

To,

The Board of Directors,  
Triveni Engineering & Industries Limited  
Sector 16A, Noida 201301, U.P.  
India

Report on Sources of Fund used for the purpose of proposed buyback in accordance with the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2018 (as amended) (the "SEBI Buyback Regulations") and Section 68 of the Companies Act, 2013 (as amended) (the "Act").

**Introduction:**

1. This Certificate is issued in accordance with the terms of our engagement letter dated November 01, 2022.
2. We have been engaged by Triveni Engineering & Industries Limited (the "Company") to perform limited assurance engagement on firm financing arrangements (sources of funds) made by the Company to be used for the proposed buyback in accordance with the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2018 (as amended) (the "SEBI Buyback Regulations") and Section 68 of the Companies Act, 2013 (as amended) (the "Act").
3. Subject to the approval of the shareholders, the Board of Directors (the "Board") of the Company passed a resolution on November 5, 2022 (the "Board Meeting") to approve the proposal for buy back of equity shares of face value of INR 1 each (the "Equity Shares") of the Company from the equity shareholders/ beneficial owners of Equity Shares (the "Equity Shareholders") of the Company through the tender offer route (the "Buyback"), at a price of INR 350/- (Rupees Three Hundred and Fifty only) per Equity Share (the "Buyback Price") payable in cash, for an aggregate maximum amount INR 800,00,00,000/- (Rupees Eight Hundred Crores only) excluding the transaction costs viz. brokerage, applicable taxes such as securities transaction tax, service tax, stamp duty etc. (the "Buyback Size").
4. The accompanying statement of sources of funds in **Annexure 1** (hereinafter referred together as the 'Statement') is prepared by the management, which we have initialed for identification purposes only.

**Management's Responsibility**

5. The preparation of the Statement along with the preparation and maintenance of all accounting and other relevant supporting records and documents is the responsibility of the management of the Company. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.
6. The Company's management is also responsible for ensuring that the financial arrangements made by the Company would be available before the opening of the Buyback offer and the same will be sourced from liquidation of investments / fixed deposits or any liquid assets held by the Company as stated in the Statement. Further, these investments are free from all the encumbrances and shall not be pledged, hypothecated or encumbered and shall be earmarked for the purpose of Buyback.



7. The Company's management is also responsible for ensuring that the financial arrangements made by the Company are in compliance with the requirements of the Act and the SEBI Buyback Regulations and are within the limits prescribed in this respect.

**Auditor's Responsibility**

8. Our responsibility is to provide limited assurance report on the Statement based on our examination of the matters in the Statement with reference to the books of account and other relevant records of the Company.
9. A limited assurance engagement involves performing procedures to obtain sufficient appropriate evidence so as to reduce the engagement risk to a level that is acceptable in the circumstances of the engagement to cause us to believe that the subject matter information is not materially misstated. The procedures selected depends on the auditor's judgment, including the assessment of the risks associated with the assignment. Within the scope of our work, we performed the following procedures:
- i) Obtained the certified trial balance and the statements of investment in fixed deposits at the closing of November 05, 2022 from the management;
  - ii) Obtained third party confirmations of investment in fixed deposits as produced to us by the management;
  - iii) Examined that the sources of funds as mentioned in the accompanying Statement are free from liens, pledge, hypothecation or encumbrance based on third-party confirmations;
  - iv) Examined the said Statement with the relevant books of account and other relevant records of the Company including bank statements as produced to us by the management; and
  - v) Obtained appropriate representations from the management of the Company.
10. We have conducted examination for the purpose of this certificate in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes, issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
11. 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**

12. Based on the procedures performed and evidences, representations obtained as stated above and records produced to us for the same and the information and explanations given to us, we report that:
- a) that the Company has firm and adequate financial arrangements for fulfilling the obligations under the SEBI Buyback Regulations and the Act;



**S S KOTHARI MEHTA**  
**& COMPANY**  
CHARTERED ACCOUNTANTS

- b) The above financial arrangements are free from liens, encumbrance or disability for making payment pursuant to the Buyback to the shareholders of the Company;
- c) Subject to the prior approval to be sought from certain lenders, all other approvals required, if any, to utilize these financial arrangements are in place; and
- d) These financial arrangements are adequately liquid to meet the financial requirements of the proposed Buyback

**Restrictions on Use**

The certificate is addressed to and provided to the Board of Directors of the Company solely for the purpose of submission to SEBI, the merchant banker of the Company for the purposes of the Buyback and for including in the Public Announcement, Draft Letter of Offer and Letter of Offer which shall be filed with the Securities and Exchange Board of India, the stock exchanges, the Registrar of Companies, as required by the SEBI Buyback Regulations, the National Securities Depository Limited and the Central Depository Securities (India) Limited and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For S S Kothari Mehta & Company  
Chartered Accountants  
Firm Registration No. 000756N

Yogesh K. Gupta  
Partner

Membership No.093214

UDIN: 22093214 BCJYUH3953



Place: New Delhi

Dated: November 07, 2022

**Annexure 1 - Statement of Sources of fund**  
**Triveni Engineering & Industries Limited**

Computation of amount of sources of fund available for the purpose of the Buyback as at the closing of November 5, 2022 in accordance with the Act and the SEBI Buyback Regulations is as follows:

(INR in Lakhs)

Particulars	Amount Available
<b>Surplus funds held in Fixed Deposits as per Annexure with the following Banks:</b>	
1. State Bank of India	40000.00
2. Axis Bank	37500.00
3. IndusInd Bank	2500.00
<b>Total</b>	<b>80000.00</b>

We confirm that the above fixed deposits are free from all encumbrances and shall not be pledged, hypothecated or encumbered and shall be earmarked for the purpose of Buyback to the extent of amount approved, up to the date of transfer of funds to the special escrow account.

Subject to the prior approval to be sought from certain lenders, all other approvals required, if any, to utilize these financial arrangements are in place; and

Further, these financial arrangements are adequately liquid to meet the financial requirements of the proposed Buyback.

For Triveni Engineering & Industries Limited

  
Suresh Taneja  
Group CFO



Place : Noida  
Date : November 5, 2022

