sugar units, located strategically in the sugarcane-rich areas of Uttar Pradesh. The units are FSSC 22000 certified, with strict compliance to the most stringent quality benchmarks and best-in-class manufacturing processes.

We manufacture

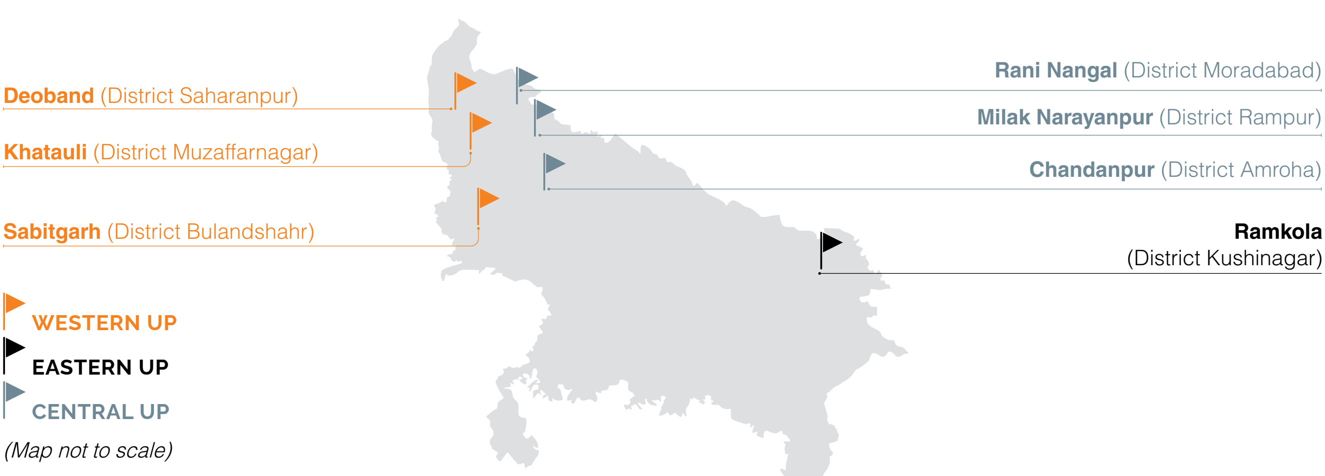
- Refined sugar for high-grade end users
- Various grades of pharmaceutical sugar, which can be customised as per user requirements

We supply to

- Multinational soft drink companies
- Confectionery manufacturers
- Breweries
- Pharmaceutical companies
- Dairies and ice cream producers

We also supply high-quality crystal sugar from some of our non-refinery units to large institutions, which fetches a premium for the Company.

Strategic Manufacturing Presence



(Map not to scale)

Sugar Business Highlights FY 23 / SS 2022-23

9.33 Million Tonnes
Record sugarcane crushed

11.47%
Gross sugar recovery*

₹63.8 Crore
Revenue from Power export

0.95 Million Tonnes
Sugar produced

10.23%
Net sugar recovery

3.30+ Lakh
Farmer Network

0.12 Million Tonnes
Sugar exported

₹36,070/MT
Average blended realisation

~2,04,000 Hectare
Area under Sugarcane

₹4,361.95 Crore
Gross Revenue

₹305.83 Crore
PBIT

Sugarcane crushed, Sugar produced & Recoveries pertain to Sugar Season (SS) 2022-23

** Gross Recoveries after adjustment on account of B-heavy molasses*

Investing in Farmer Relationships

We have been consistently partnering the sugarcane farmers in our catchment areas through a multi-pronged development strategy. Our farmer engagement programmes are focussed on variety substitution and yield maximisation as a way to improve quality cane availability and margins, while raising the bar of sustainability.

Our key farmer engagement initiatives include

- Propagation of new sugarcane varieties to replace Co 0238, which has become susceptible to the red rot fungal disease
- Special yield interventions, such as trench planting & wide spacing to boost yields; demonstration plots set up
- Integrated crop protection programme, encompassing biological and mechanical control measures to prevent crop disease
- Soil health improvement, through soil analysis, recommendations, supply of subsidised press mud to replenish the organic carbon content in soil
- Focus on ratoon management, through awareness programmes, tie-up with regional sugarcane research institutes
- Farm mechanisation and digitisation of crop management practices

ALCOHOL BUSINESS

Capitalising on Ethanol opportunity

The concerted Government push to the production and blending of fuel ethanol with petrol has unveiled new opportunities for diversification and expansion of the Indian sugar industry. The Government focus is on reducing India's dependence on imported crude oil while minimising the environmental footprint of vehicular emissions. The growing shift towards biofuels, as underscored by the EBP20 (20% ethanol blending in petrol) by 2025 target set by the Government, has triggered a major transformation in the strategic approach of sugar companies. We have effectively capitalised on this opportunity to drive continuous growth in its Ethanol / our Alcohol business.

How we maximised Alcohol potential in FY 23

Scaled up our distillation capacities to 660 KLPD to meet the increased demand for ethanol and meet our production targets for FY 23.

Enhanced potential for using grain as feedstock through a dedicated grain facility and a multi-feed distillery.

MNP distillery unit was commissioned in time, leading to 100% capacity ramp-up.

On time commissioning of the MZN grain distillery, helping to leverage the product flexibility to produce Ethanol as well as superior quality ENA, which was supplied to IMFL manufacturers across U.P. and also utilised for captive consumption.

(For more details on the investments and initiatives of FY 23, please refer to the Management Discussion and Analysis section of this Report).

With 660 KLPD capacity, we are among the leading producers of alcohol including bio-ethanol. The Milak Narayanpur unit is the first distillery of its size in the country to utilise the entire range of feedstocks (B-heavy Molasses, Syrup, Grains) in FY 23.

Alcohol Business Highlights FY 23

1,81,194 KL
Total ethanol production

660 KLPD
Distillation Capacity

1,80,423 KL
Alcohol sales

25%
Alcohol sales from Grain-based feedstocks

₹1,172.27 Crore
Revenue Net of Excise duty

75%
Alcohol sales from Sugarcane-based feedstocks

₹212.32 Crore
PBIT

₹ 57.3/ litre
Average Realisation

Strategic decision on feedstock mix

As a strategic decision, we have chosen to produce ethanol from sugarcane-based molasses and grain. After trialling for a short duration in early FY 23 (SS 2021-22), we took the decision to keep sugarcane juice out of the raw material mix for ethanol production due to the unfavourable economics based on prevailing prices. This differentiated approach is aimed at enabling better economies for the business, leading to enhanced profitability. It gives the flexibility to take the final decision on the raw material based on the relative pricing. As a focussed decision not to produce on juice with the given rates, we did not undertake any sugarcane juice processing during SS 2022-23.

Establishment of a carbon dioxide capturing unit at the Sabitgarh distillery on a BOO (Build, Own, Operate) basis has opened an additional revenue stream. It has also enabled reduction of emission of Green House Gases (GHG). (CO_2 is generated as a by-product in the fermentation process of alcohol manufacturing).

Production and sale of good quality Dried Distillers Grain Solubles (DDGS), with high protein content, has augmented our earning capacity. In FY 23, we sold more than 25% of DDGS to various premium institutions.

The process of conversion of molasses to ethanol generates spent wash (an effluent) which upon concentration is called Slop, further used as fuel in the Incineration boilers which leads to fly ash generation which is rich in potash. We supply this fly ash for additional revenues, wherein the customer convert the same to produce granules of potassic fertilisers.

Investing in future opportunities

Identifying growth potential

Industry getting ready to divert higher sugar for production of ethanol to balance the excess sugar and meeting demands of EBP

01

Exports expected to continue as India has become a structurally sugar exporting country

02

OMC has started E20 selling petrol at more than 1,000 outlets across India from April 1, 2023, after Government announcement that from April 2023, all new vehicles will be E20 compliant

03

Preparing for future growth

SUGAR SEGMENT

Active focus on new high-yielding & high sugared sugarcane varieties in the sugarcane command areas of our sugar units

Capital expenditure planned for further debottlenecking, modernisation, efficiency improvement, etc.

₹90 crore CapEx approved for process change at Milak Narayanpur towards refined sugar and modernisation, debottlenecking and efficiency improvements at various sugar units

Incremental approval of ₹85 crore of capital expenditure, mainly for expansion in capacity of Sabitgarh unit by 2,000 TCD raising it from 7,000 to 9,000 TCD; will take total crushing capacity to 63,000 TCD

ALCOHOL SEGMENT

Overall distillery capacity to be further expanded to 1,110 KLPD

Board approval received for expansion programme to set up two new dual-feedstock (sugarcane derived and grain distilleries) with an aggregate capacity of 450 KLPD at Rani Nangal and at Sabitgarh

Enhancement of cane availability; higher sugarcane crush will boost availability of sugarcane derived feedstock for distillery operations

VALUE-ADDED SEGMENT

Enhancing revenue through sale of DDGS, potash-rich fly ash, CO_2

POWER TRANSMISSION

Investing in emerging opportunities to power long-term growth

Increasing demand for energy-efficient systems and high-speed machines is steering the growth of the power transmission gearbox market. Growing industrialisation and urbanisation, backed by investments in infrastructure development, is unleashing further growth opportunities in this segment. The Indian defence industry is also seeing enhanced focus on the development of indigenous capability and technology, driven by the Government's 'Make in India' policy and 'Atmanirbhar Bharat' campaign. The Ministry of Defence is proactively encouraging capable vendors to partner it in its defence indigenisation journey.

With our dominant market position in industrial gears and competencies in delivering high-precision products for the defence industry, we are at the forefront of harnessing the emerging opportunities in this segment.

The TEIL Edge

We are among the largest engineered-to-order turbo gears manufacturers in India. We have a dominant domestic market share across OEMs, and are patronised by global OEMs across applications. We are also one of the few companies globally catering to AGMA & API standards and supplying gearboxes to hazardous and sub-zero temperatures. We are providing critical technology and engineered solutions on multiple fronts to Indian Navy and Indian Defence industry.

We offer

High-power and high-speed gears, designed for steam turbines, gas turbines, compressors, pumps, blowers, and other special purpose industry applications

Niche low speed gearboxes for mini hydel turbines, steel mills, sugar mills, rubber mixers and extruders, cement mills, thermal plants, plastics etc.

Marine gearing solutions

Naval and defence products

Spares and Aftermarket solutions

Manufacturing prowess

Our integrated plant, located in Mysuru, Karnataka, is equipped with state-of-the-art infrastructure, and driven by operational excellence.

We manufacture high-speed gears and gearboxes up to 70MW capacity with speeds of 70,000 rpm, as well as Defence products and solutions for the Navy.

We are now pursuing growth independently in the high-speed high-power segment after our licence agreement with Lufkin Gears LLC expired in January 2023. We are confident of enhancing our market share in key domestic and global markets in this business.

How we invested in growth in FY 23

01 Design, Engineering, Development & Delivery of special application pump for Navy, which will pave the way for similar requirements in the future.

02 Continued with the ongoing expansion of our power transmission business at an aggregate cost of ₹180 crore for setting up a new multi-modal facility, dedicated to Defence products.

03 Entered the very high-power compressor gearbox, which opens opportunities in domestic & global market to increase market share and installation base.

04 Providing solutions for complete Integrally Geared Compressor (IGC) gearbox units through reverse engineering and expanding the scope to compressor parts has opened new avenues of growth in refineries, fertilisers and petrochemical complexes.

05 Ventured into a specialised vertical of propulsion shafting post, winning an order for Main Propulsion Shafting for sub-surface platform with in-house design & engineering.

(For more details on the investments and initiatives of FY 23, please refer to the Management Discussion and Analysis section of this Report).


Applications for which gearboxes are supplied
01
Integrally Geared Compressors & Blowers
02
Centrifugal Pumps
03
Reciprocating Pumps & Compressors
04
FD & ID Fans
05
Low-Speed Industrials
06
Marine Propulsion
07
Test Rigs
08
Generators
09
Centrifugal Compressors
10
Centrifugal Blowers


Industries We Serve
Power Generation (IPPs)
Oil & Gas
Refinery & Petrochemical
Chemical & Fertiliser
Sugar
SUGAR
Cement
Rubber & Plastics
Steel
Marine

Enabling OEMs Consistently

>50,000 MW globally installed gears capacity

Steam Turbines

Gas Turbines

Centrifugal Compressors

Reciprocating Compressors

Centrifugal Pumps

Fans and Blowers

Hydel Turbines

Our Defence business has ventured into a specialised vertical of propulsion shafting post winning an order for Main Propulsion Shafting for sub-surface platform with in-house design & engineering. This would be a pioneering initiative aligned to the Atmanirbhar Bharat policy of Govt of India. The technology developed will enable participation in various other shafting projects for Navy.

Power Transmission Business Highlights FY 23

₹225.25 Crore
Gross Revenue

₹260.42 Crore
Closing order book

₹76.44 Crore
PBIT

12,000+
High-speed gear boxes installed globally

₹263.88 Crore
Order booking during the year

1,200+
Gearboxes of global brands refurbished

Scaling presence in Aftermarket business

The Government's 'Make in India' initiative has created new opportunities for diverse engineering products, and our Power transmission business is actively participating in many of these indigenous projects. We have, over the years, developed expertise and experience as well as strong relationships in the Asian sub-continent, which should support our growth in the international markets, for not just new products but also for the aftermarket business. We plan to expand our service footprint in high potential international regions to capture high growth opportunities. The focus will be on leveraging our existing expertise and experience of retrofitting and troubleshooting of all global makes.

Growing prospects in Defence segment

The key segments of Gas Turbines packaging, gearboxes and special application pumps are pushing growth in Defence. We are Indian Navy's chosen reliable supplier for propulsion shafting and turbo pumps, for indigenous sub-surface project. We are developing multiple product lines for Naval applications like Stabilisers, Light Weight Gearboxes, Propulsion Shafting & System, Steering Gear for a range of marine platforms, and Special Application Pumps. Our foray into a special vertical of propulsion shafting will pave the way for our participation in various other shafting projects for the Navy.

Our R&D investments have helped in significant development of our technology competence in high-speed high-power gearboxes. We shall continue to focus on cost and quality leadership in the international markets.

Responding to new opportunities

Identifying growth potential

Steam Turbine Generator (STG) market expected to grow in the smaller power range for Sugar and Distillery sector

Domestic Oil & Gas sector refining capacity to double by 2030, leading to gearbox requirements for Steam Turbines, Gas Turbines, Pumps and Compressors

Infrastructure growth providing stimulus for expansion of Steel and Cement for Waste Heat Recovery (WHR)

Growing potential in Waste-to-Energy (WtE) through agricultural and municipal waste

Anticipating larger quantums of business, both from OEM (Original Equipment Manufacturer) and aftermarket sales

Gearing for future growth

₹ 100 crore new CapEx in Power Transmission business announced in FY 23

Establishment of a new bay for a new gear shaft at the existing facility at Mysuru, to expand the total capacity

Investment in technology and customer acquisition

Setting up of dedicated multi-nodal facility for Defence products – separate machinery being set up in new facility at Mysuru, to be completed during FY 24

WATER BUSINESS

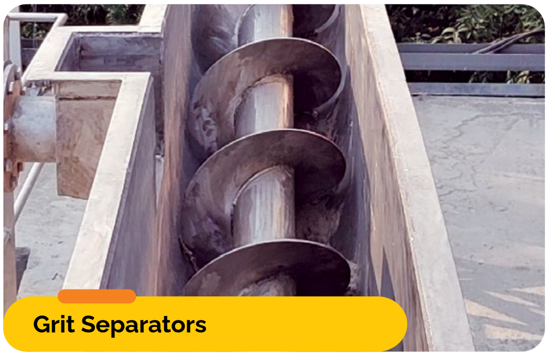
Making strategic investments to push domestic & international growth

The strong growth potential in water and wastewater treatment solutions during 2022-2029 is powering the expansion of this segment. The Indian Government's programmes and policies in this industry are further aiding growth. Some of the key Government programmes catalysing opportunities for growth and investment are the National Rural Drinking Water Program (NRDWP) and Jal Jeevan Mission (JJM), as well as the National Mission for Clean Ganga (NMCG). In addition to pan-India opportunities, the Water business is also emerging as a key investment area in many International markets.

As an industry leader in the Water & Wastewater solutions, we offer impactful solutions in this segment. We provide turnkey execution and operation of water and wastewater treatment plants for both the municipal and industrial sectors.

Key Water Solutions supplied and commissioned across industries pan India


Intake Systems


Grit Separators


Skimmers


Screens


Clarifiers


Biological Treatment Towers


Sludge Handling Equipment

We have strong management and innovation skills in handling projects of any scale across sectors and regions.

Industries Served

- Municipal WTP/STP
- CETP/ZLD for Industrial clusters
- Refineries
- Steel Plants
- Non-ferrous Industries
- Oil & Gas
- Thermal Power Plants
- Hydro Power Plant
- Sugar & Allied Industries
- Coal
- Sand Processing Plant
- Desalination

The TEIL Edge

We offer complete Turnkey / EPC (Engineering Procurement and Construction) solutions for water and wastewater/sewage treatment. We also cater to the complete needs of water and wastewater collection and distribution networks, including their design, construction, operation and management.

Our USPs

01 Our Design, Build and Operate water and wastewater treatment plants can be designed for on zero liquid discharge and reuse.

02 We manufacture equipment for the wide spectrum of Water and Wastewater Treatment industry.

03 We offer operations and maintenance services for water and wastewater treatment plants.

04 We design, build and operate water and wastewater management systems on EPC/PPP (Public Private Partnerships) / HAM (Hybrid Annuity Model) / Build Own Operate Transfer (BOOT) models

Innovative technology, advanced equipment, strong management and expertise in handling EPC projects of any scale across sectors and regions, along with our technological associations and tie-ups, give us a strong edge in the water and wastewater management business.

How we invested in growth in FY 23

GROWING FOOTPRINT IN DOMESTIC MARKET

- Achieved COD (Commercial Operations Date) of Mathura HAM project for NMCG/ UPJN
- Received Bhiwadi 6 MLD Zero Liquid Discharge (ZLD) project
- 210 MLD WTP at Greater Noida for Greater Noida Industrial Development Authority
- 205 MLD STP (3 Phases) at Kondli based upon new NGT norms for Delhi Jal Board funded by JICA, under YAP(III) package K3

EXPANDING IN INTERNATIONAL MARKETS

- Secured EPC order for 80 MLD (52+28) Sewerage Treatment Plants at Khulna for KWASA, Bangladesh, funded by ADB
- Water & Sewerage system for 6 Islands in Maldives, including RO for Govt of Maldives funded by Exim Bank of India

(For more details on the investments and initiatives of FY 23, please refer to the Management Discussion and Analysis section of this Report).

Water & Wastewater Treatment Business Highlights FY 23

1,200+
Operational installations pan India

₹352.17 Crore
Consolidated Gross Revenue

₹1,393.41 Crore
Outstanding order book

12,000+ MLD
Water & wastewater treated

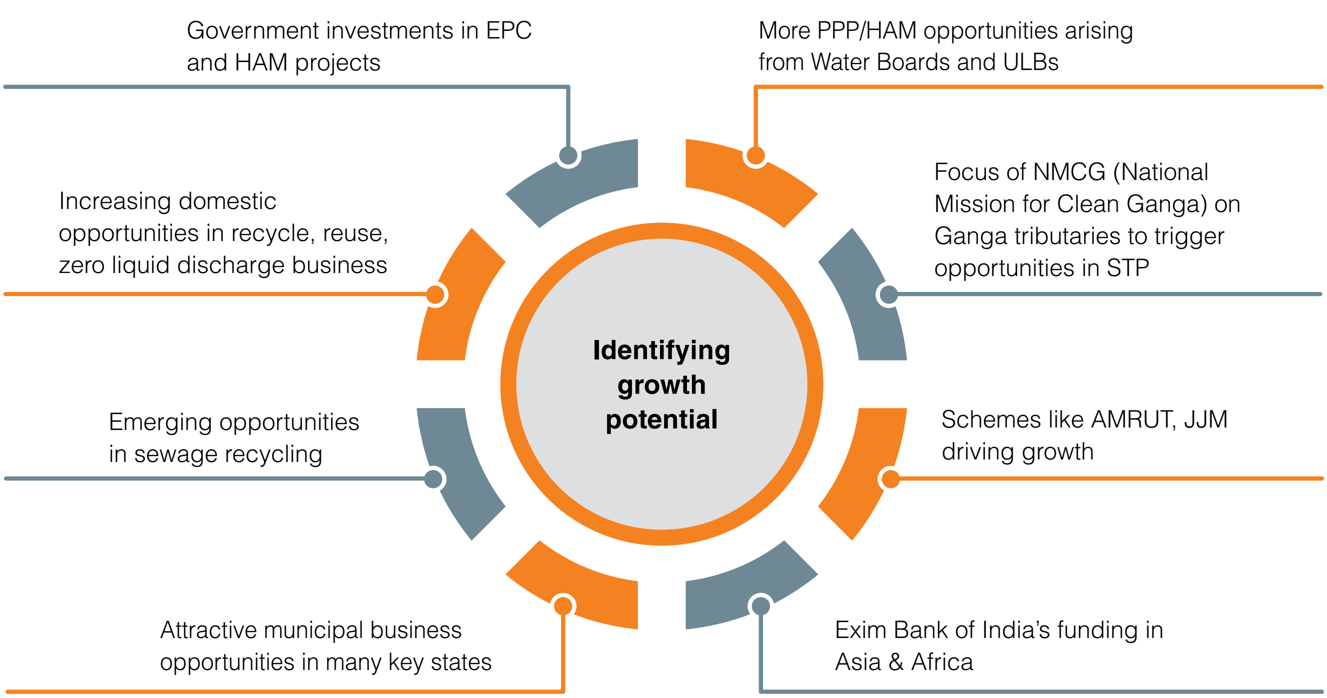
₹24.28 Crore
Consolidated PBIT

₹916.86 Crore
O&M contracts in outstanding order book

2,000+
Process equipment supplied & commissioned

₹192.08 Crore
Order booking (excluding O&M orders)

Translating possibilities into reality

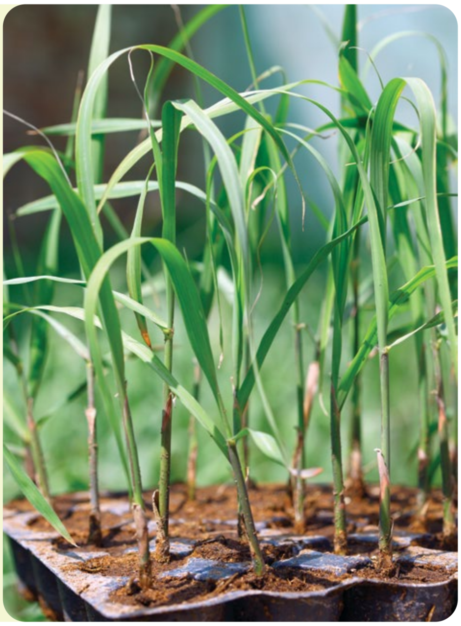


ESG FOCUS

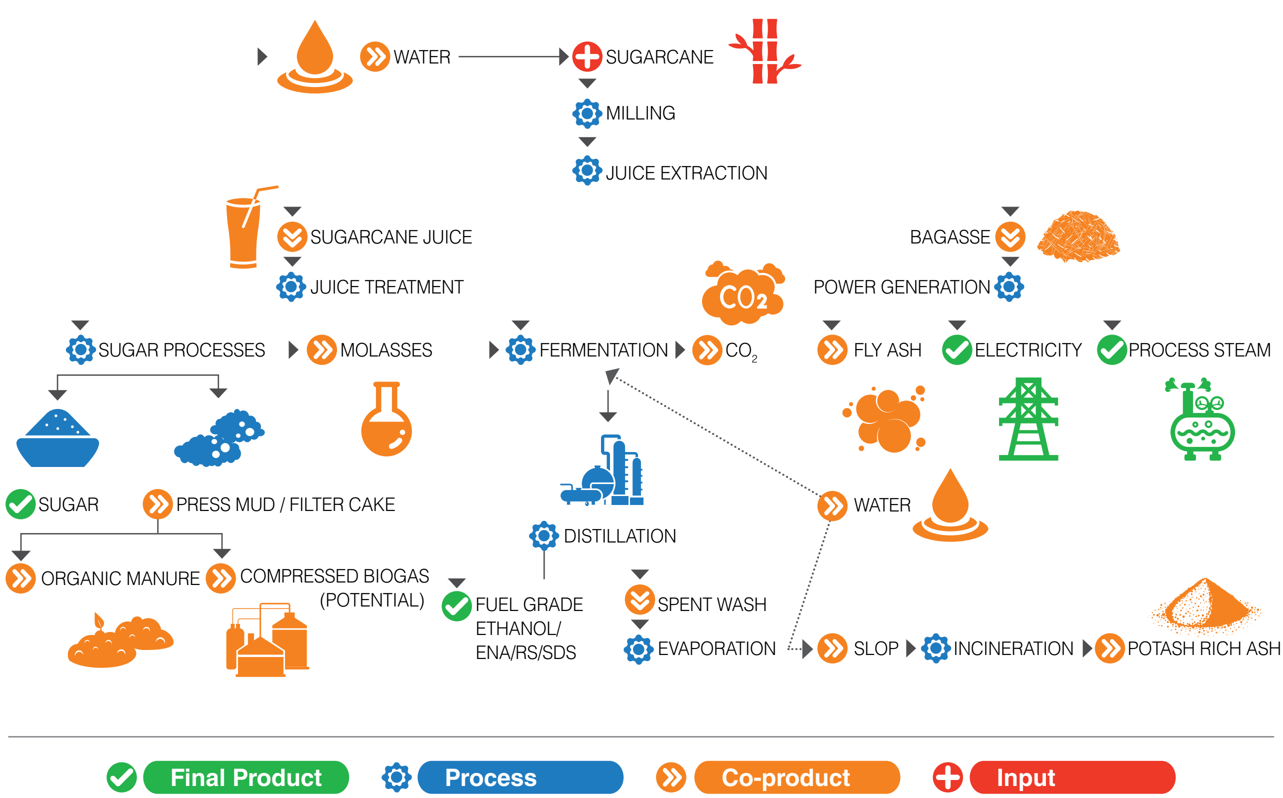
Investing in the Future

We believe not only in capturing the current opportunities to drive business growth but also in investing in the emerging opportunities that will ensure sustainable future development. Our strategic approach is focussed on driving profitability while securing the planet for future growth.

A strong Environmental, Social and Governance (ESG) agenda is embedded in our business framework, and we continue to strengthen the same through targeted initiatives across our business segments.



AN ENVIRONMENT-FRIENDLY INDUSTRY WHERE WHAT WE TAKE WE GIVE BACK

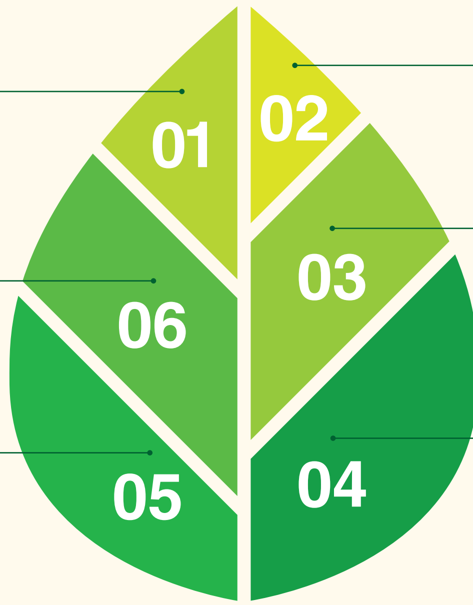


Our Multi-Pronged Approach to Sustainability

Highest level of ethical and corporate governance standards, with stringent compliances

Harnessing co-products to become raw materials for other products, thus promoting circular economy

Allocation of capital with focus on reducing carbon footprint and promoting energy efficiency



Maintaining ecological balance while ensuring business excellence

Best-in-class sustainable processes and solutions across our operations and units

Fostering community development and social empowerment

ENVIRONMENTAL

- Environment conservation is a key element of our ESG focus.
- We strive to go beyond compliance to address the various risks that threaten the natural eco-system.
- We are cognisant of the importance of sustainable sourcing as a key driver of our environmental sustainability journey.

SOCIAL

- Along with sustained economic performance, we believe in the importance of social stewardship.
- It is our continuous endeavour to strengthen our social relationships, including those with our customers, employees and the communities around our operations, to make a positive difference to their lives.

GOVERNANCE

- We have in place a robust corporate governance framework.
- The framework is centred around the principles of integrity, transparency, fairness, responsibility and ethics.

ENVIRONMENTAL

Our environmental protection initiatives include:

- Power generation through bagasse, a renewable source of energy & co-product of sugar operations
- Utilising molasses for production of fuel ethanol, which lowers dependence on fossil fuels and leads to cleaner environment
- Reduction in effluents across air, water and ground, through investments in treatment plants, incineration boilers, etc.
- Leading water and wastewater treatment company with a nationwide presence
- Capturing CO_2 and potash-rich ash from Distillery operations to extract value and limit impact to environment
- Promoting R&D in water and wastewater treatment through CII Triveni water Institute
- Following best practices in recycling and promoting conservation of natural resources
- Supplying to a multitude of industries that use renewable sources of energy in power transmission
- In power transmission, R&D to promote lower losses and increase efficiencies
- Sourcing strategy, including vendor selection, based on sustainable requirements such that performance objectives are aligned with the Company

Emissions under scope 1 & 2 are technically estimated to be negligible as we are mainly using renewable source of energy.

Sourcing Responsibly & Sustainably

Sustainable procurement is vital to integrating sustainability into the entire value chain of our business. We have strong relationships with our vendors and continue to partner them in their sustainability efforts.

Comprehensive sourcing strategy, which includes vendor selection based on sustainable requirements, to align their performance goals with those of TEIL

Extensive and efficient arrangements to lower transportation for movement of raw material and products to reduce fuel emissions, pollution, associated costs

Seamless supply of bagasse for the co-generation plants, mainly from our own sugar units, leading to greater resource efficiency

Efficient arrangements and logistics services to transport cane from cane centres to the mill in a timely and cost-effective manner, thus preventing cane from getting stale

Deployment of digital tools, such as GPS, geofencing, etc., to track movement of raw materials such as sugarcane, molasses, etc. in a timely and cost efficient manner across units

SOCIAL

We continue to look at ways to make a positive societal difference for the community at large. Our community engagement efforts are centred around:

- Farmer relations through continuous communication
- Improving soil health through regular tests
- Engagement with farmer communities
- Customer satisfaction
- Data protection and privacy policies & efforts
- Employee diversity, equity and inclusion
- Employee engagement and relations
- Health and safety
- Respect for human rights and compliance to labour principles

We foster social empowerment through

- Focus on farmers' welfare, promoting socio-economic development through counselling to farmers, educating farmers, managing schools, cane development which promotes productivity and higher income, etc.
- Community initiatives such as installations of tube wells, maintenance of ponds, cleaning of drains, health camps, etc. along with other financial assistance
- CSR initiatives promoting education, sports & healthcare, ensuring environmental sustainability, making safe drinking water available
- Maintaining health through welfare programmes such as organising health camps and ensuring safety with comprehensive emergency preparedness plans

Supporting Healthcare Programmes

In FY 23, we:

Screening of developmental & behavioural problems in children and providing advice for preventing these problems and promoting healthcare, especially of the lower socio-economic strata.

A programme on preventive health check-up for women was organised where patients were screened to diagnose onset of chronic diseases at an early stage.

Screening of cancer, osteoporosis and anaemia in females to prevent these diseases. The screening was followed by a comprehensive preventive advice to these patients.

A programme was organised at a charitable hospital for screening of new-born babies to identify any disorders/diseases that might affect the baby's normal functions. The core screening of new-borns included Congenital Hypothyroidism (CH), Congenital Adrenal Hyperplasia (CAH), Glucose 6-Phosphate Dehydrogenase Deficiency (G6PD) and Oto Acoustic Emission (OAE) for hearing loss.

Promoting Education & Women Empowerment and Sports

Education and Women Empowerment

Support to schools at Khatauli, Deoband and Ramkola through free/subsidised education to children of local communities

Financial support to Nursing School to improve teaching standards

Promoting Sports

Supported India Youth Soccer Association, an NGO promoting football among the economically backward section of the society, which undertook Josh Rural project and supported boys, girls and coaches in villages and small town Football Academies in North India with kit, footballs & training equipment

GOVERNANCE

Our ethical and transparent governance framework encompasses the following elements:

- Diverse Board of Directors with broad-based functional and managerial competencies and experience
- Visionary leadership skilled to identify and harness future opportunities with focus on sustainable growth
- Highest ethical standards, backed by stringent compliances to the law, rules and statutory regulations
- Professional & highly experienced management team, leading execution excellence
- Accountability, transparency & fairness in business practices
- Well-structured Enterprise Risk Management (ERM) policy

Message from the Chairman

DHRUV M. SAWHNEY
Chairman & Managing Director

Dear Shareholders,

The prosperity of a company is intrinsically tied to its prowess in identifying and harnessing the finest opportunities through innovative means. At Triveni, we pride ourselves on possessing these core competencies, continually reinforcing them through strategic investments and initiatives. Together, we will continue to seize the most promising prospects and channel our innovative potential to drive our organisation forward.

Over the years, the Company has pursued **long-term sustainable growth through strategic investments** in each of its businesses. FY 23 was no different, as we further sharpened our focus on finding the right opportunities to steer our growth across our business segments. At the same time, we raised the bar of our innovation to maximise these opportunities for greater value creation.

I am extremely pleased to inform you that these efforts translated into exceptional performance for your Company on both, the operational and financial metrics.

FY 23 proved to be a year of excellence, marked by several milestone achievements for the Company. We reported a record gross and net turnover of ₹6,310 crore and ₹5,617 crore respectively – an increase of 34% and 31% respectively over the previous fiscal. Strong performance across our businesses propelled this outstanding growth, which has positioned us even more powerfully as one of the leading companies in each industry it operates.

Record-Sugarcane Crush: A Testament to Quality, Collaboration, and Growth

In the Sugar business, our focus has been on improving the quality and availability of the sugarcane, higher engagement and collaboration with our farmers, digitalisation to improve productivity & better decision-making, and enhancing realisation. Through various on-ground initiatives and a robust sugarcane development programme, we achieved the highest ever sugarcane crush in Sugar

Season 2022-23, with a year-on-year increase of 11%. It is important to highlight that despite increased instances of diseases and pests in the state of Uttar Pradesh, the Company has consistently grown its crush, growing at CAGR of ~8% since the last 7-8 years, making it among the few companies to achieve this feat.

Fuelling the Future: Advancing Ethanol Blending & Optimising Profitability in our Alcohol Business

In our Alcohol business, we have been contributing progressively to the Government's visionary Ethanol Blended Petrol (EBP) programme, and have strategically added capacities in the last few years. FY 23 also witnessed your Company achieve a higher distillation capacity of 660 KLPD, which led to record production and sales. More importantly, we are focussed on an optimal mix to enhance profitability for the business.

Strategic Diversification Pays Off: Engineering and Alcohol Businesses Drive Significant Growth

I am happy to share that our Engineering and Alcohol businesses together contributed 51% of the total segment results for the fiscal – a sharp increase over the 38% share in the previous financial year. The progressive decline in the percentage of sugar to the Company's revenue and PBIT is a matter of satisfaction, as a higher percentage of the non-sugar business, besides providing a healthy diversification, also brings more predictability in revenues and profitability. This is an extremely positive trend, which clearly endorses the success of our strategic focus on return-driven long-term growth. Besides indicating a lowering of our dependence on the Sugar business, it also underlines a more innovative management of the business risks.

> FY 23 proved to be a year of excellence, marked by several milestone achievements, for the Company. We reported a record gross and net turnover of ₹6,310 crore and ₹5,617 crore respectively – an increase of 34% and 31% respectively over the previous fiscal. Strong performance across our businesses propelled this outstanding growth, which has positioned your Company even more powerfully as one of the leading companies in each industry it operates.

Strong Balance Sheet and Value Creation: Triveni's Debt-Equity Ratio Improves and Record Buyback Achieved

Our healthy balance sheet has also given us much cause for satisfaction, with the net debt of ₹841.8 crore on a consolidated basis, as on March 31, 2023. With a view to achieving optimal leverage, there has been progressive improvement in our debt-equity ratio over the years. The ratio was 0.32x for FY 23, and has improved from 1.51x in FY 19.

The Company **completed a record buyback of ₹800 crore** in March 2023, which underscores our commitment to value creation. I would also like to share that the Board of Directors has recommended a final dividend of ₹3.25 per share, 325% for FY 23. This underpins our priorities of returning profits to shareholders, to enhance their overall return on investment along with fostering investor confidence in the Company's financial stability and its growth prospects.

Driving Performance Excellence and Long-Term Growth: Our Strategic Initiatives Propel Sugar Businesses Forward

Turning to our outlook, in the Sugar businesses, our sugarcane development programme has emerged as a major propeller of our remarkable performance. We are consistently focussed on expanding the area under sugarcane cultivation, while investing in initiatives to boost crop protection, quality and yield of the sugarcane produced in our catchment areas. The good quality of the sugarcane produced is a major contributor to the Company's growth in both the Sugar and Alcohol segments, and in revenue generation through by-products. We remain committed to making sustained investments in this area to enable Triveni's long-term growth and ensure the continued socioeconomic development of our farmer partners.

I believe that these initiatives, coupled with the strategic investments we are making in the Sugar business, will continue to drive performance excellence for your Company in the years ahead. Having successfully completed the modernisation, debottlenecking and efficiency improvements at three of our largest sugar units, we are now looking at similar upgradation of our other plants including process change at our Milak Narayanpur to further enhance the revised sugar production and improve realisations. The ₹175 crore worth of CapEx investments we announced during FY 23 are aligned to this focus. This will include expansion of the

Sabitgarh unit capacity, to augment the crushing capacity of the Company from 61,000 TCD to 63,000 TCD.

Similar growth and expansion plans are also on the anvil in the Alcohol segment, where, too, we have seen stupendous growth in the year under review. As you are aware, we had scaled our distillation capacities to 660 KLPD in FY 23, and plan to take them up to 1,110 KLPD. Sustained Government interventions and initiatives will continue to push growth in this segment, and we see an extremely positive outlook for the Alcohol business. We remain hopeful that the Government will further incentivise the industry through appropriate increase in realisations, especially towards production of ethanol from sugarcane juice/syrup which will push companies like ours to pursue ethanol production through this route as well.

Exceptional Growth and Expanding Horizons: Engineering Business Flourishes in Power Transmission and Water Segments

Our Engineering businesses crossed the milestone figure of ₹577 crore in aggregate revenue for the year, with commendable growth in both Power Transmission and Water businesses. The excellent 27% growth over FY 22 in the combined Engineering business, comprising both Power Transmission and Water, has paved the way for exceptional business expansion in these segments. A notable development in PTB is that both order booking and closing order book showed good growth, driven almost in equal measure by increase in product sales to the OEMs as well as sales in the Aftermarket segment. The Company's high speed licence agreement with Lufkin Gears LLC expired in January 2023 and the business is now pursuing the high-speed high-power segment independently and I am happy to share that in the short duration since then, the business is receiving a resounding market response from customers which gives us the confidence that Power Transmission business will continue to contribute significantly to our revenue diversification.

The Defence segment is also an area of huge potential in the PTB business, as manifested in the significant market developments and order booking potential during the year. We are in the midst of ongoing expansion of capacities including the dedicated multi-modal facility we are setting up for our Defence products in Mysuru will empower us to further expand our share in this business.

As far as our Water business is concerned, we are well equipped and fully geared to capitalise on the multitude of domestic market opportunities, particularly in the recycle and reuse spaces. At the same time, we aim to aggressively expand our presence overseas. The EPC/HAM opportunity offers immense scope for further growth in the Water business. In a strategic shift, we are actively targeting foreign projects in the last few years. The focus in the overseas water business is on projects where we have the necessary pre-qualifications, and funding is ensured through reputed multilateral agencies.

Unlocking Value and Embracing Growth

While these operational milestones and initiatives will give a new impetus to our growth plans, another major development of the year gone by was the divestment of the entire Triveni Turbine Limited (TTL) stake for a net consideration of ₹1,593 crore. The divestment was aimed at unlocking value for stakeholders, timely monetisation of non-core-assets, unbundling of businesses, and enabling the long-term succession planning and facilitation of focussed management for the Company.

Fostering Business Dynamism: Capitalising on New Opportunities and Fuelling Growth

These developments and decisions have paved the way for increased business dynamism and growth in the coming quarters and years. Our focus now is on leveraging these outcomes by preparing ourselves to capture the various opportunities we see unfolding across our business segments.

We are thrilled to witness these transformative initiatives opening doors to new growth prospects. With unwavering confidence, we are poised to forge ahead, leveraging positive market conditions to propel us towards robust growth.

These exhilarating times at your Company exemplify the dedication and hard work of our talented team, paving the way for numerous milestones of success on our journey forward. I extend my heartfelt appreciation to our employees and the leadership team for their instrumental role in delivering remarkable growth this year. Moreover, our gratitude extends to our farmers, customers, partners, vendors, investors, shareholders, and all stakeholders who continue to trust in our ability to seize new opportunities through impactful initiatives and strategic investments.

With best regards,

DHRUV M. SAWHNEY

Chairman & Managing Director

Q&A with Vice Chairman & MD

TARUN SAWHNEY

Vice Chairman & Managing Director

> Our robust business model, deep-rooted strengths, strong execution capabilities and visionary approach make us the frontrunner in maximising the potential for growth across our businesses.

Q

How would you describe the overall industry and business scenario?

There is a lot of dynamism and optimism prevailing, across our business segments.

In the Sugar industry, international sugar prices rallied to record highs in 2023, while in the domestic market, robust sugar production, much above the consumption levels, has led to a surplus. Over the years, this has led to India becoming a regular exporter of sugar – an extremely favourable development for the domestic industry. Further, the progressively increasing diversion of sugar for ethanol production under the EBP programme has added a new layer of positivity to the industry environment.

On the Engineering front too, there has been a remarkable spike in the demand for gears and gearboxes, both in the OEM and aftermarkets segment, particularly from the fast-growing segments of Oil & Gas, Waste Heat Recovery (WHR) and Waste to Energy (WtE). The Defence segment has also seen a massive push as a result of the Government's indigenisation focus. In the Water and Wastewater Treatment business, too, we have seen an enhanced focus on innovative solutions, especially in the EPC and HAM modes.

Overall, the environment is extremely positive and conducive to sustained long-term growth. Our robust business model, deep-rooted strengths, strong execution capabilities and visionary approach make us the frontrunner in maximising the potential for growth across our businesses.

Q

The Company has delivered an impressive performance for FY 23. Please share some of the key highlights of the same.

It has been quite a remarkable year for all our business segments at the back of our targeted investments and focused initiatives. The record overall gross revenue went up 34% to ₹6,310 crore while net turnover increased 31% to touch ₹5,617 crore, led by strong performance across the board. Profit before Tax (PBT) before exceptional items and tax stood at ₹562.4 crore, while Profit after Tax (PAT) for the year was ₹1,791.8 crore.

From the highest-ever sugarcane crush to significantly enhanced refined sugar production including the highest-ever pharmaceutical sugar and record sugar export realisations, our Sugar business touched many milestones of achievement during the year, mainly on account of our sugarcane development programme, modernisation and debottlenecking activities undertaken during the off-season, and increase in capacity for refined sugar.

Our Alcohol production increased by 68% to touch a record 18.12 crore litres for the year, at the back of enhanced capacities, productivity and efficiencies. The net turnover of the Alcohol business increased by an impressive 75% during the year. The revenues from distilleries contributed 21% of our net turnover, underlining the success of our investments in this business.

In the Engineering business, the combined Power Transmission and Water businesses crossed the milestone mark of ₹500 crore, to report an aggregate revenue of ₹577 crore for the year. The combined outstanding order book for the Engineering business at the close of FY 23 was over ₹1,650 crore – a clear indication that we are on the right track towards sustainable business growth. The turnover growth for the Power Transmission segment (which includes Defence) stood at 22%, and the Water business posted over 30% increase in revenues over the previous fiscal. The PTB order book grew 17.7% over the previous year, with the addition of 18 new customers in the aftermarket segment.

The numbers clearly underline the Company's strong credentials and customer confidence, and the success of our revenue diversification strategy.

Q

What were the factors that contributed to this exceptional performance amid the challenges that continued to persist in the macro environment?

Climatic conditions pose a risk to our Sugar businesses, in particular driven by erratic weather conditions, diseases and pests etc., which affect the sugarcane yields and sugar recovery. In our engineering businesses, fluctuations in industry demand and economic uncertainty are the key challenges faced by the business.

> It has been quite a remarkable year for all our business segments at the back of our targeted investments and focussed initiatives.

The Company overcame these with enhanced focus on self-sufficiency, along with diversification of products and services as well as customer base and geographies. Our strong history of profitability and healthy returns has enabled us to ensure sustained stakeholder value creation. Further aiding our growth has been our enhanced focus on diversification, with high-quality CapEx in modernisation of facilities and setting up of additional multi-feed distillation capacities. Our investments in new facilities for Alcohol, Power Transmission and Defence are, additionally, a key to long-term value creation for the shareholders.

In the Sugar business, technological upgradation and an improving product mix are supporting growth. Capturing value in the export market through appropriate timing, which led to good margins, has further helped us scale profitability.

In the Alcohol segment, capacity augmentation has equipped us to meet the growing ethanol demand in the country. Our strategic decision to focus on B-Heavy Molasses (BHM) and Grain based ethanol instead of sugarcane juice is yielding economic benefits to the Company.

In PTB, we continued to gain market share through more customer acquisitions, with focus on increasing the addressable market internationally. Expansion of the Aftermarket share in our business has further given the market edge that will steer our long-term sustainable growth.

Our strong technical and financial qualifications, collaborations in the Water & Wastewater Treatment segment, along with our robust relationships with our supply chain

> We achieved a year-on-year increase of 11% in sugarcane crushing to deliver the historic high, with six of our seven sugar units recording their highest ever crush to enable this exceptional feat.

partners, are some of the other strengths we have progressively built over the years, and which are enabling sustained business growth along with new vigor towards the international markets.

Q

The Company has been moving aggressively to capture the new and emerging opportunities across its business segments. What were the initiatives taken during the year to harness the various opportunities?

In FY 23, we initiated several significant investments to strengthen our business proposition in the areas offering the maximum potential for enhanced growth and expansion.

Besides modernisation of our manufacturing units, we expanded our refined sugar capacities from 40% to 60% of our total sugar production, to boost volumes and sales, and to improve margins since refined sugar gives better realisation. At the same time, we continued to focus aggressively on strengthening our sugarcane development programme. The last couple of years have seen major interventions and investments by the Company in enhancing the scale and reach of this programme to create a quality pool of raw material supply for our Sugar businesses.

Our investments in the Alcohol business were also focussed on capacity enhancement, backed by raw material and product flexibility. With our strategy aligned to the Government's thrust on ethanol blending, we have scaled up our distillation capacities to 660 KLD, and have already announced CapEx to further boost them to 1,110 KLD to meet the increased demand for ethanol.

In the Power Transmission and Defence segments, too, we continued with our capacity expansions, along with enhanced focus on R&D and innovation for leveraging new opportunities in both, the domestic and international markets. Our strategic investments in both Product and Aftermarket have placed us in an ideal position to make the most of the unfolding growth opportunities, particularly in the steam turbines, compressors and gas turbines, and pump segments, as well as the steel, cement, oil and gas, and waste heat recovery sectors.

Our Defence business is also seeing the benefit of the expansion of our products and solutions portfolio. In our Water business, we are focussing aggressively on expanding our international footprint, while pushing for more EPC/HAM/PPP projects, where we are seeing a huge opportunity for growth.

Q

In an environment of rising input and manufacturing costs, how is the Company focussing on improving its profitability in the Sugar business?

It has been a year of record-breaking performance for our Sugar business. We achieved a year-on-year increase of 11% in sugarcane crushing to deliver the historic high, with six of our seven sugar units recording their highest ever crush to enable this exceptional feat. Recoveries were lower across the state of Uttar Pradesh, where we operate and, while our recoveries declined as well, we performed relatively better as compared to state averages and peer groups.

With the increase in costs during the year, including sugarcane price increase in SS 2021-22 and largely stagnant domestic prices in FY 23, the Company has focussed on other measures, such as cost controls, improving crush and recovery, remunerative product and export strategy, to mitigate the impact.

We produced and exported large quantities of EC2 grade sugar, which fetched us good realisations. As sugar export prices were at a considerable premium to the domestic prices, exports have contributed significantly to profitability.

Our Deoband unit, which stabilised very quickly after its conversion to a refinery, produced good quality refined sugar during the Sugar Season 2022-23, leading to enhanced production and realisation. We also produced the highest ever quantity of pharmaceutical grade sugar from our expanded production facility at Sabitgarh.

We plan to continue with the debottlenecking of our manufacturing units and strengthening of our cane development initiatives. Government policies and programmes also continue to aid the sugar industry's growth and self-sufficiency.

Q

The Distillery business has emerged as a key focus area for the Company. What were the highlights of this business during the year? What are the opportunities for further growth in this segment?

There has been a substantial increase in the production and sales volumes in the Alcohol business following the expansion of the distillation capacities, as shared earlier. The increased crush provided more raw material for the distilleries, leading to higher revenue contribution.

We see a lot of new demand in this segment in view of the Government's EBP targets and push to ethanol, and are all geared to further augment our distillery capacity. We believe that to meet the aggressive Ethanol Blended Petrol (EBP) targets of 20%, the Government may need to rectify prices of ethanol produced from sugarcane juice and grain. This is essential to improve project viability to facilitate further additions in distillation capacities.

The Company is looking to produce in excess of 21 crore litres for FY 24, which is a 17% increase from FY 23.

Q

There seems to be a lot of positivity in the Power Transmission segment, including Defence. How did the segment perform during the year and what are the likely propellers of future growth in this business?

It has been a good year for our Power Transmission business, with TEIL posting record turnover and profitability, driven by product sales across OEMs. At the same time, we are making huge strides in the international market, with excellent response from international customers.

Our investments in this segment will help us capitalise on both domestic and international opportunities, particularly in the light of the Government of India's Make in India initiatives, across the Power Transmission and Defence businesses. In Power Transmission, we see a very promising outlook in the high-speed gears category across sectors in the domestic market. Our aim is to increase our market share in the product segment, especially from the international market, through advancements in technology and focus on new and existing customer relationships. The establishment of a dedicated multi-nodal facility for Defence products will help the business gain confidence of key customers and expand its service offerings.

We are also striving to increase our footprint to capture high-growth opportunities for Aftermarket segment through a combination of own efforts and expansion of the agents' network.

> Our capacity expansions, along with our judicious management strategies, are empowering us to make the most of the emerging opportunities. Besides modernisation, digitalisation and capacity enhancement, our focus in the Sugar segment is on varietal replacement and yield maximisation programmes, in addition to aggressive pest and disease surveillance for the control of crop infection.

Q

Apart from these initiatives, you have also entered into new product areas in line with the global demand trends. Can you share some details of these products?

We are currently seeing a lot of innovation taking place in the Engineering Business, and much of it is taking place in the sustainable stream. In FY 23, we launched several new product lines and process changes, which will open new opportunities for us to increase our market share and installation base within and outside India.

With our strong R&D capabilities and technological edge, we have successfully entered into a new series of Integrally Geared Compressor internals with high precision accuracies for a renowned European customer. We have also forayed into a high-power compressor gearbox, where we see significant global opportunity for future expansion.

A key development in the Defence segment was our foray into a specialised vertical of propulsion shafting after we secured an order for prestigious Main Propulsion Shafting for Subsurface platform. We have also developed the design special application pump for Navy which will pave the way for similar requirements in future.

These, and other product innovations in the PTB and Defence segments, are designed to steer our growth trajectory even more intensely in the coming years.

Q

What were the performance highlights of the Water business for the year? What are the new opportunities you see unfolding in this segment and how do you propose to harness those?

Our Water business (WBG) is getting recognition in the high potential water market as a supplier of superior quality products and services at competitive costs. This segment reported its highest ever turnover in FY 23, at the back of our focussed approach towards execution. Revenues increased by 30.3% driven by better execution. The orders received in FY 23 stood at ₹192.08 crore excluding O&M orders.

We are bidding in more international projects, with funding from reputed international agencies. Our success in Maldives and Bangladesh has given us the confidence of excellent growth in overseas markets, going forward. In the domestic markets, opportunities are increasing in PPP, EPC and HAM projects in recycle and reuse of water, as well as in Sewage Treatment Plants, and we are well positioned to harness these.

Q

What is your overall outlook for the Company and what are your targets & plans in terms of growth and expansion?

Overall, there is a strong optimism for volumes, revenue and profitability in all the segments of our business. Our capacity expansions, along with our judicious management strategies, are empowering us to make the most of the emerging opportunities. Besides modernisation, digitalisation and capacity enhancement, our focus in the Sugar segment is on varietal replacement and yield maximisation programmes, in addition to aggressive pest and disease surveillance.

In the Alcohol business, we expect the Rani Nangal distillery to be commissioned by the end of FY 24, followed by the Sabitgarh distillery, which will give us additional capacities to match the ethanol demand growth.

Our Power Transmission business is looking at a highly promising future, with infrastructure growth for the key sectors such as steel, cement, waste heat recovery sectors auguring well for our products, both domestically and internationally. We are looking at market share gains in export markets as we focus on export revenues from our factory in Mysuru.

In the Defence segment, we expect increased order bookings from key segments, with many Request For Proposals (RFPs) expected to conclude in the coming months. Our dedicated multi-modal facility for Defence products in Mysuru will be commissioned in FY 24, driving further growth in this business.

The Water business, as discussed earlier, is seeing a lot of opportunities emerging in the domestic and overseas markets and we are aggressively pursuing the same.

Q

Finally, what was the rationale behind the divestment of the TTL stake and how has it benefited the Company?

During the year, the Company divested its entire stake of 21.85% stake for a net consideration of ₹1,593 crore, in Triveni Turbine Limited (TTL), an associate company, with the aim of monetising the non-core assets & enhancing shareholder value. Strong investor demand led to the shares being sold to various marquee investors. The move was also aimed at unbundling of the businesses, enabling long-term succession planning and facilitate focussed management for TEIL. Apart from distribution to shareholders, proceeds from this divestment will also help fund the business growth and expansion, and drive greater stakeholder value creation.

Management Discussion and Analysis

SUGAR BUSINESS

Indian Sugar Industry

Indian Sugar Industry Overview

A major industrial crop of India, sugarcane is the key source of sugar for the country. India is the largest consumer, and had, historically, been the second largest sugar producer of the world. However, in the previous sugar season, i.e. SS 2021-22, the country emerged both, the world's largest producer and consumer of sugar, as well as the world's second largest exporter of sugar. During SS 2021-22, India exported 11.1 million tonnes of sugar, which earned ~₹ 40,000 crore worth of foreign exchange for the country. The Indian sugar industry provides employment to over 50 million farmers associated and fair remuneration with a price-support system. As a crop, sugarcane is an ecologically sustainable crop that produces sugar and generates a variety of by-products, such as bagasse, molasses, filter cake (commonly known as press mud) etc., which have economic value along with the potential of being a feedstock for the production of biofuels/bioenergy such as power, bioethanol, biogas, etc.

Government initiatives have eradicated the cyclicality of the Indian sugar industry

In the last decade, various Government initiatives have led the Indian sugar industry to emerge as a self-sufficient industry by enabling sugar mills to stand on their own, without having to depend on grants from the Government. Accordingly, during SS 2021-22 and 2022-23, sugar mills completed their export quota without any subsidy.

The cyclicality in the sugar industry in earlier years led to either surplus or short production of sugar, based on the climatic factors and on whether the payment of sugarcane price was delayed or paid in a timely manner. In the case of delayed sugarcane payments, farmers tended to move away from sugarcane crop, leading to lower sugar production in the country and high sugar prices. Improved financial condition of the sugar mills due to firm sugar prices would rectify the delays in payments, encouraging the farmers to again patronise sugarcane crop, which would gradually result in surplus sugar production accompanied with fall in sugar prices. Typically, in a period of five years, there were some years of surplus sugar production and some years of shortage. With measures such as promotion of ethanol production from B-heavy molasses / sugarcane juice, timely and well managed export schemes, sugar release quota mechanism, introduction of Minimum Selling Price of sugar (MSP) etc., the Government has been able to largely overcome the cyclicality, leading to better productivity and improved financial condition of the sugar mills.

Ethanol Blended Petrol (EBP) programme has given a further boost to the sector in the last decade

The Government launched the Ethanol Blended Petrol (EBP) programme in January 2003 for sale of 5% ethanol-blended petrol in nine States and four Union Territories. The programme, however, saw limited success. It was reinvigorated in 2014, and has been a game changer for the industry in recent years, with the nation progressively diverting more sugar to produce ethanol. The Government has been encouraging sugar mills to divert sugar to ethanol, and to export surplus sugar with a view to improving their financial health so that they are able to make timely payment of sugarcane dues to farmers. The growth of ethanol as a biofuel in recent years has amply supported the sugar sector, with the diversion of sugar for production of ethanol minimising the country's surplus sugar position.

DOMESTIC SUGAR INDUSTRY BALANCE SHEET

As per the Agriculture Department, sugarcane area increased 6% year-on-year to 59 lakh hectares during SS 2022-23.

On April 26, 2023, ISMA revised its all-India sugar production estimate for SS 2022-23 (after diversion to ethanol) to 32.8 million tonnes. This took into account the diversion of about 4.0 million tonnes of sugar equivalent to ethanol. In the previous sugar season of SS 2021-22, India's sugar production was 35.8 million tonnes after considering diversion of 3.4 million tonnes, thus implying a decline of 8% on a net basis year-on-year.

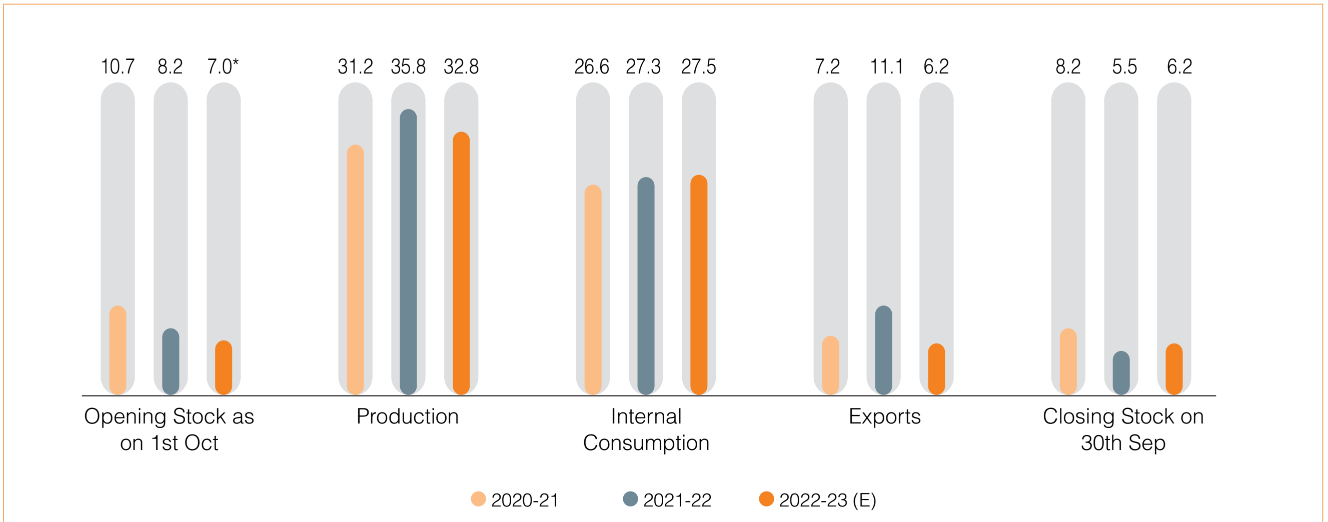
In SS 2022-23, the crushing season in Maharashtra ended at around 10.5 million tonnes, which was lower than estimates, due to unexpectedly lower sugarcane yields owing to higher ratoon crop share and uneven distribution of rainfall. These sugar production figures are after diversion of sugar to ethanol.

Sugarcane yield in Uttar Pradesh has been slightly better than expected, and the state has produced around 10.5 million tonnes of sugar after diversion towards production of ethanol. The main season in Karnataka has produced around 5.5 million tonnes. However, the special season is likely to operate in Karnataka from June/July 2023, leading to increase in the quantum.

The estimated all-India gross sugar production in SS 2022-23 of 36.8 million tonnes marks a decline of 6% from 39.2 million tonnes produced in SS 2021-22.

Accordingly, we estimate the closing stock of ~6.2 million tonnes of sugar at the end of Sugar Season 2022-23, which is sufficient to meet more than two months' consumption.

India Sugar Balance Sheet (million tonnes)



Source: Triveni Estimates

* As per Government data

DOMESTIC SUGAR POLICY AND MARKET DEVELOPMENTS

- Hike in Fair and Remunerative Price (FRP):

➢ The Central Government fixed the Fair and Remunerative Price (FRP) of sugarcane for SS 2022-23 at ₹ 305 per quintal, linked to a basic recovery of 10.25% and subject to a premium of ₹ 3.05 per quintal for every 0.1% increase of recovery, over and above 10.25%, and reduction in FRP at the same rate for each 0.1% decrease in the recovery rate till 9.5%. With a view to protecting the interests of farmers, the Government has decided that there shall not be any deduction where recovery is below 9.5%; such farmers will get ₹ 282.125 per quintal for sugarcane in the current season. The FRP for sugar season 2022-23 was 2.6% higher than the previous sugar season.

- No hike announced in the State Advised Price (SAP):

➢ The Government of Uttar Pradesh did not announce any hike in the State Advised Price (SAP) for SS 2022-23 over the SS 2021-22 prices. In Uttar Pradesh, there are three varieties (categories) of sugarcane - early, ordinary (general) and rejected. Early variety constitutes 97% of the sugarcane cultivated, while 2.7% is the ordinary variety. The rejected variety constitutes only 0.3%. The SAP (for SS 2021-22 & SS 2022-23) of the early variety was ₹ 350 per quintal, while for ordinary variety it was ₹ 340 per quintal, and the SAP of the rejected variety was ₹ 335 per quintal.

- Curbs on further sugar exports:

➢ During the year, the Directorate General of Foreign Trade (DGFT) had notified extension for the inclusion of sugar exports under 'Restricted' category up to October 31, 2023.

➢ Earlier, Sugar had moved from the 'open category', which requires no government intervention, to 'restricted' category. Export of sugar was allowed only with specific permission from the Directorate of Sugar, Department of Food and Public Distribution (DFPD), Ministry of Consumer Affairs, Food & Public Distribution.

- Exports of 6.15 million tonnes of sugar in SS 2022-23:

➢ The Government of India announces sugar exports from time to time. This is aimed at balancing the price stability of sugar and the financial positions of sugar mills in the country while ensuring availability of sufficient sugarcane to produce sufficient sugar to meet domestic consumption and molasses for ethanol production.

➢ In the sugar export policy for SS 2022-23, based on initial estimates of sugarcane and sugar production, the Government, in November 2022, allowed initial export of sugar up to 6 million tonnes for the sugar season. With the announcement of additional quota of 0.15 million tonnes, total export quota approved for the season stood at 6.15 million tonnes, with option to swap export quota with other sugar mills.

- The Government had announced sugar mill-wise export quota for all sugar mills in the country, with an objective system based on average production of sugar mills and average sugar production of the country in the last three years.
- Further, to expedite the sugar exports and to ensure flexibility to sugar mills in execution of the export quota, mills had the option to decide to surrender the quota partially or fully within 60 days of the date of issue of order OR to swap the export quota with domestic quota within 60 days. This would reduce transportation costs involved in export of sugar and movement of sugar from one state to another for domestic consumption.
- This move would also protect the interest of sugarcane farmers and sugar mills, as the mills could benefit from the favourable international sugar price scenario.

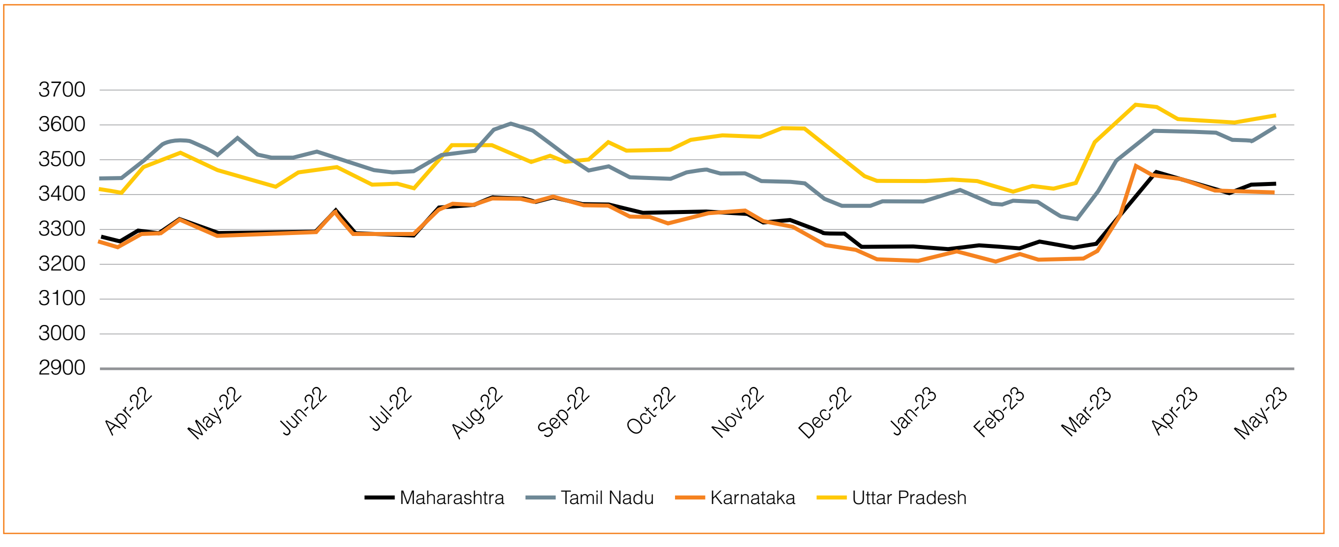
DOMESTIC SUGAR PRICES

Sugar prices in India moved up by 1-2% on an average in FY 23. However, the increase has not been commensurate to the increase in the price of sugarcane, thus leading to lower profitability. Since April 2023, the domestic prices have inched up 4-5%, given the expectations of lower sugar production and higher demand during the peak summer season.

With the upcoming Lok Sabha elections in 2024, sugarcane prices may be hiked in the state of Uttar Pradesh, and it is hoped that the Government would simultaneously initiate an increase in the MSP of sugar prices adequately to mitigate the impact of the increase in sugarcane prices, if any. These measures would ensure that sugar mills are in a position to pay sugarcane dues in a timely manner as otherwise, the very purpose of increasing the sugarcane price would be defeated.

Sugar prices in India moved up by 1-2% on an average in FY 23. However, the increase has not been commensurate to the increase in the price of sugarcane, thus leading to lower profitability.

Average Ex-Mill Sugar Prices in Major States (₹/Quintal)



GLOBAL SUGAR INDUSTRY

Global Sugar Industry Balance Sheet

According to the International Sugar Organization (ISO), in view of the global supply/demand situation, the global 2022-23 sugar balance sees a substantially reduced surplus in the current season. It anticipates a global surplus (the difference between world consumption and production) of 0.852 million tonnes in 2022-23, down from 4.151 million tonnes in February 2023. Changes were driven by increase in production in Brazil. However, the smaller increase in Thailand and lower estimates for Indian and European production were the biggest negative contributors.

For the 2022-23 season that ended in March, the Centre-South Brazil region produced 33.73 million tonnes of sugar, up 5% from the year before. However, the outlook for 2023-24 is nearly 10% higher at 37.09 million tonnes. Production in Thailand in 2022-23 season is expected to be below expectations, at 12-13 million tonnes, due to lower than expected sugarcane yields.

Sugar Units	World Sugar Balance (October/September, in million tonnes)			
	2022-23	**2021-22**	**Changes in million tonnes**	**in %**
Production	177.365	172.503	4.862	2.82%
Consumption	176.513	174.773	1.740	1.00%
Surplus/Deficit	0.852	-2.270		
Import demand	63.559	63.968	-0.409	-0.64%
Export availability	63.898	64.001	-0.103	-0.16%
End Stocks	100.781	100.268	0.513	0.51%
Stocks/Consumption ratio in %	57.10%	57.37%		

Source: International Sugar Organisation, Quarterly Market Outlook, May 2023

Global Sugar Prices

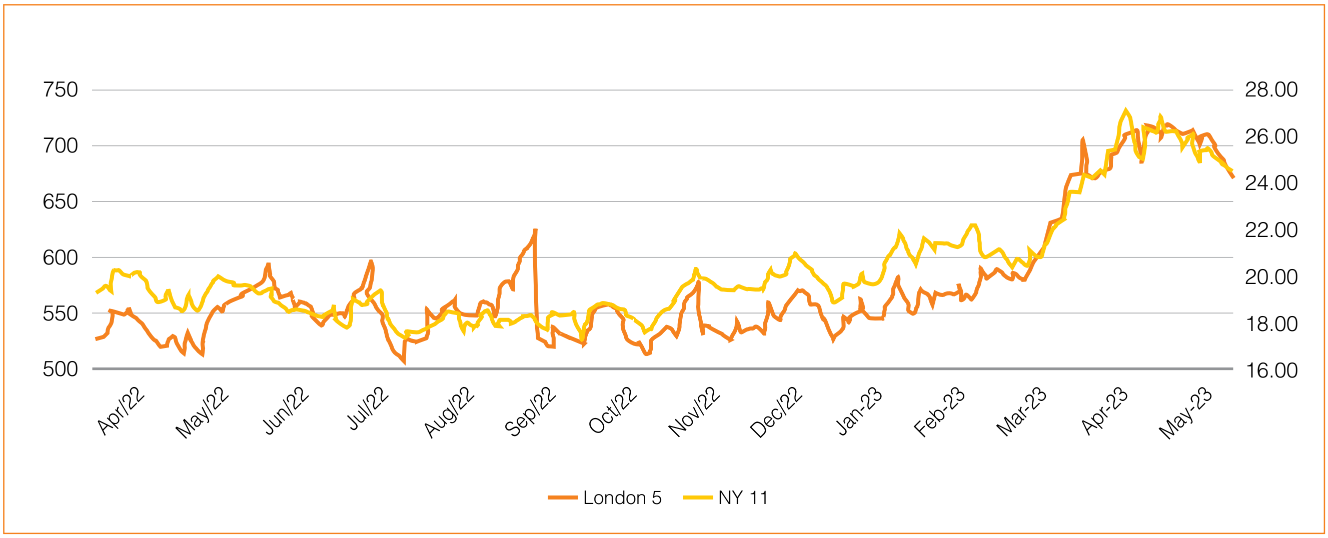
Notably, the global sugar prices have rallied to record highs recently. Prices surged 15-19% in FY 23 and have continued to increase thereafter, to hit the highest level in a decade.

The 2023 NY #11 raw sugar futures nearly broke the US 27.00 cents/lb threshold, ultimately settling at US 26.99 cents/lb. This had been the highest front month price since April 2012.

The surges were driven by growing fears of a global supply shortage. The price increases intensified as the market anticipated that India, the largest exporter in the previous sugar season, is unlikely to increase exports during the current season due to lower production estimates. This, coupled with lower stockpiles in Brazil due to late commencement of harvesting caused by a significantly rainy season, and lagging supplies in Europe, Pakistan, Thailand, China and Mexico, have been creating further pressure on the sugar supplies. This has caused sugar prices to soar.

As on June 6, 2023, the New York #11 front month contract closed at US 24.58 cents/lb, an increase of 454 points since the beginning of 2023, while the London White Sugar #5 front month contract closed at USD 670.90/tonne, up USD 116.50 since the beginning of 2023.

New York #11 & London #5 Price Trend



Note: London #5 on left hand side (LHS) in USD/tonne; NY #11 on right hand side (RHS) in US cents/lb

TRIVENI SUGAR BUSINESS AT A GLANCE

Triveni operates seven sugar units spread strategically across the State of UP. All units are located in well irrigated and fertile areas suitable for sugarcane cultivation. While Khatauli (District Muzaffarnagar), Deoband (District Saharanpur), Sabitgarh (District Bulandshahr) are located in western UP, Chandanpur (District Amroha), Rani Nangal (District Moradabad) and Milak Narayanpur (district Rampur) are located in Central UP. One unit, namely Ramkola (district Kushinagar), is located in Eastern UP.

Apart from plantation white sugar, the Company also manufactures refined sugar, which currently constitutes approximately 60% of the total sugar production and realises a premium over normal crystal sugar realisation. The Company also produces different grades of pharmaceutical (pharma) sugar that can be customised as per the user requirements. Such refined and pharma sugar is supplied to high grade end-users, thereby creating a niche customer profile for Triveni. The Company also supplies high quality crystal sugar from some of its non-refinery units to large institutions, which fetches it a premium.

All the seven sugar units of the Company are FSSC 22000 certified and strictly adhere to best-in-class manufacturing processes and quality benchmarks. The Company supplies sugar to major multinational soft drink companies, leading confectionery manufacturers, breweries, pharmaceutical companies, dairies, top ice cream producers, etc.

OUR SUGAR BUSINESS PERFORMANCE

Key highlights of our sugar business performance in SS 2022-23:

- Impact of CapEx programme undertaken: Planned CapEx related to the modernisation, debottlenecking, rationalisation of capacities and efficiency improvement activities at Khatauli, Deoband & Sabitgarh sugar units, process conversion at Deoband unit to produce refined sugar, and increase in pharma sugar production capacity at Sabitgarh unit. This resulted in:

  - A higher crush rate across all three units, which helped the Company record the highest-ever sugarcane crush in SS 2022-23 at 9.33 million tonnes, an increase of 11% over the previous season. The Company for the first time, crossed the 900 LQ total crush figure.

  - The refined sugar production increased from ~40% last year to ~60% in SS 2022-23. The quality of sugar produced at Deoband unit in SS 2022-23 improved significantly, fetching a premium over normal sugar.

  - The Sabitgarh sugar unit produced the highest pharmaceutical sugar quantity in its history.

  - Khatauli unit became the highest sugar production unit in the country.

- Production of export quality S-grain sugar was undertaken at Khatauli & Sabitgarh sugar units with superior realisations. Both the units together successfully produced approximately 12.5 lakh quintals of export quality S-grain sugar, which was well accepted.

- Sugar exports contributed significantly to the profitability. The Company achieved sugar exports of 1,90,337 tonnes (including sale of quota for 72,988 tonnes) during FY 23, out of the total export quota of 2,04,868 tonnes at record realisations.

- Due to climatic factors and late October rains, the recoveries were impacted across the States and also in our units. The Company reported net recovery of 10.23% with 92% of sugarcane crush with B-heavy diversion in SS 2022-23 vs. 84% in the previous season. The Company is still among the leading performers in terms of recoveries with B-heavy diversion.

- Six of the seven sugar units operated with the B-heavy diversion process from the very beginning of SS 2022-23.

Our sugar business performance over the years:
The Company has a demonstrated history of improvement in key operational metrics, such as area under sugarcane, sugarcane crush, yields, recovery etc. through structured sugarcane development initiatives, timely sugarcane payments, and close relationship with the farmer community to derive mutual benefits, etc.

Area under sugarcane: The Company has grown its area under sugarcane at a CAGR of 2.5% p.a. since 2014-15, driven by ground-level measures to increase sugarcane intensity through farmer education and awareness creation on the economic benefits of growing sugarcane relative to other crops.

Sugarcane crush: Sugarcane is the primary feedstock for production of sugar, alcohol and other by-products/final products. Enhancing sugarcane area and its availability for crush has been the key focus for the Company through its extensive sugarcane development programme. The quantum of sugarcane crushed has been improving continuously for the Company over the years, growing at an impressive CAGR of 7.8% p.a. since 2014-15. This is even more notable considering the recent trends of diseases such as red rot etc. which have plagued many sugar mills in Uttar Pradesh. The Company has been successful in mitigating those threats and recorded its highest ever crush of 9.33 million tonnes in SS 2022-23.

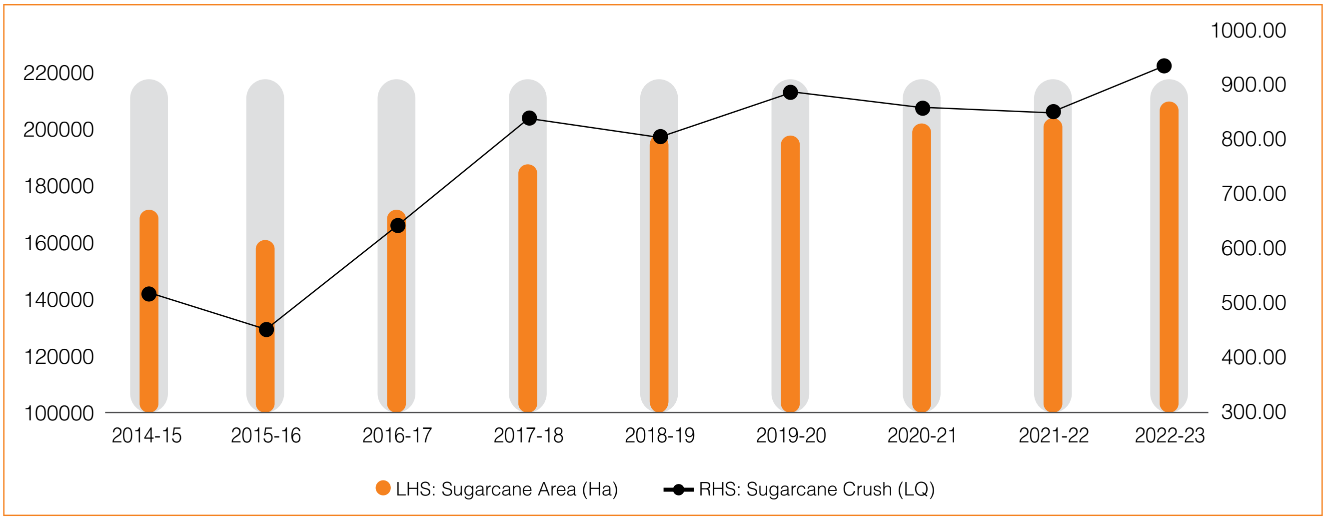
Sugarcane is the primary feedstock for production of sugar, alcohol and other by-products/final products. Enhancing sugarcane area and its availability for crush has been the key focus for the Company through its extensive sugarcane development programme.

Recovery: Triveni is among the leading companies in the state of Uttar Pradesh in terms of recoveries, powered by its focus on high-sugar yielding sugarcane varieties, planting methodologies, crop management, yield improvement, shorter cut-to-crush time, etc. Gross recoveries have improved ~20% in the last 7-8 years, going from 9.57% in SS 2014-15 to 11.47% in SS 2022-23.

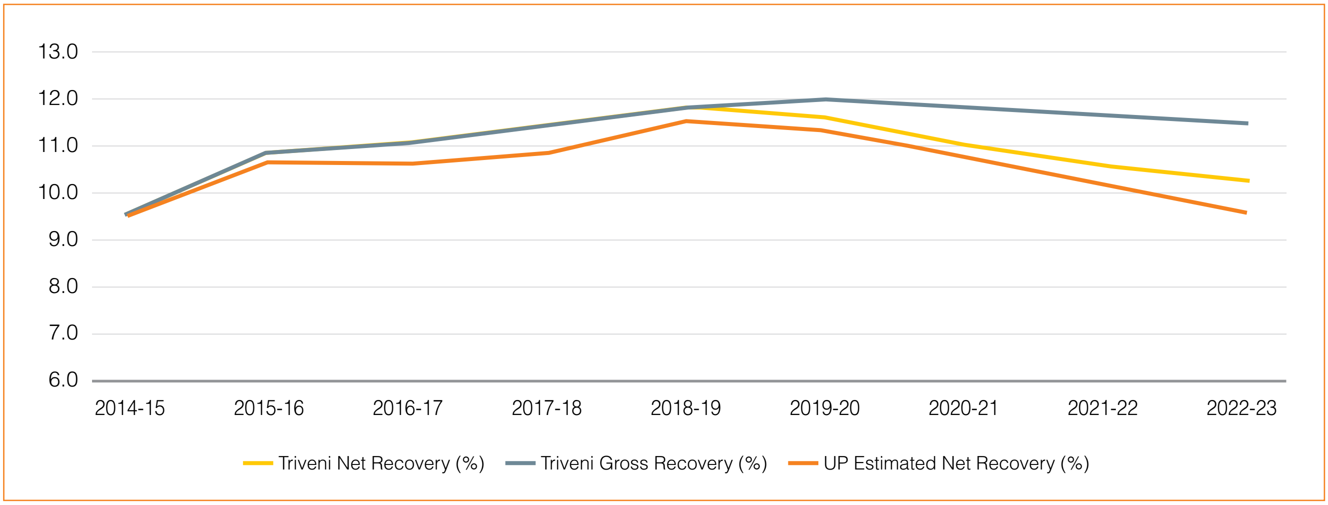
Sugar Production: Despite higher diversion towards ethanol production in recent years, sugar production for the Company has growth at a healthy 8.7% p.a. since 2014-15 due to higher sugarcane availability and a commensurate higher crush, along with improvement in recoveries.

Particulars	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
Area under sugarcane (Ha)	167068	156671	166675	183423	194159	191840	195537	198376	204092
Sugarcane crushed (LQ)	512.72	452.07	640.03	836.70	797.58	874.25	853.97	840.91	932.54
Sugar produced (LQ)	49.1	48.8	70.8	95.2	94.0	100.9	93.8	88.7	95.4
Net Recovery (%)	9.57	10.80	11.06	11.38	11.79	11.54	10.98	10.55	10.23
Gross Recovery (%)	9.57	10.80	11.06	11.38	11.79	11.97	11.86	11.70	11.47

Triveni Sugarcane Area and Total Crush



Triveni vs. UP Recoveries



Unit-wise Performance:

Units	%		(Million Tonnes)			
	Sugar Recovery		Sugarcane Crushed		Sugar Production	
	SS 2021-22	SS 2022-23	SS 2021-22	SS 2022-23	SS 2021-22	SS 2022-23
Khatauli	10.51	9.96	2.25	2.49	0.24	0.25
Deoband	10.33	10.17	1.66	1.85	0.17	0.19
Ramkola	11.44	10.64	0.67	0.78	0.08	0.08
Sabitgarh	10.79	10.53	1.08	1.23	0.12	0.13
Chandanpur	10.62	10.28	0.95	1.04	0.10	0.11
Rani Nangal	10.86	10.54	1.02	1.11	0.11	0.12
Milak Narayanpur	9.58	9.82	0.77	0.83	0.07	0.08
Group	**10.55**	**10.23**	**8.41**	**9.33**	**0.89**	**0.95**

Note: Net recovery of 10.23% with 92% of sugarcane crush with B-heavy diversion in SS 2022-23 vs. 84% in the previous season.

GROWTH THROUGH SUGARCANE DEVELOPMENT PROGRAMME

Triveni's sugarcane development programme is pivotal to its sustainable growth strategy, and the Company continuously engages with farmers to increase sugarcane productivity through its comprehensive sugarcane development programme. Its dedicated team of sugarcane development staff works closely with the farmers, disseminating knowledge on new technologies and innovations in the field of agriculture in general and sugarcane in particular.

The Company has been relentlessly working on a six-pronged strategy aimed at the development of improved planting, cultivation, crop protection and harvesting techniques. The strategy also seeks to improve the quality of crop and land productivity, resulting in enhanced income in the hands of farmers. The pillars of this strategy are:

1. Significant focus on **yield improvement** through various agronomic interventions (e.g. wide spacing, trench planting, etc.). **Emphasis on before-wheat planting,** providing higher time in the field to the spring planted sugarcane, thus leading to higher yield.
2. **Active farmer engagement:** Development of a very large number of model demonstration (demo) plots, with yields 40-50% higher than normally being obtained by farmers in their sugarcane fields, to showcase to the farmers advanced practices. The plots are also helping educate the farmers to achieve yield enhancement for replication in their own plots for income enhancements.
3. **Soil Health Improvement:** Judicious application of balanced dosage of fertilisers and nutrients as per soil analysis reports and recommendations.
4. **Crop Protection** from various pests & diseases, using a structured and scientific surveillance programme.
5. **Improvement in farm implements and mechanisation,** to make farm activities less labour intensive and drive economic improvements.
6. **Structured Varietal Development Programme,** for identification, faster multiplication, and commercial use of desired high sugar and disease resistant varieties for the mutual benefit of the Company and the farmers.

Various digitalisation measures have been undertaken in the above initiatives to promote real-time information sharing and interventions, faster dissemination of best practices across units and among the farmer community.

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Key updates of the sugarcane development programme are as follows:

No. of member farmers: 3.29 lakh, up 3% over the previous season

Sugarcane area increased by ~3%, from ~198,000 hectares (Ha) in SS 2021-22 to ~204,000 Ha in SS 2022-23

Varietal replacement is being focussed on at all the units, as the leading sugarcane variety, Co 0238, has become susceptible to a fungal disease called red rot, which damages the crop yield and affects the quality of juice. Varieties being currently propagated are Co 118, Co 98014 & Co 15023 (new variety). Co P9301 is being propagated specifically at Ramkola in the low-lying areas. Co J88 is a high-sugar variety, and is being specifically propagated at Chandanpur. Total area under Co 0238 sugarcane variety is expected to drop to 74% as against 88% last year.

Special yield improvement interventions, e.g. wide spacing, were undertaken in 26,300 Ha this year, which is 36% higher than last year.

A large number of **demonstration plots** (~400- 500 plots across each unit), spread across our sugar units' command area, have been developed to show to the farmers the benefits of the recommended practices and interventions in the field. Farmer meetings are organised at these plots to create awareness on the benefits of the new/scientific cropping techniques over conventional practices adopted by the farmers of the area.

Crop protection – A structured disease & pest surveillance programme is in place at all the units, which helps us in timely detection of pest/disease attack, forecasting, and taking corrective control measures.

Integrated crop protection programme, which involves following and practising preventive/curative control measures through a combination of chemical, biological and mechanical means/techniques, is practised at all our sugar units. It has yielded good results in keeping the pest and disease incidence levels in control to a large extent over the years.

Biological measures involve usage of bio agents (e.g. Trichoderma to control red rot). **Mechanical control measures** on the other hand include rouging & destruction of diseased clumps, destruction of egg mass and moths, and collection and destruction of the pest-affected shoots.

Soil health improvement: Press mud is being provided on subsidised rates to the farmers to replenish the organic carbon content in soil. Another major focus is on application of micro element mixtures & Potash (macro element), which were earlier available in abundance but now have started declining. These too are provided on a subsidised rate.

Soil samples are collected every year from the Development Zones of the factory and sent for analysis to reputed soil laboratories. Based on the soil analysis reports, recommendations are worked out for each of the Development Circles (comprising a cluster of villages)

located in the command area. The recommendations are displayed through wall paintings in the villages. Pamphlets, posters etc. are also used for disseminating information amongst the farmers. Awareness on benefits of application of balanced dosage is created through village meetings, educational sessions, as well as expert visits & goshthies (large gathering of the farmers) to impart knowledge.

Focus on ratoon management: Farmers are being persuaded to treat the ratoon crop similar to the plant crop to maximise yields and reap maximum benefits. The farmers are educated to take up timely inter-culture operations and irrigation, apply balanced dosage of nutrients, and take timely preventive & curative pest/disease control measures to enable a good yield.

We have tied up with Regional Sugarcane Research Station, Karnal (Research Station of Sugarcane Breeding Institute, Coimbatore) for zonal varietal trials at our sugar units.

As part of the All India Coordinated Trial programme, an Inter-varietal Analysis Trial was laid out at the Company's Gagsona farm (in Khatauli), 10 pipeline varieties were planted during FY 23, along with the existing cultivated varieties, for a comparative analysis of yield & quality parameters. These arrangements will provide the Company early access to new varieties, especially in case any of the trial varieties get selected in the region.

Discussion with senior scientists from above institutes, to assist in propagation of best crop management practices, is an added advantage.

Farm Mechanisation is being encouraged on entrepreneurship model. Farm implements, e.g. small tractors, ratoon management devices, trench openers, power sprayers etc., are being made available on lower/competitive market rates. These initiatives lead to availability of tractors & farm implements on significant discounts to the farmers over and above the normally offered retail prices.

We have tied up with Regional Sugarcane Research Station, Karnal (Research Station of Sugarcane Breeding Institute, Coimbatore) for zonal varietal trials at our sugar units.

Digitisation: Sugarcane area data is captured through hand held terminals; each circle supervisor is equipped with these machines. They feed data, e.g. progress of planting indents & planting, on a daily basis during the planting season, which is exported to our servers. Other important parameters, e.g. area of the sugarcane plots, type of the crop, sugarcane variety, condition of the plots (lowland/upland), irrigation source etc., are captured during the sugarcane area survey. Supply calendars are prepared on the basis of sugarcane area/type of the crop & sugarcane variety.

OUTLOOK FOR SUGAR INDUSTRY AND TRIVENI SUGAR BUSINESS

With an increased acreage and excellent rains in April and May 2023, there are increasing chances of an El Niño impact, as warned by various meteorological agencies. There are also palpable changes in weather patterns, with unseasonal cool weather across North India in April 2023 as compared to unseasonal hot weather in March last year. All these have an impact on sugarcane growth, recoveries, new forms of pests and disease that can potentially impact the sugarcane crop. While it is difficult to predict these and hence the sugar production of the country, we believe that overall, the industry has sufficient flexibility to meet domestic consumption demands, and meet ethanol blending requirements by diverting sugar for the production of ethanol. The Government decides on sugar exports based on the surplus sugar available in the country, after meeting domestic priorities and having regards to the demand and price prevalent in the international markets.

For Triveni, as majority of the sugarcane areas associated with our factories are located in regions with rivers & well-connected canal systems and supplemented by tube wells/borewells based irrigation methods, the sugar operations are far less likely to get impacted due to scanty monsoon rains as compared to other sugarcane cultivating regions.

The Company continues to have robust and well-structured sugarcane development programmes across its seven sugar units, and is anticipating a higher crush and improvement in recovery in the upcoming sugar season. The focus is on substitution of 0238 variety by other promising, well proven and high yielding/high sucrose varieties in sugarcane command areas of the sugar units. Coupled with various yield enhancement measures, like spaced row planting, trench planting and autumn planting, sugarcane availability would be assured to meet higher sugarcane requirements at the sugar units.

During FY 23, the Company announced capital expenditure of ₹ 175 crore which would lead to increased crushing capacity (from 61,000 TCD to 63,000 TCD), modernisation, refurbishment, debottlenecking and efficiency improvements at various sugar units, to enable cost optimisation. The CapEx will also go into process conversion and a new pharma facility to enhance the refined sugar production.

Following is a summary of the upcoming planned activities:

- Expansion in crushing capacity of Sabitgarh sugar unit by 2000 TCD, thereby increasing the crushing capacity to 9000 TCD
- Process conversion at Milak Narayanpur unit to refinery process (DRP)
- Setting up of another pharma sugar facility at one of the sugar units, besides the existing facilities at the Sabitgarh unit

The proposed increase in distillation capacity to 1,110 KLPD would further enhance the integrated operation capabilities, value additions and profitability for the Company.

To support the financial health of the industry and to ensure timely payments to the farmers, we would look forward to the Government's help in increasing the Minimum Selling Price (MSP) of sugar, as the domestic sugar prices are stagnant and have not been able to offset the increased costs, including sugarcane price increase in SS 2021-22, or another such possible increase in the forthcoming season.

ALCOHOL BUSINESS

Indian Ethanol Industry

Indian Ethanol Industry Overview

The Central Government has been focussing on reducing the country's dependence on imported crude oil while minimising the environmental impact resulting from pollution and emissions. The Government has been actively promoting the production and blending of fuel ethanol with petrol, and has targeted 20% blending through Ethanol Blended Petrol (EBP) Programme or EBP20 by 2025. EBP20, which was earlier targeted by 2030, was advanced in December 2020, reaffirming the Government's focus and commitment towards biofuels.

EBP20 will lead to numerous benefits, such as saving of ₹ 30,000 crore of foreign exchange per year, lower carbon emissions, self-reliance, use of damaged food grains, increased farmers' incomes, and better investment opportunities.

FY 23 Industry – Domestic Outlook:

- Out of the 511.5 crore litres finalised by the OMCs for the Ethanol Supply Year 2022-23 (December 2022 to October 2023) against a total requirement of 600 crore litres, contracts for 505.2 crore litres have been executed
- Out of the 523.5 crore litres finalised by the OMCs for the Ethanol Supply Year 2022-23 (December 2022 – October 2023) against a total requirement of 600 crore litres, contracts for 519.9 crore litres have been executed till May 21, 2023
- Against the above, 268.6 crore litres have been lifted by the OMCs till May 21, 2023
- The total lifted quantity is 52% of the contracted quantity and 51% of the finalised quantity
- The average blending percentage is 11.67% till May 21, 2023

Raw Material Wise Ethanol Contracted and Supplied Quantities

Raw Material	Total LOI Quantity	% of Total LOI Quantity	Total Contracted Quantity	Receipt Quantity	% of Total Receipt Against Total Contracted Qty
Sugarcane Juice	143.02	27%	136.27	118	87%
B-Heavy Molasses	230.05	44%	235.14	101.16	43%
C-Heavy Molasses	6.29	1%	5.71	3.19	56%
Damaged Food Grains	21.45	4%	18.98	6.7	35%
Surplus Rice	122.73	23%	123.79	39.49	32%
Total	**523.54**	**100%**	**519.9**	**268.55**	**52%**

Note: Till May 21, 2023

Quantity of Ethanol Supplied and Amount of Sugar Diverted from December 2022 to May 2023

- Till May 21, 2023, out of total ethanol supply of 268.55 crore litres, 118 crore litres have been supplied from Sugarcane Juice and 101.16 crore litres have been supplied from B-Heavy Molasses. For 118 crore litres, 17.70 lakh metric tonnes of sugar have been diverted and for 101.16 crore litres, 8.09 lakh metric tonnes of sugar have been diverted.

- Till May 21, 2023, total contracted quantity from Sugarcane Juice and B-Heavy Molasses is 136.27 crore litres and 235.14 crore litres respectively. For 136.27 crore litres, 20.44 lakh metric tonnes of sugar shall be diverted, and for 235.14 crore litres, 18.81 lakh metric tonnes of sugar shall be diverted.

Indian Ethanol Policy and Market Developments

The Government has been incentivising the industry through supportive ethanol prices under the EBP Programme. There were two major developments on the pricing front in FY 23:

Ethanol Price Increase by Oil Marketing Companies (OMCs) for ESY 2021-22: In June 2022, the OMCs have declared monetary relief on despatch of ethanol for supplies made between June 1, 2022 and November 30, 2022 as below. This was to compensate for high energy costs and to boost biofuel production, and was in addition to previously declared ethanol prices by the Government.

Feedstock	Relief Amount (₹/KL)
Sugarcane Juice/Sugar/Sugar Syrup based Ethanol	1604
B-Heavy Molasses based Ethanol	1493
C-Heavy Molasses based Ethanol	1179
Damaged Food Grain based Ethanol	2337
Surplus Rice based Ethanol	1437

Ethanol Price Increase by the Government for ESY 2022-23: In November 2022, the Government announced higher ethanol prices under the EBP Programme for ESY 2022-23 as shown below. While prices have been increasing over the years, we believe that to meet the aggressive Ethanol Blended Petrol (EBP) target of 20%, the Government may need to rectify prices of ethanol produced from sugarcane juice and grain, to improve project viability to facilitate further additions in capacities.

Ethanol Supply Year (ESY) was also redefined as a period of ethanol supply from November 1 of a year to October 31 of next year, with effect from November 1, 2023. In view of the above change in ESY period, the ESY 2022-23 period will be considered from December 1, 2022 to October 31, 2023, i.e. 11 months

Feedstock	ESY 22-23 Basic Rate for Ethanol (₹ Per Ltr)	ESY 21-22 Basic Rate for Ethanol (₹ Per Ltr*)
Sugarcane Juice/Sugar/Sugar Syrup based Ethanol	65.61	63.45
B-Heavy Molasses based Ethanol	60.73	59.08
C-Heavy Molasses based Ethanol	49.41	46.66
Damaged Food Grain based Ethanol	55.54	52.92
Maize based Ethanol	56.35	53.45
Surplus Rice based Ethanol (Sourced from FCI)	58.50	56.87

* ESY 21-22 Basic Rates do not include relief amount

Incentives for maize production

In view of the limited scope for expansion of sugar and grain sectors to achieve the target of 20% ethanol blending and the decline in sugar production in SS 2022-23, the Government is also planning incentives for maize production. The Ministry of Agriculture, in collaboration with the Indian Institute of Maize Research, will boost maize production through the development of high-yielding varieties that have higher ethanol recovery. The distillery will work with farmers for assured procurement of maize on the lines of the sugar industry.

Automobile Sector updates on E20 and Flexible Fuel Vehicles (FFVs)

The progress and updates in the key end-user industry, i.e. automobiles, are important for achieving the targets of the Ethanol Blended Petrol (EBP) programme in a timely manner. Ethanol can be used in vehicles calibrated to that particular degree of ethanol blending (e.g., E20) or in Flexible Fuel Vehicles (FFVs) that can run on pure fossil fuel or fossil fuels blended with any degree of biofuels.

In India, with the adoption of BS6 Phase II norms, vehicles sold in the country need to be compatible with E20 fuel. The commercial launch of FFVs is expected to happen in the coming years. E20 dispensing commenced at more than 1,000 outlets in specified states from/before April 1, 2023, which will raise the demand further. There is an increased R&D investment in FFVs that are likely to roll over by 2025.

In India, new projects have commenced which will boost the demand for ethanol, such as FFVs, Ethanol Chulhas (Gas Stove), Ethanol Based Diesel Generators (DGs), Opening of Energy Hubs, Charging stations, Hydrogen, CBG, among others.

TRIVENI ALCOHOL BUSINESS AT A GLANCE

Our long-term strategy for growing the Alcohol business, and to be an active partner in India's E20 programme and self-reliance journey, is driven by our passion for manufacturing premium quality products at all our manufacturing facilities.

With an overall capacity of 660 Kilo Litre Per Day (KLPD), the Company has state-of-the-art distilleries spread across Muzaffarnagar (MZN) – two facilities with an aggregate of 260 KLPD capacity, a 200 KLPD facility at Sabitgarh (SBT) and another 200 KLPD facility at Milak Narayanpur (MNP) in Uttar Pradesh.

SBT distillery produces high quality ethanol from molasses, the distillery at MNP is a multi-feed stock plant having the ability to use molasses and sugarcane juice/syrup, as well as grains to produce high-quality ethanol. This distillery at MNP is among the largest new multi-feed distilleries being set up in India.

MZN houses two facilities, with the latest being a grain-based distillery. The existing 200 KLPD distillery at MZN boasts of flexible product manufacturing capability - Ethanol, Extra Neutral Alcohol (ENA), Rectified Spirit (RS) and Denatured Spirit (SDS) from molasses, while the recently commissioned 60 KLPD grain-based facility at MZN produces both Ethanol and ENA. Dried Distillers Grain with Solubles (DDGS), a by-product produced in grain plants, is sold to premium institutions and has been well accepted in market. The Company also manufactures Indian Made Indian Liquor (IMIL) at this complex.

In FY 23, the Company embarked on capacity expansion and enhanced the total distillation capacity from 320 KLPD to 660 KLPD through augmentation of capacity at Sabitgarh distillery to 200 KLPD Ethanol, commissioning of the 200 KLPD Multi Feed Distillery at Milak Narayanpur (MNP) and a 60 KLPD grain-based distillery at Muzaffarnagar Distillery complex, where superior quality Ethanol / ENA is produced.

In the next phase of expansion, overall capacity will be further enhanced through two new dual-feed stock distilleries with an aggregate capacity of 450 KLPD (each having 225 KLPD capacity), at Rani Nangal and Sabitgarh, U.P, at a cost of ₹ 460 crore. This will take the total distillation capacity up to 1,110 KLPD. Accordingly, the Company has started setting up a 225 KLPD Multi-feed distillery unit in its Rani Nangal sugar complex and the second 225 KLPD distillery is proposed to be set up in its Sabitgarh distillery complex, for which the process of obtaining clearances is underway.

SBT distillery produces high quality ethanol from molasses, the distillery at MNP is a multi-feed stock plant having the ability to use molasses and sugarcane juice/syrup, as well as grains to produce high-quality ethanol.

We are also producing Indian Made Indian Liquor (IMIL) at its bottling facility in the distillery complex at Muzaffarnagar, Uttar Pradesh, to effectively use molasses that are reserved to be sold to country liquor units at a price much lower than the market price, and to facilitate forward integration of its distillery operations.

While ethanol is currently produced using grains as feedstock at the distillery at Milak Narayanpur, all the distilleries, except the 60 KLPD distillery at Muzaffarnagar which exclusively operates on grain, have assured access to a consistent supply of captive raw material derived from sugarcane.

As an environmentally conscious and responsible corporate, we follow the highest standards in Environment, Health, and Safety (EHS), with stringent compliance to environmental and pollution norms. We have set up concentrated spent wash (termed SLOP) fired incineration boilers at all the distilleries, as per the prescribed directives and guidelines for effluent treatment, ensuring Zero Liquid Discharge (ZLD).

OUR ALCOHOL BUSINESS PERFORMANCE

- Achieved highest-ever production of 18.12 crore litres & sales of 18.04 crore litres during FY 23, growing significantly year-on-year by 68.4% and 53.1% respectively.
- Additional capacities of 340 KLPD, new as well expansion, as commissioned in FY 23 resulted in increased sales volumes - aggregate distillation capacity 660 KLPD.
- During the year, revenues from the distilleries contributed 21% of TEIL's net turnover and it will further rise with our proposed increase in distillery capacity from the present 660 KLPD to 1,110 KLPD.
- Higher average realisation due to increase in ethanol prices prescribed by the Government as well as Oil Marketing Companies (OMCs).

- Ethanol constituted 93% of alcohol sales during FY 23.
- Sale of Ethanol / ENA produced from sugarcane-based feedstocks (majorly B-heavy) constituted 75% of the total alcohol sales for FY 23, while Ethanol / ENA produced from grain contributed to the balance 25%.

Our Ethanol business highlights in FY 23

- Milak Narayanpur (MNP) distillery unit was commissioned in time, and the production capacity ramped up to 100% in a short span of time.
- MNP grain plant was also commissioned in time and the capacity was augmented in a very short span of time.
- MNP distillery was operated with all feedstocks – B-heavy Molasses, Syrup, Grains, in FY 23.
- MZN grain distillery has been producing ENA and Ethanol. MZN grain distillery has been approved by UP Excise to produce 75% Ethanol and 25% ENA out of its total production capacity.
- MZN grain distillery manufactured superior quality ENA, which was supplied to IMFL manufacturers across UP besides being utilised for captive consumption.
- Efficient supply chain logistics were established for the procurement of grain from open market as well as from FCI, which helped accelerate the production targets and streamline the plant operations in multi-feed sector.
- The Triveni DDGS quality is well accepted in the market and is being sold to marquee institutional customers contributing to 25% of sales volumes.
- Efficient water treatment & recycle system reduced our ground water consumption far below the norms
- Zero Liquid Discharge & meeting stringent Environmental norms at distilleries.

Outlook for Ethanol Industry and our Alcohol Business

OMCs have started E20 at more than 1,000 outlets across the country from April 1, 2023. We believe the continued enhancement in ethanol blending percentages will lead to robust demand.

According to the Food and Consumer Affairs Ministry, the ethanol production capacity in India currently is ~1,000 crore litres, which is expected to go up by 25% to 1,250 crore litres by the end of 2023. In order to achieve the target of 20% blending by 2025, ~1,000+ crore litres of ethanol will be required. With ~300+ crore litres for other usage, there is need to create capacity of ~1,700 crore litres, assuming plants operate at 80% efficiency. This provides visibility to the industry for incremental investments in distillation capacities.

The Ethanol Blended Petrol programme would also have the following impact on the economy:

- It would benefit maize and paddy farmers, addressing their surplus grain problem; about 16.5 million tonnes of grains will be utilised
- Diversion of sugar to the production of ethanol would help in mitigating surplus sugar situations, bring down dependence on imported crude, provide stability in sugar prices, improve financials and liquidity of sugar mills, and ensure timely payment of sugarcane dues to farmers
- It will bring new investment opportunities to set up new distilleries in rural areas and help in job creation in villages
- It will lead to improvement in air quality by reducing Carbon Monoxide emission by 30-50% and Hydrocarbon by 20%
- It would help save foreign exchange on account of crude oil import bill and would reduce dependence on imported fossil fuel, thus helping in achieving the goal of Atmanirbhar Bharat in the Petroleum sector

At Triveni, we expect to produce ~21 crore litres of alcohol in FY 24. Of the two new dual-feedstock distilleries, we expect the Rani Nangal distillery to be commissioned by Q4 FY 24 and the Sabitgarh distillery thereafter. The Company has decided to commission these sequentially, and this also meets the strategic objectives of the business where the Company retains some flexibility based on the relative pricing and margins of each of its raw material. Depending on the timing of the Sabitgarh distillery, the Company expects production ranging between 28-32 crore litres in the following year, i.e. FY 25.

POWER TRANSMISSION BUSINESS (PTB)

Industrial Gears Industry

Global Industrial Gears Industry Overview

The Global Industrial Gearbox Market is valued at USD 27.01 billion in the year 2022 and is projected to reach a value of USD 36.69 billion by the year 2030. The Global Market is forecasted to grow at a Compound Annual Growth Rate (CAGR) of 3.90% over the forecast period.

Asia Pacific is projected to acquire the largest market share of ~38%, because of the growing demand for gearboxes in various industries, such as manufacturing, power generation, and so on. India, China, Japan, Korea and Australia are among the region's most important contributors.

The global market for industrial gearbox is led by the parallel axis, which is likely to maintain its lead during the forecast period owing to the parallel axis design used in the manufacture of helical and planetary gearboxes.

By 2033, the United States is likely to rule the industrial gearbox market, with a CAGR of 5.1%. Japan's industrial gearbox market is expected to expand significantly, with a CAGR of 4.5% in this period.

Based on type, the helical industrial gearbox led the market share in 2022, and will continue to dominate the sector during the forecast period. Based on the end user, the power generation sector led the market share in 2022, and will continue to dominate the sector during the forecast period.

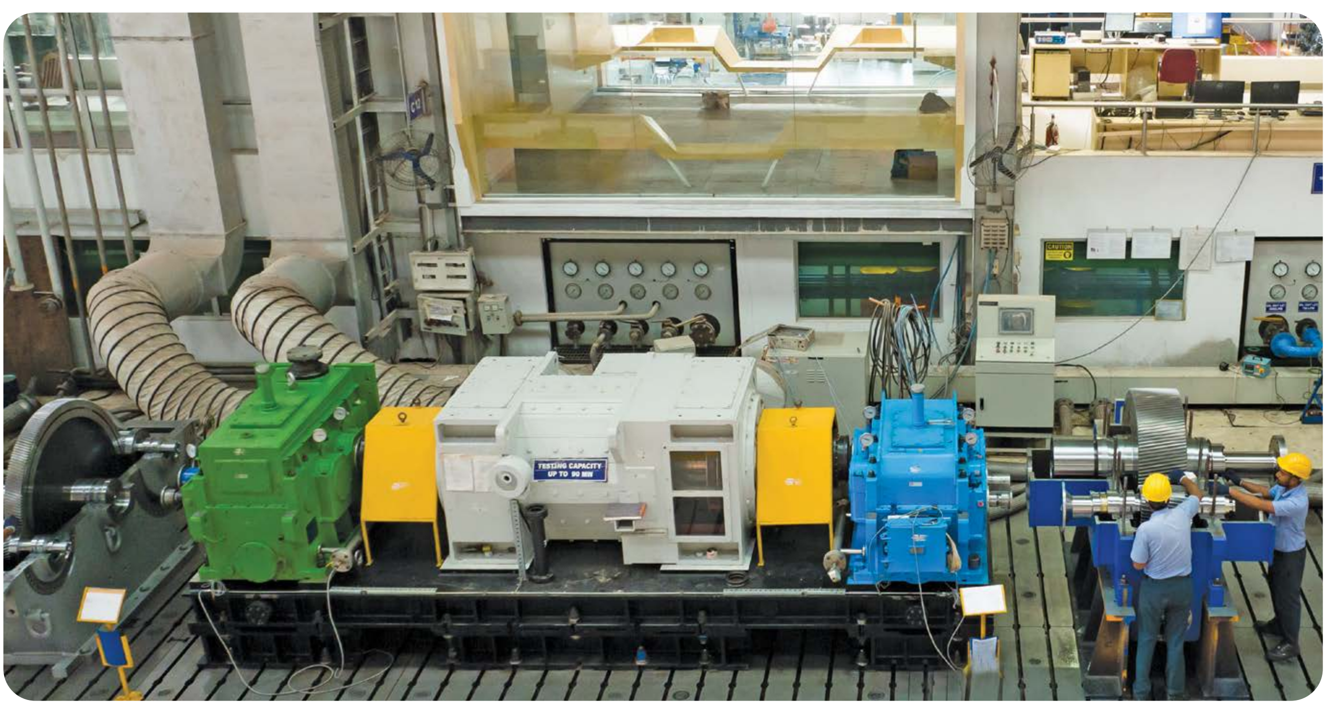
The growth of power transmission gearbox market can be attributed to several drivers, as listed below:

- Increasing demand for energy-efficient systems
- Growing industrialisation and urbanisation
- Increasing demand for high-speed machines
- Growing infrastructure development

The Global Industrial Gearbox market can be primarily divided into the slow-speed and the high-speed segments. The slow-speed segment is largely catalogue and standardised products, while the high-speed segment consists of engineered gear solutions for critical applications for steam turbine drives, gas turbine drives, centrifugal pumps and compressors, etc.

Indian Industrial Gears Industry Overview

We estimate the Indian industrial gear industry at ~USD 500 million, of which the high-speed gear market is estimated at ~USD 30 million. The industry is primarily driven by Government policies on infrastructure, ethanol blending, revival of fertiliser units, and greenfield and brownfield expansion of refineries. The market is expected to grow around 6-7% across all segments. The high-speed gear industry growth is fuelled by Ethanol Blended Petrol (EBP) programme, capacity enhancement of refineries, and investments in Petrochemical complexes attached to refinery, along with captive power requirements across all segments. Higher capacity utilisation is expected to drive higher maintenance spend, propelling the growth of the Aftermarket business. The geopolitical environment with the neighbouring countries is driving higher defence budget spending, leading to self-reliance in the defence sector.



INDIAN DEFENCE INDUSTRY

Defence Industry Overview

Indian Defence Policy and Market Developments

- Make in India Policy of the Government is driving the Indian defence industry to develop indigenous capability and technology in a wide spectrum, including critical areas, to minimise import dependence.
- Ministry of Defence (MoD) has been allocated ~₹ 5,93,538 crore, which is 13.18% of the total budget for FY 24, and is a 13% enhancement over the previous year.
- The allocation to DRDO for Research and Development in Defence, has been enhanced by 9%, with a total allocation of ₹ 23,264 crore in FY 24 Budget.
- MoD is proactive in identifying and encouraging competent and capable vendors.

TRIVENI POWER TRANSMISSION BUSINESS AT A GLANCE

- Triveni's Power Transmission business (PTB) is divided into two streams - Gears & Defence. Within gears, the business segments include Original Equipment Manufacturer (OEM), Built to Print (which together are referred as Product), and Aftermarket.
- PTB was founded in 1976 to meet the increasing demand for high-speed gears for Steam Turbine Generator (STG) applications. Today, this business is synonymous with cutting-edge technology, knowledge, and expertise, covering installations in 70 countries across a wide range of applications. The business has extensive expertise in the design and development of all sorts of gears and gearboxes, as well as a modern, globally benchmarked manufacturing facility.
- PTB has grown to become one of the largest & leading gear manufacturing companies in India with a 46-year track record and a rich history. It has carved a niche for itself by being ubiquitous across industry segments and application spectrums.

OEM Segment:

- PTB caters to international OEMs for their new product requirements, provides durable aftermarket solutions across all brands, and also manufactures built to print gears for some of the world's leading OEMs.
- The Power Transmission business is world-class, with an unwavering dedication to research & development, product excellence, technological superiority, and customer care.
- PTB is being patronised by all the major global OEMs in India, Southeast Asia and other parts of the world, offering power transmission solutions to various applications like Steam Turbine Generators / Gas Turbine Generators / Rotary & Reciprocating Compressor / Centrifugal and Reciprocating Pumps / Blowers, Hydro Turbine Generator / ID-FD Fans.
- PTB gearboxes are compliant to API and AGMA standards, and cater to various industry segments like Thermal, Oil & Gas, Petrochemicals, IPPs, Fertilisers,

Steel, Cement, Sugar, Rubber & Plastics, spanning all geographies.

- PTB gearboxes are optimally designed to comply with stringent API and AGMA standards for installations in extreme ambient conditions of sub-zero or high temperatures. The gearboxes are engineered to various configurations, such as multiple outputs, vertical and horizontal offset, quill shaft. Accessories include in-built and skid mounted lubrication system and temperature, and vibration instrumentation package suitable for hazardous area applications, meeting stringent noise and vibration limits.

- Reliability, built through superior technology, manufacturing and product quality, coupled with with four and half decade of rich experience in high technology gears, is our key strength, which leads to the development of customised gear drives, meeting tough demands of Industries across high-speed as well as niche slow-speed applications.

Built to Print Segment:
PTB has ventured into built to print gears of high quality for select global customers, leveraging its high-precision specialised manufacturing capability. The precision quality requirements for these select customers resonates well with PTB's forte in high-speed gearing.

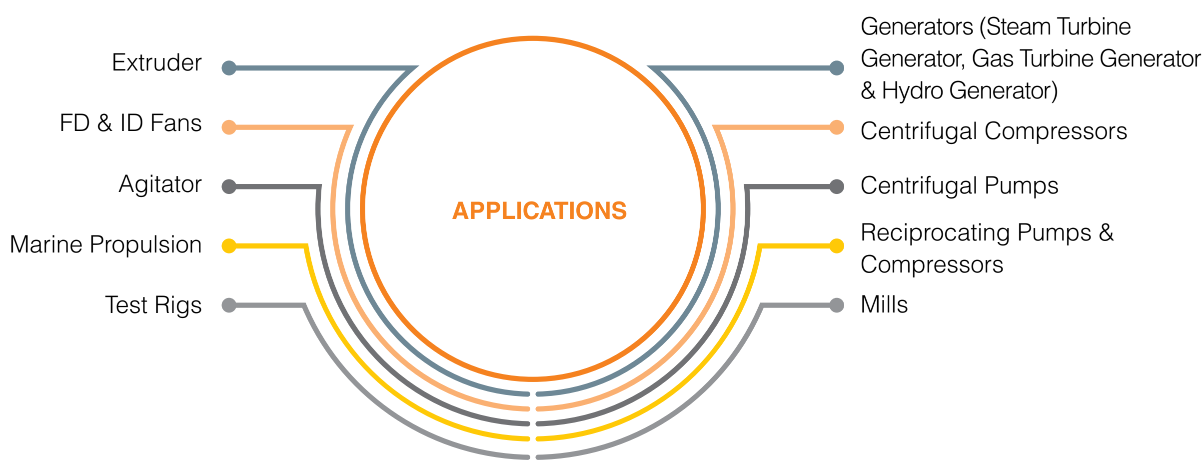
Aftermarket Segment:

- Aftermarket services are integral to the industry. PTB undertakes repair & refurbishment predominantly of world-renowned brands followed by local brands as well.

- A two-pronged strategy is adopted in the event of failure - short-term & long-term solutions. Short-term solution would include minor repair with least lead time to maximise the uptime of the equipment whereas long-term solution is aimed at creating higher order of reliability which includes major repair and replacement of parts.

- PTB's current product portfolio - OEM as well as repair & refurbishing - is supplemented by its service portfolio, which includes:
  - Diagnostic study and health check-up
  - Overhauling
  - Upgradation and automation of existing plants
  - Installation and commissioning
  - On-site training and assistance

- Triveni PTB provides reliable 360-degree customised services throughout the product life cycle at lowest cost, thus maximising uptime and performance. Major end customers include Global O&G companies and Refineries, Cement, Sugar, Steel, Fertiliser, IPP, Thermal, Hydro, Paper and Pulp, Petrochemical and Chemical industries.



TRIVENI DEFENCE BUSINESS AT A GLANCE

Triveni's Defence business has emerged as a trusted and reliable supplier for the Indian Navy within a short span of our foray into this niche segment. Triveni is also an approved supplier for the Indian Coast Guard, underlining the sharp technological and innovation edge of our products.

Triveni is an OEM for a host of important products for the Indian Navy and Indian Coast Guard. The Indian Navy has chosen Triveni as its reliable supplier for propulsion shafting and turbopumps for its indigenous sub-surface project. As part of this relationship, we are providing reverse engineering and fully indigenous solutions for the motor & turbo driven auxiliaries for various projects.

Triveni offerings in this segment are backed by:

- Research & development expertise on critical turbo products
- Fully equipped design, engineering and analysis capability
- Best-in-class manufacturing infrastructure
- Compliance with the dynamic defence market demands in India
- Stringent adherence to quality requirements
- Vast experience in reverse engineering, retrofitting, and customisation

Triveni Defence business solutions include:

- Above and below the deck mechanical equipment
- Platform level support, propulsion systems equipment, gas turbine generator for auxiliary power generation and individual equipment such as pumps, etc.

Products

- Propulsion gearboxes and other critical gearboxes
- Gas turbine generators for auxiliary power
- Critical turbo and motor-driven pumps
- Propulsion shafting

State-of-the-art Infrastructure

Triveni manufactures quality products, benchmarked to the highest standards, in this segment at its state-of-the-art manufacturing facilities. The facilities have the most advanced world-class multi-axis CNC machinery and equipment-handling capacity of 80 tonnes, and are ideally suited to support the manufacturing of technologically superior products for the Indian Defence sector.

Triveni is an OEM for a host of important products for the Indian Navy and Indian Coast Guard. The Indian Navy has chosen Triveni as its reliable supplier for propulsion shafting and turbopumps for its indigenous sub-surface project.

Given the potential for further expansion and growth in this segment, Triveni is poised to establish a large dedicated multi-modal manufacturing, assembly and testing facility at Mysuru for defence products. This will have 80-100 tonnes handling capability and large-scale machining facility, in addition to dedicated test benches for a range of equipment and system integration capability.

OUR POWER TRANSMISSION BUSINESS PERFORMANCE

- PTB order booking stood at ₹ 263.88 crore, registering a growth of 5% & revenues stood at ₹ 225.25 crore, registering a growth of 22%.
- The Gears business registered a growth of 18% over FY 22, from ₹ 209 crore to ₹ 247 crore in terms of order booking.
- The Gears business registered a growth of 20% over FY 22, from ₹ 185 crore to ₹ 223 crore in terms of revenues.
- Within gears, Product stood at ₹ 147 crore in order booking registering a growth of 24%, and at ₹ 132 crore in terms of revenue, registering a growth of 36%.
- Aftermarket business stood at ₹ 100 crore in order booking, registering a growth of 10%, and at ₹ 91 crore in terms of revenue, registering a growth of 5%.
- Aftermarket contributes ~40% to overall revenue from the Power Transmission Business.
- In FY 23, the business added 18 new customers, driven by the Aftermarket.
- Repeat customers in the Aftermarket segment stood at 85% by value (₹ 77 crore) and 92% by numbers (301).
- Exports' share in order booking stood at ₹ 43 crore, registering a growth of 53%, and at ₹ 35 crore in terms of revenue, registering a growth of 10%.

Gears: Updates from FY 23

Achievements:

- Received the largest order from Latin America for gas turbine driven pump application for a gas pipeline project.
- Multiple orders received from OEMs for high-speed STG segment, to be installed in ethanol projects in India.
- Development of complete gearbox for Seal Gas Compressor as replacement to a European brand.
- Development of volute casing parts for Seal Gas and Cooling Gas compressors as replacement to a European brand, as a separate stream of business.
- Development of gear internals for Oxygen Turbo Compressor for a European brand.
- Development of 15MW gearbox as replacement to a European brand.
- Repair, refurbishment and supply of 9.2MW & 25MW gearboxes as replacement to a Chinese brand.
- Repair & refurbishing of extruder gearbox as replacement to an Italian brand.
- Repair & development of parts for Gas Turbine accessory gearboxes of a European brand.

New Developments

- Gearbox efficiency improvements for high-speed & high-power gearboxes are in progress.
- Capability built across all functions for the business to approach opportunities for global gas turbine accessory gearboxes.
- Providing solutions for complete Integrally Geared Compressor (IGC) gearbox units through reverse engineering and expanding the scope to compressor parts has opened new avenues of growth in refineries, fertilisers and petrochemical complexes.
- New avenue of growth identified for aftermarket repair of shafts using special coating technique, which reduces downtime of customers.
- Increase in shutdown tracking, coupled with site data management with clear correlation, has resulted in increased revenue over the years.

New References

- Entry into new series of Integrally Geared Compressor (IGC) internals with high precision accuracies for a renowned European customer to enhance market share in critical high-speed integrally geared market.
- Breakthrough order for a high-power compressor gearbox, which opens opportunities in domestic & global market to increase market share and installation base.

- Design, development, refurbishing & commissioning of high-speed Double Helical Planetary Gearbox as replacement to a European brand for a fertiliser complex through reverse engineering route has created a good reference, and can be used to secure similar business in the same industry or other industries with similar design configuration.
- Successful repair of gearbox of critical gas turbine application in situ at one of the largest refineries in India has created a distinguishing reference for horizontal deployment of this solution to other refineries.
- Entry into mud pump & draw-works gearbox used in onshore oil rigs through Built To Print.
- Providing maintenance support and troubleshooting through AMCs to multiple upstream & downstream refineries and gas complexes, enabling references and replication in different sectors.
- Overhauling of twin-screw extruder gearbox at one of the leading petrochemical complexes in India has provided valuable experience and expertise, which can be leveraged to other industries for similar applications not only for service but also for development of spares.

Defence: Updates of FY 23

- A new multi-modal facility is being set up, with large-scale infrastructure for testing of various naval marine equipment.
- PTB has ventured into a specialised vertical of propulsion shafting post winning an order for main propulsions shafting for sub-surface platform with in-house design & engineering. The technology developed will enable participation in various other shafting projects for Navy.
- Design, engineering, development & delivery of special application pump for Navy, which will pave way for similar requirements in future.
- Venturing into propulsion shafting, coupled with in-house capability to design & develop a wide range of rotary equipment and machinery and capability acquired through collaboration with Indian & overseas partners, will facilitate participation in shafting projects and machinery systems. This would be a pioneering initiative aligned to the Atmanirbhar Bharat policy of the Government of India

Power Transmission Business strengths

Product:

- Triveni Power Transmission Business (PTB) is one of the top five high-speed gear companies globally.
- 46 years of rich history of producing high-speed gearboxes.
- Population of 12,000+ high speed gearbox installations globally.
- Enjoys majority domestic market share across OEMs, and patronised by global OEMs across the application spectrum, spanning STGs / GTGs / Compressors / Pumps / Blowers / ID-FD Fans.
- Products are supplied across industry segments like Steel / Sugar / Cement / Fertiliser / Refineries / Gas Complexes, etc.
- Capability to design and manufacture high-power, high PLV gearboxes for all high-speed applications.
- Triveni is one of the few companies globally catering to AGMA & API standards and supplying gearboxes for hazardous and sub-zero temperatures.
- Highly experienced team with exceptional troubleshooting capability and sound understanding of system dynamics, including vibration analysis expertise.

Aftermarket:

- Triveni-PTB is one of the few companies operating globally in this segment, having replaced and refurbished 1200+ gearboxes of 80+ global brands across the application spectrum and across industry segments.
- It is highly responsive and is able to comprehend solutions (short-term & long-term) aligned to the demands of the industry.
- It has contributed immensely to energy conservation projects, which include power enhancements and speed change, which has a positive impact on plant production in some of the petro-chemical applications.
- It offers comprehensive solutions, including analysis, supply and services, in the aftermarket space, leading to drastic reduction in product lifecycle cost from the time of engagement.

Defence:

- Ab-initio design capability of critical machinery for marine application, leveraging existing expertise & experience in rotary engineering.
- In-house capability to design & develop a wide range of rotary equipment and machinery, coupled with capability acquired through collaboration with Indian & overseas partners.
- In-house precision manufacturing capability.
- A new multi-modal facility is being set up, with large-scale infrastructure for testing of various naval marine equipment.

CASE STUDIES - AFTERMARKET

Case Study 1:

Problem statement:

Damage to casing bore on barring and starting device idler shaft of 35MW gas turbine gearbox (combined load & accessory).

Site constraint:

The casing was grouted in concrete and removal would have caused destruction of the foundation.

Solution:

PTB provided a comprehensive in situ solution, where the gearbox casing bore was rectified in its original position by using special fixtures and in situ boring arrangement. Bore axis parallelism with existing bore was maintained within 0.05mm. New idler shaft with gears integrated with clutch arrangements and tooth contact with barring and starting shaft lines. Unit was put back into operation within three months.

Case Study 2:

Problem statement:

Diesel engine supplier has gone wrong in the direction of rotation and it would have been a costly affair to replace engines with reverse directions & that too in a short span of time.

Site constraint:

Fire pump bevel helical gearbox needed direction of rotation change without altering the foundation elevation and footprint to match the newly procured diesel engine in off-shore oil rig.

Solution:

PTB provided a solution of new gearbox casing, using existing parts of gearbox to maintain moment of inertia from the torsional compliance perspective of the system. PTB shifted mesh location of the input shaft to ensure direction change on output shaft. The bearing location in casing was suitably optimised to ensure mesh consistency during load operations.

OUTLOOK FOR INDUSTRIAL GEARS & DEFENCE INDUSTRY AND OUR POWER TRANSMISSION BUSINESS

Gears Industry and Triveni Gears Business Outlook

- Outlook for domestic product segment within high-speed gears is promising across key sectors:
  - **Sugar and Distillery:** The Steam Turbine Generator (STG) market is expected to grow in the smaller power range for Sugar and Distillery sector. The ethanol production capacity in India currently is ~1,000 crore litres, which is expected to go up by 25% to 1,250 crore litres by the end of 2023. In order to achieve the target of 20% blending by 2025, ~1,000+ crore litres of ethanol will be required. With ~300+ crore litres for other usage, there is need to create capacity of ~1,700 crore litres, assuming that the plants operate at 80% efficiency.
  - **Oil & Gas:** The domestic Oil & Gas sector is doubling the refining capacity by 2030, leading to gearbox requirements for Steam Turbines, Gas Turbines, Pumps and Compressors. India's oil consumption is forecast to rise from 4.05 MBPD in FY 22 to 7.2 MBPD in 2030. Consumption of natural gas in India is expected to grow by 25 billion cubic metres (BCM), registering an average annual growth of 9% until 2024.
  - **Steel and Cement:** Infrastructure growth is providing stimulus for expansion of Steel and Cement for Waste Heat Recovery (WHR). Cement companies are on an expansion spree and are expected to add 80-100 million tonnes (mt) of fresh capacity by FY 25 despite the looming challenges of rising input cost and uncertainty on the demand front. The Union Cabinet approved a ₹ 6,322-crore PLI scheme in July 2022, to boost the production of speciality steel in India. The Government aims to double the country's annual crude steel making capacity to 300 million tonnes from 150 million tonnes at present.
  - Growing potential is seen in the **Waste-to-Energy (WtE)** through agricultural and municipal waste.
- Focus on market share gains in product segment, especially from the international market through greater promotion of technology and thrust on new and existing customer relationships.
- Increasing footprint to capture high-growth opportunities for Aftermarket segment through a combination of own efforts and expanding the agents' network.

Collaborating with global technology OEMs in select areas for participation in marine propulsion gearboxes aligned to the naval & coastguard requirements

- In the Defence segment, the business expects increased order booking from key segments of Gas Turbines packaging, gearboxes and special application pumps, where the key activities of qualifications and Request For Proposal (RFP) have progressed considerably in the last couple of years.

Defence Industry and our Defence Business Outlook

- Development of in-house technology, engineering & design for propulsion shafting, for marine application, is under way.
- Collaborating with global technology OEMs in select areas for participation in marine propulsion gearboxes aligned to the naval & coastguard requirements.
- Expanding portfolio of special application pumps with indigenous design and development.
- Indigenous manufacturing and assembly of Base Frame and Acoustics Enclosure for propulsion gas turbines for naval marine application.
- New multi-modal Defence facility is planned to be commissioned by early 2024 in Mysuru, and will cater to the assembly and testing needs for a wide range of defence equipment, starting with the ones for Naval marine application. The modern facility shall cater to all the current and future development programmes that the Company is venturing into. The master plan shall cater for expansion in future into Army and Air Force projects as well.
- Triveni-PTB is developing multiple product lines for Naval applications, like Stabilizers, Light Weight Gearboxes, Propulsion Shafting & System, Steering Gear and Special Application Pumps for a range of marine platforms. Aggressive efforts are on for enlistment with Navy & Coast Guard as approved vendor.
- Triveni-PTB is foraying into small power Gas Turbine Generators for Naval Marine application in collaboration with world renowned OEMs.

WATER BUSINESS

Indian Water Industry

Indian Water Industry Overview

The Indian market for water and wastewater treatment is anticipated to expand as the nation sees an increase in private investments, as well as the government's implementation of new business models drawing in remote market participants and hastening the industry's expansion.

The Indian government has launched several programmes to promote the development of wastewater treatment infrastructure, such as the Atal Mission for Rejuvenation and Urban Transformation (AMRUT) which aims to provide basic services like water supply and sewerage to households in urban areas. Additionally, the Namami Gange programme focusses on the cleaning of the Ganga River and its tributaries, which involves the construction of wastewater treatment plants along the river.

The private sector has also been investing in wastewater treatment, particularly in the industrial sector and also in Municipal sector wherever Recycle & Reuse opportunities exists for treated wastewater. Many large industries have set up their own wastewater treatment plants to comply with environmental regulations and reduce their water footprint.

Despite the growth in the industry, there are still challenges that need to be addressed, such as lack of skilled manpower, inadequate funding and inefficient regulatory frameworks. However, the Indian government and private sector are working towards overcoming these challenges and building a more sustainable and efficient wastewater treatment industry.

The Triveni Water Business Group (WBG) is pursuing opportunities with various clients in Engineering Procurement Construction (EPC) and Hybrid Annuity Mode (HAM)/ Public Private Partnership (PPP) projects. We are also exploring PPP opportunities for STP recycling in PPP format.

Current Water Opportunities

The water industry in India has seen significant growth in recent years, driven by increasing awareness of water scarcity and pollution. The industry includes a wide range of technologies and services, such as wastewater treatment, desalination, water purification, and distribution.

To address the water crisis, the Indian government has launched several initiatives and policies to promote water conservation, reuse, and treatment. The government's flagship programmes, the National Rural Drinking Water Program (NRDWP) and Jal Jeevan Mission (JJM), aim to provide safe drinking water to all rural households by 2024. The National Mission for Clean Ganga (NMCG) is another initiative aimed at cleaning the Ganga River and its tributaries.

This presents significant opportunities for growth and investment, driven by the country's growing water crisis and increasing demand for water treatment services. The new opportunities are expected to come from all over India, as various projects are in planning stage and several are undergoing tendering.

We are also exploring opportunities in international markets.

GLOBAL WATER INDUSTRY

Global Water Industry Overview

The global water treatment industry is expected to grow at a CAGR of 7.1% from 2022 to 2029, reaching a market size of USD 489.07 billion by 2029. The growth of the market is driven by a number of factors, including increasing population, rising urbanisation, and growing environmental concerns.

- **Increasing population:** The global population is expected to reach 9.7 billion by 2050, putting a strain on the world's water resources. This will lead to an increased demand for water treatment services, as more and more people will need access to safe and clean water.
- **Rising urbanisation:** The world is becoming increasingly urbanised, with more and more people living in cities. This is leading to increased pollution of water resources, as urban areas generate more wastewater than rural areas. Water treatment will be essential to ensure that the growing urban population has access to safe and clean water.
- **Growing environmental concerns:** There is growing awareness of the environmental impact of water pollution. This is leading to increased regulations on water quality, which will require more water treatment facilities to be built.
- **Increasing demand:** The demand for water treatment solutions continues to rise due to factors such as population growth, urbanisation, industrialisation, and climate change. This demand growth is observed across various sectors, including municipal, industrial, and commercial.
- **Water scarcity:** Water scarcity remains a significant global concern, with many regions experiencing water stress or facing Water Management practices and shortages. This situation drives the need for effective water treatment technologies to optimise water use, recycle and reuse wastewater, and develop alternative water sources.
- **Stringent regulations:** Governments and environmental agencies worldwide are implementing stricter regulations to address water pollution and ensure safe drinking water standards. These regulations require industries and municipalities to adopt advanced water treatment technologies and adhere to stringent water quality standards.
- **Advancements in technology:** The water treatment industry is witnessing rapid technological advancements. Innovations include membrane filtration, advanced oxidation processes, desalination, biological treatment methods, smart monitoring systems, and

data analytics. These technologies enhance treatment efficiency, reduce energy consumption, and improve the overall effectiveness of water treatment processes.

- **Wastewater management and reuse:** There is an increasing focus on wastewater management and reuse to alleviate water scarcity and reduce environmental pollution. Advanced treatment processes, such as membrane bioreactors (MBRs) and reverse osmosis (RO), are employed to treat wastewater to high-quality standards, making it suitable for various non-potable uses like irrigation, industrial processes, and groundwater recharge.

- **Desalination:** With freshwater sources becoming limited, desalination has gained prominence as a viable solution in regions with access to seawater. Reverse osmosis (RO) and other desalination technologies are being widely adopted to convert seawater into potable water. However, desalination is energy-intensive and poses environmental challenges related to brine discharge.

- **Decentralised and modular systems:** There is a growing shift towards decentralised and modular water treatment systems, particularly in rural and remote areas. These systems offer flexibility, scalability, and cost-effectiveness, enabling localised water treatment solutions tailored to specific needs, and reducing the dependence on centralised infrastructure.

- **Public-Private Partnerships:** Collaborations between the public and private sectors are increasingly common in the water treatment industry. These partnerships facilitate investment in water infrastructure, technology development, and knowledge sharing, leading to improved access to clean water and enhanced water management practices.

- **Sustainability and Circular Economy:** The industry is shifting towards sustainable practices and adopting the principles of circular economy. These include resource recovery from wastewater, such as extracting energy, nutrients, and valuable by-products from the treatment process, promoting resource efficiency and minimising environmental impact.

- **Emerging markets:** Developing countries, particularly in Asia and Africa, are witnessing rapid urbanisation and industrial growth. This creates a significant demand for water treatment infrastructure and solutions to address water pollution and provide safe drinking water to expanding populations.

The global water treatment industry is segmented by technology, application, end-user, and region. By technology, the market is segmented into membrane filtration, chemical treatment, biological treatment, and others. Membrane filtration is the fastest-growing segment of the market, due to its high efficiency and optimal operating costs.

By application, the market is segmented into municipal water treatment, industrial water treatment, and others. Municipal water treatment is the largest segment of the market, accounting for majority and focus both of the market share. This is due to the increasing demand for safe and clean drinking water from municipal water treatment plants.

By end-user, the market is segmented into residential, commercial, and industrial. The industrial segment is the fastest-growing segment of the market, due to the increasing demand for water treatment services from industrial companies.

The global water treatment industry is expected to continue to grow in the coming years, due to the factors mentioned above. The market is expected to be driven by the increasing demand for safe and clean water, as well as the growing environmental concerns.

TRIVENI WATER BUSINESS AT A GLANCE

Water Business Group (WBG) of Triveni is an industry leader today in the complete range of Water & Wastewater solutions, offering innovative technology and the latest equipment range. Triveni has strong management and innovation skills in handling EPC projects of any scale across sectors and regions. Triveni provides turnkey execution and operation of water and wastewater treatment plants for both the municipal and industrial sectors.

We have engineering roots and constantly invest in new technology to ensure premium quality with faster deliveries at an optimised cost for our products & services. We have carried out successful execution of more than 100 projects in municipal and industrial projects with quality and commitment to timely delivery.

Cost Management & Efficiencies are in our DNA which helps us to maintain leadership.

Current Water Crisis and What We Offer

- Global urban population facing water scarcity is projected to increase to 2.4 billion people in 2050, with India projected to be the most severely affected. Two billion people of the world do not have safe drinking water.
- Over-consumption and over-development, unsustainable water use, pollution and unchecked global warming are draining humanity's lifeblood.
- Aggressively growing middle class is creating a huge demand for clean and safe water.
- The Indian government and all the state governments have taken a series of initiatives to make our country's water secure. Government programmes like Amrut schemes, Namami Gange, Jal Jeevan Mission, State water and sanitation missions, etc., are yielding the desired results.

Our Water Solutions

Water Business Group offers complete Turnkey/ Engineering Procurement and Construction (EPC) solutions for:

- Water Treatment (Conventional, Ultra Filtration, Reverse Osmosis, Demineralisation, and Sea Water Reverse Osmosis)
- Wastewater/Sewage Treatment (based on advanced technologies like Sequencing Batch Reactor (SBR), Moving Bed Biofilm Reactor (MBBR), etc. both for Municipal and Industrial effluents)
- Design, Build, and Operate Water and Wastewater treatment plant based on Zero Liquid Discharge and reuse.

Water Business Group (WBG) of Triveni is an industry leader today in the complete range of Water & Wastewater solutions, offering innovative technology and the latest equipment range.

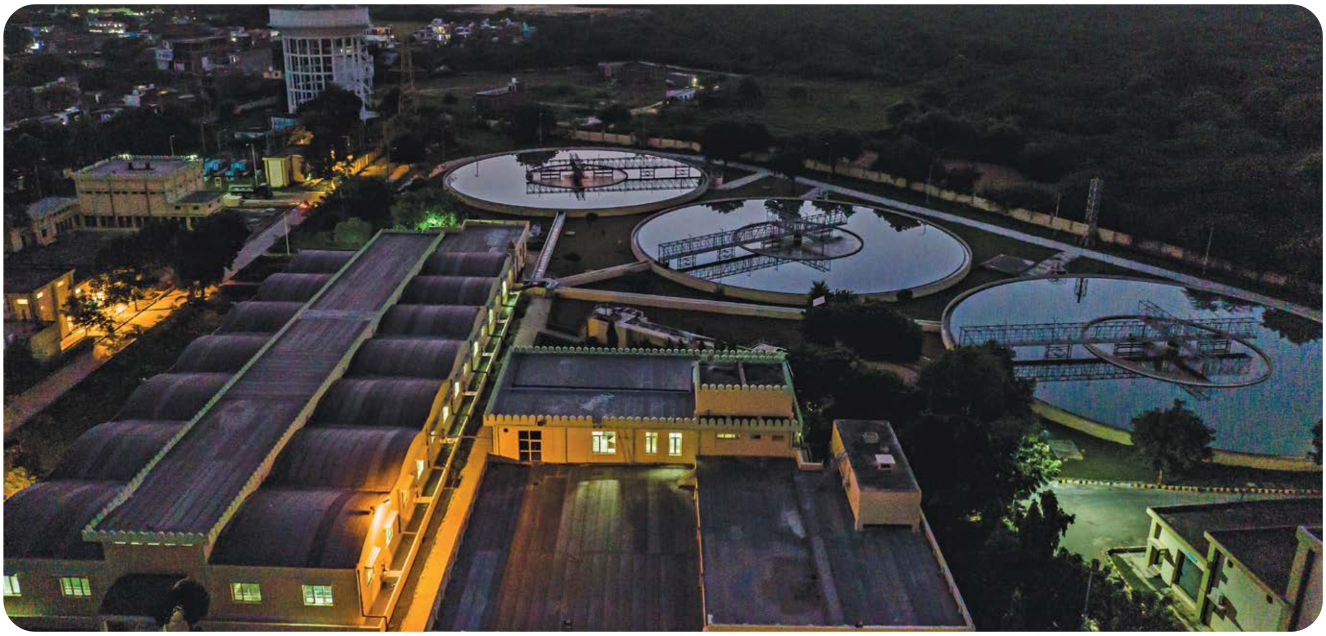
- Water and wastewater collection and distribution networks, including their design, construction, operation and management.
- Manufacturing of equipment for the entire spectrum of water and wastewater treatment industry.
- Operations and maintenance of water and wastewater treatment plants.
- Design Built and Operate Water and Wastewater management systems on Engineering Procurement and Construction (EPC)/ Public Private Partnership (PPP)/ Hybrid Annuity Model (HAM)/ Build Own Operate Transfer (BOOT) models.

Water Treatment, Wastewater Treatment, Tertiary Treatment, Recycle & Reuse and Zero Liquid Discharge

Water Business Group's objective is to provide a growing number of people with access to clean drinking water, and to secure environmentally-compatible disposal of municipal and industrial wastewater. We are committed to contributing sustainable solutions for Water Treatment, Wastewater Treatment, Tertiary Treatment, Recycle & Reuse and Zero Liquid Discharge and Environmental Protection with enhanced quality of life. This drives us towards the development of new technologies and optimisation of existing processes with a focus on emerging markets.

The wide range of water & wastewater treatment plants supplied by us in India includes:

- Municipal Water Treatment Plants
- Sea Water Desalination Plants
- Processing Water Treatment Plants
- Sewage Water Treatment Plants
- Common Effluent Treatment Plants
- Tertiary Treatment Plants
- Recycle and Reuse of Wastewater
- Zero Liquid Discharge



Hybrid Annuity Model (HAM)/ Public-Private-Partnership (PPP) Business

Triveni Water is executing the following two projects in Hybrid Annuity Model (HAM) format:-

Mathura Wastewater Management Private Limited (MWMPL) – a 100% subsidiary of TEIL

MWMPL has undertaken an Integrated Sewerage Management project for the holy city of Mathura (Uttar Pradesh) under one-city-one-operator framework in PPP/ HAM mode, as part of the Namami Gange programme of the Ministry of Jal Shakti, Government of India

With the objective of making the Yamuna river flowing through Mathura city pollution-free, sewage from the designed areas has been intercepted from the drains and diverted through pumping to various Sewage Treatment Plants (STPs) before being allowed into the river.

Our Mathura project subsidiary, MWMPL has undertaken an Integrated Sewerage Management project for the holy city of Mathura (Uttar Pradesh) under one-city-one-operator framework in PPP/ HAM mode, as part of the Namami Gange programme of the Ministry of Jal Shakti, Government of India

One of the key components of the project is recycling of treated sewage after membrane-based (Ultrafiltration followed by Reverse Osmosis – UF/RO) advanced treatment process to a crude oil refinery of IOCL (Indian Oil Corporation Limited) near Mathura city for their process water needs.

Various components of the Mathura project were physically completed during the year, and after completing the ongoing trials for demonstrating mandated KPIs (Key Process Indicators), Commercial Operation date (COD) of Mathura project has been achieved and MWMPL has started 15 years of comprehensive operation & maintenance (O&M) of the facilities.

Pali ZLD Private Limited (PZPL) – a 100% subsidiary of TEIL

PZPL is executing a 12,000 M3 per day (12 MLD) capacity textile wastewater treatment plant for effluent being generated by over 500 industrial units in one of the industrial clusters of Pali district in Rajasthan. The project was awarded by the industry association through their CETP Foundation, a Special Purpose Vehicle (SPV) created for the purpose. The project is being executed in PPP/HAM mode, with part capital funding as Capital grant being provided by the CETP Foundation and also by Rajasthan government through their designated agencies/departments.

The project includes comprehensive upgradation of the existing Common Effluent Treatment Plant (CETP), followed by state-of-the-art advanced tertiary level treatment plant (TTP) to make the treated water fit for use by the same industries, thus making the plant a truly Zero Liquid Discharge (ZLD) system.

Sludge generated from the plant will be minimised through extensive dewatering, drying, heating & incineration processes within the plant facilities and, post treatment, the sludge will be disposed of in secured landfill site.

For Pali-based industries, this will be a unique scheme to get assured supply of recycled wastewater for their process water needs. The recycled water will be of much better quality compared to currently used groundwater from sources in the neighbouring area, thus sparing them from further extraction.

For PZPL, the project scope includes comprehensive operation & maintenance (O&M) for 15 years after project's physical completion.

Operations and Maintenance

Operation and Maintenance (O&M) of Water and Wastewater Systems forms an integral part of the business as WBG conducts various water and wastewater system activities to ensure their effective functioning and compliance with various regulatory and technical requirements.

Triveni provides O&M to keep the water supply safe. We achieve the following outcomes related to operations and maintenance, and ensure that the client's system remains sustainable and costs are reasonable:

- Be knowledgeable of the water system's infrastructure (assets) and their locations.
- Be knowledgeable of the condition of the water system.
- Maintain an adequate disinfection residual in all parts of the system.
- Maintain positive water pressure under foreseeable operating conditions.
- Implement a backflow prevention and cross-connection control programme.
- Ensure proper disinfection and flushing procedures are used for repairs and new construction.
- Monitor for internal and external corrosion of piping and equipment and, if necessary, implement measures to reduce the rate of corrosion.
- Metre water supply and consumption to estimate water usage and losses and, if necessary, implement a leak detection programme.
- Maintain the source water intake, dam, raw water reservoir, or well-head site.
- Keep the treatment plant, pumping stations and reservoirs in good working order.
- Keep the distribution system's valves and hydrants in good working order.
- Swab and/or flush the watermains.
- Maintain a spare parts inventory.

Water Business Group of Triveni has significant experience in the Operations & Maintenance space of business for water and wastewater treatment plants, and offers the following services to customers:

- Operations and maintenance
- Annual maintenance contracts
- Product and process audits, health check-ups, and overhauls
- Pilot experiments
- Refurbishment, up-gradation and automation of existing plants
- Spares, service consumables, and chemicals
- On-site training and assistance

Achievements

- Across India, over 1,200 installations are successfully operating in various segments - infrastructure, industrial, and municipal.
- Through our projects and equipment, over 10,000 MLD of water is treated.
- We have received several Water Awards for innovative project designs.
- In FY 23, we secured Bangladesh (Construction of two sewerage treatment plants for Khulna Water Supply and Sewerage Authority), funded by ADB
- In FY 22, we secured the PALI HAM/PPP project
- In FY 22, we secured the Bhiwadi 6 MLD Zero Liquid Discharge (ZLD) project.
- In FY 21, we secured Maldives project of water and sanitation of six islands.

Processes and Technologies

Triveni Water has access to the latest technologies in water and wastewater treatment plants, and has gained sufficient experience in the following technologies:

- Moving Bed-Bio Reactor (MBBR)
- Sequential Batch Reactor (SBR)
- Activated Sludge Process (ASP)
- Conventional technologies
- Filters: Sand or Membranes
- High Rate Clarifiers
- Membranes and Anaerobic-anoxic-aerobic method (A2O) and nitrification / de-nitrification
- Recycling and Reuse
- Zero Liquid Discharge (ZLD)

OUR WATER BUSINESS PERFORMANCE

The Water business has achieved historically its highest annual turnover of ₹ 352.17 crore vs ₹ 270.21 crore in the previous year (+30.3%) with a PBIT of ₹ 24.28 crore vs ₹ 31.01 crore in FY 22. The higher revenues were the result of more focussed approach in execution.

WBG has a total current manpower strength of 339 employees. The average age of employees is 39, and the median is 38, which indicates a healthy workforce.

The historic high turnover and improving PBIT over the years is an indication that operational efficiency has improved during this time.

WBG is well positioned to undertake more jobs in its chosen area of expertise.

Key Highlights

- 80 MLD (52+28) Sewerage Treatment Plants at Khulna for KWASA, Bangladesh, funded by ADB
- WBG achieved a turnover of ₹ 352.17 crore in FY 23 and PBIT of ₹ 24.28 crore
- The orders received in FY 23 stood at ₹ 192.08 crore, excluding O&M orders
- WBG achieved COD of Mathura HAM project for NMCG/UPJN
- WBG's regular participation in new bids has given it market recognition and WBG is recognised as a major force in this business

New developments & achievements in FY 23

WBG, in FY 23, was successful in securing ADB funded STPs project at Khulna, Bangladesh. On Execution front, WBG achieved Commercial Operation Date (COD) for Mathura HAM project funded by NMCG which entitles it to receive HAM payments over the O&M period.

Business strengths

WBG's inhouse design & engineering and project execution teams are the core strength of our business. The sound financial health of the Company is leveraged for participating in PPP/HAM concession projects. WBG has pan India presence, besides operations in Maldives and Bangladesh. Our in-house Equipment vertical sharpens our skills and knowledge base, and adds to our strength.

OUTLOOK FOR WATER INDUSTRY AND OUR WATER BUSINESS

By 2030, the water demand from the municipal and industrial segments is expected to reach 1,500 cubic km. Thus, the water sector has a positive outlook and offers significant opportunities for various stakeholders, including EPC players, private developers, consultants, and technology and equipment suppliers.

- Government is continuously imposing stricter regulations related to industrial effluent, which catalyses opportunities in CETPs, Recycle & Reuse and ZLDs.
- Central and state governments in India are increasingly implementing environmental policies to ensure ecological balance and reduce water contamination in rivers, sea, lakes, and others.
- They are also emphasising on water conservation and wastewater treatment to maintain ecological balance in the face of shrinking freshwater sources.
- The strict governmental norms and the shortage of water in many regions of India are anticipated to increase the demand for wastewater treatment services.
- Government has started laying emphasis on capacity building and infrastructure development through programmes such as AMRUT, Smart Cities, Namami Gange & Swachh Bharat, and moving to one-city-one-operator model, where one agency will be responsible for all water needs and waste water management system in a city.
- Going forward, investments in the sector will be directed towards providing 24x7 water supply, improving industrial water use efficiency, deploying cost-effective seawater desalination technologies, and encouraging wastewater recycling and reuse.

The Central Government's focus on Namami Gange for cleaning of Ganga, JICA-funded projects in Delhi, Karnataka, and Maharashtra, AMRUT programmes for pollution abatement, recycling and re-use, and stricter vigil by the National Green Tribunal will be key demand drivers.

The Water business has achieved historically its highest annual turnover of ₹ 352.17 crore vs ₹ 270.21 crore in the previous year (+30.3%) with a PBIT of ₹ 24.28 crore vs ₹ 31.01 crore in FY 22. The higher revenues were the result of more focussed approach in execution.

Business Opportunities

New opportunities are emerging in recycle, reuse and Zero Liquid Discharge kind of business on EPC as HAM model. Sewage recycling is a new area of business and wherever Industries are available as off-takers for buying treated sewage, this model will emerge significantly.

NMCG will focus on Ganga tributaries and STP opportunities will emerge on EPC/HAM basis, besides opportunities in schemes like AMRUT, JJM, etc.

As the Water sector is a State subject and it is dealt with by the third layer of governance, it is historically under-funded, and therefore, more PPP/HAM opportunities will arise from Water Boards and ULBs. At present, the Delhi Jal Board is announcing several refurbishment/new STP projects on PPP/HAM formats.

Exim Bank of India is providing significant funding in Asia and Africa, and it is expected that opportunities in the Water sector will increase.

Outlook for FY 24

We are likely to see a surge in business opportunities and new funding flow from Government of India and various State Governments in the next few years. The private sector is ready to take investment position in PPP/HAM concessions, and there is a need to structure the projects properly. Equally important is the need to focus on mobilising new funding sources. Urban Local Bodies (ULBs) also need to build financial and operational capacity.

The outlook for FY 24 is positive. With good visibility on bids, we expect to book significant orders in FY 24 to maintain our growth journey, including EPC and HAM projects.

Opportunities for HAM in the Water industry

Many water boards and ULBs which are starved for funds are planning to structure projects on PPP/HAM basis. The market is also responding to HAM bidding and more than a dozen bidders have shown appetite to invest money in HAM concessions, which shows confidence in the Water sector. Triveni Water Business is in discussion with several municipal corporations and water boards to catalyse PPP and HAM opportunities, and we are trying to create a business niche for ourselves. With its strong financials, the Company can invest in PPP/HAM concession projects and increase EPC opportunities.

Financial Review

₹ in Lakh

Description	2022-23	2021-22	Change %
Income from Operations (Gross)	630690	467744	35%
Excise Duty on Alcoholic Beverages (IMIL)	69326	40310	72%
Income from Operations (Net)	561364	427434	31%
EBITDA	**69651**	**66017**	**6%**
Depreciation & Amortisation	9348	8074	16%
Finance Cost	4984	4948	1%
Profit Before Exceptional/Non-Recurring Items & Tax	**55319**	**52995**	**4%**
Exceptional Income / (Expenses)	158594	-999	
Tax	21512	13780	56%
Profit After Tax	**192401**	**38216**	**403%**
Other Comprehensive Income	-319	123	
Total Comprehensive Income	**192082**	**38339**	**401%**

During the year, the Company has achieved a record gross turnover of ₹6,306.90 crore and net turnover of ₹5,613.64 crore (net of excise duty), which is 35% and 31% higher respectively over the previous year.

Sugar business achieved 26% increase in turnover owing to 21% higher sales volume, including sugar exports, and improved sugar realisation price by 4%. Export realisation price was at a substantial premium to the domestic price. The turnover of the Distillery business is higher by 75% due to 53% increase in sales volumes, contributed mainly by new distilleries commissioned during the year. Power Transmission business and Water business have also achieved 22% and 38% growth respectively.

Profit before Exceptional items and Tax is 4% higher at ₹553.19 crore. Lower profitability of Sugar business has been compensated by the Distillery and the Engineering operations.

The profitability of Sugar business was affected as the cost of sugar sold during the year included the full impact of cane price increase effected in the season 2021-22 and the same could not be offset by increased sales volumes and higher sugar realisation price. Further, the previous year FY 22 included the benefit of recognition of export subsidy of ₹ 57 crore pertaining to the year FY 21.

Distillery business achieved 42% increase in segment results (Profit before Interest and Tax - PBIT) which is mainly due to higher sale volumes, attributable to the new distilleries commissioned during the year. Both the Engineering businesses - Power Transmission business and Water business - achieved 19% and 48% higher segment results commensurate with the increased turnover.

During the year, the entire 21.85% equity stake held by the Company in the associate Company, Triveni Turbine Limited, was divested by the Company which resulted in Exceptional profit of ₹ 1,585.94 crore. With a view to reward the shareholders, the Company came out with a Buy-back Scheme for an amount of ₹800 crore, which was completed in March 2023. It entailed a total outgo of ₹ 987.30 crore including incidental expenses and taxes.

The surplus funds being held by the Company as a result of the aforesaid divestment will help the Company to meet future capital expenditure and working capital requirements, with reduced requirements to contract further debts.

Depreciation is higher by 16% mainly due to capitalisation of new distilleries during the first half of the year. Tax charge for the year includes ₹77.22 crore on long-term capital gains on divestment of equity stake of Triveni Turbine Limited.

Profit after Tax (including Exceptional Items) is at ₹ 1,924.01 crore as against ₹ 382.16 crore in the previous year.

RAW MATERIAL AND MANUFACTURING EXPENSES

₹ in Lakh

Description	2022-23	2021-22	% change
Cost of material consumed (including purchase of stock in trade)	399777	314094	27%
Percentage to net sales	71%	73%	
Manufacturing expenses	37431	31557	19%
Percentage to net sales	7%	7%	

Cost of material consumed is higher by 27% mainly due to:

- Higher cane crush by 16% (or by 130 lakh quintals - LQ);
- Higher cane price by ₹ 250/MT applicable on sugarcane crushed during April-June in FY 23 over the corresponding period of the previous year;
- Grain operations for the new distilleries resulting in consumption of grains to the extent of ₹ 222 crore; and
- Increased consumption by 76% in the engineering businesses mainly due to increase in turnover.

Manufacturing expenses have increased by 19% due to higher turnover in engineering business, higher production in distilleries by 68% due to commissioning of additional capacities, increased activities in alcoholic beverages and higher cane crush in the sugar operations.

Further, in sugar business, which is a seasonal industry, the manufacturing costs are directly linked to the production rather than to the sales.

PERSONNEL COST, ADMINISTRATION EXPENSES AND SELLING EXPENSES

₹ in Lakh

Description	2022-23	2021-22	% change
Personnel cost	34702	30123	15%
Percentage to net sales	6%	7%	
Administration	14638	14058	4%
Percentage to net sales	3%	3%	
Selling expenses	4208	3704	14%
Percentage to net sales	1%	1%	

Personnel Costs: Apart from the normal annual increase, it also includes the personnel costs of ₹ 13.50 crore pertaining to two new distilleries commissioned during the current financial year.

Administration Expenses: It includes provision of ₹ 12.7 crore made towards regulatory fees deposited under protest on sale / transfer of molasses for period from December 24, 2021 to March 31, 2023 in the current year, higher CSR obligation by ₹ 2.15 crore and additional costs pertaining to the commissioning of two new distilleries during year. Previous year included expenses of ₹ 9.93 crore incidental to third party exports.

Selling Expenses: The increased level is due to higher sale volumes in sugar, distillery as well as in the engineering business.

The sale ratios are by and large at the previous year levels.

SEGMENT ANALYSIS

₹ in Lakh

Description	Revenue (Net)			PBIT*		
	2022-23	2021-22	Change %	2022-23	2021-22	Change %
Business Segments						
- Sugar	553422	414236	34%	51815	53587	-3%
- Engineering	57423	43824	31%	10203	8147	25%
- Others	15936	13582	17%	-801	-453	-77%
Unallocated/inter unit adjustment	-65417	-44208	-48%	-914	-3338	73%
Total	**561364**	**427434**	**31%**	**60303**	**57943**	**4%**

*Before exceptional items

The Company has two major business segments - Sugar & Allied Business and Engineering Business.

Sugar business comprises sugar manufacturing operations across 07 Sugar mills, 03 independent Cogeneration plants located at two of its Sugar mills, 03 incidental cogeneration facilities at three of its sugar mills and 04 Distillery facilities, all located in the State of U.P. Further, the Distillery segment is engaged in the production of ethanol, Extra Neutral Alcohol and alcoholic beverages. Cogeneration plants of the Sugar business source bagasse from the sugar units whereas the distillery plants source B-heavy molasses and bagasse, to the extent available, from the sugar units. Grain operations at the distillery require procurement of surplus rice from FCI and damaged grains from open market.

Engineering business comprises Power Transmission manufacturing facilities at Mysuru and Water and Waste Water Treatment business operating from Noida, UP.

SUGAR BUSINESS SEGMENTS

Sugar Operations

₹ in Lakh

Description	2022-23	2021-22	Change %
Turnover	429820	341147	26%
Power exported to UPPCL (including incidental)	6375	6238	2%
PBIT (Segment Profit)	30583	38651	-21%
PBIT/Turnover (%)	7%	11%	
Cane crush (MT)	9550843	8251773	16%
Recovery % Gross	11.42%	11.78%	-0.36%
Recovery % (net of sugar diverted in BHM*)	10.21%	10.73%	-0.52%
Cane cost (landed) (₹/MT)	3638	3582	2%
Production of sugar (MT)	9,74,996	8,85,529	10%
Volume of sugar sold (MT)			
Domestic	905692	806093	12%
Export	117349	38066	208%
Total	**1023041**	**844159**	**21%**
Average Blended Realisation (₹ / MT) **	36070	34603	4%

(*) B-heavy molasses

(**) including export realisations but excluding subsidy

The turnover in Sugar business is higher by 26% due to higher sugar despatches by 21% (including higher export) and improved average realisation price by 4% due to higher export prices.

Segment profit stood at ₹ 305.83 crore, a decline of 21% from the previous year, as the cost of sugar sold during the current year bears the full impact of increase in sugarcane price effected in the Season 2021-22 and the same could not be offset by increased sale volume and realisation price. Further, the previous year also included benefit of recognition of export subsidy of ₹ 57 crore pertaining to FY 21.

Distillery Operations

₹ in Lakh

Description	2022-23	2021-22	Change %
Gross Turnover	186553	107161	74%
Excise duty on Alcoholic Beverages	69326	40310	72%
Net Turnover	117227	66851	75%
PBIT	21232	14936	42%
PBIT/Net Turnover (%)	18%	22%	
Operating days	323	319	1%
Production (KL)	181194	107604	68%
% Production from BH Molasses	71%	83%	
% Production from Grain	28%	0%	
Total Sales Volume (KL)	180423	117837	53%
% Ethanol to total sales Volume	93%	90%	
% Ethanol sales produced from B-heavy molasses	67%	83%	
% Ethanol sales produced from grain	25%		
Avg. realisation price of alcohol ₹ /litre	57.33	54.13	6%

The net turnover in Distillery business is higher by 75% than the previous year mainly due to higher despatches by 53% (626 lakh litres), higher average realisation price by 6% due to increase in the ethanol prices and favourable impact of product mix and higher turnover of alcoholic beverages by ₹ 38.5 crore (despatch during the year - 33.36 lakh cases vs 17.61 lakh cases in the previous year). The increase in sales volume of ethanol is contributed mainly by new distilleries commissioned during the year.

The profitability in distillery business is higher by 42% despite higher turnover by 75%, mainly due to higher transfer price of B-heavy molasses and relatively lower margins in grain operations, also due to initial stabilisation period.

Presently, the Company is having distillation capacity of 660 KLPD and is in the process of setting up a new dual feed distillery adjacent to existing sugar unit at Raninangal. The project is estimated to be completed by Q4 FY 24, followed by a capacity expansion at Sabitgarh, both aggregating to additional capacity of 450 KLPD. This would take the aggregate distillation capacity of the Company to 1,110 KLPD.

ENGINEERING BUSINESS SEGMENT

Power Transmission Business (PTB)

₹ in Lakh

Description	2022-23	2021-22	Change %
Turnover	22525	18463	22%
PBIT (Segment Profit)	7644	6416	19%
PBIT/Turnover (%)	34%	35%	

The business has performed well – both in terms of turnover and the profitability. The revenue growth has been achieved on the back of robust OEM sales, which has resulted in significant improvement in the performance. The turnover during the year has increased by 22% and PBIT by 19% than previous year.

The outstanding order book as on March 31, 2023 stood at ₹ 260.42 crore, 18% higher over the previous year, including long tenure orders of ₹ 115.05 crore executable beyond FY 2023-24.

PTB has over the years developed expertise, experience and relationships in the Asian sub-continent, which shall be leveraged to grow into international markets for products as well as for the aftermarket business. There will be continued focus on R&D to strengthen our technological competence in developing new products at competitive costs while maintaining our quality leadership.

In respect of the Defence business, the Company is focussing on the development of in-house technology as well as through tie-up or collaboration with global OEMs to widen the scope of its offerings.

Water and Waste Water Treatment Business

₹ in Lakh

	Standalone			Consolidated		
Description	**2022-23**	**2021-22**	**Change %**	**2022-23**	**2021-22**	**Change %**
Turnover	34898	25361	38%	35217	27021	30%
PBIT	2559	1731	48%	2428	3101	-22%
PBIT/Turnover (%)	7%	7%		7%	11%	

The consolidated results include financial results of wholly-owned subsidiaries, Mathura Wastewater Management Private Limited (MWMPL) & Pali ZLD Pvt. Ltd. MWMPL is engaged in the execution of a project awarded by National Mission of Clean Ganga (NMCG) under Namami Gange programme for the city of Mathura, UP and Pali is executing a project in Pali (Rajasthan) for a cluster of printing & dyeing units. Both the companies are executing projects under Hybrid Annuity Model.

The turnover of WBG has increased by 38% to ₹ 348.98 crore resulting in higher segment profit by 48% to ₹ 25.59 crore in the current year.

During the year, orders of ₹ 192.08 crore (excluding O&M) were received by the Company. Orders in hand at the year-end are at ₹ 1,393.41 crore (including long-term O&M contracts of ₹ 916.86 crore). Water business has participated in numerous projects, including international, and has a visibility of tenders of substantial value. It is confident of securing substantial orders which will ensure its continuing growth.

REVIEW OF BALANCE SHEET

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

NON-CURRENT ASSETS

Property Plant and Equipment

During the year, there have been additions to the extent of ₹ 486.39 crore (including capitalisation from the opening Capital work-in-progress). The additions mainly comprise the following:

- Additions of ₹ 118.52 crore in Sugar segment mainly towards rationalising, debottlenecking and efficiency improvement, conversion of manufacturing process to produce refined sugar in sugar unit at Deoband and doubling of pharma grade sugar in sugar unit at Sabitgarh

- Additions of ₹ 285.9 crore in the Distillery segment towards two new distilleries and expansion of capacities of existing distilleries
- Addition of ₹ 47.63 crore pertaining to Power Transmission Business (PTB) towards purchase of land for expansion and construction of a new Administration Block

Capital work-in progress

The Capital work-in-progress of ₹ 28.31 crore comprise projects of ₹ 21.29 crore relating to Sugar segment, including ₹ 17.40 crore for construction of permanent godowns.

Investments in subsidiaries and Associates

Investments are lower at ₹ 47.35 crore as on March 31, 2023 as compared to ₹ 52.84 crore as on March 31, 2022 mainly due to divestment of shares of an associate company - Triveni Turbine Limited (₹ 7.06 crore) in Q2 (FY 23).

CURRENT ASSETS

Inventories

Inventories are lower by 2% at ₹ 1,996.49 crore as on March 31, 2023 as against ₹ 2,036.87 crore in the previous year due to lower sugar inventories by 10% in quantitative terms at 46.34 LQ, partly off-set by higher sugar inventory cost by 3% at ₹ 33.7/kg.

Trade Receivables

Trade receivables are higher by 47% (by ₹ 123 crore) at ₹ 386.73 crore as on March 31, 2023 from ₹ 263.95 crore as on March 31, 2022. The receivables have increased mainly in Distillery segment by ₹ 98 crore due to the increased activities and higher receivables in Engineering business by ₹ 48 crore, also due to the increased activities / higher turnover, partly off-set by lower receivables by ₹ 20 crore in Sugar business.

Other Current Assets

It has increased to ₹ 268.65 crore as on March 31, 2023 from ₹ 255.11 crore as on March 31, 2022. The increase is attributable to higher advances to supplier and dues from customer under long duration construction & supply contracts.

Share Capital

The Company had during the year successfully completed buyback of 228.57 lakh fully paid up equity shares and the share capital has reduced correspondingly.

Other Equity

During the year, the reserves and surplus increased by ₹ 887.46 crore (51%) to ₹ 2,637.50 crore due to profit of ₹ 1,924.01 crore earned during the year, including exceptional profit of ₹ 1,508.72 crore (net of LTCG) earned from the divestment of the equity stake in Triveni Turbine Limited, as reduced by premium of ₹ 797.71 crore paid on buyback of shares, expenses / tax of ₹ 187.30 crore incurred in connection with such buy-back and dividend of ₹ 48.35 crore paid during the year for FY 22.

Term Borrowings (Non-Current & Current)

Total long-term borrowings at the year-end, including current maturities of long-term borrowings, are at ₹ 301.08 crore as against ₹ 395.83 crore as at the end of the previous year. During the year, fresh term loans of ₹ 41 crore were availed in respect of the new distillery set up at sugar unit in Milak Narayanpur and proposed to be set in sugar unit at Raninagal. Repayments were made to the extent of ₹ 137 Crore during the year.

Almost all the outstanding Term loans are at concessional interest rate or carry interest subvention of 50%.

CURRENT LIABILITIES

Borrowings

Short-term borrowings (excluding current maturities of long-term borrowings) are lower at ₹ 523.88 crore as on March 31, 2023 as against ₹ 1,107.91 crore as on March 31, 2022. The lower utilisation is in view of substantial funds being held from the divestment proceeds of equity stake in Triveni Turbine Limited (net of buy-back).

Trade Payables

Trade payables are higher at ₹ 414.60 crore as on March 31, 2023 as against ₹ 350.76 crore as on March 31, 2022. These are higher by ₹ 42 crore mainly in the engineering business commensurate with the higher activities. These also include cane dues of ₹ 229.52 crore.

OTHER CURRENT LIABILITIES

Other Current liabilities are higher at ₹ 157.09 crore as on March 31, 2023 as against ₹ 127.40 crore as on March 31, 2022. The increase is owing to higher advances from customers by ₹ 30 crore (including ₹ 20 crore against sugar exports).

KEY FINANCIAL RATIOS

Ratios	Mar '23	Mar '22	Remarks	Formula used for ratios
Debtors turnover	19.39 ↑	19.31	Debtor turnover is slightly better due to the revenue growth by 35%.	Revenue from operations (gross) / Average Trade Receivable
Inventory turnover	2.78 ↑	2.27	Improved due to accelerated despatches in Sugar and Distillery business	Revenue from operations (net) / Average Inventory
Interest coverage	41.48 ↑	10.36	The ratio has considerably improved due to higher profitability resulting from exceptional profits	(PAT + Depreciation & Amortisation + Finance Cost) / Finance Cost
Current ratio	1.98 ↑	1.39	The ratio has improved due to reduced short-term borrowing in view of parking of balance surplus funds from divestment proceeds of equity stake in an associate company.	Current Assets / Current Liabilities
Long-Term Debt - Equity	0.12 ↑	0.23	The ratio is better due to increase in Equity on account of accretion of substantial profits during the year (including exceptional profits) and net repayment of loans	Long-Term Debt and Lease Liability/ Total Equity
Total Debt - Equity Ratio	0.32 ↑	0.85	The ratio is lower due to: a) Lower short-term borrowings in view of surplus funds held from the divestment proceeds of equity stake in an associate company. b) Increase in Equity on account of accretion of substantial profits during the year (including exceptional profits)	Total Debt and Lease Liability / Total Equity
Operating Profit Margin (%) (OPM)	9.33% ↓	12.63%	The ratio is lower due to decline in the profitability of Sugar segment. In absolute terms, it is at the same level as in the previous year.	{PBIT (before exceptional) – other income} / Revenue from operations (net of excise duty)
Return on Net Worth (%)	88.30% ↑	24.18%	PAT includes the impact of substantial exceptional profit.	PAT / Average Networth (excluding Capital, Amalgamation & Hedging Reserves)

↑ Indicates favourable ratio movement from previous year

↓ Indicates adverse ratio movement from previous year

Risk Management and Mitigation

The Company is engaged in multiple businesses and there are unique risks associated with each business. The Company follows a well-structured Enterprise Risk Management (ERM) Policy, the objectives of which are: to ensure that all material risk exposures of the Company are identified, assessed, quantified and appropriately mitigated, minimised and managed; to establish the framework in the Company's risk management process and ensure its implementation; to enable the compliances with appropriate regulations, wherever applicable, and assure the business growth with financial stability.

ERM includes strategic and operational risk management and it includes financial, reputation, and compliance risk management as well. ERM is a holistic approach that looks at risk management from the perspective of the entire organisation, and not just specific functional groups or business units.

The ERM Policy defines the processes through which business decisions are taken after assessing the attendant risks and formulating effective mitigation plans to contain the impact of such risks. Since the Company is engaged in diversified businesses having varying risk profile, the framework for each business has been devised considering its complexity and uniqueness.

The Board of Directors and the Risk Management Committee regularly analyse various changes in the internal and external environments and evaluate the adequacy of the risk management framework, providing necessary countermeasures, if required. As a result, risk management strategy is regularly reviewed and necessary adjustments are made, as may be necessary.

SUGAR & DISTILLERY BUSINESSES

Sugar business is exposed to significant external risks which mostly are uncontrollable in nature and thus, it is imperative to optimise the controllable business productivity and efficiencies on a dynamic basis to counteract the impact of such external risks. Internal risks are moderate and by and large predictable and manageable. Some of the major risks being experienced by Sugar & Distillery businesses are given hereunder:

Risks & Impact	Mitigation
Risk of adverse Government Policies: Sugar & Ethanol industry are extensively regulated and it includes sugarcane price, sugar export policy, monthly sugar sales quota, minimum sale price of sugar (MSP), Ethanol prices and offtake to OMCs **Impact:** Unfavourable Government policy may adversely impact the financials of the Company.	- The Company strives to achieve benchmark efficiencies in all areas under its control to offset and absorb the impact of uncontrollable risks. - The objective of the Company is to be amongst the top performers in UP, much above the average, so that it remains less impacted by Government policies. - Further, the Company has been diversifying its sugar business into production of ethanol with a view to spread out risks pertaining to the sugar business. In FY 2022-23, segment profits of Distillery and Engineering business formed 51% of the total segmental profits. - The distilleries being set up by the Company can be operated on dual feedstock basis – sugarcane-based or grain-based - so that it has the flexibility to choose appropriate feedstock based on the commercial viability. - Lastly, the Government has been taking rational policy decisions balancing the interests of all the stakeholders which has substantially helped the sugar industry.

Risks & Impact	Mitigation
Risk of Climatic factors and Excess Sugar production: Due to climatic factors, sugar production in the country may vary and in the event of surplus sugar production, sugar prices may soften. **Impact** Softening of sugar prices may adversely impact the financials of the Company.	- Consequent to surplus sugar production in the past several years, the Government has been supporting export of sugar so that the domestic sugar inventories are maintained at optimal levels. - The Government has been promoting production of ethanol and has fixed a target of ethanol blending with petrol at 20% in the year 2025. It has resulted in diversion of sugar to the extent of ~ 4.25 million tonnes in the season 2022-23 for ethanol production. It is likely to increase to 6-7 million tonnes by 2025, which will help in keeping the surplus production in check.
Risk of low sugar price resulting from high sugar inventories arising from inadequate exports or lower diversion of sugar for ethanol This eventuality can arise if adequate exports do not take place due to unremunerative international sugar prices or if lower quantity of sugar is diverted for ethanol due to unviability or due to inadequate ethanol capacity. **Impact** Low sugar price will have adverse impact on the financials of the Company.	To counter the risk, the Company has been making sustained efforts in increasing the overall realisation price of the sugar: - Increasing the proportion of refined sugar as it fetches a premium over normal plantation white sugar. The refined sugar production has increased from 40% last year to 60% of the total sugar production in sugar season 2022-23 and it is expected to further increase to 70% in the next season. - The Company has doubled its capacity to manufacture pharma grade sugar which fetches a premium over the refined sugar. - The Company is making conscious efforts to increase the sale of sugar to institutional customers with a view to reduce the dependence on the agency route as well as to increase the realisation price. - The Company is also selling sugar under private labels and as branded sugar to capture a premium as the market matures.
Risk of arranging working capital funding at competitive cost: Sugar industry is working capital intensive and adequate funding is required to make timely cane price payments and to fund the inventories. **Impact** High quantum of working capital funding and cost of funds will lead to higher finance cost which will have an adverse impact on the financials of the Company.	- The Company is rated 'ICRA A1+' for short term and 'ICRA AA (with stable outlook)' for long-term. In view of its financials and rating, the Company does not foresee any problems in arranging the required funds to finance its working capital at a competitive cost. - The Company has divested its entire stake held in an associate Company, as a result of which the Company holds substantial surplus funds. It will help in limiting the working capital funding requirements.
Risk of reduction in ethanol prices by the Government and availability of raw materials Ethanol prices are fixed by the GoI for sugarcane related feedstocks and by OMCs for grain as the feedstock for the production of ethanol. In the event of reduction in ethanol prices, the distillery operations may not be viable. Further, due to short production of sugarcane and grains due to climatic and other factors, there may not be adequate availability of raw material to utilise the full capacity of the distilleries. **Impact** Reduction in the ethanol prices or underutilisation of the capacity due to shortage of raw materials may have serious financial implications.	- In view of the Government's commitment to ethanol blending programme and stated target of 20% EBP in the year 2025, it is felt that the Government may review and set up realistic ethanol prices, incentivising creation of further ethanol capacities to achieve the target. - Apart from ethanol, we are also capable of producing Extra Neutral Alcohol to cater to the liquor industry. - Further, we are looking to have our new distilleries, including the ones commissioned in FY 23, to operate on molasses / sugarcane syrup / grains, which will provide flexibility to use the feedstock based on availability and as may be beneficial to the Company.

ENGINEERING BUSINESS

The Power Transmission business and Water business are in the capital goods and infrastructure sectors and are largely dependent on the industrial and general economic conditions in the country which regulate the demand of the products of our Engineering businesses. These businesses are exposed to the following major risks:

Risks & Impact	Mitigation
Risk of economic slow-down: It results in sluggish demand of the products of the user industries. **Impact** Adverse impact on the investment spends on capital goods required for capacity creation or modernisation.	- Having achieved GDP growth at 7.2% in FY 23, India is looking to grow at 6.5% in FY 24. Industrial climate is quite conducive for further investments. - In the case of PTB, the normal order booking (excluding defence) was higher by 18% in 2022-23. - Additionally, PTB is focussing on defence projects, which has the potential to be a sizeable business in the next few years. - Water business has participated in various bids and has the visibility of substantial value of tenders which will help in securing substantial orders.
Technology Risk: It is vital for Engineering business to offer technology and efficiencies at par with the competition. **Impact** In the event of a significant gap in the technical efficiencies as compared to its peers, the customers may not prefer the products of the Company.	- PTB is constantly working on updating its technology and evolving new technologies to diversify its offerings, which will help to withstand the competition.
Risk of Project delays and payment risk: This risk is particularly applicable to Water business where the period of EPC extends over 2 to 4 years and in the event of financial problems with the customers, the project may get delayed resulting in credit risks, cost overruns and blockage of working capital. **Impact** Adverse impact on the financials of the Company.	- The Company does proper diligence on its customers prior to accepting any order which includes evaluating its financials, ensuring financial closure of the project, credit ratings (if any), track record and market feedback. - Further, to diversify project risks, the Company has secured some international orders as well along with HAM projects in PPP and in the private sector.

IT & CYBER SECURITY RISKS

These risks pertain to all the businesses and extend over the entire company. In view of grave implications of these risks, there is a need to be vigilant of the potential danger and keep on improving the security systems and the contingency plans.

Risk & Impact	Mitigations
Cybersecurity risks refer to potential vulnerabilities and threats that can compromise the confidentiality, integrity, or availability of digital information and systems. These risks can lead to unauthorised access, data breaches, theft of sensitive information, disruption of services, and other detrimental consequences.	• Strong Authentication and Access Controls: Triveni has implemented multi-factor authentication (MFA) for accessing critical systems and sensitive data. Access privileges are restricted to employees strictly based on their work requirements. • Backup and Disaster Recovery: Critical data and system are regularly backed up to ensure they can be restored in the event of a cyber-attack or system failure. Backups are tested periodically to verify its effectiveness and restoration. Disaster Recovery systems have been implemented in different seismographic zones for critical application.

Risk & Impact	Mitigations
	• Network Security Measures: Firewalls, intrusion detection and prevention systems have been implemented to secure systems and network configurations to protect against unauthorised access and network-based attacks. • Employee Awareness and Training: Employees are made aware about best practices for cybersecurity, such as recognising phishing emails, using strong passwords, and reporting suspicious activities. • Regular Software Updates and Patching: All software, operating systems, and applications up to date with the latest security patches are updated regularly. Vulnerabilities in software are often patched by vendors, and timely updates help protect against known security risks. • Periodic audits of our security systems are arranged through external agencies from time to time.

Directors' Report

Your Directors have pleasure in presenting the 87th Annual Report and audited financial statements for the Financial Year (FY) ended March 31, 2023.

FINANCIAL RESULTS

(₹ in Lakh)

Particulars	Standalone		Consolidated	
	2022-23	2021-22	2022-23	2021-22
Revenue from operations (Gross)	630690.29	467744.03	631009.62	469404.36
Revenue from operations (Net of excise duty)	561363.80	427434.16	561683.13	429094.49
Operating Profit (EBITDA)	69651.05	66018.17	69632.06	65659.37
Finance cost	4983.75	4948.03	5673.83	5452.93
Depreciation and Amortisation	9347.77	8074.50	9347.77	8074.50
Profit before Share of Profit of Associates & tax	55319.53	52995.64	54610.46	52131.94
Share of Profit of Associates	0.00	0.00	1633.44	5914.48
Profit before exceptional items & tax	55319.53	52995.64	56243.90	58046.42
Exceptional Items	158593.58	-999.08	140119.61	-670.94
Profit before Tax	213913.11	51996.56	196363.51	57375.48
Tax Expenses	21512.53	13780.01	17182.86	14969.56
Profit after Tax	192400.58	38216.55	179180.65	42405.92
Other comprehensive income (net of tax)	-318.72	122.73	-374.85	553.40
Total comprehensive income	**192081.86**	**38339.28**	**178805.80**	**42959.32**
Earnings per equity share of ₹1 each (in ₹)	80.08	15.81	74.58	17.54
Retained Earnings brought forward	112764.22	81795.19	125359.79	90205.90
Appropriation:				
- Equity Dividend	4835.10	7252.65	4835.10	7252.65
- Others	41060.56*	117.60	39806.89*	552.78
Retained earnings carried forward	258950.43	112764.22	259523.60	125359.79

(*) includes ₹ 41,141.34 lakh relating to the Buy-Back of equity shares in FY 23. Additionally, ₹ 57,588.27 lakh relating to the aforesaid Buy-back of equity shares have been adjusted against Securities Premium and General Reserves.

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

PERFORMANCE RESULTS

The Company has achieved various records / milestones during the year:

- Consolidated gross turnover of ₹ 6,310.10 crore and turnover net of excise duty of ₹ 5,616.83 crore;
- Consolidated Profit before tax of ₹ 1,963.64 crore;
- During the year, the Company sold the entire 21.85% equity stake held in an Associate company, Triveni Turbine Limited, which resulted in an exceptional income of ₹ 1,401.20 crore (net of expenses) in the consolidated financial statements;
- Buyback of equity shares to the extent of ₹ 800 crore, which entailed total outgo of ₹ 987.30 crore including taxes and costs;
- Highest sugarcane crush of 93.3 lakh MTs during the season 2022-23 and 95.51 lakh MTs in FY 23.

Profit before exceptional profit and tax in the consolidated results is at ₹ 562.44 crore as against ₹ 580.46 crore in the previous year. The businesses have performed much better than the previous year, barring sugar segment where the profitability has been lower as the cost of sugar sold during the current year bears the full impact of sugarcane price increase pertaining to SS 2021-22, and it could not be adequately compensated by the increase in realisation price of sugar. However, profitable sugar exports and much improved performance in the Distillery and Engineering operations have helped the overall profitability.

Profit after tax is at ₹ 1,791.81 crore as against ₹ 424.06 crore in the previous year.

BUSINESS OPERATIONS AND FUTURE PROSPECTS

Sugar Business (including Cogeneration)

The turnover of the Sugar business is 26% higher at ₹ 4,361.95 crore over the previous year. The increase is attributed to the increase in sugar sale volumes by 21%, including 9% contributed by exports, and increase in overall sugar realisation price by 4% including sugar exports, which fetched prices at a substantial premium over the domestic prices.

Segment results (PBIT) of Sugar business are at ₹ 305.83 crore as against ₹ 386.51 crore in the previous year (which also included recognition of benefit of ₹ 57 crore towards export subsidy relating to FY 21). The increased cost of goods sold due to sugarcane price increase in the SS 2021-22 could not be fully offset by increase in domestic sugar realisation price. However, exports of high-quality sugar contributed significant profits due to additional volumes as well as due to much remunerative export prices.

During the year, capital expenditure of ₹ 136.12 crore was incurred mainly towards debottlenecking, modernisation & efficiency improvements at Khatauli, Deoband and Sabitgarh sugar units, change of the manufacturing process at Deoband sugar unit to Defeco Remelt Phosphatation to produce refined sugar and doubling of the pharma sugar production capability at Sabitgarh. During the year, the Company recorded the highest ever cane crush in the financial year as well as in the SS 2022-23. Khatauli unit had the distinction of becoming the largest sugar producing unit in the country. The sugarcane crush in SS 2022-23 has increased by 17% till March 31, 2023 and 11% for the complete season. The Company successfully produced & exported high quality S-grain refined sugar from its Khatauli & Sabitgarh facilities leading to superior realisations. Further, the refined sugar forms around 60% of the total sugar production of the Company in the Season 2022-23.

In the sugar business, we are implementing a medium-term plan wherein we are focussing on varietal substitution by high yielding and high sucrose sugarcane varieties through close farmer engagement and digital interventions. A large number of demo plots have been developed to showcase various yield improvement initiatives and dissemination of knowledge to the farmers. It will be accompanied with rationalisation and expansion of capacities. This should give us growth at a nominal CapEx. The above strategic actions will also help to overcome sugarcane variety fatigue, over dependence on any one variety and to make available more captive feedstock for the distilleries.

Another issue receiving management focus is to enhance sugar realisation price through value addition, quality improvement and introducing premium grades. The proportion of the refined sugar is expected to increase to 70% of the total production from 60% presently.

DISTILLERY BUSINESS

The net turnover of the distillery business has increased by 75% to ₹ 1,172.27 crore. The sales volumes have increased substantially by 53% to 18.04 crore litres. We commissioned the first-of-its-kind 200 KLPD dual feed distillery at Milak Narayanpur, which is a pioneering model for the country. Additionally, a 60 KLPD grain-based facility was commissioned in Muzaffarnagar distillery complex. The overall realisation price has increased by 6% due to price increase announced by the GoI and the product mix.

Segment results (PBIT) have increased by 42% to ₹ 212.32 crore mainly attributable to new distillation capacities. The increase in realisation prices have been to some extent offset by increase in transfer price of B-heavy molasses.

During the year, the overall capacity has increased from 320 KLPD to 660 KLPD. The Company has incurred total capital expenditure of ₹ 285.9 crore for increasing the capacity by 340 KLPD. During the year, 71% of the ethanol / ENA production was based on B-heavy molasses and 28% based on grains.

The Company is setting up another distillery at its sugar unit at Raninangal, which is scheduled to be commissioned in the last quarter of FY 24, followed by a capacity expansion at Sabitgarh, both aggregating to additional capacity of 450 KLPD. This would take the aggregate distillation capacity of the Company to 1,110 KLPD.

We firmly believe in the ethanol blending in petrol (EBP) programme of the GoI and remain optimistic that the EBP target of 20% in the year 2025 would be largely met. Having almost exhausted B-heavy potential to make ethanol, it will involve extensive use of sugarcane juice and grains to make ethanol. It will only be possible through augmenting distillation capacities by improving viability with such feedstocks, including by specifying realistic ethanol prices.

Power Transmission Business (PTB)

The turnover has increased by 22% to ₹ 225.25 crore in the current year, after having achieved a growth of 42% in the previous year. Accordingly, segment profits are 19% higher at ₹ 76.44 crore. The order book as on March 31, 2023 is at ₹ 260.42 crore, higher by 18% over the last year. It includes long tenure orders of ₹ 126.98 crore, comprising Defence orders of ₹ 70.07 crore, and Build-to-Print orders of ₹ 56.91 crore.

PTB has over the years developed expertise, experience and relationships in the Asian sub-continent, which shall be leveraged to grow into international markets - not just for new products but also for the aftermarket business. The focus on research and development over the years has significantly developed our technological competence in high-speed high-power gearboxes, with continued focus on costs and quality leadership. Capital expenditure of ₹ 100 crore is being implemented to increase the capacity in terms of turnover from ₹ 250 crore to ₹ 400 crore.

With a view to grow the Defence business, PTB is focussing on in-house development as well as global partnerships for Defence surface and sub-surface vessels and for other products like propulsion shaft line, propulsion gearboxes etc. Apart from these, PTB is identifying more products for development purposes like stabilisers, leveraging our engineering strength and expertise, including development of mechanical parts, hydraulic and control systems. Further, collaboration with global technology OEMs in select areas are being explored for participation in gas turbine generators, propulsion gearboxes and other products aligned to the naval & coastguard requirements.

New multi-modal Defence Facility is planned to be commissioned by mid-2024 at a CapEx of ₹ 42 crore, which will cater for the assembly and testing for a wide range of defence equipment, starting with the ones for Naval marine application. The modern facility shall cater to all the current and future development programmes that the company is venturing into with a potential for expansion in future into Army and Air Force projects as well.

Water Business Group

The turnover has increased by 38% to ₹ 348.98 crore in the current year. Accordingly, segment profits (PBIT) are 48% higher at ₹ 25.59 crore. The order book as on March 31, 2023 is at ₹ 476.55 crore excluding O&M contracts of ₹ 916.86 crore.

The water sector has a positive outlook and offers significant opportunities for various stakeholders, including EPC players, private developers, consultants, and technology and equipment suppliers. The Government is increasingly using strict regulations related to Industrial effluent which catalysis opportunities in CETPs, Recycle & Reuse and ZLDs. The central and state governments in India are focussed on implementing environmental policies to ensure ecological balance and reduce water contamination in rivers, sea, lakes, and others. The Central Government's focus on Namami Gange for cleaning of Ganga, JICA-funded projects in Delhi, Karnataka, and Maharashtra, AMRUT programmes for pollution abatement, recycling and re-use, and stricter vigil by the National Green Tribunal will be the key demand drivers.

Water business has participated in numerous projects, including international, and has a visibility of tenders of substantial value. It is confident of securing substantial orders which will ensure its continuing growth.

Transfer to reserve

Your Board of Directors do not propose to transfer any amount to general reserves. During the year, consequent to the Buyback of shares completed by the Company, an amount of ₹ 985.01 crore, comprising amount of buyback and associated expenses / taxes, have been adjusted against other Equity. Further, in accordance with Section 69, Capital Redemption Reserve has been created for ₹ 2.29 crore, being the face value of shares bought back, by adjustment to Retained earnings.

DIVIDEND

The Board of Directors have recommended a dividend of ₹3.25 per equity share of face value ₹1/- each (325%) for the financial year 2022-23 subject to the approval of the shareholders in the upcoming Annual General Meeting.

DIVIDEND DISTRIBUTION POLICY

As per the provisions of Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Company had adopted a Dividend Distribution Policy, which has been amended by the Board at its meeting held on May 14, 2022. The said policy sets out the parameters and circumstances that will be considered by the Board in determining the distribution of dividends to the shareholders of the company and to retain profits earned by the company. The amended policy is available on the website of the Company at https://www.trivenigroup.com/files/policies/Dividend%20Distribution%20Policy.pdf

BUYBACK OF SHARES

During the year, pursuant to the approval of the Board of Directors on November 05, 2022 and approval of shareholders through special resolution dated December 11, 2022 passed through postal ballot/e-voting, your company undertook buyback of 2,28,57,142 equity shares of the face value of ₹1/- each (representing 9.45% of equity paid-up share capital) at a price of ₹350/- per share, for an aggregate amount of about ₹800 crore (excluding transaction costs), being 24.48% of the aggregate of the Company's paid-up capital and free reserves, based on the audited half yearly/

interim consolidated financial statements as at September 30, 2022. The buyback was made from all the existing shareholders of the Company as on December 23, 2022, being the record date for the purpose, on a proportionate basis under the tender offer route in accordance with the provisions contained in the Securities and Exchange Board of India (BuyBack of Securities) Regulations, 2018 and the Companies Act 2013 and rules made thereunder. The shares accepted under the buyback have been extinguished and the paid-up equity share capital of the Company has been reduced to that extent.

SUBSIDIARY AND ASSOCIATE / JOINT VENTURE COMPANIES PERFORMANCE

Associate / Joint Venture Companies

During the year under review, the Company has divested its entire equity stake of about 21.85% held in its then associate company viz. Triveni Turbine Limited ('TTL'), resulting in a profit of ₹ 1,585.94 crore on such disposal, which is reflected under exceptional items. Consequent to such divestment, TTL has ceased to remain an associate of the Company w.e.f. September 21, 2022.

Subsequent to the financial year, a new Company namely, Triveni Sports Private Limited ('TSPL') [a 50:50 sports venture between your Company and Triveni Turbine Limited ('TTL')] has been incorporated as a special purpose vehicle for promotion of sports (including chess), and with key objective of enhancing the corporate visibility for Triveni Brand at a global level.

As the franchisee/owner of the Triveni Continental Kings ('TCK') team, TSPL took part in the first edition of Global Chess League ('GCL'), a joint venture between Tech Mahindra (a part of Mahindra group) and FIDE (Fédération Internationale des Échecs, Switzerland), in Dubai. We are happy to announce that TCK won the inaugural edition of GCL and crowned as Champions.

Subsidiary Companies

The Company has 11 wholly-owned subsidiaries, as detailed in Annexure A. All the companies, except Mathura Wastewater Management Private Limited (MWMPL) and Pali ZLD Private Limited (PZPL), are relatively much smaller and there have not been any material business activities in these companies.

Under the Namami Gange Programme, MWMPL is engaged in "Development of Sewage Treatment Plants and Associated Infrastructure on Hybrid Annuity PPP basis at Mathura, Uttar Pradesh", whereas PZPL is engaged in the development of a Common Effluent Treatment Plant along with a Zero Liquid Discharge facility (unit-4) for Pali Industrial Complex (Rajasthan) on PPP/HAM basis. During the year under review, MWMPL and PZPL have achieved revenue of ₹ 5.45 crore and ₹ 21.31 crore and profitability (PBT) of ₹ 1.22 crore and ₹ 1.29 crore, respectively.

As required under the provisions of Section 129 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014, a statement containing salient features of the financial statement of subsidiaries and associates is provided in the prescribed format AOC-1 as **Annexure-A** to the Board's Report.

In accordance with the Regulation 16 of the Listing Regulations, none of the subsidiaries of this Company 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 https://www.trivenigroup.com/files/policies/Policy%20on%20Material%20Subsidiary.pdf

CONSOLIDATED FINANCIAL STATEMENTS

In compliance with the provisions of Companies Act, 2013 and Indian Accounting Standards (Ind AS) as specified in Section 133 of the Act and Regulation 34 of the Listing Regulations, your Directors have pleasure in attaching the consolidated financial statements of the Company which form a part of the Annual Report. Financial Statements including consolidated financial statements and the audited accounts of each of the subsidiary are available on the website of the Company at https://www.trivenigroup.com/financials?q=financial-report

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, 2023, the applicable accounting standards have been followed and there are no material departures;

b) they have selected such accounting policies and applied them consistently and made judgements 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 year;

c) they 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) they have prepared the annual accounts on a going concern basis;

e) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

CORPORATE GOVERNANCE

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

RELATED PARTY CONTRACTS/TRANSACTIONS

In accordance with the amended provisions of the Companies Act, 2013 and the Listing Regulations, the Company has formulated a Related Party Transaction Policy, which has been uploaded on its website at https://www.trivenigroup.com/files/policies/Revised%20Related%20Party%20Transactions%20Policy.pdf. It is the endeavour of the Company to enter into related party transaction on commercial and arm's-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 arm's-length basis. The Company has not entered into any contract/arrangement/transactions with related parties which could be considered material in accordance with the Policy of the Company on the materiality of related party transactions, except for a transaction for sale of 3,23,30,548 equity shares of ₹1/- each of Triveni Turbine Limited held by it to Mrs. Rati Sawhney, one of the promoters of the Company, at a price of ₹229 per share, aggregating to about ₹740.37 crore, with the prior approval of shareholders. Necessary disclosure to this effect in prescribed Form AOC-2 in terms of Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is annexed as **Annexure-D** to the Board's report.

RISK MANAGEMENT POLICY AND INTERNAL FINANCIAL CONTROL

The Board of Directors of the Company have formed a Risk Management Committee to assess the risks facing the business and the mitigation measures taken thereof. Implementation of the Enterprise Risk Management Framework & Policy that has been aligned with the regulatory requirements is being monitored and adhered to.

The policy on risk assessment and minimisation procedures as laid down by the Board are periodically reviewed by the Risk Management Committee, Audit Committee and the Board. The policy facilitates identification of risks at appropriate time and ensures necessary steps to be taken to mitigate the risks.

The policy recognises that all risks in the business cannot be eliminated but these could be controlled or minimised through effective mitigation measures, effective internal controls and by defining risk limits. Brief details of risks and concerns are given in the Management Discussion and Analysis Report.

A comprehensive Risk Management Framework has been put in place for each of the businesses of the Company which is stringently followed for the management of risks, including categorisation thereof based on their severity. Such categorisation gives highest weightage to the risks which have the potential to threaten the existence of the Company. The risks with higher severity receive more attention and management time and it is the endeavour of the Company to strengthen internal controls and other mitigation measures on a continuous basis to improve the risk profile of the Company.

Risk Management System has been integrated with the requirements of internal controls as referred to in Section 134(5)(e) of the Companies Act, 2013 to evolve risk-related controls. Detailed internal financial controls have been specified covering key operations, to safeguard of assets, to prevent and detect frauds, to ensure completeness and accuracy of accounting records, to ensure robust financial reporting and statements and timely preparation of reliable financial information. These are achieved through Delegation of Authority, Policies and Procedures and other specifically designed controls, and their effectiveness is tested regularly as per the laid-out mechanism as well as through external agencies.

DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)

As per the provisions of the Companies Act, 2013 (Act), Mr. Dhruv M. Sawhney (DIN: 00102999), Chairman &

Managing Director 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.

Further the Board has, on the recommendation of Nomination and Remuneration Committee, re-appointed Mr. Tarun Sawhney (DIN: 00382878) as Managing Director (designated as Vice Chairman & Managing Director) of the Company for another period of five years on the expiry of his current tenure i.e. with effect from October 1, 2023 and fixed his remuneration, subject to shareholders' approval.

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 and the same has been taken on record by the Board of Directors.

As required under the provisions of Section 203 of the Act, the key managerial personnel, namely, Vice Chairman and Managing Director, CFO, and Company Secretary, continue to hold those offices as on the date of this report.

BOARD EVALUATION MECHANISM

Pursuant to the provisions of the Companies Act, 2013 and Listing Regulations, the Board has carried out an annual performance evaluation of its own performance, that of individual directors 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 the 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; contributions made in the discussions; contribution towards formulation of the growth strategy of the Company; independence of judgement; safeguarding the interests of the Company and minority shareholders; additional time devoted besides attending Board/Committee meetings. The directors have expressed their satisfaction with the evaluation process.

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

The policy of the Company on Directors' appointment and remuneration, 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 and the Listing Regulations, adopted by the Board, is available on the website of the Company at https://www.trivenigroup.com/files/policies/Nomination%20&%20Remuneration%20Policy.pdf

BOARD MEETINGS

During the year, six board meetings were held, the details of which are provided in the Corporate Governance Report that forms part of this Annual Report. The maximum interval between the two board meetings did not exceed 120 days, as prescribed under the Companies Act, 2013 and the Listing Regulations.

AUDITORS

Statutory Audit

M/s S.S. Kothari Mehta & Co. (SSKM), Chartered Accountants (FRN: 000756N), were re-appointed as Statutory Auditors of the Company at the 86th AGM to hold office for another term of five consecutive years until the conclusion of 91st AGM of the Company, which will be held in the year 2027.

Cost Audit

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 Sugar and Power transmission businesses of the Company. The Company has been maintaining cost accounts and records in respect of the applicable products. Mr. Rishi Mohan Bansal and M/s GSR & Associates, Cost Accountants have been appointed as Cost Auditors to conduct the cost audit of the Sugar businesses (including cogeneration and distillery) and Power transmission business respectively of the Company for FY 24, subject to ratification of their remuneration by the shareholders at the ensuing Annual General Meeting. The Board recommends the ratification of the remuneration of the Cost Auditors for FY 24.

Secretarial Audit

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 Suresh Gupta & Associates, a firm of Company Secretaries in practice to undertake the Secretarial Audit of the Company for FY 23. The report on secretarial audit is annexed as **Annexure-E** to the Board's report. The report does not contain any qualification, reservation or adverse remark.

Comments on the Auditors' Report

The Auditors' Report for the financial year 2022-23 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 are required to be mentioned in the Board's Report.

In the Para I (c) of Annexure A to the Auditors' Report, the auditor has reported that the title deeds of certain immovable properties are not held in the name of the Company relating to 02 cases/plots of land valuing ₹12.35 lakh. The transfer of title in the name of the Company in these reported cases could not be completed on account of certain technicalities / documentary deficiencies, which the Company is trying to resolve to the extent feasible. However, in all these cases, the land continues to remain in the possession of the Company.

DISCLOSURES

Corporate Social Responsibility (CSR)

The CSR Policy formulated by the CSR Committee in line with the Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended, is available on the website of the Company at https://www.trivenigroup.com/files/policies/CSR%20Policy(Revised).pdf The composition of the CSR Committee and Annual Report on CSR activities during FY 23, as recommended by the CSR Committee and approved by the Board, is provided in **Annexure-F** 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 Whistle Blower Policy and it oversees the genuine concerns expressed by the employees and other directors through the Audit Committee. The vigil mechanism also provides for adequate safeguards against victimisation of employees and directors who may express their concerns pursuant to this policy. It has also provided direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases. The policy is uploaded on the website of the Company at https://www.trivenigroup.com/files/policies/Whistle%20Blower%20Policy.pdf

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has an Anti-Sexual Harassment Policy in line with the requirements of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act 2013 (POSH Policy). Further, the Company has complied with the provisions relating to the constitution of Internal Complaints Committee under the said Act. No complaint was received by the Internal Complaint Committee during FY 23.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013

Notes 6 of the standalone financial statements of the Company forming part of the Annual Report provide particulars of the investments made by the Company in the securities of other bodies corporate; Notes - 8 and 49 provide details of loans advanced; and, Note 38(v) provides details of guarantee given by the Company.

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 Companies (Accounts) Rules, 2014 are provided in **Annexure-G** 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-H** 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-I** 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.

EMPLOYEES STOCK OPTION

There are no outstanding stock options and no stock options were either issued or allotted during the year under TEIL ESOP 2013.

MANAGEMENT DISCUSSION AND ANALYSIS

In terms of the provisions of Regulation 34 of the Listing Regulations, the Management Discussion and Analysis is set out in this Annual Report.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (BRSR)

The Listing Regulations mandate top 1,000 listed entities based on the market capitalisation as on March 31 of every financial year the inclusion of the BRSR as part of the Directors' Report of the Company. The report in the prescribed form is annexed as **Annexure-J** 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.

DEBENTURES

No debentures were issued during the period under review.

ANNUAL RETURN

Pursuant to Section 92(3) of the Companies Act, 2013, the annual return for the financial year 2022-23 is available on website of the Company i.e. https://www.trivenigroup.com/shareholders-information?q=annual-return

SIGNIFICANT AND MATERIAL ORDERS/GENERAL DISCLOSURES

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

During the year under review, neither any application was made nor any proceedings is pending against the Company under the Insolvency and Bankruptcy Code, 2016. Further, there was no instance of one-time settlement with any bank or financial institution.

HUMAN RESOURCES

Your Company believes and considers its human resources as the most valuable asset. The management is committed to providing an empowered, performance oriented and stimulating work environment to its employees to enable them to realise their full potential. Industrial relations remained cordial and harmonious during the year.

APPRECIATION

Your Directors wish to take the opportunity to express their sincere appreciation to our customers, suppliers, shareholders, employees, the Central, Uttar Pradesh and Karnataka Governments, financial institutions, banks and all other stakeholders for their whole-hearted support and co-operation.

We look forward to their continued support and encouragement.

For and on behalf of the Board of Directors

Dhruv M. Sawhney
Chairman and Managing Director
DIN: 00102999

Place: Noida
Date: July 4, 2023

Annexure A

STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES OR ASSOCIATE COMPANIES OR JOINT-VENTURES

Part A : Subsidiaries

₹ in Lakh

Name of the Subsidiary	Triveni Energy Systems Ltd. (TESL)	Triveni Engineering Ltd. (TEL)	Triveni Entertainment Ltd. (TENL)	Triveni Sugar Ltd. (TSL)	Svastida Projects Ltd. (SPL)	Triveni Industries Limited (TIL)	Mathura Wastewater Management Pvt Ltd. (MWMPL)	PALI ZLD Pvt Ltd (PALI)	Triveni Foundation* (TF)	Gaurangi Enterprises Ltd. (GEL)	United Shippers & Dredgers Limited (USD)
	Wholly Owned Subsidiary	Wholly Owned Subsidiary	Wholly Owned Subsidiary	Wholly Owned Subsidiary	Wholly Owned Subsidiary	Wholly Owned Subsidiary	Wholly Owned Subsidiary	Wholly Owned Subsidiary	Wholly Owned Subsidiary	Wholly Owned Subsidiary	Wholly Owned Subsidiary
Date of becoming subsidiary/acquisition	15.02.2008	27.06.2006	20.03.2014	19.03.2014	19.03.2014	22.07.2015	12.06.2018	09.07.2021	28.06.2020	02.07.2020	25.03.2021
1. Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
2. Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
3. Share capital	385.00	265.00	417.00	205.00	455.00	200.50	1350.30	900.00	1.00	200.00	40.00
4. Other Equity	-14.34	104.01	-27.41	-11.76	-13.07	-12.83	1638.34	158.80	-0.25	-4.51	-86.71
5. Total assets	370.80	436.86	389.74	193.44	442.07	187.81	17930.48	3299.57	66.47	195.62	0.75
6. Total Liabilities	0.14	67.86	0.15	0.19	0.14	0.14	14941.84	2240.77	65.72	0.13	47.45
7. Investments	369.28	435.94	383.37	183.87	423.97	186.29	-	-	-	176.19	0.63
8. Turnover	-	-	-	-	-	-	545.98	2131.26	-	-	-
9. Profit before taxation	-0.99	-5.78	-1.55	-0.56	-0.07	-0.99	122.30	128.52	0.39	-0.10	-0.59
10. Provision for taxation	0.02	0.01	-	0.12	0.25	0.02	34.89	32.60	-	0.26	-
11. Profit after taxation	-1.01	-5.79	-1.55	-0.68	-0.32	-1.01	87.41	95.92	0.39	-0.36	-0.59
12. Proposed Dividend	-	-	-	-	-	-	-	-	-	-	-
13. Extent of shareholding (in %age)	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

* TF is a company incorporated under Section 8 of the Companies Act, 2013, and hence, its results are not considered in the consolidated results of the Company.

Note: Except MWMPL & PZPL, all the remaining subsidiaries are relatively much smaller and no material business activities are being carried out in these companies.

Part "B": Associates and Joint Ventures

The Company was holding 7,06,27,980 equity shares of ₹1- each, representing 21.85% in share capital of Triveni Turbine Limited (TTL). The TTL ceased to be an Associate of the Company on September 21, 2022, with the divestment of the entire shareholding, held by the Company.

For and on behalf of the Board of Directors

Dhruv M. Sawhney
Chairman and Managing Director
DIN: 00102999

Homai A. Daruwalla
Director & Chairperson-Audit Committee
DIN: 00365880

Suresh Taneja
Group CFO

Geeta Bhalla
Group Vice President &
Company Secretary

Noida
July 4, 2023

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 stakeholder trust. Good Governance underpins the success and integrity of the organisation, institutions and markets. It is one of the essential pillars for building an efficient and sustainable environment, systems 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 meeting its stakeholder's aspirations and societal expectations. Your Company is committed to adopting the best governance practices and their adherence in the true spirit at all times. It envisages the attainment of a high level of transparency and accountability in the functioning of the Company and in the way it conducts 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 has been consistently working for the betterment of the governance system executed with the Stock Exchanges. We are committed to doing things in the right way which includes but not limited to compliance with its applicable legal requirement.

THE HIGHLIGHT OF THE CORPORATE GOVERNANCE SYSTEM INCLUDES:

1. The Board of Directors of the Company is well represented with Executive, Non-Executive and Independent Non-Executive Directors with the Executive Chairman and Managing Director. As on the date of this report, the Independent Non-Executive Directors form 50% of the Board of Directors.

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

3. The Company has established a Code of Conduct for Directors and Senior Management of the Company.

4. Whistle Blower Policy wherein the Employees and Directors may have the direct access to the Chairperson of the Audit Committee.

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

BOARD OF DIRECTORS

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

As on the date of this report, the Board comprises of six (6) Directors - 3 (three) Non-Executive and Independent Directors including 1 (one) Women Director, 1(one) Non Executive Non-Independent Director and 2 (two) Executive Directors. All the members of the Board are eminent persons with professional expertise and valuable experience in their respective areas of specialisation and bring a wide range of skills and experience to the Board.

None of the Directors on the Board is a Member on more than 10 Committees, and Chairperson of more than 5 Committees across all listed companies in which he is a Director. Necessary disclosures regarding Committee positions have been made by the Directors.

Meetings of the Board

The Board of Directors met six times during FY 23 ended on March 31, 2023. The interval between any two successive meetings did not exceed one hundred and twenty days. Board Meetings were held on May 9, 2022, May 14, 2022, August 3, 2022, September 5, 2022, November 5, 2022 and January 24, 2023.

Independent Directors

All the Independent Directors have confirmed that they meet the criteria as stipulated under Regulation 16(1)(b) read with Regulation 25(8) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and Section 149(6) of the Companies Act, 2013 ('Act'). All such declarations were placed before the Board. Based on that, in the opinion of the Board, they fulfil the conditions of independence as specified in the Listing Regulations and the Act and are independent of the management. 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.

Regulation 25(3) of Listing Regulations read with Schedule IV of the Companies Act, 2013 and the rules under it mandate that the Independent Directors of the Company hold at least one meeting in a year without the attendance of Non-Independent Directors of the Company and members of the management. During the year, separate meeting of the Independent Directors was held on January 24, 2023 without the attendance of non-independent directors and members of the management. The independent directors, inter-alia reviewed the performance of non-independent directors, Chairman of the Company and the Board as a whole.

FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

All the Directors including Independent Directors are provided with the necessary documents / brochures, reports and internal policies, codes of conduct to enable them to familiarise with the Company's procedure and practices. Directors are regularly updated on performance of each line of business of the Company, business strategy going forward and new initiatives being taken / proposed to be taken by the Company through presentation. Factory visits are organised, as and when required, for the Directors. The details of the familiarisation programme of the Independent Directors are available on the Company's website at http://www.trivenigroup.com/investor/corporate-governance/policies.html

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 and also to evaluate their performance considering the competencies/indicators provided in the NRC Policy.

COMPOSITION OF THE BOARD

The composition of the Board of Directors, their attendance at Board Meetings held during the year and at the last Annual General Meeting (AGM) as also the details of Directorships and Committee positions held by them in other companies are given below:-

Name of the Director	Category	No. of Board Meetings		Attendance at last AGM held on August 24, 2022	No. of other Directorships*2	No. of Committees positions held in other companies*3	
		Held	Attended			Chairman	Member
Mr. Dhruv M. Sawhney*1 Chairman and Managing Director DIN-00102999	Promoter & Executive Director	6	6	Yes	2	None	None
Mr. Tarun Sawhney*1 Vice Chairman and Managing Director DIN-00382878	Promoter & Executive Director	6	6	Yes	3	None	1
Mr. Nikhil Sawhney*1 DIN-00029028	Promoter & Non-Executive Director	6	6	Yes	3	None	2
Ms. Homai A. Daruwalla DIN-00365880	Independent Non-Executive Director	6	6	Yes	7	3	8
Mr. Sudipto Sarkar DIN-00048279	Independent Non-Executive Director	6	6	Yes	3	None	5
Mr. Jitendra Kumar Dadoo DIN-02481702	Independent Non-Executive Director	6	6	Yes	None	None	None

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

*2 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.

*3 The committees considered for the purpose are those prescribed under Regulation 26(1) of Listing Regulations i.e. Audit Committee and Stakeholders' Relationship Committee of public limited companies, whether listed or not. Further, number of Committee membership includes Committee Chairmanships.

Further, the details of directorship held by the Directors of the Company in other listed entities during the year are as follows:-

Name of Director	Name of other listed entity	Category of Directorship
Mr. Dhruv M. Sawhney	Triveni Turbine Limited	Promoter & Executive Director
Mr. Tarun Sawhney	Triveni Turbine Limited	Promoter & Non-Executive Director
Mr. Nikhil Sawhney	Triveni Turbine Limited	Promoter & Executive Director
Ms. Homai A. Daruwalla	AJR Infra & Tolling Limited (formerly Gammon Infrastructure Projects Limited)	Independent Director
	Triveni Turbine Limited	Independent Director
	Rolta India Limited*	Independent Director
	Associated Alcohols & Breweries Ltd.	Independent Director
Mr. Sudipto Sarkar	Vesuvius India Limited	Independent Director
	EIH Associated Hotels Limited	Independent Director
	EIH Limited	Independent Director
Mr. Jitendra Kumar Dadoo	None	Not Applicable

* Under Corporate Insolvency Resolution Process

BOARD FUNCTIONING AND PROCEDURE

Matrix of skills/expertise/competence of the Board of Directors

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

Details of the core skills/expertise/competence identified by the board of directors as required in the context of the Company's business (es) and sector(s) in which it operates to function effectively:

General management and leadership experience*: This includes experience in the areas of general management practices and processes, business development, strategic planning, global business opportunities, manufacturing, engineering, financial management, information technology, research and development, senior level experience and academic administration.

Knowledge, functional and managerial experience*: Knowledge and skills in accounting and finance, business judgement, crisis response and management, industry knowledge, formulating policies and processes, legal & administration, sales and marketing, supply chain, risk management & internal controls, financial & operational controls.

Diversity & behavioural and personal attributes: Diversity of thought, experience, perspective, gender and culture brought to the Board by individual members. Personal characteristics matching the Company's values, such as ethics & integrity, accountability, commitment, building relationship.

Corporate governance and finance: Understanding of good corporate governance practices & regulatory framework applicable to the Company and its compliances, maintaining board and management accountability, protecting stakeholders' interests and Company's responsibilities towards customers, employees, suppliers, regulatory bodies and the communities in which it operates, financial skills, oversight for risk management and internal controls and proficiency in financial management.

*These skills/competencies are broad-based, encompassing several areas of expertise/experience. Each Director may possess varied combinations of skills/experience within the described set of parameters, and it is not necessary that all Directors possess all skills/experience listed therein.

Given below is a list of core skills, expertise and competencies of the individual Directors:

Core Skills/Expertise	DMS	TS	NS	HD	SS	JKD
General Management and Leadership	✓	✓	✓	✓	✓	✓
Functional and managerial experience	✓	✓	✓	✓	✓	✓
Diversity behavioural and personal attributes	✓	✓	✓	✓	✓	✓
Corporate governance and Finance	✓	✓	✓	✓	✓	✓

DMS - Mr. Dhruv M. Sawhney, TS - Mr. Tarun Sawhney, NS - Mr. Nikhil Sawhney, HD - Ms Homai A. Daruwalla, SS - Mr. Sudipto Sarkar, JKD - Mr Jitendra Kumar Dadoo

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 focussed 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 business exigencies, resolutions in respect of urgent matters 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.

Presentation by the Management

The senior management of the Company is invited at the meetings to make presentations to the Board, covering operations 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 Member includes:

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

Post Meeting Follow-up Mechanism

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

Appointment/Re-appointment of Director

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

BOARD COMMITTEES

The Board of Directors have constituted following Committees consisting of Executive and Non-Executive Directors of the Company with adequate delegation of powers to meet various mandatory requirements of the Act and Listing Regulations and perform as also to oversee business of the Company and to take decisions within the parameters defined by the Board. The Company Secretary acts as the Secretary to all the Committees of the Board:

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

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

(I) Audit Committee

Composition, Meetings & Attendance

The Committee is headed by an Independent Director and consists of the members as stated below. During the year ended on March 31, 2023, the Audit Committee met six times i.e. on May 9, 2022, May 14, 2022, July 13, 2022, August 2, 2022, November 5, 2022 and January 24, 2023. The composition and attendance of each Audit Committee Member is as under:-

Name of the Member	Category	No. of Meetings	
		Held	Attended
Ms. Homai A. Daruwalla – Chairperson	Independent Non-Executive Director	6	6
Mr. Tarun Sawhney	Promoter & Executive Director	6	6
Mr. Sudipto Sarkar	Independent Non-Executive Director	6	6

The Chairperson of the Audit Committee attended the last AGM held on August 24, 2022 to answer the shareholders' queries.

Terms of reference

The function and terms of reference of Audit Committee broadly include:-

- Reviewing the Company's financial reporting process and its financial statements.
- Reviewing the accounting and financial policies and practices and compliance with applicable accounting standards.
- Reviewing the efficacy of the internal control mechanism, monitor risk management policies adopted by the Company and ensure compliance with regulatory guidelines.
- Reviewing reports furnished by the internal and statutory auditors, and ensure that suitable follow-up action is taken.
- Examining accountancy and disclosure aspects of all significant transactions.
- Reviewing with management the quarterly, half yearly & annual financial statements including review of qualifications, if any, in the audit report before submission to the Board for approval.
- Recommending appointment of external and internal auditors and fixation of audit fees.
- Seeking legal or professional advice, if required.
- Approval or any subsequent modifications of transactions of the Company with related parties.
- Scrutiny of Inter-Corporate loans and investments.
- Valuation of undertakings or assets of the Company, wherever required.
- Reviewing the utilisation of loans and/or advances from/investment by the holding company in the subsidiary exceeding ₹ 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investment.
- To consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc. on the listed entity and its shareholders.
- Any other matter as may be prescribed, from time to time, to be referred to the Audit Committee in terms of the Companies Act 2013/ SEBI (LODR) Regulations and the applicable rules, regulations thereto.

The constitution and terms of reference of the Audit Committee meet the requirements of Regulation 18 of the Listing Regulations read with the relevant provisions of the Companies Act, 2013.

(II) Nomination and Remuneration Committee (NRC)

Composition, Meetings & Attendance

The NRC is headed by an Independent Director and consists of the members as stated below. During FY 23 ended on March 31, 2023 the NRC met once i.e. on May 14, 2022. The composition and attendance of each Committee Member is as under:-

Name of the Member	Category	No. of Meetings	
		Held	Attended
Ms. Homai A Daruwalla – Chairperson	Independent Non-Executive Director	1	1
Mr. Nikhil Sawhney	Promoter & Non-Executive Director	1	1
Mr. Sudipto Sarkar	Independent Non-Executive Director	1	1

Terms of reference

The function and terms of reference of NRC broadly include:

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

independence of a director and recommend to the Board a policy, relating to the remuneration for the directors (Executive, Non-Executive and Independent Directors), key managerial personnel and other employees.

- Plan for succession of Board members and Key Managerial Personnel.
- Devising a policy on Board diversity.
- To formulate, administer and supervise the Company's Employee Stock Option Schemes (ESOP Schemes) including grant of stock options under the ESOP Schemes to the permanent employees of the Company from time to time in accordance with SEBI Guidelines/Regulations.
- To review the adequacy of aforesaid terms of reference and recommend any proposed change to the Board for its approval.

The constitution and terms of reference of the NRC meet the requirements of Regulation 19 of the Listing Regulations read with the relevant provisions of the Companies Act, 2013 and the SEBI ESOP Guidelines/ Regulations.

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, Key Managerial Personnel (KMP) and Senior Management. The Nomination and Remuneration Committee inter-alia recommends the remuneration of Executive Directors, which is approved by the Board of Directors, subject to approval of the shareholders, wherever necessary. The Chairman and Managing Director and Vice Chairman and Managing Director evaluates the Senior Management Personnel, including KMPs considering the competencies/ indicators provided in the Remuneration Policy. The Nomination and Remuneration Policy is available on the Company's website at http://www.trivenigroup.com/investor/corporate-governance/policies.html

Performance Evaluation and Criteria

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. A structured questionnaire was prepared for capturing various aspects of the functioning of Board, such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance. 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, independence from management, effectiveness etc. The performance evaluation of the Board, its Chairman and the Non-Independent Directors was carried out by the Independent Directors. The Board expressed its satisfaction with the evaluation process.

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 FY 23 ended on March 31, 2023, the Company had two Executive Directors viz. Mr. Dhruv M Sawhney, Chairman and Managing Director (CMD) and Mr. Tarun Sawhney, Vice Chairman and Managing Director (VCMD).

The details of remuneration paid/payable to CMD and VCMD during FY 23 ended on March 31, 2023 are as under:

(₹ in Lakh)

Name of the Executive Director	Mr. Dhruv M. Sawhney CMD	Mr. Tarun Sawhney VCMD
No. of Equity Shares held	18258411	12494259
Service Period	31.03.2020*1 to 30.03.2025	01.10.2018*1 to 30.09.2023
Salary	Nil	350.17
Performance Bonus/ Commission	Nil	425.00
Contribution to PF & other funds*2	Nil	55.89
Other Perquisites	Nil	40.69
Total	Nil	871.75

*1 date of re-appointment. There is no notice period and no severance fees.

*2 does not include gratuity as it is provided based on actuarial valuation.

During the year, Mr Dhruv M. Sawhney has not drawn any remuneration from this Company in his capacity as Chairman and Managing Director of the Company. He has drawn remuneration from Triveni Turbines DMCC, Dubai (UAE), a foreign step-down subsidiary of erstwhile Associate Company, Triveni Turbine Limited. (TTL). The remuneration drawn by Mr. Tarun Sawhney is within the ceiling prescribed under the Companies Act, 2013, Listing Regulations and in accordance with the approval of the Board and the Shareholders of the Company.

Remuneration to Non-Executive Directors (NEDs)

The Company pays sitting fee to its NEDs for attending the meetings of the Board and its Committees within the limits prescribed under the provisions of the Companies Act, 2013. In addition to the sitting fees, the NEDs are entitled to profit-based commission 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 performance.

The details of the remuneration paid/provided during FY 23 ended on March 31, 2023 to NEDs are as follows:-

(₹ Lakh)

Name of the Non-Executive Director	Sitting Fees	Commission	No. of Equity Shares held
Mr. Nikhil Sawhney	9.70	55.00	12986575
Ms. Homai A. Daruwalla	14.25	19.00	Nil
Mr. Sudipto Sarkar	14.50	18.00	Nil
Mr. Jitendra Kumar Dadoo	8.50	15.00	Nil

None of the Independent Non-Executive Directors have any pecuniary relationship or transactions with the Company, its promoters and its senior management, its subsidiaries and associate companies except for the payment of remuneration as stated above. Ms. Homai A. Daruwalla, Independent Directors have received sitting fee / commission as Director and Member of Board/Committees of Triveni Turbine Limited. (Erstwhile Associate Company), whereas Mr. Nikhil Sawhney, Promoter & Non-Executive Director is the Vice Chairman and Managing Director of the said erstwhile Associate Company and has drawn remuneration from that Company.

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

(III) Stakeholders' Relationship Committee (SRC)

Composition, Meetings & Attendance

The Committee is headed by an Independent Director and consists of the members as stated below. During FY 23 ended on March 31, 2023, the Committee met once i.e. on January 24, 2023. The composition and attendance of each Committee Member is as under:-

Name of the Member	Category	No. of Meetings Held	No. of Meetings Attended
Mr. Nikhil Sawhney – Chairman	Promoter & Non-Executive Director	1	1
Mr. Tarun Sawhney	Promoter & Executive Director	1	1
Mr. Sudipto Sarkar	Independent Non-Executive Director	1	1

Terms of reference

The function and terms of reference/role of SRC broadly include:-

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

The constitution and terms of reference of the Stakeholders' Relationship Committee meet the requirements of Regulation 20 of the Listing Regulations read with the relevant provisions of the Companies Act, 2013. Ms. Geeta Bhalla, Group Vice President & Company Secretary has been designated as the Compliance Officer of the Company.

Details of investor complaints

During FY 23 ended on March 31, 2023, the Company received complaints from various shareholders / investors directly and/or through the Stock Exchanges / SEBI relating to non-receipt of dividend / redemption money, annual report/notice of general meeting, new share certificates etc. All of them were resolved / replied suitably by furnishing the requisite information /documents. Details of investor complaints received and resolved during FY 23 are as follows:

Opening Balance	Received	Resolved	Pending
Nil	17	17	Nil

Further, there were no pending share transfers and requests for dematerialisation as on March 31, 2023.

(IV) Corporate Social Responsibility Committee (CSR Committee)

Composition, Meetings & Attendance

The Committee is headed by an Independent Director and consists of the members as stated below. During FY 23 ended on March 31, 2023, the Committee met once i.e. on May 14, 2022. The composition and attendance of each Committee Member is as under:-

Name of the Member	Category	No. of Meetings	
		Held	Attended
Ms. Homai A. Daruwalla – Chairperson	Independent Non-Executive Director	1	1
Mr. Tarun Sawhney	Promoter & Executive Director	1	1
Mr. Nikhil Sawhney	Promoter & Non-Executive Director	1	1

Terms of reference

The CSR 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 the amount to be spent on such activities; monitor the Company's CSR policy periodically and institute a transparent monitoring mechanism for the implementation of the CSR projects.

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

(V) Risk Management Committee (RMC)

Composition, Meetings & Attendance

The Committee is headed by an Executive Director and consists of four Board members as stated below. During FY 23 ended on March 31, 2023, the Committee met twice i.e. on September 8, 2022 and March 3, 2023. The composition and attendance of each Committee Member is as under:

Name of the Member	Category	No. of Meetings	
		Held	Attended
Mr. Dhruv M. Sawhney - Chairman	Promoter & Executive Director	2	2
Mr. Tarun Sawhney	Promoter & Executive Director	2	2
Mr. Nikhil Sawhney	Promoter & Non-Executive Director	2	2
Mr. Jitendra Kumar Dadoo	Independent Non-Executive Director	2	2

Terms of reference

The role and powers of the RMC broadly include:

- To formulate a detailed risk management policy which shall include:
  - (a) A framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as determined by the Committee.
  - (b) Measures for risk mitigation including systems and processes for internal control of identified risks.
  - (c) Business continuity plan.
- To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company.
- To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems.

- To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity.
- To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken.
- To review the appointment, removal and terms of remuneration of the Chief Risk Officer of the Company (if any).
- To coordinate the activities of the Committee with other committees, in instances where there is any overlap with activities of other such committees, as per the framework laid down by the board of directors.
- To seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary.
- To pursue such other activities and functions as may be provided under the relevant provisions of the Companies Act, 2013 or SEBI (LODR) Regulations, 2015 duly amended from time to time.

The constitution and terms of reference of RMC meet the requirements of Regulation 21 of the Listing Regulations.

Other Committees

Executive Sub-Committee - Apart from the above statutory committees, the Board of Directors has constituted an Executive Sub-Committee, presently comprising of three (3) Directors to oversee routine matters 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 twice during FY23 ended on March 31, 2023.

In addition to the above committee, during the year the Board of Directors constituted two specific committees called ‘TTL Divestment Committee’ and ‘Buyback Committee’ comprising some directors and executives of the Company to perform certain activities relating to divestment of Company’s equity stake in the then associate company namely, Triveni Turbine Limited and for the buyback of equity shares of the Company respectively. Both these Committees met from time to time as per their requirements.

GENERAL BODY MEETINGS

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

Year	Date & Day	Location	Time	Special Resolution
2021-22	August 24, 2022 Wednesday	Conducted AGM through Video Conferencing/other Audio Visual means*.	11:30 a.m.	- None -
2020-21	September 17, 2021 Friday	Conducted AGM through Video Conferencing/other Audio Visual means*.	3:00 p.m.	1. Payment of remuneration by way of Commission to Non-Executive Directors for a period of five years from the financial year commencing April 1, 2021. 2. Shifting of the Registered Office of the Company from Deoband, Dist. Saharanpur U.P. to A-44, Hosiery Complex, Phase-II Extn. Noida-201305, U.P.
2019-20	September 28, 2020 Monday	Conducted AGM through Video Conferencing/other Audio Visual means*.	11:00 a.m.	1. Re-appointment of Mr. Dhruv M. Sawhney as Managing Director (designated as Chairman & Managing Director) of the Company for a period of five years w.e.f. 31.3.2020 and payment of remuneration to him.

*Pursuant to the general circular dated May 5, 2022 read with circular dated May 5, 2020 and other applicable circulars issued by the Ministry of Corporate Affairs from time to time.

Further, during FY 23 ended on March 31, 2023, pursuant to Notice dated May 9, 2022, an Extra-Ordinary General Meeting of the Company was duly convened and held on Monday, June 6, 2022 at 11:30 a.m. through video conferencing/other audio visual means, for seeking approval of the members by way of an ordinary resolution for the sale of equity shares of Triveni Turbine Limited ('TTL') aggregating to a minimum of 10% and up to 12% equity share capital of TTL held by Triveni Engineering & Industries Limited ('Company') to Mr. Dhruv Sawhney, individually or together with Mrs. Rati Sawhney and the Manmohan Sawhney HUF. The said resolution was passed by the members with requisite majority.

POSTAL BALLOT

(a) Details of the Special Resolutions passed by the Company through Postal Ballot:

During FY 23 ended on March 31, 2023, the Company has sought approval from its shareholders for passing of following special resolutions through Postal Ballot on two occasions, as set out in the respective Postal Ballot Notices through the process of postal ballot. Mr. Suresh Gupta, Practicing Company Secretary (M.No.5660/CP No.5204) conducted the postal ballot process in a fair and transparent manner. The details of the resolutions along with the snapshot of the voting results are as follows:

Sr. No.	Detail of Special Resolution	Number of Valid Postal Ballot received	Votes Cast in favour of the Resolution		Votes Cast against the Resolution	
			No	%	No	%
A	Date of Postal Ballot Notice: July 7, 2022 Voting Period: July 9, 2022 (10:00 a.m.) to August 7, 2022 (5:00 p.m.) Date of declaration of result of Postal Ballot: August 8, 2022 Date of approval : August 7, 2022 (being last date of e-voting period) Re-appointment of Mr. Jitendra Kumar Dadoo (DIN:02481702) as an Independent Director for second term of five consecutive years w.e.f. May 21, 2022 to May 20, 2027.	525	185852493	97.9765	3838370	2.0235
B	Date of Postal Ballot Notice: November 11, 2022 Voting Period: November 12, 2022 (9:00 a.m.) to December 11, 2022 (5:00 p.m.) Date of declaration of result of Postal Ballot: December 12, 2022 Date of approval: December 11, 2022 (being last date of e-voting period) Buyback of up to 2,28,57,142 equity shares of ₹1/- each at a price of ₹350/- per share for an aggregate amount not exceeding ₹ 800 crore through tender offer route on proportionate basis in accordance with SEBI (Buyback of Securities) Regulations, 2018 and Companies Act, 2013.	376	190401501	99.9988	2273	0.0012

(b) Whether any special resolution is proposed to be conducted through postal ballot:

There is no immediate proposal for passing any special resolution through postal ballot 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 rules thereof and the provisions of the 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 and displayed on the website of the Company at www.trivenigroup.com and the same were also sent to all the Stock Exchanges where the equity shares of the Company are listed. The Investor's brief were also sent to Stock Exchanges.

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

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

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

(e) **Annual Report:** Annual Report contains inter-alia Audited Annual Standalone Financial Statement, Consolidated Financial Statement, Directors' Report and Auditors' Report. The Management Perspective, Business Review and Financial Highlights are also part of the annual report.

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

(g) **Intimation to Stock Exchanges:** The Company intimates stock exchanges all price sensitive information or such other information which in its opinion are material and 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 Electronic Filing System.

GENERAL SHAREHOLDER INFORMATION

(a) **Annual General Meeting**

Day & Date	: Friday, September 8, 2023
Time:	: 11:00 A.M. (IST)
Venue	: The Company is conducting the meeting through Video Conferencing/ Other Audio Visual Means pursuant to the General Circular No.10/2022 dated December 28, 2022 issued by the Ministry of Corporate Affairs. The deemed Venue for Meeting will be registered Office of the Company.

(b) **Financial Year:** April to March

Financial calendar for the financial year 2023-24 (tentative)

Financial Reporting for the quarter ending June 30, 2023	:	By mid of August 2023
Financial Reporting for the quarter / half year ending September 30, 2023	:	By mid of November 2023
Financial Reporting for the quarter / nine months ending December 31, 2023	:	By mid of February 2024
Financial Reporting for the annual audited accounts for the financial year ending March 31, 2024	:	By the end of May 2024

(c) **Dividend Record Date:** September 1, 2023

(d) **Dividend Payment Date**: Within 30 days of AGM

(e) **Listing on Stock Exchanges**

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

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

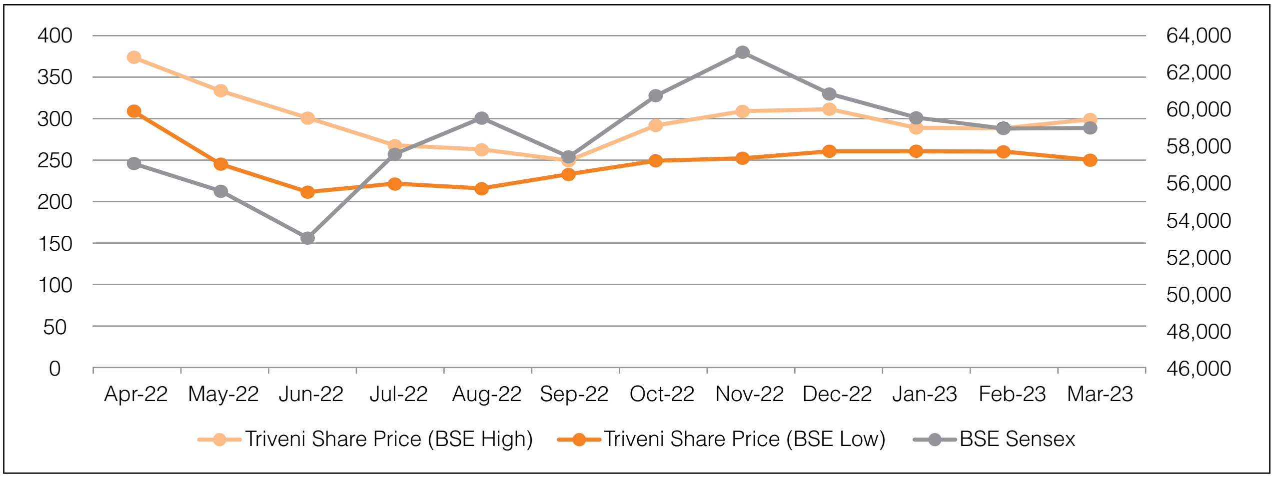
The Company has paid the listing fees for the Financial Year 2023-24 to both the aforesaid Stock Exchanges.

(f) Market Price Data/Stock Performance: FY 23 ended on March 31, 2023

During the year under report, the trading in Company's equity shares was from April 1, 2022 to March 31, 2023. The high low price during this period on the BSE and NSE was as under:-

Month	Bombay Stock Exchange (BSE)		National Stock Exchange (NSE)	
	High	Low	High	Low
April 2022	374.00	309.00	374.50	308.80
May 2022	333.75	245.20	333.05	245.00
June 2022	300.80	211.35	300.95	211.05
July 2022	267.65	221.30	268.00	221.20
August 2022	262.65	215.55	262.25	217.60
September 2022	249.30	232.80	294.35	231.60
October 2022	291.80	249.30	292.00	247.30
November 2022	308.85	252.30	308.90	252.05
December 2022	311.40	260.65	311.40	260.05
January 2023	288.80	260.75	289.00	260.60
February 2023	288.35	260.30	288.80	262.00
March 2023	299.10	250.10	299.70	250.10

(g) Performance of the share price of the Company in comparison to the BSE Sensex



(h) Registrar & Share Transfer Agent

M/s. KFin Technologies Limited continue to act as the Registrar and Share Transfer Agent of the Company.

(i) Share Transfer System

The authority for approving and confirming the request for transfer / transmission / issue of duplicate share certificates / consolidation/ dematerialisation of shares etc. and performing other related activities has been delegated to the Company Secretary / Registrar and Share Transfer Agent M/s KFin Technologies Limited (RTA). A summary of transactions so approved is placed at the Stakeholders' Relationship Committee Meeting, as and when held. The Company obtains an annual certificate from Practising Company Secretaries as per the requirement of Regulation 40(9) of Listing Regulations and the same is filed with the Stock Exchanges within stipulated time.

In terms of provisions of Regulation 40 of the Listing Regulations as amended from time to time, requests for effecting transfer of securities (including transmission/transposition) cannot be processed by the listed companies unless the securities are held in dematerialised form. Further in terms of SEBI circular dated January 25, 2022, the listed companies shall issue the securities in dematerialised form only while processing the service requests for (a) issue of duplicate securities certificate; (b) claim from Unclaimed Suspense Account; (c) Renewal/ Exchange of securities certificate; (d) Endorsement; (e) Sub-division/ Splitting of securities certificate; (f)

Consolidation of securities certificates/folios. The Company/RTA shall verify and process the service requests for the aforesaid purposes and thereafter issue a 'Letter of Confirmation' in lieu of physical securities certificate(s), to the securities holder/claimant. Such 'Letter of Confirmation' shall be valid for a period of 120 days from the date of its issuance, within which the securities holder/claimant shall make a request to the Depository Participant for dematerialising the said securities, failing which the RTA/Company shall credit the securities to the Suspense Escrow Demat Account of the Company. Necessary Form ISR-4 for the aforesaid service requests is available on the website of the Company at www.trivenigroup.com. Accordingly, members are requested to make service requests for aforesaid purposes by submitting a duly filled up and signed Form ISR – 4 directly to the Company's RTA, M/s. KFin Technologies Limited, along with the documents / details specified therein for processing.

SEBI has also, vide its Circular dated November 3, 2021 read with Circular dated March 16, 2023, made it mandatory for holders of physical securities to furnish PAN, KYC and Nomination/Opt-out of Nomination details to avail any investor service. Folios wherein any one of these details are not registered by October 1, 2023 shall be frozen. The concerned members are therefore urged to furnish PAN, KYC and Nomination/Opt-out of Nomination by submitting the prescribed forms, duly filled up and signed, by email from their registered email id to einward.ris@kfintech.com or by sending a physical copy of the prescribed form duly filled up and signed by all the registered holders to the Company's RTA, M/s. KFin Technologies Limited.

(j) Distribution of Equity Shareholding as on March 31, 2023

Group of Shares	Number of Shareholders	% of total Shareholders	Number of Shares held	% of Total Shares
From 1 - 500	83594	92.0831	6364780	2.9076
501 – 1000	3313	3.6494	2604302	1.1897
1001 - 2000	1821	2.0059	2729914	1.2471
2001 - 3000	601	0.6620	1530739	0.6993
3001 - 4000	277	0.3051	971168	0.4437
4001 - 5000	239	0.2633	1107462	0.5059
5001 - 10000	412	0.4538	3088197	1.4108
10001 & above	524	0.5772	200501406	91.5958
TOTAL	**90781**	**100.000**	**218897968**	**100.000**

(k) Shareholding Pattern of Equity Shares as on March 31, 2023

Category	Number of Shares held	% to total shareholders
Promoters	133491162	60.983
Mutual Funds	16580658	7.575
Banks/Financial Institutions/ Insurance Cos.	1221088	0.558
Foreign Portfolio Investors	10225522	4.671
Bodies Corporate/NBF	10169371	4.646
Indian Public(*)	43015757	19.651
NRIs / Foreign Nationals	4056741	1.853
Others – Clearing Members/Trust/IEPF	137669	0.063
Total	**218897968**	**100.00**

(l) 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 equity shares for scrip less trading. Both NSDL & CDSL have admitted the Company's equity share on their system.

The system for getting the shares dematerialised is as under:

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

As on March 31, 2023, 99.9% of total equity share capital of the Company was held in dematerialised form (including 100% of the promoter holding). The ISIN allotted by NSDL / CDSL is INE256C01024. Confirmation in respect of the requests for dematerialisation of shares is sent to NSDL and CDSL within the stipulated period.

(m) 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.

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

Sugarcane is the raw material for the manufacture of sugar and accounts for around 90% of the total raw material cost to the Company. The Company is not exposed to any price risk relating to sugarcane as its prices are fixed by the Government. Further, there is no material commodity price risks relating to other raw materials.

Sugar is the main product produced by the Company contributing around 65-70% % to total turnover of the Company. The Company is subject to price risks relating to sugar as it is a seasonal industry and there is a long gap between production of sugar and sale of sugar. While the prices can be somewhat regulated by the Government through the mechanism of monthly releases and by prescribing Minimum Selling Price for sugar, the prices are also dependent on numerous external factors, such as, excess / lower production and sugar inventories in the country, sugar diverted for ethanol, exports permitted by the government and international prices. The impact of such price fluctuation could be substantial on the Company. There is no effective way to hedge sugar prices in view of lack of depth in domestic commodity exchanges. Export of sugar is generally done through merchant exporters.

The Company does not have material foreign exchange trade exposures but there could at times be substantial exposures relating to import of capital equipment. The company has a policy to progressively hedge such exposures through foreign exchange forward contracts.

The details on these risks, mitigation and hedging are stated in Note 40 of the Standalone Financial Statements and in the section dealing with "Risk Management and Mitigation" forming part of the Annual Report.

(o) Reconciliation of Share Capital Audit

As stipulated by SEBI, a qualified Practicing 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.

(p) Unclaimed Dividend

During the year, no unclaimed dividend was liable to be transferred to the Investor Education and Protection Fund (IEPF) administered by the Central Government. All unclaimed dividends up to the financial year 2011-12 (Final Dividend) have been transferred to IEPF. The Company had not declared any dividend in FYs 2012 to 2017.

The dividends for the succeeding years remaining unclaimed for 7 years will be transferred by the

Company to the said IEPF on the due dates as given hereunder:

Financial Year/ Period	Whether Interim/ Final	Date of declaration of Dividend	Due date for transfer to IEPF
2017-18	Interim Dividend	10.08.2017	10.09.2024
2018-19	Interim Dividend	13.02.2019	17.03.2026
2019-20	Interim Dividend	10.02.2020	15.03.2027
2020-21	Final Dividend	17.09.2021	20.10.2028
2021-22	Interim Dividend	27.10.2021	29.11.2028
2021-22	Final Dividend	24.08.2022	23.08.2029

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).

(q) Transfer of Equity Shares to Investor Education and Protection Fund (IEPF)

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 has transferred equity shares of all such shareholders whose dividends had remained unpaid or unclaimed for seven consecutive years or more, to the Demat Account of IEPF. However, the shareholders are entitled to claim their equity shares including all the corporate benefits accruing on such shares, if any, from the IEPF Authority by submitting an online application in prescribed Form IEPF-5 and sending a physical copy of the said Form duly signed by all the joint shareholders, if any, as per the specimen signatures recorded with the Company along with requisite documents enumerated in the Form IEPF-5, to the Company's Registrar & Transfer Agent, M/s KFin Technologies Ltd., Hyderabad. The Rules and Form IEPF-5 for claiming back the equity shares are available on the website of IEPF www.iepf.gov.in. It may please be noted that no claim shall lie against the Company in respect of equity shares transferred to IEPF pursuant to the said Rules. The details of the shareholders whose equity shares had been transferred to the Demat Account of the IEPF and the details of unclaimed dividends lying with the Company as on the date of last AGM (i.e. August 24, 2022) are available on the website of the Company at www.trivenigroup.com/investor/shareholders-information. Further, shares in respect of which dividend will remain unclaimed progressively for seven consecutive years, will be reviewed for transfer to the IEPF as required by law. In the interest of shareholders, the Company send prior intimation to the concerned shareholders to claim their unclaimed dividends in order to avoid transfer of dividend/shares to IEPF and publish a notice to this effect in the newspapers.

Equity shares of the Company lying in IEPF suspense account

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

Particulars	Number of Shareholders	No. of Equity Shares
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year	1020	98803
Number of shareholders who approached listed entity for transfer of shares from suspense account during the year	9	1025
Number of shareholders to whom shares were transferred from suspense account during the year	10	2594
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year	1010	96209

The voting rights on the shares outstanding in the said account as on March 31, 2023 shall remain frozen till the rightful owner of such shares claims the shares.

(r) Locations

Detailed information on plant / business locations including registered and corporate offices is provided elsewhere in the Annual Report.

(s) Address for correspondence

- All Members correspondence should be forwarded to M/s. KFin Technologies Limited, the Registrar and Share Transfer Agent of the Company or to the Share Department at the Corporate Office of the Company at the addresses mentioned below.
- The Company's dedicated e-mail address for Investors' Complaints and other communications is shares@trivenigroup.com.

Registrar & Share Transfer Agent	Share Department	Compliance Officer
M/s. KFin Technologies Ltd. (Formerly KFin Technologies Pvt. Ltd.) Unit: Triveni Engineering & Industries Ltd. Selenium Tower B, Plot 31-32, Gachibowli Financial District, Nanakramguda Hyderabad - 500 032 Phone: +91-40-67162222 Fax: +91-40–23991153 E-mail: einward.ris@kfintech.com	Triveni Engineering & Industries Ltd. 8th Floor, Express Trade Towers, 15-16, Sector 16A, Noida-201 301. Tel.: +91-120-4308000; Fax: +91-120-4311010-11 Email: shares@trivenigroup.com Website: www.trivenigroup.com	Ms. Geeta Bhalla Group Vice President & Company Secretary Triveni Engineering & Industries Ltd. 8th Floor, Express Trade Towers, 15-16, Sector 16A, Noida-201 301. Tel.: +91-120-4308000; Fax: +91-120-4311010-11 Email: shares@trivenigroup.com

(t) Credit Rating

During the financial year 2022-23, ICRA has reaffirmed the credit rating of AA with stable outlook for long-term facilities and A1+. for short-term facilities and commercial papers.

OTHER DISCLOSURES

- **Related Party Transactions**

  During the year, there was no materially significant related party transaction having potential conflict with the interest of the Company. However there was a material related partly transaction with the promoter of the Company, the details of which are provided in the Directors' Report. The Company has in place a revised Related Party Transaction Policy which has been uploaded on its website at http://www.trivenigroup.com/investor/corporate-governance/policies.html 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.38 to the financial statements.

- **Disclosures of Accounting Treatment**

  In the financial statements for the year ended March 31, 2023, the Company has followed the treatment as prescribed in the applicable Accounting Standards.

- **Disclosures on acceptance of recommendations made by the Board Committees**

  During the financial year under review, there was no such instance wherein the Board had not accepted any recommendation of the any Committee of the Board. All the recommendations made by the Committees of the Board were accepted by the Board.

- **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 Chairperson of the Audit Committee in exceptional cases. During the year under review, no personnel was denied access to the Audit Committee.

- **Disclosures in relation to The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

  The Company has formulated a policy on prevention of Sexual Harassment in accordance with the provisions of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and

Rules made thereunder which is aimed at providing every women at the workplace a safe, secure and dignified work environment. No complaint of sexual harassment was received/pending from any women employee during the year.

- **Code for prevention of Insider Trading**
  The Company has formulated comprehensive Code of Conduct to regulate, monitor and report trading by Insiders in line with the SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended. 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 non-compliances, including the policy for enquiry in case of leak or suspected leak of Unpublished Price Sensitive Information ('UPSI'). The Company has also adopted Code for Fair Disclosure of UPSI along with Policy for Determination of Legitimate Purposes and the same is available on the Company's website at http://www.trivenigroup.com/investor/corporate-governance/policies.html

- **Code of conduct for Directors and Senior Executives**
  The Company has laid down a Code of Conduct for all Board Members and the Senior Executives of the Company. The Code of conduct is available on the Company's website www.trivenigroup.com. They have affirmed their compliance with the said code of conduct for the financial year ended March 31, 2023. A declaration to this effect duly signed by the Chairman and Managing Director is given below:

  To the Shareholders of Triveni Engineering & Industries Ltd.

  Sub.: Compliance with Code of Conduct

  I hereby declare that all the Board Members and the Senior Management Personnel of the Company 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, 2023.

Dhruv M. Sawhney

Noida
July 4, 2023

Chairman and Managing Director
DIN:00102999

- **Certification**

  The Chairman and Managing Director and Group 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, 2023. The said certificate forms part of the Annual Report.

  Further, as required under Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015), a certificate from the Company Secretary in Practice has been received stating that none of the Directors on the Board have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Board / Ministry of Corporate affairs or any such statutory authority. The said certificate forms part of the Annual Report.

  Remuneration to Statutory Auditors

  M/s S S Kothari Mehta & Co., Chartered Accountants (Firm Registration No. 000756N), are holding the office of Statutory Auditors of the Company and two of its wholly-owned subsidiaries namely, Mathura Wastewater Management Pvt. Ltd. (MWMPL) and Pali ZLD Pvt. Ltd.. The particulars of payment of Statutory Auditors fees on consolidated basis is given below:

Particulars	(₹ in Lakh)
Service as Statutory Auditors (including quarterly limited review)	79.31
Other matters (including tax audit of MWMPL & PZPL)	15.05
Re-imbursement of out-of-pocket expenses	2.45
Total	**96.81**

- **Disclosure of Loans and Advances**

  During the year, the Company and its subsidiaries have not given any loans and advances in the nature of loans to any firms/companies in which Directors are interested.

- **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.

  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, 2023 is unmodified.

- **Subsidiary Companies**

  There are 11 unlisted Indian wholly-owned subsidiary companies viz. Triveni Industries Ltd., Triveni Engineering Ltd., Triveni Energy Systems Ltd., Triveni Entertainment Ltd., Svastida Projects Ltd., Mathura Wastewater Management Pvt. Ltd. Triveni Sugar Ltd., Gauragi Enterprises Ltd., United Shippers & Dredgers Ltd., Pali ZLD Pvt. Ltd. and Triveni Foundation (Section 8 Company). None of these subsidiaries is the "Material Non-listed Subsidiary" in terms of Regulation 16(1)(c) of the Listing Regulations. The Company regularly places before the Board, minutes of the unlisted subsidiaries of the Company. The Company has a policy for determining Material Subsidiary which has been uploaded on its website at http://www.trivenigroup.com/investor/corporate-governance/policies.html

AUDITORS' CERTIFICATE ON COMPLIANCE OF CORPORATE GOVERNANCE

The certificate dated July 4, 2023 from Statutory Auditors of the Company (M/s SS Kothari Mehta & Co.) confirming compliance with the Corporate Governance requirements as stipulated under the Listing Regulations is annexed hereto.

The above report has been adopted by the Board of Directors of the Company at their meeting held on July 4, 2023.

For and on behalf of the Board of Directors

Dhruv M. Sawhney
Chairman and Managing Director
DIN: 00102999

Noida
July 4, 2023

Annexure C

Independent Auditor's Certificate on Corporate Governance

To
The Members of
Triveni Engineering & Industries Limited

We have examined the compliance of conditions of Corporate Governance by Triveni Engineering & Industries Limited ("the Company") for the year ended March 31, 2023, as stipulated in Regulations 17 to 27 and clause (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 as amended ('Listing Regulations') pursuant to the Listing Agreement of the Company with Stock Exchanges.

MANAGEMENT'S RESPONSIBILITY

The compliance of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to ensure the compliance with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

AUDITOR'S RESPONSIBILITY

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

We have examined the relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations for the year ended March 31, 2023.

We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the 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.

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

Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and Clauses (b) to (i) of Regulation 46(2) and para C , D and E of Schedule V of the Listing Regulations during the year ended March 31, 2023.

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

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

For **S. S. Kothari Mehta & Company**
Chartered Accountants
Firm Registration No. 000756N

Vijay Kumar
Partner
Membership No. 092671
UDIN: 23092671BGSIDL4542

Place: New Delhi
Dated: July 4, 2023

CEO / CFO certification

To
The Board of Directors
Triveni Engineering & Industries Ltd.

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

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

(a) We have reviewed financial statements and the cash flow statement for the year ended March 31, 2023 and that to the best of our knowledge and belief:

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

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

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

(c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in 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 are 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.

Suresh Taneja
Group CFO

Dhruv M. Sawhney
Chairman and Managing Director
DIN:00102999

Noida
May 25, 2023

Certificate of Non-Disqualification of Directors

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

To,
The Members of
M/s Triveni Engineering & Industries Limited
A-44, Hosiery Complex, Phase-II Extension,
Noida-201305 (Uttar Pradesh)

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of TRIVENI ENGINEERING & INDUSTRIES LIMITED having CIN- L15421UP1932PLC022174 and having registered office at A-44, Hosiery Complex, Phase-II Extension, Noida-201305 (Uttar Pradesh) (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India and Ministry of Corporate Affairs or any such other Statutory Authority.

S. No.	Name of Director	DIN	Date of appointment in Company
1	MR. DHRUV MANMOHAN SAWHNEY	00102999	20/09/1992
2	MR. TARUN SAWHNEY	00382878	19/11/2008
3	MR. NIKHIL SAWHNEY	00029028	19/11/2008
4	MS. HOMAI ARDESHIR DARUWALLA	00365880	07/11/2013
5	MR. SUDIPTO SARKAR	00048279	07/11/2015
6	MR. JITENDRA KUMAR DADOO	02481702	21/05/2019

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

For **Suresh Gupta & Associates**
Company Secretaries

Suresh Gupta
(Proprietor)
FCS No.:5660
CP No.:5204
Peer Review Cert. No. 740/2020
UDIN: F005660E000378109

Date : 25.05.2023
Place: Noida

Annexure D

FORM NO. AOC-2

(Pursuant to clause (h) of sub-section (3) of Section 134 of the Act and
Rule 8 (2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's-length transactions under third proviso thereto:

1. There was no contract or arrangement, or transaction entered into during the financial year ended March 31, 2023 which was not at arm's-length basis.

2. Details of material contracts or arrangement or transactions at arm's-length basis:

The material contracts / arrangements / transactions entered into by the Company with its related party mentioned hereunder, are such contracts / arrangements / transactions, which exceed in aggregate, the threshold limits for the relevant category of transactions prescribed under section 188 of the Companies Act, 2013 and the relevant Rules framed thereunder:

I	(a)	Name(s) of the related party and nature of relationship	Mrs. Rati Sawhney is one of the Promoters and also related to Mr. Dhruv M. Sawhney, Chairman & Managing Director, Mr. Tarun Sawhney, Vice Chairman & Managing Director and Mr. Nikhil Sawhney, Director of the Company.
	(b)	Nature of contracts/arrangements/ transactions	Sale of 3,23,30,548 equity shares of ₹1/- each held by Triveni Engineering & Industries Limited ('the Company') in the equity share capital of Triveni Turbine Limited ('TTL'), representing 10% of the total paid-up capital of TTL, to Mrs. Rati Sawhney by way of inter-se transfer between promoters, at a price of ₹229 per share (based on the previous day closing price of ₹228.95 per share on NSE), aggregating to about ₹740.37 crore, through block trading window on stock exchange on Sept. 21, 2022, with the prior approval of the shareholders at an EGM held on June 6, 2022.
	(c)	Duration of the contracts / arrangements/transactions	The Agreement for Sale dated May 9, 2022 was valid for 6 months from the date of receipt of approval from the shareholders or March 31, 2023, whichever is later.
	(d)	Salient terms of the contracts or arrangements or transactions including the value, if any:	The salient terms of the Agreement for sale dated May 9, 2022 were as under:- • Sale being concluded at the prevailing market price of equity shares of TTL at the time when the sale is undertaken, subject to a minimum floor price of ₹ 171/- per equity share of TTL; and • Sale being concluded on the stock exchange within 6 months from the date of receipt of approval from the shareholders or March 31, 2023, whichever is later; and
	(e)	Amount paid as advances, if any in ₹:	Nil
	(f)	Transaction value during the year in ₹:	₹ 740.37 Crore

Note: Appropriate approvals have been taken for the aforesaid related party transaction.

For and on behalf of the Board of Directors

Dhruv M. Sawhney
Chairman and Managing Director
DIN: 00102999

Date: July 4, 2023
Place: Noida

Annexure E

Form No. MR-3

SECRETARIAL AUDIT REPORT

For The Financial Year Ended March 31, 2023

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

To,
The Members,
Triveni Engineering and Industries Limited
(CIN: L15421UP1932PLC022174)
A-44, Hosiery Complex, Phase-II Extension,
Noida-201305 (Uttar Pradesh)

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Triveni Engineering and Industries 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 record 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 and regulations and happening of events etc.

e) The compliance of the provisions of the Corporate and other applicable laws, rules, regulation, 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, minute 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, 2023 ("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, 2023 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, wherever applicable;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(c) *The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

(d) *The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

(e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act, 2013 and dealing with client;

(g) *The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; 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 General Meetings issued by The Institute of Company Secretaries of India.

(vi) Some of the other laws specifically applicable to the company are as under:-

- Sugar Cess Act, 1982
- Essential Commodities Act, 1955
- Sugar Development Fund Act, 1982
- U.P. Sugarcane (Purchase Tax) Act, 1961
- U.P. Sheera Niyantran Adhiniyam, 1964
- U.P. Vacuum Pan Sugar Factories Licensing Order, 1969
- The Electricity Act, 2003

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

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 is 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 period under review 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 were sent in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting for meaningful participation at the meeting. Board decisions are carried out with unanimous consent and therefore, no dissenting views were required to be captured and recorded as part of the minutes.

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

We further report that during the audit period:

(i) The Company has completed the Buy-back of shares approved on November 5, 2022 and December 11, 2022 respectively. Pursuant to the offer, the Company has bought back and extinguished 2,28,57,142 equity shares of ₹1/- each; and

(ii) The Company has undertaken the sale of its entire shareholding of 7,06,27,980 equity shares of ₹1/- each of Triveni Turbine Limited ("TTL"), aggregating to 21.85% of the total paid-up equity share capital of TTL held by the Company as an investment, on September 21, 2022, in the following manner:-

(a) Sale of 3,23,30,548 equity shares (representing 10% of the total paid-up capital of TTL) to

Mrs. Rati Sawhney, one of the existing promoters by way of inter-se transfer between promoters at a price of ₹ 229 per share (based on the previous day closing price of ₹ 228.95 per share on NSE) through block trading window on stock exchange; and

(b) Sale of 3,82,97,432 equity shares (representing approx. 11.85% of the total paid up capital of TTL) to various investors through block trading window on the screen based trading system of the stock exchanges at a price of ₹ 226. 70 per share.

It may be noted that with the sale of the aforesaid equity shares mentioned in Sl. No. (ii), TTL ceased to be an associate of the Company.

Except as stated above, there was no other specific event / action which would have a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, standards, guidelines, etc.

For **Suresh Gupta & Associates**
Company Secretaries

Suresh Gupta
(Proprietor)
FCS No.:5660
CP No.:5204
Peer Review Cert. No. 740/2020
UDIN: F005660E000539886

Date : July 4, 2023
Place: Noida

Annexure F

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

for the financial year ended March 31, 2023

1. **Brief outline on CSR Policy of the Company:**
The CSR Policy is to lay down guidelines for the Company to make CSR as one of the key focus areas for the well being of people, providing employment potential to them and preserving environment.

2. **Composition of CSR committee:**

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Ms. Homai A. Daruwalla	Chairperson/Non-Executive Independent Director	1	1
2.	Mr. Tarun Sawhney	Member/Promoter & Executive Director	1	1
3.	Mr. Nikhil Sawhney	Member/Promoter & Non-Executive Director	1	1

3. **Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company:**

Particular	Web-link
Composition	https://www.trivenigroup.com/corporate-governance?q=bod-of-directors
CSR Policy	https://www.trivenigroup.com/files/policies/CSR%20Policy(Revised).pdf
CSR Projects	https://www.trivenigroup.com/community

4. **Provide the executive summary along with the weblink of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable:**
Not applicable

5. (a) **Average net profit of the company as per section 135(5):** ₹ 46,864.01 lakh

   (b) **Two percent of average net profit of the company as per section 135(5)**: ₹937.30 lakh

   (c) **Surplus arising out of the CSR projects or programmes or activities of the previous financial years:** Nil

   (d) **Amount required to be set off for the financial year, if any:** ₹19.26 lakh

   (e) **Total CSR obligation for the financial year (5b+5c-5d):** ₹ 918.04 lakh

6. (a) **Amount spent on CSR Projects (both ongoing project and other than ongoing project):** ₹914.68 lakh

   (b) **Amount spent in Administrative Overhead:** ₹ 15 lakh

   (c) **Amount spent on Impact Assessment, if applicable:** Not applicable

   (d) **Total amount spent for the Financial Year (6a+6b+6c):** ₹ 929.68 lakh

   (e) **CSR amount spent or unspent for the financial year:**

Total Amount Spent for the Financial Year (in ₹ Lakh)	Amount Unspent (in ₹ Lakh)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
929.68	Nil	NA	NA	Nil	NA

(f) Excess amount for set off, if any:

Sl. No.	Particular	Amount (in ₹ Lakh)
(i)	Two percent of average net profit of the company as per section 135(5)	937.30
(ii)	Total amount spent for the Financial Year (include amount of ₹19.26 lakh excess spent during the previous year FY 22)	948.94
(iii)	Excess amount spent for the financial year [(ii)-(i)]	11.64
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	11.64

7. Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6)	Balance Amount in unspent CSR account under section 135(6)	Amount spent in the reporting Financial Year	Amount transferred to a fund as specified under Schedule VII as per second proviso to section 135(5), if any		Amount remaining to be spent in succeeding financial years	Deficiency, if any
		(in ₹)	(in ₹)	(in ₹)	Amount (in ₹)	Date of transfer	(in ₹)	
Nil								

8. Whether any capital assets have been created or acquired through CSR Amount spent in the financial year Yes/No, if yes, enter the number of capital assets created/acquired: 24

Furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details

Sl. No.	Short particulars of the property/assets [including complete address and location of the property]	Pin code of the property/ assets	Date of creation	Amount of CSR spent (in ₹ Lakh)	Details of the entity/authority/beneficiary of the registered owner		
1	2	3	4	5	6		
					CSR Regn No. (if applicable)	Name	Registered Address
1.	Furniture, play facilities, projector and computer software (4 nos.) Rai Bahadur Ishwar Das Sawhney Educational Society, Khatauli, Uttar Pradesh	251201	Various dates during FY 23	1.52	CSR00011809 (Triveni Foundation)	Rai Bahadur Ishwar Das Sawhney Educational Society (through Triveni Foundation)	Khatauli, Uttar Pradesh - 251201
2	Computer software, biometric machine and security CCTV camera (3 nos.) Lala Puran Chand Sawhney Memorial Inter College, Noorpur, Deoband, Distt. Saharanpur, Uttar Pradesh	247554	Various dates during FY 23	1.87	CSR00011809 (Triveni Foundation)	Lala Puran Chand Sawhney Memorial Inter College (through Triveni Foundation)	Noorpur, Deoband, Distt. Saharanpur, Uttar Pradesh - 247554
3	Computer software (1 no.) Smt. Gopi Devi Kanya Junior High School, Ramkola, Distt. Kushinagar, Uttar Pradesh	274305	May 13, 2022	0.22	CSR00011809 (Triveni Foundation)	Smt. Gopi Devi Kanya Junior High School, (through Triveni Foundation)	Ramkola, Distt. Kushinagar, Uttar Pradesh - 274305

Sl. No.	Short particulars of the property/assets [including complete address and location of the property]	Pin code of the property/ assets	Date of creation	Amount of CSR spent (in ₹ Lakh)	Details of the entity/authority/beneficiary of the registered owner		
1	2	3	4	5	6		
					CSR Regn No. (if applicable)	Name	Registered Address
4	Expenditure on Mobile Chikitsa Vans in various districts of Uttar Pradesh (1 no.)	Various districts of Uttar Pradesh	November 24, 2022	5.31	CSR00011809 (Triveni Foundation)	Triveni Foundation	A-44, Hosiery Complex, Phase-II Extension, Noida-201305, Uttar Pradesh
5	Furniture, fixtures, water purifiers, air coolers, inverters, projectors, borewell, hand pumps, street lights, solar lights, sheds, sewing machines, sanitary pad vending machine, play facilities and construction of toilets, boundary wall, other civil works (15 nos.) Schools/ Public places in various districts of Uttar Pradesh	Various districts of Uttar Pradesh	Various dates during FY 23	76.62	NA	Various beneficiaries - Schools/General Public/Public Authorities	Uttar Pradesh

9. **Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per section 135(5):** Not Applicable

For and on behalf of the Board of Directors

Noida
July 4, 2023

Homai A. Daruwalla
Chairperson – CSR Committee
DIN: 00365880

Dhruv M. Sawhney
Chairman and Managing Director
DIN: 00102999

Annexure G

A) CONSERVATION OF ENERGY

a) The steps taken or impact on conservation of energy

1. Adopted use of 3rd body vapour for batch pans boiling and first stage of defecated juice to reduce the steam consumption at Sabitgarh Sugar Unit.

2. Chemical boiling and cleaning of heat exchangers have been replaced with high pressure water jet cleaning to save steam at various Sugar Units.

3. Extensive insulation of steam and vapour lines at power generation section including heat exchangers at Raninangal, Chandanpur and Ramkola Sugar Units.

4. Installation of last mill juice brix sensors at our various Sugar Units to optimise the maceration water application and to minimise process steam requirement.

5. Use of high-grade vapours have been replaced with energy-efficient low-grade vapours for boiling of massecuite to conserve heat energy at Raninangal Sugar Unit.

6. Replaced old conventional transformer type welding machines with energy-efficient inverter-based machines at Raninangal Sugar Unit.

7. Variable frequency drives (VFDs) added across the Units to reduce electrical energy consumption. Additionally, energy-efficient planetary gears added across units to replace inefficient worm wheel type gears, in a phased manner.

8. Replaced old motors with IE 3 motors of higher efficiency to save consumption of electrical power at Khatauli Sugar Unit.

9. Installed HT motor at cutters/mill tandem in place of low voltage motor to prevent electrical losses at Khatauli Sugar Unit.

10. Provided process water flow meters at key sections of the plant to monitor and minimise consumption to save energy/steam.

11. Installed condensate heat recovery units for heating of raw juice at various Sugar Units.

12. Relocation of Air conditioners' outdoor units to better ventilated area for better efficiency at Power Transmission Business (PTB).

13. Replaced dome type shop floor roofing to A type structure with natural light sheets, to avoid usage of shop lights in the daytime at PTB.

14. Retrofitted the conventional cylindrical grinder to CNC system to achieve better machine utilisation at PTB.

15. Regular replacement of conventional lightings with energy-efficient LED lights at our various business locations.

b) The steps taken by the Company for utilising alternate source of energy

- At PTB facilities at Mysuru, arrangements are already in place to source significant portion of its power requirement, generated from wind energy, an alternate renewable source of power.

- Solar panels/cells at cane zonal offices of Raninangal Sugar Unit and at out-centre cane weighbridges for lighting and other uses at Ramkola Sugar Unit.

  Apart from above, in all the sugar units and distilleries of the Company, majority of power is generated through captive bagasse, which is a renewable source of energy.

c) The capital investment on energy conservation equipment

The Company has taken above stated measures for conservation of energy without making any significant capital investment on energy conservation equipment during the year.

B) TECHNOLOGY ABSORPTION

(i) The efforts made towards technology absorption;

All our businesses use mostly indigenous technology. The Power Transmission Business is continually engaged in R&D activities to develop technology for new products and to also improve upon existing range of products.

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

Both our engineering businesses are continually engaged in the improvement of the product features and value engineering so as to be cost competitive in the marketplace and to protect their margins.

(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	No technology was imported during the last three years.
b) the year of import	NA
c) whether the technology has been fully absorbed	NA
d) if not fully absorbed, areas where absorption has not taken place and reasons thereof	NA

C) FOREIGN EXCHANGE EARNINGS & OUTGO

Earnings in foreign exchange	₹ 10738.88 lakh
Foreign exchange outgo	₹ 6617.25 lakh

For and on behalf of the Board of Directors

Dhruv M. Sawhney
Chairman and Managing Director
DIN: 00102999

Place: Noida
Date: July 4, 2023

Annexure H

PARTICULARS OF EMPLOYEES PURSUANT TO SECTION 197 (12) OF THE COMPANIES ACT, 2013 ('ACT') READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

(i) The percentage increase in remuneration of each Director, CFO and CS during FY 23, ratio of remuneration of each Director to the median remuneration of the employees of the Company for FY 23

Name of Director/KMP and Designation	Ratio of remuneration to Median remuneration	% increase of remuneration in FY 23
Mr. Dhruv M. Sawhney*1 Chairman and Managing Director (CMD)	N.A.	N.A.
Mr. Tarun Sawhney*2 Vice Chairman and Managing Director (VCMD)	147.75	15.42%
Mr. Nikhil Sawhney Non-Executive Director	10.97	17.53%
Ms. Homai A. Daruwalla Non-Executive Independent Director	5.64	19.82%
Mr. Sudipto Sarkar Non-Executive Independent Director	5.51	27.45%
Mr. Jitendra Kumar Dadoo Non-Executive Independent Director	3.98	20.51%
Mr. Suresh Taneja *2 Group Chief Financial Officer	45.55	7.24%
Ms. Geeta Bhalla*2 Group Vice President & Company Secretary	19.26	8.78%

*1 No salary is being drawn by the CMD.

*2 Gratuity is provided based on actuarial valuation and hence, remuneration does not include gratuity.

Note:

(i) The remuneration to Non-Executive Independent Directors includes commission in accordance with the relevant provisions of the Companies Act, 2013 due to better profitability.

(ii) In the Financial Year 2022-23, the annual median remuneration was at ₹5.90 lakh and there was an increase of 30% in the median remuneration of the employees as compared to last year (The salaries of seasonal employees in sugar units have not been considered herein as they are deployed only for the duration of the Sugar season and not for the entire year). The significant increase in the median salary is attributed to the implementation of wage board settlements with retrospective effect for 1,400 employees under Sugar Wage Board and 90 workmen for Power Transmission Business.

(iii) There were 4,376 permanent employees (948 officers, 3,428 workmen including 1,752 seasonal employees) on the rolls of the Company as on March 31, 2023.

(iv) The average percentage salary increases of employees other than managerial personnel was 11.16% (including the impact of wage board settlements as referred to in (ii) above) against 12.95% in the managerial remuneration. Higher increase in remuneration of managerial personnel is in accordance with the approvals of Board/ Shareholders', as per the relevant provisions of the Companies Act, 2013, and is on account of higher component of performance bonus due to better profitability of the Company. During the year, the performance of the Distillery and Engineering Businesses improved substantially and substantial funds were generated through the divestment of equity stake in an associate company.

(v) It is hereby affirmed that the remuneration paid during the financial ended March 31, 2023 is as per the Nomination and Remuneration policy of the Company.

For and on behalf of the Board of Directors

Dhruv M. Sawhney
Chairman and Managing Director
DIN:00102999

Noida
July 4, 2023

Annexure J

Business Responsibility & Sustainability Report 2023

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1.	Corporate Identity Number (CIN) of the Listed Entity	L15421UP1932PLC022174
2.	Name of the Listed Entity	Triveni Engineering & Industries Limited (TEIL)
3.	Year of incorporation	1932
4.	Registered office address	A-44, Hosiery Complex, Phase-II Extension, Noida-201 305, Uttar Pradesh
5.	Corporate address	'Express Trade Towers', 8th Floor 15-16, Sector-16A Noida 201 301 (U.P.)
6.	E-mail	shares@trivenigroup.com
7.	Telephone	0120-4308000
8.	Website	https://www.trivenigroup.com
9.	Financial year for which reporting is being done	2022-23
10.	Name of the Stock Exchange(s) where shares are listed	Equity shares are listed on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE)
11.	Paid-up Capital	₹ 21.89 crore
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Mr. Sanjeev Asthana Vice President – Human Resources Corporate Office sanjeev.asthana@ho.trivenigroup.com 0120-4308000
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together)	Disclosures made in this report are on a standalone basis as it forms 99.95% of the consolidated turnover.

II. Products/services

14. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of main activity	Description of business activity	% of gross turnover of the entity (FY23)
1	Sugar	Sugar and Co-gen plants	58.82
2	Distillery	Ethanol, Extra Neutral Alcohol (ENA) and Alcoholic Beverages	29.58
3	Water Business Group	Equipment / Turnkey Projects under EPC relating to water treatment and incidental services including O&M	5.53
4	Power Transmission Business	Manufacture of high speed and niche low speed Gear Boxes, including gear internals, defence products, aftermarket services and retro-fitment solutions	3.57

15. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/Service	NIC Code	% of total gross turnover contributed
1	Sugar	1072	58.82*
2	Cogeneration (Power)	35106	
3	Industrial Alcohol including Ethanol, ENA and Alcoholic Beverages	1101	29.58
4	Industrial Gear Boxes / Gears	2814	3.57
5	Water & Wastewater Treatment	3600	5.53

*includes Sugar & Cogeneration

III. Operations

16. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	15	3	18
International	-	-	-

17. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	29
International (No. of Countries)	82

b. What is the contribution of exports as a percentage of the total turnover of the entity?

1.79%

c. A brief on types of customers

Triveni Engineering & Industries Ltd (TEIL) serves mainly diverse B2B customers along with some B2C customers as well. By offering specialised solutions and high-quality products.

Sugar: Wholesalers, Industrial, Private label and Branded retail

Alcohol: Ethanol for Oil Marketing Companies, IMIL for retail

Power Transmission: Industrial customers, Defence

Water & Waste Water: Industrial & Municipal sector

TEIL meets the unique needs of businesses and end consumers alike. TEIL's versatility and commitment to customer satisfaction drives its success in multiple market sectors.

18. Employees

Details as at the end of Financial Year:

a. Employees and Workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
EMPLOYEES						
1.	Permanent (D)	999	960	96.10	39	3.90
2.	Other than Permanent (E)	48	47	97.92	1	2.08
3.	**Total Employees (D + E)**	**1047**	**1007**	**96.18**	**40**	**3.82**
WORKERS						
4.	Permanent (F)	1492	1486	99.60	6	0.40
5.	Other than Permanent (G)	1837	1837	100.00	0	0.00
6.	**Total Workers (F + G)**	**3329**	**3323**	**99.82**	**6**	**0.18**

b. Differently-abled Employees and Workers

S.No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)	We are conscious of our social responsibilities and are committed to promoting diversity and inclusion in the coming times.				
2.	Other than Permanent (E)					
3.	Total differently abled employees (D + E)					
DIFFERENTLY ABLED WORKERS						
4.	Permanent (F)	We are conscious of our social responsibilities and are committed to promoting diversity and inclusion in the coming times.				
5.	Other than permanent (G)					
6.	Total differently abled workers (F + G)					

19. Participation/Inclusion/Representation of Women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	6	1	16.67
Key Management Personnel	2	1	50.00

20. Turnover rate for permanent employees and workers

	FY 23			FY 22			FY 21		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	14.4%	20%	14.6%	12.84%	14.29%	12.90%	8.31%	3.33%	8.15%
Permanent Workers	10.2%	16.7%	10.2%	9.05%	0%	9.01%	8.65%	0%	8.63%

21. Holding, Subsidiary and Associate Companies (including joint ventures)

(a) Names of holding / subsidiary / associate companies / joint ventures

S. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether Holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Triveni Turbine Limited*	Associate	21.85%	There are no significant business activities in the subsidiary companies except stated at S. Nos. 8 &10. While there is no formal system of extending business responsibility initiatives to the subsidiaries, there is always an endeavour to comply with these initiatives.
2	Triveni Engineering Limited	Subsidiary	100%	
3	Triveni Energy Systems Limited	Subsidiary	100%	
4	Triveni Sugar Limited	Subsidiary	100%	
5	Triveni Entertainment Limited	Subsidiary	100%	
6	Triveni Industries Limited	Subsidiary	100%	
7	Svastida Projects Limited	Subsidiary	100%	
8	Mathura Wastewater Management Private Limited	Subsidiary	100%	
9	United Shippers & Dredgers Limited	Subsidiary	100%	
10	Pali ZLD Private Limited	Subsidiary	100%	
11	Gaurangi Enterprises Limited	Subsidiary	100%	
12	Triveni Foundation Limited	Subsidiary	100%	Yes, it is a vehicle to pursue CSR programme of the Company

*Ceased to be an associate w.e.f. September 21, 2022

22. CSR Details

(i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No) - Yes

(ii) Turnover (in ₹) - 63,06,90,29,503 (gross)

(iii) Net worth (in ₹) - 26,22,22,67,501

23. Transparency and Disclosures Compliances

Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

<table>
<tr><th rowspan="2">Stakeholder group from whom complaint is received</th><th rowspan="2">Grievance Redressal Mechanism in Place (Yes/No)</th><th colspan="3">FY 23</th><th colspan="3">FY 22</th></tr>
<tr><th>Number of complaints filed during the year</th><th>Number of complaints pending resolution at close of the year</th><th>Remarks</th><th>Number of complaints filed during the year</th><th>Number of complaints pending resolution at close of the year</th><th>Remarks</th></tr>
<tr><td>Shareholders</td><td rowspan="3">Yes

Weblink: https://www.trivenigroup.com/corporate-governance?q=policies&page=2</td><td>17</td><td>0</td><td>All resolved</td><td>11</td><td>0</td><td>All resolved</td></tr>
<tr><td>Customers</td><td>96</td><td>11</td><td>In process of closure</td><td>106</td><td>11</td><td>In process of closure</td></tr>
<tr><td>Communities
Investors (other than shareholders)
Employees and Workers
Value Chain Partners</td><td colspan="6">Triveni is strongly committed to addressing the needs of our stakeholders. We engage in open and transparent dialogue, actively seeking feedback and resolving concerns. Our dedicated process ensures timely resolution of issues, fostering mutual respect. During FY 23 and the preceding fiscal year, no grievances were raised by our communities, investors, value chain partners, employees, and workers, demonstrating the effectiveness of our engagement. We will persist in prioritising communication to nurture positive relationships and drive sustainable growth.

Furthermore, Triveni believes in continuous improvement and learning from stakeholder feedback. We view their input as valuable insights for enhancing our operations and performance. By actively listening to our stakeholders, we gain a deeper understanding of their expectations and can align our strategies accordingly. We are committed to utilising this feedback to drive positive change, innovate, and ensure that we remain responsive to the evolving needs of our stakeholders. Through ongoing engagement and a proactive approach, we aim to strengthen our relationships, build trust, and achieve shared success with our valued stakeholders.</td></tr>
</table>

24. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format

S. No.	Material issue identified	Indicate whether risk/ opportunity	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity
1	Climate Risk	Risk	Involvement of potential risk primarily impacting the Sugar Business, due to direct impact of climate on agricultural activities and thereby raw material procurement.	Increased focus on developing sugarcane varieties which can withstand change in weather, reduce dependence on Sugar business by promoting other businesses like, Distillery (to be operated on feedstock other than sugarcane related) and Engineering, setting GHG emission reduction targets, conducting climate related risk assessment, others.	Negative: Disruption in value chain could lead to reduced production, thereby financial losses and reduced market share.
2	Product Innovation and Technology Development	Risk and Opportunity	Risk: Competitive marketplace demands quicker research and faster product launch and process deployment. Opportunity: Innovation and design for sustainable product and process would enable creation of products and services that are socially, environmentally and economically sustainable.	Increasing and prioritising research and development efforts can drive innovation, foster product advancements, and ultimately lead to a competitive advantage in the market.	Negative: High initial cost for sustainable product research and development Positive: Improving the quality of products and customer satisfaction can expand market reach and increase market penetration.
3	Employee Well-being and Safety	Opportunity	Nurturing robust employee relations and prioritising safety cultivates a positive work environment, elevates morale, strengthens workplace safety protocols, minimises accidents, and fosters a motivated and engaged workforce. This, in turn, drives organisational efficiency and resilience.	-	Positive: It will lead to increased productivity, reduced absenteeism and turnover, enhanced employee engagement and satisfaction, lower healthcare costs, attracting and retaining top talent, and improving brand reputation

S. No.	Material issue identified	Indicate whether risk/ opportunity	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity
4	Community Engagement and Social Responsibility	Opportunity	Engaging with communities and undertaking social initiatives creates avenues for fostering goodwill, making a positive impact on the community, and aligning with stakeholders' expectations and vision.	-	Positive: By actively engaging in social responsibility initiatives, the organisation cultivates stronger relationships with the community, fostering a collaborative environment that enables shared growth and prosperity.
5	Selling Practices & Product Labelling	Risk and Opportunity	Risk: Risks of compliance such as misleading claims, customer complaints and regulatory fines. Opportunity: Enhanced consumer satisfaction through customer education and awareness, brand differentiation etc.	Prioritise compliance and standards, alongside internal as well as external audits, to ensure legal adherence, build stakeholder trust, and minimise risks for the organisation.	Negative: Risk of compliance failure due to increased scrutiny and potential penalty risk. Positive: Gaining customers trust and confidence leading to higher market acceptance and leverage market position to capitalise on new opportunities.
6	Ethical Business Practices and Integrity	Risk and Opportunity	Risk: Upholding high standards of business ethics and integrity entails potential risks such as ethical violations, damage to reputation, and legal repercussions. Opportunity: Embracing and practicing business ethics and integrity presents opportunities for ethical leadership, fostering stakeholder trust, and fulfilling social responsibilities.	Prioritising rigorous policy adherence, effective implementation, regular internal or external review, and comprehensive audits	Negative: Increased compliance scrutiny poses a risk of failure, resulting in potential penalties or fines. Positive: Expanding market acceptance to leverage new opportunities and drive growth
7	Transparency and Reporting	Opportunity	An opportunity to cultivate trust, promote accountability, and strengthen our reputation with stakeholders and the wider public.	-	Positive: Building trust with investors and stakeholders through transparent practices enhances the organisation's public image

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the National Guidelines on Responsible Business Conduct (NGRBC) Principles and Core Elements.

S. No.	NGRBC Principles
P1	Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable
P2	Businesses should provide goods and services in a manner that is sustainable and safe
P3	Businesses should respect and promote the well-being of all employees, including those in their value chains
P4	Businesses should respect the interests of and be responsive to all its stakeholders
P5	Businesses should respect and promote human rights
P6	Businesses should respect and make efforts to protect and restore the environment
P7	Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent
P8	Businesses should promote inclusive growth and equitable development
P9	Businesses should engage with and provide value to their consumers in a responsible manner

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
1. a. Whether your entity's policy/ policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
b. Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
c. Web Link of the Policies, if available	Refer: https://www.trivenigroup.com/corporate-governance.php?q=policies&page=1								
2. Whether the entity has translated the policy into procedures. (Yes / No)	The policies are largely being followed. The Company is in the process of further strengthening the compliance to such policies by creating awareness and accountability.								
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	N	N	N	N	N	N	N	N	N
	While these are not formally extendable to the value chain partners, we actively emphasise the importance of industry best practices and standards for sustainable production and value chain activities. We encourage our value chain partners to adopt and adhere to these practices as part of their commitment to sustainability. It may be further noted that in the case of our major Sugar business, we regularly deal with sugarcane farmers to educate and counsel them on soil fertility and preservation and use of organic fertilisers								

4. Name of the national and international codes/certifications/labels/standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) mapped to each principle.

Principle 1 Principle 2 Principle 3 Principle 4 Principle 5 Principle 6 Principle 7 Principle 8 Principle 9	We strive to align our practices with recognised codes, certifications, labels, and standards that promote sustainability, social responsibility, and quality. All the sugar units have FSSC 22000 certification whereas our branded sugar additionally has BRCGS and SEDEX certifications. These certifications serve as a testament to our commitment to upholding rigorous standards in our sugar production processes. In addition to the certifications, we also prioritise adherence to internationally recognised standards and industry-specific certifications within our Power Transmission Business group and Water Business group. These certifications and standards provide comprehensive guidelines and frameworks for various aspects of our operations, encompassing environmental management, social welfare, occupational health and safety, and product quality. To ensure the highest quality management practices, we have implemented ISO 9001. ISO 14001 aligns our environmental management practices with global standards, emphasising our commitment to sustainable operations. Moreover, ISO 45001 validates our dedication to providing a safe and healthy working environment for our employees. By aligning our operations with these certifications and standards, we strive to maintain high standards, drive continuous improvement, and contribute to a more sustainable and responsible global ecosystem. We are committed to ongoing enhancements and refinements of our processes to ensure that we consistently meet recognised benchmarks and exceed expectations in all areas of our business.
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	We firmly believe in all the NGRBC principles and have policies and mechanisms in place to achieve the objectives of these principles. For effective implementation, we need to have more training, awareness and involvement of our process owners. Further, we need to have a robust system to capture various data to understand the areas of our under-performance, if any, so that improvements could be planned in a structured manner. Lastly, we would require to integrate our value chain partners with our sustainability programme so that we along with our stakeholders contribute towards responsible business conduct. All the above would be our focus areas wherein we would try to improve our compliance and delivery. By embracing these principles, Triveni aims to establish a solid framework for its business practices. The Company acknowledges the importance of setting specific, measurable, and time-bound targets that reflect its dedication to key aspects such as sustainability, social responsibility, innovation, customer satisfaction, and more.
6. Performance of the entity against the specific commitments, goals and targets along with reasons in case the same are not met.	Not applicable

Governance, leadership and oversight

7. Statement by director responsible for the business responsibility report, highlighting ESG-related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)

We place utmost importance on upholding the highest standards of Environmental, Social, and Governance (ESG) practices. We firmly believe that sustainable development is not just a responsibility, but a key driver for our long-term success. With this commitment in mind, we are dedicated to making positive contributions to the communities we serve, preserving the environment, and fostering ethical business practices.

To fulfil this commitment, we are committed to devise and follow a robust sustainability strategy that will serve as a guiding framework for our operations, investments, and decision-making processes. This strategy encompasses various initiatives aimed at minimising our environmental footprint, enhancing social well-being, and ensuring good governance practices throughout our organisation.

We recognise the importance of transparent reporting in tracking our progress and being accountable to our stakeholders. As such, we are dedicated to providing regular and comprehensive reports on our sustainability efforts, ensuring that our stakeholders are well-informed about our achievements, challenges, and future targets.

By adhering to this sustainability strategy and fostering a culture of responsible business practices, we strive to create a positive impact, both within our organisation and in the broader society.

8.	**Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy/policies**	Mr. Tarun Sawhney Designation: Vice Chairman and Managing Director
9.	**Does the entity have a specified Committee of the Board/Director responsible for decision-making on sustainability related issues? (Yes / No). If yes, provide details.**	Yes, Mr. Tarun Sawhney Designation: Vice Chairman and Managing Director DIN No. 00382878

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board / Any other Committee	Frequency (Annually/ Half Yearly/ Quarterly/ Any other – please specify)
	P1 P2 P3 P4 P5 P6 P7 P8 P9	P1 P2 P3 P4 P5 P6 P7 P8
Performance against above policies and follow-up action	Currently, all our policies are reviewed periodically based on the feedback received from various stakeholders, experience gained and potential to improve the effectiveness of the policies. Accordingly, it enables us to take informed decisions.	On-going
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	The organisation has implemented a robust framework to ensure adherence to all pertinent requirements and regulations; and it complies with all legal legislation, as per applicability	On-going

		P1	P2	P3	P4	P5	P6	P7	P8	P9
11.	**Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide the name of the agency.**	While the entity has not specifically engaged an external agency for independent assessment or evaluation of its policies, it has implemented a comprehensive internal process to implement, review and assess the effectiveness of its policies. Once fully implemented, these will be subject to validation by the external agencies.								

12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/No)	Not applicable								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

SECTION C: PRINCIPLE-WISE PERFORMANCE DISCLOSURE

The purpose of this section is to assist entities in showcasing their performance in integrating the Principles and Core Elements of responsible business conduct into their key processes and decision-making. The information sought is divided into two categories: "Essential" and "Leadership". Essential indicators are expected to be disclosed by all entities required to file this report, demonstrating their compliance with the mandated requirements. On the other hand, leadership indicators can be voluntarily disclosed by entities that aim to achieve a higher level of social, environmental, and ethical responsibility, showcasing their commitment to continuous improvement in responsible business practices.

Principle 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors Key Managerial Personnel	The BoDs and KMPs are periodically updated, as needed, on important topics like governance, decision-making, risk management, compliance, and industry expertise.	Our comprehensive training initiatives encompass a wide range of areas, such as health and safety protocols, skill enhancement programmes, technical expertise development, leadership training, effective communication skills, and more. These trainings play a crucial role in fostering employee growth, boosting productivity, and driving overall organisational success.	Ensuring the comprehensive coverage of our employees and workers in all business segments is a priority for us through our awareness programmes and workshops. During the year, our Officers' training has accumulated a total of 4,368 man-hours, with a participation of 1,344 members. Additionally, our Staff and Workers' training has achieved 10,228 man-hours, with a participation of 4,920 members.
Employees other than BoD and KMPs Workers	Internal trainings: 482 External trainings: 116		

2. **Details of fines / penalties / punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):**

	Monetary and Non-Monetary				
	NGRBC Principle	**Name of the regulatory/ Enforcement agencies/ judicial institutions**	**Amount (In ₹)**	**Brief of the Case**	**Has an appeal been preferred? (Yes/No)**
Penalty/ Fine Settlement Compounding fee Imprisonment Punishment	During the year, there were no such cases relating to the directors/KMPs. However, in respect of the Company, there were minor instances wherein penalty was imposed for certain lapses but none of such instances is material for reporting purposes. At Triveni, we recognise the importance of adhering to legal and regulatory frameworks. Our compliance-driven approach ensures that we operate within the bounds of the law and consistently meet the expectations set forth by regulatory authorities. By maintaining a clean track record, we demonstrate our commitment to responsible business practices and the highest standards of governance.				

3. **Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.**

Case Details	Name of the regulatory/enforcement agencies/judicial institutions
Not applicable	Not applicable

4. **Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.**

Triveni takes a strong stance against corruption and bribery, implementing a consistent policy across all entities. Our dedication to maintaining the highest levels of integrity and ethical conduct is at the core of everything we do. We prioritise trust, accountability, and responsibility, treating all stakeholders with the utmost respect and dignity. Each business decision we make incorporates ethical considerations, demonstrating our unwavering commitment to integrity. This commitment forms the foundation of our reputation and achievements, allowing us to cultivate lasting relationships based on trust and shared values.

We have plans to further strengthen our anti-corruption measures by regularly updating our policies, implement comprehensive training programmes, and establish monitoring mechanisms

Policy weblink: https://www.trivenigroup.com/corporate-governance.php?q=policies&page=1

5. **Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/corruption.**

	FY 23	FY 22
Directors KMPs Employees Workers	Through our dedication to maintaining a culture of transparency and accountability, there have not been any reported incidents of bribery or corruption in both FY 23 and FY 22 involving our Directors, Key Management Personnel (KMPs), employees, or workers. This accomplishment underscores our proactive approach in upholding the highest ethical standards throughout our organisation. At Triveni, we firmly believe that maintaining a culture of fairness, honesty, and professionalism is paramount to our success. We continuously reinforce these values through comprehensive training programmes, clear communication channels, and regular compliance assessments and it helps us to establish a strong framework that mitigates the risk of bribery and corruption and ensures the highest level of ethical conduct across all aspects of our operations.	

6. Details of complaints with regard to conflict of interest:

	FY 23		FY 22	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	During the specified period, no complaints were received regarding conflicts of interest involving our directors or key managerial personnel (KMPs). This accomplishment highlights our unwavering commitment to upholding the highest standards of corporate governance and ethical conduct. We have implemented a comprehensive governance framework that includes robust policies and procedures to proactively identify and address potential conflicts of interest. Our directors and KMPs adhere to strict guidelines and disclosure requirements, ensuring that any conflicts are managed appropriately and disclosed to relevant stakeholders.			
Number of complaints received in relation to issues of Conflict of Interest of the KMPs				

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators / law enforcement agencies / judicial institutions, on cases of corruption and conflicts of interest.

Nil

Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:

Total number of awareness programmes held	Topics / principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
We actively emphasise the policies being followed by the Company and encourage our value chain partners to follow the same in letter and spirit. In the case of our major Sugar business, we regularly deal with sugarcane farmers to educate and counsel them on environment issues relating to soil fertility and its preservation and use of organic fertilisers/manures.		

2. Does the entity have processes in place to avoid/manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.

Yes, Triveni has a robust set of processes in place to avoid and manage conflicts of interest involving members of the Board. We have implemented a comprehensive 'Code of Conduct for Directors and Senior Management' that serves as a guiding framework for our Board members. This code explicitly outlines the expectations, responsibilities, and ethical standards that directors and senior management must adhere to in order to prevent and address conflicts of interest effectively.

The 'Code of Conduct for Directors and Senior Management' provides clear guidelines on how to identify, disclose, and manage conflicts of interest. It emphasises the importance of acting in the best interests of the company and its stakeholders while avoiding any personal, financial, or other interests that could compromise the integrity of decision-making processes.

Triveni also maintains a robust process for reviewing and evaluating potential conflicts of interest. The Board, along with the Executive Sub Committee, conducts thorough assessments of disclosed conflicts to determine the appropriate course of action. This may include recusal from relevant discussions or decisions, seeking independent advice, or taking any other necessary measures to ensure that the interests of the company and its stakeholders are safeguarded.

Furthermore, regular training programmes and awareness initiatives are conducted to educate directors and senior management about their responsibilities and obligations regarding conflicts of interest. These initiatives help foster a strong culture of integrity, transparency, and ethical conduct throughout the organisation.

By implementing a comprehensive 'Code of Conduct for Directors and Senior Management' and maintaining a rigorous process for disclosure and management of conflicts of interest, Triveni ensures that the Board operates with the highest levels of integrity and professionalism. These processes not only help prevent conflicts from arising but also enable effective and transparent decision-making, ultimately benefiting the company, its shareholders, and other stakeholders.

Principle 2: Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

1. **Percentage of R&D and capital expenditure (CapEx) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and CapEx investments made by the entity, respectively.**

<table>
<tr><th></th><th>FY 23</th><th>FY 22</th><th>Details of improvements in environmental and social impacts</th></tr>
<tr><td>R&D and CapEx</td><td colspan="3">Power Transmission business is engaged in R&D activities to evolve technologies for the development of new reliable products which encompass efficiency enhancement, reduction of oil flow and optimisation of weights. The efficiencies lead to higher power generation for the same energy input and optimum utilisation of raw material to conserve the natural resources with enhanced reliability thereby increasing the equipment availability. The business caters to several industries using renewable energy such as wind power generation, geothermal energy, hydro energy, Flue Gas Desulphurisation (FGD) projects, Waste Heat Recovery (WHR) plants, Waste to Energy (WtE) plants, biomass plants, etc. Thus, through continuous innovation and efficiency enhancement in its products and services, it contributes to sustainability across the value chain.

In Sugar business, a lot of work is done in the field to make the soil fertile, counsel the farmers to use appropriate fertilisers and other nutrients based on the soil deficiencies and advocate the use of bio-fertilisers. Further, based on demonstration plots operated by the Company, farmers are encouraged to use best agricultural practices to improve the yields. All these activities result in higher income to farmers along with maintaining proper health of the soil.

Further, the Company regularly commits to capital investments, especially in Sugar business, to ensure optimum and industry best usage of utilities, mainly steam and power. Further, new projects like distilleries are set up with the latest technology and are well equipped to achieve zero liquid discharge.

The Company has associated with Confederation of Indian Industry (CII) and formed a centre of excellence “CII Triveni Water Institute” which does extensive research and advise wide ranging interventions to improve the quality of water and restore adequate water tables.

Triveni conducts R&D activities aimed at enhancing environmental and social impacts through the improvement of technologies and processes. While we are actively involved in multiple such initiatives as stated above, at present, we do not have specific measurements or percentages of R&D and capital expenditure (CapEx) investments dedicated to these areas.</td></tr>
</table>

2. **Does the entity have procedures in place for sustainable sourcing? (Yes/No) b. If yes, what percentage of inputs were sourced sustainably?**

   The Company procures sugarcane from farmers in the Sugar business and procures grains to produce ethanol in the Distillery segment – these constitute around 80% of the total material consumption of the Company.

   In respect of other procurements relating to machinery spares, stores, packaging material etc., the vendors are selected based upon quality, reliability and commercial terms. However, wherever information is available, due consideration is also given in respect of their compliance to laws, efficient manufacturing and low rejection rate, ethical conduct and concern about the environment. We have plans to make these processes more formalised in future in a progressive manner.

3. **Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for: (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste (d) other waste.**

   Not applicable due to the nature of the business and its products. Most of our engineering businesses are conducted on B2B mode, products like sugar are food products for consumption and ethanol is blended with petrol. Hence, there is no scope of reusing and recycling the products at the end of their life cycles. In the normal course of engineering business, we provide a comprehensive manual to our customers for safe operation and disposal of our products, if it involves any specialised processes. We actively collaborate with the authorised recyclers and strictly adhere to relevant regulations to ensure the safe recycling, proper disposal, and responsible management of waste.

4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**
Extended Producer Responsibility (EPR) is applicable to alcoholic beverages plant that falls under the distillery business at the Muzaffarnagar Distillery Complex (MZN unit). The sugar business is also subject to EPR for managing plastic waste, but no explicit instructions have been received from the pollution control board regarding an EPR plan. However, the entity is actively taking steps to comply with EPR principles and align the waste collection plan accordingly.

Leadership Indicators

1. **Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?**
At present, no Life Cycle Assessment has been conducted for our products. However, most of the products manufactured by us are environment-friendly – Ethanol is a biofuel; in sugar business, power is produced from renewable energy sources - bagasse, a by-product in the manufacture of sugar, and; Waste water treatment helps to conserve fast depleting water resources, reduce pollution and make available water for recycle or reuse. Further, sugar is produced from sugarcane which is procured from farmers.

We maintain a strong commitment to environmental sustainability and social responsibility. Our operations and activities strictly adhere to national and regional regulations to minimise our environmental and social impact. We continuously monitor and assess our processes to ensure that we uphold high standards of environmental stewardship and strive for sustainable practices throughout our business operations.

2. **If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along with action taken to mitigate the same.**
Not applicable. Due to the nature of our products as explained in (1) above, there are no significant environment or social concerns or risks arising from the production or disposal of our products.

3. **Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).**

Indicate input material	Recycled or re-used input material to total material	
	FY 23	FY 22

There is an effective system of using by-products in the manufacture of sugar. Bagasse is used in the generation of steam, which is required in the manufacturing process in Sugar and in Distillery, and production of power, which after meeting the plant requirements, is exported to the grid. Molasses is used in the Distillery business for production of ethanol. Press mud which is the residue left after cane processing is rich in convertible substrates in the form of solids and is given to the farmers as organic manure to enrich soil nutrients. Fly ash is derived from bagasse during steam & power generation process, which is sold in open market for soil enrichment as well as for the land fill purposes.

Further, in the Distillery business, the waste generated during the production process is concentrated in a Multi-Effect Evaporator (MEE) and subsequently used as fuel in the specially designed incineration boilers along with bagasse as a support fuel. The ash resulting from this process, which consists of a mixture of slop and bagasse, is utilised for the production of granulation fertiliser.

Apart from the above, there is not much application of recycled or reused input material used in the production.

4. **Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed of.**

	FY 23			FY 22		
	Re-Used	Recycled	Safely Disposed*	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	-	-	-	-	-	-
E-waste	-	-	-	-	-	-
Hazardous waste	-	-	-	-	-	-
Other waste	-	-	-	-	-	-

5. **Reclaimed products and their packaging materials (as percentage of products sold) for each product category.**

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
Nil, due to the nature of the products being manufactured by the Company	

Principle 3: Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

1. a. Details of measures for the well-being of employees:

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent employees											
Male	960	960	100	960	100	-	-	-	-	-	-
Female	39	39	100	39	100	39	100	-	-	-	-
Total	**999**	**999**	**100**	**999**	**100**	**-**	**-**	**-**	**-**	**-**	**-**
Other than Permanent employees											
Male	47	47	100	47	100	-	-	-	-	-	-
Female	1	1	100	1	100	1	100	-	-	-	-
Total	**48**	**48**	**100**	**48**	**100**	**-**	**-**	**-**	**-**	**-**	**-**

b. **Details of measures for the well-being of workers:**

Category	% of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent workers											
Male	1486	1486	100	1486	100	-	-	-	-	-	-
Female	6	6	100	6	100	6	100	-	-	-	-
Total	**1492**	**1492**	**100**	**1492**	**100**	**-**	**-**	**-**	**-**	**-**	**-**
Other than Permanent workers											
Male	1837	1837	100	1837	100	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	**1837**	**1837**	**100**	**1837**	**100**	**-**	**-**	**-**	**-**	**-**	**-**

2. **Details of retirement benefits:**

Benefits	FY 23			FY 22		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100	100	Y	100	100	Y
Gratuity	100	100	Y	100	100	Y
ESI*	NA	100	Y	NA	100	Y

* Subject to applicable regulations and requirements

3. **Accessibility of workplaces**

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Yes, our premises / offices are accessible to differently abled employees and workers, wherever there is a requirement for use. We regularly review the requirements and are committed to providing easy access while ensuring compliance at each step.

4. **Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.**

Yes, the entity has implemented an equal opportunity policy that upholds the principles of fairness, non-discrimination, and inclusivity. We firmly believe in providing equal opportunities to all individuals, irrespective of their background, including but not limited to gender, race, religion, disability, or any other protected characteristic. Our equal opportunity policy is designed to ensure that every person associated with our entity, whether as an employee, job applicant, or stakeholder, is treated with respect and provided with fair and unbiased treatment throughout all aspects of their engagement with us.

We are committed to creating a work environment where diversity is valued and everyone has an equal chance to thrive and contribute. Our policy is aimed at fostering an inclusive culture that celebrates differences and embraces the unique perspectives and talents that each individual brings. We encourage all individuals to familiarise themselves with our equal opportunity policy and join us in creating a workplace that promotes fairness, inclusivity, and equal access to opportunities for all.

Weblink: https://www.trivenigroup.com/corporate-governance.php?q=policies&page=1

5. **Return to work and Retention rates of permanent employees and workers that took parental leave.**

	Permanent employees		Permanent workers	
Gender	Return to work rate	Retention rate	Return to work rate	Retention rate
Male				NA
Female	100%	100%	100%	100%
Total	100%	100%	100%	100%

6. **Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If yes, give details of the mechanism in brief.**

	(If Yes, then give details of the mechanism in brief)
Permanent Workers Other than Permanent Workers Permanent Employees Other than Permanent Employees	Yes, both Whistle Blower Policy and Equal Opportunity Policy provide a mechanism to the employees to report their grievance and seek redressal from the reporting authorities stated in these policies. Additionally, Works Committees are established in all units. These committees play a crucial role in addressing and resolving issues raised by employees and workers. Overall, the available mechanism ensures that grievances are heard and appropriate actions are taken to address them.

7. **Membership of employees and workers in association(s) or Unions recognised by the listed entity:**

Category	FY 23			FY 22		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union(D)	% (D/C)
Total Permanent Employees	999	0	0	899	0	0
- Male	960	0	0	857	0	0
- Female	39	0	0	42	0	0
Total Permanent Workers	1492	652	43.70	1454	669	46.01
- Male	1486	648	43.61	1448	665	45.93
- Female	6	4	66.67	6	4	66.67

8. **Details of training given to employees and workers*:**

Category	FY 23					FY 22				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	884	661	74.77	678	76.70	780	523	67.05	458	58.72
Female	19	12	63.16	9	47.37	19	8	42.11	11	57.89
Total	903	673	74.53	687	76.08	799	531	66.46	469	58.70
Workers										
Male	3310	1463	44.20	1580	47.73	3227	1197	37.09	1122	34.77
Female	2	2	100.00	0	0.00	2	1	50.00	1	50.00
Total	3312	1465	44.23	1580	47.71	3229	1198	37.10	1123	34.78

9. **Details of performance and career development reviews of employees and workers:**

Category	FY 23			FY 22		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	The organisation has a well-defined Performance Management System (PMS) in place to assess the performance of all employees, including workmen and staff. The PMS utilises a 5-point Likert scale for evaluation and incorporates career and succession planning, identification of training and development needs, and performance improvement mechanisms. This comprehensive approach ensures that employees have clear performance expectations, opportunities for growth, and support for their professional development within the organisation. The Performance Management System (PMS) enables the organisation to establish a structured framework for performance and career development reviews. By utilising the 5-point Likert scale, the organisation can objectively assess individual performance across various criteria. This assessment process not only provides valuable feedback to employees but also informs career and succession planning initiatives. Furthermore, by identifying training and development needs, the organisation can design targeted programmes to enhance employee skills and competencies. Through these performance improvement mechanisms, the organisation strives to cultivate a high-performance culture, foster employee engagement, and facilitate long-term career growth and success.					
Female						
Total						

Category	FY 23			FY 22		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Workers						
Male	The performance and career development reviews for workers are governed by the wage board notification, in accordance with the Tripartite Settlement. The specific details and procedures for these reviews are determined based on the guidelines provided in the wage board notification. The objective of these reviews is to assess the performance of workers and provide opportunities for their career growth and development within the framework established by the Tripartite Settlement. The organisation ensures compliance with the regulations set forth in the wage board notification to facilitate fair and transparent performance evaluations and enable workers to progress in their careers effectively.					
Female						
Total						

10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/No). If yes, what is the coverage of such a system?

In regard to the implementation of an occupational health and safety management system, the entity has taken significant steps across its various business segments. In the Power Transmission Business Segment, an occupational health and safety management system has been implemented, specifically adhering to the ISO 14001:2015 and ISO 45001:2018 standards.

The Sugar Business provides medical coverage and expenses for employees in the event of an accident, across all its units. Additionally, safety equipment and standard operating procedures are in place at all units, ensuring that employees and workers adhere to safety practices.

Within the Distillery Business, Muzaffarnagar distillery complex (MZN unit) has implemented a comprehensive Health and Safety System. This system includes policies for safety, health, and environmental aspects, as well as fire-fighting standards, personal protective equipment (PPE) policies, safety monitoring, and maintenance of fire safety systems. Similarly, the distillery located at Sabitgarh sugar unit (SBT unit) has implemented a health and safety management system covering areas such as environment, health, safety, fire, and PPE policies. In the distillery located at Milak Narayanpur sugar unit (MNP unit), the safety system includes various components, such as different types of work permits, safety audits by a third party, equipment inspections and certifications, incident/accident investigation and reporting, identification of daily unsafe acts and conditions, safety committee meetings, trainings on various safety topics, safety induction for employees, fire drills, and the celebration of safety and environmental awareness events.

The Water Business Segment has an occupational health and safety management system implemented according to the ISO 14001:2015 and ISO 45001:2018 standard. These efforts across the different business segments demonstrate the entity's commitment to ensuring the health and safety of its employees and stakeholders, as well as complying with relevant standards and regulations.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

TEIL conducts regular worksite inspections and audits and maintains risk assessment and hazard identification register. All the unsafe acts and conditions are reported and recorded. We periodically assess the types of equipment, work practices, and any potential hazards that could be harmful to workers. Necessary actions & steps are taken to ensure the safety of the workforce and nearby environment.

Within the Water Business, regular worksite inspections and audits are conducted to identify potential hazards. A Risk Assessment and Hazard Identification register is maintained, and near misses, unsafe acts, and conditions are reported and recorded. The entity assesses the types of equipment, work practices, and any potential hazards that could pose risks to workers, taking necessary actions and steps to ensure the safety of the workforce and the surrounding environment.

In the Sugar Business, a robust system is in place to ensure the identification of work-related hazards and the assessment of risks on a regular basis. This is achieved through the implementation of periodical Environmental, Health, and Safety (EHS) visits conducted by the safety committees of the Units. These visits involve comprehensive inspections and observations of the work environment, equipment, and processes within the sugar production units listing out key findings, discussions with the Unit Head and HODs for resolution and implementation of safety related suggestions / observations. All Units maintain well equipped first aid medical facilities, ambulance and also include a qualified and experienced doctor.

The Distillery Business, specifically the MZN unit, utilises a Safety Work Permit System and conducts safety audits through third-party assessments. Incident investigation points are identified through safety committee meetings, and existing information about workplace hazards is collected through inspections. For the SBT unit, both internal and external Quantitative Risk Assessments (QRAs) have been conducted, along with fire risk assessments conducted by Marsh India. In the MNP unit, regular plant rounds are carried out to identify and record unsafe acts and conditions. Internal safety audits, external safety audits, safety committee meetings, and discussions with workers regarding safety issues in the workplace are also conducted.

In the Power Transmission Business, hazards are identified and risks are analyzed based on condition-based assessments, past experiences, and statutory requirements. A log-book is maintained to document hazard identification and risk analysis. These processes and practices ensure a systematic approach to identify and assess work-related hazards and risks, enabling the entity to take appropriate measures to safeguard the well-being of employees and maintain a safe working environment.

c. **Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks.**

Yes, a Safety / Works Committee is in place and all safety concerns are raised through functional supervisor to such committee for quick redressal.

d. **Do the employees/workers of the entity have access to non-occupational medical and healthcare services?**

Yes. First aid facility and trained First aiders are available at all sites as well as offices.

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY 23	FY 22
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	0	0
Total recordable work-related injuries	Employees	0	0
	Workers	33	0
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

The entity has implemented several measures to ensure a safe and healthy workplace. These measures include:

- Safety Training: Employees receive regular safety training sessions to enhance their awareness and knowledge of workplace hazards, safe practices, and emergency procedures.
- Mock Drill Rehearsal: Mock drills are conducted periodically to simulate emergency situations and test the preparedness of employees. This helps in identifying any gaps in emergency response and improving the overall safety preparedness.
- Shop Floor Training: Specific safety training is provided to employees working on the shop floor, addressing the unique risks and hazards associated with their tasks. This ensures that they have the necessary skills and knowledge to perform their jobs safely.

- Safety Committee Meetings: Regular safety committee meetings are held to discuss safety issues, review incident reports, and identify corrective actions. This promotes a proactive approach to safety and allows for collaborative decision-making to address safety concerns.
- Safety Audits: Safety audits are conducted to assess compliance with safety regulations, identify potential hazards, and verify the effectiveness of safety measures in place. These audits help in identifying areas for improvement and ensuring continuous monitoring of safety standards.
- Safety Work Permit: A safety work permit system is implemented to ensure that proper safety protocols are followed for high-risk tasks. This includes obtaining permits and conducting safety checks before starting work, mitigating potential risks.
- Identification of Safety Observations: Safety observations, both Unsafe Acts (UA) and Unsafe Conditions (UC), are actively identified and reported. This encourages a culture of reporting and addressing potential safety hazards promptly.
- Daily & Monthly MIS Report: Regular reporting of safety-related data is done through daily and monthly management information system (MIS) reports. This helps in tracking safety performance, analyzing trends, and taking proactive measures to address any emerging safety issues.

Furthermore, the management demonstrates strong leadership and commitment to EHS by setting clear roles, responsibilities, targets, objectives, and goals. Training needs and required behaviours are clearly defined, communicated, and incorporated into the organisational structure. To support these efforts, a systematic risk management process is in place to identify, assess, and control hazards in projects and units. Additionally, internal EHS audits are conducted to evaluate the effectiveness of the EHS management system and ensure compliance with established procedures and norms. In addition, the power transmission segment has implemented internal standards like the ISO 45001:2018 system, which is an internationally recognised occupational health and safety management system

13. Number of complaints on the following made by employees and workers

	FY 23			FY 22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working conditions	Nil	Nil	NA	Nil	Nil	NA
Health & Safety	Nil	Nil	NA	Nil	Nil	NA

14. Assessments for the year

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices*	100
Working conditions*	100

* Applicable to our manufacturing plants only

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

The organisation is committed to ensuring a safe and healthy working environment across its business segments. Continuous efforts are made to identify and address safety-related incidents, as well as to mitigate significant risks and concerns arising from assessments of health and safety practices and working conditions. Corrective actions have been taken or are underway to rectify any observed safety issues and improve safety measures. Regular audits and assessments are conducted to monitor compliance, identify areas for improvement, and promote a proactive approach towards occupational health and safety.

In the MZN unit, corrective actions were taken to address safety observations raised by MI Safety Audit and TPI Audit. Best practices were implemented at the premises.

In the SBT unit, Root Cause Analysis (RCA) and Corrective and Preventive Actions (CAPA) were carried out to address any identified safety concerns. In the MNP unit, plans are underway to conduct a Safety Audit by external firms to evaluate the safety system.

In Power Transmission Business, old hoist units were replaced with new ones, and fume extractors were provided for the machines to enhance safety measures.

Leadership Indicators

1. **Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).**

   The entity places a strong emphasis on providing financial protection and support to the families of employees and workers in the unfortunate event of their death. As part of this commitment, life insurance coverage and compensatory packages are extended across all the business segments. This ensures that the families of employees and workers are provided with the necessary financial assistance during such challenging times.

2. **Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.**

   The entity has implemented measures to ensure that statutory dues are deducted and deposited by value chain partners. Further we track the GST charged by value chain partners to ensure the deposition with the government. It not only ensures GST related compliances but also allows us to take input credit without any violations.

   For services provided by vendors and contractors, additional checks are carried out to ensure compliance with statutory requirements. The entity verifies the amounts deducted for Provident Fund (PF), Employee State Insurance (ESI), and GST for each vendor or contractor. This ensures that the necessary deductions have been made and will be remitted to the respective authorities as required by law.

   By implementing these measures, the entity aims to fulfil its legal obligations and uphold compliance standards regarding statutory dues. These checks and verifications play a vital role in ensuring that value chain partners adhere to relevant regulations, fostering transparency and accountability in financial transactions. It is important to note that the entity maintains a diligent approach to statutory compliance, promoting a trustworthy and compliant value chain ecosystem.

3. **Provide the number of employees / workers having suffered high consequence work-related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:**

   Nil, there were no high consequence work-related injury / ill-health / fatalities during the year as well as in the previous year.

4. **Does the entity provide transition assistance programmes to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/No)**

   Yes, the entity provides transition assistance programmes to support employees in managing career endings resulting from retirement or termination of employment. Specifically, counselling sessions are arranged for retiring employees and their spouses to help them plan for their upcoming life after retirement. These sessions aim to provide guidance, support, and resources for individuals to navigate the transition effectively and explore new opportunities for continued employability or personal fulfilment. The entity acknowledges the importance of facilitating a smooth career transition for its employees and takes proactive steps to assist them during this phase of their professional journey. In certain cases, extension of employment post retirement is also provided.

5. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety conditions Working conditions	During the current financial year (FY 2022-23), no assessment audits were conducted on the parameters mentioned. However, we acknowledge the importance of evaluating value chain partners and their compliance with the various criteria. We maintain regular and ongoing interactions, especially with our farmers, to review and ensure adherence to the best working conditions and safety practices as regards delivery of sugarcane to the factory or to the out centres. These interactions provide us with valuable insights and allow us to address any concerns or improvements needed in real-time. By maintaining continuous engagement with our farmers, we foster a strong partnership based on mutual trust and respect. We encourage them to voice their concerns and suggestions, as their feedback is crucial in our ongoing efforts to improve working conditions and safety standards.

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

During the reporting period, no assessments were carried out to evaluate the health and safety practices and working conditions of value chain partners.

Principle 4: Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

At Triveni, we place great importance on identifying and engaging with our key stakeholder groups. We employ a systematic approach to identify and prioritise our key stakeholders based on their level of influence over the company and the potential impact caused by our business actions.

Our process begins by conducting a comprehensive internal stakeholder analysis, which involves examining the various stakeholders associated with our organisation and their relationships to our operations. This analysis helps us understand the expectations, concerns, and interests of each stakeholder group. We also take into consideration the potential implications of our decisions and actions on different stakeholders. This includes evaluating the social, environmental, and economic impact of our activities, as well as considering any potential risks or opportunities that may arise for our stakeholders.

To formalise and strengthen our engagement with stakeholders, we have developed a detailed 'Stakeholder Engagement' policy. This policy outlines the guidelines and procedures for actively involving stakeholders in our decision-making processes and fostering meaningful dialogue and collaboration. Through this policy, we establish clear channels of communication, feedback mechanisms, and platforms for engagement with our key stakeholders. We aim to build constructive relationships based on transparency, trust, and mutual respect. By continuously engaging with our key stakeholder groups and incorporating their feedback into our decision-making processes, we strive to enhance our performance, build trust, and create shared value for all our stakeholders.

2. **List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.**

Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half Yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Investor/ Shareholder	-	Annual General Meeting, shareholder meetings, annual report, quarterly results, media releases, company website, email, Stock Exchange (SE) announcements, face-to-face meetings / conference calls, investor conferences	Ongoing	Share price discussion, dividends, risks and threats, competitiveness and financial stability, growth perspective
Government	-	Meetings with local / state / national government and ministries through industry associations, conferences, press releases	Ongoing	Policy advocacy, business disclosures
Supplier/ vendor/ third party manufacturer	-	Discussions, email, events, communication and partnership meetings	Ongoing	Performance & sustainability, brand building, dialogue for transparency
Media	-	Press briefs, mails, meetings	Ongoing	
Employees/ trainees/ workers	-	Internal portal, email, survey tools, town-hall, meetings	Ongoing	Learning, career advancement, well-being programmes, employee appreciation, work-life balance
NGO	Yes	Meetings, engagement through CSR implementation arm	Ongoing	Community development aspect discussion, awareness, training, Health check-ups, installation of solar lights, various basic infrastructure related activities
Farmers	Yes	Message, meetings, advertisements, notice boards	Ongoing	Training, Soil testing, feedback, procurement, others

Leadership Indicators

1. **Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

At Triveni, we recognise the importance of stakeholder consultation and engagement to ensure effective communication and collaboration with our stakeholders. The process of consultation is typically carried out within our business segments, with our business heads or departmental leaders taking the lead based on the specific requirements of the consultation.

To facilitate meaningful dialogue and information exchange, we have established a strategic engagement procedure. This procedure outlines the steps and mechanisms through which we gather information, seek feedback, and address concerns from our stakeholders. By actively engaging with our stakeholders, we aim to foster a sense of inclusivity and ensure that their perspectives are considered when making decisions.

The information, feedback, concerns, and issues identified during the consultation process are then escalated to the relevant authorities within our organisation. These authorities are responsible for reviewing and addressing the identified issues, ensuring that appropriate actions are taken to address the concerns raised by our stakeholders.

By implementing this consultation and engagement process, we strive to maintain transparent and constructive relationships with our stakeholders. This allows us to understand their expectations, align our actions with their needs, and build a foundation of trust and mutual respect. We are committed to continuously improving our stakeholder engagement efforts and using the feedback received to drive positive change within our organisation.

2. **Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

   Yes, stakeholder consultation plays a crucial role in supporting the identification and management of environmental and social topics. We believe in a proactive approach to address these issues and actively seek input from our stakeholders to inform our policies and activities.

   During various events, conferences, and engagement sessions, we provide opportunities for stakeholders to voice their concerns, provide feedback, and share their perspectives on environmental and social topics. The inputs received from these interactions are carefully documented and reported to the management team. The management team then reviews and analyses the stakeholder inputs, considering their relevance, feasibility, and alignment with our organisational values and objectives. If the inputs are deemed valuable and aligned with our sustainability goals, they are further discussed and presented to the board of directors. The board plays a crucial role in decision-making and policy formulation. They consider the stakeholder inputs alongside other relevant factors, such as regulatory requirements, industry best practices, and internal expertise. If the inputs are found to be consistent with our strategic direction and in the best interest of our stakeholders, they are incorporated into our policies and activities.

   The incorporation of stakeholder inputs into our policies and activities demonstrates our commitment to stakeholder engagement and ensuring that our decisions and actions reflect their concerns and expectations. We recognise the value of diverse perspectives and the importance of addressing environmental and social topics in a responsible and sustainable manner. By incorporating stakeholder inputs into our policies and activities, we strive to enhance our environmental and social performance, align our operations with stakeholder expectations, and contribute to the long-term well-being of our stakeholders and the communities in which we operate.

3. **Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalised stakeholder groups.**

   The Company is regularly engaged with the farmers to advise them on best agricultural practices to produce disease free healthy crop along with maximum yield while maintaining the quality of soil. It helps the farmers to enhance their income. Further we make timely payment of the cane price as decided by the State Government. It all adds to the well-being of the farmer community in our command area. Similarly, we ensure timely payment to all our vendors, particularly MSMEs. Further, our CSR programme is directed towards weaker section of the community and we carry it either directly or through expert agencies for better and effective deliveries.

   The company is deeply committed to an integrated development approach that places significant importance on fostering regular engagement with communities belonging to vulnerable and marginalised sections of society. We recognise the need to create an inclusive atmosphere where the concerns and challenges faced by these communities are given due attention.

   To fulfil this commitment, we actively seek opportunities to engage with these communities, building meaningful relationships and establishing channels of communication. Through open dialogues, we strive to understand their unique needs, aspirations, and the obstacles they face. This engagement serves as a foundation for our initiatives, which are specifically designed to bring about positive change and improve the lives of individuals within these communities.

Principle 5: Businesses should respect and promote human rights

Essential Indicators

1. **Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:**

Category	FY 23			FY 22		
	Total (A)	No. of employees / workers covered (B)	% (B/A)	Total (C)	No. of employees / workers covered (D)	% (D/C)
Employees and workers						
Permanent Other than permanent Total employees	The Company firmly believes in the following principles of human rights: - All human beings are equal in dignity and rights. - They are endowed with reason and conscience and should act towards one another in a spirit of brotherhood. - Everyone is entitled to all the rights and freedoms, without distinction of any kind, such as race, colour, sex, language, religion, national or social origin, property, birth or other status. While we do not have a formal policy, employees and workers undergo regular sensitisation on various human rights policies with a view to promote awareness and understanding of fundamental human rights principles. Each workplace also has the approved standing orders in place which covers the entire gamut and also mentions healthy work practices as prescribed under the Model Code of Conduct Act.					

2. **Details of minimum wages paid to employees and workers, in the following format:**

Category	FY 23					FY 22				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent	999	-	-	999	100	899	-	-	899	100
Male	960	-	-	960	100	857	-	-	857	100
Female	39	-	-	39	100	42	-	-	42	100
Other than Permanent	48	-	-	48	100	37	-	-	37	100
Male	47	-	-	47	100	36	-	-	36	100
Female	1	-	-	1	100	1	-	-	1	100
Workers										
Permanent	1492	-	-	1492	100	1454	-	-	1454	100
Male	1486	-	-	1486	100	1448	-	-	1448	100
Female	6	-	-	6	100	6	-	-	6	100
Other than Permanent	1837	-	-	1837	100	1790	-	-	1790	100
Male	1837	-	-	1837	100	1790	-	-	1790	100
Female	-	-	-	-	-	-	-	-	-	-

3. **Details of remuneration/salary/wages, in the following format:**

	Male		Female	
	Number	Median remuneration/ salary/wages of respective category	Number	Median remuneration/ salary/wages of respective category
Board of Directors (BoD)*	1	₹ 871.76 lakh	-	-
Key Managerial Personnel (KMP)	1	₹ 268.76 lakh	1	₹ 113.63 lakh
Employees other than BoD and KMP	1006	₹ 12.70 lakh	39	₹ 11.51 lakh
Permanent Workers	1486	₹ 4.65 lakh	6	₹ 4.73 lakh

* Includes only Vice-chairman and Managing Director, who is also a KMP. Other directors, not drawing any remuneration or entitled for only sitting fee and commission, are not considered here.

4. **Do you have a focal point (Individual/Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)**

Yes, the entity has a designated focal point consisting of the Corporate Vice President of Human Resources (VP-HR) and Unit HR Heads who are responsible for addressing human rights impacts or issues caused or contributed to by the business. This focal point plays a crucial role in ensuring the integration of human rights considerations into the entity's policies, practices, and decision-making processes. They work collaboratively to establish a framework that promotes and upholds human rights within the organisation.

The VP-HR and Unit HR Heads take on several responsibilities to address human rights impacts. They develop and implement human rights policies and guidelines, ensuring that employees and stakeholders are aware of their rights and responsibilities. They also oversee the establishment of monitoring mechanisms to identify and address potential human rights risks or violations, conducting regular assessments and audits. Additionally, they engage with relevant internal and external stakeholders to stay informed about emerging human rights trends and best practices, enabling the entity to proactively respond to evolving challenges.

By having a dedicated focal point, the entity demonstrates its commitment to respecting human rights and create a workplace environment that values and protects the rights of its employees, stakeholders, and the communities it operates in. The collective expertise and efforts of the VP-HR and Unit HR Heads contribute to embedding a culture of human rights throughout the organisation and ensuring the entity's operations are aligned with ethical standards and international human rights principles.

5. **Describe the internal mechanisms in place to redress grievances related to human rights issues.**

The entity has implemented several internal mechanisms to effectively address grievances related to human rights issues. These mechanisms are designed to ensure a fair and respectful work environment for all employees. Firstly, the entity follows an Open-Door policy, which encourages employees to approach their immediate supervisors, managers, or higher authorities to express their concerns or grievances. This policy promotes open communication and provides a platform for employees to seek resolution for any human rights-related issues they may encounter. In addition to the Open-Door policy, the entity has implemented transparent processes for grievance redressal. These processes outline clear steps for reporting and investigating complaints related to human rights violations. They ensure that all complaints are taken seriously, thoroughly investigated, and appropriate actions are taken to address the issues at hand.

Furthermore, the entity has well-defined policies in place to specifically address various human rights issues. These policies include guidelines on Sexual Harassment, Whistleblower Protection, Employment of Relatives, and Business Dealings of Relatives with the Company and Equal opportunity for employees. These policies provide employees with a framework to report incidents and seek resolution in a confidential and protected manner. By implementing these internal mechanisms, the entity demonstrates its commitment to maintaining a safe, inclusive, and rights-respecting workplace. These mechanisms not only provide avenues for individuals to voice their concerns but also ensure that appropriate actions are taken to address human rights grievances and prevent future occurrences.

6. **Number of Complaints on the following made by employees and workers:**

	FY 23			FY 22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment Discrimination at Workplace Child Labour Forced Labour/ Involuntary Labour Wages	The entity is pleased to report that there have been no complaints made by employees and workers regarding the following issues: discrimination at the workplace, sexual harassment, child labour, forced labour/involuntary labour, wages or any other human rights related issues. This reflects the entity's commitment to maintaining a work environment that upholds human rights, respects diversity, and ensures fair and ethical practices. To prevent and address these concerns, the entity has implemented robust policies and procedures. These policies explicitly prohibit discrimination, sexual harassment, child labour, and forced labour, while also ensuring that employees and workers receive fair wages. The entity regularly communicates and reinforces these policies through awareness programmes and training initiatives to foster a culture of respect, inclusivity, and compliance with human rights standards. The absence of complaints demonstrates that the entity's efforts in promoting a safe and rights-respecting workplace are effective. It is a testament to the entity's commitment to upholding human rights principles, fostering a positive work environment, and providing employees and workers with the necessary support and resources to address any concerns that may arise.					

7. **Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.**

The entity has established comprehensive mechanisms to prevent adverse consequences for complainants in cases of discrimination and harassment. Specifically, the entity has implemented policies on Sexual Harassment and Whistleblower Protection, which outlines clear procedures to safeguard the confidentiality and well-being of the complainant while ensuring appropriate actions are taken against the guilty party. These policies provide a framework for reporting incidents, conducting impartial investigations, and taking disciplinary measures as necessary.

To further support the prevention of adverse consequences, each manufacturing unit of the entity has a dedicated "Works Committee" in compliance with the relevant laws and regulations. These committees serve as an additional channel for addressing grievances related to discrimination and harassment. They provide a platform for employees and workers to voice their concerns, seek resolution, and contribute to a safe and inclusive work environment.

By incorporating these mechanisms, the entity demonstrates its commitment to creating a workplace culture that upholds the rights and dignity of all individuals. These measures not only protect the complainants but also act as a deterrent against discrimination and harassment, promoting a respectful and inclusive work environment for all employees and workers.

8. **Do human rights requirements form part of your business agreements and contracts? (Yes/No)**

While these presently do not form part of the agreements and contracts, we regularly sensitise the counter party to give due consideration to human rights measures upheld by the Company and encourage them to follow the same. It is important to inform our partners about our sustainability values and belief and provide motivation to them to follow. Accordingly, based on the progress achieved, these will be incorporated in the agreements.

9. Assessments of the year

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	During the year, our entity (plants only) underwent various assessments pertaining to child labour, forced/involuntary labour, sexual harassment, discrimination at the workplace, and wages. Two of our sugar units are certified under the Coca Cola supplier Guiding Principles. These certifications involve rigorous audits conducted by their nominated auditors, focussing on HR processes and related compliance measures. In addition to the specific certifications, our entity also undergoes regular audits to ensure compliance with ISO and FSSAI standards across all units. These audits encompass a wide range of areas, including human rights considerations. Furthermore, statutory inspections conducted by appropriate authorities are also part of our routine assessments. These comprehensive assessments serve as important tools to evaluate our entity's adherence to human rights standards and ensure compliance with relevant regulations. They provide insights into areas such as child labour prevention, forced labour elimination, prevention of sexual harassment, promotion of non-discrimination, and fair wage practices. By undergoing these assessments, we demonstrate our commitment to maintaining high ethical standards and creating a safe and inclusive work environment for our employees and workers.
Forced/involuntary labour	
Sexual harassment	
Discrimination at workplace	
Wages	

10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.

The entity ensures that all significant risks and concerns identified through assessments are promptly addressed with appropriate corrective actions. Following a thorough investigation into the identified issues, the entity implements targeted measures to mitigate the risks and address the concerns.

Corrective actions may include revising policies and procedures, enhancing training programmes, strengthening monitoring and auditing mechanisms, and establishing robust internal controls. The entity prioritises collaboration with relevant stakeholders, both internal and external, to ensure that the corrective actions are comprehensive, effective, and sustainable.

Furthermore, the entity maintains a proactive approach to continuous improvement, regularly reviewing and updating its practices to prevent the recurrence of identified risks and concerns. By diligently following proper investigation processes and implementing necessary measures, the entity is committed to addressing any significant risks or concerns and fostering a culture of compliance, transparency, and accountability.

Leadership Indicators

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/ complaints.

In response to addressing human rights grievances and complaints, our entity has implemented modifications and introduced new processes to further strengthen our commitment to human rights. Specifically, our policies on Sexual Harassment, Whistleblower Protection and Equal Opportunity Policy have been enhanced/introduced to ensure the confidentiality of complainants while ensuring swift and decisive actions against those found guilty.

To facilitate the resolution of human rights concerns, each of our manufacturing units has established a Works Committee in compliance with the relevant acts. These committees serve as dedicated forums for addressing grievances and ensuring adherence to human rights standards.

By modifying and introducing these processes, our entity aims to create a safer and more inclusive work environment, where the rights and well-being of all individuals are protected. These measures reinforce our commitment to upholding human rights, fostering a culture of respect, and continuously improving our practices to address any grievances that may arise.

2. **Details of the scope and coverage of any Human rights due-diligence conducted**

In line with our core values of human respect and dignity, our entity conducts comprehensive human rights due diligence across various aspects of our operations. Our commitment extends to interactions with both internal and external stakeholders, ensuring that human rights considerations are central to our business practices.

We maintain compliance with all statutory requirements pertaining to our employees, encompassing areas such as labour laws, workplace safety, non-discrimination, and fair employment practices. This includes adhering to relevant regulations, standards, and codes of conduct that safeguard human rights in the workplace.

Furthermore, our due diligence efforts encompass ongoing monitoring and assessment of our supply chain to identify and address any potential human rights risks or impacts. We collaborate with our suppliers and partners to promote responsible practices and uphold human rights throughout our value chain.

By conducting comprehensive human rights due diligence, our entity strives to create an environment that respects and upholds the rights of individuals involved in our operations. We remain committed to continuous improvement, working towards mitigating risks, and ensuring that our business practices align with the highest human rights standards.

3. **Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**

Yes, our premises / offices are accessible to differently abled employees and workers, wherever there is a requirement for use. We regularly review the requirements and are committed to provide easy access.

Moreover, we recognise the importance of assistive technologies, and our premises are equipped with appropriate accommodations to support individuals with different types of disabilities. Our dedicated staff members receive regular training to provide assistance and support to differently abled visitors, ensuring their comfort and convenience throughout their visit. By adhering to the requirements of the Rights of Persons with Disabilities Act, we are committed to promoting inclusivity and providing an accessible environment that respects the rights and dignity of all individuals.

4. **Details on assessment of value chain partners:**

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual harassment Discrimination at workplace Child labour Forced/involuntary labour Wages	As of FY 2021-22, no specific audits or assessments were conducted for value chain partners. The company recognises the significance of maintaining dignity and respect for all human beings without curtailing their freedom or rights or discriminating them on the basis of their origin, case or ethnicity. Regular reviews and evaluations will be implemented to ensure the well-being of all value chain partners and promote a culture of safety and responsibility

5. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.**

During the reporting period, no specific assessments were conducted on value chain partners. However, the company acknowledges the importance of assessing and addressing potential risks and concerns related to value chain partners. To ensure a proactive approach towards risk management and continuous improvement, the company is committed to considering future assessments of value chain partners. These assessments will enable a comprehensive evaluation of their performance, adherence to standards, and identification of any potential risks or concerns.

Principle 6: Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. **Details of total energy consumption (in Giga Joules (GJ)) and energy intensity, in the following format:**

Parameter	FY 23	FY 22
Total electricity consumption (A) from grid	8099.10	6668.10
Total fuel consumption (B) - Bagasse, HSD and Slope	19302083.39	15783637.09
Energy consumption through other sources (C) - Wind energy from grid	13788	12222.36
Total energy consumption (A+B+C)	19323970.49	15802527.55
Energy intensity per rupee of turnover (Total energy consumption/turnover in rupees)	0.000306	0.000338

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

2. **Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.**

Not applicable for FY 23.

3. **Provide details of the following disclosures related to water, in the following format:**

Parameter	FY 23	FY 22
Water withdrawal by source (in kilo litres)		
(i) Surface water	-	-
(ii) Groundwater	1807179	1452221.73
(iii) Third party water (Municipal water supplies)	9571.44	7475.51
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	1816710.44	1459697.24
Total volume of water consumption (in kilolitres)	1816710.44	1459697.24
Water intensity per rupee of turnover (Water consumed / turnover)	0.000029	0.000031

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No, the Company intends to arrange independent assessments / evaluation during FY 24

4. **Has the entity implemented a mechanism for Zero Liquid Discharge (ZLD)? If yes, provide details of its coverage and implementation.**

In the Power transmission, the entity has implemented a comprehensive mechanism for Zero Liquid Discharge. The sewage water is efficiently treated through an advanced Effluent Treatment Plant (ETP) and subsequently utilised for gardening purposes. Additionally, the unit has a rainwater storage capacity of 8.0L, which is further utilised for gardening and cooling tower applications, ensuring minimal water wastage.

In the Distillery business, specific measures have been taken to achieve Zero Liquid Discharge. In the case of all distilleries, advanced technologies such as evaporation and incineration for effective treatment of effluents have been installed.

5. **Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:**

Parameter	Please specify unit	FY 23	FY 22
NOx	mg/NM3	-	-
SOx	mg/NM3	-	-
Particulate matter (PM)	mg/NM3	67.00	67.16
Persistent organic pollutants (POP)	mg/NM3	-	-
Volatile organic compounds (VOC)	mg/NM3	-	-
Hazardous air pollutants (HAP)	mg/NM3	-	-

NOx and SOx are almost negligible due to the use of bagasse, a bio-mass renewable fuel.

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

6. **Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format*:**

Parameter	Unit	FY 23	FY 22
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available) Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available) Total Scope 1 and Scope 2 emissions per rupee of turnover Total Scope 1 and Scope 2 emission intensity	Metric tonnes of CO2 equivalent	Emissions under scope 1 & 2 are technically estimated to be negligible as we are mainly using renewable source of energy.	Emissions under scope 1 & 2 are technically estimated to be negligible as we are mainly using renewable source of energy.

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

7. **Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.**
The Company is actively committed to sustainability and continuously explores opportunities to minimise its environmental impact. We employ various strategies and initiatives throughout its operations to promote energy efficiency, optimise production processes, and incorporate eco-friendly materials. The Company remains dedicated to environmental stewardship and will continue to assess and implement measures to reduce greenhouse gas emissions in the future.

8. **Provide details related to waste management by the entity, in the following format:**

Parameter	FY 23	FY 22
Total Waste generated (in metric tonnes)		
Plastic waste (A)	290.75	305.91
E-waste (B)	7.91	6.87
Bio-medical waste (C)	0.20	0.12
Construction and demolition waste (D)	0.00	0.00
Battery waste (E)	6.16	2.44
Radioactive waste (F)	0.00	0.00
Other Hazardous waste (G): Used/Waste Oil	10.50	7.23
Other Hazardous waste (G): Empty/Metal Oil	2.80	1.80
Other Non-hazardous waste generated (H): ETP Sludge*	3,299.72	2,395.80
Other Non-hazardous waste generated (H): MS Turning & Boring Scrap	356.00	272.60
Other Non-hazardous waste generated (H): Wooden Scrap	30.00	24.31
Total (A + B + C + D + E + F + G + H)	**4,004.04**	**3,017.08**

* ETP sludge generated at distillery units & is applicable in case of molasses/sugarcane syrup-based operations only.

	FY 23	FY 22
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	0	0
(ii) Re-used	0	0
(iii) Other recovery operations	0	0
Total	0	0
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	5.57	5.42
(ii) Landfilling	0	0
(iii) Other disposal operations**	3998.47	3011.66
Total	4004.04	3017.08

** includes ETP sludge which is rich in nutrients for the soil has been mainly distributed to farmers

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

9. **Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your Company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.**

There are three kinds of wastes which are required to be dealt with the Company: a) Manufacturing wastes, b) E-waste, and c) Plastic waste. Additionally, in the manufacture of sugar, some by-products, namely, Bagasse, Molasses and Press mud, are generated.

Waste Management Practices: In the Power transmission business, effective waste management practices are in place. Hazardous waste such as plastic, oil, and empty barrels are stored in designated areas under a secure roof, ensuring proper containment. These waste materials are then disposed of through authorised vendors approved by the Karnataka State Pollution Control Board (KSPCB) for recycling or reprocessing. Additionally, steps are taken to recover oil from centrifuges to minimise procurement requirements. Wherever possible, wooden packing is reused to reduce waste generation.

Within the Distillery business, all units have adopted state-of-the-art technology for waste minimisation. This includes implementing advanced processes and equipment to effectively manage and reduce waste generation throughout the distillery operations. Waste products of the distillery, spent wash / slop, is burnt in the incineration boilers as fuel.

In the Sugar business, hazardous waste such as oil and grease are appropriately managed by providing it to authorised distributors. This ensures the proper disposal and management of hazardous waste materials in compliance with regulatory guidelines.

The disposal of E-waste and plastics are made to the Licensed vendors who are authorised to deal with such wastes.

Management of By-Products: Bagasse is used in the generation of steam and power. After meeting captive power requirements, surplus power is sold to the state electricity board. Molasses are used to produce Ethanol / ENA in the Distilleries. Press mud is sold / provided to the farmers as a bio-fertilisers.

Reduce usage of hazardous and toxic chemical: To reduce the usage of hazardous and toxic chemicals in products and processes, the Company follows a comprehensive strategy. This involves conducting thorough evaluations and assessments of chemicals used, actively seeking alternatives to hazardous substances, and adopting safer and more environmentally friendly options. Waste management practices are implemented to handle and dispose of any hazardous waste generated in compliance with regulatory requirements. By adopting these practices, the Company aims to minimise the environmental impact of its operations and promote sustainable waste management.

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

S. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
			NA

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
New Distillery Project at Raninangal-Proposed multifeed distillery	NO. IA-J-11011/89/2021-IA-II(I), DATED : Jan'2023 (study period Oct'22 to Dec'22)	10/01/2023	Yes	Yes	-

12. Is the entity compliant with the applicable environmental law/regulations/guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment Protection Act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
		Yes, we are complying with the applicable norms		

Leadership Indicators

1. Provide break-up of the total energy consumed (in GJ) from renewable and non-renewable sources, in the following format:

Parameter	FY 23	FY 22
From renewable sources		
Total electricity consumption (A)	0	0
Total fuel consumption (B) - Bagasse + Slope	19281789.93	15749426.09
Energy consumption through other sources (C) - Wind energy from grid	13788.00	12222.36
Total energy consumed from renewable sources (A+B+C)	19295577.93	15761648.45
From non-renewable sources		
Total electricity consumption (D) - Import from grid	8099.10	6668.10
Total fuel consumption (E) – HSD	20293.46	34211
Energy consumption through other sources (F)	-	-
Total energy consumed from non-renewable sources (D+E+F)	28392.56	40879.10

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

2. Provide the following details related to water discharged:

Parameter	FY 23	FY 22
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(ii) To Groundwater	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(iii) To Seawater	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(iv) Sent to third-parties	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(v) Others	0	0
- No treatment	925.8	671.25
- With treatment – The sugar factory's wastewater undergoes treatment in a specialised ETP, reaching the tertiary stage. After treatment, the water is mainly used for irrigation by farmers.	1000810.92	972971.16
Total water discharged (in kilolitres)	1001736.72	973642.41

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, independent assessments and evaluations have been conducted by external agencies. Third-party inspections are carried out annually on behalf of organisations such as CPCB, UPPCB, and MoEF. These inspections are performed by expert teams from agencies like NSI, VSI, and others

3. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres)

We do not have any operations in areas of water stress, so this is not applicable to our situation.

4. Please provide details of total Scope 3 emissions & its intensity, in the following format*:

Parameter	Unit	FY 23	FY 22
Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	-	-
Total Scope 3 emissions per rupee of turnover		-	-
Total Scope 3 emission intensity (optional)		-	-

* Triveni at present does not collect and capture this data

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

NA

5. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along with prevention and remediation activities.

Not Applicable

6. **If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:**

S. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along with summary)	Outcome of the initiative
1	Decanter used in ETP	Separation of solids from effluent improving the downstream treatment system at our sugar units	Total Suspended Solids (TSS) has come down which helped the downstream system to achieve best parameters than standard norms.
2	Diffusers for the ETP	State-of-the-art diffusers are utilised to enhance aeration within the tanks of the ETPs at our sugar units	Enhanced aeration leads to an improved performance of the Effluent Treatment Plant and reduce the pollutant load in the discharged effluent when compared to standard norms.
3	Energy saving measure	Replacement of MH lamps by Induction lamp at our Power Transmission Unit	50% reduction in electrical energy consumption than the convention MH lamps
4	Waste reduction	Oil recovery through a centrifuge system installed at Power Transmission unit	Oil is recycled through a centrifuge system to have a prolonged life and reduce hazard waste generation
5	Energy saving measure	VFD installed for Blowers at our Power Transmission unit and a distillery unit.	Based on the requirement, the motor speed is regulated with VFD which facilitated 10% energy conservation
6	Energy saving measure	Purchase of renewable energy (wind energy)	Facilitate better environmental condition by reducing GHG emission
7	Air emission control measure	Installed bag filter in the incineration boiler which reduces the emission of PM (Particulate matter) in a distillery unit.	Reduction of PM in air emission as well as capturing the maximum potash ash from the flue gas which is used as a fertiliser
8	Water conservation and recycling	Installed a Condensate Polishing Unit (CPU) in distillery units	Waste water generated from process is treated in CPU to achieve ZLD as well as recycle the water back to process which facilitates water conservation

Additionally, our Water Business is engaged in water / effluent / sewage treatment to conserve water resources and to make the water fit for recycling and reuse. Some of the technologies used by the Water business are:

Technology	Outcomes
Conventional/Activated Sludge Process (ASP)	Wastewater Treatment with Biogas generation and power production
Sequential Batch Reactor (SBR)	Wastewater Treatment of Municipal & Industrial applications.
Moving Bed Biofilm Reactor (MBBR)	Biological technology used for wastewater treatment process for Municipal & Industrial application
Ultra-Filtration (UF)	Tertiary treatment of Wastewater
Reverse Osmosis (RO)	Sea Water/Brackish Water Desalination, Recycle & Reuse of Wastewater.

7. **Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.**
Yes, Triveni has a comprehensive Business Continuity and Disaster Management Plan in place to ensure the organisation's resilience in the face of unexpected events or disruptions. The plan outlines strategies, procedures, and protocols to effectively manage and mitigate risks, ensuring the continuity of critical business operations.

Triveni's Business Continuity and Disaster Management Plan includes a thorough assessment of potential risks and vulnerabilities, such as natural disasters, technological failures, pandemics, or other unforeseen events. It defines roles, responsibilities, and escalation protocols to ensure a coordinated response during emergencies.

The plan encompasses measures to safeguard essential data, maintain communication channels, and establish alternate work arrangements to ensure uninterrupted service delivery to customers. It also outlines procedures for assessing and prioritising critical business functions, implementing emergency response strategies, and facilitating the recovery and restoration of operations.

Regular testing, training, and review mechanisms are integral to Triveni's Business Continuity and Disaster Management Plan. These practices ensure that the plan remains up to date, aligns with evolving risks, and enables swift and effective response and recovery in times of crisis.

8. **Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.**
No, we do not expect any significant impact to the environment arising from the value chain of the entity due to the nature of products being procured from them and also, due to the fact that in the major Sugar business of the Company, sugarcane forms the largest constituent of the raw materials which is purchased directly from the farmers of our command area.

9. **Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.**
During the fiscal year 2022-23, no specific audits or assessments were conducted to evaluate the environmental impacts of value chain partners. The Company recognises the importance of assessing and monitoring environmental performance throughout the value chain, and it remains committed to considering such assessments in the future.

Principle 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. a. **Number of affiliations with trade and industry chambers/associations.**
06

b. **List the top 10 trade and industry chambers/associations (determined based on the total members of such a body) the entity is a member of/affiliated to.**

S. No.	Name of the trade and industry chambers/associations	Reach of trade and industry chambers/associations (State/National)
1	Indian Sugar Mills Association	National
2	UP Sugar Mills Association	State
3	Confederation of Indian Industry	National
4	Federation of Indian Chambers of Commerce & Industry	National
5	American Gear Manufacturer Association (USA)	International
6	Quality Circle Forum of India	National

2. **Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.**

Name of authority	Brief of the case	Corrective action taken
	Nil	

Leadership Indicators

1. **Details of public policy positions advocated by the entity:**

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in the public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half Yearly/ Quarterly / Others – specify)	Web Link, if available
The entity is committed to actively engaging in public policy discussions and initiatives. It aims to provide proper perspective for the proper policies to evolve in the best interest of the industry and its specific activities. These initiatives are generally taken through various industry associations of which our Company is a member as it recognises the importance of collective action. Through proactive participation, suggestions, recommendations, and expertise, proper facts and implications are submitted to the Government for appropriate decision-making that foster growth, innovation, and sustainability.					

Principle 8: Businesses should promote inclusive growth and equitable development

Essential Indicators

1. **Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.**

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
No SIA was undertaken in the reporting period					

2. **Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:**

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In ₹)
Nil						

3. **Describe the mechanisms to receive and redress grievances of the community.**

In our Sugar business in particular, which are all located in the rural areas, our cane staff is continually engaged with the farmer community surrounding our sugar mills. During the engagement process, a lot of feedback, suggestions or complaints are communicated as they expect the sugar mill to play an important role in the resolution of their problems. Such feedback could be relating to education, healthcare, drinking water, flooding and drainage issues, access roads and other developmental needs. The Company takes up proactive steps to resolve such issues and those beyond its control are taken up with the local district authorities. In order to serve the community better, the Company also endeavours to provide sustainable solutions by aligning such issues with Corporate Social Responsibility (CSR) function.

By integrating the CSR function into our community grievance redressal mechanisms, we reinforce our commitment to responsible and community-oriented practices. We value the engagement with the community and recognise the vital role it plays in shaping our initiatives and fostering trust between Triveni and the community we serve.

4. **Percentage of input material (inputs to total inputs by value) sourced from suppliers:**

	Business Segments	FY 23 (%)	FY 22 (%)
Directly sourced from MSMEs/small producers/ farmers	Sugar*	76.85	76.36
	Alcohol	0.46	0.12
	Power Transmission	0.66	0.39
	Water Solution	0.72	0.10
Sourced directly from within the district and neighbouring districts	Sugar*	84.68	83.07
	Alcohol	6.86	2.68
	Power Transmission	1.08	0.46
	Water Solution	1.58	2.12

* includes purchase of sugarcane from farmers which are within the district and neighbouring districts

Leadership Indicators

1. **Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):**

Details of negative social impact identified	Corrective action taken
The Company did not conduct any 'Social Impact Assessment' during the reporting year	

2. **Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:**

S. No.	State	Aspirational District	Amount spent (In ₹)

Triveni did not have specific CSR projects targeting designated aspirational districts during the reporting year. However, our commitment to making a meaningful impact through CSR initiatives remains strong. We employ a comprehensive community need assessment mechanism as well as our organisational strength to make effective delivery in certain sectors of social importance, to identify and prioritise the focus sectors for our CSR programme. Through this approach, we strive to create sustainable outcomes that contribute to community development. We continuously evaluate and adapt our efforts to maximise our positive impact.

Triveni recognises the importance of collaboration and partnerships in achieving long-lasting change. We actively engage with the relevant stakeholders, including local community leaders, NGOs, and government bodies, to foster meaningful relationships and leverage collective expertise. By working together, we aim to amplify the impact of our CSR initiatives and create a shared vision for sustainable development. Through these collaborative efforts, we remain dedicated to making a positive difference in the lives of the communities we serve and contributing to a brighter future.

3. (a) **Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalised /vulnerable groups? (Yes/No)**

   Yes, subject to their meeting the specifications of our requirement.

   (b) **From which marginalised/vulnerable groups do you procure?**

   In Sugar business, we purchase sugarcane from farmers in our command areas. We give preference to vendors located in the vicinity of our area of operation. Further, we also give preference to MSME if they are capable of meeting our technical and commercial requirements.

   (c) **What percentage of total procurement (by value) does it constitute?**

   Sugarcane purchase and procurement from MSME constitutes 68% of the total purchases in FY 23.

4. **Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:**

S. No.	Intellectual Property based on traditional knowledge	Owned/Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating benefit share
		Nil		

5. **Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.**

Name of authority	Brief of the Case	Corrective action taken
	Not applicable	

6. **Details of beneficiaries of CSR Projects:**

S. No.	CSR Project	No. of persons benefited from CSR Projects	% of beneficiaries from vulnerable and marginalised groups
1	Support to Nursing School of a charitable hospital	88	Triveni is dedicated to fulfilling its CSR obligations through initiatives that target underprivileged communities, particularly vulnerable and marginalised groups. We monitor and review our projects to maximise their impact and contribute to sustainable development. We believe in the importance of collaboration and partnerships to amplify the impact of our CSR efforts. By working together with local community leaders, NGOs, and government bodies, we leverage collective expertise and resources to address social and environmental challenges effectively. Through these collaborations, Triveni strives to build strong and sustainable networks that foster community development and create a brighter future for all.
2	Education to underprivileged children in the schools located around our sugar mills	1,151	
3	Providing infrastructure to the schools, including schools located around our sugar mills	Not ascertainable	
4	Soil Health Analysis and Fertiliser Incentive Program	Not ascertainable as the direct/indirect benefit extends to the entire region	
5	Developing innovative techniques for improved water management	Not ascertainable	
6	Health care services		
	a) Newborn Screening Program, Cancer Screening Program for Women, Health Check-up Program, for female's chronic disease, Screening of Development & Behavioural Problems in children, Vaccines of cervical cancer to Vaccine World	1,787	
	b) Mobile Health Dispensary	19,949	
	c) Others: Medical camps, contribution to Red Cross Society, General Health Care & Child Welfare Society	Not ascertainable	
7	Construction of toilets & providing of sanitary pad vending machine	Not ascertainable	
8	Promoting sports: -Supporting football for children & youth in villages / small schools, distribution of kits & equipment for sports including Football and Volleyball	720	
9	Rural development projects	Not ascertainable	
10	Others comprising cow welfare, drinking water and providing means of livelihood to women	Not ascertainable	
11	Contribution to Prime Ministry National Relief Fund (PMNRF)	Not ascertainable	

Principle 9: Businesses should engage with and provide value to their consumers in a responsible manner
Essential Indicators

1. **Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

Yes, at Triveni, we have a robust mechanism in place to receive and respond to consumer complaints and feedback. We recognise the significance of providing a platform for our customers and stakeholders to express their concerns and provide valuable feedback. Our grievance mechanism is designed to ensure that any complaints or feedback received are promptly and effectively addressed. We have established multiple channels through which customers can reach out to us, enabling customers to easily communicate their grievances or share their feedback with us.

Upon receiving a complaint or feedback, our dedicated team responsible for managing consumer concerns thoroughly reviews the issue and initiates appropriate actions. We prioritise prompt resolution and aim to address each complaint or feedback in a fair and satisfactory manner. In addition to resolving individual complaints, we also analyse the feedback and complaints received to identify any recurring issues or patterns. This analysis helps us identify areas for improvement and implement necessary changes in our products, services, or processes.

We consider consumer complaints and feedback as valuable opportunities for learning and growth. We are committed to continuously improving our operations and ensuring customer satisfaction. Our grievance mechanism is an integral part of our customer-centric approach, and we strive to provide timely and effective resolutions to any concerns raised by our valued customers.

2. Turnover of products and/services as a percentage of turnover from all products/service that carry information about:

	As a percentage to total turnover
Environmental and social parameters relevant to the product	At Triveni, we are committed to providing products and services that align with environmental and social parameters, promote safe and responsible usage, and encourage recycling or safe disposal. We understand the importance of transparency and ensuring that our customers have access to relevant information regarding these aspects.
Safe and responsible usage	To meet regulatory requirements and ensure compliance, our products contain all the necessary information as per the law. This includes details related to environmental considerations, social impacts, safe and responsible usage guidelines, and recycling or safe disposal instructions.
Recycling and/or safe disposal	Most of the products are sold through B2B mode, including sugar which is sold to institutional purchasers and in bulk packaging to whole sellers. Further, majority of our products are environment-friendly – Ethanol is a biofuel produced from molasses & grains; power is produced from bagasse (renewable energy source) and water treatment helps conservation of water resources by facilitating reuse and recycling of water

3. Number of consumer complaints in respect of the following:

	FY 23			FY 22		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Delivery of essential service	96	0	All resolved	106	11	In process of closure
Data privacy Advertising Cyber-security Restrictive Trade Practices Unfair Trade Practices	During the specified period/s, we did not receive any consumer complaints related to these aspects. These principles serve as the foundation of our business operations, enabling us to build and foster trust among our valued customers while ensuring their utmost satisfaction. Our commitment to these principles drives us to constantly improve our processes and promptly address any consumer concerns that may arise. We value our customers' feedback and take it seriously to enhance our services and ensure their satisfaction. By continuously evaluating and refining our practices, we strive to set new benchmarks in customer service excellence and maintain our position as a trusted and reliable provider in the industry.					

4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls Forced recalls	For the reporting period, there have been no instances of product recalls on account of safety issues within our organisation. We place utmost importance on product safety and have implemented rigorous testing and quality assurance measures to ensure the highest standards are met. Our products undergo thorough evaluation to ensure safe usage and handling. Additionally, comprehensive product information, including manuals, leaflets, and product packaging, is provided to customers, clearly outlining instructions for safe usage. These proactive measures underscore our commitment to maintaining the safety and integrity of our products.	

5. **Does the entity have a framework/policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.**
   Yes, we have a comprehensive framework and policy in place regarding cyber security and risks associated with data privacy. We understand the importance of safeguarding customer data and protecting against cyber threats. Our framework includes robust measures such as encryption protocols, access controls, regular security audits, and proactive monitoring to ensure the highest level of data privacy and cyber security. We are committed to maintaining the integrity and confidentiality of our customers' information and continually updating our policies to stay ahead of emerging risks in the cyber landscape

   Policy weblink: https://www.trivenigroup.com/corporate-governance.php?q=policies&page=1

6. **Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.**
   Not applicable

Leadership Indicators

1. **Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).**
   Our product related information can be accessed at: https://www.trivenigroup.com/businesses

2. **Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**
   While our business primarily operates in a B2B (business-to-business) mode, we understand the importance of informing and educating consumers about safe and responsible usage of products and/or services. Although the direct interaction with individual consumers may be limited, we ensure that our business segments strictly adhere to applicable regulations for information disclosure.

   Through our commitment to compliance, we strive to provide accurate and transparent information that enables consumers to make informed decisions. We diligently follow industry standards and regulations to ensure that our products and services meet the necessary safety requirements. Additionally, we actively participate in industry forums, conferences, and collaborations to contribute to the broader conversation on safe and responsible usage. By engaging with relevant stakeholders and sharing best practices, we aim to promote awareness and education regarding the safe and responsible use of our offerings.

   While our focus may primarily be on B2B relationships, we recognise the indirect impact on end consumers. By maintaining adherence to regulations and actively participating in industry discussions, we contribute to a culture of safety and responsibility throughout the value chain. At Triveni, we remain committed to promoting safe and responsible usage, even within the B2B framework, and continuously seek opportunities to enhance consumer awareness and education.

3. **Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**
   We prioritise the identification and management of risks related to the disruption or discontinuation of essential services. We have established robust mechanisms that involve engaging various internal stakeholders to ensure early detection of any potential disruptions. Through our risk identification and management systems, we proactively monitor and assess factors that could impact the continuity of essential services. This allows us to promptly identify any potential risks and take necessary actions to mitigate them.

   In the event of a disruption or discontinuation that may affect essential services, we have procedures in place to notify our customers at the earliest possible time. We understand the importance of transparent and timely communication, and we strive to keep our customers informed about any potential risks or disruptions that may impact their access to essential services. Our commitment to customer satisfaction and service reliability drives us to maintain effective communication channels, allowing us to promptly address any concerns or provide necessary updates to our valued customers.

By having these mechanisms in place, we ensure that our customers are informed and prepared in the event of any potential risks or disruptions to essential services. We remain dedicated to maintaining the continuity of our services and prioritising the needs and expectations of our customers.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief.

Not applicable, as our business primarily operates in a B2B (business-to-business) mode. However, as a responsible and ethical organisation, we prioritise meeting all legal requirements and industry standards for product information disclosure and labelling. We ensure that our products are accompanied by comprehensive documentation and specifications that provide the necessary information for our B2B clients to make informed decisions.

We are committed to maintaining high standards of quality, safety, and compliance, and work closely with our clients to ensure they have the necessary resources and information to promote safe and responsible usage of our products within their respective markets.

5. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

No, the timely interaction with our stakeholders enables us to receive feedback on our products, services and performances, which is then internally processed and suitable measures are taken.

6. Provide the following information relating to data breaches:

a. Number of instances of data breaches along with impact

Not applicable, as we had no data breaches during the period

b. Percentage of data breaches involving personally identifiable information of customers

Not applicable, as we had no data breaches during the period

For and on behalf of the Board of Directors

Dhruv M. Sawhney
Chairman and Managing Director
DIN: 00102999

Place: Noida
Date: July 4, 2023

Independent Auditor's Report

To the members of Triveni Engineering & Industries Limited

Report on the Audit of the Standalone Financial Statements

OPINION

We have audited the standalone financial statements of TRIVENI ENGINEERING & INDUSTRIES LIMITED ("the Company"), which comprise the Standalone Balance Sheet as at March 31, 2023, and the Standalone Statement of Profit and Loss (including other comprehensive income), Standalone Statement of Changes in Equity and Standalone Statement of Cash Flows for the year then ended, and notes to the Standalone financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("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 state of affairs of the Company as at March 31, 2023, and profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

BASIS FOR OPINION

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

KEY AUDIT MATTERS

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

Sr. No.	Key Audit Matters	Auditor's Response
1	**Appropriateness of cost to complete the project:** The Company recognizes revenue from long-duration construction & supply contracts on percentage of completion method as specified in Indian Accounting Standards (Ind AS) 115- Revenue from Contract with Customers. (Refer Accounting policy Note no. 1(b)(iii)) We identified this matter as a Key Audit matter as it involves significant judgement by the management in estimation of cost to complete the project and any variation may have consequential impact on revenue.	Our audit procedures included the following: • Obtaining an understanding of internal controls over estimation of cost of completion of projects and testing, on a sample basis, their design, implementation and operating effectiveness. • Agreed the total project revenue estimates to contracts with customers. • Obtained computation of estimated costs to complete and the percentage of project completion and verified the same against the contracts on sample basis and also checked arithmetic accuracy of the same. • Performed the walkthrough procedure and verified the invoices, purchase orders etc. for actual cost incurred till the year end. • Compared the management estimates revised during the year with the estimate made in earlier years and obtained reasons/approval for such revision.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in Annual Report, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon. The other information included in the annual report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read the other information included in the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

MANAGEMENT'S RESPONSIBILITY FOR STANDALONE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the 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 of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

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

may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. 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 purposes 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 Balance Sheet, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

   d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2015, as amended from time to time.

   e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 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 with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

   g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

      In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

h) 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, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations as at March 31, 2023 on its financial position in its standalone financial statements – Refer Note no. 45 & 46 to the standalone financial statements.

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including long term derivative contracts.

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

iv. a. The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

b. The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

c. Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. As stated in note 14 (vii) to the standalone financial statements

a. The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.

b. The Company has not declared or paid any interim dividend during the year and until the date of this report.

c. The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

For **S S KOTHARI MEHTA & COMPANY**
Chartered Accountants
Firm Registration No. 000756N

Vijay Kumar
Partner
Membership No.: 092671
UDIN: 23092671BGSIBW2502

Place: Noida
Date: May 25, 2023

ANNEXURE A" TO THE INDEPENDENT AUDITORS' REPORT

The Annexure **as referred in paragraph (1) 'Report on Other Legal and Regulatory Requirements** of our Independent Auditors' Report to the members of **TRIVENI ENGINEERING & INDUSTRIES LIMITED** on the standalone financial statements for the year ended March 31, 2023, we report that:

i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets. The Company has also maintained proper records showing full particulars of intangible assets.

(b) The Company has a regular program of physical verification of its Property, Plant and Equipment 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, all major items of Property, Plant and Equipment were physically verified by the management during the year and no material discrepancies were noticed on such verification as compared to the books of accounts.

(c) According to the information and explanation given to us and on the basis of examination of title deeds / sale deeds / transfer deeds / conveyance deeds / possession letters / allotment letters and other relevant records evidencing title/ possession provided, we report that the title deeds of the immovable properties are held in the name of the Company as at the balance sheet date except for below cases as mentioned in note 48 (i) to the standalone financial statements:

Description of Property	Gross Carrying Value (₹ in Lakhs)	Held in name of	Whether promoter, director or their relative or employee	Period held – indicate range, where appropriate	Reason for not being held in name of Company
Land	8.27	Horam Singh	No	July'2005	Transfer of land in the name of the Company could not be completed on account of certain technicalities/documentary deficiencies, which the Company is trying to resolve to the extent feasible
Land	4.08	Shyam Bhadur	No	July'2005	
Total	**12.35**				

(d) According to the information and explanations given to us, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets during the year ended March 31, 2023.

(e) According to the information and explanations given to us, no proceedings have been initiated during the year or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

ii. (a) The physical verification of the inventory has been conducted at reasonable intervals by the management during the year. As far as we could ascertain and according to information and explanations given to us, no material discrepancies were noticed between the physical stock and the book records.

(b) The Company has been sanctioned working capital limits in excess of ₹ five crores in aggregate from banks and/or financial institutions during the year on the basis of security of current assets of the Company. As disclosed in note 18 (iii) to the standalone financial statements, the quarterly returns/statements filed by the Company with such banks and/or financial institutions are in agreement with the books of accounts of the Company.

iii. (a) According to the information and explanations given to us and based on examination of books of the Company, during the year the Company has provided loans, advances in the nature of loans, guarantee and security as follows:

Particulars	Guarantees	Security	Loans	Advances in nature of loans
Aggregate amount granted/ provided during the year	-	-	-	-
(i) Subsidiaries	5800	-	1200	-
(ii) Joint Ventures	-	-	-	-
(iii) Associates	-	-	-	-
(iv) Other entities	-	-	-	-
Balance outstanding as at balance sheet date in respect of above cases				
(i) Subsidiaries	15800*	-	3125*	-
(ii) Joint Ventures	-	-	-	-
(iii) Associates	-	-	-	-
(iv) Other entities	-	-	-	-

* Includes amounts given in the previous years but outstanding at the close of the financial year ended March 31, 2023.

(b) In respect of guarantee provided and grant of all loans during the year, the terms and conditions are prima facie not prejudicial to the Company's interest.

(c) In respect of loans granted, the schedule of repayment of principal and payment of interest has been stipulated and the repayment of principal amounts and receipts of interest has been regular as per stipulation.

(d) There are no amounts which are overdue for more than ninety days in respect of above-mentioned loans granted.

(e) There were no loans granted which was fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.

(f) The Company has not granted any loans either repayable on demand or without specifying any terms or period of repayment during the year.

iv. According to the information and explanations given to us and on the basis of our examination of the records, the Company has not granted any loans or provided any guarantees or securities to parties which are covered under section 185 of the Act. The Company has complied with the provisions of section 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

v. According to the information and explanations given to us, the Company has not accepted any deposits from the public or deemed deposits within the meaning of sections 73 to 76 of the Companies Act, 2013 and the rules framed there under. Accordingly, the provisions of clause 3 (v) of the Order are not applicable to the Company.

vi. We have broadly reviewed the books of account maintained by the Company pursuant to the rules prescribed by the Central Government of India for the maintenance of cost records under sub-section 1 of section 148 of the Companies Act, 2013 and are of the opinion that, prima facie, the prescribed records and accounts have been made and maintained. However, we have not carried out a detailed examination of such records with a view to determining whether they are accurate or complete.

vii. (a) According to the information and explanations given to us and on the basis of examination of the records of the Company, the Company is generally regular in depositing undisputed statutory dues including Goods and Services Tax, Provident Fund, Employees' State Insurance, Sales Tax, Income Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other statutory dues with the appropriate authorities, to the extent applicable.

(b) According to the information and explanations given to us and on the basis of examination of the records of the Company there are no undisputed aforesaid statutory dues payable as at March 31, 2023 for a period of more than six months from the date they became payable.

(c) According to the records and information and explanations given to us, there are no dues in respect of statutory dues referred to in vii (a) above which have not been deposited on account of any dispute except as given below:

(₹ in Lakhs)

Name of Statute	Nature of Dues	Period (F.Y.) to which the amount relates	Amount Demanded (Excluding interest)	Amount paid	Forum where dispute is pending
The Central Excise Act,1944	Excise Duty	1998 to 2004-05, 2009-10 to 2013-14	116.11	13.82	High Court
The Central Excise Act,1944	Penalty	2002-03 to 2004-05	269.30	266.00	High Court
The Central Excise Act,1944	Excise Duty	1995-96 to 1996-97 and 2015-16	78.68	2.50	Custom, Excise and Service Tax Appellate Tribunal
The Central Excise Act,1944	Excise Duty	2015-16	187.62	14.07	Commissioner (Appeal)
The Central Excise Act,1944	Penalty	2015-16	187.62	-	Commissioner (Appeal)
Goods & Services Tax	GST	2018-19 & 2022-23	259.01	16.87	Commissioner (Appeal)
Goods & Services Tax	Penalty	2018-19 & 2022-23	239.36	0.42	Commissioner (Appeal)
The Custom Act, 1962	Penalty	2004-05	19.93	6.19	Custom, Excise and Service Tax Appellate Tribunal
Central Sales Tax Act, 1956 & State VAT Act	Sales Tax	1993-94 and 2010-11 to 2012-13	72.78	16.34	High Court
Central Sales Tax Act, 1956 & State VAT Act	Sales Tax	2015-16 and 2016-17	111.03	81.79	Tribunal
The UP Sugarcane (Purchase Tax) Act, 1961	Purchase Tax	2016-17 to 2017-18 (Q1)	476.61	2.58	High Court
The UP Sugarcane (Purchase Tax) Act, 1961	Penalty	2016-17 to 2017-18 (Q1)	74.85	-	High Court
Orissa Sales Tax Act,1947	Sales Tax	1991-95	9.21	2.00	Assistant Commissioner Sales Tax Range 2 Cuttack Orissa
Orissa Sales Tax Act,1947	Sales Tax	1987-88	0.44	0.32	Sales Tax Tribunal-Orissa Cuttack
The Income Tax Act, 1961	Income Tax	2004-05, 2006-07 & 2009-10	2636.20	332.96	Income Tax Appellate Tribunal
The Income Tax Act, 1961	Income Tax	2003-04, 2004-05 and 2020-21	68.29	68.29	CIT(A)

viii. The Company has not surrendered or disclosed any transaction as income, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 during the year.

ix. (a) In our opinion, on the basis of audit procedures and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings or in the payment of interest to any lender during the year.

(b) According to the information and explanations given to us, the Company has not been declared wilful defaulter by any bank or financial institution or other lenders.

(c) According to the information and explanations given to us and on examination of the books of the Company, the term loans have been applied for the purpose for which they were obtained except a term loan of ₹ 600 lacs which was disbursed towards the end of the year. However, the loan is subsequently utilised by the Company for the purpose for which it was obtained till the date of this report.

(d) On overall examination of the financial statements of the Company, funds raised on short term basis have, prima facie, not been utilised during the year for long term purposes by the Company.

(e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries and associate.

(f) According to the information and explanations given to us, the Company has not raised loans during the year on the pledge of securities held in its subsidiaries or associate.

x. (a) According to the information and explanations given to us, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year. Hence, the requirement to report on clause (x)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Hence, the requirement to report on clause (x)(b) of the Order is not applicable to the Company.

xi. (a) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instance of fraud by the Company or on the Company being noticed or reported during the year, nor have we been informed of such case by the management.

(b) According to the information and explanations given to us, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) As represented to us by the management, there are no whistle-blower complaints received by the Company during the year.

xii. The Company is not a Nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii) of the Order is not applicable to the Company.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with section 177 and 188 of the Companies Act, 2013, where applicable, and details of such transactions have been disclosed in the standalone financial statements as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under section 133 of the Companies Act, 2013.

xiv. (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system commensurate with the size and nature of its business.

(b) The internal audit reports of the Company issued during the year and till the date of this report, for the period under audit have been considered by us, in determining the nature, timing and extent of our audit procedures.

xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with its directors.

xvi. (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934). Accordingly, the requirement to report under clause 3(xvi) (b) and (c) of the Order is not applicable to the Company.

(b) The Group has two Core Investment Companies as a part of the Group.

xvii. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not incurred cash losses either in the current financial year or in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year.

xix. On the basis of the financial ratios disclosed in Note 48 (iii) to the standalone financial statements, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a Fund specified in Schedule VII to the Companies Act, 2013 in compliance with second proviso to sub-section (5) of section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.

(b) According to the information and explanation provided to us, the Company has not undertaken any ongoing project during the year. Accordingly, reporting under clause 3(xx)(b) of the Order is not applicable for the year.

For **S S KOTHARI MEHTA & COMPANY**
Chartered Accountants
Firm Registration No. 000756N

Vijay Kumar
Partner
Membership No.:092671
UDIN: 23092671BGSIBW2502

Place: Noida
Date: May 25, 2023

"ANNEXURE B" TO THE INDEPENDENT AUDITOR'S

Report of even date on the Standalone Financial Statements of TRIVENI ENGINEERING & INDUSTRIES LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") as referred to in paragraph 2(f) of 'Report on Other Legal and Regulatory Requirements'

We have audited the internal financial controls with reference to the standalone financial statements of **TRIVENI ENGINEERING & INDUSTRIES LIMITED** ("the Company") as of March 31, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal controls with reference to financial statements 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 its business, including adherence to 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 Companies Act, 2013.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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.

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 internal financial controls system with reference to financial statements of the Company.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

A company's internal financial control with reference to financial statements 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 internal financial control with reference to financial statements includes 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 WITH REFERENCE TO FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2023, 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.

For **S S KOTHARI MEHTA & COMPANY**
Chartered Accountants
Firm Registration No. 000756N

Vijay Kumar
Partner
Membership No.:092671
UDIN: 23092671BGSIBW2502

Place: Noida
Date: May 25, 2023

Standalone Balance Sheet

as at March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

	Note No.	As at 31-Mar-23	As at 31-Mar-22
ASSETS			
Non-current assets			
Property, plant and equipment	3	145440.40	106307.76
Capital work-in-progress	3	2831.19	25652.78
Investment property	4	442.04	442.04
Intangible assets	5	249.88	160.74
Intangible assets under development	5	-	2.50
Financial assets			
i. Investments	6	5349.40	5918.28
ii. Trade receivables	7	210.90	335.75
iii. Loans	8	2903.29	2002.18
iv. Other financial assets	9	1587.95	1313.82
Income tax assets (net)	21	901.07	752.18
Other non-current assets	10	1081.45	2233.52
Total non-current assets		**160997.57**	**145121.55**
Current assets			
Inventories	11	199649.50	203687.02
Financial assets			
i. Trade receivables	7	38462.31	26059.35
ii. Cash and cash equivalents	12 (a)	6895.35	1821.57
iii. Bank balances other than cash and cash equivalents	12 (b)	208.72	408.39
iv. Loans	8	282.95	45.73
v. Other financial assets	9	1208.62	821.20
Other current assets	10	26864.82	25510.91
Total current assets		**273572.27**	**258354.17**
Total assets		**434569.84**	**403475.72**
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	13	2189.00	2417.57
Other equity	14	263749.75	175004.03
Total equity		**265938.75**	**177421.60**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
i. Borrowings	15	14175.14	26328.79
ii. Lease liabilities		1227.74	976.65
Provisions	16	2218.65	3351.02
Deferred tax liabilities (net)	22	10839.92	9115.20
Other non-current liabilities	17	1962.09	370.03
Total non-current liabilities		**30423.54**	**40141.69**
Current liabilities			
Financial liabilities			
i. Borrowings	18	68068.17	123224.48
ii. Lease liabilities		568.54	554.46
iii. Trade payables	19		
(a) total outstanding dues of micro enterprises and small enterprises		861.79	798.17
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		40598.34	34277.50
iv. Other financial liabilities	20	7872.32	8181.22
Other current liabilities	17	15709.18	12740.06
Provisions	16	4429.13	4828.23
Income tax liabilities (net)	21	100.08	1308.31
Total current liabilities		**138207.55**	**185912.43**
Total liabilities		**168631.09**	**226054.12**
Total equity and liabilities		**434569.84**	**403475.72**

The accompanying notes 1 to 52 form an integral part of these standalone financial statements

As per our report of even date attached

For S S Kothari Mehta & Company
Chartered Accountants
Firm's registration number : 000756N

Vijay Kumar
Partner
Membership No. 092671

Place : Noida
Date : May 25, 2023

For and on behalf of the Board of Directors of Triveni Engineering & Industries Limited

Dhruv M. Sawhney
Chairman & Managing Director

Homai A. Daruwalla
Director & Chairperson Audit Committee

Suresh Taneja
Group CFO

Geeta Bhalla
Group Vice President & Company Secretary

Standalone Statement of Profit and Loss

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

	Note No.	Year ended 31-Mar-23	Year ended 31-Mar-22
Revenue from operations	23	630690.29	467744.03
Other income	24	7915.22	3943.28
Total income		**638605.51**	**471687.31**
Expenses			
Cost of materials consumed	25	395152.61	311468.61
Purchases of stock-in-trade	26	4624.40	2624.65
Changes in inventories of finished goods, stock-in-trade and work-in-progress	27	8872.30	(28177.49)
Excise duty on sale of goods		69326.49	40309.87
Employee benefits expense	28	34701.67	30123.13
Finance costs	29	4983.75	4948.03
Depreciation and amortisation expense	30	9347.77	8074.50
Impairment loss on financial assets (net of reversals)	31	5.79	561.08
Other expenses	32	56271.20	48759.29
Total expenses		**583285.98**	**418691.67**
Profit before exceptional items and tax		**55319.53**	**52995.64**
Exceptional items	33	158593.58	(999.08)
Profit before tax		**213913.11**	**51996.56**
Tax expense:			
- Current tax	34	19680.62	14798.19
- Deferred tax	34	1831.91	(1018.18)
Total tax expense		**21512.53**	**13780.01**
Profit for the year		**192400.58**	**38216.55**
Other comprehensive income			
A (i) Items that will not be reclassified to profit or loss			
- Remeasurements of the defined benefit plan	37	(231.65)	73.15
- Effective portion of gains/(losses) on hedging instruments designated as cash flow hedges	14	-	(29.33)
- Gains/(losses) on aligned portion of forward elements of cash flow hedging instruments	14	-	14.29
		(231.65)	**58.11**
A (ii) Income tax relating to items that will not be reclassified to profit or loss	34	(58.30)	14.63
		(173.35)	**43.48**
B (i) Items that may be reclassified to profit or loss			
- Effective portion of gains/(losses) on hedging instruments designated as cash flow hedges (net of reclassification to profit or loss)	14	(150.86)	(72.24)
- Gains/(losses) on aligned portion of forward elements of cash flow hedging instruments (net of reclassification to profit or loss)	14	(43.40)	178.14
		(194.26)	**105.90**
B (ii) Income tax relating to items that may be reclassified to profit or loss	34	(48.89)	26.65
		(145.37)	**79.25**
Other comprehensive income for the year, net of tax		**(318.72)**	**122.73**
Total comprehensive income for the year		**192081.86**	**38339.28**
Earnings per equity share (face value ₹ 1 each)			
Basic	35	80.08	15.81
Diluted	35	80.08	15.81

The accompanying notes 1 to 52 form an integral part of these standalone financial statements

As per our report of even date attached

For S S Kothari Mehta & Company
Chartered Accountants
Firm's registration number : 000756N

Vijay Kumar
Partner
Membership No. 092671

Place : Noida
Date : May 25, 2023

For and on behalf of the Board of Directors of Triveni Engineering & Industries Limited

Dhruv M. Sawhney
Chairman & Managing Director

Homai A. Daruwalla
Director & Chairperson Audit Committee

Suresh Taneja
Group CFO

Geeta Bhalla
Group Vice President & Company Secretary

Standalone Statement of Changes in Equity

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

A. EQUITY SHARE CAPITAL

Equity shares of ₹ 1 each issued, subscribed and fully paid up (including paid up value of ₹ 0.02 lakhs pertaining to forfeited shares)

As at 31 March 2021	2417.57
Movement during the year	-
As at 31 March 2022	**2417.57**
Extinguishment of shares upon buy-back [refer note 13(v)]	(228.57)
As at 31 March 2023	**2189.00**

B. OTHER EQUITY

	Reserves and surplus							Items of other comprehensive income		Total other equity
	Capital redemption reserve	Capital reserve	Securities premium	Amalgamation reserve	General reserve	Molasses storage fund reserve	Retained earnings	Cash flow hedging reserve	Costs of hedging reserve	
Balance as at 31 March 2021	559.30	2855.85	8375.55	926.34	49212.72	181.20	81795.19	-	-	143906.15
Profit for the year	-	-	-	-	-	-	38216.55	-	-	38216.55
Other comprehensive income, net of income tax	-	-	-	-	-	-	54.73	(76.01)	144.00	122.72
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**-**	**38271.28**	**(76.01)**	**144.00**	**38339.27**
Transferred from retained earnings to molasses storage fund reserve	-	-	-	-	-	49.60	(49.60)	-	-	-
Transferred to cost of non-financial hedged items, net of income tax	-	-	-	-	-	-	-	21.95	(10.69)	11.26
Transactions with owners in their capacity as owners:										
- Dividends paid	-	-	-	-	-	-	(7252.65)	-	-	(7252.65)
Balance as at 31 March 2022	**559.30**	**2855.85**	**8375.55**	**926.34**	**49212.72**	**230.80**	**112764.22**	**(54.06)**	**133.31**	**175004.03**
Profit for the year	-	-	-	-	-	-	192400.58	-	-	192400.58
Other comprehensive income, net of income tax	-	-	-	-	-	-	(173.35)	(112.89)	(32.48)	(318.72)
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**-**	**192227.23**	**(112.89)**	**(32.48)**	**192081.86**

Standalone Statement of Changes in Equity

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

	Reserves and surplus							Items of other comprehensive income		Total other equity
	Capital redemption reserve	Capital reserve	Securities premium	Amalgamation reserve	General reserve	Molasses storage fund reserve	Retained earnings	Cash flow hedging reserve	Costs of hedging reserve	
Transferred from retained earnings to molasses storage fund reserve	-	-	-	-	-	64.58	(64.58)	-	-	-
Transactions with owners in their capacity as owners:										
- Amount utilised for buy-back of equity shares [refer note 14]	-	-	(8375.55)	-	(49212.72)	-	(22183.16)	-	-	(79771.43)
- Transferred from retained earnings to capital redemption reserve on buy-back of equity shares [refer note 14]	228.57	-	-	-	-	-	(228.57)	-	-	-
- Transaction costs related to buy-back of equity shares [refer note 14]	-	-	-	-	-	-	(613.28)	-	-	(613.28)
- Tax paid on buy-back of equity shares [refer note 14]	-	-	-	-	-	-	(18116.33)	-	-	(18116.33)
- Dividends paid	-	-	-	-	-	-	(4835.10)	-	-	(4835.10)
Balance as at 31 March 2023	**787.87**	**2855.85**	**-**	**926.34**	**-**	**295.38**	**258950.43**	**(166.95)**	**100.83**	**263749.75**

The accompanying notes 1 to 52 form an integral part of these standalone financial statements

As per our report of even date attached

For S S Kothari Mehta & Company
Chartered Accountants
Firm's registration number : 000756N

Vijay Kumar
Partner
Membership No. 092671

Place : Noida
Date : May 25, 2023

For and on behalf of the Board of Directors of Triveni Engineering & Industries Limited

Dhruv M. Sawhney
Chairman & Managing Director

Homai A. Daruwalla
Director & Chairperson Audit Committee

Suresh Taneja
Group CFO

Geeta Bhalla
Group Vice President & Company Secretary

Standalone Statement of Cash Flows

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

	Year ended 31-Mar-23	Year ended 31-Mar-22
Cash flows from operating activities		
Profit before tax	**213913.11**	**51996.56**
Adjustments for :		
Depreciation and amortisation expense	9347.77	8074.50
Bad debts written off - trade receivables carried at amortised cost	433.51	1128.66
Bad debts written off - other financial assets carried at amortised cost	999.08	1.63
Impairment loss allowance on trade receivables and other financial assets (net of reversals)	(1426.80)	(569.21)
Bad debts written off - non financial assets	12.39	69.36
Impairment loss allowance on non financial assets (net of reversals)	(45.79)	698.89
Provision for non moving/obsolete inventory (net of reversals)	(31.89)	159.92
Loss on sale/write off of inventory	52.13	38.20
Net fair value (gains)/losses on investments	(13.54)	6.57
Mark-to-market (gains)/losses on derivatives	76.32	(3.30)
Credit balances written back	(213.41)	(108.74)
Financial guarantee commission income	(23.02)	(12.54)
Exceptional items - profit upon divestment in equity shares	(158593.58)	-
Exceptional items - net impairment loss allowance on receivable against divestment in equity shares	-	999.08
Unrealised (gains)/losses from changes in foreign exchange rates	13.51	(21.42)
Loss on sale/write off/impairment of property, plant and equipment	163.66	162.00
Net (profit)/loss on sale/redemption of investments	(9.53)	(72.92)
Interest income	(4170.31)	(401.44)
Dividend income	(1099.71)	(1557.25)
Finance costs	4983.75	4948.03
Working capital adjustments :		
Change in inventories	4017.27	(30510.21)
Change in trade receivables	(12276.44)	(4893.16)
Change in other financial assets	(457.67)	(307.97)
Change in other assets	(1284.98)	(711.12)
Change in trade payables	6507.02	(27238.85)
Change in other financial liabilities	(122.77)	1300.98
Change in other liabilities	5193.20	(3409.74)
Change in provisions	(1763.12)	(650.61)
Cash generated from/(used in) operations	**64180.16**	**(884.10)**
Income tax paid (net)	(20986.23)	(15082.75)
Net cash inflow/(outflow) from operating activities	**43193.93**	**(15966.85)**
Cash flows from investing activities		
Purchase of property, plant and equipment and intangible assets	(23587.42)	(29345.05)
Proceeds from sale of property, plant and equipment	40.24	233.36
Investments in subsidiaries	-	(900.00)
Proceeds from disposal of investment in associate	159299.93	-
Proceeds from disposal/redemption of investments (other than subsidiaries and associates)	42.94	89.25
Loan to subsidiaries	(1200.00)	(100.00)
Repayments of loan by subsidiaries and erstwhile associate	75.00	1945.60
Decrease/(increase) in deposits with banks	180.43	(201.76)
Interest received	3938.64	175.94
Dividend received	1099.71	1557.25
Net cash inflow/(outflow) from investing activities	**139889.47**	**(26545.41)**

Standalone Statement of Cash Flows

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

	Year ended 31-Mar-23	Year ended 31-Mar-22
Cash flows from financing activities		
Proceeds from long term borrowings	4224.00	13201.83
Repayments of long term borrowings	(13698.15)	(11827.82)
Increase/(decrease) in short term borrowings	(58403.57)	54634.44
Interest paid (other than on lease liabilities)	(4913.60)	(4828.38)
Payment of lease liabilities (interest portion)	(148.26)	(129.68)
Payment of lease liabilities (principal portion)	(1512.83)	(456.32)
Buy-back of equity shares	(80000.00)	-
Buy-back costs	(605.78)	-
Tax paid on buy-back of equity shares	(18116.33)	-
Dividend paid	(4835.10)	(7252.65)
Net cash inflow/(outflow) from financing activities	**(178009.62)**	**43341.42**
Net increase/(decrease) in cash and cash equivalents	5073.78	829.16
Cash and cash equivalents at the beginning of the year [refer note 12 (a)]	1821.57	992.41
Cash and cash equivalents at the end of the year [refer note 12 (a)]	**6895.35**	**1821.57**

Reconciliation of liabilities arising from financing activities:

	Non-current borrowings (including current maturities and deferred grant related to long-term borrowings)	Current borrowings (excluding current maturities of long-term borrowings)	Interest payable (other than on lease liabilities)	Lease liabilities	Buy-back of equity shares (including tax thereon and buy-back costs)	Dividend paid
Balance as at 31 March 2021	38208.54	56157.43	89.79	1325.53	-	-
Cash flows	1374.01	54634.44	(4828.38)	(586.00)	-	(7252.65)
Finance costs accruals (including interest capitalised)	-	-	4958.57	130.82	-	-
Lease liabilities accruals	-	-	-	660.76	-	-
Dividend distributions accruals	-	-	-	-	-	7252.65
Balance as at 31 March 2022	**39582.55**	**110791.87**	**219.98**	**1531.11**	**-**	**-**
Cash flows	(9474.15)	(58403.57)	(4913.60)	(1661.09)	(98722.11)	(4835.10)
Finance costs accruals (including interest capitalised)	-	-	4835.49	148.26	-	-
Lease liabilities accruals	-	-	-	1778.00	-	-
Dividend distributions accruals	-	-	-	-	-	4835.10
Buy-back of equity shares (including tax thereon and buy-back costs) accruals	-	-	-	-	98729.61	-
Balance as at 31 March 2023	**30108.40**	**52388.30**	**141.87**	**1796.28**	**7.50**	**-**

The accompanying notes 1 to 52 form an integral part of these standalone financial statements

As per our report of even date attached

For S S Kothari Mehta & Company
Chartered Accountants
Firm's registration number : 000756N

Vijay Kumar
Partner
Membership No. 092671

Place : Noida
Date : May 25, 2023

For and on behalf of the Board of Directors of Triveni Engineering & Industries Limited

Dhruv M. Sawhney
Chairman & Managing Director

Homai A. Daruwalla
Director & Chairperson Audit Committee

Suresh Taneja
Group CFO

Geeta Bhalla
Group Vice President & Company Secretary

Notes to the Standalone financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

CORPORATE INFORMATION

Triveni Engineering & Industries Limited ("the Company") is a company limited by shares, incorporated and 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 engaged in diversified businesses, mainly categorised into two segments – Sugar & allied businesses and Engineering business. Sugar & allied businesses primarily comprises manufacture of sugar and distillation of alcohol. Engineering business primarily comprises manufacture of high speed gears, gearboxes and providing water/waste-water treatment solutions.

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) Rules, 2015 (as amended)] and other relevant provisions of the Act.

(ii) Historical cost convention

The financial statements have been prepared on an accrual basis under historical cost convention except for certain assets and liabilities that are measured at fair values at the end of each reporting period, as explained in the respective accounting policies described in subsequent paragraphs.

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 116 Leases (see note 1(d)), and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 Inventories (see note 1(l)) or value in use in Ind AS 36 Impairment of Assets (see note 1(f)).

(iii) Classification of assets and liabilities into current/non-current

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Act. The operating cycle of the Company is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents.

(iv) Joint and consortium arrangements

When the Company enters into an agreement with other parties to jointly execute a particular project, whereby both parties are responsible for carrying out their respective share of activities, without requiring unanimous consent for such assigned activities, and are entitled to profits arising from their respective share of activities, then such an arrangement is considered as an extension of the Company's activities and the assets, liabilities, revenue and expenses relating to its interest in the joint operation, are accounted for in its financial statements.

(b) Revenue recognition

Revenue from contracts with customers is recongnised when control of the goods or services are transferred to the customer at an amount that reflects the

Notes to the Standalone financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

consideration to which the Company expects to be entitled in exchange for those goods or services. Transaction price at which revenue is recognised is net of goods & services tax and amounts collected on behalf of third parties, if any and includes effect of variable consideration (viz. returns, rebates, trade allowances, credits, penalties etc.). Variable consideration is estimated using the expected value method or most likely amount as appropriate in a given circumstance and is included in the transaction price only to the extent it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

Recognising revenue from major business activities

(i) Sale of goods

Revenue from the sale of goods is recognised at the point in time when control of the goods are transferred to the customer (i.e. satisfaction of performance obligation), generally on dispatch of the goods. The Company, in its engineering business, generally provides warranties to its customers in the nature of assurance, which is considered as an obligation and provided for under Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets (refer note 1(n)).

(ii) Rendering of services

The Company provides engineering services that are either sold separately or bundled together with the sale of goods to a customer.

Contracts for bundled sales of goods and engineering services are comprised of two performance obligations because the promises to transfer goods and provide engineering services are distinct and capable of being separately identifiable. Accordingly, the Company allocates the transaction price based on relative stand-alone selling prices of such goods and engineering services.

The Company recognises revenue from engineering services over time, using an input method to measure progress towards complete satisfaction of the service, because the customer simultaneously receives and consumes the benefits provided by the Company. The progress towards complete satisfaction of the service is determined as follows:

- erection & commissioning/servicing revenue - based on technical estimate of completion of physical proportion of the contract work;
- operation & maintenance revenue - as the proportion of the total period of services contract that has elapsed at the end of the reporting period

(iii) Long-duration construction & supply contracts

Long-duration construction & supply contracts are analysed to determine combination of contracts and identification of performance obligations and accordingly transaction price is allocated amongst performance obligations based on stand-alone selling prices. Performance obligations, in long-duration construction & supply contracts, generally includes turnkey related activities towards design/engineering/supply of equipment/construction/commissioning and operation & maintenance related activities which are satisfied over time with the customer receiving benefits from the activities being performed by the Company.

When the progress towards complete satisfaction of performance obligations of a long-duration construction & supply 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, because the customer simultaneously receives and consumes the benefits provided by the Company. Contract costs excludes costs that do not depict the Company's progress in satisfying the performance obligation.

When the outcome of performance obligations of a long-duration construction & supply contract

Notes to the Standalone financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

cannot be estimated reliably, but the Company expects to recover the costs incurred in satisfying the performance obligation, contract revenue is recognised only to the extent of the contract costs incurred until such time that it can reasonably measure the outcome of the performance obligation. Contract costs are recognised as expenses in the period in which they are incurred.

(IV) DIVIDEND INCOME

Dividend income from investments is recognised when the Company's right to receive payment has been established.

(v) Interest income

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.

(c) Government grants

Grants from the government are recognised where there is a reasonable assurance that the Company will comply with all attached conditions and the grant shall be received.

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 operating income/other income or net of related costs.

Government grants relating to the purchase of property, plant and equipment are deducted from its gross value and are recognised in profit or loss on a systematic and rational basis over the expected useful lives of the related assets by way of reduced depreciation.

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 or loss in the period in which they become receivable.

The Government grants by way of a benefit of a Government loan at a below market rate of interest is measured as the difference the between proceeds received and the fair value of the loan based on prevailing market interest rates.

See note 42 for disclosures and treatment of government grants in financial statements.

(d) Leases

(i) As a lessee

The Company's lease assets classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset; (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease; and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognises a right-of-use ("ROU") assets and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. The ROU assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the

Notes to the Standalone financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

underlying asset (see note 1(i) below) and is also evaluated for impairment (see note 1(f) below). The lease liability is measured at amortised cost at the present value of the future lease payments. The lease term includes (a) the non-cancellable period of the lease; (b) the period covered by an option to extend the lease, if it is reasonably certain that such option shall be exercised; and (c) the period covered by an option to terminate the lease, if it is reasonably certain that such option shall not be exercised. Lease liabilities are remeasured with a corresponding adjustment to the related ROU assets if the Company changes its assessment concerning the right to exercise its option of extending or terminating the lease provided to it under the relevant arrangement.

For short-term and low value leases as mentioned above, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

(ii) As a lessor

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. The Company has given certain portion of its office/factory premises under operating leases (refer note 43). Lease income from operating leases is recognised as income on a straight-line basis over the lease term. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term. 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 the 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 that approximates the actual rate at the date of respective transactions. Foreign exchange gains or 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 except for:

- foreign exchange gains or losses on settlement or translation of foreign currency borrowings that are directly attributable to acquisition, construction or production of a qualifying asset, which are included in cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings.

- foreign exchange gains or losses in respect of certain qualifying cash flow hedges which are deferred in equity.

Foreign exchange gains or losses which are regarded as an adjustment to borrowing costs are presented in the statement of profit and loss, within finance costs. Foreign exchange gains or losses related to certain qualifying cash flow hedges are presented in other comprehensive income on a net basis. All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other income or other expenses, as the case may be.

(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

Notes to the Standalone financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

use. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

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 an impairment are reviewed for possible reversal of the impairment at the end of each reporting period. When an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, so however that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in profit or 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. Borrowing costs are not capitalised during extended periods in which active development of qualifying assets is suspended. 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.

(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 credits and unused tax losses to the extent that it is probable that taxable profits will be available against which those deductible temporary differences, the carry forward of unused tax credits and unused tax losses can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Notes to the Standalone financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

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.

(i) Property, plant and equipment

Property, plant and equipment are tangible items that are held for use in the production or supply of 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 is 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, if any. Cost comprises purchase price after deducting trade discounts/ rebates, government grants related to assets and including import duties and non-refundable purchase taxes, borrowing costs, any costs that is directly attributable to the bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management and costs of dismantling/removing the item and restoring the site on which it was located under an obligation. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Each part of item of property, plant and equipment, if significant in relation to the total cost of the item, is depreciated separately. Further, parts of plant and equipment that are technically advised to be replaced at prescribed intervals/period of operation, insurance spares and cost of inspection/overhauling are depreciated separately based on their specific useful life provided these 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 or if otherwise significant, is derecognised when replaced. All other repairs and maintenance costs 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.

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 the property, plant and equipment.

Depreciation methods, estimated useful lives and residual value

Depreciation commences when the assets are available 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.

Notes to the Standalone financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

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 along with residual values of 5% except for the following:

- On the basis of technical assessment and past experience:
  - the useful lives of mill rollers, instrumentation and control devices installed at sugar plants is considered at ten years as against prescribed life of twenty five years in respect of continuous process plant.
  - mobile phones costing ₹ 5,000/- or more are depreciated over two years.
  - patterns, tools, Jigs etc. are depreciated over three years.
  - machinery spares are depreciated over a life ranging from five to ten years.
- Assets costing less than ₹ 5,000/- are fully depreciated in the year of purchase.

Estimated useful lives considered are as follows:

Assets	Estimated useful life
Buildings	3 - 60 years
Roads	3 - 10 years
Plant & equipment	3 - 25 years
Furniture & fixtures	10 years
Vehicles	8 - 10 years
Office equipment	2 - 5 years
Computers	3 - 6 years
Laboratory equipment	10 years
Electrical installations and equipment	10 years

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

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.

(j) Investment property

Property that is held for long-term rental yields or for capital appreciation or both, is classified as investment property. Investment property is stated at cost less accumulated depreciation and accumulated impairment losses, if any. Investment property is measured initially at its cost, including related transaction costs and, where applicable, borrowing costs. Cost comprises purchase price after deducting trade discounts/rebates, government grants related to assets and including duties and taxes, borrowing costs, any costs that is directly attributable to the bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management and costs of dismantling/removing the item and restoring the site on which it was located under an obligation. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

Investment property being building is depreciated using the straight-line method over their estimated useful lives as stated in Schedule II at 30 years along with residual values of 5%.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its investment

Notes to the Standalone financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

properties recognised as at 1 April 2015 (transition date) measured as per the previous GAAP and use that carrying value as the deemed cost of investment properties.

(k) Intangible assets

Intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Costs comprises purchase price after deducting trade discounts/rebates, government grants related to assets and including import duties and non-refundable purchase taxes, borrowing costs and any directly attributable cost of preparing the asset for its intended use. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Intangible assets comprising computer software and website are amortised using straight-line method over estimated useful life of 3 years. 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.

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, is recognised in profit or loss when the asset is derecognised.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of intangible assets recognised as at 1 April 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of intangible assets.

(l) Inventories

(i) Finished goods and work-in-progress are valued at lower of cost and net realisable value. The cost of finished goods and work-in-progress is computed on weighted average basis and 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. Finished goods and work-in-progress are written down if their net realisable value declines below the carrying amount of the inventories and such write downs of inventories are recognised in profit or loss. When reasons for such write downs ceases to exist, the write downs are reversed through profit or loss.

(ii) Inventories of raw materials & components, stores & spares and stock-in-trade are valued at lower of cost and net realisable value. Raw materials and other items held for use in the production of inventories are not written down below cost if the finished goods in which they will be incorporated are expected to be sold at or above cost. Write down of such inventories are recognised in profit or loss and when reasons for such write downs ceases to exist, such write downs are reversed through profit or loss. Cost of such inventories comprises of purchase price and other directly attributable costs that have been incurred in bringing the inventories to their present location and condition. By-products used as raw material are valued at transfer price linked with net realisable value. Cost for the purpose of valuation of raw materials & components, stores & spares and stock-in-trade is considered on the following basis :

Raw materials & Components

Business Units	Basis
Sugar	First in first out
Co-generation & Distillery	Weighted average
Water Business Group	Specific cost
Power Transmission Business	Weighted average and Specific cost

Stores & Spares

Business Units	Basis
Water Business Group	Specific cost
Other units	Weighted average

Notes to the Standalone financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

Stock-in-trade

Business Units	Basis
Branded goods trading business	Weighted average
Diesel/petrol retailing business	First in first out

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

(m) 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. They are measured at the lower of their carrying amount and fair value less costs to sell. Non-current assets once classified as held for sale are neither depreciated nor amortised.

(n) Provisions, contingent liabilities and contingent assets

(i) 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, provision is measured at the present value of cash flows estimated to settle the present obligation. 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.

(ii) A contingent liability is not recognised in the financial statements, however, is disclosed, unless the possibility of an outflow of resources embodying economic benefits is remote. If it becomes probable that an outflow of future economic benefits will be required for an item dealt with as a contingent liability, a provision is recognised in the financial statements of the period (except in the extremely rare circumstances where no reliable estimate can be made).

(iii) A contingent asset is not recognised in the financial statements, however, is disclosed, where an inflow of economic benefits is probable. When the realisation of income is virtually certain, then the asset is no longer a contingent asset, and is recognised as an asset.

(iv) Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

(o) 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 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

Notes to the Standalone financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

of each annual reporting period. The benefits are discounted using the market yield on government bonds at the end of the reporting period that have maturity term approximating to the estimated term of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss. The obligations are presented as provisions in the balance sheet.

(iii) Post-employment obligations

The Company operates the following post-employment schemes:

- defined benefit plans towards payment of gratuity; and
- defined contribution plans towards employees' provident fund & employee pension scheme, employees' state insurance, superannuation scheme and national pension scheme.

Defined benefit plan

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 with reference to market yield at the end of the reporting period on government bonds that have maturity terms approximating the estimated term of the related obligation, through actuarial valuations 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. Such net interest cost along with the current service cost and, if applicable, the past service cost and settlement gain/loss, 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, comprising actuarial gains/losses and return on plan assets (excluding the amount recognised in net interest on the net defined liability), 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 to provide superannuation

Notes to the Standalone financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

benefit to certain employees in terms of Group Superannuation Policy entered into by such fund with the Life Insurance Corporation of India.

- **National Pension Scheme**
  The Company makes contributions to the National Pension Scheme fund in respect of certain employees of the Company.

(p) 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.

(q) Financial assets

(i) Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For assets in the nature of debt instruments, this will depend on the business model. For assets in the nature of equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity instrument at fair value through other comprehensive income.

The Company reclassifies debt instruments when and only when its business model for managing those assets changes.

(ii) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not 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 FVTOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit or 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

Notes to the Standalone financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

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 subsidiaries and associates where the Company has the option to either measure it at cost or fair value. The Company has opted to measure equity investments in subsidiaries and associates at cost hence investments in subsidiaries and associates are carried at cost less impairment, if any. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the Company's right to receive payments is established.

(iii) Impairment of financial assets

In accordance with Ind AS 109 Financial Instruments, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss associated with its financial assets carried at amortised cost and FVTOCI debt instruments.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115 Revenue from Contracts with Customers, the Company applies simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected life time losses to be recognised after initial recognition of receivables. For recognition of impairment loss on other financial assets and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, twelve months ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on twelve-months ECL.

ECL represents expected credit loss resulting from all possible defaults and is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive, discounted at the original effective interest rate. While determining cash flows, cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms are also considered.

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 40(i) 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.

Notes to the Standalone financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

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.

(r) Financial liabilities and equity instruments

(i) Classification

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

Financial liabilities

The Company classifies its financial liabilities in the following measurement categories:

- those to be measured subsequently at fair value through profit or loss, and
- those measured at amortised cost.

Notes to the Standalone financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

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 at fair value through profit or loss, transaction costs that are directly attributable to the issue of the financial liability. Transaction costs of financial liability carried at fair value through profit or loss are expensed in profit or loss.

Subsequent measurement of financial liabilities depends on the classification of financial liabilities. There are two measurement categories into which the Company classifies its financial liabilities:

- **Fair value through profit or loss (FVTPL):** Financial liabilities are classified as at FVTPL when the financial liability is held for trading or it is designated as at FVTPL. Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss.

- **Amortised cost:** Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

(iii) Derecognition

Equity instruments

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

(iv) Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the gross carrying amount of a financial liability.

(v) Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in 'Other income'. The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period.

Notes to the Standalone financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

(s) Derivatives and hedging activities

The Company undertakes transactions involving derivative financial instruments, primarily foreign exchange forward contracts, to manage its exposure to foreign exchange risks.

Derivatives are initially recognised at fair value at the date the relevant contracts are entered into and are subsequently remeasured at their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedge, in which event the timing of the recognition in profit or loss depends on the nature of the hedging relationship and the nature of the hedged item.

The Company designates certain derivative instruments as cash flow hedges to hedge the foreign exchange risk relating to the cash flows attributable to certain firm commitments / highly probable forecast transactions. At the inception of the hedge relationship, the Company documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and strategy. Furthermore, at the inception of the hedge and on an ongoing basis, the Company assesses the effectiveness of the hedging instrument in offsetting changes in expected cash flows of the hedged item attributable to the hedged risk. The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated under cash flow hedging reserve within equity. The gain or loss relating to the ineffective portion is recognised immediately in the statement of profit and loss. In case the Company opts to designate only the changes in the spot element of a foreign currency forward contract as a cash flow hedge, the changes in the forward element of the relevant forward contract, is recognised in other comprehensive income and accumulated under cost of hedging reserve within equity, to the extent such forward element is aligned with the critical terms of the hedged item. The changes in the forward element of the relevant forward contract which is not so aligned, is recognised immediately in the statement of profit and loss.

Amounts previously recognised in other comprehensive income and accumulated in equity relating to effective and /or aligned portion (as described above) of the cash flow hedges are reclassified to the statement of profit or loss in the periods when the hedged item affects the statement of profit and loss.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in the statement of profit and loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in the statement of profit and loss.

(t) Financial guarantee contracts

Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of (i) the amount of expected credit loss; and (ii) the amount initially recognised less, where appropriate, cumulative amount of income recognised.

The fair value of financial guarantees is determined based on the present value of the difference in cash flows between the contractual payments required under the debt instrument and the payments that would be required without the guarantee or the estimated amount that would be payable to a third party for assuming the obligations.

Where guarantees in relation to loans of subsidiary company are provided for no compensation, the fair values are accounted for as contributions and recognised as part of the cost of the investment.

(u) 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

Notes to the Standalone financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

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.

(v) 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.

(w) Statement of cash flows

Cash flows are reported using the indirect method, whereby profit/loss before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing of financing flows. The cash flows from operating, investing and financing activities of the Company are segregated.

(x) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise of cash on hand, cheques on hand, balance with banks on current accounts and short term, highly liquid investments with an original maturity of three months or less and which carry insignificant risk of change in value.

For the purpose of statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above.

(y) Earnings per share

Basic earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and financing costs associated with dilutive potential equity shares and the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(z) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. Refer note 36 for segment information presented.

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

Notes to the Standalone financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

financial impact on the Company and that are believed to be reasonable under the circumstances.

(a) Critical accounting judgements

Following are the areas which involved complex and subjective judgements:

(i) Incentives under the U.P. Sugar Industry Promotion Policy, 2004

In a writ petition filed by the Company against the illegal withdrawal of U.P. Sugar Industry Promotion Policy, 2004 ("the Policy") by the State Government of Uttar Pradesh, the Hon'ble Allahabad High Court had decided the matter in favour of the Company and directed the State Government to quantify and pay all the incentives that were promised under the said Policy. The State Government however filed a Special Leave Petition before the Hon'ble Supreme Court challenging the decision of the Hon'ble High Court against it.

While the case was sub-judice, the Company continued to avail and account for the remissions of statutory levies and duties aggregating to ₹ 4158.38 lakhs, which it was entitled to under the Policy, in accordance with the interim directions of the High Court. Based on the aforesaid decision of Hon'ble Allahabad High Court in its favour, the Company shall continue to pursue its claim of ₹ 11375 lakhs filed towards one time capital subsidy and its claims towards other incentives by way of reimbursements against specified expenses aggregating to ₹ 13015.88 lakhs, by filing necessary documents for the verification of the State Government authorities. The aforesaid amounts do not include any interest towards delayed settlement.

In view of uncertainties involved on account of the fact that the State Government has challenged the decision rendered against it and since the process of verification and quantification of claims by the State Government for the incentive period of 10 years is yet to be taken up, the Company has not recognised the above benefits/incentives receivable under the Policy.

(ii) Society commission

In the cane price package offered by the State Government of Uttar Pradesh ("State Government") to sugar mills, the State Government had reduced the rate of commission payable to cane societies for sugar season 2012-13 and 2014-15 by way of notification dated 12 June 2015 and for 2015-16 vide notification dated 5 February 2016, to provide relief to the Sugar Industry in view of disparity in the cane price and the market outlook of the sugar prices. In the writ petitions filed by certain cane societies against such reduction in commission rates, the Hon'ble Allahabad High Court has held that these notifications cannot have retrospective applicability. The reduction in the rate of commission payable being part of the relief package announced by the State Government, the Company believes that the State Government is not likely to pass the cost burden to the sugar industry and instead, may explore other ways to meet the outcome of the order of the Court. Accordingly, no provision to this effect has been considered necessary.

(b) Key sources of estimation uncertainty

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) Fair value measurements and valuation processes

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. When the fair values of these assets and liabilities cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques by engaging third party qualified external valuers or internal valuation team to perform the valuation. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include

Notes to the Standalone financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See note 4, 6, 9, 20 and 41 for further disclosures.

(ii) Employee benefit plans

The cost of employee benefits under the defined benefit plan and other long term employee benefits as well as the present value of the obligation there against 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 market yields on government bonds with a maturity term that is consistent with the term of the concerned defined benefit obligation. 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 of 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 intervals in response to demographic changes. See note 37 for further disclosures.

(iii) Impairment of trade receivables

The Company has a stringent policy of ascertaining impairment, if any, as result of detailed scrutiny of major cases and through determining expected credit losses. Despite best estimates and periodic credit appraisals of customers, the Company's receivables are exposed to delinquency risks due to material adverse changes in business, financial or economic conditions that are expected to cause a significant change to the party's ability to meet its obligations. All such parameters relating to impairment or potential impairment are reviewed at each reporting date. See note 40(i) for further disclosures.

(iv) Revenue and cost estimation for long-duration construction & supply contracts

The revenue recognition pertaining to long-duration construction & supply contracts are determined on proportionate completion method based on actual contract costs incurred till balance sheet date and total budgeted contract costs. An estimation of total budgeted contract cost involves making various assumptions that may differ from the actual developments in the future. These include delays in execution due to unforeseen reasons, inflation rate, future material rates, future labour rates etc. The estimates/assumptions are made considering past experience, market/ inflation trends and technological developments etc. All such estimates/ assumptions are reviewed at each reporting date.

(v) Provision for warranty claims

The Company, in the usual course of sale of its products, provides 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.

(vi) 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

Notes to the Standalone financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

economic benefits, which involves judgements around estimating the ultimate outcome of such past events and measurement of the obligation amount.

(vii) Useful life and residual value of plant, property equipment and intangible assets

The useful life and residual value of plant, property 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.

(viii) Current taxes and deferred taxes

Significant judgement is required in determination of taxability of certain incomes and deductibility of certain expenses during the estimation of the provision for income taxes.

Deferred tax assets are recognised for deductible temporary differences and carry forward of unused tax losses and tax credits to the extent that it is probable that taxable profit would be available against which such deferred tax assets could be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax optimisation strategies.

Notes to the Standalone financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

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

	Property, plant and equipment											Capital work-in- progress
	Freehold Land	Leasehold Land	Right-of-use assets (Land)	Buildings & Roads	Right-of-use assets (Building)	Plant and Equipment	Furniture & Fixtures	Vehicles	Office Equipment	Computers	Total	
Year ended 31 March 2022												
Gross carrying amount												
Opening gross carrying amount	3874.81	1986.75	359.82	23019.37	2040.27	107852.77	436.01	1509.61	708.40	1001.90	142789.71	2223.43
Additions	130.44	-	13.72	3167.79	656.25	3895.53	102.38	445.82	168.68	232.60	8813.21	28152.73
Disposals	(0.78)	-	-	(191.06)	(339.61)	(343.92)	(10.65)	(252.21)	(41.06)	(24.10)	(1203.39)	-
Transfers *	-	-	-	-	-	-	-	-	-	-	-	(4723.38)
Closing gross carrying amount	**4004.47**	**1986.75**	**373.54**	**25996.10**	**2356.91**	**111404.38**	**527.74**	**1703.22**	**836.02**	**1210.40**	**150399.53**	**25652.78**
Accumulated depreciation and impairment												
Opening accumulated depreciation and impairment	-	-	29.65	4737.53	842.23	29602.81	233.05	600.73	281.00	564.50	36891.50	-
Depreciation charge during the year	-	-	6.68	1066.60	501.97	5934.35	30.74	171.11	106.38	180.27	7998.10	-
Disposals	-	-	-	(133.36)	(329.42)	(155.87)	(8.84)	(117.61)	(35.09)	(17.64)	(797.83)	-
Closing accumulated depreciation and impairment	**-**	**-**	**36.33**	**5670.77**	**1014.78**	**35381.29**	**254.95**	**654.23**	**352.29**	**727.13**	**44091.77**	**-**
Net carrying amount	**4004.47**	**1986.75**	**337.21**	**20325.33**	**1342.13**	**76023.09**	**272.79**	**1048.99**	**483.73**	**483.27**	**106307.76**	**25652.78**
Year ended 31 March 2023												
Gross carrying amount												
Opening gross carrying amount	4004.47	1986.75	373.54	25996.10	2356.91	111404.38	527.74	1703.22	836.02	1210.40	150399.53	25652.78
Additions	140.90	-	1033.93	4114.76	818.34	41300.61	282.94	412.70	197.45	337.62	48639.25	16300.31
Disposals	-	-	(2.64)	(29.83)	(259.40)	(232.80)	(3.73)	(163.61)	(26.30)	(35.42)	(753.73)	-
Transfers *	-	-	-	-	-	-	-	-	-	-	-	(39121.90)
Other adjustments	-	-	-	(5.02)	-	(50.35)	14.47	-	57.06	(16.16)	-	-
Closing gross carrying amount	**4145.37**	**1986.75**	**1404.83**	**30076.01**	**2915.85**	**152421.84**	**821.42**	**1952.31**	**1064.23**	**1496.44**	**198285.05**	**2831.19**
Accumulated depreciation and impairment												
Opening accumulated depreciation and impairment	-	-	36.33	5670.77	1014.78	35381.29	254.95	654.23	352.29	727.13	44091.77	-
Depreciation charge during the year	-	-	8.49	1087.46	589.07	6953.06	55.94	204.96	121.36	232.69	9253.03	-
Disposals	-	-	(2.64)	(27.09)	(204.28)	(100.68)	(3.31)	(114.14)	(20.93)	(27.08)	(500.15)	-
Closing accumulated depreciation and impairment	**-**	**-**	**42.18**	**6731.14**	**1399.57**	**42233.67**	**307.58**	**745.05**	**452.72**	**932.74**	**52844.65**	**-**
Net carrying amount	**4145.37**	**1986.75**	**1362.65**	**23344.87**	**1516.28**	**110188.17**	**513.84**	**1207.26**	**611.51**	**563.70**	**145440.40**	**2831.19**

* Represents amount capitalised during the year under property, plant and equipment out of capital work-in-progress.

Notes to the Standalone financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

Notes:

(i) Leasehold land

Comprises certain land acquired under agreements on perpetual lease terms from the Government and accordingly, classified and accounted for under Ind AS 16 Property, Plant and Equipment. Under the terms of the perpetual lease agreements, the Company has the right to sublet/ sub-lease/ assign/ transfer such land except in case of one perpetual lease relating to a small parcel of land where prior approval of the specified authority is required.

(ii) Restrictions on Property, plant and equipment

Refer note 15(i) & 18(i) for information on charges created on property, plant and equipment. Further, freehold land includes land having carrying amount of ₹ 12.35 lakhs (31 March 2022: ₹ 12.35 lakhs) for which transfer of titles in the name of the Company is pending (refer note 48(i)).

(iii) Contractual commitments

Refer note 44 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

(iv) Capital work-in-progress

Capital work-in-progress mainly comprises of godowns being constructed at sugar units.

Capital work-in-progress ageing schedule

	As at 31-Mar-23					As at 31-Mar-22				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	2716.84	19.14	-	95.21	2831.19	25334.63	238.36	79.79	-	25652.78

Capital work-in-progress completion schedule, where completion is overdue or has exceeded its cost compared to its original plan

	As at 31-Mar-23				As at 31-Mar-22			
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Less than 1 year	1-2 years	2-3 years	More than 3 years
Projects in progress								
160 KLPD multi-feed distillery at Milak Narayanpur	-	-	-	-	18153.81	-	-	-
60 KLPD grain based distillery at Muzaffarnagar	-	-	-	-	5408.55	-	-	-

Notes to the Standalone financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

NOTE 4: INVESTMENT PROPERTY

	As at 31-Mar-23	As at 31-Mar-22
Gross carrying amount		
Opening gross carrying amount	442.04	442.04
Movement during the year	-	-
Closing gross carrying amount	442.04	442.04
Accumulated depreciation and impairment		
Opening accumulated depreciation	-	-
Depreciation charge/impairment losses	-	-
Closing accumulated depreciation and impairment	-	-
Net carrying amount	**442.04**	**442.04**

(i) Description about investment properties

Investment properties consist of :

(a) various parcels of freehold land located in the State of Uttar Pradesh.

(b) an office flat owned by the Company having carrying amount of ₹ 0.12 lakhs, constructed by a Society on a leasehold land at Mumbai.

(ii) Amount recognised in statement of profit and loss

	As at 31-Mar-23	As at 31-Mar-22
Rental income from office flat at Mumbai	12.00	12.78
Direct operating expenses on property that generated rental income	-	-
Direct operating expenses on property that did not generate rental income	(11.38)	(11.78)
Profit from investment properties before depreciation	**0.62**	**1.00**
Depreciation	-	-
Profit from investment properties	**0.62**	**1.00**

(iii) Restrictions on realisability and contractual obligations

The Company has no restrictions on the realisability of any of its investment properties and it is under no contractual obligations to either purchase, construct or develop investment properties or for repairs, maintenance and enhancements thereof.

(iv) Fair value

	As at 31-Mar-23	As at 31-Mar-22
Investment properties		
- Various parcels of freehold land located in the State of Uttar Pradesh *	3988.15	3894.54
- Office flat at Mumbai	444.60	418.60

* Stated values are based upon circle rates notified by the revenue authorities. The parcels of land are situated in the sugarcane belt of Uttar Pradesh and in the absence of comparable transactions relating to large parcels of land in the immediate vicinity, the circle rates may not be determinative of the actual fair value of such land.

Notes to the Standalone financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

Estimation of fair value of office flat at Mumbai

The valuation of the office flat situated at Mumbai has been carried by a registered approved valuer (as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017), conversant with and having knowledge of real estate activities in the concerned area, based on prevalent rates and other observable market inputs (Level 2 fair value).

NOTE 5: INTANGIBLE ASSETS AND INTANGIBLE ASSETS UNDER DEVELOPMENT

	Intangible assets			Intangible assets under development
	Computer software	Website	Total	
Year ended 31 March 2022				
Gross carrying amount				
Opening gross carrying amount	445.03	-	445.03	-
Additions	106.25	9.66	115.91	2.50
Disposals	(43.14)	-	(43.14)	-
Closing gross carrying amount	**508.14**	**9.66**	**517.80**	**2.50**
Accumulated amortisation and impairment				
Opening accumulated amortisation and impairment	321.35	-	321.35	-
Amortisation charge during the year	77.73	1.12	78.85	-
Disposals	(43.14)	-	(43.14)	-
Closing accumulated amortisation and impairment	**355.94**	**1.12**	**357.06**	**-**
Closing net carrying amount	**152.20**	**8.54**	**160.74**	**2.50**
Year ended 31 March 2023				
Gross carrying amount				
Opening gross carrying amount	508.14	9.66	517.80	2.50
Additions	185.65	4.00	189.65	-
Disposals	(0.70)	(9.66)	(10.36)	-
Transfers *	-	-	-	(2.50)
Closing gross carrying amount	**693.09**	**4.00**	**697.09**	**-**
Accumulated amortisation and impairment				
Opening accumulated amortisation and impairment	355.94	1.12	357.06	-
Amortisation charge during the year	91.48	3.59	95.07	-
Disposals	(0.59)	(4.33)	(4.92)	-
Closing accumulated amortisation and impairment	**446.83**	**0.38**	**447.21**	**-**
Closing net carrying amount	**246.26**	**3.62**	**249.88**	**-**

* Represents amount capitalised during the year under Intangible assets out of Intangible assets under development.

(i) Intangible assets under development

Intangible assets under development ageing schedule

	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
As at 31 March 2022					
Projects in progress	2.50	-	-	-	2.50
As at 31 March 2023	-	-	-	-	-

Notes to the Standalone financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

NOTE 6: INVESTMENTS

	As at 31-Mar-23	As at 31-Mar-22
At Cost		
Quoted Investments (fully paid-up)		
Investments in Equity Instruments		
- of Associate		
Nil (31 March 2022: 7,06,27,980) Equity shares of ₹ 1/- each of Triveni Turbine Limited (refer note 33)	-	706.35
Total aggregate quoted investments at cost	**-**	**706.35**
Unquoted Investments (fully paid-up)		
Investments in Equity Instruments		
- of Subsidiaries		
2,65,00,000 (31 March 2022: 2,65,00,000) Equity shares of ₹ 1/- each of Triveni Engineering Limited	265.00	265.00
3,85,00,000 (31 March 2022: 3,85,00,000) Equity shares of ₹ 1/- each of Triveni Energy Systems Limited	385.00	385.00
2,05,00,000 (31 March 2022: 2,05,00,000) Equity shares of ₹ 1/- each of Triveni Sugar Limited	205.00	205.00
4,55,00,000 (31 March 2022: 4,55,00,000) Equity shares of ₹ 1/- each of Svastida Projects Limited	455.00	455.00
41,70,000 (31 March 2022: 41,70,000) Equity shares of ₹ 10/- each of Triveni Entertainment Limited	404.02	404.02
2,00,50,000 (31 March 2022: 2,00,50,000) Equity shares of ₹ 1/- each of Triveni Industries Limited	200.50	200.50
13,50,30,000 (31 March 2022: 13,50,30,000) Equity shares of ₹ 1/- each of Mathura Wastewater Management Private Limited [includes financial guarantee contracts of ₹ 3,45,92,000/- (31 March 2022: ₹ 1,88,58,000)]	1696.22	1538.88
2,00,00,000 (31 March 2022: 2,00,00,000) Equity shares of ₹ 1/- each of Gaurangi Enterprises Limited	200.00	200.00
1,00,000 (31 March 2022: 1,00,000) Equity shares of ₹ 1/- each of Triveni Foundation (incorporated u/s 8 of the Companies Act, 2013)	1.00	1.00
4,00,000 (31 March 2022: 4,00,000) Equity shares of ₹ 10/- each of United Shippers & Dredgers Limited	23.00	23.00
9,00,00,000 (31 March 2022: 9,00,00,000) Equity shares of ₹ 1/- each of Pali ZLD Private Limited	900.00	900.00
Total aggregate unquoted investments at cost	**4734.74**	**4577.40**
Total non-current investments carried at cost [A]	**4734.74**	**5283.75**
At Amortised cost		
Quoted Investments (fully paid-up)		
Investments in Debentures		
10,418 (31 March 2022: 10,418) 6.75% redeemable non-convertible debentures of Piramal Capital & Housing Finance Ltd.	96.37	101.58
Total aggregate quoted investments at amortised cost	**96.37**	**101.58**

Notes to the Standalone financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

	As at 31-Mar-23	As at 31-Mar-22
Unquoted Investments (fully paid-up)		
Investments in Government or trust securities		
National Saving Certificates (kept as security)	0.03	0.03
Investments in Bonds		
2,000 (31 March 2022: 2,000) 9.55% bonds of ₹ 1,000/- of IL&FS Financial Services Ltd. SR-V	0.20	0.20
3,000 (31 March 2022: 3,000) 8.85% bonds of ₹ 1,000/- of IL&FS Financial Services Ltd. SR-VI	0.00	6.00
4,000 (31 March 2022: 4,000) 8.75% bonds of ₹ 1,000/- of IL&FS Financial Services Ltd. SR-III	0.00	8.00
9,700 (31 March 2022: 9,700) 8.65% bonds of ₹ 1,000/- of IL&FS Financial Services Ltd. SR-XVI	0.97	0.97
5,100 (31 March 2022: 5,100) 8.23% bonds of ₹ 1,000/- of IL&FS Financial Services Ltd. SR-I	0.00	10.20
2,000 (31 March 2022: 2,000) 8.70% bonds of ₹ 1,000/- of IL&FS Financial Services Ltd. SR-I	0.00	4.00
3,000 (31 March 2022: 3,000) 9.50% bonds of ₹ 1,000/- of Infrastructure Leasing & Financial Services Ltd. SR-II C	6.00	6.00
6,000 (31 March 2022: 6,000) 9.00% bonds of ₹ 1,000/- of Infrastructure Leasing & Financial Services Ltd. SR-I-H (O-1)	12.00	12.00
Total aggregate unquoted investments at amortised cost	**19.20**	**47.40**
Total non-current investments carried at amortised cost [B]	**115.57**	**148.98**
At Fair value through Profit or Loss (FVTPL) (refer note 41)		
Quoted Investments (fully paid-up)		
Investments in Equity Instruments		
13,500 (31 March 2022: 13,500) Equity shares of ₹ 2/- each of Housing Development Finance Corporation Limited	354.44	322.70
5,000 (31 March 2022: 5,000) Equity shares of ₹ 1/- each of HDFC Bank Limited	80.48	73.52
24,175 (31 March 2022: 24,175) Equity shares of ₹ 2/- each of Punjab National Bank	11.26	8.47
76 (31 March 2022: 76) Equity shares of ₹ 10/- each of Central Bank of India	0.02	0.01
3,642 (31 March 2022: 3,642) Equity shares of ₹ 5/- each of NBI Industrial Finance Co. Limited	52.89	80.85
Total non-current investments carried at FVTPL [C]	**499.09**	**485.55**
Total non-current investments ([A]+[B]+[C])	**5349.40**	**5918.28**
Total non-current investments	**5349.40**	**5918.28**
Aggregate amount of quoted investments	595.46	1293.48
Aggregate amount of market value of quoted investments	581.16	143342.09
Aggregate amount of unquoted investments	4753.94	4624.80
Aggregate amount of impairment in the value of investments	-	-

Notes to the Standalone financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

Details of the Company's subsidiaries and associates at the end of the reporting period are as follows:

Name of Subsidiaries / Associates	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Company	
		As at 31-Mar-23	As at 31-Mar-22
Subsidiaries			
Triveni Engineering Limited	India	100%	100%
Triveni Energy Systems Limited	India	100%	100%
Svastida Projects Limited	India	100%	100%
Triveni Entertainment Limited	India	100%	100%
Triveni Industries Limited	India	100%	100%
Triveni Sugar Limited	India	100%	100%
Mathura Wastewater Management Private Limited	India	100%	100%
Gaurangi Enterprises Limited	India	100%	100%
Triveni Foundation	India	100%	100%
United Shippers & Dredgers Limited	India	100%	100%
Pali ZLD Private Limited	India	100%	100%
Associates			
Triveni Turbine Limited	India	Refer note 33	21.85%

NOTE 7: TRADE RECEIVABLES

	As at 31-Mar-23		As at 31-Mar-22	
	Current	Non- current	Current	Non- current
Trade receivables (at amortised cost)				
- Considered good - Unsecured	38648.04	213.36	26223.43	339.70
- Trade receivables which have significant increase in credit risk	-	861.04	-	1172.57
- Trade receivables - Credit impaired	-	64.18	-	200.53
Less: Allowance for bad and doubtful debts	(185.73)	(927.68)	(164.08)	(1377.05)
Total trade receivables	**38462.31**	**210.90**	**26059.35**	**335.75**

Notes to the Standalone financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

(i) Refer note 40(i) for credit risk, impairment of trade receivables under expected credit loss model and other related disclosures.

(ii) Trade receivables ageing schedule:

For the year ended 31 March 2023

	Not over-due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables - considered good	23260.10	10551.76	2038.43	195.17	27.93	58.13	36131.52
Undisputed trade receivables - which have significant increase in credit risk	-	10.23	15.46	2.38	8.50	16.94	53.51
Disputed trade receivables - considered good	173.06	312.56	457.20	329.54	537.03	920.49	2729.88
Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	807.53	807.53
Disputed trade receivables - credit impaired	-	-	-	-	-	64.18	64.18
Total trade receivables	**23433.16**	**10874.55**	**2511.09**	**527.09**	**573.46**	**1867.27**	**39786.62**

For the year ended 31 March 2022

	Not overdue	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables - considered good	16712.57	6893.08	318.86	174.33	213.10	119.19	24431.13
Undisputed trade receivables - which have significant increase in credit risk	-	3.65	18.51	9.06	38.09	8.93	78.24
Disputed trade receivables - considered good	-	296.08	225.22	441.15	484.98	684.57	2132.00
Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	1094.33	1094.33
Disputed trade receivables - credit impaired	-	-	-	-	-	200.53	200.53
Total trade receivables	**16712.57**	**7192.81**	**562.59**	**624.54**	**736.17**	**2107.55**	**27936.23**

Notes to the Standalone financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

NOTE 8: LOANS

	As at 31-Mar-23		As at 31-Mar-22	
	Current	Non- current	Current	Non- current
At amortised cost				
Loan to related parties (refer note 38)				
- Loans receivables considered good - Unsecured	225.00	2900.00	-	2000.00
- Loans receivables - Credit impaired	-	44.53	-	44.53
Less: Allowance for bad and doubtful loans	-	(44.53)	-	(44.53)
	225.00	**2900.00**	**-**	**2000.00**
Loan to employees				
- Loans receivables considered good - Unsecured	57.95	3.29	45.73	2.18
Total loans	**282.95**	**2903.29**	**45.73**	**2002.18**

(i) Loan to related parties includes loan of ₹ 2225 lakhs (31 March 2022: ₹ 2000 lakhs) provided to a wholly owned subsidiary company, Mathura Wastewater Management Private Limited (MWMPL), mainly as part of promoter's contribution, as stipulated by the Lender for financing the project to be executed by MWMPL and loan of ₹ 900 lakhs (31 March 2022: ₹ Nil) provided to another wholly owned subsidiary company, Pali ZLD Private Limited, for execution of its project and meeting its working capital requirements.

NOTE 9: OTHER FINANCIAL ASSETS

	As at 31-Mar-23		As at 31-Mar-22	
	Current	Non- current	Current	Non- current
At amortised cost				
Security deposits (see (i) below)	113.18	563.61	20.34	709.14
Earnest money deposits	214.13	8.00	311.77	2.00
Less: Allowance for bad and doubtful deposits	(0.79)	-	(0.79)	-
	213.34	**8.00**	**310.98**	**2.00**
Bank balances:				
Earmarked balances with banks:				
- Deposit against molasses storage fund (refer note 14(vi))	-	379.17	-	300.72
Balances under lien/margin/kept as security:				
- Post office savings account	-	0.19	-	0.19
- Fixed / margin deposits	-	240.41	-	295.81
Other balances:				
- Fixed deposits	-	4.20	-	4.20
	-	**623.97**	**-**	**600.92**
Accrued interest	34.60	392.37	222.61	1.76
Insurance premium refundable	130.17	-	147.00	-

Notes to the Standalone financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

	As at 31-Mar-23		As at 31-Mar-22	
	Current	Non- current	Current	Non- current
Amount receivable against divestment	-	-	999.08	-
Less: Allowance for bad and doubtful assets	-	-	(999.08)	-
	-	**-**	**-**	**-**
Miscellaneous other financial assets	716.87	14.90	11.06	14.90
Less: Allowance for bad and doubtful assets	-	(14.90)	-	(14.90)
	716.87	**-**	**11.06**	**-**
Total other financial assets at amortised cost [A]	**1208.16**	**1587.95**	**711.99**	**1313.82**
At fair value through Profit or Loss (FVTPL) (refer note 41)				
Derivatives financial instruments carried at fair value				
- Foreign exchange forward contracts (not designated as hedges)	-	-	3.30	-
Total other financial assets at FVTPL [B]	**-**	**-**	**3.30**	**-**
At fair value through Other Comprehensive Income (FVTOCI) (refer note 41)				
Derivatives financial instruments carried at fair value				
- Foreign exchange forward contracts (designated as hedges)	0.46	-	105.91	-
Total other financial assets at FVTOCI [C]	**0.46**	**-**	**105.91**	**-**
Total other financial assets ([A]+[B]+[C])	**1208.62**	**1587.95**	**821.20**	**1313.82**

(i) Investment of ₹ 65.48 lakhs (31 March 2022: ₹ 84.57 lakhs) in equity shares of Atria Wind Power (Bijapur1) Private Limited, under group captive arrangement to source power, has been considered as security deposit in accordance with applicable accounting standards.

NOTE 10: OTHER ASSETS

	As at 31-Mar-23		As at 31-Mar-22	
	Current	Non- current	Current	Non- current
Capital advances	-	295.87	-	1413.12
Advances to suppliers	1700.43	18.06	822.79	18.06
Less: Allowance for bad and doubtful advances	(11.95)	(18.06)	(12.16)	(18.06)
	1688.48	**-**	**810.63**	**-**
Advances to related parties (refer note 38)	-	-	2.74	-
Indirect tax and duties recoverable	4478.67	541.37	4042.99	564.25
Less: Allowance for bad and doubtful amounts	(13.82)	(1.46)	(13.82)	(1.46)
	4464.85	**539.91**	**4029.17**	**562.79**
Bank guarantee encashment recoverable	-	200.00	-	200.00
Less: Allowance for bad and doubtful claims	-	(200.00)	-	(200.00)
	-	**-**	**-**	**-**

Notes to the Standalone financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

	As at 31-Mar-23		As at 31-Mar-22	
	Current	Non- current	Current	Non- current
Export incentives receivable	47.15	-	69.97	-
Less: Allowance for bad and doubtful claims	-	-	(1.32)	-
	47.15	**-**	**68.65**	**-**
Government grant receivables (refer note 42)	850.00	-	487.78	-
Advances to employees	45.54	1.45	36.86	1.45
Prepaid expenses	1248.50	148.29	1367.38	170.46
Due from customers under long-duration construction & supply contracts [see (ii) below]	11781.63	-	8219.20	-
Less: Allowance for bad and doubtful debts	(743.00)	-	(743.00)	-
	11038.63	**-**	**7476.20**	**-**
Customer retentions [see (i) and (ii) below]	7526.31	-	11316.86	-
Less: Allowance for bad and doubtful debts	(81.56)	-	(125.81)	-
	7444.75	**-**	**11191.05**	**-**
Miscellaneous other assets	36.92	116.68	40.45	106.45
Less: Allowance for bad and doubtful assets	-	(20.75)	-	(20.75)
	36.92	**95.93**	**40.45**	**85.70**
Total other assets	**26864.82**	**1081.45**	**25510.91**	**2233.52**

(i) Customer retentions include ₹ 1497.80 lakhs (31 March 2022: ₹ 2969.02 lakhs) expected to be received after twelve months but within the operating cycle.

(ii) Contract balances

	As at 31-Mar-23	As at 31-Mar-22
Contract assets		
- Amounts due from customers under long-duration construction & supply contracts	11038.63	7476.20
- Customer retentions	7444.75	11191.05
Contract liabilities		
- Amounts due to customers under long-duration construction & supply contracts	4306.21	3551.98
- Advance from customers	7960.16	4928.05

(a) Contract assets are initially recognised for revenue earned but not billed pending successful achievement of milestones. Upon achievement of milestones and billing, contract assets are reclassified to trade receivables. A trade receivable represents the Company's right to an amount of consideration that is billed to the customer and which become due unconditionally (i.e. only the passage of time is required before payment of the consideration is due). Different businesses of the Company have their different credit terms [refer note 40(i)].

Contract costs incurred to date plus recognised profits or less recognised losses are compared with progress billings raised on the customer - any surplus is considered as contract assets and shown as amounts due from customers under long-duration construction & supply contracts, whereas any shortfall is considered as contract liabilities and shown as the amounts due to customers under long-duration construction & supply contracts. Amounts billed for work performed which will become due upon fulfillment of specified conditions is considered as contract assets and shown as customer

Notes to the Standalone financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

retentions. Amounts received before the related work is performed is considered as contract liabilities and is shown as advances from customers.

(b) Significant changes in contract assets and liabilities:

Increase in contract assets (Due from customers under long-duration construction & supply contracts) has resulted due to substantial work carried out during the current year pending billing due to non-achievement of contractual milestones, mainly in respect of wastewater treatment projects in the industrial segment.

Decrease in contract assets (customer retentions) is mainly due to the release of retentions by the customer upon fulfillment of specified conditions in respect of sewage/wastewater treatment projects in the municipal/industrial segment.

Increase in contract liabilities (Amount due to customers under long-duration construction & supply contracts) is due to the reason that against the billing done during the current year, the revenue recognised in accordance with Ind AS 115 Revenue from Contracts with Customers is lower, mainly in respect of sewage/water treatment projects in the municipal segment.

Increase in contract liabilities (Advances from Customers) is mainly on account of receipt of advance against sugar export orders executed in the following year.

(c) Revenue recognised in relation to contract liabilities:

The following table shows how much of the revenue recognised in the current reporting period relates to carried-forward contract liabilities and how much relates to performance obligations that were satisfied in a prior year.

	Year ended 31-Mar-23	Year ended 31-Mar-22
Revenue recognised that was included in the contract liability balance at the beginning of the period	4719.71	10180.51
Revenue recognised from performance obligations satisfied in previous periods	-	-

NOTE 11: INVENTORIES

	As at 31-Mar-23	As at 31-Mar-22
Raw materials and components	7557.89	4364.94
Less: Provision for obsolescence/slow moving raw materials and components	(204.03)	(235.45)
Work-in-progress	4716.23	2838.73
Finished goods [including stock in transit ₹ 453.49 lakhs as at 31 March 2023 (31 March 2022: ₹ 425.89 lakhs)]	179787.35	190098.78
Stock in trade	67.80	179.03
Stores and spares [including stock in transit ₹ 5.52 lakhs as at 31 March 2022 (31 March 2022: ₹ 2.51 lakhs)]	7942.00	6690.68
Less: Provision for obsolescence/slow moving stores and spares	(325.85)	(326.32)
Others - Scrap & low value patterns	108.11	76.63
Total inventories	**199649.50**	**203687.02**

Notes to the Standalone financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

(i) The cost of inventories recognised as an expense during the year was ₹ 551546.31 lakhs (31 March 2022: ₹ 384704.51 lakhs).

(ii) Refer note 18(i) for information on charges created on inventories.

(iii) The mode of valuation of inventories has been stated in note 1(l).

(iv) All inventories are expected to be utilised/sold within twelve months except certain items of stores and spares, which are utilised on need basis. Quantum of such stores and spares, which may be utilised beyond one year, is not determinable and is not expected to be material with reference to the total value of inventories.

(v) For impairment losses recognised during the year refer note 24 & 32.

(vi) In addition to the cost of inventories recognised as expense as mentioned in (i) above, there are write-downs of inventories to net realisable value amounting to ₹ 62.57 lakhs [31 March 2022: write-downs of ₹ 396.91 lakhs] which are also recognised as an expense/income during the year and included in 'Changes in inventories of finished goods, stock-in-trade and work-in-progress' in statement of profit and loss.

NOTE 12: CASH AND BANK BALANCES

(a) Cash and cash equivalents

	As at 31-Mar-23	As at 31-Mar-22
At amortised cost		
Balances with banks	6870.26	1795.53
Cash on hand	25.09	26.04
Total cash and cash equivalents	**6895.35**	**1821.57**

(b) Bank balances other than cash and cash equivalents

	As at 31-Mar-23	As at 31-Mar-22
At amortised cost		
Earmarked balances with banks:		
- unpaid dividend and preference share redemption accounts	24.52	20.71
Balances under lien/margin/kept as security:		
- in fixed/margin deposits	184.20	387.68
Total bank balances other than cash and cash equivalents	**208.72**	**408.39**

Notes to the Standalone financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

NOTE 13: SHARE CAPITAL

	As at 31-Mar-23		As at 31-Mar-22	
	Number of shares	Amount	Number of shares	Amount
AUTHORISED				
Equity shares of ₹ 1 each	50,00,00,000	5000.00	50,00,00,000	5000.00
Preference shares of ₹ 10 each	2,00,00,000	2000.00	2,00,00,000	2000.00
		7000.00		**7000.00**
ISSUED				
Equity shares of ₹ 1 each	21,89,05,968	2189.06	24,17,63,110	2417.63
SUBSCRIBED AND PAID UP				
Equity shares of ₹ 1 each, fully paid up	21,88,97,968	2188.98	24,17,55,110	2417.55
Add: Paid up value of equity shares of ₹ 1 each forfeited	8,000	0.02	8,000	0.02
		2189.00		**2417.57**

(i) Movements in equity share capital

	Number of shares	Amount
As at 31 March 2021	24,17,55,110	2417.55
Movement during the year	-	-
As at 31 March 2022	**24,17,55,110**	**2417.55**
Extinguishment of shares upon buy-back [refer note 13(v)]	(2,28,57,142)	(228.57)
As at 31 March 2023	**21,88,97,968**	**2188.98**

(ii) Terms and rights attached to equity shares

The Company has only one class of equity shares with a par value of ₹ 1/- per share. The 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.

(iii) Details of shareholders holding more than 5% shares in the Company

	As at 31-Mar-23		As at 31-Mar-22	
	Number of shares	% holding	Number of shares	% holding
Dhruv M. Sawhney	1,82,58,411	8.34	3,77,33,691	15.61
Rati Sawhney	1,51,26,737	6.91	1,65,10,356	6.83
STFL Trading and Finance Private Limited	7,07,88,187	32.34	7,87,39,178	32.57
Nikhil Sawhney	1,29,86,575	5.93	1,43,67,837	5.94
Tarun Sawhney	1,24,94,259	5.71	1,38,20,236	5.72
DSP Small Cap Fund	1,10,15,325	5.03	78,71,670	3.26

Notes to the Standalone financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

(iv) Details of Promoter's shareholding

	As at 31-Mar-23			As at 31-Mar-22		
	Number of shares	% holding	% change during the year	Number of shares	% holding	% change during the year
Dhruv M. Sawhney	1,82,58,411	8.34	(51.61)	3,77,33,691	15.61	-
Rati Sawhney	1,51,26,737	6.91	(8.38)	1,65,10,356	6.83	(5.71)
STFL Trading and Finance Private Limited	7,07,88,187	32.34	(10.10)	7,87,39,178	32.57	1.29
Nikhil Sawhney	1,29,86,575	5.93	(9.61)	1,43,67,837	5.94	-
Tarun Sawhney	1,24,94,259	5.71	(9.59)	1,38,20,236	5.72	-
Manmohan Sawhney HUF	38,15,853	1.74	(10.10)	42,44,452	1.76	-
Tarana Sawhney	21,140	0.01	(10.09)	23,513	0.01	-
Total		**60.98**			**68.44**	

(v) Buy-back of equity shares

During the year, the Company has completed buy-back of 2,28,57,142 (31 March 2022: Nil) equity shares of ₹ 1/- each [representing 9.45% of total pre buy-back paid up equity share capital of the Company] from the shareholders of the Company on a proportionate basis, through the tender offer route under the Securities and Exchange Board of India (Buy-back of Securities), Regulations 2018, at a price of ₹ 350 per equity share for an aggregate amount of ₹ 80000 lakhs. Accordingly, the Company has extinguished 2,28,57,142 fully paid up equity shares of ₹ 1 each (in dematerialized form) and the fully paid up equity share capital of the Company (post extinguishment) is 21,88,97,968 shares of ₹ 1/- each. The Company has funded the buy-back (including transaction costs incurred in relation thereto) from its securities premium, general reserve and retained earnings. In accordance with section 69 of the Companies Act, 2013, the Company has transferred an amount of ₹ 228.57 lakhs to capital redemption reserve which is equal to the nominal value of the shares bought back from retained earnings.

The aggregate number of equity shares bought back during a period of five financial years immediately preceding the financial year ended 31 March 2023 is 1,61,90,000 equity shares (31 March 2022: 1,61,90,000 equity shares)

NOTE 14: OTHER EQUITY

	As at 31-Mar-23	As at 31-Mar-22
Capital redemption reserve	787.87	559.30
Capital reserve	2855.85	2855.85
Securities premium	-	8375.55
Amalgamation reserve	926.34	926.34
General reserve	-	49212.72
Molasses storage fund reserve	295.38	230.80
Retained earnings	258950.43	112764.22
Cash flow hedging reserve	(166.95)	(54.06)
Costs of hedging reserve	100.83	133.31
Total other equity	**263749.75**	**175004.03**

Notes to the Standalone financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

(i) Capital redemption reserve

	Year ended 31-Mar-23	Year ended 31-Mar-22
Opening balance	559.30	559.30
Transferred from retained earnings on buy-back of equity shares	228.57	-
Closing balance	**787.87**	**559.30**

Capital redemption reserve has been created consequent to redemption of preference share capital and buy-back of equity share capital. This reserve shall be utilised in accordance with the provisions of Companies Act, 2013.

(ii) Capital reserve

	Year ended 31-Mar-23	Year ended 31-Mar-22
Opening balance	2855.85	2855.85
Movement during the year	-	-
Closing balance	**2855.85**	**2855.85**

Capital reserve majorly comprises reserve created consequent to business combination in earlier years, in accordance with the accounting standards then prevailing.

(iii) Securities premium

	Year ended 31-Mar-23	Year ended 31-Mar-22
Opening balance	8375.55	8375.55
Amount utilised for buy-back of equity shares	(8375.55)	-
Closing balance	**-**	**8375.55**

Securities premium is used to record the premium received on issue of shares and is utilised in accordance with the provisions of Companies Act, 2013.

(iv) Amalgamation reserve

	Year ended 31-Mar-23	Year ended 31-Mar-22
Opening balance	926.34	926.34
Movement during the year	-	-
Closing balance	**926.34**	**926.34**

Amalgamation reserve was created consequent to business combinations in past in accordance with the accounting standards then prevailing.

Notes to the Standalone financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

(v) General reserve

	Year ended 31-Mar-23	Year ended 31-Mar-22
Opening balance	49212.72	49212.72
Amount utilised for buy-back of equity shares	(49212.72)	-
Closing balance	**-**	**49212.72**

General reserve represents amount retained by the Company out of its profits for future purposes. It is not earmarked for any specific purpose.

(vi) Molasses storage fund reserve

	Year ended 31-Mar-23	Year ended 31-Mar-22
Opening balance	230.80	181.20
Amount transferred from retained earnings	64.58	49.60
Closing balance	**295.38**	**230.80**

Molasses storage fund reserve is created and maintained under the provisions of the Uttar Pradesh Sheera Niyantran Adhiniyam, 1964 (U.P. Act No. XXIV of 1964) and is to be utilised for the provision and maintenance of adequate storage facilities for molasses. Fixed deposit of ₹ 379.17 lakhs (31 March 2022: ₹ 300.72 lakhs) is earmarked against molasses storage fund (refer note 9).

(vii) Retained earnings

	Year ended 31-Mar-23	Year ended 31-Mar-22
Opening balance	112764.22	81795.19
Net profit for the year	192400.58	38216.55
Other comprehensive income arising from the remeasurement of defined benefit obligation, net of income tax	(173.35)	54.73
Transfer to molasses storage fund reserve	(64.58)	(49.60)
Dividends distributed	(4835.10)	(7252.65)
Amount utilised for buy-back of equity shares	(22183.16)	-
Transferred to capital redemption reserve on buy-back of equity shares	(228.57)	-
Transaction costs related to buy-back of equity shares	(613.28)	-
Tax paid on buy-back of equity shares	(18116.33)	-
Closing balance	**258950.43**	**112764.22**

(a) Retained earnings represents undistributed profits of the Company which can be distributed to its equity shareholders in accordance with the provisions of the Companies Act, 2013.

Notes to the Standalone financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

(b) Details of dividend distributions made and proposed:

	Year ended 31-Mar-23	Year ended 31-Mar-22
Cash dividends on equity shares distributed:		
Final dividend for the year ended 31 March 2022: 200% (₹ 2 per equity share of ₹ 1/- each) [31 March 2021: 175% (₹ 1.75 per equity share of ₹ 1/- each)]	4835.10	4230.71
Interim dividend for the year ended 31 March 2023: Nil [31 March 2022: 125% (₹ 1.25 per equity share of ₹ 1/- each)]	-	3021.94
Total cash dividends on equity shares declared and paid	**4835.10**	**7252.65**
Cash dividends on equity shares proposed:		
Final dividend for the year ended 31 March 2023: 325% (₹ 3.25 per equity share of ₹ 1/- each) [31 March 2022: 200% (₹ 2 per equity share of ₹ 1/- each)]	7114.18	4835.10

Proposed dividends on equity shares are subject to approval at the annual general meeting and are not recognised as a liability as at the year end.

(viii) Cash flow hedging reserve

	Year ended 31-Mar-23	Year ended 31-Mar-22
Opening balance	(54.06)	-
Other comprehensive income arising from effective portion of gains/(losses) on hedging instruments designated as cash flow hedges (non-reclassifiable)	-	(29.33)
Other comprehensive income arising from effective portion of gains/(losses) on hedging instruments designated as cash flow hedges (reclassifiable)	(581.44)	(72.24)
Other comprehensive income arising from reclassification of cumulative gains/(losses) to profit or loss	430.58	-
Income tax related to gains/losses (net of reclassification to profit or loss) recognised in other comprehensive income	37.97	25.56
Amounts transferred to cost of non-financial hedged items	-	29.33
Income tax related to amounts transferred to cost of non-financial hedged items	-	(7.38)
Closing balance	**(166.95)**	**(54.06)**

The cash flow hedging reserve is used to recognise the effective portion of gains or losses on derivatives that are designated and qualify as cash flow hedges. Amounts are subsequently either transferred to the cost of non-financial hedged items or reclassified to profit or loss, as appropriate.

Notes to the Standalone financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

(ix) Costs of hedging reserve

	Year ended 31-Mar-23	Year ended 31-Mar-22
Opening balance	133.31	-
Other comprehensive income arising from gains/(losses) on aligned portion of forward element of cash flow hedging instruments (non-reclassifiable)	-	14.29
Other comprehensive income arising from gains/(losses) on aligned portion of forward element of cash flow hedging instruments (reclassifiable)	209.53	178.14
Other comprehensive income arising from reclassification of cumulative gains/(losses) to profit or loss	(252.93)	-
Income tax related to gains/losses (net of reclassification to profit or loss) recognised in other comprehensive income	10.92	(48.43)
Amounts transferred to cost of non-financial hedged items	-	(14.29)
Income tax related to amounts transferred to cost of non-financial hedged items	-	3.60
Closing balance	**100.83**	**133.31**

In cases where the Company opts to designate only the spot element of a foreign exchange forward contract as a cash flow hedge, the changes in the aligned portion of the forward element of hedging instrument is deferred and accumulated under the costs of hedging reserve. These deferred costs of hedging are included in the initial cost of non-financial hedged items when it is recognised or reclassified to profit or loss when the hedged items affects profit or loss, as appropriate.

NOTE 15 : NON-CURRENT BORROWINGS

	As at 31-Mar-23		As at 31-Mar-22	
	Current maturities	Non- current	Current maturities	Non- current
Secured- at amortised cost				
Term loans				
- from banks	8645.72	12362.68	5745.18	17457.36
- from other parties	7034.15	1812.46	6687.43	8871.43
	15679.87	**14175.14**	**12432.61**	**26328.79**
Less: Amount disclosed under the head "Current borrowings" (refer note 18)	(15679.87)	-	(12432.61)	-
Total non-current borrowings	**-**	**14175.14**	**-**	**26328.79**

Notes to the Standalone financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

NOTE 15: NON-CURRENT BORROWINGS (CONTD.)

(i) Details of long term borrowings of the Company

		Amount outstanding as at		Interest rate	Number of instalments outstanding as at		Terms of Repayment	Nature of Security
		31-Mar-23	31-Mar-22		31-Mar-23	31-Mar-22		
Secured- at amortised cost								
Term loans from banks (₹ loans)								
1	RBL Bank Limited*	2401.98	4321.24	At MCLR plus applicable spread. The interest rate as on 31.03.2023 ranges between 8.10% to 9.50% p.a.	5	9	Equal quarterly installments from September 2020 to June 2024.	Secured by first pari-passu charge created / to be created by equitable mortgage on immoveable assets and hypothecation of all moveable assets, both present and future of the Company and second pari-passu charge on current assets of the Company.
2	Central Bank of India *	1543.39	2793.24		5	9	Equal quarterly installments from September 2020 to June 2024.	
3	Punjab National Bank*	1553.97	2807.03		5	9	Equal quarterly installments from September 2020 to June 2024.	
4	RBL Bank Limited*	2457.03	2620.31		15	16	Equal quarterly installments from January 2023 to September 2026.	
5	Axis Bank Limited*	6121.77	3495.49		14	16	Equal quarterly installments from December 2022 to September 2026.	
6	ICICI Bank Limited*	6121.96	6995.25		14	16	Equal quarterly installments from December 2022 to September 2026.	
7	ICICI Bank Limited*	495.00	-		16	-	Equal quarterly installments from June 2024 to March 2028.	

Notes to the Standalone financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

NOTE 15: NON-CURRENT BORROWINGS (contd.)

(i) Details of long term borrowings of the Company

		Amount outstanding as at		Interest rate	Number of instalments outstanding as at		Terms of Repayment	Nature of Security
		31-Mar-23	31-Mar-22		31-Mar-23	31-Mar-22		
8	Axis Bank Limited*	100.00	-		16	-	Equal quarterly installments from June 2024 to March 2028.	
9	Axis Bank (Vehicle loan)	198.87	160.72	At fixed rates ranging from 7.45% to 9.15% p.a.	5 to 60	1 to 58	Equated monthly installments	Secured by hypothecation of vehicles acquired under the respective vehicle loans.
10	PNB Bank (Vehicle loan)	-	5.24					
11	Yes Bank (Vehicle loan)	14.43	4.02					
		21008.4	**23202.54**					
Total term loans from banks		**21008.40**	**23202.54**					
Term loans from other parties (₹ loans)								
1	Govt. of Uttar Pradesh through RBL Bank Ltd. under SEFASU 2018*	8846.61	15558.86	5% p.a.	15	27	Equal monthly installments upto June 2024	Secured by first pari-passu charge on the fixed assets of the Company
Total term loans from other parties		**8846.61**	**15558.86**					
Total loans		**29855.01**	**38761.40**					

* Loans with interest subvention or below market rate under various schemes of the Government, refer note 42.

Notes to the Standalone financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

NOTE 16: PROVISIONS

	As at 31-Mar-23		As at 31-Mar-22	
	Current	Non- current	Current	Non- current
Provision for employee benefits				
Gratuity (refer note 37)	478.19	1031.09	381.11	2183.70
Compensated absences	825.78	1187.56	557.64	1167.32
Other provisions				
Warranty	2854.44	-	3545.20	-
Cost to completion	152.65	-	232.42	-
Arbitration/Court case claims	118.07	-	111.86	-
Total provisions	**4429.13**	**2218.65**	**4828.23**	**3351.02**

(i) Information about individual provisions and significant estimates

(a) Warranty

The Company provides warranties on certain products, undertaking to repair or replace the items that fail to perform satisfactorily during the warranty period. Provisions made represent the amount of expected cost of meeting such obligations of rectifications / replacements based on best estimate considering the historical warranty claim information and any recent trends that may suggest future claims could differ from historical amounts. It also includes provisions made towards contractual obligations to replace certain parts under an Operation and Maintenance contract. The timing of the outflows is expected to be within a period of two years.

(b) Cost to completion

The provision represents costs of materials and services further required for substantially completed construction contracts.

(c) Arbitration / Court-case claims

Represents the provision made towards certain claims awarded against the Company in legal proceedings which have been challenged by the Company before appropriate authorities. The timing of the outflows is uncertain.

(ii) Movement in provisions

Movement in each class of provision are set out below:

	As at 31-Mar-23			As at 31-Mar-22		
	Warranty	Cost to completion	Arbitration/ Court case claims	Warranty	Cost to completion	Arbitration/ Court case claims
Balance at the beginning of the year	3545.20	232.42	111.86	2375.07	220.41	105.65
Additional provisions recognised	1560.57	46.66	6.21	1327.24	205.00	6.21
Amounts used during the year	(2030.04)	(126.43)	-	(99.35)	(192.99)	-
Unused amounts reversed during the year	(221.29)	-	-	(57.76)	-	-
Balance at the end of the year	**2854.44**	**152.65**	**118.07**	**3545.20**	**232.42**	**111.86**

Notes to the Standalone financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

NOTE 17 : OTHER LIABILITIES

	As at 31-Mar-23		As at 31-Mar-22	
	Current	Non- current	Current	Non- current
Revenue received in advance				
Deferred revenue arising from government grant related to assets (refer note 42)	-	141.45	-	141.45
Deferred revenue arising from government grant related to income (refer note 42)	245.85	7.54	592.57	228.58
Amount due to customers under long-duration construction & supply contracts [refer note 10(ii)] *	2493.11	1813.10	3551.98	-
Other advances				
Advance from customers [refer note 10(ii)]	7960.16	-	4928.05	-
Others				
Statutory remittances	4283.09	-	3327.66	-
Miscellaneous other payables	726.97	-	339.80	-
Total other liabilities	**15709.18**	**1962.09**	**12740.06**	**370.03**

* includes revenue of ₹ 1948.97 lakhs deferred, to be recognised over the period of long-duration operations and maintenance contract.

NOTE 18: CURRENT BORROWINGS

	As at 31-Mar-23	As at 31-Mar-22
Secured- at amortised cost		
Repayable on demand		
- Cash credits/working capital demand loans from banks (see (i) below)	52388.30	105791.87
Current maturities of long-term borrowings (refer note 15)	15679.87	12432.61
Unsecured- at amortised cost		
Commercial papers (see (ii) below)	-	5000.00
Total current borrowings	**68068.17**	**123224.48**

(i) Secured by pledge/hypothecation of the stock-in-trade, raw material, stores and spare parts, work-in-progress and trade receivables and second charge created/to be created on the properties of all the Engineering units and immovable property at New Delhi and third charge on the properties of Sugar, Co-Generation and Distillery units of the Company on pari-passu basis. Interest rates on the above loans outstanding as at the year end ranges between 7.35% to 8.45% (weighted average interest rate: 7.45% p.a.).

(ii) Commercial papers issued during the previous year at an interest rate of 4.25% p.a. for a tenor of 80 days, was fully repaid during the current year.

(iii) There are no differences in the figures reported in the quarterly returns/statements filed with the banks vis-à-vis the books of accounts. For the determination of drawing power for sugar stocks, the Company follows the guidelines of the RBI as prescribed for commodities covered under selective credit control.

Notes to the Standalone financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

NOTE 19: TRADE PAYABLES

	As at 31-Mar-23	As at 31-Mar-22
Trade payables (at amortised cost)		
- Total outstanding dues of micro enterprises and small enterprises (refer note 47)	861.79	798.17
- Total outstanding dues of creditors other than micro enterprises and small enterprises	40598.34	34277.50
Total trade payables	**41460.13**	**35075.67**

(i) Trade payables ageing schedule:

For the year ended 31 March 2023

	Unbilled/ Pending bills	Not over-due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	-	861.79	-	-	-	-	861.79
Others	4228.76	26651.83	8343.28	388.90	99.83	623.76	40336.36
Disputed dues - Others	-	261.98	-	-	-	-	261.98
Total trade payables	**4228.76**	**27775.60**	**8343.28**	**388.90**	**99.83**	**623.76**	**41460.13**

For the year ended 31 March 2022

	Unbilled/ Pending bills	Not overdue	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	-	798.17	-	-	-	-	798.17
Others	1928.80	25958.72	5059.06	218.76	114.61	735.94	34015.89
Disputed dues - Others	-	261.61	-	-	-	-	261.61
Total trade payables	**1928.80**	**27018.50**	**5059.06**	**218.76**	**114.61**	**735.94**	**35075.67**

NOTE 20: OTHER FINANCIAL LIABILITIES

	As at 31-Mar-23	As at 31-Mar-22
At amortised cost		
Accrued interest	71.87	114.23
Capital creditors (see (i) below)	2540.92	3093.40
Employee benefits & other dues payable	4275.35	4286.42
Security deposits (see (ii) below)	564.69	490.44
Unpaid dividends (see (iii) below)	24.50	20.69
Miscellaneous other financial liabilities	8.31	-
Total other financial liabilities at amortised cost [A]	**7485.64**	**8005.18**
At fair value through Profit or Loss (FVTPL) (refer note 41)		
Derivatives financial instruments carried at fair value		
- Foreign exchange forward contracts (not designated as hedges)	76.32	-
Total other financial liabilities at FVTPL [B]	**76.32**	**-**
Financial guarantee contracts	310.36	176.04
Total financial guarantee contracts [C]	**310.36**	**176.04**
Total other financial liabilities ([A]+[B]+[C])	**7872.32**	**8181.22**

Notes to the Standalone financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

(i) Capital creditors as at 31 March 2023 include ₹ 109.87 lakhs (31 March 2022: ₹ 120.93 lakhs) outstanding balance of micro enterprises and small enterprises (refer note 47).

(ii) Security deposits as at 31 March 2023 include ₹ 370 lakhs (31 March 2022: ₹ 390 lakhs) deposits from sugar selling agents which are interest bearing subject to fulfillment of terms and conditions. These deposits are repayable on cessation of contractual arrangements. Interest payable is normally settled annually.

(iii) There are no amounts as at the year end which are due and outstanding to be credited to the Investors Education and Protection Fund.

NOTE 21: INCOME TAX BALANCES

	As at 31-Mar-23		As at 31-Mar-22	
	Current	Non- current	Current	Non- current
Income tax assets				
Tax refund receivable (net)	-	901.07	-	752.18
	-	**901.07**	**-**	**752.18**
Income tax liabilities				
Provision for income tax (net)	100.08	-	1308.31	-
	100.08	**-**	**1308.31**	**-**

NOTE 22: DEFERRED TAX BALANCES

	As at 31-Mar-23	As at 31-Mar-22
Deferred tax assets	2976.23	3807.51
Deferred tax liabilities	(13816.15)	(12922.71)
Net deferred tax assets/(liabilities)	**(10839.92)**	**(9115.20)**

(i) Movement in deferred tax balances

For the year ended 31 March 2023

	Opening balance	Recognised in profit or loss	Recognised in OCI	Recognised directly in equity	Closing balance
Tax effect of items constituting deferred tax assets/(liabilities)					
Deferred tax assets					
Difference in carrying values of investment property	177.68	12.31	-	-	189.99
Liabilities and provisions tax deductible only upon payment/actual crystallisation					
- Employee benefits	1090.53	(88.70)	58.30	-	1060.13
- Statutory taxes and duties	189.34	41.79	-	-	231.13
- Other contractual provisions	964.71	(200.79)	48.89	-	812.81
Impairment provisions of financial assets made in books, but tax deductible only on actual write-off	756.89	(127.20)	-	-	629.69
Other temporary differences	47.49	4.99	-	-	52.48
Unused tax losses	580.87	(580.87)	-	-	-
	3807.51	**(938.47)**	**107.19**	**-**	**2976.23**
Deferred tax liabilities					
Difference in carrying values of property, plant & equipment and intangible assets	(12922.71)	(893.44)	-	-	(13816.15)
	(12922.71)	**(893.44)**	**-**	**-**	**(13816.15)**
Net deferred tax assets/(liabilities)	**(9115.20)**	**(1831.91)**	**107.19**	**-**	**(10839.92)**

Notes to the Standalone financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

For the year ended 31 March 2022

	Opening balance	Recognised in profit or loss	Recognised in OCI	Recognised directly in equity	Closing balance
Tax effect of items constituting deferred tax assets/(liabilities)					
Deferred tax assets					
Difference in carrying values of investment property	166.58	11.10	-	-	177.68
Liabilities and provisions tax deductible only upon payment/actual crystallisation					
- Employee benefits	1554.46	(445.52)	(18.41)	-	1090.53
- Statutory taxes and duties	176.43	12.91	-	-	189.34
- Other contractual provisions	687.52	307.62	(26.65)	(3.78)	964.71
Impairment provisions of financial assets made in books, but tax deductible only on actual write-off	684.00	72.89	-	-	756.89
Other temporary differences	37.43	10.06	-	-	47.49
Unutilised tax losses	-	580.87	-	-	580.87
	3306.42	**549.93**	**(45.06)**	**(3.78)**	**3807.51**
Deferred tax liabilities					
Difference in carrying values of property, plant & equipment and intangible assets	(13390.96)	468.25	-	-	(12922.71)
	(13390.96)	**468.25**	**-**	**-**	**(12922.71)**
Net deferred tax assets/(liabilities)	**(10084.54)**	**1018.18**	**(45.06)**	**(3.78)**	**(9115.20)**

NOTE 23 : REVENUE FROM OPERATIONS

	Year ended 31-Mar-23	Year ended 31-Mar-22
Sale of products [refer note 36(vii)		
Finished goods	589940.27	431588.32
Stock-in-trade	4566.76	2489.40
Sale of services		
Servicing	601.12	252.82
Operation and maintenance	4470.06	3046.30
Long-duration construction & supply contract revenue	26880.25	19651.66
Other operating revenue		
Subsidy from Central Government (refer note 42)	141.62	10489.13
Income from transfer of sugar export quota	2941.93	-
Income from scrap	1148.28	226.40
Total revenue from operations	**630690.29**	**467744.03**

Notes to the Standalone financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

(i) Unsatisfied long-duration construction & supply contracts:

The transaction price allocated to all long-duration construction & supply contracts that are partially or fully unsatisfied as at reporting date alongwith expected period of its revenue recognition, are as follows:

	As at 31-Mar-23 #	As at 31-Mar-22 #
Within one year	23685.74	26836.74
More than one year	29222.35	30646.16
Total	**52908.09**	**57482.90**

As permitted under Ind AS 115, all contracts having original expected duration of one year or less or which are billed based on time incurred are not disclosed.

(ii) Reconciliation of revenue recognised with contract price:

	As at 31-Mar-23	As at 31-Mar-22
Contract price	631589.69	468308.24
Adjustments for Discounts/ Commissions to Customers	(899.40)	(564.21)
Total revenue from operations	**630690.29**	**467744.03**

NOTE 24: OTHER INCOME

	Year ended 31-Mar-23	Year ended 31-Mar-22
Interest income		
Interest income from financial assets carried at amortised cost	4151.12	356.55
Interest income from others	19.19	44.89
	4170.31	**401.44**
Dividend income		
Dividend income from equity investments	1099.71	1557.25
	1099.71	**1557.25**
Other non-operating income (net of expenses directly attributable to such income)		
Rental income [refer note 4(ii)]	44.40	40.09
Miscellaneous income	1961.81	1610.31
	2006.21	**1650.40**
Other gains/(losses)		
Net fair value gains/(losses) on investments	13.54	(6.57)
Net gains/(losses) on derivatives	(25.64)	22.86
Net foreign exchange rate fluctuation gains	154.68	64.53
Credit balances written back	213.41	108.74
Net profit/(loss) on sale / redemption of investments	9.53	72.92
Net reversal of impairment loss allowance on contract assets (refer note 10)	44.25	-
Net reversal of provision for non moving/obsolete inventory (refer note 11)	31.89	-
Net reversal of provision for cost to completion (refer note 16)	79.77	-
Reversal of excess provision for expenses	117.56	71.71
	638.99	**334.19**
Total other income	**7915.22**	**3943.28**

Notes to the Standalone financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

NOTE 25: COST OF MATERIALS CONSUMED

	Year ended 31-Mar-23	Year ended 31-Mar-22
Stock at the beginning of the year	4364.94	3883.10
Add: Purchases	398345.56	311953.01
Less: Amount capitalised (included in the cost of property, plant and equipment and capital work-in-progress)	-	(2.56)
Less: Stock at the end of the year	(7557.89)	(4364.94)
Total cost of materials consumed	**395152.61**	**311468.61**

NOTE 26 : PURCHASES OF STOCK-IN-TRADE

	Year ended 31-Mar-23	Year ended 31-Mar-22
Petroleum goods	2563.12	2496.39
Other consumer goods	2061.28	128.26
Total purchases of stock-in-trade	**4624.40**	**2624.65**

NOTE 27: CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS

	Year ended 31-Mar-23	Year ended 31-Mar-22
Inventories at the beginning of the year:		
Finished goods	190098.78	161840.87
Stock-in-trade	179.03	44.89
Work-in-progress	2838.73	2609.73
Total inventories at the beginning of the year	**193116.54**	**164495.49**
Inventories at the end of the year:		
Finished goods	179787.35	190098.78
Stock-in-trade	67.80	179.03
Work-in-progress	4716.23	2838.73
Total inventories at the end of the year	**184571.38**	**193116.54**
Add/(Less): Impact of excise duty on finished goods	327.14	443.56
Total changes in inventories of finished goods, stock-in-trade and work-in-progress	**8872.30**	**(28177.49)**

NOTE 28: EMPLOYEE BENEFITS EXPENSE

	Year ended 31-Mar-23	Year ended 31-Mar-22
Salaries and wages	30907.02	26966.13
Contribution to provident and other funds (refer note 37)	2606.71	2403.11
Staff welfare expenses	1192.01	864.31
	34705.74	**30233.55**
Less: Amount capitalised (included in the cost of property, plant and equipment and capital work-in-progress)	(4.07)	(110.42)
Total employee benefits expense	**34701.67**	**30123.13**

Notes to the Standalone financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

NOTE 29: FINANCE COSTS

	Year ended 31-Mar-23	Year ended 31-Mar-22
Interest costs		
- Interest on loans with interest subvention (refer note 42)	919.96	633.86
- Interest on loans with below-market rate of interest (refer note 42)	622.08	986.49
- Interest on other borrowings	3131.33	2593.15
- Interest on lease liabilities	148.26	130.82
- Other interest expense	154.38	731.08
Total interest expense on financial liabilities not classified as at FVTPL	**4976.01**	**5075.40**
Less: Amount capitalised (included in the cost of property, plant and equipment and capital work-in-progress)	-	(141.34)
	4976.01	**4934.06**
Other borrowing costs		
- Loan monitoring and administration charges	7.74	13.97
Total finance costs	**4983.75**	**4948.03**

NOTE 30: DEPRECIATION AND AMORTISATION EXPENSE

	Year ended 31-Mar-23	Year ended 31-Mar-22
Depreciation of property, plant and equipment (refer note 3)	9253.03	7998.10
Amortisation of intangible assets (refer note 5)	95.07	78.85
	9348.10	**8076.95**
Less: Amount capitalised (included in the cost of property, plant and equipment and capital work-in-progress)	(0.33)	(2.45)
Total depreciation and amortisation expense	**9347.77**	**8074.50**

NOTE 31: IMPAIRMENT LOSS ON FINANCIAL ASSETS (NET OF REVERSALS)

	Year ended 31-Mar-23	Year ended 31-Mar-22
Bad debts written off - trade receivables carried at amortised cost	433.51	1128.66
Bad debts written off - other financial assets carried at amortised cost	999.08	1.63
Impairment loss allowance on trade receivables (net of reversals) (refer note 7)	(427.72)	(569.85)
Impairment loss allowance on other financial assets carried at amortised cost (net of reversals) (refer note 8 & 9)	(999.08)	0.64
Total impairment loss on financial assets (including reversal of impairment losses)	**5.79**	**561.08**

Notes to the Standalone financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

NOTE 32: OTHER EXPENSES

	Year ended 31-Mar-23	Year ended 31-Mar-22
Stores and spares consumed	6901.59	5007.15
Power and fuel	1932.33	2501.24
Design and engineering charges	45.80	94.26
Cane development expenses	461.52	238.93
Machining/fabrication expenses	282.92	211.12
Erection and commissioning expenses	668.63	896.36
Civil construction charges	6096.18	5302.82
Packing and stacking expenses	9150.99	7080.90
Repairs and maintenance		
- Machinery	7107.39	6174.11
- Building	870.48	946.22
- Others	475.72	498.11
Factory/operational expenses	3437.32	2605.85
Travelling and conveyance	2059.18	1480.34
Rent expense (refer note 43)	202.38	229.85
Rates and taxes	1924.82	621.03
Insurance	873.19	710.42
Directors' fee	46.95	50.40
Directors' commission	107.00	92.00
Legal and professional expenses	2251.50	1762.05
Security service expenses	1966.60	1754.04
Net impairment loss allowance on contract assets (refer note 10)	-	747.79
Bad debts written off - other non financial assets [net of reversal of impairment loss allowance of ₹ 1.53 lakhs (31 March 2021: ₹ 48.90 lakhs) (refer note 10)]	13.92	20.46
Warranty expenses [includes provision for warranty (net) ₹ 1339.28 lakhs (31 March 2022: ₹ 1269.48 lakhs) (refer note 16)]	1360.03	1274.55
Provision for Arbitration/Court case claims (refer note 16)	6.21	6.21
Provision for cost to completion on construction contracts (net) (refer note 16)	-	12.01
Payment to Auditors (see (i) below)	93.41	79.11
Corporate social responsibility expenses (see (ii) below)	937.30	722.50
Donations to political parties	-	500.00
Provision for non moving / obsolete inventory (refer note 11)	-	159.92
Loss on sale /write off of inventory	52.13	38.20
Loss on sale / write off / impairment of property, plant and equipment	163.66	162.00
Expenses relating to third party exports under MAEQ scheme	-	992.70
Selling commission	752.75	710.02
Royalty	345.77	337.07
Outward freight and forwarding	2254.71	2372.38
Other selling expenses	523.50	285.01
Miscellaneous expenses	2950.41	2183.90
Less: Amount capitalised (included in the cost of property, plant and equipment and capital work-in-progress)	(45.09)	(101.74)
Total other expenses	**56271.20**	**48759.29**

Notes to the Standalone financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

(i) Detail of payment to auditors

	Statutory Auditors		Cost Auditors	
	Year ended 31-Mar-23	Year ended 31-Mar-22	Year ended 31-Mar-23	Year ended 31-Mar-22
Audit fee	50.89	50.89	6.07	4.87
Limited review fee	18.63	18.63	-	-
Other services (Certification) *	15.05	3.60	0.20	0.53
Reimbursement of expenses	2.37	0.59	0.20	-
Total payment to auditors	**86.94**	**73.71**	**6.47**	**5.40**

* This amount is exclusive of ₹ 4 lakhs (31 March 2022: ₹ Nil) paid to the statutory auditors towards certificates in connection with buy-back of shares. The same has been adjusted against retained earnings.

(ii) Corporate Social Responsibility (CSR)

(a) The Company has incurred CSR expenses towards activities including inter-alia promoting education, sports, women empowerment, rural development, healthcare and sanitation, ensuring environmental sustainability, animal welfare and conservation of natural resources, contribution to Prime Minister National Relief Fund, maintaining quality of soil and making available safe drinking water, which are specified in Schedule VII of the Companies Act, 2013.

(b) Detail of CSR expenses:

	Year ended 31-Mar-23	Year ended 31-Mar-22
(a) Gross amount required to be spent during the year	937.30	722.50
(b) Maximum amount approved by the Board to be spent during the year (including excess spent brought forward from previous year)	948.94	741.76
(c) Amount spent during the year on :		
(i) Construction/acquisition of any asset		
Education, vocational skills and livelihood enhancement	30.13	6.13
Healthcare and sanitation	11.24	140.24
Safe drinking water	15.06	13.88
Promotion of sports	1.29	-
Women empowerment	0.91	-
Rural development	26.91	-
	85.54	**160.25**
(ii) Purposes other than (i) above		
Education, vocational skills and livelihood enhancement	193.76	161.28
Environmental sustainability, animal welfare and conservation of natural resources	99.07	82.60
Healthcare and sanitation	154.03	71.61
Promotion of sports	6.34	5.00
Maintenance of quality of soil	315.94	237.42
Contribution to Prime Minister National Relief Fund	60.00	-
Administration overheads	15.00	-
	844.14	**557.91**
Add: Excess spent, brought forward from previous year	19.26	23.60
Less: Excess spent, carried forward to next year	11.64	19.26
Net amount recognised in the statement of profit and loss	**937.30**	**722.50**

Notes to the Standalone financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

NOTE 33: EXCEPTIONAL ITEMS

	Year ended 31-Mar-23	Year ended 31-Mar-22
Profit upon disposal of equity shares of Triveni Turbine Limited, an associate of the Company	158593.58	-
Net impairment loss allowance on consideration receivable against divestment in equity shares of Aqwise Wise Water Technologies Limited (Israel), an erstwhile associate of the Company	-	(999.08)
Total exceptional items	**158593.58**	**(999.08)**

NOTE 34: INCOME TAX EXPENSE

(i) Income tax recognised in profit or loss

	Year ended 31-Mar-23	Year ended 31-Mar-22
Current tax		
In respect of the current year	19759.31	13561.28
In respect of earlier years	(78.69)	1236.91
Total current tax expense recognised in profit or loss	**19680.62**	**14798.19**
Deferred tax		
In respect of origination and reversal of temporary differences	1831.91	(1018.18)
Total deferred tax expense recognised in profit or loss	**1831.91**	**(1018.18)**
Total income tax expense recognised in profit or loss	**21512.53**	**13780.01**

Income tax expense of the previous year includes an amount of ₹ 784.10 lakhs (being the one-time impact of foregoing certain tax credits/deductions), pertaining to earlier year, consequent to the decision of the Company to opt to be assessed under the new tax regime specified under section 115BAA of the Income Tax Act, 1961 with effect from the financial year 2020-21 onwards, which decision was taken subsequent to the finalisation of the financial statements for the year ended 31 March 2021.

Reconciliation of income tax expense recognised in profit or loss:

	Year ended 31-Mar-23	Year ended 31-Mar-22
Profit before tax	213913.11	51996.56
Income tax expense calculated at 25.168% (including surcharge and education cess) (2021-22: 25.168%)	53837.65	13086.49
Effect of lower tax on income taxable under capital gains	(32192.85)	-
Effect of expenses that are non-deductible in determining taxable profit	318.79	792.03
Effect of tax incentives and concessions	(276.77)	(391.93)
Effect of changes in tax base of assets not considered in profit or loss	(11.68)	(14.03)
Others	(162.61)	307.45
Total income tax expense recognised in profit or loss	**21512.53**	**13780.01**

Notes to the Standalone financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

(ii) Income tax recognised in other comprehensive income

	Year ended 31-Mar-23	Year ended 31-Mar-22
Current tax related to following items recognised in other comprehensive income:		
Effective portion of gains/(losses) on hedging instruments designated as cash flow hedges (non-reclassifiable)	-	(7.38)
Gains/(losses) on aligned portion of forward elements of cash flow hedging instruments (non-reclassifiable)	-	3.60
Total current tax expense recognised in other comprehensive income	**-**	**(3.78)**
Deferred tax related to following items recognised in other comprehensive income:		
Remeasurement of defined benefit obligations (non-reclassifiable)	(58.30)	18.41
Effective portion of gains/(losses) on hedging instruments designated as cash flow hedges (reclassifiable)	(37.97)	(18.18)
Gains/(losses) on aligned portion of forward elements of cash flow hedging instruments (reclassifiable)	(10.92)	44.83
Total deferred tax expense recognised in other comprehensive income	**(107.19)**	**45.06**
Total income tax expense recognised in other comprehensive income	**(107.19)**	**41.28**
Bifurcation of the income tax recognised in other comprehensive income into:		
Items that will not be reclassified to profit or loss	(58.30)	14.63
Items that may be reclassified to profit or loss	(48.89)	26.65
Total income tax expense recognised in other comprehensive income	**(107.19)**	**41.28**

(iii) Income tax recognised directly in equity

	Year ended 31-Mar-23	Year ended 31-Mar-22
Current tax recognised directly in equity	-	-
Deferred tax related to following items recognised directly in equity:		
Effective portion of gains/(losses) of hedging instruments designated as cash flow hedges transferred to cost of non-financial hedged items	-	7.38
Gains/(losses) on aligned portion of forward elements of cash flow hedging instruments transferred to cost of non-financial hedged items	-	(3.60)
Total income tax expense recognised directly in equity	**-**	**3.78**

NOTE 35: EARNINGS PER SHARE

	Year ended 31-Mar-23	Year ended 31-Mar-22
Profit for the year attributable to owners of the Company [A]	192400.58	38216.55
Weighted average number of equity shares for the purposes of basic EPS/ diluted EPS [B]	24,02,52,175	24,17,55,110
Basic earnings per share (face value of ₹ 1 per share) [A/B]	80.08	15.81
Diluted earnings per share (face value of ₹ 1 per share) [A/B]	80.08	15.81

Notes to the Standalone financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

NOTE 36: SEGMENT INFORMATION

(i) Description of segments and principal activities

The operating segments are classified under two major businesses which the Company is engaged in, and are briefly described as under:

Sugar & Allied Businesses

(a) Sugar : The Company is a manufacturer of white crystal sugar, having seven manufacturing plants situated in the state of Uttar Pradesh. The sugar is sold to wholesalers and institutional users as well as in the export market. The Company uses its captively produced bagasse, generated as a by-product in the manufacturing of sugar, as a feed stock for generating power. Apart from meeting the captive power requirements of sugar plants and distilleries, the surplus power is exported to the state grid. Molasses, another by-product in the manufacturing of sugar, is used as raw material for producing alcohol/ethanol. The Company sells the surplus molasses and bagasse after meeting its captive requirements.

(b) Distillery : The Company with its two distilleries having total capacity of 400 kilo-litres per day (KLPD) located at Muzaffarnagar and Sabitgarh in the state of Uttar Pradesh, uses molasses produced in manufacture of sugar as the principal raw material in production of ethanol and extra neutral alcohol. During the year, the Company has commissioned a greenfield dual feed 200 KLPD (160 KLPD on grain) distillery at its sugar unit at Milak Narayanpur and a new grain based 60 KLPD distillery at Muzaffarnagar, thereby increasing the Company's overall distillation capacity to 660 KLPD. Under its Alcoholic Beverages vertical forming part of this segment, country liquor is produced at the bottling facility in the premises of the existing distillery at Muzaffarnagar, to facilitate forward integration of distillery operations.

Engineering Businesses

(a) Power transmission : This business segment is focused on high speed and niche low speed gears & gear boxes covering supply to OEMs, after market services and retrofitment of gearboxes, catering to the requirement of power sector, other industrial segments and defence. The manufacturing facility is located at Mysore, Karnataka.

(b) Water/Wastewater treatment : The business segment operates from Noida, Uttar Pradesh and provides engineered-to-order process equipment and comprehensive solutions in the water and wastewater management. This segment includes EPC contracts, Hybrid Annuity Model projects and O&M.

The 'Other Operations' mainly include selling sugar and certain FMCG products under the Company's brand name/private labeling; and retailing of diesel/petrol through a Company operated fuel station.

The above reportable segments have been identified based on the significant components of the enterprise for which discrete financial information is available and reviewed by the chief operating decision maker (CODM) to assess the performance and allocate resources to the operating segments.

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

Notes to the Standalone financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

(ii) Segment revenue and segment profit

	SUGAR & ALLIED BUSINESSES						ENGINEERING BUSINESSES						OTHER OPERATIONS		Eliminations		Total	
	Sugar		Distillery		Total		Power transmission		Water		Total							
	Year ended 31-Mar-23	Year ended 31-Mar-22	Year ended 31-Mar-23	Year ended 31-Mar-22	Year ended 31-Mar-23	Year ended 31-Mar-22	Year ended 31-Mar-23	Year ended 31-Mar-22	Year ended 31-Mar-23	Year ended 31-Mar-22	Year ended 31-Mar-23	Year ended 31-Mar-22	Year ended 31-Mar-23	Year ended 31-Mar-22	Year ended 31-Mar-23	Year ended 31-Mar-22	Year ended 31-Mar-23	Year ended 31-Mar-22
REVENUE																		
From external customers	370973.76	303427.96	186553.13	107126.61	557526.89	410554.57	22509.66	18390.66	34897.74	25361.33	57407.40	43751.99	15756.00	13437.47	-	-	630690.29	467744.03
From inter-segments sales	65220.88	43956.67	-	34.20	65220.88	43990.87	15.10	71.87	-	-	15.10	71.87	179.90	144.44	(65415.88)	(44207.18)	-	-
Total revenue from operations	**436194.64**	**347384.63**	**186553.13**	**107160.81**	**622747.77**	**454545.44**	**22524.76**	**18462.53**	**34897.74**	**25361.33**	**57422.50**	**43823.86**	**15935.90**	**13581.91**	**(65415.88)**	**(44207.18)**	**630690.29**	**467744.03**
RESULT																		
Segment Profit/(loss)	30583.28	38650.64	21231.73	14935.87	51815.01	53586.51	7644.23	6416.21	2558.97	1731.11	10203.20	8147.32	(801.00)	(452.70)	-	-	61217.21	61281.13
Unallocated expenses (Net)																	(5084.24)	(3738.90)
Finance cost																	(4983.75)	(4948.03)
Interest income																	4170.31	401.44
Exceptional items																	158593.58	(999.08)
Profit before tax																	213913.11	51996.56
Current tax																	(19680.62)	(14798.19)
Deferred tax																	(1831.91)	1018.18
Profit for the year																	192400.58	38216.55

- The accounting policies of the reportable segments are the same as the Company's accounting policies described in note 1.
- Segment profit is the Segment revenue less Segment expenses. Segment revenue/expenses includes all revenues/expenses that are attributable to the segments.
- Dividend income, finance income, finance costs, fair value gains & losses on certain financial assets/liabilities, current tax/deferred tax charge are not allocated to individual segments since these are managed/applicable on an overall entity basis.

(iii) Segment assets and liabilities

	SUGAR & ALLIED BUSINESSES						ENGINEERING BUSINESSES						OTHER OPERATIONS		Eliminations		Total	
	Sugar		Distillery		Total		Power transmission		Water		Total							
	Year ended 31-Mar-23	Year ended 31-Mar-22	Year ended 31-Mar-23	Year ended 31-Mar-22	Year ended 31-Mar-23	Year ended 31-Mar-22	Year ended 31-Mar-23	Year ended 31-Mar-22	Year ended 31-Mar-23	Year ended 31-Mar-22	Year ended 31-Mar-23	Year ended 31-Mar-22	Year ended 31-Mar-23	Year ended 31-Mar-22	Year ended 31-Mar-23	Year ended 31-Mar-22	Year ended 31-Mar-23	Year ended 31-Mar-22
ASSETS																		
Segment assets	264699.62	269508.07	88467.91	68368.77	353167.53	337876.84	21071.49	14557.00	40087.26	34105.47	61158.75	48662.47	1123.07	1423.70	-	-	415449.35	387963.01
Unallocated assets																	19120.49	15512.71
Total assets	**264699.62**	**269508.07**	**88467.91**	**68368.77**	**353167.53**	**337876.84**	**21071.49**	**14557.00**	**40087.26**	**34105.47**	**61158.75**	**48662.47**	**1123.07**	**1423.70**	**-**	**-**	**434569.84**	**403475.72**
LIABILITIES																		
Segment liabilities	36870.58	34638.16	6953.04	5555.26	43823.62	40193.42	5711.08	3972.60	20095.29	17123.34	25806.37	21095.94	592.02	638.16	-	-	70222.01	61927.52
Unallocated liabilities																	98409.08	164126.60
Total liabilities	36870.58	34638.16	6953.04	5555.26	43823.62	40193.42	5711.08	3972.60	20095.29	17123.34	25806.37	21095.94	592.02	638.16	-	-	168631.09	226054.12

- The accounting policies of the reportable segments are the same as the Company's accounting policies described in note 1.
- Segment assets include all assets that are attributable to the segments other than investments, loans, current/deferred tax assets and certain financial assets.
- Segment liabilities include all liabilities that are attributable to the segments other than borrowings, current and deferred tax liabilities and certain financial liabilities.

Notes to the Standalone financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

(iv) Other segment information

	SUGAR & ALLIED BUSINESSES						ENGINEERING BUSINESSES						OTHER OPERATIONS		Eliminations		Total	
	Sugar		Distillery		Total		Power transmission		Water		Total							
	Year ended 31-Mar-23	Year ended 31-Mar-22	Year ended 31-Mar-23	Year ended 31-Mar-22	Year ended 31-Mar-23	Year ended 31-Mar-22	Year ended 31-Mar-23	Year ended 31-Mar-22	Year ended 31-Mar-23	Year ended 31-Mar-22	Year ended 31-Mar-23	Year ended 31-Mar-22	Year ended 31-Mar-23	Year ended 31-Mar-22	Year ended 31-Mar-23	Year ended 31-Mar-22	Year ended 31-Mar-23	Year ended 31-Mar-22
Amount considered in segment results																		
Depreciation and amortisation	4902.78	4754.96	2671.06	1677.64	7573.84	6432.60	773.11	753.16	248.61	221.23	1021.72	974.39	38.53	47.24	-	-	8634.09	7454.23
Unallocated depreciation and amortisation																	713.68	620.27
Total depreciation and amortisation	**4902.78**	**4754.96**	**2671.06**	**1677.64**	**7573.84**	**6432.60**	**773.11**	**753.16**	**248.61**	**221.23**	**1021.72**	**974.39**	**38.53**	**47.24**	**-**	**-**	**9347.77**	**8074.50**
Non cash items (other than depreciation and amortisation)	(101.46)	20.12	21.40	49.54	(80.06)	69.66	(75.61)	109.78	(28.25)	1236.57	(103.86)	1346.35	42.54	(0.61)	-	-	(141.38)	1415.40
Unallocated non cash items (other than depreciation and amortisation)																	(13.54)	1005.65
Total non cash items (other than depreciation and amortisation)	**(101.46)**	**20.12**	**21.40**	**49.54**	**(80.06)**	**69.66**	**(75.61)**	**109.78**	**(28.25)**	**1236.57**	**(103.86)**	**1346.35**	**42.54**	**(0.61)**	**-**	**-**	**(154.92)**	**2421.05**
Amounts not considered in segment results																		
Interest expense	4350.85	3396.04	1061.19	546.21	5412.04	3942.25	2.18	4.55	437.01	244.13	439.19	248.68	(1.66)	5.36	-	-	5849.57	4196.29
Unallocated interest expense																	(865.82)	751.74
Total interest expense	**4350.85**	**3396.04**	**1061.19**	**546.21**	**5412.04**	**3942.25**	**2.18**	**4.55**	**437.01**	**244.13**	**439.19**	**248.68**	**(1.66)**	**5.36**	**-**	**-**	**4983.75**	**4948.03**
Interest income	40.97	33.76	13.39	9.73	54.36	43.49	12.34	16.98	250.56	43.09	262.90	60.07	-	-	-	-	317.26	103.56
Unallocated interest income																	3853.05	297.88
Total interest income	**40.97**	**33.76**	**13.39**	**9.73**	**54.36**	**43.49**	**12.34**	**16.98**	**250.56**	**43.09**	**262.90**	**60.07**	**-**	**-**	**-**	**-**	**4170.31**	**401.44**
Exceptional items	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Unallocated exceptional items																	158593.58	(999.08)
Total exceptional items	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**158593.58**	**(999.08)**
Others																		
Capital expenditure	13612.12	5095.20	6454.96	25108.37	20067.08	30203.57	3571.09	767.96	219.51	320.12	3790.60	1088.08	12.72	18.93	-	-	23870.40	31310.58
Unallocated capital expenditure																	282.14	380.42
Total Capital expenditure	**13612.12**	**5095.20**	**6454.96**	**25108.37**	**20067.08**	**30203.57**	**3571.09**	**767.96**	**219.51**	**320.12**	**3790.60**	**1088.08**	**12.72**	**18.93**	**-**	**-**	**24152.54**	**31691.00**

(v) Break-up of revenue by geographical area

	Year ended 31-Mar-23	Year ended 31-Mar-22
India (country of domicile)	619371.51	462296.54
Rest of the world	11318.78	5447.49
	630690.29	**467744.03**

Notes to the Standalone financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

(vi) Non-current assets by geographical area

	Year ended 31-Mar-23	Year ended 31-Mar-22
India (country of domicile)	150759.89	135445.85
Rest of the world	186.14	105.67
	150946.03	**135551.52**

- Non-current assets excludes financial assets and deferred tax assets.

(vii) Break-up of revenue from major products and services

	Timing of revenue recognition	Year ended 31-Mar-23	Year ended 31-Mar-22
Sale of products			
Finished goods			
- Sugar	At a point in time	370110.13	293295.49
- Molasses	At a point in time	735.45	848.25
- Bagasse	At a point in time	3015.43	2049.23
- Power	At a point in time	6374.91	6237.98
- Alcohol	At a point in time	178145.21	106725.49
- Mechanical equipment - Water/Waste-water	At a point in time	3344.03	3749.16
- Gears/Gear Boxes (including spares)	At a point in time	21928.52	17946.86
- Others	At a point in time	6286.59	735.86
		589940.27	**431588.32**
Stock in trade			
- Petroleum goods (Diesel/Petrol/Lubricants)	At a point in time	2450.69	2393.20
- Other consumer goods	At a point in time	2116.07	96.20
		4566.76	**2489.40**
		594507.03	**434077.72**
Sale of services			
Servicing	Over time	601.12	252.82
Operation and maintenance	Over time	4470.06	3046.30
		5071.08	**3299.12**
Long-duration construction & supply contract revenue			
Water, Waste-water and Sewage treatment	Over time	26880.25	18408.37
Power generation and evacuation system	Over time	-	1243.29
		26880.25	**19651.66**
Other operating revenue			
Subsidy from Central Government	At a point in time	141.62	10489.13
Income from transfer of sugar export quota	At a point in time	2941.93	-
Income from scrap	At a point in time	1148.28	226.40
		4231.83	**10715.53**

(viii) Information about major customers

There is no single customer who has contributed 10% or more to the Company's revenue in the years ended 31 March 2023 and 31 March 2022.

Notes to the Standalone financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

NOTE 37: EMPLOYEE BENEFIT PLANS

(i) Defined contribution plans

(a) The Company contributes to certain 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 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.

National Pension Scheme: The Company makes contributions to the National Pension Scheme fund in respect of certain employees of the Company.

(b) The expense recognised during the period towards defined contribution plans are as follows:

	Year ended 31-Mar-23	Year ended 31-Mar-22
Employer's contribution to Employees' Provident Fund	1625.90	1353.04
Administration and other expenses relating to above	51.81	34.40
Employer's contribution to Employees' State Insurance Scheme	7.20	7.21
Employer's contribution to Superannuation Scheme	123.97	124.33
Employer's contribution to National Pension Scheme	59.75	55.96

(ii) Defined benefit plan (Gratuity)

(a) The Company operates a defined benefit retirement plan under which the Company pays certain defined benefit by way of gratuity to its employees. The Gratuity Plan provides a lump sum payment to vested employees at retirement/ termination of employment or upon death of an employee, based on the respective employees' salary and years of employment with the Company.

(b) **Risk exposure**

The plan typically exposes the Company to 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 underperform compared to the government bonds discount rate, this will create or increase a deficit.

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. A change in the life expectancy of the plan participants will impact 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 change in the attrition rate of the plan participants will impact the plan's liability.

Notes to the Standalone financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

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

	Valuation as at	
	31-Mar-23	**31-Mar-22**
Discounting rate	7.45%	6.90%
Future salary growth rate	8.00%	8.00%
Mortality table *	IALM 2012-14 Ultimate	IALM 2012-14 Ultimate
Attrition rate	6.00% for Permanent employees 2.00% for Seasonal employees	7.00% for Permanent employees 4.00% for Seasonal employees
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 2012-14 Ultimate). These assumptions translate into an average life expectancy in years at retirement age.

(d) Amounts recognised in statement of profit and loss in respect of the defined benefit plan (gratuity) are as follows:

	Year ended 31-Mar-23	Year ended 31-Mar-22
Current service cost	531.84	478.25
Net interest expense	146.91	261.17
Components of defined benefit costs recognised in profit or loss	**678.75**	**739.42**
Remeasurement on the net defined benefit liability		
- Return on plan assets (excluding amount included in net interest expense)	21.14	(6.79)
- Actuarial gains and loss arising form changes in demographic assumptions	18.84	0.63
- Actuarial gains and loss arising form changes in financial assumptions	(217.16)	(150.24)
- Actuarial gains and loss arising form experience adjustments	408.83	83.25
Components of defined benefit costs recognised in other comprehensive income	**231.65**	**(73.15)**
Total	**910.40**	**666.27**

(e) Amounts included in the balance sheet arising from the entity's obligation in respect of the defined benefit plan (gratuity) is as follows:

	As at 31-Mar-23	As at 31-Mar-22
Present value of defined benefit obligation as at the end of the year	7129.60	6439.14
Fair value of plan assets	5620.32	3874.33
Funded status	**(1509.28)**	**(2564.81)**
Net asset/(liability) arising from defined benefit obligation recognised in the balance sheet	**(1509.28)**	**(2564.81)**

Notes to the Standalone financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

(f) Movement in the present value of the defined benefit obligation (gratuity) is as follows:

	Year ended 31-Mar-23	Year ended 31-Mar-22
Present value of defined benefit obligation at the beginning of the year	6439.14	6310.39
Expenses recognised in profit or loss		
- Current service cost	531.84	478.25
- Interest expense/(income)	414.04	375.08
Remeasurement (gains)/losses recognised in other comprehensive income		
- Actuarial (gain)/loss arising from:		
i. Demographic assumptions	18.84	0.63
ii. Financial assumptions	(217.16)	(150.24)
iii. Experience adjustments	408.83	83.25
Benefit payments	(465.93)	(658.22)
Present value of defined benefit obligation at the end of the year	**7129.60**	**6439.14**

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

	Year ended 31-Mar-23	Year ended 31-Mar-22
Fair value of plan assets at the beginning of the year	3874.33	1753.63
Recognised in profit or loss		
- Expected return on plan assets	267.13	113.91
Remeasurement gains / (losses) recognised in other comprehensive income		
- Actual return on plan assets in excess of the expected return	(21.14)	6.79
Contributions by employer	1965.93	2658.22
Benefit payments	(465.93)	(658.22)
Fair value of plan assets at the end of the year	**5620.32**	**3874.33**

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

	As at 31-Mar-23			As at 31-Mar-22		
	Quoted	Unquoted	Total	Quoted	Unquoted	Total
Cash and cash equivalents	-	41.94	41.94	-	2010.01	2010.01
Debt instruments						
- Government securities	-	251.12	251.12	-	291.43	291.43
- State development loans	-	670.57	670.57	-	731.01	731.01
- Private sector bonds	-	103.12	103.12	-	98.93	98.93
- Public sector bonds	-	340.49	340.49	-	352.69	352.69
- Fixed deposits with banks	-	-	-	-	30.50	30.50
- Special deposit scheme balance with RBI	-	102.13	102.13	-	102.13	102.13
- Debt mutual funds	-	-	-	-	81.65	81.65
Equity instruments						
- Index mutual funds	-	-	-	-	126.57	126.57
- Arbitrage mutual funds	-	-	-	-	15.57	15.57
Group gratuity plans with insurance companies	-	3974.95	3974.95	-	-	-
Accrued interest and other recoverables	-	136.00	136.00	-	33.84	33.84
Total plan assets	**-**	**5620.32**	**5620.32**	**-**	**3874.33**	**3874.33**

Notes to the Standalone financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

Majority of the plan assets held comprise amounts invested in traditional plans of group gratuity schemes offered by specified life insurance companies. The investment in traditional group gratuity scheme of life insurance companies ensures protection of the capital sum invested and interest earned. Balance investments comprise a mix of investments comprising central government securities, state government securities, other debt instruments. The Company has a risk management strategy which defines exposure limits and acceptable credit risk rating and are generally held to maturity. The Company, thorugh the Trust, has during the year made a change in its process to manage its investment risks, whereby majority of the plan assets are now invested with specified life insurance companies to manage the investment risk and in return earns either interst thereon at a fixed specified rate or at a rate as declared annually at its discretion by the life insurance companies. The Company does not face any risk of capital erosion on such investments made with the life insurance companies.

(h) Sensitivity analysis

The sensitivity of the defined benefit obligation (gratuity) to changes in the weighted principal assumptions is:

	Change in assumption by	Impact on defined benefit obligation (gratuity)				
		Increase/ decrease	Increase in assumption		Decrease in assumption	
			31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22
Discounting rate	0.50%	in ₹ lakhs	(199.49)	(178.69)	211.26	189.03
		in %	-2.80%	-2.78%	2.96%	2.94%
Future salary growth rate	0.50%	in ₹ lakhs	209.16	186.16	(199.40)	(177.72)
		in %	2.93%	2.89%	-2.80%	-2.76%
Attrition rate	0.50%	in ₹ lakhs	(7.98)	(11.84)	8.28	12.34
		in %	-0.11%	-0.18%	0.12%	0.19%
Mortality rate	10.00%	in ₹ lakhs	(0.44)	(0.76)	0.44	0.77
		in %	-0.01%	-0.01%	0.01%	0.01%

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In the event of change in more than one assumption, the impact would be different than stated above. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to prior period.

(i) Defined benefit liability (gratuity) and employer contributions

The Company remains committed to fund all gratuity payments falling due and shall strive to gradually reduce the deficit in funding of its obligation in the coming years.

The Company expects to contribute ₹ 1117.12 lakhs to the defined benefit plan relating to gratuity during the next financial year.

The weighted average duration of the defined gratuity obligation (on discounted cash flow basis) as at 31 March 2023 is 6 years (31 March 2022: 6 years).

The expected maturity analysis of undiscounted defined benefit obligation (gratuity) as at 31 March 2023 is as follows:

	Less than a year	Between 1-2 years	Between 3-5 years	Over 5 years	Total
Defined benefit obligation (Gratuity)	1476.53	970.50	2256.01	7513.79	12216.83

Notes to the Standalone financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

NOTE 38: RELATED PARTY TRANSACTIONS

((i) Subsidiaries (wholly owned)

- where control exists

Triveni Energy Systems Limited

Triveni Engineering Limited

Triveni Entertainment Limited

Svastida Projects Limited

Triveni Industries Limited

Triveni Sugar Limited

Mathura Wastewater Management Private Limited

United Shippers & Dredgers Limited

Gaurangi Enterprises Limited

Pali ZLD Private Limited (incorporated on 9 July 2021)

- others - incorporated under section 8 of the Companies Act, 2013

Triveni Foundation

(ii) Related parties with whom transactions have taken place during the year alongwith details of such transactions and outstanding balances as at the end of the year:

Name of related party and nature of transactions	Relationship	Year ended 31-Mar-23	Year ended 31-Mar-22
Sales and rendering services			
Triveni Sugar Limited	Subsidiary	0.71	0.71
Svastida Projects Limited	Subsidiary	0.71	0.71
Triveni Entertainment Limited	Subsidiary	0.71	0.71
Triveni Energy Systems Limited	Subsidiary	0.71	0.71
Triveni Engineering Limited	Subsidiary	0.71	0.71
Triveni Industries Limited	Subsidiary	0.71	0.71
Gaurangi Enterprises Limited	Subsidiary	0.71	0.71
Mathura Wastewater Management Private Limited	Subsidiary	525.92	1658.36
Pali ZLD Private Limited	Subsidiary	2383.62	1588.51
Triveni Turbine Limited	Associate / Other (refer #2 below)	5305.84	3911.83
Purchases and receiving services			
Triveni Turbine Limited	Associate / Other (refer #2 below)	555.05	2944.05
Interest income			
Mathura Wastewater Management Private Limited	Subsidiary	199.13	187.90
Pali ZLD Private Limited	Subsidiary	37.52	0.34

Notes to the Standalone financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

Name of related party and nature of transactions	Relationship	Year ended 31-Mar-23	Year ended 31-Mar-22
Rent & other charges received			
Triveni Turbine Limited	Associate / Other (refer #2 below)	17.98	18.90
Dividend received from investment in equity shares			
Triveni Turbine Limited	Associate / Other (refer #2 below)	1094.73	1553.82
Rent paid			
Dhruv M. Sawhney (Chairman & Managing Director) (DMS) (refer #1 below)	Key management person	65.31	62.96
Rati Sawhney (RS)	Spouse of DMS	42.11	40.71
Kameni Upaskar Limited	Enterprise over which RS has control	101.60	98.56
Corporate Social Responsibility expenses			
Triveni Foundation	Subsidiary incorporated u/s 8 of the Companies Act, 2013	293.60	185.18
Remuneration			
Tarun Sawhney (Vice Chairman & Managing Director) (TS)	Key management person	871.76	755.29
Suresh Taneja (Group Chief Financial Officer)	Key management person	268.75	250.62
Geeta Bhalla (Group Vice President & Company Secretary)	Key management person	113.63	104.45
Director's fee			
Nikhil Sawhney (Promoter Non-Executive Director)	Key management person	9.70	10.05
Shekhar Dutta (Independent Non-Executive Director)	Key management person	-	2.75
Homai A. Daruwalla (Independent Non-Executive Director)	Key management person	14.25	12.75
Dr. Santosh Pande (Independent Non-Executive Director)	Key management person	-	2.85
Sudipto Sarkar (Independent Non-Executive Director)	Key management person	14.50	12.50
J. K. Dadoo (Independent Non-Executive Director)	Key management person	8.50	7.50
Ajay Relan (Independent Non-Executive Director)	Key management person	-	2.00

Notes to the Standalone financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

Name of related party and nature of transactions	Relationship	Year ended 31-Mar-23	Year ended 31-Mar-22
Director's commission			
Nikhil Sawhney (Promoter Non-Executive Director)	Key management person	55.00	45.00
Shekhar Dutta (Independent Non-Executive Director)	Key management person	-	3.00
Homai A. Daruwalla (Independent Non-Executive Director)	Key management person	19.00	15.00
Dr. Santosh Pande (Independent Non-Executive Director)	Key management person	-	4.00
Sudipto Sarkar (Independent Non-Executive Director)	Key management person	18.00	13.00
J. K. Dadoo (Independent Non-Executive Director)	Key management person	15.00	12.00
Contribution to post employment benefit plans			
Triveni Engineering Works Limited Gratuity Fund	Post employment benefit plan for employees	1965.93	2658.22
Triveni Engineering and Industries Limited Officers Pension Scheme	Post employment benefit plan for employees	123.97	124.33
Expenses incurred by the Company on behalf of party (net of expenses incurred by party on behalf of the Company) on reimbursable basis			
Mathura Wastewater Management Private Limited	Subsidiary	309.54	197.54
Pali ZLD Private Limited	Subsidiary	13.74	1.66
Triveni Turbine Limited	Associate / Other (refer #2 below)	33.04	36.89
Dhruv M. Sawhney (Chairman & Managing Director) (DMS) (refer #1 below)	Key management person	18.40	18.44
Kameni Upaskar Limited	Enterprise over which RS has control	(3.19)	(3.47)
Triveni Engineering Works Limited Gratuity Fund	Post employment benefit plan for employees	(0.06)	(0.03)
Triveni Engineering and Industries Limited Officers Pension Scheme	Post employment benefit plan for employees	-	(0.00)
Dividend paid on equity shares			
Dhruv M. Sawhney (Chairman & Managing Director) (DMS) (refer #1 below)	Key management person	754.67	1132.01
Tarun Sawhney (Vice Chairman & Managing Director) (TS)	Key management person	276.40	414.61
Nikhil Sawhney (Promoter Non-Executive Director)	Key management person	287.36	431.04

Notes to the Standalone financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

Name of related party and nature of transactions	Relationship	Year ended 31-Mar-23	Year ended 31-Mar-22
Suresh Taneja (Group Chief Financial Officer)	Key management person	0.26	0.39
Manmohan Sawhney HUF	Controlled by DMS	84.89	127.33
Rati Sawhney (RS)	Spouse of DMS	330.21	525.31
Tarana Sawhney	Spouse of TS	0.47	0.71
STFL Trading and Finance Private Limited (refer #1 below)	Enterprise over which DMS has control	1574.78	2332.18
Buy-back of equity shares			
Dhruv M. Sawhney (Chairman & Managing Director) (DMS) (refer #1 below)	Key management person	7177.80	-
Tarun Sawhney (Vice Chairman & Managing Director) (TS)	Key management person	4640.92	-
Nikhil Sawhney (Promoter Non-Executive Director)	Key management person	4834.42	-
Suresh Taneja (Group Chief Financial Officer)	Key management person	4.64	-
Manmohan Sawhney HUF	Controlled by DMS	1500.10	-
Rati Sawhney (RS)	Spouse of DMS	4842.67	-
Tarana Sawhney	Spouse of TS	8.31	-
STFL Trading and Finance Private Limited (refer #1 below)	Enterprise over which DMS has control	27828.47	-
Sale of investment			
Rati Sawhney (RS)	Spouse of DMS	74036.95	-
Investment made in equity shares			
Pali ZLD Private Limited	Subsidiary	-	900.00
Short term loans given and repaid			
Mathura Wastewater Management Private Limited	Subsidiary	75.00	50.00
Pali ZLD Private Limited	Subsidiary	-	50.00
Short term loans given			
Mathura Wastewater Management Private Limited	Subsidiary	225.00	-
Long term loans given			
Pali ZLD Private Limited	Subsidiary	900.00	-

Notes to the Standalone financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

Amounts stated above are inclusive of applicable taxes

Outstanding balances

Name of related party and nature of transactions	Relationship	Year ended 31-Mar-23	Year ended 31-Mar-22
Receivable			
Mathura Wastewater Management Private Limited	Subsidiary	4408.87	6231.71
Pali ZLD Private Limited	Subsidiary	2221.43	919.99
United Shippers & Dredgers Limited	Subsidiary	44.53	44.53
Triveni Foundation	Subsidiary incorporated u/s 8 of the Companies Act, 2013	-	2.42
Triveni Turbine Limited	Associate / Other (refer #2 below)	556.76	576.25
Provision for doubtful debts/advances			
United Shippers & Dredgers Limited	Subsidiary	44.53	44.53
Payable			
Triveni Turbine Limited	Associate / Other (refer #2 below)	414.53	419.93
Dhruv M. Sawhney (Chairman & Managing Director) (DMS) (refer #1 below)	Key management person	4.42	4.83
Tarun Sawhney (Vice Chairman & Managing Director) (TS)	Key management person	428.20	328.20
Suresh Taneja (Group Chief Financial Officer)	Key management person	0.19	0.20
Nikhil Sawhney (Promoter Non-Executive Director)	Key management person	55.00	45.00
Shekhar Dutta (Independent Non-Executive Director)	Key management person	-	3.00
Homai A. Daruwalla (Independent Non-Executive Director)	Key management person	19.00	15.00
Dr. Santosh Pande (Independent Non-Executive Director)	Key management person	-	4.00
Sudipto Sarkar (Independent Non-Executive Director)	Key management person	18.00	13.00
J. K. Dadoo (Independent Non-Executive Director)	Key management person	15.00	12.00
Triveni Engineering and Industries Limited Officers Pension Scheme	Post employment benefit plan for employees	0.43	-
Guarantees / surety / commitment outstanding (see (v) below)			
Mathura Wastewater Management Private Limited	Subsidiary	10000.00	10000.00
Pali ZLD Private Limited	Subsidiary	5800.00	-

#1 Person or entity belonging to the promoter/promoter group holding 10% or more shareholding in the Company during the year.

#2 ceased to be an associate of the Company w.e.f. 21 September 2022 (refer note 33) hence no more covered within the definition of related party under Ind AS 24 Related Party Disclosures. However, it continues to be a related party as per section 2 of the Companies Act, 2013 since it is a public company in which a director of the Company is a director and holds along with his relatives more than 2% of its paid-up share capital.

Notes to the Standalone financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

(iii) Remuneration of key management personnel:

	Year ended 31-Mar-23	Year ended 31-Mar-22
Short-term employee benefits	1183.13	1041.90
Post-employment benefits	71.01	68.47
Total	**1254.14**	**1110.37**

The remuneration of key management personnel is determined by the remuneration committee having regard to the performance of individuals, market trends and applicable provisions of Companies Act, 2013.

(iv) Remuneration and outstanding balances of key management personnel does not include long term employee benefits by way of gratuity and compensated absences, which are payable only upon cessation of employment and provided on the basis of actuarial valuation by the Company.

The Company has provided corporate guarantees amounting to ₹ 15800 lakhs (31 March 2022: ₹ 10000 lakhs) in connection with loans agreed to be granted by the lender to wholly owned subsidiaries of the Company. Outstanding balance of loans under such lending arrangements as at 31 March 2023 is ₹ 8886.40 lakhs (31 March 2022: ₹ 6421.99 lakhs).

(vi) Terms & conditions:

(a) Transactions relating to dividends and buyback of shares were on same terms and conditions that applied to other shareholders.

(b) Loans to subsidiaries were given at normal commercial terms & conditions at prevailing market rate of interest.

(c) Other transactions are made on terms equivalent to those that prevail in arm's length transactions.

(d) The outstanding balances at the year-end are unsecured and settlement to take place in cash.

NOTE 39: CAPITAL MANAGEMENT

For the purpose of capital management, capital includes net debt and total equity of the Company. The primary objective of the capital management is to maximize shareholders' value along with an objective to keep the leverage in check in view of cyclical capital intensive sugar business of the Company.

One of the major businesses of the Company is the sugar business, which is seasonal. The entire production takes place in about six months and is sold throughout the year. It thus necessitates maintaining high levels of sugar inventory requiring high working capital funding. Sugar business being a cyclical business, it is prudent to avoid high leverage and the resultant high finance cost. It is the endeavour of the Company to prune down debts to acceptable levels based on its financial position.

The Company may resort to further issue of capital for projects which can not be fully funded through internal accruals/debt and/or to finance working capital requirements.

The Company monitors capital structure through gearing ratio represented by debt-equity ratio (debt/total equity). In addition to the gearing ratio, the Company also looks at non-current debt to operating profit ratio (non-current debt/EBITDA) which provides an indication of adequacy of earnings to service the debts. The Company diligently negotiates the terms and conditions of the loans and ensures adherence to all the financial covenants. The Company generally incorporates a clause in loan agreements for prepayment of loans without any premium. The gearing ratio and non-current debt/EBITDA ratio for the Company as at the end of reporting period were as follows:

Notes to the Standalone financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

	As at 31-Mar-23	As at 31-Mar-22
Non-current borrowings (note 15)	14175.14	26328.79
Non-current lease liabilities	1227.74	976.65
Non-current debt	**15402.88**	**27305.44**
Current borrowings (note 18)	68068.17	123224.48
Current lease liabilities	568.54	554.46
Current debt	**68636.71**	**123778.94**
Total debt	**84039.59**	**151084.38**
Total equity (note 13 & note 14)	265938.75	177421.60
EBITDA (before exceptional items)	69651.05	66018.17
Total debt to equity ratio	0.32	0.85
Non-current debt/EBITDA ratio	0.22	0.41

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2023 and 31 March 2022.

The Company is not subject to any externally imposed capital requirements.

NOTE 40: FINANCIAL RISK MANAGEMENT

The Company's principal financial liabilities comprise borrowings, trade payables and other payables. The main purpose of the financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade and other receivables and cash and bank balances. The Company also holds certain investments, measured at fair value through profit or loss and enters into derivative transactions, which are not extensive.

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. The Company has a specialised team 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 the exposures and risks every quarter and mitigation measures are extensively discussed.

(i) Credit risk

Credit risk is associated with the possibility of a counterparty defaulting on its contractual obligations to pay, resulting in financial loss to the Company. The Company is exposed to credit risks from its operating activities, primarily trade receivables and retentions. The credit risks in respect of deposits with the banks, foreign exchange transactions and other financial instruments are nominal. As required, the Company also advances loans to its subsidiary companies and there is some credit risk associated with it.

(a) Credit risk management

The customer credit risk is managed by each business subject to the Company's established policy, procedure and controls relating to customer credit risk management. Various businesses require different processes and policies to be followed based on the business risks, industry practice and customer profiles.

In the case of Sugar business, majority of the sales are made either against advance payments or at a very short credit period upto 7-10 days through established sugar agents whereas in Cogeneration, forming part of sugar business, and Distillery, most of the sales are made to Government customers, such as, State Electricity Board (UPPCL) and Oil Marketing Companies (OMCs). There may be delays in receiving payments from UPPCL but the

Notes to the Standalone financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

risk in respect of realisation of dues is minimal. In Power transmission business, it is the policy of the Company to receive payment prior to delivery of the material except in the case of some well established OEMs, including group companies and public sector undertakings, where credit up to 90 days is extended. Water business is engaged in Engineering, Procurement and Construction (EPC) business in the municipal and industrial sectors where it is customary to have prescribed retentions which are payable upon completion of the project and after satisfactory performance of the plant.

In order to contain the business risk especially with respect to long-duration construction & supply contracts, 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 restrict risks of delays and default. In view of its diversified business profile and considering the size of the Company, 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 of impairment loss 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 6, 7, 8, 9 and 12.

The business wise receivable position as at the end of the year is provided here below:

	Year ended 31-Mar-23			Year ended 31-Mar-22		
	External sales (A)	Year end receivables (B)	% Receivables (B/A)	External sales (A)	Year end receivables (B)	% Receivables (B/A)
Sugar business	370973.06	3225.93	1%	293060.91	5413.45	2%
Distillery business	186553.13	14943.91	8%	107126.61	5170.99	5%
Power transmission business	22426.89	8194.15	37%	18296.53	6457.51	35%
Water business	34839.59	12043.41	35%	25333.38	8996.69	36%
Others	15756.00	265.81	2%	13437.47	356.46	3%
Total	**630548.67**	**38673.21**	**6%**	**457254.90**	**26395.10**	**6%**

In the case of Water and Power transmission businesses, the percentage receivables to external sales is high whereas the overall ratio for the Company is much lower. In the case of EPC projects undertaken by Water business, the receivables are high as per the norms of the industry and terms of the tender. A majority of such projects are executed for the municipalities and before bidding for any contract, the Water business carries out due-diligence to ensure that the customer has made satisfactory funding arrangements. In the case of Power transmission business, negotiated credit is given to reputed OEMs. The percentage receivables to external sales is high due to higher year end sales.

Overall, the credit risk from receivable is low in view of diverse businesses and government customers.

(b) Provision for expected credit losses

Basis as explained above, life time expected credit loss ("ECL") is determined on trade receivables except in cases where advance payment terms are prescribed or payment is due from Central / State Government or Government Authorities / entities where there is no track record of short receipts. ECL arising from delays in receiving payments from the Government customers pursuant to sale of goods or under construction contracts are not considered if such delays are commonly prevalent in the industry and / or the delays are not exceeding

Notes to the Standalone financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

one year. All other short receipts, other than arising from expense claims offset by the counter-party, are duly considered in determining ECL. In view of the business model of the Company's engineered-to-order products and the profile of trade receivables, the determination of provision based on age analysis may not be realistic and hence, the provision of expected credit loss is determined for the total trade receivables outstanding as on the reporting date. This provision for ECL is made in addition to the specific credit losses, if any, provided on specific financial assets.

Provision matrix (%, amounts) of ECL for trade receivables (other than specific credit losses separately recognised) is as under:

Business	% ECL	ECL amount as at 31-Mar-23	ECL amount as at 31-Mar-22
Sugar	Nil	Nil	Nil
Distillery	Nil	Nil	Nil
Power transmission	0.59%	48.08	64.03
Water	1.15%	140.11	104.00

(c) Reconciliation of loss allowance provision

Trade receivables:

	Year ended 31-Mar-23	Year ended 31-Mar-22
Balance at beginning of the year	1541.13	2110.98
Additional provisions recognised during the year	65.76	529.53
Provision reversed/utilised during the year	(493.48)	(1099.38)
Balance at the end of the year	1113.41	1541.13

Loans and other financial assets:

	Loans		Other financial assets	
	Year ended 31-Mar-23	Year ended 31-Mar-22	Year ended 31-Mar-23	Year ended 31-Mar-22
Balance at beginning of the year	44.53	44.53	1014.77	15.05
Additional provisions recognised during the year	-	-	-	999.72
Provision reversed/utilised during the year	-	-	(999.08)	-
Balance at the end of the year	44.53	44.53	15.69	1014.77

(ii) Liquidity risk

The Company uses liquidity forecast tools to manage its liquidity. The Company operates capital intensive sugar business and has obligation to timely make cane price payments within the statutory time period. The Company is able to organise liquidity through own funds and through working capital loans. The Company has good relationship with its lenders, has not defaulted at any point of time in the past and is maintaining healthy credit ratings (viz. short term A1+ and long term AA with stable outlook from ICRA), as a result of which it does not experience any difficulty in arranging funds from its lenders. However, when the sugar fundamentals are unfavourable, either due to market forces or due to excessive cane pricing by the Government, the payment of cane price gets delayed though it is the endeavour of the Company to make cane payment on a priority basis. It is the objective and focus of the Company to reduce debts to be able to meet the cyclicalities of the sugar business.

Notes to the Standalone financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

Apart from cyclical sugar business, the Company has alternate revenue streams in the form of distillery and engineering business, which, to a large extent, offset the impact of sugar cyclicalities.

Table hereunder provides the current ratios of the Company as at the year end

	As at 31-Mar-23	As at 31-Mar-22
Total current assets	273572.27	258354.17
Total current liabilities	138207.55	185912.43
Current ratio	1.98	1.39

In view of seasonal nature of sugar business, which is a dominant business of the Company, there is a peak build-up of sugar inventories at the year end, resulting in peak working capital requirement. With the liquidation of such inventories over the year, the working capital requirement is gradually reduced. Thus, the current ratio computed at the year end is not a reflection of average and realistic ratio for the year.

(a) Maturities of financial instruments

Maturities of non-derivative financial liabilities:

The following table details the remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The amounts disclosed in the table have been drawn up based on the undiscounted cash flows of financial liabilities. The contractual maturity is based on the earliest date on which the Company may be required to pay.

	On demand	< 1 year	1-3 years	3-5 years	> 5 years	Total	Carrying amount
As at 31 March 2023							
Borrowings	52388.30	15932.10	11603.93	2587.93	-	82512.26	82243.31
Trade payables	-	41266.90	193.23	-	-	41460.13	41460.13
Lease liabilities	-	568.54	739.21	198.77	289.76	1796.28	1796.28
Financial guarantee contracts*	-	-	-	-	-	-	310.36
Other financial liabilities	-	7485.64	-	-	-	7485.64	7485.64
	52388.30	**65253.18**	**12536.37**	**2786.70**	**289.76**	**133254.31**	**133295.72**
As at 31 March 2022							
Borrowings	105791.87	18035.21	21241.17	5326.52	-	150394.77	149553.27
Trade payables	-	34461.68	613.99	-	-	35075.67	35075.67
Lease liabilities	-	554.46	920.29	46.76	9.60	1531.11	1531.11
Financial guarantee contracts*	-	-	-	-	-	-	176.04
Other financial liabilities	-	8005.18	-	-	-	8005.18	8005.18
	105791.87	**61056.53**	**22775.45**	**5373.28**	**9.60**	**195006.73**	**194341.27**

* Maximum amount that can be called for under the financial guarantee contract as at 31 March 2023 is ₹ 8958.75 lakhs (31 March 2022: ₹ 6491.75 lakhs).

Maturities of derivative financial instruments:

The Company enters into derivative contracts (foreign exchange forward contracts) that are generally settled on a net basis to manage some of its foreign currency exposures. Derivative liabilities (net) of ₹ 75.86 lakhs as at 31 March 2023 (31 March 2022: Derivative assets (net) 109.21 lakhs), shall mature within one year from reporting date.

Notes to the Standalone financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

(iii) Market risk

The Company is exposed to following key market risks:

(a) Interest rate risk on loans and borrowings

(b) Sugar price risk

(c) Other market risks

(a) Interest rate risk

Most of the borrowings availed by the Company are subject to interest on floating rate basis linked to the MCLR (Marginal Cost of funds based Lending Rate). In view of the fact that the total borrowings of the Company are quite substantial, the Company is exposed to interest rate risk.

The strategy of the Company to opt for floating interest rates is helpful in maintaining market related realistic rates. Further, most of the loans and borrowings have a prepayment clause through which the loans could be prepaid without any prepayment premium. The said clause helps the Company to arrange debt substitution to bring down the interest costs or to prepay the loans out of the surplus funds held. The interest rate risk is largely mitigated as 99.3% of the long term debts as at 31 March 2023 (31 March 2022: 99.6% of long term debts) comprises loans carrying concessional interest rates/interest subvention.

While declining interest rates would be beneficial to the Company, adverse interest rate fluctuations could increase the finance cost. The total impact, in respect of borrowings on floating interest rate basis, is limited as per sensitivity analysis provided here under:

	Year ended 31-Mar-23	Year ended 31-Mar-22
Total debt as at the end of the year	84039.59	151084.38
Debt at floating rate of interest as at the end of the year	73183.40	133824.43
Average availment of borrowings at floating rate of interest	75397.89	60227.73
Impact of 1% interest rate variation	753.98	602.28

(b) Sugar price risk

The sugar prices are dependent inter-alia on domestic and global sugar balance - higher supplies lead to softening of sugar prices whereas higher demand than available supplies lead to hardening of sugar prices. The Company sells most of its sugar in the domestic market where there are no effective mechanism available to hedge sugar prices in view of limited breadth in the commodity exchanges. The Company also exports sugar in the years of surplus production based on Government policy on exports.

Adverse changes in sugar price impact the Company in the following manner:

- The Company values sugar stocks at lower of cost and net realisable value (NRV). In the event, the cost of production of sugar is higher than the NRV, the stocks are written down to NRV leading to recognition of loss on such inventory.
- The Company is a large producer of sugar and even a small variation in the sugar price leads to significant impact on the profitability of the Company.

Sensitivity analysis in respect of sugar price risk is provided here below:

	Year ended 31-Mar-23	Year ended 31-Mar-22
Annual production of sugar (MT)	972381	887373
Impact of sugar price variation by ₹ 1000/MT	9723.81	8873.73

Notes to the Standalone financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

The cost of production of sugar is generally lower than the net realisable value of sugar and hence, chances of significant losses due to inventory write down are low. Further, the Central Government has prescribed Minimum Selling Price (MSP) for sugar, which is subject to revision from time to time. It ensures that there is no steep decline in the sugar prices.

(c) Other market risks

The other market risks includes Equity price risk and Foreign currency risk.

Equity price risk in respect of listed and non listed equity securities which are susceptible to market price risk arising from uncertainties about future value of the investment securities. In view of nominal value of investments being held by the Company, other than in the subsidiaries which are measured at cost, the magnitude of risk is only nominal.

The Company is exposed to foreign currency exchange risk on certain contracts in connection with export and import of goods and services. The Company mitigates such risk through entering into off-setting derivative contracts with Banks, mainly foreign exchange forward contracts, of appropriate maturity and amounts at adequate intervals. The impact of sensitivity of such foreign exchange fluctuations on the overall financial performance and position of the Company is nominal.

In respect of firm commitments under certain contracts involving receipt of consideration in foreign currency, the Company has chosen to follow hedge accounting to hedge the risks attributable to the cash flows in respect of such firm commitments. The foreign exchange risk arises in respect of the movement in the foreign currency from the time the contract is negotiated/entered into and till the time the consideration under the contract is actually settled. In accordance with its risk management strategy, the Company manages such risks, generally by entering into foreign exchange forward contracts for the appropriate maturity with banks. The risk mitigation strategy involves determination of the timing and the amount of hedge to be taken in a progressive manner, with a view to protect the exchange rate considered at the time of acceptance of the contract. The Company, generally hedges the foreign currency risk directly to INR and for hedge accounting, designates a hedge ratio of generally 1:1 in respect of all such cash flow hedges. Besides monitoring the movements in the foreign exchange market, the Company also takes the advice of outside consultants in arriving at its hedging decision. Refer note 1(s) for further details on accounting policy in respect of hedge accounting.

Foreign currency risk exposure

The Company's exposure to foreign currency risk at the end of the reporting period are as follows:

		US$	EURO	GBP	AUD	MVR	BDT
As at 31 March 2023							
Financial assets							
- Trade receivables	in foreign currency lakhs	22.95	12.28	-	-	-	-
	in equivalent ₹ lakhs	1867.46	1081.43	-	-	-	-
- Bank balances	in foreign currency lakhs	25.49	-	-	-	0.05	429.82
	in equivalent ₹ lakhs	2073.97	-	-	-	0.27	329.45
Derivatives (in respect of underlying financial assets)							
- Foreign exchange forward contracts to sell foreign currency	in foreign currency lakhs	10.45	2.35	-	-	-	-
	in equivalent ₹ lakhs	850.52	206.61	-	-	-	-
Net exposure to foreign currency risk (assets)	in foreign currency lakhs	**37.99**	**9.93**	**-**	**-**	**0.05**	**429.82**
	in equivalent ₹ lakhs	**3090.91**	**874.82**	**-**	**-**	**0.27**	**329.45**
Financial liabilities							
- Trade payables	in foreign currency lakhs	12.04	3.44	0.38	30.95	-	-
	in equivalent ₹ lakhs	997.80	313.40	38.95	1744.70	-	-
Derivatives (in respect of underlying financial liabilities)							
- Foreign exchange forward contracts to buy foreign currency	in foreign currency lakhs	-	-	-	24.00	-	-
	in equivalent ₹ lakhs	-	-	-	1352.88	-	-

Notes to the Standalone financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

		US$	EURO	GBP	AUD	MVR	BDT
Net exposure to foreign currency risk (liabilities)	in foreign currency lakhs	**12.04**	**3.44**	**0.38**	**6.95**	**-**	**-**
	in equivalent ₹ lakhs	**997.80**	**313.40**	**38.95**	**391.82**	**-**	**-**

		US$	EURO	GBP	AUD	MVR	BDT
As at 31 March 2022							
Financial assets							
- Trade receivables	in foreign currency lakhs	20.23	6.97	-	-	-	-
	in equivalent ₹ lakhs	1516.35	579.24	-	-	-	-
- Bank balances	in foreign currency lakhs	3.05	-	-	-	0.17	-
	in equivalent ₹ lakhs	228.43	-	-	-	0.82	-
Derivatives (in respect of underlying financial assets)							
- Foreign exchange forward contracts to sell foreign currency	in foreign currency lakhs	1.96	-	-	-	-	-
	in equivalent ₹ lakhs	146.94	-	-	-	-	-
Net exposure to foreign currency risk (assets)	in foreign currency lakhs	**21.32**	**6.97**	**-**	**-**	**0.17**	**-**
	in equivalent ₹ lakhs	**1597.84**	**579.24**	**-**	**-**	**0.82**	**-**
Financial liabilities							
- Trade payables	in foreign currency lakhs	3.51	0.48	0.45	0.63	-	-
	in equivalent ₹ lakhs	268.54	40.85	45.86	36.16	-	-
Derivatives (in respect of underlying financial liabilities)							
- Foreign exchange forward contracts to buy foreign currency	in foreign currency lakhs	-	-	-	-	-	-
	in equivalent ₹ lakhs	-	-	-	-	-	-
Net exposure to foreign currency risk (liabilities)	in foreign currency lakhs	**3.51**	**0.48**	**0.45**	**0.63**	**-**	**-**
	in equivalent ₹ lakhs	**268.54**	**40.85**	**45.86**	**36.16**	**-**	**-**

The Company's foreign currency derivatives outstanding (including for firm commitments) at the end of the reporting period are as follows:

		US$	EURO	GBP	AUD	MVR	BDT
As at 31 March 2023							
Derivatives (designated as hedges)							
- Foreign exchange forward contracts to sell foreign currency	in foreign currency lakhs	40.50	-	-	-	-	-
	in equivalent ₹ lakhs	3295.49	-	-	-	-	-
Derivatives (not designated as hedges)							
- Foreign exchange forward contracts to sell foreign currency	in foreign currency lakhs	16.45	8.11	-	-	-	-
	in equivalent ₹ lakhs	1338.74	714.25	-	-	-	-
- Foreign exchange forward contracts to buy foreign currency	in foreign currency lakhs	-	-	-	24.00	-	-
	in equivalent ₹ lakhs	-	-	-	1352.88	-	-
As at 31 March 2022							
Derivatives (designated as hedges)							
- Foreign exchange forward contracts to sell foreign currency	in foreign currency lakhs	93.00	-	-	-	-	-
	in equivalent ₹ lakhs	6972.21	-	-	-	-	-
Derivatives (not designated as hedges)							
- Foreign exchange forward contracts to sell foreign currency	in foreign currency lakhs	5.22	-	-	-	-	-
	in equivalent ₹ lakhs	391.57	-	-	-	-	-

All the above contracts are maturing within one year from the reporting date.

Notes to the Standalone financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

Sensitivity

The following table demonstrate the sensitivity of net unhedged foreign currency exposures relating to financial instruments to 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 ₹ lakhs)			
		Increase in FC exchange rates		Decrease in FC exchange rates	
		31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22
US$ sensitivity	5%	104.66	66.47	(104.66)	(66.47)
EURO sensitivity	5%	28.07	26.92	(28.07)	(26.92)
GBP sensitivity	5%	(1.95)	(2.29)	1.95	2.29
AUD sensitivity	5%	(19.59)	(1.81)	19.59	1.81
MVR sensitivity	5%	0.01	0.04	(0.01)	(0.04)
BDT sensitivity	5%	16.47	-	(16.47)	-

Further, the impact of change in foreign currency rates (assuming forward premium to remain unchanged) on the fair valuation of derivatives (excluding derivatives which have hedged the foreign currency denominated receivables and payables) as at the end of the year, is demonstrated in the table below. However, apart from the impact on the profit or loss due to fair value changes of the derivatives, the derivatives will help the Company in capturing the hedged rates including forward premium and the budgeted profitability will remain unaffected.

	Change in FC exchange rate by	Impact on profit or loss / other comprehensive income and equity (in ₹ lakhs)			
		Increase in FC exchange rates		Decrease in FC exchange rates	
		31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22
Impact on profit or loss and equity					
US$ sensitivity	5%	(24.41)	(12.23)	24.41	12.23
EURO sensitivity	5%	(25.38)	-	25.38	-
Impact on other comprehensive income and equity					
US$ sensitivity	5%	(164.77)	(348.61)	164.77	348.61

Impact of hedging activities

Outstanding derivative instruments designated as hedges:

	< 3 months	3-6 months	6-9 months	Total
As at 31 March 2023				
Foreign exchange forward contracts to hedge receivables				
- Nominal amount (in US$ lakhs)	15.00	23.00	2.50	40.50
- Nominal amount (in ₹ lakhs)	1236.90	1905.00	209.67	3351.57
Average rate	82.46	82.83	83.87	82.75
As at 31 March 2022				
Foreign exchange forward contracts to hedge receivables				
- Nominal amount (in US$ lakhs)	35.00	20.00	38.00	93.00
- Nominal amount (in ₹ lakhs)	2707.53	1563.38	3005.07	7275.98
Average rate	77.36	78.17	79.08	78.24

Notes to the Standalone financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

Effects on financial position:

	As at 31-Mar-23	As at 31-Mar-22
Carrying amount of hedging instruments - Assets (refer note 9 - other financial assets)	0.46	105.91
Amount included under non-financial liabilities (refer note 17 - other liabilities)	(2.89)	(15.03)
Total	**(2.43)**	**90.88**

Effects on financial performance:

	Year ended 31-Mar-23	Year ended 31-Mar-22
Effective portion of gains/(losses) on hedging instruments recognised in other comprehensive income	(581.44)	(101.57)
Fair value gains/(losses) on forward elements of forward contracts in hedging relationship recognised in other comprehensive income	209.53	192.43
Cumulative gains/(losses) reclassified from cash flow hedging reserve to profit or loss	430.58	-
Cumulative gains/(losses) reclassified from cost of hedging reserve to profit or loss	(252.93)	-
Line item affected in the statement of profit or loss because of the reclassification	Revenue from operations - note 23	Revenue from operations - note 23

(Refer note 14(viii) & 14(ix) for movements in cash flow hedging reserve and costs of hedging reserve)

Other disclosures:

	Year ended 31-Mar-23	Year ended 31-Mar-22
Changes in fair value of hedging instruments	(223.10)	(72.24)
Changes in the value of hedged items used as the basis for recognising hedge effectiveness	223.10	72.24

NOTE 41: FAIR VALUE MEASUREMENTS

(i) Financial instruments by category

	As at 31-Mar-23				As at 31-Mar-22			
	FVTPL *	FVTOCI	Amortised cost	Others	FVTPL *	FVTOCI	Amortised cost	Others
Financial assets								
Investments								
- Equity instruments	499.09	-	-	-	485.55	-	-	-
- Debentures or Bonds	-	-	115.54	-	-	-	148.95	-
- National Saving Certificates	-	-	0.03	-	-	-	0.03	-
Trade receivables	-	-	38673.21	-	-	-	26395.10	-
Loans	-	-	3186.24	-	-	-	2047.91	-
Cash and bank balances	-	-	7728.04	-	-	-	2830.88	-
Security deposits	-	-	676.79	-	-	-	729.48	-
Earnest money deposits	-	-	221.34	-	-	-	312.98	-
Derivative financial assets	-	0.46	-	-	3.30	105.91	-	-
Other receivables	-	-	1274.01	-	-	-	382.43	-
Total financial assets	**499.09**	**0.46**	**51875.20**	**-**	**488.85**	**105.91**	**32847.76**	**-**

Notes to the Standalone financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

	As at 31-Mar-23				As at 31-Mar-22			
	FVTPL *	FVTOCI	Amortised cost	Others	FVTPL *	FVTOCI	Amortised cost	Others
Financial liabilities								
Borrowings	-	-	82243.31	-	-	-	149553.27	-
Trade payables	-	-	41460.13	-	-	-	35075.67	-
Capital creditors	-	-	2540.92	-	-	-	3093.40	-
Security deposits	-	-	564.69	-	-	-	490.44	-
Derivative financial liabilities	76.32	-	-	-	-	-	-	-
Lease liabilities	-	-	1796.28	-	-	-	1531.11	-
Financial guarantee contracts	-	-	-	310.36	-	-	-	176.04
Other payables	-	-	4380.03	-	-	-	4421.34	-
Total financial liabilities	**76.32**	**-**	**132985.36**	**310.36**	**-**	**-**	**194165.23**	**176.04**

*Mandatorily required to be 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

	Note No.	Level 1	Level 2	Level 3	Total
As at 31 March 2023					
Financial assets					
- Investments in equity instruments at FVTPL (quoted)	6	499.09	-	-	499.09
- Foreign exchange forward contract at FVTOCI (designated as hedges)	9	-	0.46	-	0.46
		499.09	**0.46**	**-**	**499.55**
Financial liabilities					
- Foreign exchange forward contract at FVTPL (not designated as hedges)	20	-	76.32	-	76.32
		-	**76.32**	**-**	**76.32**
As at 31 March 2022					
Financial assets					
- Investments in equity instruments at FVTPL (quoted)	6	485.55	-	-	485.55
- Foreign exchange forward contract at FVTPL (not designated as hedges)	9	-	3.30	-	3.30
- Foreign exchange forward contract at FVTOCI (designated as hedges)	9	-	105.91	-	105.91
		485.55	**109.21**	**-**	**594.76**
Financial liabilities	20	-	-	-	-

Notes to the Standalone financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

Level 1: Level 1 hierarchy includes financial instruments measured using quoted unadjusted market prices in active markets for identical assets or liabilities. This includes listed equity instruments that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting date.

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.

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 derivatives (viz. 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 in valuation of financial instruments. The team headed by Group CFO directly reports to the audit committee on the fair value of financial instruments.

(v) The management considers that the carrying amounts of financial assets and financial liabilities recognised in the financial statements approximate their fair values.

NOTE 42: GOVERNMENT GRANTS

(i) Government grants recognised in the financial statements

		Grants recognised in profit or loss			Grant recoverable	
		Year ended 31-Mar-23	**Year ended 31-Mar-22**	**Treatment in financial statements**	**As at 31-Mar-23**	**As at 31-Mar-22**
A	**Deferred government grants related to income**					
a)	Loans at below market interest rate aggregating to ₹ 36400 lakhs availed during financial year 2018-19 under the "Scheme for Extending Financial Assistance to Sugar Undertakings 2018" notified by the State Government of Uttar Pradesh.	567.76	858.92	Reduced from finance cost (note 29)	-	-
	Total deferred government grants	**567.76**	**858.92**		**-**	**-**
B	**Other revenue government grants**					
a)	Financial assistance by Government of India under the Scheme for providing assistance to sugar mills for expenses on marketing costs including handling, upgrading and other processing costs and costs of international and internal transport and freight charges on export of sugar during the sugar season 2020-21.	-	10366.50	Presented under "Other operating revenue" (note 23)	-	-

Notes to the Standalone financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

		Grants recognised in profit or loss			Grant recoverable	
		Year ended 31-Mar-23	Year ended 31-Mar-22	Treatment in financial statements	As at 31-Mar-23	As at 31-Mar-22
b)	Interest subvention @ 7% for one year by Government of India on soft loans of ₹ 31000 lakhs availed from banks under the scheme for soft loans to sugar mills	-	-	Reduced from finance cost (note 29)	-	0.30
c)	Interest subvention @ 50% of rate charged by lenders (subject to maximum of 6%) on loans of ₹ 34915 lakhs (31 March 2022: ₹ 30815 lakhs) availed from banks for distileries under the "Scheme for extending financial assistance to sugar mills for enhancement and augmentation of ethanol production capacity	922.03	492.18	Reduced from finance cost (note 29)	850.00	347.41
		-	140.07	Reduced from capital work in progress (note 3)	-	140.07
d)	Export incentives under Duty Draw back Scheme, Refund of Duties and Taxes on Export Proceeds, Incremental Export Incentive Scheme and Merchandise Export Incentive Scheme.	141.62	122.63	Presented under "Other operating revenue" (note 23)	47.15	69.97
	Total other revenue government grants	**1063.65**	**11121.38**		**897.15**	**557.75**
	Total government grants related to income	**1631.41**	**11980.30**		**897.15**	**557.75**

		Grants received			Grant recoverable	
		Year ended 31-Mar-23	Year ended 31-Mar-22	Treatment in financial statements	As at 31-Mar-23	As at 31-Mar-22
C	**Government grants related to assets**					
a)	Deferred grant of ₹ 141.45 lakhs in the form of duties saved upon import of machinery during financial year 2017-18 under Export Promotion Capital Goods (EPCG) scheme (refer note 17).	-	-	Shall be reduced from gross value of PPE and recognised in profit or loss by way of reduced depreciation upon fulfillment of export obligation(s)	-	-
	Total government grants related to assets	-	-		-	-

(ii) Movement of deferred government grants is provided here below:

	Year ended 31-Mar-23	Year ended 31-Mar-22
As at the beginning of the year	962.60	1821.52
Released to the statement of profit and loss	(567.76)	(858.92)
As at the end of the year	**394.84**	**962.60**
Current (refer note 17)	245.85	592.57
Non-current (refer note 17)	148.99	370.03
Total	**394.84**	**962.60**

Notes to the Standalone financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

NOTE 43: LEASES

As Lessee

Assets taken under lease mainly includes various residential, office, godown premises and plots of land. These are generally not non-cancellable leases (except for few premises) having unexpired period upto sixty six years. Except a few, the leases are generally renewable by mutual consent and on mutually agreeable terms. The Company has given refundable interest free security deposits under certain lease agreements. There is no contingent rent, sublease payments or restriction imposed in the lease agreement.

Amounts recognised as expense

	Year ended 31-Mar-23	Year ended 31-Mar-22
Depreciation expense - Right-of-use assets (Land) (refer note 3)	8.49	6.68
Depreciation expense - Right-of-use assets (Building) (refer note 3)	589.07	501.97
Interest on lease liabilities (refer note 29)	148.26	130.82
Rent expense - short term leases (refer note 32)	202.38	229.85
Total	**948.20**	**869.32**

Total cash outflow for leases during the year ended 31 March 2023 is ₹ 1856.94 lakhs (31 March 2022: ₹ 823.05 lakhs).

Commitments for short term leases as at 31 March 2023 is ₹ 18.98 lakhs (31 March 2022: ₹ 23.74 lakhs).

As Lessor

The Company has given certain portion of its office / factory premises under operating leases [including lease of investment property (refer note 4)]. 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 recognised 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). Lease income earned by the Company from its investment properties and direct operating expenses arising on the investment properties for the year is set out in note 4.

NOTE 44: COMMITMENTS

	As at 31-Mar-23	As at 31-Mar-22
Estimated amount of contracts remaining to be executed on capital account and not provided for (after adjusting advances aggregating to ₹ 295.87 lakhs (31 March 2022: ₹ 1413.12 lakhs))	5737.98	6125.01

Notes to the Standalone financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

NOTE 45: CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Contingent liabilities

	As at 31-Mar-23	As at 31-Mar-22
Claims against the Group not acknowledged as debts:		
(i) 'Claims (excluding further interest thereon) which are being contested by the Company and in respect of which the Company has paid amounts aggregating to ₹ 370.83 lakhs (31 March 2022: ₹ 693.49 lakhs), under protest pending final adjudication of the cases:	9374.18	7940.70

Sl. No.	Particulars	Amount of contingent liability		Amount paid	
		31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22
1	Sales tax	29.04	243.41	14.52	88.52
2	Excise duty	552.23	545.18	288.76	279.74
3	GST	63.32	-	0.42	-
4	Interest on delayed payment of cane price *	5973.50	5973.50	-	-
5	Others	2756.09	1178.61	67.13	325.23

* Amount of contingent liability on account of interest on delayed payment of cane price for the sugar seasons 2012-13, 2013-14 and 2014-15 in respect of which the Hon'ble Allahabad High Court had passed an order directing the Cane Commissioner of the State to decide the matter afresh, taking into consideration certain additional factors. The Cane Commissioner is understood to have filed an affidavit in a contempt proceeding, specifying interest rates on delayed cane price payments but no such order of the Cane Commissioner has been served on the Company or industry association and such order, if served, may be legally challenged.

	As at 31-Mar-23	As at 31-Mar-22
(ii) The Company is contingently liable in respect of short provision against disputed income tax liabilities (excluding determination of final interest payable thereon) of ₹ 2637.14 lakhs (31 March 2022: ₹ 2565.11 lakhs) against which ₹ 748.36 lakhs (31 March 2022: ₹ 698.92 lakhs) stands paid. The disputed income tax liability mainly arises on the issue of taxability of unrealised incentives, majority of which have been held to be non-taxable in the first appeal filed by the Company against which the Department has filed appeals before the Tribunal.	2637.14	2565.11
(iii) Liability arising from claims / counter claims/ interest in arbitration/ court cases, claims of certain employees/ex-employees and in respect of service tax, if any, on certain activities of the Company which are being contested by the Company.	Indeterminate	Indeterminate
The amount shown above represent the best possible estimates arrived at on the basis of available information. The uncertainties, possible payments and reimbursements are dependent on the outcome of the different legal processes which have been invoked by the Company or the claimants, as the case may be, and therefore cannot be predicted accurately. The Company engages reputed professional advisors to protect its interests and has been advised that it has strong legal position against such disputes.		

Contingent assets

Based on management analysis, there are no material contingent assets as at 31 March 2023 and as at 31 March 2022.

Notes to the Standalone financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

NOTE 46: REGULATORY FEES

The Government of Uttar Pradesh vide its order dated 24 December 2021 imposed regulatory fees of ₹ 20/quintal on sale/transfer of molasses. UP Sugar Mills Association has challenged the imposition of the regulatory fees before the Hon'ble Allahabad High Court. Pending final outcome of the matter, the Company, on a conservative basis, accounted for the liability aggregating to ₹ 1674.74 lakhs (including ₹ 636.33 lakhs till 31 March 2022) in respect of fee paid on sale/transfer of molasses and molasses held in stock. This has resulted in the profit before tax of current financial year being adversely impacted by an amount of ₹ 1216.74 lakhs and balance ₹ 458.00 lakhs is included in the carrying value of sugar inventories.

NOTE 47: DISCLOSURES OF MICRO ENTERPRISES AND SMALL ENTERPRISES

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:

	31-Mar-23	31-Mar-22
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 (refer note 19 & 20)	971.67	919.10
(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 (27 of 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 period of delay in making payment (which has 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 Standalone financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

NOTE 48: ADDITIONAL REGULATORY INFORMATION UNDER SCHEDULE III

The relevant disclosures to the extent applicable to the Company are as under:

(i) Title deeds of Immovable Properties not held in name of the Company

Relevant line item in the Balance Sheet	Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the Company
As at 31 March 2023						
Property, plant and equipment (note 3)	Land	8.27	Horam Sing	No	Jul'2005	Transfer of land in the name of the Company could not be completed on account of certain technicalities/ documentary deficiencies, which the Company is trying to resolve to the extent feasible
	Land	4.08	Shyam Bhadur	No	Jul'2005	
As at 31 March 2022						
Property, plant and equipment (note 3)	Land	8.27	Horam Singh	No	Jul'2005	Transfer of land in the name of the Company could not be completed on account of certain technicalities/ documentary deficiencies, which the Company is trying to resolve to the extent feasible
	Land	4.08	Shyam Bhadur	No	Jul'2005	

(ii) Transactions with Struck off companies

Name of Struck off company	Nature of transactions	Balance outstanding as at 31 March 2023	Relationship with struck off company, if any	Balance outstanding as at 31 March 2022	Relationship with struck off company, if any
Nikumbh Engineering Works Private Limited	Payables against purchase of services	1.22	Not a related party	-	Not a related party

Notes to the Standalone financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

(iii) Ratios

Ratio	Numerator	Denominator	31-Mar-23	31-Mar-22	% Variance	Reason for variance
Current ratio	Current assets	Current liabilities	1.98	1.39	42%	On account of surplus funds generated from divestment of equity stake in an associate company
Debt equity ratio	Borrowings and lease liabilities	Equity	0.32	0.85	-63%	Due to much reduced borrowings in view of surplus funds available from divestment of equity stake in an associate company and substantial profits during the year
Debt service coverage ratio	Profit after tax plus finance costs, depreciation and amortisation expense	Repayment of long term borrowings and lease liabilities (excluding prepayments) and finance costs	10.24	3.06	234%	Due to substantially higher profits during the year in view of exceptional income
Return on equity ratio (%)	Profit after tax	Average equity	87%	24%	268%	Due to substantially higher profits during the year in view of exceptional income
Inventory turnover ratio	Revenue from operations (net of excise duty)	Average inventories	2.78	2.27	23%	-
Trade receivables turnover ratio	Revenue from operations	Average trade receivables	19.39	19.31	0%	-
Trade payables turnover ratio	Purchases of goods and services	Average trade payables	11.94	7.41	61%	Due to faster cane payments and substantial purchases of grain required for new distilleries, in respect of which no credit is available
Net capital turnover ratio	Revenue from operations (net of excise duty)	Average working capital (i.e. current assets less current liabilities)	5.40	6.03	-10%	-
Net profit ratio (%)	Profit after tax	Revenue from operations (net of excise duty)	34%	9%	283%	Due to substantially higher profits during the year in view of exceptional income
Return on capital employed (%)	Earnings before interest and taxes	Average capital employed (i.e. equity, borrowings, lease liabilities and deferred tax liabilities)	63%	19%	224%	Due to substantially higher profits during the year in view of exceptional income

Notes to the Standalone financial statements

for the year ended March 31, 2023
(All amounts in ₹ lakhs, unless otherwise stated)

Ratio	Numerator	Denominator	31-Mar-23	31-Mar-22	% Variance	Reason for variance
Return on investment (other than subsidiaries & associates) (%)	Market value changes of quoted investments, dividend income, interest income and gain/loss on disposal of investment	Weighted Average investment	6%	8%	-31%	Based on market conditions. Further, previous year includes one time gain in respect of certain fixed income investments

(iv) For other applicable disclosures, refer note 3, 4, 5 and 18.

NOTE 49: DISCLOSURE AS PER REGULATION 34(3) OF THE SEBI (LODR) REGULATIONS, 2015 (AS AMENDED)

	Financial year	Outstanding balance	Maximum amount due during the year
Loans & advances to subsidiaries			
-Mathura Wastewater Management Private Limited	31-Mar-23	2225.00	2300.00
	31-Mar-22	2000.00	2050.00
- United Shippers and Dredgers Limited*	31-Mar-23	44.53	44.53
	31-Mar-22	44.53	44.53
- Pali ZLD Private Limited	31-Mar-23	900.00	900.00
	31-Mar-22	-	-
Loans & advances to associates			
- Aqwise Wise Water Technologies Limited	31-Mar-23	-	-
	31-Mar-22	-	1831.47
Loans & advances to firms/companies in which directors are interested	31-Mar-23	-	-
	31-Mar-22	-	-
Investment by the loanee in the shares of Triveni Engineering & Industries Ltd. and its subsidiaries	31-Mar-23	-	-
	31-Mar-22	-	-

* This loan is fully provided for hence net amounts are Nil as at 31 March 2023 and 31 March 2022.

NOTE 50: RECENT ACCOUNTING PRONOUNCEMENTS

Ministry of Corporate Affairs, vide notification dated 31 March 2023, has made following amendments to Ind AS which are effective from 1 April 2023 and applicable to the Company:

(i) Ind AS 1 Presentation of Financial Statements: Amendment requires companies to disclose their "material accounting policy information" instead of their "significant accounting policies" and prescribes circumstances under which an accounting policy information shall be considered to be material.

(ii) Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors: The amendment has replaced the definition of "change in acounting estimate" with the definition of "accounting estimates" and included other amendments to help entities distinguish changes in accounting estimates from changes in accounting policies.

Notes to the Standalone financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

(iii) Ind AS 12 Income Taxes: Exemption for initial recognition of deferred tax is now narrowed and exclude transactions which gives rise to equal taxable and deductible temporary differences. The amendment seeks to reduce diversity in the reporting of deferred tax on leases and decommissioning obligations.

The Company intends to adopt these standards when they become effective. Based on preliminary assessment, the Company does not expect these amendments to have any significant impact on its financial statements.

NOTE 51: COMPARATIVES

The Company has reclassified certain items of financials of comparative year to conform to this year's classification, however, impact of these reclassification are not material.

NOTE 52: APPROVAL OF STANDALONE FINANCIAL STATEMENTS

The standalone financial statements were approved for issue by the Board of Directors on 25 May 2023 subject to approval of shareholders.

As per our report of even date attached

For S S Kothari Mehta & Company
Chartered Accountants
Firm's registration number : 000756N

Vijay Kumar
Partner
Membership No. 092671

Place : Noida
Date : May 25, 2023

For and on behalf of the Board of Directors of Triveni Engineering & Industries Limited

Dhruv M. Sawhney
Chairman & Managing Director

Homai A. Daruwalla
Director & Chairperson Audit Committee

Suresh Taneja
Group CFO

Geeta Bhalla
Group Vice President & Company Secretary

Independent Auditor's Report

TO THE MEMBERS OF TRIVENI ENGINEERING & INDUSTRIES LIMITED

Report on the Audit of the Consolidated Financial Statements

OPINION

We have audited the accompanying consolidated financial statements of **TRIVENI ENGINEERING & INDUSTRIES LIMITED** (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its associate, which comprise of the Consolidated Balance Sheet as at March 31, 2023, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and Consolidated Statement of Changes in Equity for the year then ended and notes to the consolidated financial statements including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements of the subsidiaries as referred to in the Other Matters paragraph below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("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 of the Group and its associate as at March 31, 2023 and of consolidated profit including other comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

BASIS FOR OPINION

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Financial Statements' section of our report. We are independent of the Group and its associate in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India and we have fulfilled our other ethical responsibilities in accordance with the provision of the Act. 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 the 'Other Matters' paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

KEY AUDIT MATTERS

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

Sr. No.	Key Audit Matters	Auditor's Response
1	Appropriateness of cost to complete the project: The Group recognizes revenue from long-duration construction & supply contracts on percentage of completion method as specified in Indian Accounting Standards (Ind AS) 115- Revenue from Contract with Customers. (Refer Accounting policy Note no. 1(b)(iii)) We identified this matter as a key audit matter as it involves significant judgement by the management in estimation of cost to complete the project and any variation may have consequential impact on revenue.	Our audit procedures included the following: • Obtaining an understanding of internal controls over estimation of cost of completion of projects and testing, on a sample basis, their design, implementation and operating effectiveness; • Agreed the total project revenue estimates to contracts with customers; • Obtained computation of estimated costs to complete and the percentage of project completion and verified the same against the contracts on sample basis and also checked arithmetic accuracy of the same; • Performed the walkthrough procedure and verified the invoices, purchase orders etc. for actual cost incurred till the year end; and • Compared the management estimates revised during the year with the estimate made in earlier years and obtained reasons/approval for such revision.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in Annual Report, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon. The other information included in the annual report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read the other information included in the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

RESPONSIBILITY OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group including its associate in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards prescribed under Section 133 of the Act, read with relevant rules issued thereunder. The respective Board of Directors of the companies included in the Group and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associate and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associate are responsible for overseeing the financial reporting process of the Group and of its associate.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Group has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

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

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associate to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

OTHER MATTERS

We did not audit the financial statements of eight subsidiaries, whose financial statements reflect total assets of Rs. 2217.08 lacs as at March 31, 2023 and total revenue (including other income) of Rs. 3.03 lacs, total comprehensive income (comprising of profit/(loss) and other comprehensive income) of Rs. (-) 11.31 lacs and net cash inflow of Rs. 1.53 lacs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by the 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 aforesaid eight subsidiaries and our report in terms of sub-sections (3) and (11) of section 143 of the Act, in so far as it relates to the aforesaid eight subsidiaries is based solely on the report of other auditors.

The consolidated financial statements also include the Group's share of net profit (before other comprehensive income) of Rs.1604.77 lacs and other comprehensive income of Rs. (–) 33.70 lacs for the year ended March 31, 2023, in respect of one associate company. The Company divested its entire stake of 21.85% in the equity of the associate on September 21, 2022, and accordingly the share of profit is consolidated only till the period prior to the divestment. The interim financial statements and other information of this associate are unaudited, prepared by the Management in accordance with accounting principles generally accepted. Our opinion, in so far as it relates to the amounts and disclosures included in respect of the associate, is based solely on the unaudited financial statements as on September 20, 2022 as certified by the Management.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors/management certified financial statements.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us and other auditors of companies included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

2. As required by Section 143(3) of the Act, based on our audit and on consideration of the report of the other auditors on financial statements and the other financial information of subsidiaries and associate referred to in Other Matters paragraph, 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 purposes 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 reports of the other auditors.

   c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows 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 the Accounting Standards specified under Section 133 of the Act.

   e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2023 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, none of the directors of the Group, are disqualified as on March 31, 2023 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 with reference to financial statements of the Group, and the operating effectiveness of such controls, refer to our separate report in Annexure 'A'.

   g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

      In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Group, where applicable, to its directors during the year is in accordance with the provisions of section 197 of the Act.

   h) 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, in our opinion and to the best of our information and according to the explanations given to us and based on consideration of the report of the other auditors on financial statements and also the other financial information of subsidiaries and its associate referred to in Other Matters paragraph:

i. The consolidated financial statements disclose impact of pending litigations as at March 31, 2023 on the consolidated financial position of the Group – Refer Note no. 47 & 48 to the consolidated financial statements.

ii. The Group have made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including long term derivative contracts.

iii. There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Group.

iv. a. The respective managements of the Holding Company and its subsidiary companies have represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or its subsidiaries to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company and its subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

b. The respective management of the Holding Company and its subsidiary companies has represented, that, to the best of its knowledge and belief, no funds have been received by the Holding Company and its subsidiaries from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company and its subsidiary companies shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

c. Based on the audit procedures that have been considered reasonable and appropriate in the circumstances and based on audit reports of other auditors, nothing has come to our notice that caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. As stated in note 14 (vii) to the consolidated financial statements and based on review of the reports of other auditors:

a. The final dividend proposed in the previous year, declared and paid by the Holding Company during the year is in accordance with Section 123 of the Act, as applicable.

b. The Holding Company has not declared or paid any interim dividend during the year and until the date of this report.

c. The Board of Directors of the Holding Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

The subsidiary companies have neither declared dividend nor paid any dividend during the year.

For **S S KOTHARI MEHTA & COMPANY**
Chartered Accountants
Firm Registration No. 000756N

Vijay Kumar
Partner
Membership No.: 092671
UDIN: 23092671BGSIBX7068

Place: Noida
Date: May 25, 2023

"ANNEXURE A" TO THE INDEPENDENT AUDITOR'S

Report of even date on the Consolidated Financial Statements of TRIVENI ENGINEERING & INDUSTRIES LIMITED

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT") AS REFERRED TO IN PARAGRAPH (F) OF 'REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS'

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2023, we have audited the internal financial controls with reference to the consolidated financial statements of TRIVENI ENGINEERING & INDUSTRIES LIMITED (hereinafter referred to as "the Holding Company") and its subsidiary companies as of that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The respective Board of Directors of the Holding Company and its subsidiary companies are responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements 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 (ICAI). 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 its business, including adherence to the respective 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.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. 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 internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements of the Company.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes 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 consolidated 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 consolidated financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or may deteriorate.

OPINION

In our opinion, to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors, as referred to in Other Matters paragraph, the Holding Company and its subsidiary companies have, in all material respects, an adequate internal financial controls system with respect to financial statements and such internal financial controls with respect to financial statements were operating effectively as at March 31, 2023, 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.

OTHER MATTERS

Our aforesaid reports under Section 143(3) (i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to the eight subsidiary companies is based on the corresponding reports of the auditors of such companies. Our opinion is not modified in respect of this matter.

For **S S KOTHARI MEHTA & COMPANY**
Chartered Accountants
Firm Registration No. 000756N

Vijay Kumar
Partner
Membership No.: 092671
UDIN: 23092671BGSIBX7068

Place: Noida
Date: May 25, 2023

Consolidated Balance Sheet

as at March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

	Note No.	As at 31-Mar-23	As at 31-Mar-22
ASSETS			
Non-current assets			
Property, plant and equipment	3	145440.40	106307.76
Capital work-in-progress	3	2831.19	25652.78
Investment property	4	1210.14	1210.14
Goodwill	5	68.23	68.23
Other intangible assets	5	249.88	160.74
Intangible assets under development	5	-	2.50
Investments accounted for using the equity method	6 (a)	-	18703.98
Financial assets			
i. Investments	6 (b)	615.66	635.53
ii. Trade receivables	7	17109.15	16468.85
iii. Loans	8	3.29	2.18
iv. Other financial assets	9	1537.63	1645.82
Deferred tax assets (net)	22	36.06	37.26
Income tax assets (net)	21	989.31	753.62
Other non-current assets	10	1155.97	2333.25
Total non-current assets		**171246.91**	**173982.64**
Current assets			
Inventories	11	199649.50	203687.02
Financial assets			
i. Trade receivables	7	39196.18	26680.28
ii. Cash and cash equivalents	12 (a)	7201.32	2328.46
iii. Bank balances other than cash and cash equivalents	12 (b)	753.72	461.63
iv. Loans	8	57.95	45.73
v. Other financial assets	9	1726.11	649.64
Other current assets	10	25611.82	21912.31
Total current assets		**274196.60**	**255765.07**
Total assets		**445443.51**	**429747.71**
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	13	2189.00	2417.57
Other equity	14	264335.90	188867.76
Total equity		**266524.90**	**191285.33**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
i. Borrowings	15	22239.77	31917.78
ii. Lease liabilities		1227.74	976.65
Provisions	16	2218.65	3351.02
Deferred tax liabilities (net)	22	10872.19	13542.03
Other non-current liabilities	17	3394.38	509.51
Total non-current liabilities		**39952.73**	**50296.99**
Current liabilities			
Financial liabilities			
i. Borrowings	18	68889.94	124057.48
ii. Lease liabilities		568.54	554.46
iii. Trade payables	19		
(a) total outstanding dues of micro enterprises and small enterprises		861.79	798.17
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		40606.18	34285.83
iv. Other financial liabilities	20	7562.16	8005.38
Other current liabilities	17	15947.91	14312.87
Provisions	16	4429.13	4828.23
Income tax liabilities (net)	21	100.23	1322.97
Total current liabilities		**138965.88**	**188165.39**
Total liabilities		**178918.61**	**238462.38**
Total equity and liabilities		**445443.51**	**429747.71**

The accompanying notes 1 to 53 form an integral part of these consolidated financial statements

As per our report of even date attached

For S S Kothari Mehta & Company
Chartered Accountants
Firm's registration number : 000756N

For and on behalf of the Board of Directors of Triveni Engineering & Industries Limited

Vijay Kumar
Partner
Membership No. 092671

Dhruv M. Sawhney
Chairman & Managing Director

Homai A. Daruwalla
Director & Chairperson Audit Committee

Place : Noida
Date : May 25, 2023

Suresh Taneja
Group CFO

Geeta Bhalla
Group Vice President & Company Secretary

Consolidated Statement of Profit and Loss

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

	Note No.	Year ended 31-Mar-23	Year ended 31-Mar-22
Revenue from operations	23	631009.62	469404.36
Other income	24	8041.33	2218.40
Total income		**639050.95**	**471622.76**
Expenses			
Cost of materials consumed	25	395152.61	311468.61
Purchases of stock-in-trade	26	4624.40	2624.65
Changes in inventories of finished goods, stock-in-trade and work-in-progress	27	8872.30	(28177.49)
Excise duty on sale of goods		69326.49	40309.87
Employee benefits expense	28	34827.50	30265.55
Finance costs	29	5673.83	5452.93
Depreciation and amortisation expense	30	9347.77	8074.50
Impairment loss on financial assets (net of reversals)	31	5.79	561.08
Other expenses	32	56609.80	48911.12
Total expenses		**584440.49**	**419490.82**
Profit before share of net profits of investments accounted for using equity method and tax		**54610.46**	**52131.94**
Share of net profit of associates accounted for using the equity method	44	1633.44	5914.48
Profit before exceptional items and tax		**56243.90**	**58046.42**
Exceptional items	33	140119.61	(670.94)
Profit before tax		**196363.51**	**57375.48**
Tax expense:			
- Current tax	34	19739.59	14900.19
- Deferred tax	34	(2556.73)	69.37
Total tax expense		**17182.86**	**14969.56**
Profit for the year		**179180.65**	**42405.92**
Other comprehensive income			
A (i) Items that will not be reclassified to profit or loss			
- Remeasurements of the defined benefit plan	37	(231.65)	73.15
- Effective portion of gains/(losses) on hedging instruments designated as cash flow hedges	14	-	(29.33)
- Gains/(losses) on aligned portion of forward elements of cash flow hedging instruments	14	-	14.29
- Share of other comprehensive income of associates accounted for using the equity method (pertaining to bargain purchase on business combination)	44	-	416.61
- Share of other comprehensive income of associates accounted for using the equity method (pertaining to remeasurement of defined benefit plan)	44	-	(6.04)
		(231.65)	**468.68**
A (ii) Income tax relating to items that will not be reclassified to profit or loss	34	(58.30)	13.11
		(173.35)	**455.57**
B (i) Items that may be reclassified to profit or loss			
- Effective portion of gains/(losses) on hedging instruments designated as cash flow hedges (net of reclassification to profit or loss)	14	(150.86)	(72.24)
- Gains/(losses) on aligned portion of forward elements of cash flow hedging instruments (net of reclassification to profit or loss)	14	(43.40)	178.14
- Share of other comprehensive income of associates accounted for using the equity method (pertaining to exchange differences arising on translating the foreign operations)	44	(35.50)	10.14
- Share of other comprehensive income of associates accounted for using the equity method (pertaining to effective portion of gains/(losses) on hedging instruments designated as cash flow hedges (net of reclassification to profit or loss))	44	(26.88)	14.69
		(256.64)	**130.73**
B (ii) Income tax relating to items that may be reclassified to profit or loss	34	(55.14)	32.90
		(201.50)	**97.83**
Other comprehensive income for the year, net of tax		**(374.85)**	**553.40**
Total comprehensive income for the year		**178805.80**	**42959.32**
Earnings per equity share (face value ₹ 1 each)			
Basic	35	74.58	17.54
Diluted	35	74.58	17.54

The accompanying notes 1 to 53 form an integral part of these consolidated financial statements

As per our report of even date attached

For S S Kothari Mehta & Company
Chartered Accountants
Firm's registration number : 000756N

Vijay Kumar
Partner
Membership No. 092671

Place : Noida
Date : May 25, 2023

For and on behalf of the Board of Directors of Triveni Engineering & Industries Limited

Dhruv M. Sawhney
Chairman & Managing Director

Homai A. Daruwalla
Director & Chairperson Audit Committee

Suresh Taneja
Group CFO

Geeta Bhalla
Group Vice President & Company Secretary

Consolidated Statement of Changes in Equity

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

A. EQUITY SHARE CAPITAL

Equity shares of ₹ 1 each issued, subscribed and fully paid up (including paid up value of ₹ 0.02 lakhs pertaining to forfeited shares)

As at 31 March 2021	2417.57
Movement during the year	-
As at 31 March 2022	**2417.57**
Extinguishment of shares upon buy-back [refer note 13(v)]	(228.57)
As at 31 March 2023	**2189.00**

B. OTHER EQUITY

	Reserves and surplus							Items of other comprehensive income			Total other equity
	Capital redemption reserve	Capital reserve	Securities premium	Amalgamation Reserve	General reserve	Molasses storage fund reserve	Retained earnings	Foreign currency translation reserve	Cash flow hedging reserve	Costs of hedging reserve	
Balance as at 31 March 2021	635.04	2868.83	8375.55	926.34	49919.43	181.20	90205.90	25.36	12.18	-	153149.83
Profit/(loss) for the year	-	-	-	-	-	-	42405.92	-	-	-	42405.92
Other comprehensive income, net of income tax	-	-	-	-	-	-	54.74	-	(76.01)	144.00	122.73
Share of other comprehensive income of associates, net of income tax	-	-	-	-	-	-	(4.52)	7.59	10.99	-	14.06
Share of other comprehensive income of associates arising from the bargain purchase on business combination, net of income tax	-	416.61	-	-	-	-	-	-	-	-	416.61
Total comprehensive income for the year	**-**	**416.61**	**-**	**-**	**-**	**-**	**42456.14**	**7.59**	**(65.02)**	**144.00**	**42959.32**
Transferred from retained earnings to molasses storage fund reserve	-	-	-	-	-	49.60	(49.60)	-	-	-	-
Transferred to cost of non-financial hedged items, net of income tax	-	-	-	-	-	-	-	-	21.95	(10.69)	11.26
Transactions with owners in their capacity as owners :											
- Dividends paid	-	-	-	-	-	-	(7252.65)	-	-	-	(7252.65)
Balance as at 31 March 2022	**635.04**	**3285.44**	**8375.55**	**926.34**	**49919.43**	**230.80**	**125359.79**	**32.95**	**(30.89)**	**133.31**	**188867.76**

Consolidated Statement of Changes in Equity

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

	Reserves and surplus							Items of other comprehensive income			Total other equity
	Capital redemption reserve	Capital reserve	Securities premium	Amalgamation Reserve	General reserve	Molasses storage fund reserve	Retained earnings	Foreign currency translation reserve	Cash flow hedging reserve	Costs of hedging reserve	
Profit/(loss) for the year	-	-	-	-	-	-	179180.65	-	-	-	179180.65
Other comprehensive income, net of income tax	-	-	-	-	-	-	(173.35)	-	(112.89)	(32.48)	(318.72)
Share of other comprehensive income of associates, net of income tax	-	-	-	-	-	-	-	(32.95)	(23.17)	-	(56.12)
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**-**	**179007.30**	**(32.95)**	**(136.06)**	**(32.48)**	**178805.81**
Share of associates - adjustments consequent to divestment (refer note 14)	(75.74)	(416.61)		-	(706.71)	-	1197.53	-	-	-	(1.53)
Transferred from retained earnings to molasses storage fund reserve	-	-	-	-	-	64.58	(64.58)	-	-	-	-
Transactions with owners in their capacity as owners :											
- Amount utilised for buy-back of equity shares (refer note 14)	-	-	(8375.55)	-	(49212.72)	-	(22183.16)	-	-	-	(79771.43)
- Transferred from retained earnings to capital redemption reserve on buy-back of equity shares (refer note 14)	228.57	-	-	-	-	-	(228.57)	-	-	-	-
- Transaction costs related to buy-back of equity shares (refer note 14)	-	-	-	-	-	-	(613.28)	-	-	-	(613.28)
- Tax paid on buy-back of equity shares (refer note 14)	-	-	-	-	-	-	(18116.33)	-	-	-	(18116.33)
- Dividends paid	-	-	-	-	-	-	(4835.10)	-	-		(4835.10)
Balance as at 31 March 2023	**787.87**	**2868.83**	**-**	**926.34**	**-**	**295.38**	**259523.60**	**-**	**(166.95)**	**100.83**	**264335.90**

The accompanying notes 1 to 53 form an integral part of these consolidated financial statements

As per our report of even date attached

For S S Kothari Mehta & Company
Chartered Accountants
Firm's registration number : 000756N

Vijay Kumar
Partner
Membership No. 092671

Place : Noida
Date : May 25, 2023

For and on behalf of the Board of Directors of Triveni Engineering & Industries Limited

Dhruv M. Sawhney
Chairman & Managing Director

Homai A. Daruwalla
Director & Chairperson Audit Committee

Suresh Taneja
Group CFO

Geeta Bhalla
Group Vice President & Company Secretary

Consolidated Statement of Cash Flows

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

	Year ended 31-Mar-23	Year ended 31-Mar-22
Cash flows from operating activities		
Profit before tax	196363.51	57375.48
Adjustments for :		
Share of net (profit)/loss of associate accounted for using the equity method	(1633.44)	(5914.48)
Depreciation and amortisation expense	9347.77	8074.50
Bad debts written off - trade receivables carried at amortised cost	433.51	1128.66
Bad debts written off - other financial assets carried at amortised cost	999.08	1.63
Impairment loss allowance on trade receivables and other financial assets (net of reversals)	(1426.80)	(569.21)
Bad debts written off - non financial assets	12.39	69.36
Impairment loss allowance on non financial assets (net of reversals)	(45.79)	698.89
Provision for non moving/obsolete inventory (net of reversals)	(31.89)	159.92
Loss on sale/write off of inventory	52.13	38.20
Net fair value (gains)/losses on investments	(13.54)	6.57
Mark-to-market (gains)/losses on derivatives	76.32	(3.30)
Credit balances written back	(213.41)	(108.74)
Exceptional items - profit upon divestment in equity shares	(140119.61)	-
Exceptional items - net impairment loss allowance on receivable against divestment in equity shares	-	670.94
Unrealised (gains)/losses from changes in foreign exchange rates	13.51	(21.42)
Loss on sale/write off/impairment of property, plant and equipment	163.66	162.00
Net (profit)/loss on sale/redemption of investments	(9.53)	(72.92)
Interest income	(5409.12)	(247.11)
Dividend income	(4.98)	(3.43)
Finance costs	5673.83	5452.93
Working capital adjustments :		
Change in inventories	4017.27	(30510.21)
Change in trade receivables	(13154.52)	(10888.90)
Change in other financial assets	(367.55)	(626.45)
Change in other assets	(3605.38)	(131.44)
Change in trade payables	6506.53	(27247.45)
Change in other financial liabilities	(122.77)	1301.18
Change in other liabilities	5151.94	(299.44)
Change in provisions	(1763.12)	(650.61)
Cash generated from/(used in) operations	**60890.00**	**(2154.85)**
Income tax paid (net)	(21146.35)	(15184.19)
Net cash inflow/(outflow) from operating activities	**39743.65**	**(17339.04)**
Cash flows from investing activities		
Purchase of property, plant and equipment and intangible assets	(23587.42)	(29345.05)
Proceeds from sale of property, plant and equipment	40.24	233.36
Proceeds from disposal of investments in associate	159299.93	-
Proceeds from disposal/redemption of investments (other than subsidiaries and associates)	42.94	89.25
Repayments of loan by erstwhile associate	-	1845.60
Decrease/(increase) in deposits with banks	(311.33)	(198.81)
Interest received	4780.60	143.76
Dividend received from associate	1094.73	1553.82
Other dividends received	4.98	3.43
Net cash inflow/(outflow) from investing activities	**141364.67**	**(25674.64)**

Consolidated Statement of Cash Flows

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

	Year ended 31-Mar-23	Year ended 31-Mar-22
Cash flows from financing activities		
Proceeds from long term borrowings	7524.00	14793.27
Repayments of long term borrowings	(14533.74)	(12032.37)
Increase/(decrease) in short term borrowings	(58403.57)	54633.35
Interest paid (other than on lease liabilities)	(5603.85)	(5341.16)
Payment of lease liabilities (interest portion)	(148.26)	(129.68)
Payment of lease liabilities (principal portion)	(1512.83)	(456.32)
Buy-back of equity shares	(80000.00)	-
Buy-back costs	(605.78)	-
Tax paid on buy-back of equity shares	(18116.33)	-
Dividend paid	(4835.10)	(7252.65)
Net cash inflow/(outflow) from financing activities	**(176235.46)**	**44214.44**
Net increase/(decrease) in cash and cash equivalents	4872.86	1200.76
Cash and cash equivalents at the beginning of the year [refer note 12 (a)]	2328.46	1127.70
Cash and cash equivalents at the end of the year [refer note 12 (a)]	**7201.32**	**2328.46**

Reconciliation of liabilities arising from financing activities:

	Non-current borrowings (including current maturities and deferred grant related to long-term borrowings)	Current borrowings (excluding current maturities of long-term borrowings)	Interest payable (other than on lease liabilities)	Lease liabilities	Buy-back of equity shares (including tax thereon and buy-back costs)	Dividend paid
Balance as at 31 March 2021	**43243.64**	**56158.52**	**97.86**	**1325.53**	**-**	**-**
Cash flows	2760.90	54633.35	(5341.16)	(586.00)	-	(7252.65)
Finance costs accruals (including interest capitalised)	-	-	5463.45	130.82	-	-
Lease liabilities accruals	-	-	-	660.76	-	-
Dividend distributions accruals	-	-	-	-	-	7252.65
Balance as at 31 March 2022	**46004.54**	**110791.87**	**220.15**	**1531.11**	**-**	**-**
Cash flows	(7009.74)	(58403.57)	(5603.85)	(1661.09)	(98722.11)	(4835.10)
Finance costs accruals (including interest capitalised)	-	-	5525.57	148.26	-	-
Lease liabilities accruals	-	-	-	1778.00	-	-
Dividend distributions accruals	-	-	-	-	-	4835.10
Buy-back of equity shares (including tax thereon and buy-back costs) accruals	-	-	-	-	98729.61	-
Balance as at 31 March 2023	**38994.80**	**52388.30**	**141.87**	**1796.28**	**7.50**	**-**

The accompanying notes 1 to 53 form an integral part of these consolidated financial statements

As per our report of even date attached

For S S Kothari Mehta & Company
Chartered Accountants
Firm's registration number : 000756N

For and on behalf of the Board of Directors of Triveni Engineering & Industries Limited

Vijay Kumar
Partner
Membership No. 092671

Dhruv M. Sawhney
Chairman & Managing Director

Homai A. Daruwalla
Director & Chairperson Audit Committee

Place : Noida
Date : May 25, 2023

Suresh Taneja
Group CFO

Geeta Bhalla
Group Vice President & Company Secretary

Notes to the Consolidated financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

CORPORATE INFORMATION

The financial statements comprises of financial statements of Triveni Engineering & Industries Limited and its subsidiaries (collectively the "Group") and the Group's interest in associates. Triveni Engineering & Industries Limited (the "Company" or the "Parent") is a company limited by shares, incorporated and 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 engaged in diversified businesses, mainly categorised into two segments – Sugar & allied businesses and Engineering business. Sugar & allied businesses primarily comprises manufacture of sugar and distillation of alcohol. Engineering business primarily comprises manufacture of high speed gears, gearboxes and providing water/waste-water treatment solutions.

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) Rules, 2015 (as amended)] and other relevant provisions of the Act.

(ii) Historical cost convention

The financial statements have been prepared on an accrual basis under historical cost convention except for certain assets and liabilities that are measured at fair values at the end of each reporting period, as explained in the respective accounting policies described in subsequent paragraphs.

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 116 Leases (see note 1(d)), and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 Inventories (see note 1(l)) or value in use in Ind AS 36 Impairment of Assets (see note 1(f)).

(iii) Classification of assets and liabilities into current/non-current

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in Schedule III to the Act. The operating cycle of the Group is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents.

(iv) 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 financial statements of subsidiary company namely Triveni Foundation, incorporated under Section 8 of the Act are not considered for consolidation since the Group is not exposed

Notes to the Consolidated financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

to or has any right to variable returns from its involvement with this company.

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. Inter-company transactions, balances and unrealised 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.

Associates

Associates are all entities over which the Group has significant influence but not control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights.

Interests in associates are accounted for using the equity method, after being initially recognised at cost in the 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 or loss, the Group's share of other comprehensive income of the investee in other comprehensive income and the Group's share of other changes in other equity of the investee directly in other equity. Dividends received or receivable from associates 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 associates 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.

Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

When the Group ceases to consolidate or equity account for an investment because of a loss of control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

(v) Joint and consortium arrangements

When the Company enters into an agreement with other parties to jointly execute a particular project, whereby both parties are responsible for carrying out their respective share of activities, without requiring unanimous consent for such assigned activities, and are entitled to profits arising from their respective share of activities, then such an

Notes to the Consolidated financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

arrangement is considered as an extension of the Company's activities and the assets, liabilities, revenue and expenses relating to its interest in the joint operation, are accounted for in its financial statements.

(b) Revenue recognition

Revenue from contracts with customers is recongised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. Transaction price at which revenue is recognised is net of goods & services tax and amounts collected on behalf of third parties, if any and includes effect of variable consideration (viz. returns, rebates, trade allowances, credits, penalties etc.). Variable consideration is estimated using the expected value method or most likely amount as appropriate in a given circumstance and is included in the transaction price only to the extent it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

Recognising revenue from major business activities

(i) Sale of goods

Revenue from the sale of goods is recognised at the point in time when control of the goods are transferred to the customer (i.e. satisfaction of performance obligation), generally on dispatch of the goods. The Group, in its engineering business, generally provides warranties to its customers in the nature of assurance, which is considered as an obligation and provided for under Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets (refer note 1(n)).

(ii) Rendering of services

The Group provides engineering services that are either sold separately or bundled together with the sale of goods to a customer.

Contracts for bundled sales of goods and engineering services are comprised of two performance obligations because the promises to transfer goods and provide engineering services are distinct and capable of being separately identifiable. Accordingly, the Group allocates the transaction price based on relative stand-alone selling prices of such goods and engineering services.

The Group recognises revenue from engineering services over time, using an input method to measure progress towards complete satisfaction of the service, because the customer simultaneously receives and consumes the benefits provided by the Group. The progress towards complete satisfaction of the service is determined as follows:

- erection & commissioning / servicing revenue - based on technical estimate of completion of physical proportion of the contract work;
- operation & maintenance revenue - as the proportion of the total period of services contract that has elapsed at the end of the reporting period

(iii) Long-duration construction & supply contracts

Long-duration construction & supply contracts are analysed to determine combination of contracts and identification of performance obligations and accordingly transaction price is allocated amongst performance obligations based on stand-alone selling prices. Performance obligations, in long-duration construction & supply contracts, generally includes turnkey related activities towards design/ engineering/supply of equipment/construction/ commissioning and operation & maintenance related activities which are satisfied over time with the customer receiving benefits from the activities being performed by the Group.

When the progress towards complete satisfaction of performance obligations of a long-duration construction & supply 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, because the customer simultaneously receives and consumes the benefits provided by the Group. Contract costs excludes costs that do not depict the Company's

Notes to the Consolidated financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

progress in satisfying the performance obligation.

When the outcome of performance obligations of a long-duration construction & supply contract cannot be estimated reliably, but the Group expects to recover the costs incurred in satisfying the performance obligation, contract revenue is recognised only to the extent of the contract costs incurred until such time that it can reasonably measure the outcome of the performance obligation. Contract costs are recognised as expenses in the period in which they are incurred.

(iv) Dividend income

Dividend income from investments is recognised when the Group's right to receive payment has been established.

(v) Interest income

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.

(c) Government grants

Grants from the government are recognised where there is a reasonable assurance that the Group will comply with all attached conditions and the grant will be received.

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 operating income/other income or net of related costs.

Government grants relating to the purchase of property, plant and equipment are deducted from its gross value and are recognised in profit or loss on a systematic and rational basis over the expected useful lives of the related assets by way of reduced depreciation.

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 or loss in the period in which they become receivable.

The Government grants by way of a benefit of a Government loan at a below market rate of interest is measured as the difference between the proceeds received and the fair value of the loan based on prevailing market interest rates.

See note 42 for disclosures and treatment of government grants in financial statements.

(d) Leases

(i) As a lessee

The Group's lease assets classes primarily consist of leases for land and buildings. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contract involves the use of an identified asset; (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease; and (iii) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognises a right-of-use ("ROU") assets and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. The ROU assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset (see note 1(i) below) and is also

Notes to the Consolidated financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

evaluated for impairment (see note 1(f) below). The lease liability is measured at amortised cost at the present value of the future lease payments. The lease term includes (a) the non-cancellable period of the lease; (b) the period covered by an option to extend the lease, if it is reasonably certain that such option shall be exercised; and (c) the period covered by an option to terminate the lease, if it is reasonably certain that such option shall not be exercised. Lease liabilities are remeasured with a corresponding adjustment to the related ROU assets if the Group changes its assessment concerning the right to exercise its option of extending or terminating the lease provided to it under the relevant arrangement.

For short-term and low value leases as mentioned above, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

(ii) As a lessor

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. The Group has given certain portion of its office / factory premises under operating leases (refer note 45). Lease income from operating leases is recognised as income on a straight-line basis over the lease term. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term. 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 financial statements are presented in Indian rupee (₹), which is the Group'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 that approximates the actual rate at the date of respective transactions. Foreign exchange gains or 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 except for:

- foreign exchange gains or losses on settlement or translation of foreign currency borrowings that are directly attributable to acquisition, construction or production of a qualifying asset, which are included in cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings.
- foreign exchange gains or losses in respect of certain qualifying cash flow hedges which are deferred in equity.

Foreign exchange gains or losses which are regarded as an adjustment to borrowing costs are presented in the statement of profit and loss within finance costs. Foreign exchange gains or losses related to certain qualifying cash flow hedges are presented in other comprehensive income on a net basis. All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other income or other expenses, as the case may be.

(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 balance sheet
- income and expenses are translated at average exchange rates (unless this is not a reasonable approximation of the

Notes to the Consolidated financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

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

Goodwill on acquisition of subsidiaries is not amortised but is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired. Other 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. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

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 other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period. When an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, so however that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in profit or 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. Borrowing costs are not capitalised during extended periods in which active development of qualifying assets is suspended. 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.

(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 in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences, the carry forward of unused tax credits and unused tax losses to the extent that it is probable that taxable profits will be available against which those deductible

Notes to the Consolidated financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

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 associates, except where the 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 differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits 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.

(i) Property, plant and equipment

Property, plant and equipment are tangible items that are held for use in the production or supply of 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 is 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, if any. Cost comprises purchase price after deducting trade discounts/ rebates, government grants related to assets and including import duties and non-refundable purchase taxes, borrowing costs, any costs that is directly attributable to the bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management and costs of dismantling/removing the item and restoring the site on which it was located under an obligation. 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

Notes to the Consolidated financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

asset or if otherwise significant, is derecognised when replaced. All other repairs and maintenance costs 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.

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 the property, plant and equipment.

Depreciation methods, estimated useful lives and residual value

Depreciation commences when the assets are available 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 along with residual values of 5% except for the following:

- On the basis of technical assessment and past experience:
    - o the useful lives of mill rollers, instrumentation and control devices installed at sugar plants is considered at ten years as against prescribed life of twenty five years in respect of continuous process plant.
    - o mobile phones costing ₹ 5,000/- or more are depreciated over two years.
    - o patterns, tools, Jigs etc. are depreciated over three years.
    - o machinery spares are depreciated over a life ranging from five to ten years.
- Assets costing less than ₹ 5,000/- are fully depreciated in the year of purchase.

Estimated useful lives considered are as follows:

Assets	Estimated useful life
Buildings	3 - 60 years
Roads	3 - 10 years
Plant & equipment	3 - 25 years
Furniture & fixtures	10 years
Vehicles	8 - 10 years
Office equipment	2 - 5 years
Computers	3 - 6 years
Laboratory equipment	10 years
Electrical installations and equipment	10 years

Fixture and fittings and improvements to leasehold buildings not owned by the Group are amortised over the unexpired lease period or estimated useful life of such fixture, fittings and improvements, whichever is lower.

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.

(j) Investment property

Property that is held for long-term rental yields or for capital appreciation or both, is classified as investment property. Investment property is stated at cost less accumulated depreciation and accumulated impairment losses, if any. Investment property is measured initially at its cost, including related transaction costs and, where applicable, borrowing costs. Cost comprises purchase price after deducting trade discounts/rebates, government grants related to assets and including duties and taxes, borrowing costs, any costs that is directly attributable to the bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management and costs of dismantling/removing the item and restoring the site on which it was located under an obligation. Subsequent expenditure is capitalised to the asset's carrying amount only when

Notes to the Consolidated financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

Investment property being building is depreciated using the straight-line method over their estimated useful lives as stated in Schedule II at 30 years along with residual values of 5%.

Transition to Ind AS

On transition to Ind AS, the Group has elected to continue with the carrying value of all of its investment properties recognised as at 1 April 2015 (transition date) measured as per the previous GAAP and use that carrying value as the deemed cost of investment properties.

(k) Intangible assets

Intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Costs comprises purchase price after deducting trade discounts/rebates, government grants related to assets and including import duties and non-refundable purchase taxes, borrowing costs and any directly attributable cost of preparing the asset for its intended use. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Intangible assets comprising computer software and website are amortised using straight-line method over estimated useful life of 3 years. 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.

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, is recognised in profit or loss when the asset is derecognised. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Transition to Ind AS

On transition to Ind AS, the Group has elected to continue with the carrying value of all of intangible assets recognised as at 1 April 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of intangible assets.

(l) Inventories

(i) Finished goods and work-in-progress are valued at lower of cost and net realisable value. The cost of finished goods and work-in-progress is computed on weighted average basis and 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. Finished goods and work-in-progress are written down if their net realisable value declines below the carrying amount of the inventories and such write downs of inventories are recognised in profit or loss. When reasons for such write downs ceases to exist, the write downs are reversed through profit or loss.

(ii) Inventories of raw materials & components, stores & spares and stock-in-trade are valued at lower of cost and net realisable value. Raw materials and other items held for use in the production of inventories are not written down below cost if the finished goods in which they will be incorporated are expected to be sold at or above cost. Write down of such inventories are recognised in profit or loss and when reasons for such write downs ceases to exist, such write downs are reversed through profit or loss. Cost of such inventories comprises of purchase price and other directly attributable costs that have been incurred in bringing the inventories to their present location and condition. By-products used as raw material

Notes to the Consolidated financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

are valued at transfer price linked with net realisable value. Cost for the purpose of valuation of raw materials & components, stores & spares and stock-in-trade is considered on the following basis :

Raw materials & Components

Business Units	Basis
Sugar	First in first out
Co-generation & Distillery	Weighted average
Water Business Group	Specific cost
Power Transmission Business	Weighted average and Specific cost

Stores & Spares

Business Units	Basis
Water Business Group	Specific cost
Other units	Weighted average

Stock-in-trade

Business Units	Basis
Branded goods trading business	Weighted average
Diesel/petrol retailing business	First in first out

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

(m) 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. They are measured at the lower of their carrying amount and fair value less costs to sell. Non-current assets once classified as held for sale are neither depreciated nor amortised.

(n) Provisions, contingent liabilities and contingent assets

(i) 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, provision is measured at the present value of cash flows estimated to settle the present obligation. 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.

(ii) A contingent liability is not recognised in the financial statements, however, is disclosed, unless the possibility of an outflow of resources embodying economic benefits is remote. If it becomes probable that an outflow of future economic benefits will be required for an item dealt with as a contingent liability, a provision is recognised in the financial statements of the period (except in the extremely rare circumstances where no reliable estimate can be made).

(iii) A contingent asset is not recognised in the financial statements, however, is disclosed, where an inflow of economic benefits is probable. When the realisation of income is virtually certain, then the asset is no longer a contingent asset, and is recognised as an asset.

(iv) Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

(o) 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

Notes to the Consolidated financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

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 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 yield on government bonds at the end of the reporting period that have maturity term approximating to the estimated term of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss. The obligations are presented as provisions in the balance sheet.

(iii) Post-employment obligations

The Group operates the following post-employment schemes:

- defined benefit plans towards payment of gratuity; and
- defined contribution plans towards employees' provident fund & employee pension scheme, employees' state insurance, superannuation scheme and national pension scheme.

Defined benefit plan

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 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 with reference to market yield at the end of the reporting period on government bonds that have maturity term approximating the estimated term of the related obligation, through actuarial valuations 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. Such net interest cost along with the current service cost and, if applicable, the past service cost and settlement gain/ loss, 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, comprising actuarial gains/losses and return on plan assets (excluding the amount recognised in net interest on the net defined liability), 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 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.

Notes to the Consolidated financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

- **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 Policy entered into by such fund with the Life Insurance Corporation of India.

- **National Pension Scheme**
  The Group makes contributions to the National Pension Scheme fund in respect of certain employees of the Group.

(p) 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.

(q) 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 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 FVTOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit or 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

Notes to the Consolidated financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

in other gains/(losses). Interest income from these financial assets is included in other income using the effective interest rate method.

- **Fair value through profit or loss (FVTPL):** Assets that do not meet the criteria for amortised cost or FVTOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

Equity instruments

The Group subsequently measures all equity investments at fair value, except for equity investments in associates where equity accounting is followed (note 1(a)(iv)). Where the Group's management has elected 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 115 Revenue from Contracts with Customers, the Group applies simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected life time losses to be recognised after initial recognition of receivables. For recognition of impairment loss on other financial assets and risk exposure, the Group determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, twelve months ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on twelve-months ECL.

ECL represents expected credit loss resulting from all possible defaults and is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive, discounted at the original effective interest rate. While determining cash flows, cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms are also considered.

ECL is determined with reference to historically observed default rates over the expected life of the trade receivables and is adjusted for forward looking estimates. Note 40(i) details how the Group determines expected credit loss.

(iv) Derecognition of financial assets

A financial asset is derecognised only when the Group

- has transferred the rights to receive cash flows from the financial asset; or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Group has transferred an asset, it evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the Group has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Notes to the Consolidated financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

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.

(r) 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 zliability at its fair value net of, in the case of a financial liability not measured at

Notes to the Consolidated financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

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.

(s) Derivatives and hedging activities

The Company undertakes transactions involving derivative financial instruments, primarily foreign exchange forward contracts, to manage its exposure to foreign exchange risks.

Derivatives are initially recognised at fair value at the date the relevant contracts are entered into and are subsequently remeasured at their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedge, in which event the timing of the recognition in profit or loss depends on the nature of the hedging relationship and the nature of the hedged item.

Notes to the Consolidated financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

The Company designates certain derivative instruments as cash flow hedges to hedge the foreign exchange risk relating to the cash flows attributable to certain firm commitments / highly probable forecast transactions. At the inception of the hedge relationship, the Company documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and strategy. Furthermore, at the inception of the hedge and on an ongoing basis, the Company assesses the effectiveness of the hedging instrument in offsetting changes in expected cash flows of the hedged item attributable to the hedged risk. The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated under cash flow hedging reserve within equity. The gain or loss relating to the ineffective portion is recognised immediately in the statement of profit and loss. In case the Company opts to designate only the changes in the spot element of a foreign currency forward contract as a cash flow hedge, the changes in the forward element of the relevant forward contract, is recognised in other comprehensive income and accumulated under cost of hedging reserve within equity, to the extent such forward element is aligned with the critical terms of the hedged item. The changes in the forward element of the relevant forward contract which is not so aligned, is recognised immediately in the statement of profit and loss.

Amounts previously recognised in other comprehensive income and accumulated in equity relating to effective and /or aligned portion (as described above) of the cash flow hedges are reclassified to the statement of profit or loss in the periods when the hedged item affects the statement of profit and loss.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in the statement of profit and loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in the statement of profit and loss.

(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) Statement of cash flows

Cash flows are reported using the indirect method, whereby profit/loss before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing of financing flows. The cash flows from operating, investing and financing activities of the Group are segregated.

(w) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise of cash on hand, cheques on hand, balance with banks on current accounts and short term, highly liquid investments with an original maturity of three months or less and which carry insignificant risk of change in value.

For the purpose of statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above.

Notes to the Consolidated financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

(x) Earnings per share

Basic earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and financing costs associated with dilutive potential equity shares and the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(y) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. Refer note 36 for segment information presented.

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 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

Following are the areas which involved complex and subjective judgements:

(i) Incentives under the U.P. Sugar Industry Promotion Policy, 2004

In a writ petition filed by the Company against the illegal withdrawal of U.P. Sugar Industry Promotion Policy, 2004 ("the Policy") by the State Government of Uttar Pradesh, the Hon'ble Allahabad High Court had decided the matter in favour of the Company and directed the State Government to quantify and pay all the incentives that were promised under the said Policy. The State Government however filed a Special Leave Petition before the Hon'ble Supreme Court challenging the decision of the Hon'ble High Court against it.

While the case was sub-judice, the Company continued to avail and account for the remissions of statutory levies and duties aggregating to ₹ 4158.38 lakhs, which it was entitled to under the Policy, in accordance with the interim directions of the High Court. Based on the aforesaid decision of Hon'ble Allahabad High Court in its favour, the Company shall continue to pursue its claim of ₹ 11375 lakhs filed towards one time capital subsidy and its claims towards other incentives by way of reimbursements against specified expenses aggregating to ₹ 13015.88 lakhs, by filing necessary documents for the verification of the State Government authorities. The aforesaid amounts do not include any interest towards delayed settlement.

In view of uncertainties involved on account of the fact that the State Government has challenged the decision rendered against it and since the process of verification and quantification of claims by the State Government for the incentive period of 10 years is yet to be taken up, the Company has not recognised the above benefits/incentives receivable under the Policy.

(ii) Society commission

In the cane price package offered by the State Government of Uttar Pradesh ("State Government") to sugar mills, the State Government had reduced the rate of commission payable to cane societies for sugar season 2012-13 and 2014-15 by way of notification dated 12 June 2015 and for 2015-16 vide notification dated 5 February 2016, to provide relief to the Sugar Industry in view of disparity in the cane price and the market outlook of the sugar prices. In the writ petitions filed by certain cane societies against such reduction in

Notes to the Consolidated financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

commission rates, the Hon'ble Allahabad High Court has held that these notifications cannot have retrospective applicability. The reduction in the rate of commission payable being part of the relief package announced by the State Government, the Group believes that the State Government is not likely to pass the cost burden to the sugar industry and instead, may explore other ways to meet the outcome of the order of the Court. Accordingly, no provision to this effect has been considered necessary.

(b) Key sources of estimation uncertainty

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) Fair value measurements and valuation processes

Some of the Group's assets and liabilities are measured at fair value for financial reporting purposes. When the fair values of these assets and liabilities cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques by engaging third party qualified external valuers or internal valuation team to perform the valuation. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See note 4, 6, 9, 20 and 41 for further disclosures.

(ii) Employee benefit plans

The cost of employee benefits under the defined benefit plan and other long term employee benefits as well as the present value of the obligation there against 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 market yields on government bonds with a maturity term that is consistent with the term of the concerned defined benefit obligation. 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 of 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 intervals in response to demographic changes. See note 37 for further disclosures.

(iii) Impairment of trade receivables

The Group has a stringent policy of ascertaining impairment, if any, as result of detailed scrutiny of major cases and through determining expected credit losses. Despite best estimates and periodic credit appraisals of customers, the Group's receivables are exposed to delinquency risks due to material adverse changes in business, financial or economic conditions that are expected to cause a significant change to the party's ability to meet its obligations. All such parameters relating to impairment or potential impairment are reviewed at each reporting date. See note 40(i) for further disclosures.

(iv) Revenue and cost estimation for long-duration construction & supply contracts

The revenue recognition pertaining to long-duration construction & supply contracts are determined on proportionate completion method based on actual contract costs incurred till balance sheet date and total budgeted contract costs. An estimation of total budgeted contract cost involves making various assumptions that may differ from the actual developments in the future. These include delays in execution due to unforeseen

Notes to the Consolidated financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

reasons, inflation rate, future material rates, future labour rates etc. The estimates/assumptions are made considering past experience, market/ inflation trends and technological developments etc. All such estimates/ assumptions are reviewed at each reporting date.

(v) Provision for warranty claims

The Group, in the usual course of sale of its products, provides 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.

(vi) 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.

(vii) Useful life and residual value of plant, property equipment and intangible assets

The useful life and residual value of plant, property 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.

(viii) Current taxes and deferred taxes

Significant judgement is required in determination of taxability of certain incomes and deductibility of certain expenses during the estimation of the provision for income taxes.

Deferred tax assets are recognised for deductible temporary differences and carry forward of unused tax losses and tax credits to the extent that it is probable that taxable profit would be available against which such deferred tax assets could be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax optimisation strategies.

Notes to the Consolidated financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

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

	Property, plant and equipment											Capital work-in- progress
	Freehold Land	Leasehold Land	Right-of-use assets (Land)	Buildings & Roads	Right-of-use assets (Building)	Plant and Equipment	Furniture & Fixtures	Vehicles	Office Equipment	Computers	Total	
Year ended 31 March 2022												
Gross carrying amount												
Opening gross carrying amount	3874.81	1986.75	359.82	23019.37	2040.27	107852.77	436.01	1509.61	708.40	1001.90	142789.71	2223.43
Additions	130.44	-	13.72	3167.79	656.25	3895.53	102.38	445.82	168.68	232.60	8813.21	28152.73
Disposals	(0.78)	-	-	(191.06)	(339.61)	(343.92)	(10.65)	(252.21)	(41.06)	(24.10)	(1203.39)	-
Transfers *	-	-	-	-	-	-	-	-	-	-	-	(4723.38)
Closing gross carrying amount	**4004.47**	**1986.75**	**373.54**	**25996.10**	**2356.91**	**111404.38**	**527.74**	**1703.22**	**836.02**	**1210.40**	**150399.53**	**25652.78**
Accumulated depreciation and impairment												
Opening accumulated depreciation and impairment	-	-	29.65	4737.53	842.23	29602.81	233.05	600.73	281.00	564.50	36891.50	-
Depreciation charge during the year	-	-	6.68	1066.60	501.97	5934.35	30.74	171.11	106.38	180.27	7998.10	-
Disposals	-	-	-	(133.36)	(329.42)	(155.87)	(8.84)	(117.61)	(35.09)	(17.64)	(797.83)	-
Closing accumulated depreciation and impairment	**-**	**-**	**36.33**	**5670.77**	**1014.78**	**35381.29**	**254.95**	**654.23**	**352.29**	**727.13**	**44091.77**	**-**
Net carrying amount	**4004.47**	**1986.75**	**337.21**	**20325.33**	**1342.13**	**76023.09**	**272.79**	**1048.99**	**483.73**	**483.27**	**106307.76**	**25652.78**
Year ended 31 March 2023												
Gross carrying amount												
Opening gross carrying amount	4004.47	1986.75	373.54	25996.10	2356.91	111404.38	527.74	1703.22	836.02	1210.40	150399.53	25652.78
Additions	140.90	-	1033.93	4114.76	818.34	41300.61	282.94	412.70	197.45	337.62	48639.25	16300.31
Disposals	-	-	(2.64)	(29.83)	(259.40)	(232.80)	(3.73)	(163.61)	(26.30)	(35.42)	(753.73)	-
Transfers *	-	-	-	-	-	-	-	-	-	-	-	(39121.90)
Other adjustments	-	-	-	(5.02)	-	(50.35)	14.47	-	57.06	(16.16)	-	-
Closing gross carrying amount	**4145.37**	**1986.75**	**1404.83**	**30076.01**	**2915.85**	**152421.84**	**821.42**	**1952.31**	**1064.23**	**1496.44**	**198285.05**	**2831.19**
Accumulated depreciation and impairment												
Opening accumulated depreciation and impairment	-	-	36.33	5670.77	1014.78	35381.29	254.95	654.23	352.29	727.13	44091.77	-
Depreciation charge during the year	-	-	8.49	1087.46	589.07	6953.06	55.94	204.96	121.36	232.69	9253.03	-
Disposals	-	-	(2.64)	(27.09)	(204.28)	(100.68)	(3.31)	(114.14)	(20.93)	(27.08)	(500.15)	-
Closing accumulated depreciation and impairment	**-**	**-**	**42.18**	**6731.14**	**1399.57**	**42233.67**	**307.58**	**745.05**	**452.72**	**932.74**	**52844.65**	**-**
Net carrying amount	**4145.37**	**1986.75**	**1362.65**	**23344.87**	**1516.28**	**110188.17**	**513.84**	**1207.26**	**611.51**	**563.70**	**145440.40**	**2831.19**

* Represents amount capitalised during the year under property, plant and equipment out of capital work-in-progress.

Notes to the Consolidated financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

Notes:

(i) Leasehold land

Comprises certain land acquired under agreements on perpetual lease terms from the Government and accordingly, classified and accounted for under Ind AS 16 Property, Plant and Equipment. Under the terms of the perpetual lease agreements, the Group has the right to sublet/ sub-lease/ assign/ transfer such land except in case of one perpetual lease relating to a small parcel of land where prior approval of the specified authority is required.

(ii) Restrictions on Property, plant and equipment

Refer note 15(i) & 18(i) for information on charges created on property, plant and equipment. Further, freehold land includes land having carrying amount of ₹ 12.35 lakhs (31 March 2022: ₹ 12.35 lakhs) for which transfer of titles in the name of the Company is pending (refer note 50(i)).

(iii) Contractual commitments

Refer note 46 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

(iv) Capital work-in-progress

Capital work-in-progress mainly comprises of godowns being constructed at sugar units.

Capital work-in-progress ageing schedule

	As at 31-Mar-23					As at 31-Mar-22				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	2716.84	19.14	-	95.21	2831.19	25334.63	238.36	79.79	-	25652.78

Capital work-in-progress completion schedule, where completion is overdue or has exceeded its cost compared to its original plan

	As at 31-Mar-23				As at 31-Mar-22			
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Less than 1 year	1-2 years	2-3 years	More than 3 years
Projects in progress								
160 KLPD multi-feed distillery at Milak Narayanpur	-	-	-	-	18153.81	-	-	-
60 KLPD grain based distillery at Muzaffarnagar	-	-	-	-	5408.55	-	-	-

Notes to the Consolidated financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

NOTE 4: INVESTMENT PROPERTY

	As at 31-Mar-23	As at 31-Mar-22
Gross carrying amount		
Opening gross carrying amount	1210.14	1210.14
Movement during the year	-	-
Closing gross carrying amount	1210.14	1210.14
Accumulated depreciation and impairment		
Opening accumulated depreciation	-	-
Depreciation charge/impairment losses	-	-
Closing accumulated depreciation and impairment	-	-
Net carrying amount	**1210.14**	**1210.14**

(i) Description about investment properties

Investment properties consist of :

(a) various parcels of freehold land located in the State of Uttar Pradesh.

(b) an office flat owned by the Group having carrying amount of ₹ 0.12 lakhs constructed by a Society on a leasehold land at Mumbai.

(ii) Amount recognised in statement of profit and loss

	As at 31-Mar-23	As at 31-Mar-22
Rental income from office flat at Mumbai	12.00	12.78
Direct operating expenses on property that generated rental income	-	-
Direct operating expenses on property that did not generate rental income	(11.38)	(11.78)
Profit from investment properties before depreciation	**0.62**	**1.00**
Depreciation	-	-
Profit from investment properties	**0.62**	**1.00**

(iii) Restrictions on realisability and contractual obligations

Though the transfer of titles in the name of the Group is pending in respect of freehold land having carrying amount of ₹ 12.90 lakhs (refer note 50), the Group has no restrictions on the realisability of any of its investment properties and it is under no contractual obligations to either purchase, construct or develop investment properties or for repairs, maintenance and enhancements thereof.

(iv) Fair value

	As at 31-Mar-23	As at 31-Mar-22
Investment properties		
- Various parcels of freehold land located in the State of Uttar Pradesh *	6064.88	5749.61
- Office flat at Mumbai	444.60	418.60

* Stated values are based upon circle rates notified by the revenue authorities. The parcels of land are situated in the sugarcane belt of Uttar Pradesh and in the absence of comparable transactions relating to large parcels of land in the immediate vicinity, the circle rates may not be determinative of the actual fair value of such land.

Notes to the Consolidated financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

Estimation of fair value of office flat at Mumbai

The valuation of the office flat situated at Mumbai has been carried by a registered approved valuer (as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017), conversant with and having knowledge of real estate activities in the concerned area, based on prevalent rates and other observable market inputs (Level 2 fair value).

NOTE 5: INTANGIBLE ASSETS AND INTANGIBLE ASSETS UNDER DEVELOPMENT

	Goodwill	Other intangible assets			Intangible assets under development
		Computer software	Website	Total	
Year ended 31 March 2022					
Gross carrying amount					
Opening gross carrying amount	68.23	445.03	-	445.03	-
Additions	-	106.25	9.66	115.91	2.50
Disposals	-	(43.14)	-	(43.14)	-
Closing gross carrying amount	**68.23**	**508.14**	**9.66**	**517.80**	**2.50**
Accumulated amortisation and impairment					
Opening accumulated amortisation and impairment	-	321.35	-	321.35	-
Amortisation charge during the year	-	77.73	1.12	78.85	-
Disposals	-	(43.14)	-	(43.14)	-
Closing accumulated amortisation and impairment	**-**	**355.94**	**1.12**	**357.06**	**-**
Closing net carrying amount	**68.23**	**152.20**	**8.54**	**160.74**	**2.50**
Year ended 31 March 2023					
Gross carrying amount					
Opening gross carrying amount	68.23	508.14	9.66	517.80	2.50
Additions	-	185.65	4.00	189.65	-
Disposals	-	(0.70)	(9.66)	(10.36)	-
Transfers *	-	-	-	-	(2.50)
Closing gross carrying amount	**68.23**	**693.09**	**4.00**	**697.09**	**-**
Accumulated amortisation and impairment					
Opening accumulated amortisation and impairment	-	355.94	1.12	357.06	-
Amortisation charge during the year	-	91.48	3.59	95.07	-
Disposals	-	(0.59)	(4.33)	(4.92)	-
Closing accumulated amortisation and impairment	**-**	**446.83**	**0.38**	**447.21**	**-**
Closing net carrying amount	**68.23**	**246.26**	**3.62**	**249.88**	**-**

* Represents amount capitalised during the year under Intangible assets out of Intangible assets under development.

(i) Intangible assets under development

Intangible assets under development ageing schedule

	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
As at 31 March 2022					
Projects in progress	2.50	-	-	-	2.50
As at 31 March 2023	-	-	-	-	-

Notes to the Consolidated financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

NOTE 6: INVESTMENTS

(a) Investments accounted for using the equity method

	As at 31-Mar-23	As at 31-Mar-22
Quoted Investments (fully paid-up)		
Investments in Equity Instruments		
- of Associate		
Nil (31 March 2022: 7,06,27,980) Equity shares of ₹ 1/- each of Triveni Turbine Limited [refer note 43(ii)]	-	18703.98
Total investments accounted for using the equity method	-	18703.98
Total investments accounted for using the equity method	**-**	**18703.98**
Aggregate amount of quoted investments	-	18703.98
Aggregate amount of market value of quoted investment	-	142774.46
Aggregate amount of unquoted investments	-	-
Aggregate amount of impairment in the value of investments	-	-

(b) Other non-current investments

	As at 31-Mar-23	As at 31-Mar-22
At Cost		
Unquoted Investments (fully paid-up)		
Investments in Equity Instruments		
- of Subsidiaries		
1,00,000 (31 March 2022: 1,00,000) Equity shares of ₹ 1/- each of Triveni Foundation (incorporated u/s 8 of the Companies Act, 2013)	1.00	1.00
Total other non-current investments carried at cost [A]	**1.00**	**1.00**
At Amortised cost		
Quoted Investments (fully paid-up)		
Investments in Debentures		
10,418 (31 March 2022: 10,418) 6.75% redeemable non-convertible debentures of Piramal Capital & Housing Finance Ltd.	96.37	101.58
Total aggregate quoted investments at amortised cost	**96.37**	**101.58**
Unquoted Investments (fully paid-up)		
Investments in Government or trust securities		
National Saving Certificates (kept as security)	0.03	0.03
Investments in Bonds		
2,000 (31 March 2022: 2,000) 9.55% bonds of ₹ 1,000/- of IL&FS Financial Services Ltd. SR-V	0.20	0.20
3,000 (31 March 2022: 3,000) 8.85% bonds of ₹ 1,000/- of IL&FS Financial Services Ltd. SR-VI	0.00	6.00
4,000 (31 March 2022: 4,000) 8.75% bonds of ₹ 1,000/- of IL&FS Financial Services Ltd. SR-III	0.00	8.00

Notes to the Consolidated financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

	As at 31-Mar-23	As at 31-Mar-22
9,700 (31 March 2022: 9,700) 8.65% bonds of ₹ 1,000/- of IL&FS Financial Services Ltd. SR-XVI	0.97	0.97
5,100 (31 March 2022: 5,100) 8.23% bonds of ₹ 1,000/- of IL&FS Financial Services Ltd. SR-I	0.00	10.20
2,000 (31 March 2022: 2,000) 8.70% bonds of ₹ 1,000/- of IL&FS Financial Services Ltd. SR-I	0.00	4.00
3,000 (31 March 2022: 3,000) 9.50% bonds of ₹ 1,000/- of Infrastructure Leasing & Financial Services Ltd. SR-II C	6.00	6.00
6,000 (31 March 2022: 6,000) 9.00% bonds of ₹ 1,000/- of Infrastructure Leasing & Financial Services Ltd. SR-I-H (O-1)	12.00	12.00
Total aggregate unquoted investments at amortised cost	**19.20**	**47.40**
Total other non-current investments carried at amortised cost [B]	**115.57**	**148.98**
At Fair value through Profit or Loss (FVTPL) (refer note 41)		
Quoted Investments (fully paid-up)		
Investments in Equity Instruments		
13,500 (31 March 2022: 13,500) Equity shares of ₹ 2/- each of Housing Development Finance Corporation Limited	354.44	322.70
5,000 (31 March 2022: 5,000) Equity shares of ₹ 1/- each of HDFC Bank Limited	80.48	73.52
24,175 (31 March 2022: 24,175) Equity shares of ₹ 2/- each of Punjab National Bank	11.26	8.47
76 (31 March 2022: 76) Equity shares of ₹ 10/- each of Central Bank of India	0.02	0.01
3,642 (31 March 2022: 3,642) Equity shares of ₹ 5/- each of NBI Industrial Finance Co. Limited	52.89	80.85
Total other non-current investments carried at FVTPL [C]	**499.09**	**485.55**
Total other non-current investments ([A]+[B]+[C])	**615.66**	**635.53**
Total other non-current investments	615.66	635.53
Aggregate amount of quoted investments	595.46	587.13
Aggregate amount of market value of quoted investments	581.16	567.63
Aggregate amount of unquoted investments	20.20	48.40
Aggregate amount of impairment in the value of investments	-	-

Notes to the Consolidated financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

NOTE 7: TRADE RECEIVABLES

	As at 31-Mar-23		As at 31-Mar-22	
	Current	**Non- current**	**Current**	**Non- current**
Trade receivables (at amortised cost)				
- Considered good - Unsecured	39381.91	17111.61	26844.36	16472.80
- Trade receivables which have significant increase in credit risk	-	861.04	-	1172.57
- Trade receivables - Credit impaired	-	64.18	-	200.53
Less: Allowance for bad and doubtful debts	(185.73)	(927.68)	(164.08)	(1377.05)
Total trade receivables	**39196.18**	**17109.15**	**26680.28**	**16468.85**

(i) Refer note 40(i) for credit risk, impairment of trade receivables under expected credit loss model and other related disclosures.

(ii) Mathura Wastewater Management Private Limited (MWMPL), a subsidiary of the Company, was incorporated as a special purpose vehicle for implementation of a project/order awarded to it under a contract entered into with U.P. Jal Nigam, Agra and National Mission for Clean Ganga under the Namami Gange Programme. The project is on hybrid annuity basis under Public Private Partnership (PPP) model, according to which 40% of EPC value will be paid by customer during the construction period and balance 60% will be paid during O&M period of 15 years alongwith interest.

(iii) Pali ZLD Private Limited (PZPL), a subsidiary of the Company, was incorporated as a special purpose vehicle for implementation of a project/order awarded to the PZPL under a contract entered into with CETP Foundation, Pali (Rajasthan). This project is on hybrid annuity model, according to which approx. 55% of EPC value will be paid by customer during the construction period and balance 45% will be paid during first 5 years of O&M period alongwith interest.

(iv) Trade receivables ageing schedule:

For the year ended 31 March 2023

	Not overdue	Outstanding for following periods from due date of payment					Total
		Less than 6 months	**6 months - 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	
Undisputed trade receivables - considered good	40892.22	10551.76	2038.43	195.17	27.93	58.13	53763.64
Undisputed trade receivables - which have significant increase in credit risk	-	10.23	15.46	2.38	8.50	16.94	53.51
Disputed trade receivables - considered good	173.06	312.56	457.20	329.54	537.03	920.49	2729.88
Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	807.53	807.53
Disputed trade receivables - credit impaired	-	-	-	-	-	64.18	64.18
Total trade receivables	**41065.28**	**10874.55**	**2511.09**	**527.09**	**573.46**	**1867.27**	**57418.74**

Notes to the Consolidated financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

For the year ended 31 March 2022

	Not overdue	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables - considered good	33466.60	6893.08	318.86	174.33	213.10	119.19	41185.16
Undisputed trade receivables - which have significant increase in credit risk	-	3.65	18.51	9.06	38.09	8.93	78.24
Disputed trade receivables - considered good	-	296.08	225.22	441.15	484.98	684.57	2132.00
Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	1094.33	1094.33
Disputed trade receivables - credit impaired	-	-	-	-	-	200.53	200.53
Total trade receivables	**33466.60**	**7192.81**	**562.59**	**624.54**	**736.17**	**2107.55**	**44690.26**

NOTE 8: LOANS

	As at 31-Mar-23		As at 31-Mar-22	
	Current	Non- current	Current	Non- current
At amortised cost				
Loan to employees				
- Loans receivables considered good - Unsecured	57.95	3.29	45.73	2.18
Total loans	**57.95**	**3.29**	**45.73**	**2.18**

NOTE 9: OTHER FINANCIAL ASSETS

	As at 31-Mar-23		As at 31-Mar-22	
	Current	Non- current	Current	Non- current
At amortised cost				
Security deposits (see (i) below)	113.18	902.20	20.34	1041.14
Earnest money deposits	214.13	8.00	311.77	2.00
Less: Allowance for bad and doubtful deposits	(0.79)	-	(0.79)	-
	213.34	**8.00**	**310.98**	**2.00**
Bank balances:				
Earmarked balances with banks:				
- Deposit against molasses storage fund (refer note 14(vi))	-	379.17	-	300.72
Balances under lien/margin/kept as security:				
- Post office savings account	-	0.19	-	0.19
- Fixed / margin deposits	-	240.41	-	295.81

Notes to the Consolidated financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

	As at 31-Mar-23		As at 31-Mar-22	
	Current	Non- current	Current	Non- current
Other balances:				
- Fixed deposits	-	4.20	-	4.20
	-	**623.97**	**-**	**600.92**
Accrued interest	552.09	3.46	51.05	1.76
Insurance premium refundable	130.17	-	147.00	-
Amount receivable against divestment	-	-	999.08	-
Less: Allowance for bad and doubtful assets	-	-	(999.08)	-
	-	**-**	**-**	**-**
Miscellaneous other financial assets	716.87	14.90	11.06	14.90
Less: Allowance for bad and doubtful assets	-	(14.90)	-	(14.90)
	716.87	**-**	**11.06**	**-**
Total other financial assets at amortised cost [A]	**1725.65**	**1537.63**	**540.43**	**1645.82**
At fair value through Profit or Loss (FVTPL) (refer note 41)				
Derivatives financial instruments carried at fair value				
- Foreign exchange forward contracts (not designated as hedges)	-	-	3.30	-
Total other financial assets at FVTPL [B]	**-**	**-**	**3.30**	**-**
At fair value through Other Comprehensive Income (FVTOCI) (refer note 41)				
Derivatives financial instruments carried at fair value				
- Foreign exchange forward contracts (designated as hedges)	0.46	-	105.91	-
Total other financial assets at FVTOCI [C]	**0.46**	**-**	**105.91**	**-**
Total other financial assets ([A]+[B]+[C])	**1726.11**	**1537.63**	**649.64**	**1645.82**

(i) Investment of ₹ 65.48 lakhs (31 March 2022: ₹ 84.57 lakhs) in equity shares of Atria Wind Power (Bijapur1) Private Limited, under group captive arrangement to source power, has been considered as security deposit in accordance with applicable accounting standards.

Notes to the Consolidated financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

NOTE 10: OTHER ASSETS

	As at 31-Mar-23		As at 31-Mar-22	
	Current	Non- current	Current	Non- current
Capital advances	-	295.87	-	1413.12
Advances to suppliers	1700.43	18.06	823.82	18.06
Less: Allowance for bad and doubtful advances	(11.95)	(18.06)	(12.16)	(18.06)
	1688.48	**-**	**811.66**	**-**
Advances to related parties (refer note 38)	-	-	2.74	-
Indirect tax and duties recoverable	4485.50	541.38	4110.68	564.25
Less: Allowance for bad and doubtful amounts	(13.82)	(1.46)	(13.82)	(1.46)
	4471.68	**539.92**	**4096.86**	**562.79**
Bank guarantee encashment recoverable	-	200.00	-	200.00
Less: Allowance for bad and doubtful claims	-	(200.00)	-	(200.00)
	-	**-**	**-**	**-**
Export incentives receivable	47.15	-	69.97	-
Less: Allowance for bad and doubtful claims	-	-	(1.32)	-
	47.15	**-**	**68.65**	**-**
Government grant receivables (refer note 42)	850.00	-	487.78	-
Advances to employees	45.54	1.45	36.86	1.45
Prepaid expenses	1286.91	172.75	1385.37	199.65
Due from customers under long-duration construction & supply contracts [see (ii) below]	11900.30	-	8486.76	-
Less: Allowance for bad and doubtful debts	(743.00)	-	(743.00)	-
	11157.30	**-**	**7743.76**	**-**
Customer retentions [see (i) and (ii) below]	5881.38	-	7326.43	-
Less: Allowance for bad and doubtful debts	(81.56)	-	(125.81)	-
	5799.82	**-**	**7200.62**	**-**
Miscellaneous other assets	264.94	166.73	78.01	176.99
Less: Allowance for bad and doubtful assets	-	(20.75)	-	(20.75)
	264.94	**145.98**	**78.01**	**156.24**
Total other assets	**25611.82**	**1155.97**	**21912.31**	**2333.25**

(i) Customer retentions include ₹ 1152.87 lakhs (31 March 2022: ₹ 2969.02 lakhs) expected to be received after twelve months but within the operating cycle.

(ii) Contract balances

	As at 31-Mar-23	As at 31-Mar-22
Contract assets		
- Amounts due from customers under long-duration construction & supply contracts	11157.30	7743.76
- Customer retentions	5799.82	7200.62
Contract liabilities		
- Amounts due to customers under long-duration construction & supply contracts	5722.60	5092.66
- Advance from customers	7960.16	4928.05

Notes to the Consolidated financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

(a) Contract assets are initially recognised for revenue earned but not billed pending successful achievement of milestones. Upon achievement of milestones and billing, contract assets are reclassified to trade receivables. A trade receivable represents the Group's right to an amount of consideration that is billed to the customer and which become due unconditionally (i.e. only the passage of time is required before payment of the consideration is due). Different businesses of the Group have their different credit terms [refer note 40(i)].

Contract costs incurred to date plus recognised profits or less recognised losses are compared with progress billings raised on the customer - any surplus is considered as contract assets and shown as amounts due from customers under long-duration construction & supply contracts, whereas any shortfall is considered as contract liabilities and shown as the amounts due to customers under long-duration construction & supply contracts. Amounts billed for work performed which will become due upon fulfillment of specified conditions is considered as contract assets and shown as customer retentions. Amounts received before the related work is performed is considered as contract liabilities and is shown as advances from customers.

(b) Significant changes in contract assets and liabilities:

Increase in contract assets (Due from customers under long-duration construction & supply contracts) has resulted due to substantial work carried out during the current year pending billing due to non-achievement of contractual milestones, mainly in respect of wastewater treatment projects in the industrial segment.

Decrease in contract assets (customer retentions) is mainly due to the release of retentions by the customer upon fulfillment of specified conditions in respect of sewage/wastewater treatment projects in the municipal/industrial segment.

Increase in contract liabilities (Amount due to customers under long-duration construction & supply contracts) is due to the reason that against the billing done during the current year, the revenue recognised in accordance with Ind AS 115 Revenue from Contracts with Customers is lower, mainly in respect of sewage/water treatment projects in the municipal segment.

Increase in contract liabilities (Advances from Customers) is mainly on account of receipt of advance against sugar export orders executed in the following year.

(c) Revenue recognised in relation to contract liabilities:

The following table shows how much of the revenue recognised in the current reporting period relates to carried-forward contract liabilities and how much relates to performance obligations that were satisfied in a prior year.

	Year ended 31-Mar-23	Year ended 31-Mar-22
Revenue recognised that was included in the contract liability balance at the beginning of the period	4387.34	6775.26
Revenue recognised from performance obligations satisfied in previous periods	-	-

Notes to the Consolidated financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

NOTE 11: INVENTORIES

	As at 31-Mar-23	As at 31-Mar-22
Raw materials and components	7557.89	4364.94
Less: Provision for obsolescence/slow moving raw materials and components	(204.03)	(235.45)
Work-in-progress	4716.23	2838.73
Finished goods [including stock in transit ₹ 453.49 lakhs as at 31 March 2023 (31 March 2022: ₹ 425.89 lakhs)]	179787.35	190098.78
Stock in trade	67.80	179.03
Stores and spares [including stock in transit ₹ 5.52 lakhs as at 31 March 2023 (31 March 2022: ₹ 2.51 lakhs)]	7942.00	6690.68
Less: Provision for obsolescence/slow moving stores and spares	(325.85)	(326.32)
Others - Scrap & low value patterns	108.11	76.63
Total inventories	**199649.50**	**203687.02**

(i) The cost of inventories recognised as an expense during the year was ₹ 551739.08 lakhs (31 March 2022: ₹ 384969.70 lakhs)

(ii) Refer note 18(i) for information on charges created on inventories.

(iii) The mode of valuation of inventories has been stated in note 1(l).

(iv) All inventories are expected to be utilised/sold within twelve months except certain items of stores and spares, which are utilised on need basis. Quantum of such stores and spares, which may be utilised beyond one year, is not determinable and is not expected to be material with reference to the total value of inventories.

(v) For impairment losses recognised during the year refer note 24 & 32.

(vi) In addition to the cost of inventories recognised as expense as mentioned in (i) above, there are write-downs of inventories to net realisable value amounting to ₹ 62.57 lakhs [31 March 2022: write-downs of ₹ 396.91 lakhs] which are also recognised as an expense/income during the year and included in 'Changes in inventories of finished goods, stock-in-trade and work-in-progress' in statement of profit and loss.

NOTE 12: CASH AND BANK BALANCES

(a) Cash and cash equivalents

	As at 31-Mar-23	As at 31-Mar-22
At amortised cost		
Balances with banks	7176.22	2302.41
Cash on hand	25.10	26.05
Total cash and cash equivalents	**7201.32**	**2328.46**

Notes to the Consolidated financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

(b) Bank balances other than cash and cash equivalents

	As at 31-Mar-23	As at 31-Mar-22
At amortised cost		
Earmarked balances with banks:		
- unpaid dividend and preference share redemption accounts	24.52	20.71
Balances under lien/margin/kept as security:		
- in fixed/margin deposits	684.20	387.68
Other balances:		
- in fixed deposits	45.00	53.24
Total bank balances other than cash and cash equivalents	**753.72**	**461.63**

NOTE 13: SHARE CAPITAL

	As at 31-Mar-23		As at 31-Mar-22	
	Number of shares	Amount	Number of shares	Amount
AUTHORISED				
Equity shares of ₹ 1 each	50,00,00,000	5000.00	50,00,00,000	5000.00
Preference shares of ₹ 10 each	2,00,00,000	2000.00	2,00,00,000	2000.00
		7000.00		**7000.00**
ISSUED				
Equity shares of ₹ 1 each	21,89,05,968	2189.06	24,17,63,110	2417.63
SUBSCRIBED AND PAID UP				
Equity shares of ₹ 1 each, fully paid up	21,88,97,968	2188.98	24,17,55,110	2417.55
Add: Paid up value of equity shares of ₹ 1 each forfeited	8,000	0.02	8,000	0.02
		2189.00		**2417.57**

(i) Movements in equity share capital

	Number of shares	Amount
As at 31 March 2021	24,17,55,110	2417.55
Movement during the year	-	-
As at 31 March 2022	**24,17,55,110**	**2417.55**
Extinguishment of shares upon buy-back [refer note 13(v)]	(2,28,57,142)	(228.57)
As at 31 March 2023	**21,88,97,968**	**2188.98**

(ii) Terms and rights attached to equity shares

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

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

Notes to the Consolidated financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

(iii) Details of shareholders holding more than 5% shares in the Company

	As at 31-Mar-23		As at 31-Mar-22	
	Number of shares	% holding	Number of shares	% holding
Dhruv M. Sawhney	1,82,58,411	8.34	3,77,33,691	15.61
Rati Sawhney	1,51,26,737	6.91	1,65,10,356	6.83
STFL Trading and Finance Private Limited	7,07,88,187	32.34	7,87,39,178	32.57
Nikhil Sawhney	1,29,86,575	5.93	1,43,67,837	5.94
Tarun Sawhney	1,24,94,259	5.71	1,38,20,236	5.72
DSP Small Cap Fund	1,10,15,325	5.03	78,71,670	3.26

(iv) Details of Promoter's shareholding

	As at 31-Mar-23			As at 31-Mar-22		
	Number of shares	% holding	% change during the year	Number of shares	% holding	% change during the year
Dhruv M. Sawhney	1,82,58,411	8.34	(51.61)	3,77,33,691	15.61	-
Rati Sawhney	1,51,26,737	6.91	(8.38)	1,65,10,356	6.83	(5.71)
STFL Trading and Finance Private Limited	7,07,88,187	32.34	(10.10)	7,87,39,178	32.57	1.29
Nikhil Sawhney	1,29,86,575	5.93	(9.61)	1,43,67,837	5.94	-
Tarun Sawhney	1,24,94,259	5.71	(9.59)	1,38,20,236	5.72	-
Manmohan Sawhney HUF	38,15,853	1.74	(10.10)	42,44,452	1.76	-
Tarana Sawhney	21,140	0.01	(10.09)	23,513	0.01	-
Total		**60.98**			**68.44**	

(v) Buy-back of equity shares

During the year, the Company has completed buy-back of 2,28,57,142 (31 March 2022: Nil) equity shares of ₹ 1/- each [representing 9.45% of total pre buy-back paid up equity share capital of the Company] from the shareholders of the Company on a proportionate basis, through the tender offer route under the Securities and Exchange Board of India (Buy-back of Securities), Regulations 2018, at a price of ₹ 350 per equity share for an aggregate amount of ₹ 80000 lakhs. Accordingly, the Company has extinguished 2,28,57,142 fully paid up equity shares of ₹ 1 each (in dematerialized form) and the fully paid up equity share capital of the Company (post extinguishment) is 21,88,97,968 shares of ₹ 1/- each. The Company has funded the buy-back (including transaction costs incurred in relation thereto) from its securities premium, general reserve and retained earnings. In accordance with section 69 of the Companies Act, 2013, the Company has transferred an amount of ₹ 228.57 lakhs to capital redemption reserve which is equal to the nominal value of the shares bought back from retained earnings.

The aggregate number of equity shares bought back during a period of five financial years immediately preceding the financial year ended 31 March 2023 is 1,61,90,000 equity shares (31 March 2022: 1,61,90,000 equity shares)

Notes to the Consolidated financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

NOTE 14: OTHER EQUITY

	As at 31-Mar-23	As at 31-Mar-22
Capital redemption reserve	787.87	635.04
Capital reserve	2868.83	3285.44
Securities premium	-	8375.55
Amalgamation reserve	926.34	926.34
General reserve	-	49919.43
Molasses storage fund reserve	295.38	230.80
Retained earnings	259523.60	125359.79
Foreign currency translation reserve	-	32.95
Cash flow hedging reserve	(166.95)	(30.89)
Costs of hedging reserve	100.83	133.31
Total other equity	**264335.90**	**188867.76**

(i) Capital redemption reserve

	Year ended 31-Mar-23	Year ended 31-Mar-22
Opening balance	635.04	635.04
Transferred from retained earnings on buy-back of equity shares	228.57	-
Share of associates - adjustments consequent to divestment (refer note 33)	(75.74)	-
Closing balance	**787.87**	**635.04**

Capital redemption reserve has been created consequent to redemption of preference share capital and buy-back of equity share capital. This reserve shall be utilised in accordance with the provisions of Companies Act, 2013.

(ii) Capital reserve

	Year ended 31-Mar-23	Year ended 31-Mar-22
Opening balance	3285.44	2868.83
Share of other comprehensive income of associates arising from the bargain purchase on business combination	-	416.61
Share of associates - adjustments consequent to divestment (refer note 33)	(416.61)	-
Closing balance	**2868.83**	**3285.44**

Capital reserve majorly comprises reserve created consequent to business combination in earlier years, in accordance with the accounting standards then prevailing.

Notes to the Consolidated financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

(iii) Securities premium

	Year ended 31-Mar-23	Year ended 31-Mar-22
Opening balance	8375.55	8375.55
Amount utilised for buy-back of equity shares	(8375.55)	-
Closing balance	**-**	**8375.55**

Securities premium is used to record the premium received on issue of shares and is utilised in accordance with the provisions of Companies Act, 2013.

(iv) Amalgamation reserve

	Year ended 31-Mar-23	Year ended 31-Mar-22
Opening balance	926.34	926.34
Movement during the year	-	-
Closing balance	**926.34**	**926.34**

Amalgamation reserve was created consequent to business combinations in past in accordance with the accounting standards then prevailing.

(v) General reserve

	Year ended 31-Mar-23	Year ended 31-Mar-22
Opening balance	49919.43	49919.43
Movement during the year	(49212.72)	-
Share of associates - adjustments consequent to divestment (refer note 33)	(706.71)	-
Closing balance	**-**	**49919.43**

General reserve represents amount retained by the Group out of its profits for future purposes. It is not earmarked for any specific purpose.

(vi) Molasses storage fund reserve

	Year ended 31-Mar-23	Year ended 31-Mar-22
Opening balance	230.80	181.20
Amount transferred from retained earnings	64.58	49.60
Closing balance	**295.38**	**230.80**

Molasses storage fund reserve is created and maintained under the provisions of the Uttar Pradesh Sheera Niyantran Adhiniyam, 1964 (U.P. Act No. XXIV of 1964) and is to be utilised for the provision and maintenance of adequate storage facilities for molasses. Fixed deposit of ₹ 379.17 lakhs (31 March 2022: ₹ 300.72 lakhs) is earmarked against molasses storage fund (refer note 9).

Notes to the Consolidated financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

(vii) Retained earnings

	Year ended 31-Mar-23	Year ended 31-Mar-22
Opening balance	125359.79	90205.90
Net profit for the year	179180.65	42405.92
Other comprehensive income arising from the remeasurement of defined benefit obligation, net of income tax	(173.35)	54.74
Transfer to molasses storage fund reserve	(64.58)	(49.60)
Dividends distributed	(4835.10)	(7252.65)
Share of other comprehensive income of associates arising from the remeasurement of defined benefit plan, net of income tax	-	(4.52)
Amount utilised for buy-back of equity shares	(22183.16)	-
Transferred to capital redemption reserve on buy-back of equity shares	(228.57)	-
Transaction costs related to buy-back of equity shares	(613.28)	-
Tax paid on buy-back of equity shares	(18116.33)	-
Share of associates - adjustments consequent to divestment	1197.53	-
Closing balance	**259523.60**	**125359.79**

(a) Retained earnings represents undistributed profits of the Group which can be distributed to its equity shareholders in accordance with the provisions of the Companies Act, 2013.

(b) Details of dividend distributions made and proposed:

	Year ended 31-Mar-23	Year ended 31-Mar-22
Cash dividends on equity shares distributed:		
Final dividend for the year ended 31 March 2022: 200% (₹ 2 per equity share of ₹ 1/- each) [31 March 2021: 175% (₹ 1.75 per equity share of ₹ 1/- each)]	4835.10	4230.71
Interim dividend for the year ended 31 March 2023: Nil [31 March 2022: 125% (₹ 1.25 per equity share of ₹ 1/- each)]	-	3021.94
Total cash dividends on equity shares declared and paid	**4835.10**	**7252.65**
Cash dividends on equity shares proposed:		
Final dividend for the year ended 31 March 2023: 325% (₹ 3.25 per equity share of ₹ 1/- each) [31 March 2022: 200% (₹ 2 per equity share of ₹ 1/- each)]	7114.18	4835.10

Proposed dividends on equity shares are subject to approval at the annual general meeting and are not recognised as a liability as at year end.

Notes to the Consolidated financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

(viii) Foreign currency translation reserve

	Year ended 31-Mar-23	Year ended 31-Mar-22
Opening balance	32.95	25.36
Share of other comprehensive income of associates arising from the exchange differences on translation of foreign operations	32.95	10.14
Share of other comprehensive income of associates arising from reclassification of cumulative gains/(losses) to profit or loss upon divestment	(68.45)	-
Income tax related to above share of other comprehensive income of associates	2.55	(2.55)
Closing balance	**-**	**32.95**

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 of.

(ix) Cash flow hedging reserve

	Year ended 31-Mar-23	Year ended 31-Mar-22
Opening balance	(30.89)	12.18
Other comprehensive income arising from effective portion of gains/(losses) on hedging instruments designated as cash flow hedges (non-reclassifiable)	-	(29.33)
Other comprehensive income arising from effective portion of gains/(losses) on hedging instruments designated as cash flow hedges (reclassifiable)	(581.44)	(72.24)
Other comprehensive income arising from reclassification of cumulative gains/(losses) to profit or loss	430.58	-
Income tax related to gains/losses (net of reclassification to profit or loss) recognised in other comprehensive income	37.97	25.56
Amounts transferred to cost of non-financial hedged items	-	29.33
Income tax related to amounts transferred to cost of non-financial hedged items	-	(7.38)
Share of other comprehensive income of associates arising from effective portion of gains/(losses) on hedging instruments designated as cash flow hedges (reclassifiable)	(66.64)	14.69
Share of other comprehensive income of associates arising from reclassification of cumulative gains/(losses) to profit or loss upon divestment	39.77	-
Income tax related to above share of other comprehensive income of associates	3.70	(3.70)
Closing balance	**(166.95)**	**(30.89)**

The cash flow hedging reserve is used to recognise the effective portion of gains or losses on derivatives that are designated and qualify as cash flow hedges. Amounts are subsequently either transferred to the cost of non-financial hedged items or reclassified to profit or loss, as appropriate.

Notes to the Consolidated financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

(x) Costs of hedging reserve

	Year ended 31-Mar-23	Year ended 31-Mar-22
Opening balance	133.31	-
Other comprehensive income arising from gains/(losses) on aligned portion of forward element of cash flow hedging instruments (non-reclassifiable)	-	14.29
Other comprehensive income arising from gains/(losses) on aligned portion of forward element of cash flow hedging instruments (reclassifiable)	209.53	178.14
Other comprehensive income arising from reclassification of cumulative gains/(losses) to profit or loss	(252.93)	-
Income tax related to gains/losses (net of reclassification to profit or loss) recognised in other comprehensive income	10.92	(48.43)
Amounts transferred to cost of non-financial hedged items	-	(14.29)
Income tax related to amounts transferred to cost of non-financial hedged items	-	3.60
Closing balance	**100.83**	**133.31**

In cases where the Group opts to designate only the spot element of a foreign exchange forward contract as a cash flow hedge, the changes in the aligned portion of the forward element of hedging instrument is deferred and accumulated under the costs of hedging reserve. These deferred costs of hedging are included in the initial cost of non-financial hedged items when it is recognised or reclassified to profit or loss when the hedged items affects profit or loss, as appropriate.

NOTE 15 : NON-CURRENT BORROWINGS

	As at 31-Mar-23		As at 31-Mar-22	
	Current maturities	Non- current	Current maturities	Non- current
Secured- at amortised cost				
Term loans				
- from banks	9467.49	20427.31	6578.18	23046.35
- from other parties	7034.15	1812.46	6687.43	8871.43
	16501.64	**22239.77**	**13265.61**	**31917.78**
Less: Amount disclosed under the head "Current borrowings" (refer note 18)	(16501.64)	-	(13265.61)	-
Total non-current borrowings	**-**	**22239.77**	**-**	**31917.78**

Notes to the Consolidated financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

NOTE 15: NON-CURRENT BORROWINGS (CONTD.)

(i) Details of long term borrowings of the Company

		Amount outstanding as at		Interest rate	Number of instalments outstanding as at		Terms of Repayment	Nature of Security
		31-Mar-23	31-Mar-22		31-Mar-23	31-Mar-22		
Secured- at amortised cost								
Term loans from banks (₹ loans)								
1	RBL Bank Limited*	2401.98	4321.24	At MCLR plus applicable spread.	5	9	Equal quarterly installments from September 2020 to June 2024.	Secured by first pari-passu charge created / to be created by equitable mortgage on immoveable assets and hypothecation of all moveable
2	Central Bank of India *	1543.39	2793.24	The interest rate as on 31.03.2023 ranges between	5	9	Equal quarterly installments from September 2020 to June 2024.	assets, both present and future of the Company and second pari-passu charge on current assets of the Company.
3	Punjab National Bank*	1553.97	2807.03	8.10% to 9.50% p.a.	5	9	Equal quarterly installments from September 2020 to June 2024.	
4	RBL Bank Limited*	2457.03	2620.31		15	16	Equal quarterly installments from January 2023 to September 2026.	
5	Axis Bank Limited*	6121.77	3495.49		14	16	Equal quarterly installments from December 2022 to September 2026.	
6	ICICI Bank Limited*	6121.96	6995.25		14	16	Equal quarterly installments from December 2022 to September 2026.	
7	ICICI Bank Limited*	495.00	-		16	0	Equal quarterly installments from June 2024 to March 2028.	

Notes to the Consolidated financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

		Amount outstanding as at		Interest rate	Number of instalments outstanding as at		Terms of Repayment	Nature of Security
		31-Mar-23	31-Mar-22		31-Mar-23	31-Mar-22		
8	Axis Bank Limited*	100.00	-		16	0	Equal quarterly installments from June 2024 to March 2028.	
9	Axis Bank Limited	8886.40	6421.99		43	47	Equal quarterly installments from March 2022 to December 2033	(i) First charge by way of hypothecation of all the fixed assets / movable assets and current assets of Mathura Wastewater Management Private Limited ("MWMPL"), present & future, other than project assets. (ii) Pledge of 40509000 shares (30% of total equity shares) of the MWMPL held by the Parent company. (iii) Unconditional & irrevocable Corporate Guarantee of the Parent company
10	Axis Bank (Vehicle loan)	198.87	160.72	At fixed rates ranging from 7.45% to 9.15% p.a.	5 to 60	1 to 58	Equated monthly installments	Secured by hypothecation of vehicles acquired under the respective vehicle loans.
11	PNB Bank (Vehicle loan)	-	5.24					
12	Yes Bank (Vehicle loan)	14.43	4.02					
		29894.80	**29624.53**					
Total term loans from banks		**29894.80**	**29624.53**					
Term loans from other parties (₹ loans)								
1	Govt. of Uttar Pradesh through RBL Bank Ltd. under SEFASU 2018*	8846.61	15558.86	5% p.a.	15	27	Equal monthly installments upto June 2024	Secured by first pari-passu charge on the fixed assets of the Company
Total term loans from other parties		**8846.61**	**15558.86**					
Total loans		**38741.41**	**45183.39**					

* Loans with interest subvention or below market rate under various schemes of the Government, refer note 42.

Notes to the Consolidated financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

NOTE 16: PROVISIONS

	As at 31-Mar-23		As at 31-Mar-22	
	Current	Non- current	Current	Non- current
Provision for employee benefits				
Gratuity (refer note 37)	478.19	1031.09	381.11	2183.70
Compensated absences	825.78	1187.56	557.64	1167.32
Other provisions				
Warranty	2854.44	-	3545.20	-
Cost to completion	152.65	-	232.42	-
Arbitration/Court case claims	118.07	-	111.86	-
Total provisions	**4429.13**	**2218.65**	**4828.23**	**3351.02**

(i) Information about individual provisions and significant estimates

(a) Warranty

The Group provides warranties on certain products, undertaking to repair or replace the items that fail to perform satisfactorily during the warranty period. Provisions made represent the amount of expected cost of meeting such obligations of rectifications / replacements based on best estimate considering the historical warranty claim information and any recent trends that may suggest future claims could differ from historical amounts. It also includes provisions made towards contractual obligations to replace certain parts under an Operation and Maintenance contract. The timing of the outflows is expected to be within a period of two years.

(b) Cost to completion

The provision represents costs of materials and services further required for substantially completed construction contracts.

(c) Arbitration / Court-case claims

Represents the provision made towards certain claims awarded against the Group in legal proceedings which have been challenged by the Group before appropriate authorities. The timing of the outflows is uncertain.

(ii) Movement in provisions

Movement in each class of provision are set out below:

	As at 31-Mar-23			As at 31-Mar-22		
	Warranty	Cost to completion	Arbitration/ Court case claims	Warranty	Cost to completion	Arbitration/ Court case claims
Balance at the beginning of the year	3545.20	232.42	111.86	2375.07	220.41	105.65
Additional provisions recognised	1560.57	46.66	6.21	1327.24	205.00	6.21
Amounts used during the year	(2030.04)	(126.43)	-	(99.35)	(192.99)	-
Unused amounts reversed during the year	(221.29)	-	-	(57.76)	-	-
Balance at the end of the year	**2854.44**	**152.65**	**118.07**	**3545.20**	**232.42**	**111.86**

Notes to the Consolidated financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

NOTE 17 : OTHER LIABILITIES

	As at 31-Mar-23		As at 31-Mar-22	
	Current	Non- current	Current	Non- current
Revenue received in advance				
Deferred revenue arising from government grant related to assets (refer note 42)	-	141.45	-	141.45
Deferred revenue arising from government grant related to income (refer note 42)	245.85	7.54	592.57	228.58
Amount due to customers under long-duration construction & supply contracts [refer note 10(ii)] *	2610.62	3111.98	5092.66	-
Other advances				
Advance from customers [refer note 10(ii)]	7960.16	-	4928.05	-
Others				
Statutory remittances	4303.44	-	3351.24	-
Miscellaneous other payables	827.84	133.41	348.35	139.48
Total other liabilities	**15947.91**	**3394.38**	**14312.87**	**509.51**

* includes revenue of ₹ 3345.18 lakhs deferred, to be recognised over the period of long-duration operations and maintenance contract.

NOTE 18: CURRENT BORROWINGS

	As at 31-Mar-23	As at 31-Mar-22
Secured- at amortised cost		
Repayable on demand		
- Cash credits/working capital demand loans from banks (see (i) below)	52388.30	105791.87
Current maturities of long-term borrowings (refer note 15)	16501.64	13265.61
Unsecured- at amortised cost		
Commercial papers (see (ii) below)	-	5000.00
Total current borrowings	**68889.94**	**124057.48**

(i) Secured by pledge/hypothecation of the stock-in-trade, raw material, stores and spare parts, work-in-progress and trade receivables and second charge created/to be created on the properties of all the Engineering units and immovable property at New Delhi and third charge on the properties of Sugar, Co-Generation and Distillery units of the Company on pari-passu basis. Interest rates on the above loans outstanding as at the year end ranges between 7.35% to 8.45% (weighted average interest rate: 7.45% p.a.).

(ii) Commercial papers issued during the previous year at an interest rate of 4.25% p.a. for a tenor of 80 days, was fully repaid during the current year.

(iii) There are no differences in the figures reported in the quarterly returns/statements filed with the banks vis-à-vis the books of accounts. For the determination of drawing power for sugar stocks, the Company follows the guidelines of the RBI as prescribed for commodities covered under selective credit control.

Notes to the Consolidated financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

NOTE 19: TRADE PAYABLES

	As at 31-Mar-23	As at 31-Mar-22
Trade payables (at amortised cost)		
- Total outstanding dues of micro enterprises and small enterprises (refer note 49)	861.79	798.17
- Total outstanding dues of creditors other than micro enterprises and small enterprises	40606.18	34285.83
Total trade payables	**41467.97**	**35084.00**

(i) Trade payables ageing schedule:

For the year ended 31 March 2023

	Unbilled/ Pending bills	Not overdue	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	-	861.79	-	-	-	-	861.79
Others	4228.76	26659.67	8343.28	388.90	99.83	623.76	40344.20
Disputed dues - Others	-	261.98	-	-	-	-	261.98
Total trade payables	**4228.76**	**27783.44**	**8343.28**	**388.90**	**99.83**	**623.76**	**41467.97**

For the year ended 31 March 2022

	Unbilled/ Pending bills	Not overdue	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	-	798.17	-	-	-	-	798.17
Others	1937.10	25958.72	5059.09	218.76	114.61	735.94	34024.22
Disputed dues - Others	-	261.61	-	-	-	-	261.61
Total trade payables	**1937.10**	**27018.50**	**5059.09**	**218.76**	**114.61**	**735.94**	**35084.00**

Notes to the Consolidated financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

NOTE 20: OTHER FINANCIAL LIABILITIES

	As at 31-Mar-23	As at 31-Mar-22
At amortised cost		
Accrued interest	71.87	114.23
Capital creditors (see (i) below)	2540.92	3093.40
Employee benefits & other dues payable	4275.55	4286.62
Security deposits (see (ii) below)	564.69	490.44
Unpaid dividends (see (iii) below)	24.50	20.69
Miscellaneous other financial liabilities	8.31	-
Total other financial liabilities at amortised cost [A]	**7485.84**	**8005.38**
At fair value through Profit or Loss (FVTPL) (refer note 41)		
Derivatives financial instruments carried at fair value		
- Foreign exchange forward contracts (not designated as hedges)	76.32	-
Total other financial liabilities at FVTPL [B]	**76.32**	**-**
Total other financial liabilities ([A]+[B])	**7562.16**	**8005.38**

(i) Capital creditors as at 31 March 2023 include ₹ 109.87 lakhs (31 March 2022: ₹ 120.93 lakhs) outstanding balance of micro enterprises and small enterprises (refer note 49).

(ii) Security deposits as at 31 March 2023 include ₹ 370 lakhs (31 March 2022: ₹ 390 lakhs) deposits from sugar selling agents which are interest bearing subject to fulfillment of terms and conditions. These deposits are repayable on cessation of contractual arrangements. Interest payable is normally settled annually.

(iii) There are no amounts as at the year end which are due and outstanding to be credited to the Investors Education and Protection Fund.

NOTE 21: INCOME TAX BALANCES

	As at 31-Mar-23		As at 31-Mar-22	
	Current	Non- current	Current	Non- current
Income tax assets				
Tax refund receivable (net)	-	989.31	-	753.62
	-	**989.31**	**-**	**753.62**
Income tax liabilities				
Provision for income tax (net)	100.23	-	1322.97	-
	100.23	**-**	**1322.97**	**-**

NOTE 22: DEFERRED TAX BALANCES

	As at 31-Mar-23	As at 31-Mar-22
Entities with net deferred tax assets		
Deferred tax assets	36.06	37.26
Deferred tax liabilities	-	-
Net deferred tax assets	**36.06**	**37.26**
Entities with net deferred tax liabilities		
Deferred tax assets	2943.96	3807.51
Deferred tax liabilities	(13816.15)	(17349.54)
Net deferred tax liabilities	**(10872.19)**	**(13542.03)**

Notes to the Consolidated financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

(i) Movement in deferred tax balances

For the year ended 31 March 2023

	Opening balance	Recognised in profit or loss	Recognised in OCI	Recognised directly in equity	Closing balance
Tax effect of items constituting deferred tax assets/(liabilities)					
Entities with net deferred tax assets					
Deferred tax assets					
Liabilities and provisions tax deductible only upon payment/actual crystallisation - Statutory taxes and duties	37.26	(1.20)	-	-	36.06
	37.26	**(1.20)**	**-**	**-**	**36.06**
Deferred tax liabilities	-	-	-	-	-
Net deferred tax assets	**37.26**	**(1.20)**	**-**	**-**	**36.06**
Entities with net deferred tax liabilities					
Deferred tax assets					
Difference in carrying values of investment property	177.68	12.31	-	-	189.99
Liabilities and provisions tax deductible only upon payment/actual crystallisation					
- Employee benefits	1090.53	(88.70)	58.30	-	1060.13
- Statutory taxes and duties	189.34	41.78	-	-	231.12
- Other contractual provisions	964.71	(199.26)	48.89	(1.53)	812.81
Impairment provisions of financial assets made in books, but tax deductible only on actual write-off	756.89	(127.20)	-	-	629.69
Other temporary differences	47.49	(27.27)	-	-	20.22
Unused tax losses	580.87	(580.87)	-	-	-
	3807.51	**(969.21)**	**107.19**	**(1.53)**	**2943.96**
Deferred tax liabilities					
Difference in carrying values of property, plant & equipment and intangible assets	(12922.71)	(893.44)	-	-	(13816.15)
Investment in associates under equity method	(4426.83)	4420.58	6.25	-	-
	(17349.54)	**3527.14**	**6.25**	**-**	**(13816.15)**
Net deferred tax liabilities	**(13542.03)**	**2557.93**	**113.44**	**(1.53)**	**(10872.19)**

Notes to the Consolidated financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

For the year ended 31 March 2022

	Opening balance	Recognised in profit or loss	Recognised in OCI	Recognised directly in equity	Closing balance
Tax effect of items constituting deferred tax assets/(liabilities)					
Entities with net deferred tax assets					
Deferred tax assets					
Liabilities and provisions tax deductible only upon payment/actual crystallisation - Statutory taxes and duties	27.31	9.95	-	-	37.26
	27.31	**9.95**	**-**	**-**	**37.26**
Deferred tax liabilities	-	-	-	-	-
Net deferred tax assets	**27.31**	**9.95**	**-**	**-**	**37.26**
Entities with net deferred tax liabilities					
Deferred tax assets					
Difference in carrying values of investment property	166.58	11.10	-	-	177.68
Liabilities and provisions tax deductible only upon payment/actual crystallisation					
- Employee benefits	1554.46	(445.52)	(18.41)	-	1090.53
- Statutory taxes and duties	176.43	12.91	-	-	189.34
- Other contractual provisions	687.52	307.62	(26.65)	(3.78)	964.71
Impairment provisions of financial assets made in books, but tax deductible only on actual write-off	684.00	72.89	-	-	756.89
Other temporary differences	37.43	10.05	-	-	47.49
Unused tax losses	-	580.87	-	-	580.87
	3306.42	**549.92**	**(45.06)**	**(3.78)**	**3807.51**
Deferred tax liabilities					
Difference in carrying values of property, plant & equipment and intangible assets	(13390.96)	468.25	-	-	(12922.71)
Investment in associates under equity method	(3324.61)	(1097.49)	(4.73)	-	(4426.83)
	(16715.57)	**(629.24)**	**(4.73)**	**-**	**(17349.54)**
Net deferred tax liabilities	**(13409.15)**	**(79.32)**	**(49.79)**	**(3.78)**	**(13542.03)**

Notes to the Consolidated financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

NOTE 23 : REVENUE FROM OPERATIONS

	Year ended 31-Mar-23	Year ended 31-Mar-22
Sale of products [refer note 36(vii)		
Finished goods	589940.27	431588.32
Stock-in-trade	4566.76	2489.40
Sale of services		
Servicing	601.12	252.82
Operation and maintenance	4522.44	3046.30
Long-duration construction & supply contract revenue	27147.20	21311.99
Other operating revenue		
Subsidy from Central Government (refer note 42)	141.62	10489.13
Income from transfer of sugar export quota	2941.93	-
Income from scrap	1148.28	226.40
Total revenue from operations	**631009.62**	**469404.36**

(i) Unsatisfied long-duration construction & supply contracts:

The transaction price allocated to all long-duration construction & supply contracts that are partially or fully unsatisfied as at reporting date alongwith expected period of its revenue recognition, are as follows:

	As at 31-Mar-23#	As at 31-Mar-22#
Within one year	25146.13	25823.81
More than one year	30555.86	32652.01
Total	**55701.99**	**58475.82**

As permitted under Ind AS 115, all contracts having original expected duration of one year or less or which are billed based on time incurred are not disclosed.

(ii) Reconciliation of revenue recognised with contract price:

	As at 31-Mar-23	As at 31-Mar-22
Contract price	631909.02	469968.57
Adjustments for Discounts/ Commissions to Customers	(899.40)	(564.21)
Total revenue from operations	**631009.62**	**469404.36**

Notes to the Consolidated financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

NOTE 24: OTHER INCOME

	Year ended 31-Mar-23	Year ended 31-Mar-22
Interest income		
Interest income from financial assets carried at amortised cost	5388.84	202.22
Interest income from others	20.28	44.89
	5409.12	**247.11**
Dividend income		
Dividend income from equity investments	4.98	3.43
	4.98	**3.43**
Other non-operating income (net of expenses directly attributable to such income)		
Rental income [refer note 4(ii)]	44.40	40.09
Miscellaneous income	1943.84	1593.58
	1988.24	**1633.67**
Other gains/(losses)		
Net fair value gains/(losses) on investments	13.54	(6.57)
Net gains/(losses) on derivatives	(25.64)	22.86
Net foreign exchange rate fluctuation gains	154.68	64.53
Credit balances written back	213.41	108.74
Net profit/(loss) on sale / redemption of investments	9.53	72.92
Net reversal of impairment loss allowance on contract assets (refer note 10)	44.25	-
Net reversal of provision for non moving/obsolete inventory (refer note 11)	31.89	-
Net reversal of provision for cost to completion (refer note 16)	79.77	-
Reversal of excess provision of expenses	117.56	71.71
	638.99	**334.19**
Total other income	**8041.33**	**2218.40**

NOTE 25: COST OF MATERIALS CONSUMED

	Year ended 31-Mar-23	Year ended 31-Mar-22
Stock at the beginning of the year	4364.94	3883.10
Add: Purchases	398345.56	311953.01
Less: Amount capitalised (included in the cost of property, plant and equipment and capital work-in-progress)	-	(2.56)
Less: Stock at the end of the year	(7557.89)	(4364.94)
Total cost of materials consumed	**395152.61**	**311468.61**

Notes to the Consolidated financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

NOTE 26 : PURCHASES OF STOCK-IN-TRADE

	Year ended 31-Mar-23	Year ended 31-Mar-22
Petroleum goods	2563.12	2496.39
Other consumer goods	2061.28	128.26
Total purchases of stock-in-trade	**4624.40**	**2624.65**

NOTE 27: CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS

	Year ended 31-Mar-23	Year ended 31-Mar-22
Inventories at the beginning of the year:		
Finished goods	190098.78	161840.87
Stock in trade	179.03	44.89
Work-in-progress	2838.73	2609.73
Total inventories at the beginning of the year	**193116.54**	**164495.49**
Inventories at the end of the year:		
Finished goods	179787.35	190098.78
Stock in trade	67.80	179.03
Work-in-progress	4716.23	2838.73
Total inventories at the end of the year	**184571.38**	**193116.54**
Add/(Less): Impact of excise duty on finished goods	327.14	443.56
Total changes in inventories of finished goods, stock-in-trade and work-in-progress	**8872.30**	**(28177.49)**

NOTE 28: EMPLOYEE BENEFITS EXPENSE

	Year ended 31-Mar-23	Year ended 31-Mar-22
Salaries and wages	31026.85	27102.49
Contribution to provident and other funds (refer note 37)	2611.60	2408.57
Staff welfare expenses	1193.12	864.91
	34831.57	**30375.97**
Less: Amount capitalised (included in the cost of property, plant and equipment and capital work-in-progress)	(4.07)	(110.42)
Total employee benefits expense	**34827.50**	**30265.55**

Notes to the Consolidated financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

NOTE 29: FINANCE COSTS

	Year ended 31-Mar-23	Year ended 31-Mar-22
Interest costs		
- Interest on loans with interest subvention (refer note 42)	919.96	633.86
- Interest on loans with below-market rate of interest (refer note 42)	622.08	986.49
- Interest on other borrowings	3820.05	3092.40
- Interest on lease liabilities	148.26	130.82
- Other interest expense	155.74	736.73
Total interest expense on financial liabilities not classified as at FVTPL	**5666.09**	**5580.30**
Less: Amount capitalised (included in the cost of property, plant and equipment and capital work-in-progress)	-	(141.34)
	5666.09	**5438.96**
Other borrowing costs		
- Loan monitoring and administration charges	7.74	13.97
Total finance costs	**5673.83**	**5452.93**

NOTE 30: DEPRECIATION AND AMORTISATION EXPENSE

	Year ended 31-Mar-23	Year ended 31-Mar-22
Depreciation of property, plant and equipment (refer note 3)	9253.03	7998.10
Amortisation of intangible assets (refer note 5)	95.07	78.85
	9348.10	**8076.95**
Less: Amount capitalised (included in the cost of property, plant and equipment and capital work-in-progress)	(0.33)	(2.45)
Total depreciation and amortisation expense	**9347.77**	**8074.50**

NOTE 31: IMPAIRMENT LOSS ON FINANCIAL ASSETS (NET OF REVERSALS)

	Year ended 31-Mar-23	Year ended 31-Mar-22
Bad debts written off - trade receivables carried at amortised cost	433.51	1128.66
Bad debts written off - other financial assets carried at amortised cost	999.08	1.63
Impairment loss allowance on trade receivables (net of reversals) (refer note 7)	(427.72)	(569.85)
Impairment loss allowance on other financial assets carried at amortised cost (net of reversals) (refer note 8 & 9)	(999.08)	0.64
Total impairment loss on financial assets (including reversal of impairment losses)	**5.79**	**561.08**

Notes to the Consolidated financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

NOTE 32: OTHER EXPENSES

	Year ended 31-Mar-23	Year ended 31-Mar-22
Stores and spares consumed	6901.59	5007.15
Power and fuel	1932.33	2501.24
Design and engineering charges	45.80	94.26
Cane development expenses	461.52	238.93
Machining/fabrication expenses	282.92	211.12
Erection and commissioning expenses	668.63	896.36
Civil construction charges	6096.18	5302.82
Packing and stacking expenses	9150.99	7080.90
Repairs and maintenance		
- Machinery	7107.39	6174.11
- Building	870.48	946.22
- Others	475.72	498.11
Factory/operational expenses	3437.32	2605.85
Travelling and conveyance	2060.53	1480.92
Rent expense (refer note 45)	203.11	230.52
Rates and taxes	2172.75	706.85
Insurance	905.18	726.33
Directors' fee	46.95	50.40
Directors' commission	107.00	92.00
Legal and professional expenses	2267.75	1772.27
Security service expenses	1966.95	1754.74
Net impairment loss allowance on contract assets (refer note 10)	-	747.79
Bad debts written off - other non financial assets [net of reversal of impairment loss allowance of ₹ 1.53 lakhs (31 March 2022: ₹ 48.90 lakhs) (refer note 10)]	13.92	20.46
Warranty expenses [includes provision for warranty (net) ₹ 1339.28 lakhs (31 March 2022: ₹ 1269.48 lakhs) (refer note 16)]	1360.03	1274.55
Provision for Arbitration/Court case claims (refer note 16)	6.21	6.21
Provision for cost to completion on construction contracts (net) (refer note 16)	-	12.01
Payment to Auditors (see (i) below)	103.27	87.08
Corporate social responsibility expenses (see (ii) below)	952.30	735.55
Donations to political parties	-	500.00
Provision for non moving / obsolete inventory (refer note 11)	-	159.92
Loss on sale /write off of inventory	52.13	38.20
Loss on sale / write off / impairment of property, plant and equipment	163.66	162.00
Expenses relating to third party exports under MAEQ scheme	-	992.70
Selling commission	752.75	710.02
Royalty	345.77	337.07
Outward freight and forwarding	2254.71	2372.38
Other selling expenses	523.50	285.01
Miscellaneous expenses	2965.55	2200.81
Less: Amount capitalised (included in the cost of property, plant and equipment and capital work-in-progress)	(45.09)	(101.74)
Total other expenses	**56609.80**	**48911.12**

Notes to the Consolidated financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

(i) Detail of payment to auditors

	Statutory Auditors		Cost Auditors	
	Year ended 31-Mar-23	Year ended 31-Mar-22	Year ended 31-Mar-23	Year ended 31-Mar-22
Audit fee	56.86	56.86	6.06	4.87
Tax audit fee	2.00	2.00	-	-
Limited review fee	18.63	18.63	-	-
Other services (Certification) *	16.87	3.60	0.20	0.53
Reimbursement of expenses	2.45	0.59	0.20	-
Total payment to auditors	**96.81**	**81.68**	**6.46**	**5.40**

* This amount is exclusive of ₹ 4 lakhs (31 March 2022: ₹ Nil) paid to the statutory auditors towards certificates in connection with buy-back of shares. The same has been adjusted against retained earnings.

(ii) Corporate Social Responsibility (CSR)

(a) The Group has incurred CSR expenses towards activities including inter-alia promoting education, sports, women empowerment, rural development, healthcare and sanitation, ensuring environmental sustainability, animal welfare and conservation of natural resources, contribution to Prime Minister National Relief Fund, maintaining quality of soil and making available safe drinking water, which are specified in Schedule VII of the Companies Act, 2013.

(b) Detail of CSR expenses:

		Year ended 31-Mar-23	Year ended 31-Mar-22
(a)	Gross amount required to be spent during the year	952.30	735.52
(b)	Maximum amount approved by the Board to be spent during the year (including excess spent brought forward from previous year)	963.94	754.81
(c)	Amount spent during the year on :		
(i)	Construction/acquisition of any asset		
	Education, vocational skills and livelihood enhancement	30.13	6.13
	Healthcare and sanitation	11.24	140.24
	Safe drinking water	15.06	13.88
	Promotion of sports	1.29	-
	Women empowerment	0.91	-
	Rural development	26.91	-
		85.54	**160.25**
(ii)	Purposes other than (i) above		
	Education, vocational skills and livelihood enhancement	193.76	161.28
	Environmental sustainability, animal welfare and conservation of natural resources	99.07	82.60
	Healthcare and sanitation	154.03	71.61
	Promotion of sports	6.34	5.00
	Maintenance of quality of soil	315.94	237.42
	Contribution to Prime Minister National Relief Fund	75.00	13.05
	Administration overheads	15.00	-
		859.14	**570.96**
	Add: Excess spent, brought forward from previous year	19.26	23.60
	Less: Excess spent, carried forward to next year	11.64	19.26
	Net amount recognised in the statement of profit and loss	**952.30**	**735.55**

Notes to the Consolidated financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

NOTE 33: EXCEPTIONAL ITEMS

	Year ended 31-Mar-23	Year ended 31-Mar-22
Profit upon disposal of equity shares of Triveni Turbine Limited, an associate of the Company [refer note 43(ii)]	140119.61	-
Net impairment loss allowance on consideration receivable against divestment in equity shares of Aqwise Wise Water Technologies Limited (Israel), an erstwhile associate of the Company	-	(670.94)
Total exceptional items	**140119.61**	**(670.94)**

NOTE 34: INCOME TAX EXPENSE

(i) Income tax recognised in profit or loss

	Year ended 31-Mar-23	Year ended 31-Mar-22
Current tax		
In respect of the current year	19818.29	13663.28
In respect of earlier years	(78.70)	1236.91
Total current tax expense recognised in profit or loss	**19739.59**	**14900.19**
Deferred tax		
In respect of origination and reversal of temporary differences	(2556.73)	69.37
Total deferred tax expense recognised in profit or loss	**(2556.73)**	**69.37**
Total income tax expense recognised in profit or loss	**17182.86**	**14969.56**

Income tax expense of the previous year includes an amount of ₹ 784.10 lakhs (being the one-time impact of foregoing certain tax credits/deductions), pertaining to earlier year, consequent to the decision of the Company to opt to be assessed under the new tax regime specified under section 115BAA of the Income Tax Act, 1961 with effect from the financial year 2020-21 onwards, which decision was taken subsequent to the finalisation of the financial statements for the year ended 31 March 2021.

Reconciliation of income tax expense recognised in profit or loss:

	Year ended 31-Mar-23	Year ended 31-Mar-22
Profit before tax	196363.51	57375.48
Income tax expense calculated at 25.168% (including surcharge and education cess) (2021-22: 25.168%%)	49420.77	14440.26
Effect of lower tax on income taxable under capital gains	(31965.43)	-
Effect of expenses that is non-deductible in determining taxable profit	326.38	718.36
Effect of tax incentives and concessions	(276.78)	(391.93)
Effect of changes in tax base of assets not considered in profit or loss	(11.68)	(14.03)
Effect of tax on share in undistributed profit of associates	(411.11)	(391.06)
Effect of elimination of income on consolidation (net)	280.13	300.64
Others	(179.42)	307.32
Total income tax expense recognised in profit or loss	**17182.86**	**14969.56**

Notes to the Consolidated financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

(ii) Income tax recognised in other comprehensive income

	Year ended 31-Mar-23	Year ended 31-Mar-22
Current tax related to following items recognised in other comprehensive income:		
Effective portion of gains/(losses) on hedging instruments designated as cash flow hedges (non-reclassifiable)	-	(7.38)
Gains/(losses) on aligned portion of forward elements of cash flow hedging instruments (non-reclassifiable)	-	3.60
Total current tax expense recognised in other comprehensive income	**-**	**(3.78)**
Deferred tax related to following items recognised in other comprehensive income:		
Remeasurement of defined benefit obligations (non-reclassifiable)	(58.30)	18.41
Share of other comprehensive income of associates arising from remeasurement of defined benefit plan (non-reclassifiable)	-	(1.52)
Effective portion of gains/(losses) on hedging instruments designated as cash flow hedges (reclassifiable)	(37.97)	(18.18)
Gains/(losses) on aligned portion of forward elements of cash flow hedging instruments (reclassifiable)	(10.92)	44.83
Share of other comprehensive income of associates arising from exchange differences arising on translating the foreign operations (reclassifiable)	8.29	2.55
Share of other comprehensive income of associates arising from reclassification, of cumulative gains/(losses) from exchange differences on translating the foreign operations, to profit or loss upon divestment	(10.84)	-
Share of other comprehensive income of associates arising from effective portion of gains/(losses) on hedging instruments designated as cash flow hedges (reclassifiable)	(16.77)	3.70
Share of other comprehensive income of associates arising from reclassification, of effective portion of gains/(losses) on hedging instruments designated as cash flow hedges, to profit or loss upon divestment	13.07	-
Total deferred tax expense recognised in other comprehensive income	**(113.44)**	**49.79**
Total income tax expense recognised in other comprehensive income	**(113.44)**	**46.01**
Bifurcation of the income tax recognised in other comprehensive income into:		
Items that will not be reclassified to profit or loss	(58.30)	13.11
Items that may be reclassified to profit or loss	(55.14)	32.90
Total income tax expense recognised in other comprehensive income	**(113.44)**	**46.01**

(iii) Income tax recognised directly in equity

	Year ended 31-Mar-23	Year ended 31-Mar-22
Current tax recognised directly in equity		
Deferred tax related to following items recognised directly in equity:		
Effective portion of gains/(losses) of hedging instruments designated as cash flow hedges transferred to cost of non-financial hedged items	-	7.38
Gains/(losses) on aligned portion of forward elements of cash flow hedging instruments transferred to cost of non-financial hedged items	-	(3.60)
Share of other comprehensive income of associates arising from remeasurement of defined benefit plan transferred upon divestment	1.53	-
Total income tax expense recognised directly in equity	**1.53**	**3.78**
Total income tax expense recognised directly in equity	**1.53**	**3.78**

Notes to the Consolidated financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

NOTE 35: EARNINGS PER SHARE

	Year ended 31-Mar-23	Year ended 31-Mar-22
Profit for the year attributable to owners of the Company [A]	179180.65	42405.92
Weighted average number of equity shares for the purposes of basic EPS/ diluted EPS [B]	24,02,52,175	24,17,55,110
Basic earnings per share (face value of ₹ 1 per share) [A/B]	74.58	17.54
Diluted earnings per share (face value of ₹ 1 per share) [A/B]	74.58	17.54

NOTE 36: SEGMENT INFORMATION

(i) Description of segments and principal activities

The operating segments are classified under two major businesses which the Group is engaged in, and are briefly described as under:

Sugar & Allied Businesses

(a) Sugar : The Group is a manufacturer of white crystal sugar, having seven manufacturing plants situated in the state of Uttar Pradesh. The sugar is sold to wholesalers and institutional users as well as in the export market. The Group uses its captively produced bagasse, generated as a by-product in the manufacturing of sugar, as a feed stock for generating power. Apart from meeting the captive power requirements of sugar plants and distilleries, the surplus power is exported to the state grid. Molasses, another by-product in the manufacturing of sugar, is used as raw material for producing alcohol/ethanol. The Group sells the surplus molasses and bagasse after meeting its captive requirements.

(b) Distillery : The Group with its two distilleries having total capacity of 400 kilo-litres per day (KLPD) located at Muzaffarnagar and Sabitgarh in the state of Uttar Pradesh, uses molasses produced in manufacture of sugar as the principal raw material in production of ethanol and extra neutral alcohol. During the year, the Group has commissioned a greenfield dual feed 200 KLPD (160 KLPD on grain) distillery at its sugar unit at Milak Narayanpur and a new grain based 60 KLPD distillery at Muzaffarnagar, thereby increasing the Group's overall distillation capacity to 660 KLPD. Under its Alcoholic Beverages vertical forming part of this segment, country liquor is produced at the bottling facility in the premises of the existing distillery at Muzaffarnagar, to facilitate forward integration of distillery operations.

Engineering Businesses

(a) Power transmission : This business segment is focused on high speed and niche low speed gears & gear boxes covering supply to OEMs, after market services and retrofitment of gearboxes, catering to the requirement of power sector, other industrial segments and defence. The manufacturing facility is located at Mysore, Karnataka.

(b) Water/Wastewater treatment : The business segment operates from Noida, Uttar Pradesh and provides engineered-to-order process equipment and comprehensive solutions in the water and wastewater management. This segment includes EPC contracts, Hybrid Annuity Model projects and O&M and also includes operations of two wholly owned subsidiaries namely Mathura Wastewater Management Private Limited and Pali ZLD Private Limited, incorporated as special purpose vehicles to execute specific projects.

The 'Other Operations' mainly include selling sugar and certain FMCG products under the Company's brand name/private labeling; and retailing of diesel/petrol through a Company operated fuel station.

The above reportable segments have been identified based on the significant components of the enterprise for which discrete financial information is available and reviewed by the chief operating decision maker (CODM) to assess the performance and allocate resources to the operating segments.

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

Notes to the Consolidated financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

(ii) Segment revenue and segment profit

	SUGAR & ALLIED BUSINESSES						ENGINEERING BUSINESSES						OTHER OPERATIONS		Eliminations		Total	
	Sugar		Distillery		Total		Power transmission		Water		Total							
	Year ended 31-Mar-23	Year ended 31-Mar-22	Year ended 31-Mar-23	Year ended 31-Mar-22	Year ended 31-Mar-23	Year ended 31-Mar-22	Year ended 31-Mar-23	Year ended 31-Mar-22	Year ended 31-Mar-23	Year ended 31-Mar-22	Year ended 31-Mar-23	Year ended 31-Mar-22	Year ended 31-Mar-23	Year ended 31-Mar-22	Year ended 31-Mar-23	Year ended 31-Mar-22	Year ended 31-Mar-23	Year ended 31-Mar-22
REVENUE																		
From external customers	370973.76	303427.96	186553.13	107126.61	557526.89	410554.57	22509.66	18390.66	35217.07	27021.66	57726.73	45412.32	15756.00	13437.47	-	-	631009.62	469404.36
From inter-segments sales	65220.88	43956.67	-	34.20	65220.88	43990.87	15.10	71.87	-	-	15.10	71.87	179.90	144.44	(65415.88)	(44207.18)	-	-
Total revenue from operations	**436194.64**	**347384.63**	**186553.13**	**107160.81**	**622747.77**	**454545.44**	**22524.76**	**18462.53**	**35217.07**	**27021.66**	**57741.83**	**45484.19**	**15935.90**	**13581.91**	**(65415.88)**	**(44207.18)**	**631009.62**	**469404.36**
RESULT																		
Segment Profit/(loss)	30583.28	38650.64	21231.73	14935.87	51815.01	53586.51	7644.23	6416.21	2427.62	3101.57	10071.85	9517.78	(801.00)	(452.70)			61085.86	62651.59
Unallocated expenses (Net)																	(6210.69)	(5313.83)
Finance cost																	(5673.83)	(5452.93)
Interest income																	5409.12	247.11
Exceptional items																	140119.61	(670.94)
Share of profit of associates																	1633.44	5914.48
Profit before tax																	196363.51	57375.48
Current tax																	(19739.59)	(14900.19)
Deferred tax																	2556.73	(69.37)
Profit for the year																	179180.65	42405.92

- The accounting policies of the reportable segments are the same as the Group's accounting policies described in note 1.
- Segment profit is the Segment revenue less Segment expenses. Segment revenue/expenses includes all revenues/expenses that are attributable to the segments.
- Dividend income, finance income, finance costs, fair value gains & losses on certain financial assets/liabilities, current tax/deferred tax charge are not allocated to individual segments since these are managed/applicable on an overall entity basis.

(ii) Segment revenue and segment profit

	SUGAR & ALLIED BUSINESSES						ENGINEERING BUSINESSES						OTHER OPERATIONS		Eliminations		Total	
	Sugar		Distillery		Total		Power transmission		Water		Total							
	Year ended 31-Mar-23	Year ended 31-Mar-22	Year ended 31-Mar-23	Year ended 31-Mar-22	Year ended 31-Mar-23	Year ended 31-Mar-22	Year ended 31-Mar-23	Year ended 31-Mar-22	Year ended 31-Mar-23	Year ended 31-Mar-22	Year ended 31-Mar-23	Year ended 31-Mar-22	Year ended 31-Mar-23	Year ended 31-Mar-22	Year ended 31-Mar-23	Year ended 31-Mar-22	Year ended 31-Mar-23	Year ended 31-Mar-22
ASSETS																		
Segment assets	264699.62	269508.07	88467.91	68368.77	353167.53	337876.84	21071.49	14557.00	57177.55	48193.15	78249.04	62750.15	1123.07	1423.70	-	-	432539.64	402050.69
Unallocated assets																	12903.87	27697.02
Total assets	**264699.62**	**269508.07**	**88467.91**	**68368.77**	**353167.53**	**337876.84**	**21071.49**	**14557.00**	**57177.55**	**48193.15**	**78249.04**	**62750.15**	**1123.07**	**1423.70**	**-**	**-**	**445443.51**	**429747.71**
LIABILITIES																		
Segment liabilities	36870.58	34638.16	6953.04	5555.26	43823.62	40193.42	5711.08	3972.60	21773.39	18843.18	27484.47	22815.78	592.02	638.16	-	-	71900.11	63647.36
Unallocated liabilities																	107018.50	174815.02
Total liabilities	**36870.58**	**34638.16**	**6953.04**	**5555.26**	**43823.62**	**40193.42**	**5711.08**	**3972.60**	**21773.39**	**18843.18**	**27484.47**	**22815.78**	**592.02**	**638.16**	**-**	**-**	**178918.61**	**238462.38**

- The accounting policies of the reportable segments are the same as the Group's accounting policies described in note 1.
- Segment assets include all assets that are attributable to the segments other than investments, loans, current/deferred tax assets and certain financial assets.
- Segment liabilities include all liabilities that are attributable to the segments other than borrowings, current and deferred tax liabilities and certain financial liabilities.

Notes to the Consolidated financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

(ii) Segment revenue and segment profit

	SUGAR & ALLIED BUSINESSES						ENGINEERING BUSINESSES						OTHER OPERATIONS		Eliminations		Total	
	Sugar		Distillery		Total		Power transmission		Water		Total							
	Year ended 31-Mar-23	Year ended 31-Mar-22	Year ended 31-Mar-23	Year ended 31-Mar-22	Year ended 31-Mar-23	Year ended 31-Mar-22	Year ended 31-Mar-23	Year ended 31-Mar-22	Year ended 31-Mar-23	Year ended 31-Mar-22	Year ended 31-Mar-23	Year ended 31-Mar-22	Year ended 31-Mar-23	Year ended 31-Mar-22	Year ended 31-Mar-23	Year ended 31-Mar-22	Year ended 31-Mar-23	Year ended 31-Mar-22
Amount considered in segment results																		
Depreciation and amortisation	4902.78	4754.96	2671.06	1677.64	7573.84	6432.60	773.11	753.16	248.61	221.23	1021.72	974.39	38.53	47.24	-	-	8634.09	7454.23
Unallocated depreciation and amortisation																	713.68	620.27
Total depreciation and amortisation	**4902.78**	**4754.96**	**2671.06**	**1677.64**	**7573.84**	**6432.60**	**773.11**	**753.16**	**248.61**	**221.23**	**1021.72**	**974.39**	**38.53**	**47.24**	**-**	**-**	**9347.77**	**8074.50**
Non cash items (other than depreciation and amortisation)	(101.46)	20.12	21.40	49.54	(80.06)	69.66	(75.61)	109.78	(28.25)	1236.57	(103.86)	1346.35	42.54	(0.61)	-	-	(141.38)	1415.40
Unallocated non cash items (other than depreciation and amortisation)																	(13.54)	677.52
Total non cash items (other than depreciation and amortisation)	**(101.46)**	**20.12**	**21.40**	**49.54**	**(80.06)**	**69.66**	**(75.61)**	**109.78**	**(28.25)**	**1236.57**	**(103.86)**	**1346.35**	**42.54**	**(0.61)**	**-**	**-**	**(154.92)**	**2092.92**
Amounts not considered in segment results																		
Interest expense	4350.85	3396.04	1061.19	546.21	5412.04	3942.25	2.18	4.55	1363.72	916.92	1365.90	921.47	(1.66)	5.36	-	-	6776.28	4869.08
Unallocated interest expense																	(1102.45)	583.85
Total interest expense	**4350.85**	**3396.04**	**1061.19**	**546.21**	**5412.04**	**3942.25**	**2.18**	**4.55**	**1363.72**	**916.92**	**1365.90**	**921.47**	**(1.66)**	**5.36**	**-**	**-**	**5673.83**	**5452.93**
Interest income	40.97	33.76	13.39	9.73	54.36	43.49	12.34	16.98	1723.20	53.96	1735.54	70.94	-	-	-	-	1789.90	114.43
Unallocated interest income																	3619.22	132.68
Total interest income	**40.97**	**33.76**	**13.39**	**9.73**	**54.36**	**43.49**	**12.34**	**16.98**	**1723.20**	**53.96**	**1735.54**	**70.94**	**-**	**-**	**-**	**-**	**5409.12**	**247.11**
Exceptional items	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Unallocated exceptional items																	140119.61	(670.94)
Total exceptional items	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	140119.61	(670.94)
Others																		
Capital expenditure	13612.12	5095.20	6454.96	25108.37	20067.08	30203.57	3571.09	767.96	219.51	320.12	3790.60	1088.08	12.72	18.93	-	-	23870.40	31310.58
Unallocated capital expenditure																	282.14	380.42
Total Capital expenditure	**13612.12**	**5095.20**	**6454.96**	**25108.37**	**20067.08**	**30203.57**	**3571.09**	**767.96**	**219.51**	**320.12**	**3790.60**	**1088.08**	**12.72**	**18.93**	**-**	**-**	**24152.54**	**31691.00**

Notes to the Consolidated financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

(v) Break-up of revenue by geographical area

	Year ended 31-Mar-23	Year ended 31-Mar-22
India (country of domicile)	619690.84	463956.87
Rest of the world	11318.78	5447.49
	631009.62	**469404.36**

(vi) Non-current assets by geographical area

	Year ended 31-Mar-23	Year ended 31-Mar-22
India (country of domicile)	151758.98	155087.33
Rest of the world	186.14	105.67
	151945.12	**155193.00**

- Non-current assets excludes financial assets and deferred tax assets.

(vii) Break-up of revenue from major products and services

	Timing of revenue recognition	Year ended 31-Mar-23	Year ended 31-Mar-22
Sale of products			
Finished goods			
- Sugar	At a point in time	370110.13	293295.49
- Molasses	At a point in time	735.45	848.25
- Bagasse	At a point in time	3015.43	2049.23
- Power	At a point in time	6374.91	6237.98
- Alcohol	At a point in time	178145.21	106725.49
- Mechanical equipment - Water/Waste-water	At a point in time	3344.03	3749.16
- Gears/Gear Boxes (including spares)	At a point in time	21928.52	17946.86
- Others	At a point in time	6286.59	735.86
		589940.27	**431588.32**
Stock in trade			
- Petroleum goods (Diesel/Petrol/Lubricants)	At a point in time	2450.69	2393.20
- Other consumer goods	At a point in time	2116.07	96.20
		4566.76	**2489.40**
		594507.03	**434077.72**
Sale of services			
Servicing	Over time	601.12	252.82
Operation and maintenance	Over time	4522.44	3046.30
		5123.56	**3299.12**
Long-duration construction & supply contract revenue			
Water, Waste-water and Sewage treatment	Over time	27147.20	20068.70
Power generation and evacuation system	Over time	-	1243.29
		27147.20	**21311.99**
Other operating revenue			
Subsidy from Central Government	At a point in time	141.62	10489.13
Income from transfer of sugar export quota	At a point in time	2941.93	-
Income from scrap	At a point in time	1148.28	226.40
		4231.83	**10715.53**

(viii) Information about major customers

There is no single customer who has contributed 10% or more to the Group's revenue in the years ended 31 March 2023 and 31 March 2022.

Notes to the Consolidated financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

NOTE 37: EMPLOYEE BENEFIT PLANS

(i) Defined contribution plans

(a) The Group contributes to certain 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 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.

National Pension Scheme: The Group makes contributions to the National Pension Scheme fund in respect of certain employees of the Group.

(b) The expense recognised during the period towards defined contribution plans are as follows:

	Year ended 31-Mar-23	Year ended 31-Mar-22
Employer's contribution to Employees' Provident Fund	1630.58	1358.51
Administration and other expenses relating to above	52.01	34.40
Employer's contribution to Employees' State Insurance Scheme	7.20	7.21
Employer's contribution to Superannuation Scheme	123.97	124.33
Employer's contribution to National Pension Scheme	59.75	55.96

(ii) Defined benefit plan (Gratuity)

(a) The Group operates a defined benefit retirement plan under which the Group pays certain defined benefit by way of gratuity to its employees. The Gratuity Plan provides a lump sum payment to vested employees at retirement/ termination of employment or upon death of an employee, based on the respective employees' salary and years of employment with the Group.

(b) Risk exposure

The plan typically exposes the Group to 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 underperform compared to the government bonds discount rate, this will create or increase a deficit.

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. A change in the life expectancy of the plan participants will impact 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.

Notes to the Consolidated financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

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 change in the attrition rate of the plan participants will impact the plan's liability.

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

	Valuation as at	
	31-Mar-23	**31-Mar-22**
Discounting rate	7.45%	6.90%
Future salary growth rate	8.00%	8.00%
Mortality table *	IALM 2012-14 Ultimate	IALM 2012-14 Ultimate
Attrition rate	6.00% for Permanent employees 2.00% for Seasonal employees	7.00% for Permanent employees 4.00% for Seasonal employees
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 2012-14 Ultimate). These assumptions translate into an average life expectancy in years at retirement age.

(d) Amounts recognised in statement of profit and loss in respect of the defined benefit plan (gratuity) are as follows:

	Year ended 31-Mar-23	Year ended 31-Mar-22
Current service cost	531.84	478.25
Net interest expense	146.91	261.17
Components of defined benefit costs recognised in profit or loss	**678.75**	**739.42**
Remeasurement on the net defined benefit liability		
- Return on plan assets (excluding amount included in net interest expense)	21.14	(6.79)
- Actuarial gains and loss arising form changes in demographic assumptions	18.84	0.63
- Actuarial gains and loss arising form changes in financial assumptions	(217.16)	(150.24)
- Actuarial gains and loss arising form experience adjustments	408.83	83.25
Components of defined benefit costs recognised in other comprehensive income	**231.65**	**(73.15)**
Total	**910.40**	**666.27**

(e) Amounts included in the balance sheet arising from the entity's obligation in respect of the defined benefit plan (gratuity) is as follows:

	As at 31-Mar-23	As at 31-Mar-22
Present value of defined benefit obligation as at the end of the year	7129.60	6439.14
Fair value of plan assets	5620.32	3874.33
Funded status	**(1509.28)**	**(2564.81)**
Net asset/(liability) arising from defined benefit obligation recognised in the balance sheet	**(1509.28)**	**(2564.81)**

Notes to the Consolidated financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

(f) Movement in the present value of the defined benefit obligation (gratuity) is as follows:

	Year ended 31-Mar-23	Year ended 31-Mar-22
Present value of defined benefit obligation at the beginning of the year	6439.14	6310.39
Expenses recognised in profit or loss		
- Current service cost	531.84	478.25
- Interest expense/(income)	414.04	375.08
Remeasurement (gains)/losses recognised in other comprehensive income		
- Actuarial (gain)/loss arising from:		
i. Demographic assumptions	18.84	0.63
ii. Financial assumptions	(217.16)	(150.24)
iii. Experience adjustments	408.83	83.25
Benefit payments	(465.93)	(658.22)
Present value of defined benefit obligation at the end of the year	**7129.60**	**6439.14**

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

	Year ended 31-Mar-23	Year ended 31-Mar-22
Fair value of plan assets at the beginning of the year	3874.33	1753.63
Recognised in profit or loss		
- Expected return on plan assets	267.13	113.91
Remeasurement gains / (losses) recognised in other comprehensive income		
- Actual return on plan assets in excess of the expected return	(21.14)	6.79
Contributions by employer	1965.93	2658.22
Benefit payments	(465.93)	(658.22)
Fair value of plan assets at the end of the year	**5620.32**	**3874.33**

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

	As at 31-Mar-23			As at 31-Mar-22		
	Quoted	Unquoted	Total	Quoted	Unquoted	Total
Cash and cash equivalents	-	41.94	41.94	-	2010.01	2010.01
Debt instruments						
- Government securities	-	251.12	251.12	-	291.43	291.43
- State development loans	-	670.57	670.57	-	731.01	731.01
- Private sector bonds	-	103.12	103.12	-	98.93	98.93
- Public sector bonds	-	340.49	340.49	-	352.69	352.69
- Fixed deposits with banks	-	-	-	-	30.50	30.50
- Special deposit scheme balance with RBI	-	102.13	102.13	-	102.13	102.13
- Debt mutual funds	-	-	-	-	81.65	81.65
Equity instruments						
- Index mutual funds	-	-	-	-	126.57	126.57
- Arbitrage mutual funds	-	-	-	-	15.57	15.57
Group gratuity plans with insurance companies	-	3974.95	3974.95	-	-	-
Accrued interest and other recoverables	-	136.00	136.00	-	33.84	33.84
Total plan assets	**-**	**5620.32**	**5620.32**	**-**	**3874.33**	**3874.33**

Notes to the Consolidated financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

Majority of the plan assets held comprise amounts invested in traditional plans of group gratuity schemes offered by specified life insurance companies. The investment in traditional group gratuity scheme of life insurance companies ensures protection of the capital sum invested and interest earned. Balance investments comprise a mix of investments comprising central government securities, state government securities, other debt instruments. The Group has a risk management strategy which defines exposure limits and acceptable credit risk rating and are generally held to maturity. The Group, through the Trust, has during the year made a change in its process to manage its investment risks, whereby majority of the plan assets are now invested with specified life insurance companies to manage the investment risk and in return earns either interest thereon at a fixed specified rate or at a rate as declared annually at its discretion by the life insurance companies. The Group does not face any risk of capital erosion on such investments made with the life insurance companies.

(h) Sensitivity analysis

The sensitivity of the defined benefit obligation (gratuity) to changes in the weighted principal assumptions is:

	Change in assumption by	Increase/ decrease	Impact on defined benefit obligation (gratuity)			
			Increase in assumption		Decrease in assumption	
			31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22
Discounting rate	0.50%	in ₹ lakhs	(199.49)	(178.69)	211.26	189.03
		in %	-2.80%	-2.78%	2.96%	2.94%
Future salary growth rate	0.50%	in ₹ lakhs	209.16	186.16	(199.40)	(177.72)
		in %	2.93%	2.89%	-2.80%	-2.76%
Attrition rate	0.50%	in ₹ lakhs	(7.98)	(11.84)	8.28	12.34
		in %	-0.11%	-0.18%	0.12%	0.19%
Mortality rate	10.00%	in ₹ lakhs	(0.44)	(0.76)	0.44	0.77
		in %	-0.01%	-0.01%	0.01%	0.01%

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In the event of change in more than one assumption, the impact would be different than stated above. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to prior period.

(i) Defined benefit liability (gratuity) and employer contributions

The Group remains committed to fund all gratuity payments falling due and shall strive to gradually reduce the deficit in funding of its obligation in the coming years.

The Group expects to contribute ₹ 1117.12 lakhs to the defined benefit plan relating to gratuity during the next financial year.

The weighted average duration of the defined gratuity obligation (on discounted cash flow basis) as at 31 March 2023 is 6 years (31 March 2022: 6 years).

The expected maturity analysis of undiscounted defined benefit obligation (gratuity) as at 31 March 2023 is as follows:

	Less than a year	Between 1-2 years	Between 3-5 years	Over 5 years	Total
Defined benefit obligation (Gratuity)	1476.53	970.50	2256.01	7513.79	12216.83

Notes to the Consolidated financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

NOTE 38: RELATED PARTY TRANSACTIONS

(i) Subsidiaries (wholly owned) - incorporated under section 8 of the Companies Act, 2013

Triveni Foundation

(ii) Related parties with whom transactions have taken place during the year alongwith details of such transactions and outstanding balances as at the end of the year:

Name of related party and nature of transactions	Relationship	Year ended 31-Mar-23	Year ended 31-Mar-22
Sales and rendering services			
Triveni Turbine Limited	Associate / Other (refer #2 below)	5305.84	3911.83
Purchases and receiving services			
Triveni Turbine Limited	Associate / Other (refer #2 below)	555.05	2944.05
Rent & other charges received			
Triveni Turbine Limited	Associate / Other (refer #2 below)	17.98	18.90
Dividend received from investment in equity shares			
Triveni Turbine Limited	Associate / Other (refer #2 below)	1094.73	1553.82
Rent paid			
Dhruv M. Sawhney (Chairman & Managing Director) (DMS) (refer #1 below)	Key management person	65.31	62.96
Rati Sawhney (RS)	Spouse of DMS	42.11	40.71
Kameni Upaskar Limited	Enterprise over which RS has control	101.60	98.56
Corporate Social Responsibility expenses			
Triveni Foundation	Subsidiary incorporated u/s 8 of the Companies Act, 2013	293.60	185.18
Remuneration			
Tarun Sawhney (Vice Chairman & Managing Director) (TS)	Key management person	871.76	755.29
Suresh Taneja (Group Chief Financial Officer)	Key management person	268.75	250.62
Geeta Bhalla (Group Vice President & Company Secretary)	Key management person	113.63	104.45
B.K. Agrawal (Director of Subsidiary)	Key management person of Mathura Wastewater Management Private Limited, Subsidiary	109.11	109.60
Anil Garg (Chief Financial Officer of Subsidiary)	Key management person of Mathura Wastewater Management Private Limited, Subsidiary	6.00	6.00

Notes to the Consolidated financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

Name of related party and nature of transactions	Relationship	Year ended 31-Mar-23	Year ended 31-Mar-22
Director's fee			
Nikhil Sawhney (Promoter Non-Executive Director)	Key management person	9.70	10.05
Shekhar Dutta (Independent Non-Executive Director)	Key management person	-	2.75
Homai A. Daruwalla (Independent Non-Executive Director)	Key management person	14.25	12.75
Dr. Santosh Pande (Independent Non-Executive Director)	Key management person	-	2.85
Sudipto Sarkar (Independent Non-Executive Director)	Key management person	14.50	12.50
J. K. Dadoo (Independent Non-Executive Director)	Key management person	8.50	7.50
Ajay Relan (Independent Non-Executive Director)	Key management person	-	2.00
Director's commission			
Nikhil Sawhney (Promoter Non-Executive Director)	Key management person	55.00	45.00
Shekhar Dutta (Independent Non-Executive Director)	Key management person	-	3.00
Homai A. Daruwalla (Independent Non-Executive Director)	Key management person	19.00	15.00
Dr. Santosh Pande (Independent Non-Executive Director)	Key management person	-	4.00
Sudipto Sarkar (Independent Non-Executive Director)	Key management person	18.00	13.00
J. K. Dadoo (Independent Non-Executive Director)	Key management person	15.00	12.00
Contribution to post employment benefit plans			
Triveni Engineering Works Limited Gratuity Fund	Post employment benefit plan for employees	1965.93	2658.22
Triveni Engineering and Industries Limited Officers Pension Scheme	Post employment benefit plan for employees	123.97	124.33
Expenses incurred by the Company on behalf of party (net of expenses incurred by party on behalf of the Company) on reimbursable basis			
Triveni Turbine Limited	Associate / Other (refer #2 below)	33.04	36.89
Dhruv M. Sawhney (Chairman & Managing Director) (DMS) (refer #1 below)	Key management person	18.40	18.44

Notes to the Consolidated financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

Name of related party and nature of transactions	Relationship	Year ended 31-Mar-23	Year ended 31-Mar-22
Kameni Upaskar Limited	Enterprise over which RS has control	(3.19)	(3.47)
Triveni Engineering Works Limited Gratuity Fund	Post employment benefit plan for employees	(0.06)	(0.03)
Triveni Engineering and Industries Limited Officers Pension Scheme	Post employment benefit plan for employees	-	(0.00)
Dividend paid on equity shares			
Dhruv M. Sawhney (Chairman & Managing Director) (DMS) (refer #1 below)	Key management person	754.67	1132.01
Tarun Sawhney (Vice Chairman & Managing Director) (TS)	Key management person	276.40	414.61
Nikhil Sawhney (Promoter Non-Executive Director)	Key management person	287.36	431.04
Suresh Taneja (Group Chief Financial Officer)	Key management person	0.26	0.39
Manmohan Sawhney HUF	Controlled by DMS	84.89	127.33
Rati Sawhney (RS)	Spouse of DMS	330.21	525.31
Tarana Sawhney	Spouse of TS	0.47	0.71
STFL Trading and Finance Private Limited (refer #1 below)	Enterprise over which DMS has control	1574.78	2332.18
Repayment of loan taken			
Subhadra Trade & Finance Limited	Enterprise over which DMS has control	-	1.09
Buy-back of equity shares			
Dhruv M. Sawhney (Chairman & Managing Director) (DMS) (refer #1 below)	Key management person	7177.80	-
Tarun Sawhney (Vice Chairman & Managing Director) (TS)	Key management person	4640.92	-
Nikhil Sawhney (Promoter Non-Executive Director)	Key management person	4834.42	-
Suresh Taneja (Group Chief Financial Officer)	Key management person	4.64	-
Manmohan Sawhney HUF	Controlled by DMS	1500.10	-
Rati Sawhney (RS)	Spouse of DMS	4842.67	-
Tarana Sawhney	Spouse of TS	8.31	-
STFL Trading and Finance Private Limited (refer #1 below)	Enterprise over which DMS has control	27828.47	-
Sale of investment			
Rati Sawhney (RS)	Spouse of DMS	74036.95	-

Notes to the Consolidated financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

Amounts stated above are inclusive of applicable taxes

Outstanding balances

Name of related party and nature of transactions	Relationship	Year ended 31-Mar-23	Year ended 31-Mar-22
Receivable			
Triveni Foundation	Subsidiary incorporated u/s 8 of the Companies Act, 2013	-	2.42
Triveni Turbine Limited	Associate / Other (refer #2 below)	556.76	576.25
Payable			
Triveni Turbine Limited	Associate / Other (refer #2 below)	414.53	419.93
Dhruv M. Sawhney (Chairman & Managing Director) (DMS) (refer #1 below)	Key management person	4.42	4.83
Tarun Sawhney (Vice Chairman & Managing Director) (TS)	Key management person	428.20	328.20
Suresh Taneja (Group Chief Financial Officer)	Key management person	0.19	0.20
Nikhil Sawhney (Promoter Non-Executive Director)	Key management person	55.00	45.00
Shekhar Dutta (Independent Non-Executive Director)	Key management person	-	3.00
Homai A. Daruwalla (Independent Non-Executive Director)	Key management person	19.00	15.00
Dr. Santosh Pande (Independent Non-Executive Director)	Key management person	-	4.00
Sudipto Sarkar (Independent Non-Executive Director)	Key management person	18.00	13.00
J. K. Dadoo (Independent Non-Executive Director)	Key management person	15.00	12.00
Triveni Engineering and Industries Limited Officers Pension Scheme	Post employment benefit plan for employees	0.43	-

#1 Person or entity belonging to the promoter/promoter group holding 10% or more shareholding in the Company during the year.

#2 ceased to be an associate of the Company w.e.f. 21 September 2022 (refer note 43(ii)) hence no more covered within the definition of related party under Ind AS 24 Related Party Disclosures. However, it continues to be a related party as per section 2 of the Companies Act, 2013 since it is a public company in which a director of the Company is a director and holds along with his relatives more than 2% of its paid-up share capital.

(iii) Remuneration of key management personnel:

	Year ended 31-Mar-23	Year ended 31-Mar-22
Short-term employee benefits	1293.66	1152.14
Post-employment benefits	75.59	73.82
Total	**1369.25**	**1225.96**

The remuneration of key management personnel is determined by the remuneration committee having regard to the performance of individuals, market trends and applicable provisions of Companies Act, 2013.

Notes to the Consolidated financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

(iv) Remuneration and outstanding balances of key management personnel does not include long term employee benefits by way of gratuity and compensated absences, which are payable only upon cessation of employment and provided on the basis of actuarial valuation by the Company.

(v) Terms & conditions:

(a) Transactions relating to dividends and buyback of shares were on same terms and conditions that applied to other shareholders.

(b) Other transactions are made on terms equivalent to those that prevail in arm's length transactions.

(c) The outstanding balances at the year-end are unsecured and settlement to take place in cash.

NOTE 39: CAPITAL MANAGEMENT

For the purpose of capital management, capital includes net debt and total equity of the Group. The primary objective of the capital management is to maximize shareholders' value along with an objective to keep the leverage in check in view of cyclical capital intensive sugar business of the Group.

One of the major businesses of the Group is the sugar business, which is seasonal. The entire production takes place in about six months and is sold throughout the year. It thus necessitates maintaining high levels of sugar inventory requiring high working capital funding. Sugar business being a cyclical business, it is prudent to avoid high leverage and the resultant high finance cost. It is the endeavour of the Group to prune down debts to acceptable levels based on its financial position.

The Group may resort to further issue of capital for projects which can not be fully funded through internal accruals/debt and/or to finance working capital requirements.

The Group monitors capital structure through gearing ratio represented by debt-equity ratio (debt/total equity). In addition to the gearing ratio, the Group also looks at non-current debt to operating profit ratio (non-current debt/EBITDA) which provides an indication of adequacy of earnings to service the debts. The Group diligently negotiates the terms and conditions of the loans and ensures adherence to all the financial covenants. The Group generally incorporates a clause in loan agreements for prepayment of loans without any premium. The gearing ratio and non-current debt/EBITDA ratio for the Group as at the end of reporting period were as follows:

	As at 31-Mar-23	As at 31-Mar-22
Non-current borrowings (note 15)	22239.77	31917.78
Non-current lease liabilities	1227.74	976.65
Non-current debt	**23467.51**	**32894.43**
Current borrowings (note 18)	68889.94	124057.48
Current lease liabilities	568.54	554.46
Current debt	**69458.48**	**124611.94**
Total debt	**92925.99**	**157506.37**
Total equity (note 13 & 14)	266524.90	191285.33
EBITDA (before exceptional items)	71265.50	71573.85
Total debt to equity ratio	0.35	0.82
Non-current debt/EBITDA ratio	0.33	0.46

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2023 and 31 March 2022.

The Group is not subject to any externally imposed capital requirements.

Notes to the Consolidated financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

NOTE 40: FINANCIAL RISK MANAGEMENT

The Group's principal financial liabilities comprise borrowings, trade payables and other payables. The main purpose of the financial liabilities is to finance the Group's operations. The Group's principal financial assets include loans, trade and other receivables and cash and bank balances. The Group also holds certain investments, measured at fair value through profit or loss and enters into derivative transactions, which are not extensive.

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. The Group has a specialised team 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 the exposures and risks every quarter and mitigation measures are extensively discussed.

(i) Credit risk

Credit risk is associated with the possibility of a counterparty defaulting on its contractual obligations to pay, resulting in financial loss to the Group. The Group is exposed to credit risks from its operating activities, primarily trade receivables and retentions. The credit risks in respect of deposits with the banks, foreign exchange transactions and other financial instruments are nominal. As required, the Group also advances loans to its subsidiary companies and there is some credit risk associated with it.

(a) Credit risk management

The customer credit risk is managed by each business subject to the Group's established policy, procedure and controls relating to customer credit risk management. Various businesses require different processes and policies to be followed based on the business risks, industry practice and customer profiles.

In the case of Sugar business, majority of the sales are made either against advance payments or at a very short credit period upto 7-10 days through established sugar agents whereas in Cogeneration, forming part of sugar business, and Distillery, most of the sales are made to Government customers, such as, State Electricity Board (UPPCL) and Oil Marketing Companies (OMCs). There may be delays in receiving payments from UPPCL but the risk in respect of realisation of dues is minimal. In Power transmission business, it is the policy of the Group to receive payment prior to delivery of the material except in the case of some well established OEMs, including public sector undertakings, where credit up to 90 days is extended. Water business is engaged in Engineering, Procurement and Construction (EPC) business in the municipal and industrial sectors where it is customary to have prescribed retentions which are payable upon completion of the project and after satisfactory performance of the plant.

In order to contain the business risk especially with respect to long-duration construction & supply contracts, 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 restrict risks of delays and default. In view of its diversified business profile and considering the size of the Group, 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 of impairment loss is based on historical data of losses, current conditions and forecasts and future economic conditions. The Group's maximum exposure to credit risk at the reporting date is the carrying amount of each financial asset as detailed in note 6, 7, 8, 9 and 12.

Notes to the Consolidated financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

The business wise receivable position as at the end of the year is provided here below:

	Year ended 31-Mar-23			Year ended 31-Mar-22		
	External sales (A)	Year end receivables (B)	% Receivables (B/A)	External sales (A)	Year end receivables (B)	% Receivables (B/A)
Sugar business	370973.06	3225.93	1%	293060.91	5413.45	2%
Distillery business	186553.13	14943.91	8%	107126.61	5170.99	5%
Power transmission business	22426.89	8194.15	37%	18296.53	6457.51	35%
Water business	35158.91	29675.53	84%	26993.71	25750.72	95%
Others	15756.01	265.81	2%	13437.47	356.46	3%
Total	**630868.00**	**56305.33**	**9%**	**458915.23**	**43149.13**	**9%**

In the case of Water and Power transmission businesses, the percentage receivables to external sales is high whereas the overall ratio for the Group is much lower. In the case of EPC projects undertaken by Water business, the receivables are high in accordance with the norms of the industry and terms of the tender. A majority of such projects are executed for the municipalities and before bidding for any contract, the Water business carries out due-diligence to ensure that the customer has made satisfactory funding arrangements. Further, this business is executing two projects on hybrid annuity model and in such projects, receivables are higher as specified proportion of EPC contract value is paid rear-ended during O&M period. In the case of Power transmission business, negotiated credit is given to reputed OEMs. The percentage receivables to external sales is high due to higher year end sales.

Overall, the credit risk from receivable is low in view of diverse businesses and government customers.

(b) Provision for expected credit losses

Basis as explained above, life time expected credit loss ("ECL") is determined on trade receivables except in cases where advance payment terms are prescribed or payment is due from Central / State Government or Government Authorities / entities where there is no track record of short receipts. ECL arising from delays in receiving payments from the Government customers pursuant to sale of goods or under construction contracts are not considered if such delays are commonly prevalent in the industry and / or the delays are not exceeding one year. All other short receipts, other than arising from expense claims offset by the counter-party, are duly considered in determining ECL. In view of the business model of the Group's engineered-to-order products and the profile of trade receivables, the determination of provision based on age analysis may not be realistic and hence, the provision of expected credit loss is determined for the total trade receivables outstanding as on the reporting date. This provision for ECL is made in addition to the specific credit losses, if any, provided on specific financial assets.

Provision matrix (%, amounts) of ECL for trade receivables (other than specific credit losses separately recognised) is as under:

Business	% ECL	ECL amount as at 31-Mar-23	ECL amount as at 31-Mar-22
Sugar	Nil	Nil	Nil
Distillery	Nil	Nil	Nil
Power transmission	0.59%	48.08	64.03
Water	1.15%	140.11	104.00

Notes to the Consolidated financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

(c) Reconciliation of loss allowance provision

Trade receivables:

Business	Year ended 31-Mar-23	Year ended 31-Mar-22
Balance at beginning of the year	1541.13	2110.98
Additional provisions recognised during the year	65.76	529.53
Provision reversed/utilised during the year	(493.48)	(1099.38)
Balance at the end of the year	1113.41	1541.13

Loans and other financial assets:

	Loans		Other financial assets	
	Year ended 31-Mar-23	Year ended 31-Mar-22	Year ended 31-Mar-23	Year ended 31-Mar-22
Balance at beginning of the year	-	-	1014.77	15.05
Additional provisions recognised during the year	-	-	-	999.72
Provision reversed/utilised during the year			(999.08)	-
Balance at the end of the year	-	-	15.69	1014.77

(ii) Liquidity risk

The Group uses liquidity forecast tools to manage its liquidity. The Group operates capital intensive sugar business and has obligation to timely make cane price payments within the statutory time period. The Group is able to organise liquidity through own funds and through working capital loans. The Group has good relationship with its lenders, has not defaulted at any point of time in the past and is maintaining healthy credit ratings (viz. short term A1+ and long term AA with stable outlook from ICRA), as a result of which it does not experience any difficulty in arranging funds from its lenders. However, when the sugar fundamentals are unfavourable, either due to market forces or due to excessive cane pricing by the Government, the payment of cane price gets delayed though it is the endeavour of the Group to make cane payment on a priority basis. It is the objective and focus of the Group to reduce debts to be able to meet the cyclicalities of the sugar business.

Apart from cyclical sugar business, the Group has alternate revenue streams in the form of distillery and engineering business, which, to a large extent, offset the impact of sugar cyclicalities.

Table hereunder provides the current ratios of the Group as at the year end:

	Year ended 31-Mar-23	Year ended 31-Mar-22
Total current assets	274196.60	255765.07
Total current liabilities	138965.88	188165.39
Current ratio	1.97	1.36

In view of seasonal nature of sugar business, which is a dominant business of the Group, there is a peak build-up of sugar inventories at the year end, resulting in peak working capital requirement. With the liquidation of such inventories over the year, the working capital requirement is gradually reduced. Thus, the current ratio computed at the year end is not a reflection of average and realistic ratio for the year.

(a) Maturities of financial instruments

Maturities of non-derivative financial liabilities:

The following table details the remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The amounts disclosed in the table have been drawn up based on the undiscounted cash flows of financial liabilities. The contractual maturity is based on the earliest date on which the Group may be required to pay.

Notes to the Consolidated financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

	On demand	< 1 year	1-3 years	3-5 years	> 5 years	Total	Carrying amount
As at 31 March 2023							
Borrowings	52388.30	16765.10	13269.93	4253.93	4793.75	91471.01	91129.71
Trade payables	-	41274.74	193.23	-	-	41467.97	41467.97
Lease liabilities	-	568.54	739.21	198.77	289.76	1796.28	1796.28
Other financial liabilities	-	7485.84	-	-	-	7485.84	7485.84
	52388.30	**66094.22**	**14202.37**	**4452.70**	**5083.51**	**142221.10**	**141879.80**
As at 31 March 2022							
Borrowings	105791.87	18868.21	22907.17	6992.52	2326.75	156886.52	155975.26
Trade payables	-	34470.01	613.99	-	-	35084.00	35084.00
Lease liabilities	-	554.46	920.29	46.76	9.60	1531.11	1531.11
Other financial liabilities	-	8005.38	-	-	-	8005.38	8005.38
	105791.87	**61898.06**	**24441.45**	**7039.28**	**2336.35**	**201507.01**	**200595.75**

Maturities of derivative financial instruments:

The Group enters into derivative contracts (foreign exchange forward contracts) that are generally settled on a net basis to manage some of its foreign currency exposures. Derivative liabilities (net) of ₹ 75.86 lakhs as at 31 March 2023 (31 March 2022: Derivative assets (net) ₹ 109.21 lakhs), shall mature within one year from reporting date.

(iii) Market risk

The Group is exposed to following key market risks:

(a) Interest rate risk on loans and borrowings

(b) Sugar price risk

(c) Other market risks

(a) Interest rate risk

Most of the borrowings availed by the Group are subject to interest on floating rate basis linked to the MCLR (Marginal Cost of funds based Lending Rate). In view of the fact that the total borrowings of the Group are quite substantial, the Group is exposed to interest rate risk.

The strategy of the Group to opt for floating interest rates is helpful in maintaining market related realistic rates. Further, most of the loans and borrowings have a prepayment clause through which the loans could be prepaid without any prepayment premium. The said clause helps the Group to arrange debt substitution to bring down the interest costs or to prepay the loans out of the surplus funds held. The interest rate risk is largely mitigated as 77% of the long term debts as at 31 March 2023 (31 March 2022: 85% of long term debts), comprises loans carrying concessional interest rates/interest subvention.

While declining interest rates would be beneficial to the Group, adverse interest rate fluctuations could increase the finance cost. The total impact, in respect of borrowings on floating interest rate basis, is limited as per sensitivity analysis provided here under:

	Year ended 31-Mar-23	Year ended 31-Mar-22
Total debt as at the end of the year	92925.99	157506.37
Debt at floating rate of interest as at the end of the year	82069.80	140246.42
Average availment of borrowings at floating rate of interest	83052.29	66209.43
Impact of 1% interest rate variation	830.52	662.09

Notes to the Consolidated financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

(b) Sugar price risk

The sugar prices are dependent inter-alia on domestic and global sugar balance - higher supplies lead to softening of sugar prices whereas higher demand than available supplies lead to hardening of sugar prices. The Group sells most of its sugar in the domestic market where there are no effective mechanism available to hedge sugar prices in view of limited breadth in the commodity exchanges. The Group also exports sugar in the years of surplus production based on Government policy on exports.

Adverse changes in sugar price impact the Group in the following manner:

- The Group values sugar stocks at lower of cost and net realisable value (NRV). In the event, the cost of production of sugar is higher than the NRV, the stocks are written down to NRV leading to recognition of loss on such inventory.
- The Group is a large producer of sugar and even a small variation in the sugar price leads to significant impact on the profitability of the Group.

Sensitivity analysis in respect of sugar price risk is provided here below:

	Year ended 31-Mar-23	Year ended 31-Mar-22
Annual production of sugar (MT)	972381	887373
Impact of sugar price variation by ₹ 1000/MT	9723.81	8873.73

The cost of production of sugar is generally lower than the net realisable value of sugar and hence, chances of significant losses due to inventory write down are low. Further, the Central Government has prescribed Minimum Selling Price (MSP) for sugar, which is subject to revision from time to time. It ensures that there is no steep decline in the sugar prices.

(c) Other market risks

The other market risks includes Equity price risk and Foreign currency risk.

Equity price risk in respect of listed and non listed equity securities which are susceptible to market price risk arising from uncertainties about future value of the investment securities. In view of nominal value of investments being held by the Group, the magnitude of risk is only nominal.

The Group is exposed to foreign currency exchange risk on certain contracts in connection with export and import of goods and services. The Group mitigates such risk through entering into off-setting derivative contracts with Banks, mainly foreign exchange forward contracts, of appropriate maturity and amounts at adequate intervals. The impact of sensitivity of such foreign exchange fluctuations on the overall financial performance and position of the Group is nominal.

In respect of firm commitments under certain contracts involving receipt of consideration in foreign currency, the Group has chosen to follow hedge accounting to hedge the risks attributable to the cash flows in respect of such firm commitments. The foreign exchange risk arises in respect of the movement in the foreign currency from the time the contract is negotiated/entered into and till the time the consideration under the contract is actually settled. In accordance with its risk management strategy, the Group manages such risks, generally by entering into foreign exchange forward contracts for the appropriate maturity with banks. The risk mitigation strategy involves determination of the timing and the amount of hedge to be taken in a progressive manner, with a view to protect the exchange rate considered at the time of acceptance of the contract. The Group, generally hedges the foreign currency risk directly to INR and for hedge accounting, designates a hedge ratio of generally 1:1 in respect of all such cash flow hedges. Besides monitoring the movements in the foreign exchange market, the Group also takes the advice of outside consultants in arriving at its hedging decision. Refer note 1(s) for further details on accounting policy in respect of hedge accounting.

Notes to the Consolidated financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

Foreign currency risk exposure

The Group's exposure to foreign currency risk at the end of the reporting period are as follows:

		US$	EURO	GBP	AUD	MVR	BDT
As at 31 March 2023							
Financial assets							
- Trade receivables	in foreign currency lakhs	22.95	12.28	-	-	-	-
	in equivalent ₹ lakhs	1867.46	1081.43	-	-	-	-
- Bank balances	in foreign currency lakhs	25.49	-	-	-	0.05	429.82
	in equivalent ₹ lakhs	2073.97	-	-	-	0.27	329.45
Derivatives (in respect of underlying financial assets)							
- Foreign exchange forward contracts to sell foreign currency	in foreign currency lakhs	10.45	2.35	-	-	-	-
	in equivalent ₹ lakhs	850.52	206.61	-	-	-	-
Net exposure to foreign currency risk (assets)	in foreign currency lakhs	**37.99**	**9.93**	**-**	**-**	**0.05**	**429.82**
	in equivalent ₹ lakhs	**3090.91**	**874.82**	**-**	**-**	**0.27**	**329.45**
Financial liabilities							
- Trade payables	in foreign currency lakhs	12.04	3.44	0.38	30.95	-	-
	in equivalent ₹ lakhs	997.80	313.40	38.95	1744.70	-	-
Derivatives (in respect of underlying financial liabilities)							
- Foreign exchange forward contracts to buy foreign currency	in foreign currency lakhs	-	-	-	24.00	-	-
	in equivalent ₹ lakhs	-	-	-	1352.88	-	-
Net exposure to foreign currency risk (liabilities)	in foreign currency lakhs	**12.04**	**3.44**	**0.38**	**6.95**	**-**	**-**
	in equivalent ₹ lakhs	**997.80**	**313.40**	**38.95**	**391.82**	**-**	**-**

		US$	EURO	GBP	AUD	MVR	BDT
As at 31 March 2022							
Financial assets							
- Trade receivables	in foreign currency lakhs	20.23	6.97	-	-	-	-
	in equivalent ₹ lakhs	1516.35	579.24	-	-	-	-
- Bank balances	in foreign currency lakhs	3.05	-	-	-	0.17	-
	in equivalent ₹ lakhs	228.43	-	-	-	0.82	-
Derivatives (in respect of underlying financial assets)							
- Foreign exchange forward contracts to sell foreign currency	in foreign currency lakhs	1.96	-	-	-	-	-
	in equivalent ₹ lakhs	146.94	-	-	-	-	-
Net exposure to foreign currency risk (assets)	in foreign currency lakhs	**21.32**	**6.97**	**-**	**-**	**0.17**	**-**
	in equivalent ₹ lakhs	**1597.84**	**579.24**	**-**	**-**	**0.82**	**-**
Financial liabilities							
- Trade payables	in foreign currency lakhs	3.51	0.48	0.45	0.63	-	-
	in equivalent ₹ lakhs	268.54	40.85	45.86	36.16	-	-
Derivatives (in respect of underlying financial liabilities)							
- Foreign exchange forward contracts to buy foreign currency	in foreign currency lakhs	-	-	-	-	-	-
	in equivalent ₹ lakhs	-	-	-	-	-	-
Net exposure to foreign currency risk (liabilities)	in foreign currency lakhs	**3.51**	**0.48**	**0.45**	**0.63**	**-**	**-**
	in equivalent ₹ lakhs	**268.54**	**40.85**	**45.86**	**36.16**	**-**	**-**

Notes to the Consolidated financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

The Group's foreign currency derivatives outstanding (including for firm commitments) at the end of the reporting period are as follows:

		US$	EURO	GBP	AUD	MVR	BDT
As at 31 March 2023							
Derivatives (designated as hedges)							
- Foreign exchange forward contracts to	in foreign currency lakhs	40.50	-	-	-	-	-
sell foreign currency	in equivalent ₹ lakhs	3295.49	-	-	-	-	-
Derivatives (not designated as hedges)							
- Foreign exchange forward contracts to	in foreign currency lakhs	16.45	8.11	-	-	-	-
sell foreign currency	in equivalent ₹ lakhs	1338.74	714.25	-	-	-	-
- Foreign exchange forward contracts to	in foreign currency lakhs	-	-	-	24.00	-	-
buy foreign currency	in equivalent ₹ lakhs	-	-	-	1352.88	-	-
As at 31 March 2022							
Derivatives (designated as hedges)							
- Foreign exchange forward contracts to	in foreign currency lakhs	93.00	-	-	-	-	-
sell foreign currency	in equivalent ₹ lakhs	6972.21	-	-	-	-	-
Derivatives (not designated as hedges)							
- Foreign exchange forward contracts to	in foreign currency lakhs	5.22	-	-	-	-	-
sell foreign currency	in equivalent ₹ lakhs	391.57	-	-	-	-	-

All the above contracts are maturing within one year from the reporting date.

Sensitivity

The following table demonstrate the sensitivity of net unhedged foreign currency exposures relating to financial instruments to 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 ₹ lakhs)			
		Increase in FC exchange rates		Decrease in FC exchange rates	
		31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22
US$ sensitivity	5%	104.66	66.47	(104.66)	(66.47)
EURO sensitivity	5%	28.07	26.92	(28.07)	(26.92)
GBP sensitivity	5%	(1.95)	(2.29)	1.95	2.29
AUD sensitivity	5%	(19.59)	(1.81)	19.59	1.81
MVR sensitivity	5%	0.01	0.04	(0.01)	(0.04)
BDT sensitivity	5%	16.47	-	(16.47)	-

Further, the impact of change in foreign currency rates (assuming forward premium to remain unchanged) on the fair valuation of derivatives (excluding derivatives which have hedged the foreign currency denominated receivables and payables) as at the end of the year, is demonstrated in the table below. However, apart from the impact on the profit or loss due to fair value changes of the derivatives, the derivatives will help the Group in capturing the hedged rates including forward premium and the budgeted profitability will remain unaffected.

	Change in FC exchange rate by	Impact on profit or loss / other comprehensive income and equity (in ₹ lakhs)			
		Increase in FC exchange rates		Decrease in FC exchange rates	
		31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22
Impact on profit or loss and equity					
US$ sensitivity	5%	(24.41)	(12.23)	24.41	12.23
EURO sensitivity	5%	(25.38)	-	25.38	-
Impact on other comprehensive income and equity					
US$ sensitivity	5%	(164.77)	(348.61)	164.77	348.61

Notes to the Consolidated financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

Impact of hedging activities

Outstanding derivative instruments designated as hedges:

	< 3 months	3-6 months	6-9 months	Total
As at 31 March 2023				
Foreign exchange forward contracts to hedge receivables				
- Nominal amount (in US$ lakhs)	15.00	23.00	2.50	40.50
- Nominal amount (in ₹ lakhs)	1236.90	1905.00	209.67	3351.57
Average rate	82.46	82.83	83.87	82.75
As at 31 March 2022				
Foreign exchange forward contracts to hedge receivables				
- Nominal amount (in US$ lakhs)	35.00	20.00	38.00	93.00
- Nominal amount (in ₹ lakhs)	2707.53	1563.38	3005.07	7275.98
Average rate	77.36	78.17	79.08	78.24

Effects on financial position:

	As at 31-Mar-23	As at 31-Mar-22
Carrying amount of hedging instruments - Assets (refer note 9 - other financial assets)	0.46	105.91
Amount included under non-financial liabilities (refer note 17 - other liabilities)	(2.89)	(15.03)
Total	**(2.43)**	**90.88**

Effects on financial performance:

	Year ended 31-Mar-23	Year ended 31-Mar-22
Effective portion of gains/(losses) on hedging instruments recognised in other comprehensive income	(581.44)	(101.57)
Share of other comprehensive income of associates arising from effective portion of gains/(losses) on hedging instruments designated as cash flow hedges	(66.64)	14.69
Share of other comprehensive income of associates arising from reclassification of cumulative gains/(losses) to profit or loss upon divestment	39.77	-
Fair value gains/(losses) on forward elements of forward contracts in hedging relationship recognised in other comprehensive income	209.53	192.43
Cumulative gains/(losses) reclassified from cash flow hedging reserve to profit or loss	430.58	-
Cumulative gains/(losses) reclassified from cost of hedging reserve to profit or loss	(252.93)	-
Line item affected in the statement of profit or loss because of the reclassification	Revenue from operations - note 23	Revenue from operations - note 23
(Refer note 14(ix) & 14(x) for movements in cash flow hedging reserve and costs of hedging reserve)		

Other disclosures:

	Year ended 31-Mar-23	Year ended 31-Mar-22
Changes in fair value of hedging instruments	(223.10)	(72.24)
Changes in the value of hedged items used as the basis for recognising hedge effectiveness	223.10	72.24

Notes to the Consolidated financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

NOTE 41: FAIR VALUE MEASUREMENTS

(i) Financial instruments by category

	As at 31-Mar-23			As at 31-Mar-22		
	FVTPL *	FVTOCI	Amortised cost	FVTPL *	FVTOCI	Amortised cost
Financial assets						
Investments						
- Equity instruments	499.09	-	-	485.55	-	-
- Debentures or Bonds	-	-	115.54	-	-	148.95
- National Saving Certificates	-	-	0.03	-	-	0.03
Trade receivables	-	-	56305.33	-	-	43149.13
Loans	-	-	61.24	-	-	47.91
Cash and bank balances	-	-	8579.01	-	-	3391.01
Security deposits	-	-	1015.38	-	-	1061.48
Earnest money deposits	-	-	221.34	-	-	312.98
Derivative financial assets	-	0.46	-	3.30	105.91	-
Other receivables	-	-	1402.59	-	-	210.87
Total financial assets	**499.09**	**0.46**	**67700.46**	**488.85**	**105.91**	**48322.36**
Financial liabilities						
Borrowings	-	-	91129.71	-	-	155975.26
Trade payables	-	-	41467.97	-	-	35084.00
Capital creditors	-	-	2540.92	-	-	3093.40
Security deposits	-	-	564.69	-	-	490.44
Lease liabilities	-	-	1796.28	-	-	1531.11
Other payables	-	-	4380.23	-	-	4421.54
Total financial liabilities	**76.32**	**-**	**141879.80**	**-**	**-**	**200595.75**

*Mandatorily required to be measured at FVTPL. There is no financial instrument which is designated as FVTPL.

Notes to the Consolidated financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

(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

	Note No.	Level 1	Level 2	Level 3	Total
As at 31 March 2023					
Financial assets					
- Investments in equity instruments at FVTPL (quoted)	6	499.09	-	-	499.09
- Foreign exchange forward contract at FVTPL (not designated as hedges)	9	-	-	-	-
- Foreign exchange forward contract at FVTOCI (designated as hedges)	9	-	0.46	-	0.46
		499.09	**0.46**	**-**	**499.55**
Financial liabilities					
- Foreign exchange forward contract at FVTPL (not designated as hedges)	20	-	76.32	-	76.32
		-	**76.32**	**-**	**76.32**
As at 31 March 2022					
Financial assets					
- Investments in equity instruments at FVTPL (quoted)	6	485.55	-	-	485.55
- Foreign exchange forward contract at FVTPL (not designated as hedges)	9	-	3.30	-	3.30
- Foreign exchange forward contract at FVTOCI (designated as hedges)	9	-	105.91	-	105.91
		485.55	**109.21**	**-**	**594.76**
Financial liabilities	20	-	-	-	-

Level 1: Level 1 hierarchy includes financial instruments measured using quoted unadjusted market prices in active markets for identical assets or liabilities. This includes listed equity instruments that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting date.

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.

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 derivatives (viz. 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.

Notes to the Consolidated financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

(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 on the fair value of financial instruments.

(v) The management considers that the carrying amounts of financial assets and financial liabilities recognised in the financial statements approximate their fair values.

NOTE 42: GOVERNMENT GRANTS

(i) Government grants recognised in the financial statements

		Grants recognised in profit or loss			Grant recoverable	
		Year ended 31-Mar-23	Year ended 31-Mar-22	Treatment in financial statements	As at 31-Mar-23	As at 31-Mar-22
A	**Deferred government grants related to income**					
a)	Loans at below market interest rate aggregating to ₹ 36400 lakhs availed during financial year 2018-19 under the "Scheme for Extending Financial Assistance to Sugar Undertakings 2018" notified by the State Government of Uttar Pradesh.	567.76	858.92	Reduced from finance cost (note 29)	-	-
	Total deferred government grants	**567.76**	**858.92**		**-**	**-**
B	**Other revenue government grants**					
a)	Financial assistance by Government of India under the Scheme for providing assistance to sugar mills for expenses on marketing costs including handling, upgrading and other processing costs and costs of international and internal transport and freight charges on export of sugar during the sugar season 2020-21.	-	10366.50	Presented under "Other operating revenue" (note 23)	-	-
b)	Interest subvention @ 7% for one year by Government of India on soft loans of ₹ 31000 lakhs availed from banks under the scheme for soft loans to sugar mills	-	-	Reduced from finance cost (note 29)	-	0.30
c)	Interest subvention @ 50% of rate charged by lenders (subject to maximum of 6%) on loans of ₹ 34915 lakhs (31 March 2022: ₹ 30815 lakhs) availed from banks for distilleries under the "Scheme for extending financial assistance to sugar mills for enhancement and augmentation of ethanol production capacity"	922.03	492.18	Reduced from finance cost (note 29)	850.00	347.41
		-	140.07	Reduced from capital work in progress (note 3)	-	140.07
d)	Export incentives under Duty Draw back Scheme, Refund of Duties and Taxes on Export Proceeds, Incremental Export Incentive Scheme and Merchandise Export Incentive Scheme.	141.62	122.63	Presented under "Other operating revenue" (note 23)	47.15	69.97
	Total other revenue government grants	**1063.65**	**11121.38**		**897.15**	**557.75**
	Total government grants related to income	**1631.41**	**11980.30**		**897.15**	**557.75**

Notes to the Consolidated financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

		Grants received			Grant recoverable	
		Year ended 31-Mar-23	Year ended 31-Mar-22	Treatment in financial statements	As at 31-Mar-23	As at 31-Mar-22
C	**Government grants related to assets**					
a)	Deferred grant of ₹ 141.45 lakhs in the form of duties saved upon import of machinery during financial year 2017-18 under Export Promotion Capital Goods (EPCG) scheme (refer note 17).	-	-	Shall be reduced from gross value of PPE and recognised in profit or loss by way of reduced depreciation upon fulfillment of export obligation(s)	-	-
	Total government grants related to assets	-	-		-	-

(ii) Movement of deferred government grants is provided here below:

	Year ended 31-Mar-23	Year ended 31-Mar-22
As at the beginning of the year	962.60	1821.52
Released to the statement of profit and loss	(567.76)	(858.92)
As at the end of the year	**394.84**	**962.60**
Current (refer note 17)	245.85	592.57
Non-current (refer note 17)	148.99	370.03
Total	**394.84**	**962.60**

NOTE 43: INTEREST IN OTHER ENTITIES

(i) Subsidiaries

Details of the Group's subsidiaries at the end of the reporting period are as follows:

Name of Subsidiaries	Principal activities	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Group	
			As at 31-Mar-23	As at 31-Mar-22
Triveni Engineering Limited	see (a) below	India	100%	100%
Triveni Energy Systems Limited	see (a) below	India	100%	100%
Svastida Projects Limited	see (a) below	India	100%	100%
Triveni Entertainment Limited	see (a) below	India	100%	100%
Triveni Industries Limited	see (a) below	India	100%	100%
Triveni Sugar Limited	see (a) below	India	100%	100%
United Shippers & Dredgers Limited	see (a) below	India	100%	100%
Gaurangi Enterprises Limited	see (a) below	India	100%	100%
Triveni Foundation (Section 8 company)	Corporate social responsibility activities	India	100%	100%
Mathura Wastewater Management Private Limited	Water and wastewater treatment solutions	India	100%	100%
Pali ZLD Private Limited	Water and wastewater treatment solutions	India	100%	100%

(a) **These companies are relatively much smaller and there have been no significant business activities in these companies.**

Notes to the Consolidated financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

(ii) Interest in Associates

Details of the Group's associates at the end of the reporting period are as follows:

Name of Associates	Principal activities	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Group	
			As at 31-Mar-23	As at 31-Mar-22
Triveni Turbine Limited	Power generating equipment and solutions	India	0.00%	21.85%

The Company has, during the year, divested the entire equity stake held in its associate company viz., Triveni Turbine Limited (TTL). Consequently, TTL has ceased to remain an associate of the Company w.e.f. September 21, 2022 and the Company ceased to consolidate the results of TTL using the equity method of accounting.

(a) Summarised financial information of Associates

The summarised financial information below represents amounts based on the associate's financial statements drawn up for consolidation under equity accounting method by the Group.

Summarised balance sheet of Associates

	As at 20-Sep-22	As at 31-Mar-22
Current assets	112913.67	106554.07
Non-current assets	28253.68	26927.89
Current liabilities	51952.47	46519.43
Non-current liabilities	1297.34	1224.38
Non-controlling interest	81.23	81.52
Net assets	87836.31	85656.63

Summarised statement of profit and loss of Associates

	01-Apr-22 to 20-Sep-22	Year ended 31-Mar-22
Revenue	50421.17	85223.54
Profit from continuing operations	7364.02	27019.62
Profit from discontinued operations	-	-
Other comprehensive income	(174.74)	1984.28
Total comprehensive income	7189.28	29003.90
Dividend received from the Associate	1094.73	1553.82

Reconciliation of the above summarised financial information to the carrying amount of the interest in the associates recognised in financial statements:

	As at 20-Sep-22	As at 31-Mar-22
Net assets of the Associates	87836.31	85656.63
Group's share in %	21.85%	21.85%
Group's share in ₹	19188.36	18712.19
Adjustments:		
Group's share in adjustment for unrealised profits on inter-company transactions (net of tax)	-	(0.17)
Goodwill on acquisition (as restated)	(8.11)	(8.11)
Other adjustments	0.07	0.07
Proceeds from disposal of investment (refer statement of cash flows)	(159299.93)	-
Profit from disposal of investment (refer note 33)	140119.61	-
Carrying amount	**-**	**18703.98**

Notes to the Consolidated financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

NOTE 44: 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	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Parent								
Triveni Engineering & Industries Limited								
31 March 2023	95.69%	255025.47	98.99%	177370.47	83.36%	(312.47)	99.02%	177058.00
31 March 2022	84.40%	161443.59	85.48%	36248.26	21.32%	118.00	84.65%	36366.26
Subsidiaries (Group's share)								
Indian								
Triveni Engineering Limited								
31 March 2023	0.04%	115.56	0.00%	(1.06)	0.00%	-	0.00%	(1.06)
31 March 2022	0.06%	116.62	0.00%	(0.94)	0.00%	-	0.00%	(0.94)
Triveni Energy Systems Limited								
31 March 2023	0.04%	116.69	0.00%	(1.01)	0.00%	-	0.00%	(1.01)
31 March 2022	0.06%	117.70	0.00%	(0.92)	0.00%	-	0.00%	(0.92)
Triveni Sugar Limited								
31 March 2023	0.04%	105.25	0.00%	(0.68)	0.00%	-	0.00%	(0.68)
31 March 2022	0.06%	105.94	0.00%	(0.69)	0.00%	-	0.00%	(0.69)
Svastida Projects Limited								
31 March 2023	0.05%	130.30	0.00%	(0.32)	0.00%	-	0.00%	(0.32)
31 March 2022	0.07%	130.81	0.00%	(0.37)	0.00%	-	0.00%	(0.37)
Triveni Entertainment Limited								
31 March 2023	0.05%	125.11	0.00%	(1.55)	0.00%	-	0.00%	(1.55)
31 March 2022	0.07%	126.67	0.00%	(1.40)	0.00%	-	0.00%	(1.40)
Triveni Industries Limited								
31 March 2023	0.04%	102.45	0.00%	(1.00)	0.00%	-	0.00%	(1.00)
31 March 2022	0.05%	103.45	0.00%	(1.01)	0.00%	-	0.00%	(1.01)
Mathura Wastewater Management Private Limited								
31 March 2023	2.69%	7172.51	0.05%	87.40	0.00%	-	0.06%	87.40
31 March 2022	4.77%	9132.94	0.44%	186.82	0.00%	-	0.43%	186.82
Gaurangi Enterprises Limited								
31 March 2023	0.05%	125.71	0.00%	(0.36)	0.00%	-	0.00%	(0.36)
31 March 2022	0.07%	126.08	0.00%	(0.42)	0.00%	-	0.00%	(0.42)

Notes to the Consolidated financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

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	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
United Shippers & Dredgers Limited								
31 March 2023	0.00%	0.63	0.00%	(0.59)	0.00%	-	0.00%	(0.59)
31 March 2022	0.00%	1.02	0.00%	(0.77)	0.00%	-	0.00%	(0.77)
Pali ZLD Private Limited								
31 March 2023	1.32%	3505.22	0.05%	95.91	0.00%	-	0.05%	95.91
31 March 2022	0.98%	1882.87	0.15%	62.88	0.00%	-	0.00%	62.88
Associates (Investments as per the equity method)								
Indian								
Triveni Turbine Limited [refer note 43(ii)]								
31 March 2023	0.00%	-	0.91%	1633.44	16.64%	(62.38)	0.88%	1571.06
31 March 2022	9.41%	17997.64	13.95%	5914.48	78.68%	435.40	14.78%	6349.88
Total								
31 March 2023	**100%**	**266524.90**	**100%**	**179180.65**	**100%**	**(374.85)**	**100%**	**178805.80**
31 March 2022	**100%**	**191285.33**	**100%**	**42405.92**	**100%**	**553.40**	**100%**	**42959.32**

NOTE 45: LEASES

As Lessee

Assets taken under lease mainly includes various residential, office, godown premises and plots of land. These are generally not non-cancellable leases (except for few premises) having unexpired period upto sixty six years. Except a few, the leases are generally renewable by mutual consent and on mutually agreeable terms. The Company has given refundable interest free security deposits under certain lease agreements. There is no contingent rent, sublease payments or restriction imposed in the lease agreement.

Amounts recognised as expense

	Year ended 31-Mar-23	Year ended 31-Mar-22
Depreciation expense - Right-of-use assets (Land) (refer note 3)	8.49	6.68
Depreciation expense - Right-of-use assets (Building) (refer note 3)	589.07	501.97
Interest on lease liabilities (refer note 29)	148.26	130.82
Rent expense - short term leases (refer note 32)	203.11	230.52
Total	**948.93**	**869.99**

Total cash outflow for leases during the year ended 31 March 2023 is ₹ 1857.66 lakhs (31 March 2022: ₹ 823.73 lakhs).

Commitments for short term leases as at 31 March 2023 is ₹ 19.46 lakhs (31 March 2022 is ₹ 24.04 lakhs).

Notes to the Consolidated financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

As Lessor

The Group has given certain portion of its office / factory premises under operating leases [including lease of investment property (refer note 4)]. 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 recognised 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). Lease income earned by the Group from its investment properties and direct operating expenses arising on the investment properties for the year is set out in note 4.

NOTE 46: COMMITMENTS

		As at 31-Mar-23	As at 31-Mar-22
(i)	Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	5737.98	6125.01
(ii)	Group's share of associates' commitments: Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) (refer note 43(ii))	-	281.86

NOTE 47: CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Contingent liabilities

		As at 31-Mar-23	As at 31-Mar-22
Claims against the Group not acknowledged as debts:			
(i)	Claims (excluding further interest thereon) which are being contested by the Group and in respect of which the Group has paid amounts aggregating to ₹ 370.83 lakhs (31 March 2022: ₹ 693.49 lakhs), under protest pending final adjudication of the cases:	9374.18	7940.70

Sl. No.	Particulars	Amount of contingent liability		Amount paid	
		31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22
1	Sales tax	29.04	243.41	14.52	88.52
2	Excise duty	552.23	545.18	288.76	279.74
3	GST	63.32	-	0.42	-
4	Interest on delayed payment of cane price *	5973.50	5973.50	-	-
5	Others	2756.09	1178.61	67.13	325.23

* Amount of contingent liability on account of interest on delayed payment of cane price for the sugar seasons 2012-13, 2013-14 and 2014-15 in respect of which the Hon'ble Allahabad High Court had passed an order directing the Cane Commissioner of the State to decide the matter afresh, taking into consideration certain additional factors. The Cane Commissioner is understood to have filed an affidavit in a contempt proceeding, specifying interest rates on delayed cane price payments but no such order of the Cane Commissioner has been served on the Company or industry association and such order, if served, may be legally challenged.

Notes to the Consolidated financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

		As at 31-Mar-23	As at 31-Mar-22
(ii)	The Group is contingently liable in respect of short provision against disputed income tax liabilities (excluding determination of final interest payable thereon) of ₹ 2641.62 lakhs (31 March 2022: ₹ 2569.59 lakhs) against which ₹ 748.36 lakhs (31 March 2022: ₹ 698.92 lakhs) stands paid. The disputed income tax liability mainly arises on the issue of taxability of unrealised incentives, majority of which have been held to be non-taxable in the first appeal filed by the Group against which the Department has filed appeals before the Tribunal..	2641.62	2569.59
(iii)	Liability arising from claims / counter claims/ interest in arbitration/ court cases, claims of certain employees/ex-employees and in respect of service tax, if any, on certain activities of the Group which are being contested by the Group.	Indeterminate	Indeterminate
(iv)	Group's share of associates' contingent liabilities (refer note 43(ii)	-	313.79
	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 at 31 March 2023 and as at 31 March 2023

NOTE 48: REGULATORY FEES

The Government of Uttar Pradesh vide its order dated 24 December 2021 imposed regulatory fees of ₹ 20/quintal on sale/ transfer of molasses. UP Sugar Mills Association has challenged the imposition of the regulatory fees before the Hon'ble Allahabad High Court. Pending final outcome of the matter, the Company, on a conservative basis, accounted for the liability aggregating to ₹ 1674.74 lakhs (including ₹ 636.33 lakhs till 31 March 2022) in respect of fee paid on sale/transfer of molasses and molasses held in stock. This has resulted in the profit before tax of current financial year being adversely impacted by an amount of ₹ 1216.74 lakhs and balance ₹ 458.00 lakhs is included in the carrying value of sugar inventories.

Notes to the Consolidated financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

NOTE 49: DISCLOSURES OF MICRO ENTERPRISES AND SMALL ENTERPRISES

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:

	As at 31-Mar-23	As at 31-Mar-22
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 (refer note 19 & 20)	971.67	919.10
(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 (27 of 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 period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-

NOTE 50: ADDITIONAL REGULATORY INFORMATION UNDER SCHEDULE III

The relevant disclosures to the extent applicable to the Company are as under:

(i) Title deeds of Immovable Properties not held in name of the Group

Relevant line item in the Balance Sheet	Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the Group
As at 31 March 2023						
Property, plant and equipment (note 3)	Land	8.27	Horam Singh	No	Jul'2005	Transfer of land in the name of some Group companies could not be completed on account of certain technicalities/ documentary deficiencies/ various delays including due to the pandemic, which the Group companies are trying to resolve to the extent feasible
	Land	4.08	Shyam Bhadur	No	Jul'2005	
Investment property (note 4)	Land	12.06	Madhu Arora	No	Sep'2004	

Notes to the Consolidated financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

Relevant line item in the Balance Sheet	Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the Group
	Land	0.84	Madhu Arora	No	Sep'2004	
As at 31 March 2022						
Property, plant and equipment (note 3)	Land	8.27	Horam Singh	No	Jul'2005	Transfer of land in the name of some Group companies could not be completed on account of certain technicalities/ documentary deficiencies/ various delays including due to the pandemic, which the Group companies are trying to resolve to the extent feasible
	Land	4.08	Shyam Bhadur	No	Jul'2005	
Investment property (note 4)	Land	12.06	Madhu Arora	No	Sep'2004	
	Land	0.84	Madhu Arora	No	Sep'2004	

(ii) Transactions with Struck off companies

Name of Struck off company	Nature of transactions	Balance outstanding as at 31 March 2023	Relationship with struck off company, if any	Balance outstanding as at 31 March 2022	Relationship with struck off company, if any
Nikumbh Engineering Works Private Limited	Payables against purchase of services	1.22	Not a related party	-	Not a related party

(iii) Ratios

Ratio	Numerator	Denominator	31-Mar-23	31-Mar-22	% Variance	Reason for variance
Current ratio	Current assets	Current liabilities	1.97	1.36	45%	On account of surplus funds generated from divestment of equity stake in an associate company
Debt equity ratio	Borrowings and lease liabilities	Equity	0.35	0.82	-58%	Due to much reduced borrowings in view of surplus funds available from divestment of equity stake in an associate company and substantial profits during the year

Notes to the Consolidated financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

Ratio	Numerator	Denominator	31-Mar-23	31-Mar-22	% Variance	Reason for variance
Debt service coverage ratio	Profit after tax plus finance costs, depreciation and amortisation expense	Repayment of long term borrowings and lease liabilities (excluding prepayments) and finance costs	9.61	3.21	200%	Due to substantially higher profits during the year in view of exceptional income
Return on equity ratio (%)	Profit after tax	Average equity	78%	24%	220%	Due to substantially higher profits during the year in view of exceptional income
Inventory turnover ratio	Revenue from operations (net of excise duty)	Average inventories	2.79	2.28	22%	-
Trade receivables turnover ratio	Revenue from operations	Average trade receivables	12.69	12.36	3%	-
Trade payables turnover ratio	Purchases of goods and services	Average trade payables	11.94	7.44	61%	Due to faster cane payments and substantial purchases of grain required for new distilleries, in respect of which no credit is available
Net capital turnover ratio	Revenue from operations (net of excise duty)	Average working capital (i.e. current assets less current liabilities)	5.54	6.41	-14%	-
Net profit ratio (%)	Profit after tax	Revenue from operations (net of excise duty)	32%	10%	223%	Due to substantially higher profits during the year in view of exceptional income
Return on capital employed (%)	Earnings before interest and taxes	Average capital employed (i.e. equity, borrowings, lease liabilities and deferred tax liabilities)	55%	20%	177%	Due to substantially higher profits during the year in view of exceptional income
Return on investment (other than associates) (%)	Market value changes of quoted investments, dividend income, interest income and gain/loss on disposal of investment	Weighted Average investment	6%	8%	-31%	Based on market conditions. Further, previous year includes one time gain in respect of certain fixed income investments

(iv) For other applicable disclosures, refer note 3, 4, 5 and 18.

Notes to the Consolidated financial statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

NOTE 51: RECENT ACCOUNTING PRONOUNCEMENTS

Ministry of Corporate Affairs, vide notification dated 31 March 2023, has made following amendments to Ind AS which are effective from 1 April 2023 and applicable to the Company:

(i) Ind AS 1 Presentation of Financial Statements: Amendment requires companies to disclose their "material accounting policy information" instead of their "significant accounting policies" and prescribes circumstances under which an accounting policy information shall be considered to be material.

(ii) Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors: The amendment has replaced the definition of "change in accounting estimate" with the definition of "accounting estimates" and included other amendments to help entities distinguish changes in accounting estimates from changes in accounting policies.

(iii) Ind AS 12 Income Taxes: Exemption for initial recognition of deferred tax is now narrowed and exclude transactions which gives rise to equal taxable and deductible temporary differences. The amendment seeks to reduce diversity in the reporting of deferred tax on leases and decommissioning obligations.

The Company intends to adopt these standards when they become effective. Based on preliminary assessment, the Company does not expect these amendments to have any significant impact on its financial statements.

NOTE 52: COMPARATIVES

The Group has reclassified certain items of financials of comparative year to conform to this year's classification, however, impact of these reclassification are not material.

NOTE 53: APPROVAL OF CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements were approved for issue by the Board of Directors of the Company on 25 May 2023 subject to approval of shareholders.

As per our report of even date attached

For S S Kothari Mehta & Company
Chartered Accountants
Firm's registration number : 000756N

Vijay Kumar
Partner
Membership No. 092671

Place : Noida
Date : May 25, 2023

For and on behalf of the Board of Directors of Triveni Engineering & Industries Limited

Dhruv M. Sawhney
Chairman & Managing Director

Homai A. Daruwalla
Director & Chairperson Audit Committee

Suresh Taneja
Group CFO

Geeta Bhalla
Group Vice President & Company Secretary

Glossary and Definitions

Term	Definition
Abiotic stress	Negative impact of non-living factors on the living organisms in a specific environment - e.g.: drought, salinity, low and high temperature and other environmental extremes.
AGMA	American Gear Manufacturers Association
AI	Artificial Intelligence
Alcohol	Colourless liquid produced by natural fermentation of sugary feedstocks and used as an intoxicating constituent of potable spirits, industrial solvent and as fuel.
AMCs	Annual Maintenance Contracts
AMRUT	Atal Mission for Rejuvenation and Urban Transformation
API	American Petroleum Institute
ASP	Activated Sludge Process
ata	Atmosphere absolute
Bagasse	Cane fibre leaving cane mill after extraction of juice
B-Heavy Molasses	These are molasses produced from 2nd stage (B-massecuite) pan boiling during production of sugar
Biotic stress	Stress that occurs as a result of damage done to an organisms by other living organisms - e.g.: bacteria, viruses, fungi, parasites, weeds, harmful insects etc.
BLMCL	Barmer Lignite Mining Company Ltd.
BOO	Build-Own-Operate
BOOT	Build-Own-Operate-Transfer
Brownfield	Continuation of existing project
BWSSB	Bangalore Water Supply and Sewerage Board
CACP	Commission for Agricultural Costs & Prices
CAGR	Compound annual growth rate
Cane development	Activities for improving quality and quantity of cane in sugarcane command area of factory.
Cane yield	Cane produced per acre/hectare.
CapEx	Capital expenditure is the funds that a company invests in long-term assets such as property, plant, and equipment (PP&E).
Captive need	Use of product made by a facility, exclusively for its internal requirement.
CETP	Common Effluent Treatment Plant
C-Heavy Molasses	Also known as final molasses, blackstrap molasses, treacle. This is the end by-product of the processing in the sugar factory.
CII	Confederation of Indian Industry
CH4	Methane
CNC	Computer numerical control
CO2	Carbon Dioxide
COD	Commercial Operation Date / Chemical Oxygen Demand
Co-product	Products of the sugar industry essentially e.g. bagasse, press cake, molasses, simultaneously produced during sugar production.

Term	Definition
Co-generation	Production of electricity and usable steam in same plant.
CPCL	Chennai Petroleum Corporation Limited
CS	Center South
CSR	Corporate Social Responsibility
DDGS	Distillers Dried Grain Solubles A co-product of a grain ethanol facility which contains higher protein and is sold as an animal feed, poultry and swine feed.
Denatured spirit	Ethanol that has additives to make it poisonous, bad tasting, foul smelling or nauseating to discourage its recreational consumption.
DFPD	Department of Food and Public Distribution
DG	Diesel Generators
DGFT	Directorate General of Foreign Trade
Distillation	Process of separating alcohol from water via evaporation and condensation.
DJB	Delhi Jal Board
DMAs	District Metered Areas
DRP	Defeco Remelt Phosphotation
Early varieties	Sugarcane varieties having high sugar content during early part of season.
EBITDA	Earnings Before Interest, Taxes, Depreciation and Amortisation
EBIT	Earnings before interest and taxes
EBP	Ethanol Blended Petrol
	The EBP programme seeks to achieve blending of ethanol with petrol with a view to reducing pollution, conserve foreign exchange and increase value addition in the sugar industry enabling them to clear cane price arrears of farmers.
EHS	Environment, Health and Safety
ENA	Extra Neutral Alcohol
	Colourless food grade alcohol without any impurity, used in alcoholic beverages.
EOI	Expression Of Interest
EPC	Engineering Procurement Construction
ERM	Enterprise Risk Management
ESG	Environment, Social, Governance
ESY	Ethanol Supply Year In the Indian context, historically it referred to the 12-month period of supply of Ethanol from December 1 of a year to November 30 of next year. However, this was redefined in FY 23, as a period of ethanol supply from November 1 of a year to October 31 of next year, with effect from November 1, 2023. In view of the above, the first year i.e. ESY 2022-23 will be considered from December 1, 2022 to October 31, 2023, i.e. 11 months.
EU	European Union
FCI	Food Corporation of India
FDI	Foreign Direct Investment
FFV	Flexible Fuel Vehicles
FGD	Flue Gas Desulphurisation
Fly ash	Fine solid particles of ashes, dust and soot carried out from burning fuel by the draft.

Term	Definition
FRP	Fair and remunerative price is the price declared by the Central Government, which mills are legally bound to pay to farmers for the cane procured from them.
FSSAI	Food Safety and Standard Authority of India (FSSAI) is a statutory body established under the Ministry of Health & Family Welfare, Government of India. The FSSAI has been established under Food Safety and Standards Act, 2006 which is a consolidating statute related to food safety and regulation in India. FSSAI is responsible for protecting and promoting public health through the regulation and supervision of food safety.
FSSC 22000	Food Safety System Certification is a robust ISO-based, internationally accepted certification system for auditing and certification of food safety within the food and beverage manufacturing sector.
Fuel grade ethanol	Ethanol used for blending in low concentration in gasoline as an octane enhancer.
FY	Financial Year
GDP	Gross Domestic Product
GHG	Green House Gases
GNIDA	Greater Noida Industrial Development Authority
Grain distillery	Distillery producing Ethanol / Alcohol using grain as a feedstock. Starch available in grain is converted with enzymes to sugar and fermented with yeast to produce grain alcohol
Greenfield	Development on a completely new construction project by the company.
Gross Recovery	Recovery of sugar based on conventional sugar production process (which includes production of C-Heavy Molasses)
GST	Goods and Services Tax
HAM	Hybrid Annuity Model
HFCs	Hydrofluorocarbons
HRRL	HPCL Rajasthan Refinery Ltd.
HURL	Hindustan Urvarak & Rasayan Limited
ICUMSA	The International Commission for Uniform Methods for Sugar Analysis (ICUMSA) is a regulatory organisation which sets the global standard for quality control in sugar. The ICUMSA test evaluates the purity of sugar based on its colour. A colorimeter or photometer is used to measure the absorbance of sugar at different wavelengths. White sugar absorbs less light and results in lower ICUMSA values, whereas brown sugar absorbs more light and delivers higher values. Typically, an ICUMSA rating of 45 indicates a highly refined white sugar of high purity, whereas raw sugar would have a rating of around 1000.
ID/FD fans	Induced Draft/Forced Draft fans
IGC	Integrally Geared Compressor
IMFL	Indian Made Foreign Liquor
IMIL	Indian Made Indian Liquor
Integrated sugar manufacturing	Processing of sugarcane to produce sugar and by-products, electricity generation from bagasse, alcohol production from molasses and compost from press cake
IOCL	Indian Oil Corporation Limited
IoT	Internet of Things
ISO	International Sugar Organization
JICA	Japan International Cooperation Agency
JJM	Jal Jeevan Mission
KL	Kilo Litre

Term	Definition
KLPD	Kilo Litre Per Day
KPIs	Key Process Indicators
Large sugar crystals	Sugar crystal of size greater than 1.70 mm
Liquor industry	Segment of the commercial drink industry that is involved in the manufacturing, distribution and sale of the alcoholic beverages.
London 5	White sugar is traded on the ICE Futures Europe exchange. London 5 is the White Sugar futures contract which is used as the global benchmark for the pricing of physical white sugar. Pricing is displayed in USD per tonne
LQ	Lakh Quintals
MBBR	Moving Bed-Bio Reactor
MBR	Membrane Bioreactors
MD	Managing Director
Medium sugar crystals	Sugar crystal of size 1.18-1.70 mm
MLD	Million Litres per Day
MNP	Milak Narayanpur
MoD	Ministry of Defence
MoEFCC	Ministry of Environment Forest and Climate Change
Molasses	A co-product/by-product of sugar manufacturing process used mainly for ethanol production
MSP	Minimum Selling Price
MT	Metric Tonnes
Multi-feed distillery	Distillery producing Ethanol / Alcohol using various feedstocks such as sugarcane juice/ syrup, grains, B-Heavy molasses, C-Heavy molasses.
MW	Mega Watt
MWMPL	Mathura Wastewater Management Private Limited
MZN	Muzaffarnagar
N2O	Nitrous Oxide
NBCC	National Biofuel Coordination Committee
Net Recovery	This is after the diversion of sugar for alcohol production
NF3	Nitrogen trifluoride
NGT	National Green Tribunal
NMCG	National Mission for Clean Ganga
NRDWP	National Rural Drinking Water Program
NY	New York
NY 11	Raw sugar is traded on the ICE Futures U.S. exchange. The NY 11 or Sugar No. 11 contract is the world benchmark contract for raw sugar trading. The contract prices the physical delivery of raw cane sugar, free-on-board the receiver's vessel to a port within the country of origin of the sugar. Pricing is displayed in US cents/lb.
O&M	Operations & Maintenance
OEMs	Original Equipment Manufacturers
OMCs	Oil Marketing Companies
OPM	Operating Profit Margin

Term	Definition
Ordinary varieties	Sugarcane varieties having comparatively less sugar content
OR	Operation Review
PAT	Profit After Tax
PBIT	Profit Before Interest and Tax
PBT	Profit Before Tax
Pesticide	Chemicals used to kill fungus, bacteria, insect and plant disease
Pharma grade sugar	Most pure form of sugar used in pharmaceutical industry
PFCs	Perfluorocarbons
PLI	Production Linked Incentive
Potable alcohol	Highly purified alcohol with very neutral odor and taste
PPP	Public Private Partnership
PSE	Public Sector Enterprises
PSF	Price Stabilisation Fund
PTB	Power Transmission Business
PZPL	Pali ZLD Private Limited
R&D	Research and Development
Raw sugar	Sugar produced from sugarcane or sugar beet without any recrystallisation and refining.
Rectified spirit	Alcohol of 95% concentration which is used for Industrial purpose as well as for manufacturing Potable Alcohol & Ethanol
Refined sugar	Sugar produced after recrystallisation and refining of raw sugar
Rejected varieties	These are the varieties with poor sugar content.
RFP	Request For Proposal
RIICO	Rajasthan State Industrial Development & Investment Corporation Ltd.
RO	Reverse Osmosis
ROE	Return on Equity
Root borer	Species of borer infesting the underground portion of sugarcane
RS	Rectified Spirit
RSF	Revenue Sharing Formula
SAP	State Advised Price
SBR	Sequencing Batch Reactor
SBT	Sabitgarh
SDS	Special Denatured Spirit
SF6	Sulphur hexafluoride
SLOP	Slop is the waste generated during alcohol manufacturing in distilleries, which is used as fuel in Incineration boilers
Small sugar crystals	Sugar crystal of size 0.60-1.18 mm
SPV	Special Purpose Vehicle
SS	Sugar Season

Term	Definition
Steam cycle	A process in which steam is generated in a boiler, produced steam is expanded through a turbine to extract mechanical work, steam is condensed into water and water is feed to the boiler to produce steam
STG	Steam Turbine Generator
STPs	Sewage Treatment Plants
Sugar recovery	Part of sugar in cane, which can be obtained as white sugar in % of sugarcane
Sugar season	In the Indian context, it refers to the period of production of sugar production from October to September. Normally sugar units operates from October to June in North India and in South India a few units operate a special season from June to September also.
Sugarcane juice	Juice obtained from sugarcane after crushing it in mills
Sugarcane seed	The section of the stalk of immature cane used for planting are known as seed
Sugarcane syrup	Sugar solutions of higher concentration obtained after evaporating water of juice in evaporators
Sulphitation sugar/ Plantation white sugar	Sugar produced by Double sulphitation process, wherein sugarcane juice and syrup are treated with So2 gas for removing colouring impurities
TAT	Turbo Alternator Turbines
TCD	Tonnes of Cane per Day
TCI	Total Comprehensive Income
TDS	Total Dissolved Solids
TEIL	Triveni Engineering & Industries Limited
Top borer	Major pest of sugarcane in sub-tropical India. It completes five generations in a year. Larva of this pest cuts a hole in the sugarcane stem above ground level and bores into the central shoot and feeds from inside.
ToT	Transfer of technology
TTL	Triveni Turbine Limited
TTP	Tertiary Level Treatment Plant
TTRO	Tertiary Level Reverse Osmosis
UF	Ultra Filtration
ULBs	Urban Local Bodies
UP	Uttar Pradesh
UPJN	Uttar Pradesh Jal Nigam
UPPCL	Uttar Pradesh Power Corporation Limited
USD	United States Dollar
WBG	Water Business Group
WHR	Waste Heat Recovery
WtE	Waste-to-Energy
WTO	World Trade Organization
WTP	Water Treatment Plant
YAP	Yamuna Action Plan
ZLD	Zero Liquid Discharge

Information on Company's Business Locations

REGISTERED OFFICE
Plot No. 44, Block-A,
Phase II Extension,
Hosiery Complex,
Noida-201 305,
District Gautam Budh
Nagar, U.P.
STD Code: 0120
Phone: 4748000
Fax: 4243049
CIN- L15421UP1932PLC022174

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@trivenigroup.com

REGISTRAR AND SHARE TRANSFER AGENTS
For Equity shares held in physical and electronic mode (Correspondence Address)
M/s KFin Technologies Ltd.,
Unit: Triveni Engineering & Industries Limited
Selenium Tower B,
Plot 31-32, Gachibowli,
Financial District,
Nanakramguda,
Hyderabad-500 032.
Tel. 040-67162222,
Fax: 040-23001153
Email: einward.ris@kfintech.com

KHATAULI SUGAR UNIT
Khatauli, District-Muzaffarnagar,
Uttar Pradesh-251 201
STD Code: 01396
Phone: 01396-2722561-62

DEOBAND SUGAR UNIT
Deoband, District-Saharanpur
Uttar Pradesh-247 554
STD Code: 01336
Phone: 222185, 222866
Fax: 222220

RAMKOLA SUGAR UNIT
Ramkola, District-Kushinagar
Uttar Pradesh-274 305
STD Code: 05567
Phone: 9936300473
Fax: 2562483

SABITGARH SUGAR UNIT
P.O. Karora, Tehsil Khurja
District-Bulandshahar,
Uttar Pradesh-203 129
STD Code: 05733
Phone: 9557794246
Fax: 228894/95

RANI NANGAL SUGAR UNIT
Rani Nangal, Tehsil
Thakurdwara
District-Moradabad
Uttar Pradesh-244 401
STD Code: 0591
Phone: 09129255552

MILAK NARAYANPUR SUGAR UNIT
Milak Narayanpur, P.O. Dadiyal
District-Rampur
Uttar Pradesh- 244 925
STD Code: 0595
Phone: 9758400190-191
Fax: 2565002

CHANDANPUR SUGAR UNIT
P.O. Chapna, Tehsil-Hasanpur,
District-Amroha
Uttar Pradesh-244 255
STD Code: 05924
Phone: 267004/05, 7830220828
Fax: 267001

CO-GENERATION KHATAULI
Khatauli, District-Muzaffarnagar,
Uttar Pradesh-251 201
STD Code: 01396
Phone: 9897133335, 9897544464

CO-GENERATION DEOBAND
Deoband, District-Saharanpur
Uttar Pradesh-247 554
STD Code: 01336
Phone: 222185, 222866
Fax: 222220

ALCO-CHEMICAL UNIT - MUZAFFARNAGAR
Village Bhikki Bilaspur,
Jolly Road,
District - Muzaffarnagar,
Uttar Pradesh-251 001
STD Code: 0131
Phone: 7895900631-36
Fax: 2600569

DISTILLERY UNIT – SABITGARH
P.O. Karora, Tehsil Khurja
District-Bulandshahar,
Uttar Pradesh-203 129

DISTILLERY UNIT – MILAK NARAYANPUR
Milak Narayanpur, P.O. Dadiyal
District-Rampur
Uttar Pradesh-244 925
STD Code: 0595
Phone: 9758400190-191
Fax: 2565002

BRANDED DIVISION
World Trade Centre,
4th Floor, Sector 16,
Noida-201301
Uttar Pradesh

POWER TRANSMISSION BUSINESS
1,2,3 Belagola Industrial Area,
Metagalli Post, K.R.S. Road,
Mysore-570 016
STD Code: 0821
Phone: 4286501, 4286502
Fax: 4286531

WATER BUSINESS
Plot No. 44, Block-A,
Phase II Extension,
Hosiery Complex,
Noida-201 305,
District Gautam Budh Nagar,
U.P.
STD Code: 0120
Phone: 4748000
Fax: 4243049

SUBSIDIARY COMPANIES
Triveni Industries Limited
Triveni Engineering Limited
Triveni Energy Systems Limited
Triveni Entertainment Limited
Triveni Sugar Limited
Svastida Projects Limited
Mathura Wastewater Management Private Limited
Pali ZLD Private Limited
Gaurangi Enterprises Limited
United Shippers & Dredgers Limited
Triveni Foundation (Section 8 Company)

JOINT VENTURE
Triveni Sports Private Limited

CORPORATE INFORMATION

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

Vice Chairman & Managing Director
Mr. Tarun Sawhney
(DIN-00382878)

Directors
Mr. Nikhil Sawhney
(DIN-00029028)
Ms. Homai A. Daruwalla
(DIN-00365880)
Mr. Sudipto Sarkar
(DIN-00048279)
Mr. Jitendra Kumar Dadoo
(DIN-02481702)

Group Chief Financial Officer
Mr. Suresh Taneja

Group Vice President & Company Secretary
Ms. Geeta Bhalla

Bankers
Axis Bank Ltd.
Central Bank of India
IDBI Bank Ltd.
IndusInd Bank Ltd.
Punjab National Bank
RBL Bank Ltd.
State Bank of India
Yes Bank Ltd.
ICICI Bank Ltd.
HDFC Bank Ltd.

Auditors
M/s S.S. Kothari Mehta & Company

Triveni Group website
www.trivenigroup.com

CIN-L15421UP1932PLC022174

8th Floor, Express Trade Towers, Plot No. 15 & 16, Sector 16-A, Noida-201 301, Uttar Pradesh

www.trivenigroup.com