

To
The Board of Directors
Triveni Engineering & Industries Limited
Noida - 201 301, U.P
India

Report on proposed Buy Back of Equity Shares pursuant to the requirements of the Companies Act, 2013 (as amended) (the "Act") and Clause (xi) of Schedule I to the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018 (the "SEBI Buyback Regulations")

Introduction:

1. This report 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 a reasonable assurance engagement on determination of the amount of permissible capital payment in connection with the proposed buy back by the Company of its equity shares in pursuance of the provisions of Section 68 and 70 of the Act and the SEBI Buyback Regulations.
3. The management of the Company has prepared the accompanying Annexure A - Statement of permissible capital payment as on September 30, 2022 ('the Statement') pursuant to the proposed buy-back of equity shares approved by the Board of Directors of the Company ("Board of Directors"), subject to approval of shareholders, at their meeting held on November 5, 2022, in accordance with the provisions of sections 68, 69 and 70 of the Act and the SEBI Buyback Regulations. The Statement contains the computation of amount of permissible capital payment towards buy-back of equity shares in accordance with the requirements of section 68(2) of the Act, Regulation 4(i) & 5(i)(b) of the SEBI Buyback Regulations and based on the latest audited interim condensed standalone and consolidated financial statements for the six months ended September 30, 2022. We have initialed the Statement for identification purposes only.

Management's Responsibility:

4. The preparation of the Statement in accordance with Section 68 (2) of the Act and in compliance of the SEBI Buyback Regulations, is the responsibility of the Management of the Company, including the computation of the amount of permissible capital payment, the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of the 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.
5. The Board of Directors is also responsible to make a full inquiry into the affairs and prospects of the Company and to form an opinion on reasonable grounds that the Company will be able to pay its debts from the date of Board meeting and will not be rendered insolvent within a period of one year from the date of the Board meeting at which the proposal for buyback was approved by the Board of Directors of the Company and in forming the opinion, it has taken into account the liabilities (including prospective and contingent liabilities) as if the Company were being wound up under the provisions of the Act or the Insolvency and Bankruptcy Code 2016. Further, a declaration is required to be signed by at least two directors of the Company in this respect in



accordance with the requirements of the section 68 (6) of the Act and the SEBI Buy-back Regulations.

Auditor's Responsibility:

6. Pursuant to the requirement of the SEBI Buyback Regulations, it is our responsibility to provide reasonable assurance that:
 - (a) the amount of capital payment for the buy back, as stated in Annexure A has been properly determined considering the audited interim condensed financial statements for the six months ended September 30, 2022, and is within the permissible limit computed in accordance with the provisions of Section 68 of the Act and Regulation 4(i) & 5(i)(b) of the SEBI Buyback Regulations;
 - (b) the Board of Directors in their meeting held on November 5, 2022 have formed their opinion, as specified in Clause (x) of Schedule I of the SEBI Buyback Regulations, on reasonable grounds that the Company having regard to its state of affairs will not be rendered insolvent within a period of one year from the aforesaid date.
7. A reasonable assurance engagement involves performing procedures to obtain sufficient appropriate evidence so as to reduce the engagement risk to an acceptably low level for arriving at positive form of expression of conclusion on the matters mentioned in paragraph 6 above. The procedures selected depend 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:
 - (a) Examined authorization for buy back from the Articles of Association of the Company;
 - (b) Examined that the amount of capital payment for the buy-back as detailed in the Statement is within the permissible limit computed in accordance with section 68(2) of the Act and Regulation 4(i) & 5(i)(b) of the SEBI Buyback Regulations;
 - (c) Examined that the ratio of the secured and unsecured debt owed by the Company is not more than twice the paid-up capital and its free reserves after such buy-back;
 - (d) Examined that all the shares for buy-back are fully paid-up;
 - (e) Inquired into the state of affairs of the Company in relation to the audited interim condensed standalone and consolidated financial statements for the six months ended September 30, 2022;
 - (f) Agreed the balance of the Statement of Profit and Loss, Securities Premium Account and General Reserve as at September 30, 2022 as disclosed in the Statement with the audited interim condensed financial statements;
 - (g) Examined resolutions passed in the meetings of the Board of Directors in this regard. We have not carried out any procedures as regards to the projections approved by the Board of Directors and accordingly do not certify the same;
 - (h) Inquired if the Board of Directors of the Company, in its meeting held on November 5, 2022, has formed the opinion as specified in Clause (x) of Schedule I to the SEBI Buyback Regulations, on



reasonable grounds and that the Company will not, having regard to its state of affairs, be rendered insolvent within a period of one year from the aforesaid date of the board meeting;

- (i) Obtained Directors' declarations for the purpose of buy-back and solvency of the Company; and
 - (j) Obtained appropriate representations from the management of the Company.
8. The audited interim condensed financial statements referred to in paragraph 6 and 7 above, have been audited by us, vide our audit report dated November 5, 2022. Our audit of the interim condensed financial statements for the six months ended September 30, 2022, on which we have issued an unmodified audit opinion, was conducted in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India (the 'ICAI'). Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. Such audit was not planned and performed in connection with any transactions to identify matters that maybe of potential interest to third parties.
9. We, having regard to paragraph 7 above, have conducted examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes, issued by the Institute of the Chartered Accountants of India (the ICAI). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
10. 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:

11. Based on our examination as stated above and the representation, information and explanations given to us, we report that:
- (a) we have inquired into the state of affairs of the Company in relation to audited interim condensed standalone and consolidated financial statements for the six months ended September 30, 2022;
 - (b) the amount of the permissible capital payment towards the proposed buy-back of equity shares as computed in the accompanying Statement, has been properly determined in accordance with the requirements of section 68(2) of the Act and Regulation 4(i) & 5(i)(b) of the SEBI Buyback Regulations based on the audited interim condensed financial statements for the six months ended September 30, 2022;
 - (c) the Board of Directors, in their meeting held on November 5, 2022, have formed the opinion, as specified in clause (x) of Schedule I of the SEBI Buyback Regulations, on reasonable grounds that the Company will not, having regard to its state of affairs, be rendered insolvent within a period of one year from the aforesaid date of the meeting of the Board of Directors; and
 - (d) we are not aware of anything to indicate that the opinion expressed by the Directors in the declaration as to any of the matters mentioned therein is unreasonable in the circumstances as at the date of declaration.



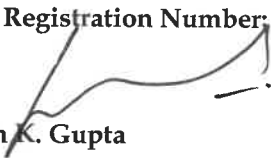
S S KOTHARI MEHTA
& COMPANY
CHARTERED ACCOUNTANTS

Restriction on use:

12. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the provisions of section 68 and other applicable provisions of the Act read with rule 17 of the Companies (Share Capital and Debentures) Rules, 2014 (as amended) and the SEBI Buyback Regulations, pursuant to the proposed buyback of equity shares. Our obligations in respect of this report are entirely separate, and our responsibility and liability is in no way changed by, any other role we may have as auditors of the Company or otherwise. Nothing in this report, nor anything said or done in the course of or in connection with the services that are the subject of this report, will extend any duty of care we may have in our capacity as auditors of the Company.

This report is addressed to and provided to the Board of Directors of the Company solely for the purpose of enabling it to comply with the aforesaid requirements and to include this report, pursuant to the requirements of the SEBI Buyback Regulations, (a) in the Explanatory statement to be included in the postal ballot notice, the public announcement and letter of offer to be circulated to the shareholders of the Company, (b) in the draft letter of offer and the letter of offer to be filed with the Registrar of Companies, Securities and Exchange Board of India, BSE Limited and National Stock Exchange of India Limited, as required by the SEBI Buyback Regulations, the Central Depository Services (India) Limited, National Securities Depository Limited, as applicable and (c) for providing to the manager to the buyback. Accordingly, this report may not be suitable for any other purpose, and therefore, should not be used, referred to or distributed for any other purpose or to any other party without our prior written consent. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose for which or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For S.S. Kothari Mehta & Company
Chartered Accountants
Firm's Registration Number: 000756N


Yogesh K. Gupta
Partner
Membership Number: 093214
UDIN: 22093214BCE BKU7122

Place: NEW DELHI
Dated: November 5, 2022



Annexure A- Statement of permissible capital payment

Computation of amount of permissible capital payment for the buy-back of equity shares in accordance with Section 68 (2) of the Companies Act, 2013 and Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018 based on audited interim condensed standalone & consolidated financial statements as at and for the six months ended September 30, 2022:

(INR in Lakhs)

Particulars	Standalone	Consolidated
A. Paid up equity capital as at 30th September 2022 (24,17,55,110 fully paid up equity shares of INR 1 each and paid up value of INR 0.02 Lakhs of 8,000 forfeited shares)	2417.57	2417.57
B. Free reserves *		
Securities premium	8375.55	8375.55
General reserve	49212.72	49212.72
Retained earnings	266448.10	266837.27
Total free reserves	324036.37	324425.54
Total paid up equity capital and free reserves (A+B)	326453.94	326843.11
Permissible capital payment towards buy back of equity shares in accordance with Section 68(2) of the Act and Regulation 4 & 5 of the SEBI Buyback Regulations (25% of the paid-up equity capital and free reserves)	81613.49	81710.78
Permissible capital payment towards buy back of equity shares in accordance with Section 68(2) of the Act and Regulation 5(i)(b) of the SEBI Buyback Regulations (10% of the paid-up equity capital and free reserves)	32645.39	32684.31

* considered as defined in section 2(43) of Companies Act, 2013 read with section 68 of the Companies Act, 2013. Accordingly, retained earnings are reduced to the extent of INR 462.65 Lakhs on account of fair value changes of certain assets & liabilities.

For and on behalf of the Board of Directors
Triveni Engineering & Industries Limited

Suresh Taneja
Group CFO



Place: Noida
Date: November 5, 2022