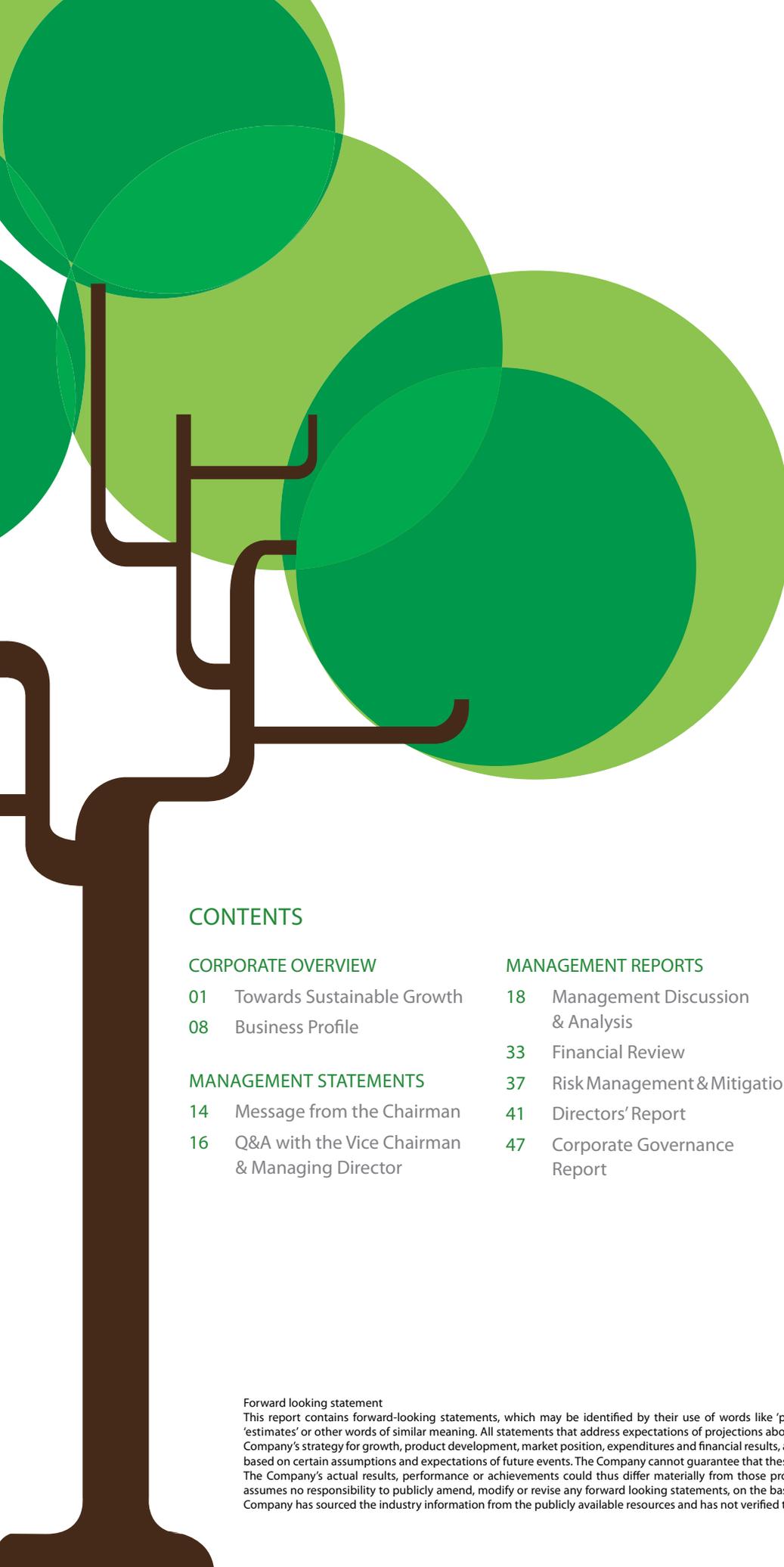




Towards Sustainable Growth

Annual Report 2015-16



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Forward looking statement

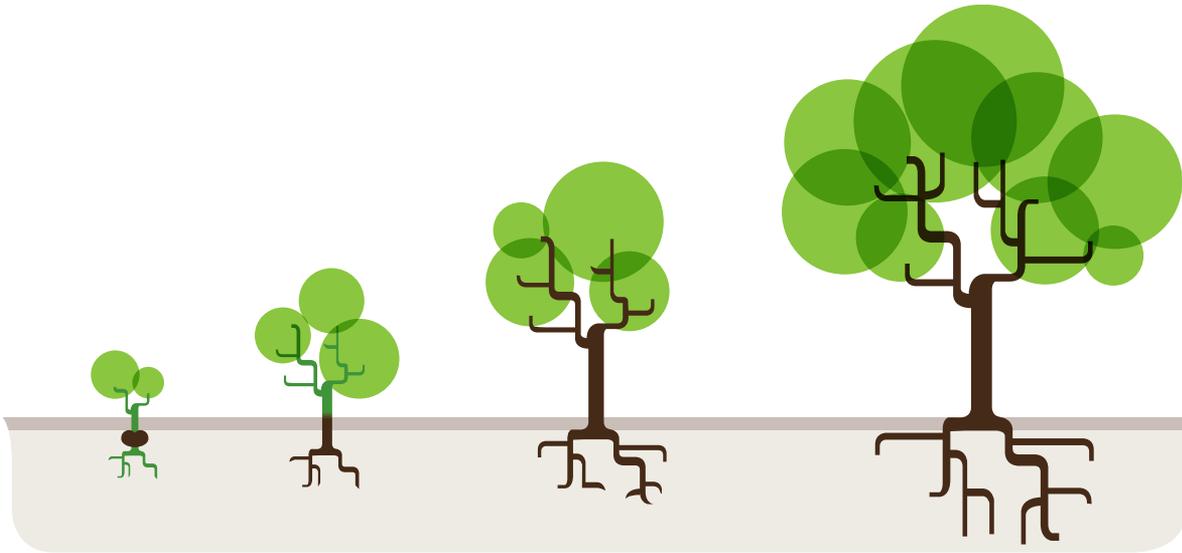
This report contains forward-looking statements, which may be identified by their use of words like 'plans', 'expects', 'will', 'anticipates', 'believes', 'intends', 'projects', 'estimates' or other words of similar meaning. All statements that address expectations of projections about the future, including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

Towards Sustainable Growth

The key edifice of our business strategy is sustainable growth which requires a strategic vision, strong organisational alignment and a readiness to capture growth opportunities. We have built our core competencies across the Company's business verticals that are primed to deliver steady business growth. We are pursuing opportunities across our businesses to improve profitability and strengthen our leadership position. In order to build further growth momentum in the business, we are now realigning our sugar and engineering businesses. This new structure allows each of the businesses to focus on the priorities in their respective business environments and will enable us to further strengthen our core for sustainable growth going forward.



Gaining Sustainable Momentum Leveraging Growth Opportunities



The global shortages have turned favourable leading to a steady increase in sugar prices. With the Central Government's initiatives such as 'Make in India' the future growth prospects have significantly increased for the Gears business. Also river rejuvenation and Clean India drive has increased the growth opportunities for the Water business.



SUGAR BUSINESS

The performance of the sugar industry, over the past few years, was impacted by the excess sugar production than consumption, resulting in a mismatch between input and output prices which had an adverse impact on financial performance. However, now the global shortages have turned favourable leading to a steady increase in sugar prices. India is also witnessing lower domestic production due to two consecutive years of deficient monsoon, which led to a steady increase in realisation. One big positive for the sugar industry in this scenario is the Government's shift towards more conducive regulatory policies.



Various support mechanisms like improved cane pricing mechanism, the mandatory sugar exports, subsidy schemes, and the Ethanol Blending program, etc., launched by the State and Central Governments have instilled more hope and confidence in the future of the sugar sector.

ENGINEERING BUSINESS

Over the last few years, the engineering industry in India has been almost dormant due to the scarcity of capital expenditure. With the economic activities expected to pick up through various initiatives of the Government, the

industry is witnessing a gradual recovery. With the Central Government's push towards increasing manufacturing activities and making India a manufacturing hub, through its 'Make in India' initiative, the future growth prospects have significantly increased for the Gears business. The Government's impetus towards river rejuvenation and Clean India drive has also increased the growth opportunities for the Water business and we are now witnessing a greater degree of enquiry generation. This is expected to ultimately lead to better order finalisations.



Sustainable Growth Powered by Organisational Capabilities

Our keen focus on the Cane Development Initiatives across our seven sugar units has led to a substantial improvement in the cane quality. In our Gears business, even in the current challenging macro environment for the capital goods industry, we have maintained our leadership position in the high speed gears and gearboxes segment.

Even though the macro environment has been challenging over the last few years, we have been steadfast in enhancing our internal capabilities. We have taken many definitive actions to move forward despite the difficult economic and business scenarios. Our keen focus on the Cane Development Initiatives across our seven sugar units has led to a substantial improvement in the cane quality. Under this initiative, through a close collaboration with farmers, we have worked towards protecting the crop, enhancing yield per hectare and increasing recoveries by using higher sugared varieties of cane. These initiatives along with favourable climatic conditions have resulted in a substantial increase in average recovery for 2015-16 season.

Our product strategy, including changing of the product mix as per the market requirements, has helped us to earn a premium for our products: the production of around 40% refined sugar and 87% ethanol in the sales mix has helped us to achieve better price realisations. Augmenting power generation through three incidental co-generation power plants over the past years at competitive capital cost, has also generated additional revenue through increased volume of power export to the grid.

Even in the current challenging macro environment for the capital goods industry, we have maintained our leadership position in the high speed gears and gearboxes segment. In the Gears business, our long association with GE Lufkin has armed us with a technical edge over the competition and has helped



us to make steady inroads into the regional market. In the Water business, we have significantly enhanced our focus towards improving our operating efficiency by reducing delivery time. The order intake in the year FY 16 has witnessed a robust growth of 92% over FY 15 which has secured a strong revenue growth going forward. All these efforts further fortify our Engineering business.



The Engineering business, though relatively small presently, has a huge potential in both the segments – High Speed Gears and Water & Wastewater Management – and requires undiluted focus and orientation to realise their growth potential.



Strategic Realignment for Sustainable Growth

We currently operate in two broad business segments - Sugar and Engineering - which are completely different in terms of risk profile, functionalities and management expertise. The Engineering business, though relatively small presently, has a huge potential in both the segments - High Speed Gears and Water & Waste Water Management - and requires undiluted focus and orientation to realise their growth potential. With this approach, we have decided, subject to the requisite approvals, to segregate the two businesses. The entire Sugar business will be de-merged into a separate Company which will be listed in the stock exchanges, while the Engineering business, consisting of Gears and Water businesses will continue under this Company. This would ensure that each business remains focused on leveraging their respective growth opportunities.



Our Business Profile

TRIVENI SUGAR

Integrated. Sustainable. Quality Product.

Triveni is one of the largest integrated sugar players in India, with seven sugar mills strategically located across the western, central and eastern parts of the cane rich areas of Uttar Pradesh (U.P.), India's largest sugarcane producing state.

Integrated Operations

Our Khatauli, Deoband and Sabitgarh units are in western UP, Rani Nangal, Chandanpur and Milak Narayanpur units are in central UP and the Ramkola unit is in eastern UP. Integrated with co-generation and distillery businesses, our sugar operations are optimised for value addition. Two of our facilities, viz., Khatauli and Sabitgarh produce refined sugar,

while the other five units manufacture white sulphitation sugar.

Triveni presently operates grid connected three co-generation plants and three incidental co-generation plants located across five sugar units which facilitate the export of surplus power to Uttar Pradesh Power Corporation Limited (UPPCL).

We have one of the largest and most efficient single stream molasses based distillery in the country, located at Muzaffarnagar, which procures captive raw material from two of our largest sugar units viz. Khatauli and Deoband.



Quality Products

Sugar

We produce premium quality multi-grade plantation and refined sugar. All of our Sugar units are FSSC- 22000:2010 certified. Our sugar is supplied not only to direct household consumers but also to bulk consumers. We have an exclusive supply chain relationship with leading multinational beverage, food & FMCG companies, pharmaceutical companies and leading sweet export houses. We also have a strong presence in branded sugar market through our brand "Shagun".

Distillery based products

The distillery has a flexible manufacturing process allowing it to produce Ethanol, Extra Neutral Alcohol (ENA), Rectified Spirit (RS) and Special Denatured Spirit (SDS) all of which are renowned for their high quality.

Power Export

Triveni currently operates 104.5 MW grid connected co-generation capacity. Its co-generation plants in Deoband and Khatauli (Phase I) are registered as Clean Development Mechanism (CDM) projects with UNFCCC. The Company's Khatauli, Deoband, Sabitgarh, Chandanpur & Milak Narayanpur units are also registered as Renewable Energy Certificate (REC) project under CERC.

Competitive Edge

Geographic advantage due to natural favourable conditions

- Sugar Units spread over western, central and eastern parts of Uttar Pradesh. The land is highly fertile and well irrigated and is fit for cane cultivation.
- Besides the sugar cane catchment areas, all sugar units of the Company are under canal irrigation, both in western and central UP, leading to reduced dependency on the monsoons.

Mills located near major consumption centres

- The strategic vicinity of the units to the country's major sugar consuming markets, which ensures better realisations through lower transportation costs and the possibility of greater off-take.

Dynamic Product mix strategy

- The sale of refined sugar enables us to improve our realisations as well as our product quality leading to higher profitability.
- The product mix of our distillery is dependent on realisation; presently Ethanol constitutes 87% of the sales mix.

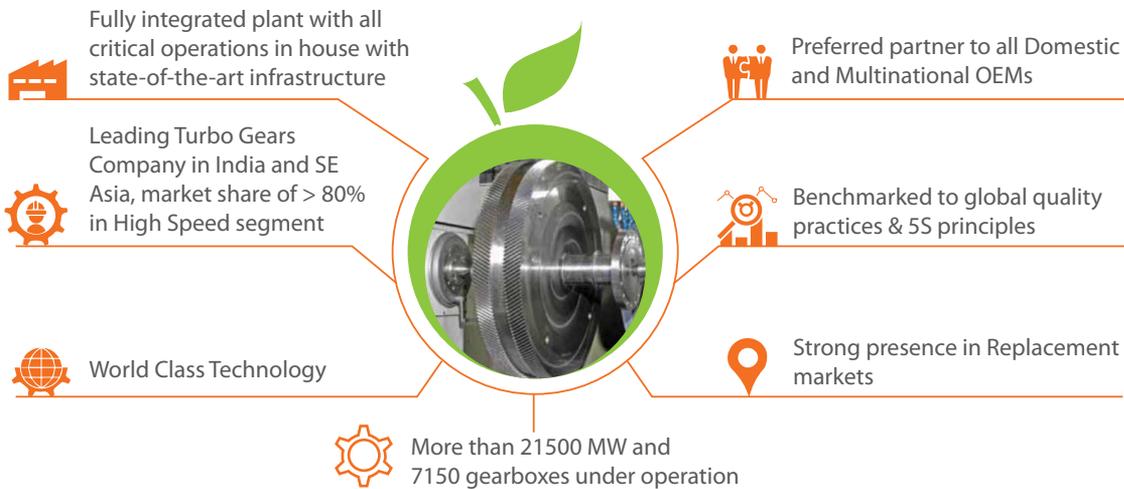


TRIVENI GEARS

Excellence. Expertise. Technology

Driven by quality, innovation and flexibility, Triveni Gears has been delivering customised solutions for industrial gearboxes for the past four decades. Started in 1976, with the objective of fulfilling the Company's captive demand

for high-speed gears, the business has become a dominant supplier to all major OEMs in the country. We remain the market leader in high speed Gears and Gearboxes up to 70 MW capacity and speed of 70,000 rpm.



Robust and Reliable Product Portfolio

Triveni delivers robust and reliable Gears solutions which cover a range of applications and industries to meet the ever-changing operating conditions and customers' requirements. The major product portfolio includes steam turbines, gas turbines, and compressor gearboxes under the High Power High Speed segment. In the Low Speed segment, the Company focuses on the gearboxes used in applications such as Reciprocating pumps and compressors, hydel turbines, mill and extruder drives for metal, sugar, rubber and plastic industries, marine applications, etc.

All the products are designed, manufactured and commissioned in accordance with international quality norms such as DIN/ AGMA/ API/ ISO standards and as a result, Triveni gearboxes are synonymous with delivering maximum performance with minimum downtime.

Engineering Excellence

The state-of-the-art plant, equipped with latest technology for manufacturing and assembly, helps our highly experienced team to deliver internationally benchmarked products at highly competitive costs, leading to a reduced cost of ownership for customers. Using the latest software design tools, our dedicated team of engineers design products based on complex and time-bound customers' requirements.



Infrastructure

- ▶ Fully integrated facility with in-house core processes up to 2 meter Dia and in-house heat treatment facility
- ▶ Latest profile grinding, hobbing, horizontal and vertical grinding, horizontal boring machines, plano-milling machines and vertical machining centres
- ▶ Testing and assembly bay with multiple workstations and three test benches
- ▶ In-house Metallurgical Lab
- ▶ Adhering to highest quality standards - ISO 9001 – 2008, ISO 14001 – 2004, OHSAS 18001, CE Certified
- ▶ Multi-modal bay for flexible manufacturing

Low Cost Supply Chain

Our ability to provide optimised solutions with quick delivery comes from the efficient and robust supply chain. All the supply chain partners are governed by a strict code of conduct, with emphasis on cost control, quality, timely delivery, consistency and transparency.

Technology for Advanced Gears Solutions

We have developed in-house technology for gearboxes up to 7.5 MW and for above 7.5 MW range, we have tie-up with GE Lufkin since 1998. Over the last decade and a half, the technology license from Lufkin has been expanded with respect to the product range, applications and geographies. We are now expanding our footprint to countries in South Asia, South East Asia and parts of Africa. With our combined technological expertise, advanced manufacturing processes and commitment to quality, we offer world-class Gears solutions to our customers.

Aftermarket Solutions

Our robust and reliable products are backed by 360 degree service solutions which minimise the downtime for our customers. We provide health monitoring services for all types of critical gearboxes, high speed and low speed, as well as maintain an inventory of dimension ready sites for immediate solution. Our highly trained field service specialists provide lifetime support and strive to help our customers in avoiding expensive downtime. Our repair and retrofitting solutions are offered across applications - all Industrial, Oil and Gas covering High speed to Low speed, API and Non-API. Emergency breakdown support like repair or rush delivery of parts, Diagnostics and Troubleshooting support, Reverse engineering and dimensioning expertise at site or in-house with Design and QA engineers, Drop-in replacements of Gearbox and Gear internals, Replacements/development of spare white metal bearings, etc., are a part of the wide-range of service solutions provided by us to customers across large number of geographies.



TRIVENI WATER

Efficient, Sustainable and Complete Water treatment solutions

For over three decades, we have served our customers to overcome complex challenges related to water scarcity and quality. Triveni Water is one of the leading solutions providers for water treatment, wastewater treatment and the recycle of water. Advanced Solutions offered for total water management:

- ▶ Turnkey / EPC (Engineering Procurement Construction)
- ▶ Customer Care, Operations and Maintenance

- ▶ Life cycle models viz. – Design, Build Own & Operate (DBOO), Design, Build Own Operate and Transfer (DBOOT), BOOT
- ▶ Equipment supply for unit processes like screening, grit separation, clarification and sludge handling



Water Treatment

Reducing water availability, deteriorating water quality and growing environmental concerns are constantly challenging the economics of water treatment processes. In order to ensure water sustainability for industrial consumption, it is essential for companies to invest in technologically advanced water treatment processes. We provide efficient and cost effective solutions to help our customers meet the growing demand of water across a large cross section of industries and municipalities. We provide such solutions using the latest technologies and processes, with a strong focus on design and engineering.

Wastewater and Sewage Treatment

The largest source of surface and ground water pollution in India is untreated sewage. A large number of Indian rivers are severely polluted as a result of discharge of industrial and domestic sewage.

With increasing environmental concerns and legislations, wastewater treatment is a mandate to continually improve the discharge standards and lower the environmental



hazards. Triveni Water offers sustainable solutions for effluent treatment, common effluent treatment and sewage treatment which comprises physical, chemical and biological treatment based on advanced technologies.

With over a hundred successfully operating installations, our designs offer highly economic plant installation and operation, lowest footprint area, minimal waste generation and treats water to the specified standards.

Recycle and Reuse of Wastewater

Water scarcity, increasing costs of water and its treatment have made recycle and reuse of wastewater a necessity. We have designed, supplied and installed large number of successfully operating recycle plants in India. We offer a wide range of technologies to provide complete solutions for recycle, reuse and Zero Liquid Discharge (ZLD).

Process Equipment

We offer the widest range of process equipment, such as:

- ▶ Screening
- ▶ Grit Separation
- ▶ Clarification & Thickening
- ▶ Aerations systems
- ▶ Anaerobic Digestion systems
- ▶ Bio Gas Handling systems
- ▶ Solid - Liquid Filtration Systems
- ▶ Oil – Water Separation systems

Customer Care, Operations and Maintenance

Our Customer Care Division offers value added services for operation management and performance optimisation. The following quality service offerings are tailored to customers' requirements, which in many cases form an integral part of the main contract:

- ▶ Operations and maintenance
- ▶ Annual maintenance contracts
- ▶ Product & process audit, health check-up and overhauling
- ▶ Pilot Experiments
- ▶ Refreshment, upgradation and automation of existing plants
- ▶ Spares and service consumables and chemicals
- ▶ On-site training and assistance





Message from the Chairman



We have remained steady on the path to develop an ecosystem for sustainable business growth. We have moved forward by concentrating our efforts on three strategic areas: gaining momentum using growth opportunities, enhancing our organisational capabilities and realignment of our businesses.

Dear Shareholders,

The year under review witnessed a dramatic turnaround after a tough four year period where the business environment was quite challenging. We are encouraged with the performance in the year gone by as your Company has achieved near break-even results. The developments, including policy actions, give us hope for growth and better performance in future. While the Sugar business seems to be well placed on account of various internal and external factors, the micro-economic conditions and the business environment shows small signs of improvement, directly impacting our Engineering business. Despite these challenges, we have remained steady on the path to develop an ecosystem for sustainable business growth. We have moved forward by concentrating our efforts on three strategic areas: gaining momentum using growth opportunities, enhancing our organisational capabilities and realignment of our businesses.

Sugar Business

The sugar industry suffered in the past due to unfavourable demand-supply position resulting in lower sugar prices, unrealistic sugarcane pricing and lower yields/recoveries.

During the most part of FY 16, the domestic sugar prices remained below cost of production. The reversal of the sugar cycle during the year started due to the combination of some complimentary events and Government actions.

Dry spell and drought led to lower production in Maharashtra and Karnataka and the production in the country during Sugar Year (SY) 2015-16 is likely to be lower by almost 3 million tonnes. In view of the lower planting due to scarcity of water, the production in Maharashtra in SY 2016-17 is expected to further decline significantly, thereby reducing the overall production in the country correspondingly. A similar trend is expected to prevail globally as well thereby creating a deficit position in 2015-16 as well as in 2016-17. Consequently, sugar prices have risen substantially from the lows registered in July/August' 2015, providing much needed succour to the beleaguered industry.

During the year, the Uttar Pradesh Government and Central Government introduced measures to help the industry in clearing the cane arrears. It was gratifying to note the State Government's step forward to provide cane subsidy in accordance with the cane price package announced by

it for the Season 2014-15. This gesture will go a long way in building mutual trust and is expected to be a big positive for the development of the sector. In SY 2015-16, the Centre Government also introduced a mandatory export policy to liquidate surplus sugar stocks in the country. It helped in improving business sentiments and in anticipation of sizeable exports, the sugar prices moved up and the cane arrears in Season 2015-16 became more manageable. The thrust of the Centre Government to achieve 10% Ethanol blending with petrol will help the sugar industry and more capacities will be created to meet the requirements. Most importantly, with liberal legislation, it could also be used as means to regulate sugar production in the country by providing flexibility to sugar mills to produce sugar or ethanol, based on the market economics. What is required at this stage is the continuity of such policies to achieve the full potential which the sector holds.

Lastly, the Company is on the right track to further improve productivity and efficiencies, particularly with respect to cane development. We have been closely working with farmers, helping them introduce high sugared cane varieties with high yield and better farming techniques through our cane development programme. Our efforts resulted in higher recoveries during the season and our continued efforts hold more promise. Our integrated operations continued to show excellent performance, especially in view of higher proportion of Ethanol in sales mix.

Engineering Business

Our high speed Gears business was impacted by the overall slowdown in the capital goods sector. However, early signs of a revival are on cards with growing enquires. During the year, there has been an increase in off-take from OEMs while the aftermarket segment performed much below our expectation. We have been working towards optimising our supply chain and raise marketing effectiveness to further enhance our capabilities. Your Company has been exploring various growth opportunities and some of them have helped in sustaining the profitability and market share of the Gears business even when the overall markets shrunk over the past few years. We are making efforts to increase our footprint across various overseas markets - both to the OEM and Replacement solutions segments - to offset the dependence on the domestic market and seek long term growth for the business.

The Government's focus towards environment friendly manufacturing processes and waste disposal methods has brought a fillip to the Water business. The scarcity of water for industrial usage with many water reservoirs having significantly lower water levels has enhanced the growth

prospects for our Water management business. We secured first City Utility Management contract during the year which would help us in future as many more Urban Local Bodies (ULBs) are now planning such jobs covering entire city. The performance during the year has not been very exciting but the order booking has been significantly higher than the previous year. This gives a strong revenue visibility for FY 17.

Demerger

During the year, we have proposed to separate the two businesses by way of demerger pursuant to the Scheme of Arrangement. These two businesses have different dynamics, risk profiles and require specialised expertise to manage and grow them. The separation will help us to enhance our focus and leverage the growth prospects of the respective businesses while, unlock value for investors.

Outlook

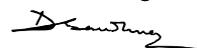
The Central Government has been working vigorously to kick-start capital investment cycle in India. Projects like 'Make in India', new National Capital Goods Policy and focus on the ground movement in the key infrastructure sectors are steps in the right direction. River rejuvenation projects, 'Smart Cities', 'AMRUT', Zero liquid discharge and other stringent environmental norms etc. should open new avenues of water related investments. All these Government initiatives are expected to increase the overall growth opportunities in the coming years.

Sugar business is riding on much improved sentiments on account of some radical policy actions of the Government and a continuity of such policies may see a complete change in the fortunes of the sector and commencement of investment cycle. The sector, apart from supporting millions of farmers, has the potential to provide green power and fuel, meeting the environmental norms and fuel security for the country.

Across our businesses, we are focusing on areas that we believe are important for strengthening our product and service offerings along with restoring our profitability and growth. Your Company is well poised to take advantage of market opportunities while continually enhancing organisational capabilities in order to gain further momentum in achieving sustainable growth.

I would like to take this opportunity to thank all our stakeholders for the continued trust and look forward to your ongoing support.

With best regards,



Dhruv M. Sawhney

Chairman & Managing Director



Q&A with the Vice Chairman & Managing Director

Tarun Sawhney

FY 16 had been a year of highs and lows for the sugar industry. What was the impact on Triveni's sugar business performance?

The sugar industry witnessed a significant fall and an equally quick rise in prices during the year. Due to global and domestic oversupply, the sugar prices were on a declining trend during the first half of the year. In July-August'15, the sugar prices hit six-year lows with massive dumping by many mills in order to generate cash flows to meet the operating expenses and to pay farmer dues. This had an adverse impact on the financials of sugar mills which were already suffering on the back of multiple seasons of oversupply. However, the tide started to turn from September and since then there has been a steady recovery in sugar prices. The recovery had been due to climatic factors and largely due to some confidence boosting measures / policy actions by the Government which has helped in lifting sentiments.

The El Nino effect took its toll in the major sugar producing countries including India. India witnessed a second consecutive year of drought which impacted the sugarcane production in the major cane growing states of Maharashtra and Karnataka. With the mounting farmer dues of the Season 2014-15, UP Government disbursed a sugarcane price subsidy of over ₹ 2000 crore and for 2015-16 season, the Central Government introduced a mandatory export scheme for all sugar

mills to liquidate surplus stocks in the country. It helped improving sentiments and sugar prices steadily started rising with the average sugar prices for March 2016 stood at ₹ 3419/quintal, a growth of 44% in comparison to July 2015 average prices.

As regards Triveni's Sugar business performance, the sugar production was by and large same as last year even though the total crush was lower by 12% due to lower yields. This was made possible due to record recovery of 10.80% achieved during the year, which is 123 basis points higher than the recovery achieved in the previous season. The improvement in recovery was partly due to ideal climatic conditions but mostly due to the result of cane development work carried out in the catchment area of our sugar mills which helped in evolving a better sugarcane varietal balance and higher proportion of high sugared variety sugarcane. We are enthused by the results and will continue to collaborate with our farmers to improve yields and varietal balance. The overall sugar segment witnessed a substantial turnaround during the year.

How do you see the future outlook of Sugar business?

We start the new financial year for the country as a whole with relatively low cost sugar inventory and the prevailing sugar prices and price estimates look promising in view of forecast of deficit sugar production in the Season 2016-17. This will augur well for the sugar prices. We are also aware of

the fact that the Government may be sensitive to increase in sugar prices beyond a certain extent in view of their concern for food inflation. With the sugarcane pricing in UP remaining at the same level for the past three years, and with the improvement in sugar prices, there is a risk of return of unrealistic cane prices as in the past. However, if there is continuity in the government policies being pursued by the State as well as the Central Government, the outlook and the future of the sector may be promising and recurring losses may be a thing of the past.

Consequently, the Company has conserved sugar stocks produced during the year which will be sold at higher prices during FY 17.

What is your strategy on obtaining maximum value from sugar operations, including sugar co-products?

I would like to mention here that that our strategy to judiciously invest in low cost capital expenditure to increase power exports through incidental co-generation plants and enhance our capacity to manufacture refined sugar has started showing results. We have set up incremental power export capacity at three of our sugar units and converted two sugar units into manufacturing only refined sugar. Presently, refined sugar forms around 40% of total sugar production.

The operational efficiencies at our distillery remained excellent during the year and we continued our focus on ethanol. Our dynamic product mix strategy led to higher revenues and profits during the year. Approximately 87% of the sales mix of the Distillery had been of Ethanol as against only 45% in the previous year. The target of the Government to achieve 10% Ethanol blending is a welcome step as apart from helping sugar industry, it will also ensure fuel security for the country.

How has Gears business performed during the year in the depressed capital goods sector?

During the year under review, even though the business conditions had been challenging, the Gears business achieved a growth in the revenues while maintaining its market share and margins. This could be achieved with a focussed approach whereby the Company expanded its footprint to more markets outside India in the South Asia and South East Asia markets for both OEMs and aftermarket. Further, in order to find new avenues of growth, the Company is exploring new products and geographies to expand so as to improve its turnover and profitability.

How would you comment on the below par performance of the Water business?

The Water business did not perform well during the year due to low order intake in FY 15 as a result of which the opening



order book was not sufficient to support normal level of project execution and revenue. Apart from under recovery of fixed overheads due to lower than break even revenue, the profitability was also impacted by the project delays, mainly attributable to customers, resulting in cost overruns and provisioning. However, the order booking during the year has been satisfactory at ₹ 364 crore which will help in considerably enhancing the revenues in FY 17. New projects for water & wastewater treatment are coming up due to various Government's initiatives. The Government is focused towards environmental impact of effluents from industrial and municipal sector. This is expected to significantly revive the sector. We, with our range of technology, project management skills and relevant similar experience, are well placed to exploit the potential.

What is the rationale behind demerger of the two businesses?

The dynamics, risk profiles and management expertise for the Sugar business and the Engineering business are very different. They both hold enormous potential and could be value accretive for all the stakeholders with proper focus and orientation. The Company has initiated steps to obtain regulatory approvals prior to submission of the scheme to the court for sanction.



Management Discussion & Analysis

THE SUGAR INDUSTRY

The Sugar Industry, in view of its close linkages with sugarcane farmers and final product (sugar) being an essential commodity, is highly regulated. In this section we will discuss the issues faced by the industry and its growth prospects. The Indian sugar market is one of the largest markets in the world and it has a huge impact on the global sugar market. The sugar demand and supply in the domestic market affects the foreign trade. India is the largest consumer and second largest producer of sugar in the world.

The Sugar Market

Market Analysis

The Sugar Industry is one of the key agro-commodity industries, which not only contributes to the GDP but also is a source of substantial rural / semi-rural employment. The sugar mills have evolved over the past decade into multi product, integrated industrial complexes, to manufacture

sugar and utilise the co-products for generating green power and green fuel.

Over the past few years, the sugar industry had incurred financial losses due to a mismatch between high input cost and low output prices. After some key policy actions at both the Central and State Government levels and equally aided by lower sugar production, both domestically and internationally, the sugar industry finally witnessed a turnaround during the year.

Sugar production

As per the industry estimates, the country's sugar production for the Sugar Season (SS) 2015-16 is estimated to be over 25 million tonnes, lower by about 11% from that of the previous Sugar Season. Since sugarcane crushing has been completed in most of the regions, there cannot be major deviations from the estimates in terms of sugar production. The major deficit has arisen from the States of Maharashtra and Karnataka. As per recent estimates, Maharashtra has produced 8.4 million

tonnes of sugar at an average recovery of 11.2% which is lower by 19% as compared to last sugar season. Maharashtra faced a lot of challenges, especially with acute water shortage, which has impacted the 15-month maturity crop and is also likely to affect the 12-month planting. Similarly, the production in Karnataka is expected to be 16% lower, at about 4 million tonnes, with an average recovery rate of approx. 10.7%.

Uttar Pradesh (UP) is estimated to produce marginally lower in comparison to the previous season while Tamil Nadu will be producing higher volume of sugar than last year, i.e. 6.8 million tonnes of production in UP and 1.1 million tonnes in Tamil Nadu. The sugarcane crush in UP has been lower by 9% due to abnormally lower yields but the average recoveries have increased by 60 basis points and consequently, the decline in sugar production was only marginal. The climate had its contributory role towards low yields and high recoveries. The varietal change also contributed to better recoveries.

Sugarcane Pricing

The Central government announced the Fair and Remunerative Price (FRP) for sugarcane for SS 2015-16 at ₹ 2300/tonne at 9.5% recovery, which is an increase of ₹ 100 per tonne over the previous year and with every increase in recovery by 0.1% point, the FRP increases by ₹ 24.2/tonne. However, some of the major sugarcane producing states, such as, UP, Punjab, Uttarakhand and Haryana announced State Advised Prices (SAP) which is much above the FRP.

The UP Government announced the SAP for SS 2015-16 at ₹ 2800/tonne for normal variety cane, the same as the previous season, along with a subsidy package of ₹ 350 per tonne – ₹ 117 per tonne in the form of remission of taxes / commission and the balance ₹ 233 per tonne, to be decided by a Committee, based on the recovery during the season and realisation prices of sugar and its co-products during the period from 01.10.2015 to 31.05.2016. The sugarcane payment had to be made to the farmers in two instalments - the first instalment to be paid by the mills within 14 days of procurement at the rate of ₹ 2300 per tonne and the second instalment within three months from the close of the crushing season. The cane price fixation by the UP Government is a much improved model over the fixed SAP model, as it insulates the mills from declining sugar prices, though only up to a certain extent. It is a good start and it is felt that with better interaction with the Government, there is scope for improvement. Improved and rational cane pricing by the State Governments can offset the disadvantages of dual cane pricing – FRP by the Central Government and SAP by the State Government.

Under the extant cane pricing in UP, the discount for rejected varieties is just ₹ 50/tonne, which does not act as a disincentive to the farmers to grow such varieties. The CACP in its report on FRP recommendation for SS 15-16 has pointed out that the UP government should fix SAP for rejected variety at ₹ 200/tonne lower than normal variety to discourage farmers from growing the rejected variety cane.

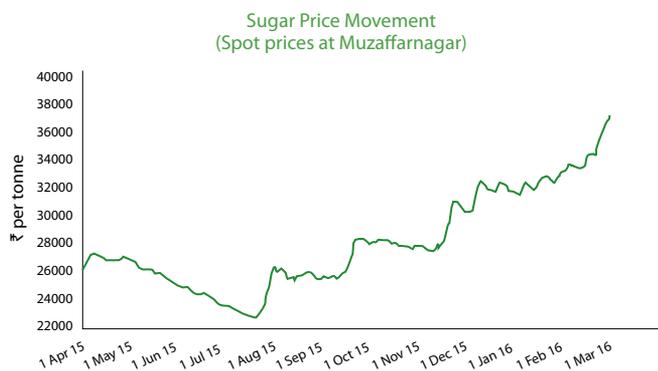
It has been represented by the sugar industry to the Government to adopt a hybrid approach with a combination of Revenue Sharing Formula and FRP, where FRP will be the floor price to the farmers and the farmers will be entitled to the sharing of profits if the output prices are higher than prices presupposed whilst fixing the FRP. Likewise, in the event of lower output prices, the Government will pay a portion of FRP directly to the farmers through Direct Benefit



Transfer Scheme from the Sugar price Stabilisation Fund. During the year, the Government has raised the cess on sugar to ₹ 2000/tonne and it could be utilised for subsidising cane price as and when necessary. Similarly, the State Governments may also have to support a portion of SAP. This sugarcane pricing mechanism would not only provide greater viability to the sugar industry and stable livelihood to farmers, but also ensure steady availability of sugar in the market for consumers.

Sugar Prices

At the start of FY 16, the sugar prices were depressed. Even the cane subsidies notified by the UP government were inadequate to mitigate the losses. There was an acute stress in the sugar sector across the country and even the FRP paying States were facing difficulty in paying the cane dues. The domestic average sugar prices (NCDEX Muzaffarnagar) were around ₹ 26300/tonne at the beginning of FY 16 and dipped significantly to around ₹ 23110/tonne in end-July 2015. The domestic sugar prices started improving from August 2015 and have been on the rise consistently from December onwards in view of the favourable demand-supply estimates and through policy initiatives of the Central Government to mandatorily export the surplus sugar inventory in the country.



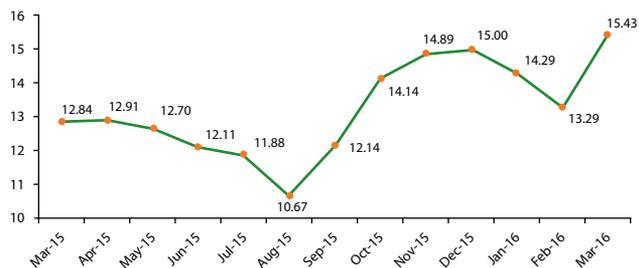
Source: NCDEX

Spot sugar prices rose sharply in the month of March 2016 amidst increased buying from stockists and bulk consumers. The expected global sugar supply deficit in this marketing year, supported the upsurge in prices, apart from the lower estimated domestic sugar production. The average sugar prices for FY 16 were ₹ 28112/tonne. A strengthening of Brazilian Currency Real (against the U.S dollar) too supported this upsurge in prices as it discouraged the exports of Brazilian sugar.

The Global sugar prices (ISA price) gradually drifted to a six-year low of 11.19 cents/lb in August 2015 before increasing by 35% from October till December 2015. The market expectations for the global sugar balance to a deficit in

2015/16 after five seasons of surplus, helped in the price recovery. The global sugar prices saw an upsurge in March 2016 following a growing statistical deficit in 2015/16, and expectations of another season of deficit in 2016/17.

Sugar Futures End of Day Settlement Price- US cents per Pound



Source: Commodity Futures Price Quotes for Sugar #11 (ICE US)

Demand Drivers



Factors like growing retail consumption, especially increasing institutional/bulk demand due to rising population and increasing disposable incomes is triggering the increase in demand for sugar. The estimated Compounded Annual Growth Rate (CAGR) for domestic consumption of sugar is about 3.2% over the past five years, which is estimated to be more than the global average. As per estimates, the share of bulk consumers in the domestic sugar consumption would be around 60% while the rest of the consumption is directly by individual households. The bulk consumption is also estimated to increase due to the increase in consumption in sectors like beverages, processed food, confectionary, bakery products, pharmaceutical etc.

The global trade has an impact on the domestic sugar industry as it can help to regulate sugar inventory in the domestic market through exports or imports, based on the surplus/deficit production statistics.

Demand – Supply scenario

El Nino has affected the sugarcane production in major sugarcane producing countries. El Nino led to excessive rains in Brazil and drought in India and Thailand. After experiencing five years of surplus, the global sugar market is expected to result in a production shortfall in 2015/16 and 2016/17. Various industry estimates indicate a global sugar production deficit of around 6-7 million tonnes in 2015-16 owing to the lower sugar production in Northeast Brazil, Thailand and India. The utilisation of sugarcane increased in Brazil for ethanol production due to better price competitiveness. This further aided the global deficit in 2015-16 sugar production.

It is estimated that 2016-17 will also be a global sugar production deficit year. Brazil's centre-south region is expected to have bumper cane production in 2016-17. However, the other major sugar producing countries are expected to have significantly lower production, which may result in a global deficit in production. The global sugar price is expected to increase further due to drought and above normal rains in major sugar producing regions as well as increase in Brazil's ethanol production.

In India, the sugar production for SS 2015-16 is estimated to be over 25 million tonnes with more or less matching consumption. With expected exports of around 2 million tonnes – of which 1.44 million tonnes have already been contracted - under the Minimum Indicative Export Quota (MIEQ) program of the Government, it is estimated that the sugar stocks at the end of SS 2015-16 will be around 7 million tonnes as compared to 9.1 million tonnes in SS 2014-15, a decline of over 23%. With acute water scarcity in many parts of Maharashtra and Karnataka, the planting and the yields have been impacted and despite a good monsoon forecast for the current year, the sugar production for SS 2016-17 is estimated to be significantly lower than the previous season. However, there is an estimate of higher production from UP and Tamil Nadu. On an overall basis, it seems that the all India production in the SS 2016-17 will further decline.

Government Policy

Both the Central and UP governments have, during the year, initiated some promising policy interventions with a view to bring back the sugar sector on its feet and to extricate it from the financial mess caused by enormous losses in the last 3-4 years so that the mounting cane price dues could be liquidated. While the steps taken are commendable and had immediate favourable impact, more reforms are required to ensure that the regulations – including cane pricing – are based on commercial expediency rather than on any other extraneous considerations. During SS 2015-16, the



Central and State governments have initiated various reforms/ policies to help the sugar mills and the farmers.

- Minimum Indicative Export Quotas (MIEQ): In order to help the sugar mills to clear cane arrears to farmers, the Central Government notified mills to compulsorily export 4 million tonnes of sugar in the 2015-16 marketing year. Individual export quotas have been fixed by the Government for each sugar mill. If sugar mills exports 80% of their quota, which in effect means 3.2 million tonnes of sugar to be exported out of country, the surplus sugar inventory will be reduced, resulting in higher domestic sugar prices. Under this program, the Central Government will directly pay a production linked subsidy of ₹ 45 per tonne for sugarcane to cane farmers, after the mills export 80% of their obligatory quota of export and after complying with some other conditions relating to Ethanol sale.
- The UP Government announced the SAP at ₹ 2800/tonne for normal variety of cane for SS 2015-16 which is same as last year. A subsidy of ₹ 350/ tonne will be given by the

State Government comprising ₹ 117/tonne in the form of remission of taxes and Society commission and the balance ₹ 233/tonne will be paid based on the recovery during the season and realization prices of sugar and its co-products.

- During the year, the Central Government raised the ceiling of sugar cess from ₹ 250/tonne to ₹ 2000/tonne. The proceeds of the cess will be contributed to the Sugar Development Fund which will enable the Government to meet the expenditure on interventions to ensure that the payment of dues to sugarcane farmers is made as and when need arises.

The Ethanol Market

The diverse challenges of a growing population, the increasing need for energy and fuel, natural resource degradation and climate change are leading us towards producing larger quantities of alcohol for partial replacement of fossil fuel. The sugar industry has been supplying clean fuel in the form of ethanol to the country for tackling some of these issues.

Market Analysis

India is the fourth largest producer of alcohol globally and the leading producer of alcohol in the South-East Asian region with about 65% share. The Central Government has been promoting the production and blending of Fuel Ethanol with petrol and has targeted 10% blending (EBP10). The Government has prescribed a remunerative price for Ethanol and has also provided excise duty benefits to encourage the production of ethanol. Apart from achieving the aforesaid objectives, it also ensures fuel security for the country, and helps the sugar industry to be more profitable and to timely discharge sugarcane price dues. In order to fulfil the demand at 10% blending, it is estimated that approximately 266 crore litres of ethanol is required. The National Bio-fuels Policy envisages the blending of alcohol to be enhanced to 20% by 2017. If this policy is to be implemented, more manufacturing facilities would need to be set up to meet the demand.

Demand Drivers

Population growth and increasing urbanisation are pushing the need for mobility. Transportation sector is growing rapidly and the dependence on oil is on the rise. Considering the burgeoning oil import bill and the concern for the environment, there is a need for non-conventional fuels. The blending of ethanol at 5% with petrol helps in reducing the dependence on oil as well as reducing the pollution, while saving ₹ 6000 crore in foreign exchange annually.



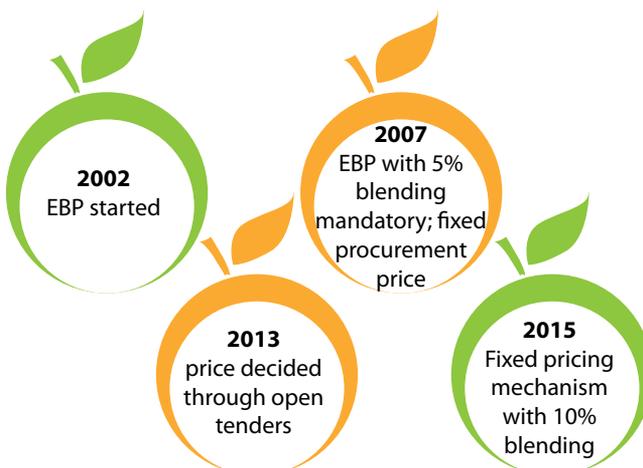
Ethanol has about 30% oxygen, which in turn, helps balance fossil fuel burn much better within the engine. This extra and efficient burning of the fossil fuel within the engine, due to presence of ethanol, reduces the emissions. Ethanol being a value added product from molasses, which in turn, is a co-product of sugarcane, directly benefits the sugarcane farmers across the country.

Demand-Supply Scenario

Currently, out of the 530 sugar mills in the country, only about 130 sugar mills have the capacities to produce fuel ethanol. The total capacity in the country is to produce 224 crore litres of ethanol. In the current season, the sugar industry, for the first time, would be meeting the 5% blending target. To meet the 10% blending, distillation capacities need to be increased. This means increasing the existing capacities as well as setting up of new capacities. Extending the ethanol blending program to cover production from 'B' heavy molasses would also help in meeting the targets.

Government Policy

The various policy initiatives undertaken by the Government to support ethanol production in the country:



- Excise duty benefit of around ₹ 5/litre has been provided on the sale of ethanol produced from molasses, to Oil Marketing Companies (OMCs).
- The Government has fixed the price of ethanol. Petrol has been decontrolled with effect from June, 2010 and OMCs takes the appropriate decision on pricing of petrol as per crude prices and market conditions. The Government has fixed the delivered price of ethanol in the range of ₹ 48.50 per litre to ₹ 49.50 per litre. This will help the sugar mills to negate any downturn in the sugar prices and also facilitate the payment for the cane to the farmers.

The Co-generation Market

Co-generation is decentralised incremental power addition that has many associated benefits, such as, mitigated risk of loss of power to large areas due to shutdown, reduced T&D losses, local power supply and employment generation. The importance of implementing a high efficiency grid connected co-generation power plants for generating exportable surplus has been established well in the Indian sugar mills.

Market Analysis

The installed power generation capacity in India is 276000 MW out of which 36000 MW is renewable power. Bagasse based co-generation installed capacity in the country is 4200 MW. The all India potential of bagasse based co-generation is estimated at 7000-7500 MW.

UP is the leading state in bagasse based power generation, with an installed co-generation capacity of 1100 MW. The potential of bagasse co-generation within UP is around 2000 MW, from over 130 sugar mills. The sugar mills work on a Power Purchase Agreement (PPA) model with the Uttar Pradesh Power Corporation Ltd. (UPPCL).

Demand Drivers

There has been a sharp increase in energy consumption associated with high levels of economic growth and industrialisation. Power demand in the residential sector has also increased. Limited fossil fuel availability requires usage



of non-conventional fuel sources for power-generation. Bagasse co-generation not only reduces dependence on conventional fuel sources but also helps in saving precious foreign exchange by limiting the import of coal. The Clean Energy so generated with bagasse has a favourable impact on climate. India's climate action plan targets for 40% installed capacity from non-fossil fuel by 2030. Using bagasse for power generation also leads to significant revenue for sugar mills through the sale of electricity.

Demand-Supply Scenario

Bagasse based co-generation should remain in focus in UP along with other renewables. The potential for bagasse co-generation lies mainly in the nine key sugar producing States.

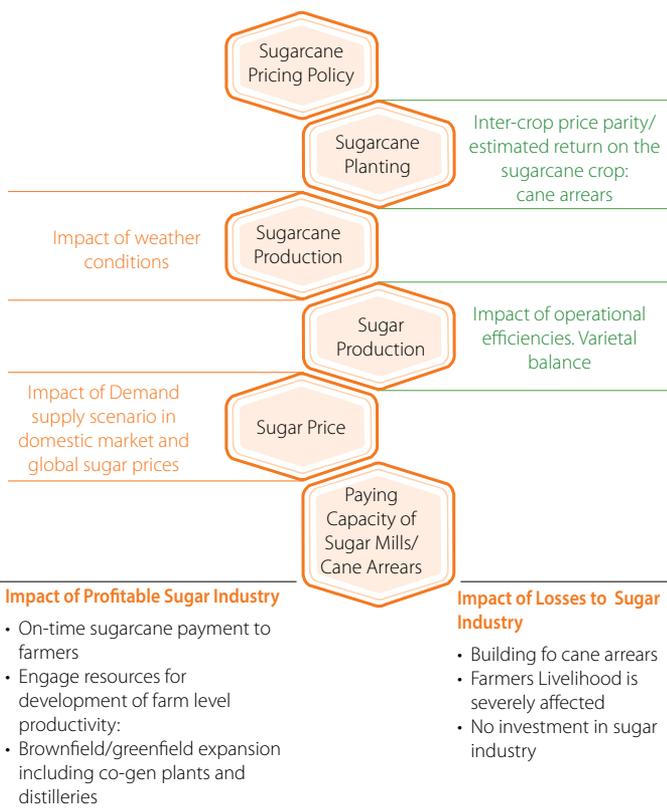
Government Policy

The Government is providing various incentives and schemes to promote bagasse based co-generation. A subsidy is provided under Central Financial Assistance for private sector projects viz IPP Grid interactive bagasse co-generation in private / joint sector sugar mills, IPP based BOOT/BOLT model projects in cooperative / public sector sugar mills. A target of 1400 MW Bagasse Co-generation has been planned by the Government under 12th Plan, against a fund allocation of ₹ 310 crore.

Industry Outlook

It is estimated that the annual direct and indirect contribution of sugar industry is around ₹ 75000 crore to the exchequer. The sugar industry has the potential to cater to the growing domestic sugar consumption, support the country to reduce the oil import bill through supplying ethanol for fuel blending and emerge as renewable power producer. The need of the hour is to improve the quality of the sugarcane produced, i.e. higher yields and recoveries, along with increasing operating efficiencies at the mills.

In order to unleash the full potential of the sector, it is necessary to rationalise the sugarcane pricing mechanism.



Note: Factors that can be controlled are marked in Green

Policy level interventions are required to achieve the viability of the sugar industry while protecting the interest of all stake holders i.e. farmers, consumers and sugar mills.

- Ensure a level playing field with one sugarcane pricing policy across the country
- Incentivise farm level productivity
- Strengthen farmer-miller relationship
- Reduce Inter-crop price parity
- Ensure better sugar price
- Enforce better and on-time import/export decisions
- Incentivise the production of green power and green fuel

These interventions should help in uncapping the immense potential of the sugar industry. The Government is examining the possibilities of manufacturing flexi-fuel cars and vehicles

in India, which can run on higher ethanol blend percentages. This will require increased ethanol production. The sugar industry in India has the potential to act as the energy-producing hub in the rural sector which will boost the rural economy and help the Government in the socio-economic transformation of the rural population. Rising fossil fuel costs, fuel security issues and Government policies to support renewable energy will allow renewable fuels to compete economically over time.

THE INDUSTRIAL GEARS INDUSTRY

The Gears Industry in India is categorised into Automotive and Non-Automotive i.e. Industrial Gears industry. The Industrial Gears industry usually includes manufacturing of Gears, Gear boxes, Gear Motors and Gear assemblies. Industrial gearboxes are common type of power transmission devices which are used as a part in various types of machineries and heavy electrical equipments.

Demand Drivers

The major demand driver for Industrial Gears is industrial capital expenditure mainly in sectors like power, steel, cement, textiles, sugar, mining, etc. The majority of the players in the domestic market manufacture standard products i.e. non-customised, as it requires less technological know-how and infrastructure. There are only a few players in customised gears manufacturing, which requires advanced technology, infrastructure and highly skilled manpower. The infrastructure-related investment in the country impacts on the growth of heavy industries, which in turn, fuels the growth of the Indian gearboxes market.

Triveni's core product which is high speed gears, are used for all turbo applications like gas turbines, steam turbines, compressors, pumps, blowers and test rigs meeting AGMA and API design standards. Demand for these products are certainly linked to industrial growth and capital goods sector. However some of the demand is also generated from the exports of these goods by all OEM customers to export markets, which in turn is linked to global demand of industrial growth in all sectors of economy across global regions. Aftermarket opportunity demand is linked to plant utilisation levels, cost pressures on maintenance budgets and alternate sourcing needs to bring industry product costs down.

Business Opportunities

The Government's continuing thrust on infrastructure and urban development along with improved sentiments in favour of the investment cycle will trigger growth in the end-user industries, such as metals and mining, cement and power. The rapid urbanisation is leading to an increasing income level which is expected to generate more demand

for industries such as Oil and Gas, Textile, Food and Beverage, and Pulp and Paper. In order to meet the growing demand, these industries are expected to expand and renovate their facilities which should lead to an increase in demand for the Gears business.

In the domestic market, the helical gears and planetary gears attract the major demand due to features such as reliable design and higher performance in helical gears; planetary gearboxes offer lower operating costs, higher product lifecycle and better efficiencies.

Industry Outlook

The growth of the Capital Goods sector in India has been led by increasing demand, and is expected to grow in the future and has a positive outlook owing to infrastructure development, favourable Government policies and new investments in power projects, marine and naval vessels, metals, oil and gas, and petrochemicals industries. The Government's focus on projects like 'Make in India' gives further impetus to the overall growth to the capital goods and other manufacturing sectors.

The industrial and manufacturing growth is expected to boost the growth in the Industrial Gears sector. Also, the export market offers opportunities to explore; India's contribution in global exports is expected to increase. The domestic market is changing significantly with increasing competition from low-cost competitors and the entry of several multinational companies. The Customised gear box market is set to grow as end users' demand greater customisation with faster ROI.

INDIAN WATER INDUSTRY

Triveni is focussed on two major customer segments in its Water business – Industrial and Municipal. This section gives an overview of the current state and future evolution of the Water industry in India.

Market Analysis

India has been rated as one of the top four markets in global water treatment with Brazil, China and the United States in a recent study. With more than 18% of the world's population and only 4% of world's renewable water resources, India presents a huge business potential. It has been estimated that the water demand will increase from 710 BCM (Billion Cubic Meters) in 2010 to almost 1180 BCM in 2050. Increasing urbanisation is significantly increasing water demand in India and exerting considerable stress on civic authorities to provide basic requirements, such as safe drinking water, sanitation and infrastructure. Rising industrialisation, to support the rapid urbanisation and increase in demand of energy, is further affecting the demand-supply scenario of

water. The domestic and industrial water consumption is expected to increase almost 2.5 times by 2050.

The Central Government is committed to enhance the water availability and quality through various measures over the past two decades. The country is still facing challenges like water deficiency, mismanagement of water resources, regional disparities, groundwater depletion and contamination and inefficiencies in usage. It is estimated that less than 20% of domestic and 60% of industrial wastewater is treated. Metros and large cities are treating only about 29.2% of their wastewater; smaller cities treat only 3.7% of their wastewater.

The Industry experts are optimistic that these issues can be resolved by the implementation of innovative solutions for more efficient water management through Demand Side Management, Enhanced Water Use Efficiency and Waste Water Recycling.



Demand Drivers

Various estimates suggest that India's water sector is a \$4 billion market and expected to have double-digit growth in the coming years. Stringent environment norms, depleting groundwater sources, commissioning of industrial hubs/SEZs are the key drivers for the industrial segment. In the municipal segment, the Central Government policies, focus of State Governments and municipalities to improve their performance in providing water and sanitation to the citizens, are the major demand drivers. Government-related projects contribute over 50% of the revenues in the market while private sector projects constitute the rest. India is one of the biggest markets in size and growth rate, but the volume of capital expenditure is the lowest compared to other countries globally. This suggests that India has the biggest potential to grow further.

Government Policy Framework

The Central Government has devised various schemes to address the gaps in the access to fresh water. The direct financial assistance for water sector projects at the state level and funding from multilateral and bilateral agencies give

further impetus to the growth of this sector. The National Water Mission launched by the Central Government focuses on increasing water use efficiency at least by 20%, attention on overexploited areas and the promotion of basin level integrated water resources management. The Government has also established wastewater discharge standards for all segments including municipal and industrial. The Government's recent initiatives – Clean Ganga Mission, Swachh Bharat Mission and Smart Cities projects augurs well for the sector.

Business Opportunities

The Ganga Rejuvenation plan (worth ₹ 51,000 crore), 'Swachh Bharat Mission' (sewage and solid waste management worth ₹ 50,000 crore) and the project of 100 'Smart Cities', which would entail ₹ 48,000 crore, the 'Atal Mission for Rejuvenation and Urban Transformation' (AMRUT) of 500 cities with a budget of ₹ 50,000 crore present strong growth potential for the water sector.

Under the Ganga Rejuvenation plan, the Government is working on setting up of waste treatment and disposal plants along the river around the cities, expanding coverage of sewerage infrastructure in 118 urban habitations on the banks of the river, managing industrial discharge by making Zero Liquid Discharge mandatory and rehabilitation and up-gradation of existing STPs along the river. The Smart Cities and AMRUT schemes support the creation of world-class urban environments in select cities including the creation of basic infrastructure services in water supply and sanitation such as 24X7 water supply, sanitation, drainage, solid waste management and sewage treatment.

In the industrial segment, water availability is critical for power generation as power plants need a significant volume of water for steam generation and cooling. Thermal power, petroleum and refinery, textiles, pulp and paper and iron and steel are highly water-intensive sectors where water is primarily used in heat transfer. As water availability and quality declines, companies may need to invest in water infrastructure projects to secure supplies, water treatment systems, and/or more advanced cooling systems.

Industry Outlook

In the face of future scarcity trends, every country, community and company should seek innovative solutions for efficient water management. The opportunities presented by the domestic water sector are enormous. Synchronised efforts of public and private sector can lead to the development of integrated water solutions to resolve the water crisis in the country. Many international companies from Canada, Israel, Germany, Italy, United States, China and Belgium are planning to enter the Indian market. It is estimated that the Water

sector will have an investment of ₹ 18,000 crore in the next three years. The industry needs to develop new and better technology and design systems that work for local needs while improving efficiencies. The sector would remain one of the key focus areas for the country in the medium to long term, as improved water resources management contributes significantly to increased production and productivity, thus boosting the country's economic growth.

BUSINESS REVIEW

Sugar Business

Triveni operates seven sugar units spread across the State of Uttar Pradesh (UP). Most of its mills are located in the Western and Central UP while the Ramkola unit is located in Eastern UP. The weightage of sugarcane crush by the Company in the Season 2015-16 is 7.05% while sugar output is equivalent to 7.18% in the State.

(In Million Tonnes)

Sugar Units	SS 2015-16			SS 2014-15		
	Cane Crush	Recovery (%)	Sugar Output	Cane Crush	Recovery (%)	Sugar Output
Khatauli	1.33	10.70	0.14	1.52	9.31	0.14
Deoband	0.72	10.21	0.07	1.00	9.41	0.09
Sabitgarh	0.48	10.20	0.05	0.47	9.47	0.04
Chandanpur	0.55	11.72	0.06	0.54	10.26	0.06
Rani Nangal	0.54	11.30	0.06	0.56	10.12	0.06
Milak Narayanpur	0.38	10.60	0.04	0.39	9.25	0.04
Ramkola	0.52	11.13	0.06	0.64	9.63	0.06
Total	4.52	10.80	0.48	5.13	9.57	0.49

The sugar prices remained mostly depressed and below the cost of production during the year under review affecting the profitability of the business and sugar operations continued its losses during the year, albeit at much lower levels. After having dipped to multi-year record low in July/August' 2015, the prices started steadily rising due to certain policy actions and lower production estimates, domestically and globally.

The Company manufactures refined sugar which forms around 40% of the total sugar production and fetches a premium to sulphitation sugar. The refined sugar is also supplied to high grade end users, thereby creating a niche customer profile. The units at Chandanpur & Rani Nangal are adhering to the best in class manufacturing process & quality and supply sugar to major multinational soft drink companies for their requirements. All these initiatives led to a better realisation in comparison to bulk sale to traders.

The sugarcane crushed during the year was lower due to lower yields but the overall sugar production during the year remained similar to last year levels owing to higher recoveries. The average recovery during SS 2015-16 has

increased considerably to 10.80% which is 123 basis points higher than previous year.

The Company is engaged in implementing a massive cane development programme to improve recoveries and the availability of cane. Under its cane development initiatives, the Company has achieved encouraging success in maturity



based harvesting which has resulted in significant increase of available sucrose content. The Company has been promoting the plantation of high sugared varieties of sugarcane. The results of these efforts led to a change in the varietal balance leading to significant increase in the recoveries. The Company has also been undertaking various cane development projects like, educating and persuading growers to minimise rejected varieties, yield improvement programme and plant protection programme from various diseases. Dedicated cane development professionals have engaged with farmers to create awareness and counsel them to adopt various latest scientific techniques like deep ploughing, trench planting, planting through upper half portion of cane, ploy bag planting technique, green manuring, intercropping, wider spacing, etc. The Company believes in working with the farmers to create a mutually rewarding proposition and fostering long-term ties.

Chandanpur, Milak Narayanpur and Sabitgarh units operate incidental co-generation units and exports its surplus power to the grid which resulted in an export revenue of ₹ 15 crore in FY 16.

Co-Generation Business

Triveni currently operates grid connected three large capacity co-generation plants and three incidental co-generation capacities at its five sugar units namely Khatauli, Deoband, Chandanpur, Milak Narayanpur & Sabitgarh units. After meeting sugar factory's as well as co-generation plant's auxiliary requirements, surplus power from these plants is exported to the grid. The Company has power purchase agreements with UPPCL for all its co-generation facilities.

Triveni's co-generation plants at Khatauli & Deoband utilise highly efficient 87 ata / 515°C steam cycle to maximise efficient usage of bagasse (a fibrous residue left after sugarcane crushing and extraction of juice). Bagasse, being a renewable fuel, does not add any net-carbon dioxide in the atmosphere and, therefore, bagasse based co-generation plants are regarded as environment friendly, green fuel based plants.

Facilities

The co-generation plants at Khatauli and Deoband use highly efficient high pressure & temperature steam cycles and are regarded amongst the most efficient co-generation plants in India. The Company's Incidental co-generation plants operate mostly on medium pressure steam cycles. These plants are designed to have fully automated operation using latest Distributed Control System (DCS). Highly skilled trained manpower operates these plants so as to ensure trouble free efficient operations with high uptime & reliable operations and very high operating efficiencies. The Company puts significant emphasis on maintaining excellent management of the boiler feed water quality parameters to ensure sustained & trouble free operation of the boiler & turbine.

Unit wise capacities of the co-generation plants are as follows:

Sl. No.	Name of the unit	Installed capacity
1.	Deoband	22 MW
2.	Khatauli	46 MW
3.	Sabitgarh (*)	13.5 MW
4.	Chandanpur (*)	10 MW
5.	Milak Narayanpur (*)	13 MW
	Total	104.5 MW

(*) Incidental Co-generation Units

The Company normally exports about 56 MW (~54% of total co-generation capacity) and the balance is used for the sugar operations and auxiliary consumption. The results of incidental co-generation units are considered in the Sugar segment.



Performance Overview

The operation of the co-generation plants to a large extent depends on bagasse availability which in turn depends on cane availability to the sugar factory for crush and efficient operations of the sugar factories. Co-generation plants at Khatauli & Deoband continued to operate efficiently with very high uptime and met the requirement of process steam and captive power of the sugar factory operations. By and large, the bagasse is captively sourced and if feasible, the bagasse availability is augmented with procurement of biomass from the open market.

All incidental co-generation plants performed extremely well and recorded high power export. The Company continues to take various measures to enhance energy efficiency of the sugar factories by making investments in various proven technologies /equipments to maximise the availability of fuel and thus increasing utilisation of the co-generation facilities.

Deoband and Khatauli co-generation plants of the Company are registered as Clean Development Mechanism (CDM) projects with United Nations Framework Convention on Climate Change (UNFCCC).

Triveni's Deoband, Khatauli, Chandanpur & Milak Narayanpur co-generation facilities are also eligible for Renewable Energy Certificates (REC) as these units are registered as per CERC REC regulations 2010. The Company has earned revenue of over ₹ 10.0 crore through transaction of RECs from its registered units since its start.

Outlook

The Company has undertaken an ambitious cane development programme to increase the availability of sugarcane for its sugar operations and this will also help in increasing the generation of bagasse for the co-generation plants. It will help the plants to increase the operational period. The Company is also taking various steps to reduce the process steam consumption in sugar operations and thereby, enabling additional saving of bagasse for higher power generation and exports.

Distillery Business

The Company operates a 160 KLPD capacity state-of-the-art distillery in Muzaffarnagar district in U.P. It is one of the largest single stream molasses based distilleries in India. Strategically located in close proximity to two of its largest sugar units (Khatauli & Deoband), the distillery has an assured access to consistent supply of captive raw material. The unit extracts bio-gas from the effluent and uses it as main fuel in the boiler to meet the process steam & power requirements.

The distillery has a flexible manufacturing process allowing it to produce high quality Extra Neutral Alcohol (ENA), Rectified Spirit (RS), Special Denatured Spirit (SDS) and Ethanol, based on the market dynamics & requirements.

Performance Overview

During the period under review, distillery operated at nearly 100% capacity during its operational period and produced 410 lakhs litres alcohol. The distillery unit continued to achieve high levels of fermentation & distillation efficiencies.

Ethanol – Also known as fuel alcohol, it is blended with petrol as a green fuel. Apart from adding to fuel self-sufficiency measure with cost advantage, blending of ethanol with petrol helps the country to reduce its carbon footprint along with saving of precious foreign exchange on import of crude oil. The Government of India has made 5% mandatory blending and has targets to reach to 10% blending levels in some states. The off-take by Oil Marketing Companies (OMCs) has also been steadily improving and for the first time since the start of the programme, ethanol blending is expected to reach the 5% level during the current sugar season. Triveni has aggressively participated in all tenders issued by the OMCs for the procurement of Ethanol and has secured sizeable quantities. During FY 16, Ethanol constituted 87% of

the sales volume and balance 13% has been contributed by ENA and SDS.

Extra Neutral Alcohol (ENA) - Triveni is a high quality producer of ENA and continues to be a preferred supplier to reputed Indian potable alcohol manufacturers. ENA sales in total product mix has reduced significantly due to much better market of Ethanol and growing preference of the potable liquor industry in favour of grain based ENA. Accordingly, the sales of the ENA in the total sales volume have come down to about 11% in FY 16.

Industrial alcohol - This product is the residual output of the distillery during the manufacturing of ENA and therefore, fetches a lower realisation. The Company's main endeavour is to minimise its production so as to maximise the overall realisation.

Rectified Spirit - It is a potable grade alcohol which is used for manufacturing the front line products of Indian Made Foreign Liquor (IMFL).

Recognition

Triveni is the first Company in UP which has obtained certificate from Food Safety and Standard Authority of India (FSSAI) for manufacture of RS (P) and ENA.

Outlook

The Central Government has taken an ambitious Ethanol Blending Programme (EBP) under its bio-fuel policy. The Government is keeping a strong focus on enhancing ethanol blending percentage to over 20% in future. Accordingly, the Company is focusing on enhancing its Ethanol manufacturing capacities. The Company is aiming to enhance the production capacity in existing distillery through increase in number of operation days and may consider putting up new distillation capacities in the future.

Gears Business

The Company is focused on all high speed and niche low speed products - supply of new equipment as well as providing replacement solutions for power sector, Oil & Gas, sugar, cement, IPPs, steel & metals, paper, chemical/process and mini hydel. In exports, the focus is on new equipment in South East Asia, and for replacement solutions the key target markets are South and South East Asia, Middle East and Africa.

During the year under review, market segments in which Gears business operates has shown moderate growth of 6% in order intake. Investments and maintenance spend has been pruned down to bare essential due to lower utilisation of capacities, thereby limiting demand and investment in new equipment including replacements.

Sluggish demand, high costs of funds and stringent norms for lending have impacted entrepreneurial risk taking and fresh investments. Even under these circumstances, the Company was able to achieve a growth in turnover and maintained high profitability in line with previous years

The Company has been exploring other growth opportunities and some of the initiatives have helped to maintain its position or even register moderate growth in the backdrop of domestic market having shrunk. Its foray into exports, mainly to exploit huge potential of retrofitting business, and a strategic supply agreement with GE Oil & Gas may be the harbinger of the growth story of Gears business but in view of subdued industrial climate globally, the incremental business may fructify only gradually. Further in the Defense Marine Sector, a strong push has been given with product approvals obtained from Indian Navy/Indian Coast Guards through the shipyards, which shall help in growth in the coming years.

Market Overview

In the refinery sector, there were no new projects undertaken in FY 16 which limited new equipment sales.



However, small modification projects were implemented resulting in few orders for compressor gearboxes. The health of the fertilizer sector is tied closely to the health of the agricultural sector. With drought like situation in many parts of India, this sector was stressed. However energy saving and optimisation drive by the Government resulted in some opportunities of plant upgrades for efficient turbo trains in fertilizer sector.

The Gas plants were operational at only 20% capacity due to non-availability of gas which resulted in drastic reduction on maintenance spend. There was only one major project for Gas Turbine load gearboxes. In the steel sector, demand slow down coupled with cheap imports from china forced companies to either shut down or run at partial capacity. All major expansions are on hold thus limiting the maintenance and repair opportunities. In the cement sector, depressed condition of real estate market and lack of infrastructure projects has resulted in demand slowdown. Due to the gap between supply and demand, the cement industry is running at much lower capacities thus leading to no further investments and cut on maintenance spends.

New Projects in the hydel sector have added to new business through OEMs from certain region of the country. The sector has potential in the long term owing to rationalisation of PPA policy and push into non-conventional energy sector. There were only few thermal projects which were cleared in both Government and private sectors. For the past few years, power plant developers are facing constraints such as coal allocation/ environmental clearance, land acquisition apart from financing of the project. Gears business has considerable presence in Thermal sector through boiler feed pump market which was affected due to lower order intake from OEMs.

Segments

OEM

Triveni Gears is a dominant player in High speed segment in India It has over 80% of domestic market share across OEMs while it is expanding its market reach and dominance in select South East Asian markets.

Replacement, Refurbishing and Spares

Traditionally this has been a dominant market segment for the Gears business as it enjoys the credibility of being an OEM. This market is driven by quick response and faster reach to the customer site and strong stakeholder relationship, including major service providers of main equipment and components. The business caters to the products same as in OEM segment and all other critical products in the low speed segment.

The service solutions provided by the Company for proactive health monitoring of all types of critical gearboxes, high speed and low speed and inventory of dimension ready sites create a differentiator vis-à-vis competition in terms of offering a quick solution, should the need arises. The speed and quality of response provided by the service team helps in maintaining the market share of the business. The solutions provided by the Company are technologically at par and cost competitive when compared to international companies. This together with a competitive lead time, have been the major driver for capturing majority of opportunities.

Loose gearing

Market dynamics of this segment are similar to the OEM segment. This segment demands a capacity availability of critical machines like hobbing, teeth grinding as well as surface grinding. The Company has exercised a limited yet strategic presence into the segment.

Exports

In order to have direct reach to all end users, Gears business has appointed agents in Malaysia, UAE, etc., which is expected to yield results over a period of time. Further potential agents in South Africa, Turkey, Philippines and Vietnam are being approached for similar agency agreements.

Performance Overview

In spite of market slowdown during the year, Gears business posted a turnover of ₹ 108.38 crore which is an increase of 5% over last year. Reasonably accurate forecasting coupled with flexibility in sourcing, production and advance manufacturing program resulted in fast deliveries.

Gears business has signed a MoU with a globally leading Gears manufacturing company for the Marine propulsion gearboxes for Indian defense marine sector. This is in line with the 'Make in India' program of the Central Government, to supply gearboxes with maximum indigenous content.

While geographical constraints for select applications remain a challenge for the OEM sector, the business is making inroads into the exports markets, particularly in the Replacement Solutions. This is achieved by increasing market reach through strategic partnership with well-established agents across the Middle East and SE Asia.

Over the last two years, the Gears business has been successful in getting breakthrough orders from pump OEMs in Japan and Europe.

The Company has invested in infrastructure by adding new facilities for CNC Gear grinding, CNC hobbing, CNC plano milling, CNC cylindrical grinding and expansion of assembly bays. The expansion is completed and the Company is ready to leverage the future growth opportunities.



Outlook

Domestic market is expected to see the growth in steam turbines segment due to exports push by OEMs in the next financial year. Thermal segment continues to be a dominant player in the Power segment. It has shown improvements in outlook and new thermal projects are expected to be finalised translating into orders for Boiler feed pump drives and loose gears. Export orders from pump OEMs for thermal plant project are also expected from South East Asia market. Few upgrades in the existing projects are expected in the Oil & Gas segment.

In the fertiliser sector, the Government has cleared a new policy to increase the domestic production. Many new brownfield and greenfield projects including revamp, expansion, upgrades are expected to come up in the coming year. Orders from OEMs for pumps, compressors & steam turbines applications are expected.

With 'Make in India' program growing stronger, there are concentrated efforts and focus to indigenise defence equipment. New Defence procurement policy released this year encourages local production. Currently, the Company is focusing on providing Gears & Gearboxes for Marine Propulsion for the future projects of Indian Navy & Coast

Guard with technical support from our technology provider. Gears business focus is on higher power range of mini Hydel segment. New policy of the Government allowing power distribution companies to purchase power directly from the Hydel plants may increase growth in this sector. OEMs are also focusing on overseas markets. The Company is also actively working on development of alternate products in planetary applications.

Water Business

Triveni's Water business has remained in the forefront of country's Water market, consistently delivering in most challenging situations across Municipal & Industrial markets and operating some of the most efficient Municipal facilities – both in terms of process efficiency as well as on life cycle cost parameters.

As reported last year, the business had been striving to expand into the business of Management of City Utilities in an integrated manner. This includes water treatment, supply & distribution to wastewater collection & conveyance to wastewater treatment, safe disposal, existing assets' rehabilitation and capacity addition. During FY 16, these efforts resulted in securing first City Utility Management contract during the year for Bathinda Municipal Corporation (BMC) in Punjab through Punjab Water Supply & Sewerage Board (PWSSB) for management of Water and Sewerage network of the city with ten years of Operations & Maintenance (O&M) contract. In the current market, many Urban Local Bodies (ULBs) are planning such jobs covering entire city facilities instead of awarding projects on split-contracts basis. Urban utility schemes, funded under AMRUT program of Government of India (GOI), across the country are being formulated on similar lines.

Performance Overview

The performance of the Water business was impacted during the year due to reduced order intake in FY 15 which resulted in low opening order book for execution in the current year. Lower turnover below the breakeven levels resulted in under recovery of fixed overheads and additionally, cost overruns and provisioning in respect of some delayed projects cumulatively adversely affected the profitability during the year. However, the order book at the end of the year is higher by 33% at ₹ 594 crore over the opening order book of ₹ 445.43 crore.

During the last two years, market activities – in both Municipal and Industrial segments – were at low key. One of the reasons for less number of municipal projects is funding limitation with ULBs, as the Central Government was working on schemes under new policy guidelines,

limited contribution was given towards ULB funding. As private investment was almost standstill, most of the Industrial activities were inactive except PSUs in Oil & Gas space and Thermal Power sector. This market situation led to low level of order finalisation in our addressable market. In this situation, the Water business continued its efforts for physical closing of old projects so as to realise locked-up money in retentions. Despite such external constraints, the order intake during the year was relatively robust at ₹ 363.6 crore which is 160% higher than the previous year.

The business had initiated exploring export markets and submitted few confirmed bids of good size jobs which are yet to be finalised and going forward, separate Export cell is being formalised within Water business to focus on specific opportunities in these markets.

Key Highlights

- Secured first City Utility Management contract for Bathinda Municipal Corporation (BMC) in Punjab through Punjab Water Supply & Sewerage Board (PWSSB) for management of Water and Sewerage network of the city with ten years of Operation & Maintenance (O&M) contract. Besides facility management, scope also includes rehabilitation of existing assets as well as creation of new capacity – both for Water and Sewerage systems. Final objective during O&M phase is to ensure 24X7 Water supply across city within specified Non-Revenue Water (NRW) targets.
- Secured a contract for Aishwarya project of IOCL, Haldia Refinery for setting up RO-DM package alongwith Condensate Polishing Units (CPU). This job reaffirms the Company's credentials in Oil & Gas space after successes with GAIL, BPCL etc in the recent past.
- As reported last year, the Company has initiated Biogas based power generation at the 100 MLD Sewage Treatment Plant (STP) facility in Gurgaon, built on turnkey basis for Haryana Urban Development Authority (HUDA). Going forward, target is to maximise this power generation so as to minimise need for external power for running the STP.

Outlook

The Central Government has initiated several measures to revitalise the life of rivers, starting from Ganga through Namami Gange program. As of now, Ministry of Water Resources (MoWR) is finalising appointment of consultants

on all the projects and bidding on actual projects is likely to start during FY 17. Large investment is also planned in creating under-ground sewerage network in the cities under the program being formulated by Ministry of Urban Development (MoUD).

Program for creation of new STP facilities in large cities like Bengaluru, Chennai, Mumbai, Pune etc is already in advanced stages for multiple projects in each of these cities, many of them are likely to be finalised during FY 17 with collective investment of over ₹ 2000 crore. In addition, the Government has recently notified that all thermal power within specified limits of urban settlement will mandatorily draw treated sewage for their make-up water needs and this will open huge new market segment, which has already started in cities like Bengaluru, Chennai etc. As the Company has already established strong project references in STPs, it will be focusing on these opportunities aggressively.

There are many opportunities for upgradation of existing treatment facilities which are currently operating at sub-optimal levels. Programs like AMRUT, Namami Gange, etc, are focusing on such facilities that will ensure treating sewage as per new effluent standards. The past experience and qualifications on similar upgrades/retrofitting jobs undertaken by the Company will give added advantage.

Long-term O&M contracts are associated with all upcoming projects which provide long-term assured revenue stream with more consistent cash flows.

In the Industrial space, the Company will continue to focus on jobs with PSUs particularly in Oil & Gas and Power sector. In addition few projects are expected to come up in the fertiliser sector as the Government has committed specific funding for this sector in the last Union Budget. Opportunities in Desalination projects as well as specific segment related Recycle & Reuse projects are also expected to come up in FY 17.

The Government has also approved funding for various Common Effluent Treatment Plants (CETPs) in specified industrial clusters like textile, etc. and these will come for bidding during FY 17. The Company is well placed to participate in these opportunities.

The Water business plans to look into the potential opportunities outside India and has created an Export cell which will strive to expand in the focused regions covering select African countries, Middle East and South East countries.

FINANCIAL REVIEW

₹ lakhs

Description	2015-16 12 months	2014-15 12 months	Change %
Net Turnover	191502	206083	(7%)
EBITDA	15052	(16)	
Depreciation & Amortisation	5804	5922	(2%)
Finance Cost	11491	12208	(6%)
Profit Before Exceptional/Non-recurring items & Tax	(2243)	(18146)	88%
Exceptional / Non-recurring items (Net)	1013	-	
Tax	-	(1737)	
Profit After Tax	(1230)	(16409)	93%

There has been a turnaround in the operations of the Company in the current year. It is primarily on account of an upturn in the Sugar Operations wherein there has been a positive swing of ₹ 160.97 crore in the segment results (PBIT) as compared to the previous year. The inventory write down was not necessitated during the year in view of the net realisable value of sugar at the year-end being higher than the cost of production of sugar produced in the Season 2015-16 whereas in the previous year, inventory write down of ₹ 111.11 crore was considered for the sugar inventories relating to the Season 2014-15. However, the performance of the Engineering business was impacted due to Water business. The major contributory reasons for better performance of the Sugar Operations have been:

- **Favourable Demand-Supply position:** Favourable demand supply position, both domestically and globally, has resulted in better sugar prices. After a decline in sugar production in the country by 11% in the Sugar Year 2015-16, there is a forecast of further significant decline in the next year. The correction of excessive sugar inventories augurs well for sugar prices which had during the year touched record lows.
- **Higher Recoveries:** The state of Uttar Pradesh has seen average recoveries in Season 2015-16 moving up by 106 basis points to 10.61%. Our Company has achieved increase in recoveries by 123 basis points at 10.80%. It has been partly contributed by favourable climatic conditions but mostly due to our cane development activities culminating in higher proportion of high sugared sugarcane varieties. There is a potential to further improve the varietal balance. High recoveries help in lowering cost of production of sugar.
- **Mandatory Export Scheme:** With a view to liquidate excessive stocks in the country, the Central Government came out with a novel Scheme wherein, each sugar mill

was allocated an export quota and mills were obligated to export at least 80% of the quantity allocated to them during the sugar year 2015-16, even at a loss, and the mills were entitled to a subsidy after fulfilling export commitments and some other conditions relating to despatch of Ethanol to Oil Marketing Companies. Under the Scheme, considerable quantity has been exported and the trade sentiments improved.

- **Improved sentiments due to realistic sugarcane pricing fixation** Earlier, during the year, in accordance with the cane price package announced for the season 2014-15, the UP Government met its commitment to extend cane price subsidy of ₹ 286 /tonne in view of sugar prices being much lower than assumed for cane price fixation. Likewise, a cane price package was announced for the season 2015-16 based on the recovery achieved in the season and prices of sugar and co-products. While there is a scope of improvement in the mechanism of fixing realistic cane prices, the initial steps taken towards this objective by the UP Government are commendable.

Both Co-generation and Distillery have performed well during the year.

Despite lower than anticipated orders from the Licensor, GE Lufkin, due to unprecedented slowdown in the global market, Gears business could achieve a modest 5% increase in turnover while almost maintaining its margins. The Gears business is in the process of implementing a capital expenditure programme, which will help it to enhance capacity, ensure quality and carry out more sophisticated, critical and value-added jobs in its works for better control over the production plans. The operations of Water business have suffered during the year as due to significantly lower order intake during FY 15, the project execution and thus, the resultant revenue was much below the breakeven levels and additionally, the profitability was impacted by cost overruns and provisioning in respect of delayed projects owing to varied reasons attributable to the customers. However, order booking during the year has been quite robust in the Water business and has increased by 161% over the last year.

Raw Material and Manufacturing Expenses

₹ lakhs

Description	2015-16 12 months	2014-15 12 months	Change %
Raw material	151509	145469	4%
Percentage to sales	79%	71%	
Manufacturing expenses	15090	18603	(19%)
Percentage to sales	8%	9%	

The increase in raw material cost is attributed to 9% increase in cane prices, as reduced by 3% reduction in crush. The cane

price applicable to the Season 2015-16 is at ₹ 2800/tonne as against ₹ 2514/tonne in the previous season. Further, there has been a reduction in raw material cost by 26% in Water business commensurate with lower revenue by 34%. Percentage raw material cost to sales has increased from 71% in the previous year to 79% in view of decline in sales by 7%.

Lower activities in Water business have resulted in lower manufacturing expenses.

Personnel Cost, Administration Expenses and Depreciation

₹ lakhs			
Description	2015-16 12 months	2014-15 12 months	Change %
Personnel cost	15855	15251	4%
Percentage to sales	8%	7%	
Administration	7478	7528	(1%)
Percentage to sales	4%	4%	
Selling expenses	1793	2301	(22%)
Percentage to sales	1%	1%	
Depreciation & Amortisation	5804	5922	(2%)
Percentage to sales	3%	3%	

The increase in personnel cost is normal, reflective of annual salary increase. While the administrative expenses were almost at the levels attained in the previous year, the selling

Segment Analysis

Description	Revenue			PBIT*		
	2015-16 12 months	2014-15 12 months	Change %	2015-16 12 months	2014-15 12 months	Change %
Business Segments						
- Sugar	188729	193771	(3%)	8957	(7140)	
- Engineering	23950	30071	(20%)	701	2552	(73%)
- Others	4390	7845	(44%)	16	211	(92%)
Unallocated/inter unit adjustment	(25567)	(25604)	(0%)	(426)	(1561)	73%
Total	191502	206083	(7%)	9248	(5938)	

*Before exceptional items

expenses have declined by 22% as in view of change in Inco terms of sale of sugar in certain sugar units.

During the year, component accounting in accordance with Schedule II to the Companies Act, 2013, has been followed and consequently, the depreciation charge for the year is higher by ₹ 1.00 crore.

Finance Cost

₹ lakhs			
Description	2015-16 12 months	2014-15 12 months	Change %
Interest on term loans	4400	5262	(16%)
Interest on working capital funds	6801	6630	3%
Others	290	316	(8%)
Net finance cost	11491	12208	(6%)

During the year, the repayment of term loans was made to the extent of ₹ 122.26 crore and new loans of ₹ 148.04 crore were availed. The loans availed during the year include soft loans of ₹ 114.50 crore with interest subvention of 10% by Central Government for a period of one year. The average cost of term loans was 8.28% as against 9.60% in the previous year.

The working capital utilization during the year was at ₹ 616 crore which is 3% higher than the previous year and the cost of funds was at 11.04%. Overall cost of funds was 9.76% as against 10.39% in the previous year.

The Company has two major business segments - Sugar business and Engineering business. Sugar business comprises of sugar manufacturing operations across 7 Sugar mills, 3 incidental co-generation plants at three of its Sugar mills and 3 Co-generation plants located at two of its Sugar mills and a standalone Distillery, all located in the State of U.P. Co-generation plants and Distillery source captive raw material, namely, bagasse and molasses, from the Sugar mills. Engineering business comprises of Gears manufacturing at Mysore and Water and Waste Water Treatment business operating from Noida, UP.

Sugar Business Segments

Sugar Operations

₹ lakhs			
Description	2015-16 12 months	2014-15 12 months	Change %
Turnover	155104	162837	(5%)
PBIT	(3116)	(16589)	81%
PBIT/Turnover (%)	(2%)	(10%)	
Cane crush (MT)	4867000	4998600	-3%
Cane cost (landed) (₹ /MT)	2866	2622	9%
Production of sugar (MT)	520213	476805	9%
Volume of sugar sold (MT)	506692	457927	11%
Average realisation price (₹ /MT)	26657	30686	-13%

Despite increase in cane cost by 9%, the cost of production of sugar has reduced by 2% at ₹ 29186/tonne. This has been made possible due to record high recovery at 10.80% achieved in the season 2015-16 which has more than offset the impact of increased cane cost. Further, there has not been any write down of inventory during the current year whereas the results of the previous year include inventory write down of ₹ 111.11 crore. Due to lower opening valuation of sugar inventories due to inventory write-down, the impact due to low sugar realisation prices was limited.

Co-generation Business

₹ lakhs			
Description	2015-16 12 months	2014-15 12 months	Change %
Turnover	16392	15198	8%
Income from carbon credit/REC	669	482	39%
Total turnover	17061	15680	9%
PBIT	7739	6580	18%
PBIT/Total Turnover (%)	45%	42%	

The increased profitability in the Co-generation business has been due to higher operating period, higher power generation by 5% and increased income from REC.

Distillery Business

₹ lakhs			
Description	2015-16 12 months	2014-15 12 months	Change %
Turnover	16564	15254	9%
PBIT	4334	2869	51%
PBIT/Turnover (%)	26%	19%	
Production (KL)	41005	39996	3%
Sales Volume (KL)	39738	39653	0%
Avg. realisation price of alcohol ₹ /litre (net of excise duty)	41.11	37.72	9%

Better performance of Distillery business is mainly due to product mix which includes 87% sale of ethanol as against 45% in the previous year. Consequently, average realisation price has increased by 9%.

Engineering Business Segment

Gears Business

₹ lakhs			
Description	2015-16 12 months	2014-15 12 months	Change %
Turnover	10838	10327	5%
PBIT	2910	2923	0%
PBIT/Turnover (%)	27%	28%	

Under challenging business conditions, the Gears business has performed well to register 5% increase in turnover while maintaining its profitability. Anticipated order intake from its Licensor, GE Lufkin, could not materialise under strategic supply agreement due to acute slowdown in the global market. Further, it is expected that such business would

fructify over a period of time as the business conditions become more conducive. The Gears business is proceeding to execute capital expenditure programme to increase its capacity and other manufacturing facilities.

Water and Wastewater Treatment Business

₹ lakhs

Description	2015-16 12 months	2014-15 12 months	Change %
Turnover	13112	19744	(34%)
PBIT	(2209)	(371)	(495%)
PBIT/Turnover (%)	(17%)	(2%)	

Low order booking in FY 15 resulted in much reduced order book as at the opening of FY 16. In turn, it resulted in low revenues commensurate with the project execution activities. Orders of ₹ 364 crore have been booked during the year, which have resulted in a comfortable order book of ₹ 594 crore as on 31.3.2016. The under recovery of fixed overheads due to low turnover along with cost overruns and provisioning in respect of delayed projects adversely impacted the profitability of the business.

Review of Balance Sheet

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

Share Capital

It has remained unchanged during the year.

Reserves

During the year, the reserves and surplus declined by ₹ 12.37 crore (2%) to ₹ 577.27 crore due to:

- Loss incurred during the year;
- Adjustment by ₹ 0.07 crore from general reserves in respect of impact of componentisation in accordance with the provisions of Schedule-II to the Companies Act, 2013.

Borrowings

Total long term borrowings at the year-end including current maturities of long term borrowings are at ₹ 544.07 crore as against ₹ 518.29 crore as at the end of the previous year. During the year, new loans of ₹ 148.04 crore were availed and repayments were made to the extent of ₹ 122.26 crore. New loans include soft loans of ₹ 114.50 crore with interest subvention for a period of one year and balance loans are towards capital expenditure, mainly for Gears business.

Short term borrowings have been much higher at ₹ 1161.95 crore as against ₹ 953.72 crore as on March 31, 2015. The increase is primarily due to 3% higher sugar inventories held at the year-end and also due to regular payment of cane price.

Deferred Tax Liability

In view of loss making trend of the Company, deferred tax assets in respect of accumulated tax losses have not been recognised beyond the deferred tax liability, in accordance with the applicable accounting standard.

Trade Payables

Trade payables have declined from ₹ 662.42 crore as on March 31, 2015 to ₹ 427.72 crore as on 31.03.2016. The decline is mainly attributed to reduction in cane dues. Cane dues as on March 31, 2015 were recorded at gross level without netting off with the subsidy payable by the State Government.

Fixed Assets

During the year, there have been additions to the extent of ₹ 53.23 crore mainly for augmenting manufacturing facilities at the Gears business.

Loans and Advances

Long term loans and advances have remained at the same level as last year but short term loans and advances have decreased from ₹ 194.51 crore as on March 31, 2015 to ₹ 61.03 crore as on March 31, 2016. Previous year figures include cane subsidy of ₹ 134.43 crore receivable from the State Government.

Inventories

Inventories have increased from ₹ 1234.34 crore as on March 31, 2015 to ₹ 1415.36 crore as on March 31, 2016. In quantitative terms, inventory held as on 31.03.2016 is higher by 3% and do not incorporate any inventory write-down whereas inventories held as on 31.03.2015 were written down by ₹ 111.11 crore.

Other Current Assets

It has increased from ₹ 55.32 crore as on March 31, 2015 to ₹ 67.23 crore. The increase is basically in respect of cost incurred by Water business on the projects and recoverable from customers pending billing at the prescribed milestones and amount recoverable from wholly owned subsidiaries against sale of fixed assets.

RISK MANAGEMENT AND MITIGATION

The Company follows a well-structured Enterprise Risk Management (ERM) Policy. The ERM policy enables the Company to carry on its business operations within defined parameters of risks and it helps to build a discipline within the organisation wherein all business decisions are taken after evaluating the attendant risks and formulating effective mitigation plans to contain the impact of such risks.



Pursuant to the Risk Management Policy, the Company has developed a comprehensive Risk Management Framework which involves:

- Identifying all possible risks;
- Categorising the risks based upon their severity in terms of threat to the existence of the Company, financial impact, and liabilities that may devolve on the Company;
- Defining clear mitigation measures and a dynamic evaluation process to improve the risk profile of the Company; and
- Prescribing a risk owner for each risk to ensure accountability, and timely and proper action to minimise the impact.

While it is recognised that all risks cannot be eliminated, a structured risk management system aims to minimise the impact of risks and to define risk limits beyond which the exposure will not be undertaken. Since the Company is engaged in diversified businesses having completely different risk profiles, Risk Management Framework for each

of the businesses has been devised considering the risk exposures and its uniqueness.

Sugar business of the Company is agro based and is largely dependent on uncontrollable climatic factors and Government Regulation and Policies whereas the Engineering business relates to capital goods and infrastructure sectors, which are dependent on the economic growth of the country.

Sugar Business

Sugar business is exposed to significant external risks, which sometimes are uncontrollable 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. Other internal risks are fairly moderate and are by and large predictable and manageable.

Some of the external risks which the Sugar business faces with are described here below:

Risk of unrealistic Cane Price: The Company has all its sugar mills located in the State of Uttar Pradesh (UP) where the sugarcane price is prescribed by the State Government and the price so declared (State Advised Price – SAP) is normally much higher than the Fair and Remunerative Price (FRP) announced by the Central Government. If the cane price is unrealistically fixed and is not commensurate with the output (sugar) prices, the Company may incur losses.

The sugar industry, seeking long term sustainable solution, has been vigorously representing to the Government to fix realistic cane prices in sync with the prevailing sugar prices and adopt Dr. Rangarajan Committee report which recommended linkage of cane price with the sugar price. In the past two seasons, season 2014-15 and season 2015-16, the Government of U.P. has made a departure by announcing cane price along with a provision of cane price subsidy which would be payable based on the recovery achieved during the season and prices of sugar and co-products. It is hoped that with better interaction, understanding and mutual confidence, the cane price fixation process will undergo further improvement and will get aligned with the output prices.

Sugar Price Risk: As sugar sales have been decontrolled, there are presently no regulations on sugar prices and these are dependent on the market forces and dynamics, and at times these are also influenced by international prices. Excessive stocks in the country are instrumental in lowering the sugar price and distressed sale by financially

stressed sugar mills also contribute to decline in sugar prices.

By and large, it is an uncontrollable risk but the Company endeavours to minimise its impact by enhancing internal productivity and efficiencies. The Company manufactures refined sugar to the extent of 40% of its sugar production and it fetches a significant premium over the normal sulphitation sugar. Further, as a result of representations to the Government regarding hardships being faced by the industry, the Central Government introduced a mandatory export scheme under which export quota for each sugar mill was fixed and they were obligated to export atleast 80% of the export quota. The Government provided to extend some cane price subsidy upon the attainment of export obligation by sugar mills and after meeting some other conditions relating to despatch of ethanol to oil marketing companies. This was a unique scheme as it aimed to liquidate excess stocks in the country so that the balance sugar could be sold at remunerative prices. If there is continuity in Government policies to deal with such situations in future, the risk on account of sugar price volatility would get considerably reduced.



Climatic Factors: Climatic factors such as monsoon, flood, drought and crop diseases are responsible for yield and sugar recovery from cane. Lower yields result in lower cane availability to the sugar mills whereas lower recovery leads to higher cost of production.

Again such risks being by and large uncontrollable, the Company focuses on internal efficiencies and productivities to counter the impact. The Company's cane staff is quite vigilant and after the sowing season, they closely monitor the growth of sugar cane and infestation with disease so that timely action could be taken to avert or minimise the damage.

Other Mitigation Measures

- The Company has been focusing on cane development initiatives in a big way and the results achieved during the season 2015-16 were highly promising and encouraging. The Company has achieved a recovery of 10.80% which is 123 basis points higher than the previous year and is also higher than the average recovery of 10.61% in U.P. The Company intends to achieve further progress and tractions in its cane development initiatives and it is expected that there would be much higher proportion of high sugared sugarcane varieties in the coming seasons.
- The Company has integrated sugar operations with three co-generation plants and a large sized distillery. The operations of such businesses are profitable and stable.
- The Company has set up 3 incidental co-generation plants having aggregate power export capacity of 11 MW at nominal capital expenditure. These projects have quick pay-back period and provide support to the cyclical sugar operations
- The Government has been promoting blending of ethanol with petrol and has set up a target of 10% blending. Accordingly, the Company's distillery during the current year has sold 87% ethanol as against 45% in the previous year which has helped the Company to increase the overall realisation price and increase profitability by 57% in the distillery operations.
- The Company has stringent budgetary and cost control systems which help the Company to contain its costs

Engineering Business

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

- Risk of economic slow-down: Slow down in the economy results in sluggish demand of the products of the user industries, which in turn has adverse effect on investment

spend on capital goods required for capacity creation or modernisation.

- Scarcity of funds: The sluggish demand puts financial stress on the industrial companies and in view of their weak financials and risk aversion, the lenders generally subject the projects to stringent diligence before arriving at funding decisions. The user industries are forced to defer their expansion plans in view of delay in funding, resulting in poor off-take of capital goods.
- Technology risks: It is extremely vital for the Engineering business to offer technology and benchmark efficiencies at par with the competition and in the event of a significant gap in its offerings as compared to its peers, the customers may not prefer the products of the Company.
- Project delays and payment risks: It is particularly more relevant in the case of Water business where the period of project completion is normally 2 to 3 years. On account of problems relating to funds availability with customers, the project may get delayed, resulting in credit risks, cost overruns and blockage of working capital.

Risk Mitigations

Gears Business

- Despite challenging business conditions in the domestic market, the business has shown a moderate increase in revenue while preserving its margins. This has been made possible due to focusing on retro-fitment and export market. Lately, the Company has also signed a strategic sourcing agreement with GE Lufkin, according to which GE Lufkin will source products manufactured by the Company to be supplied for its global customers. The potential of incremental business is sizeable but in view of sluggish global market, it may take a few years to materialise in a gradual manner. The Company focuses on creating multiple streams of revenue for risk balancing and to avoid over dependence on any one revenue stream or a geographical region.
- Being associated with the world premier gear manufacturing companies, best technology is available with the Company. Additionally, it also endeavours to

broad base its products and is continually engaged in developing new products for other industrial segments through R&D efforts.

Water Business

- Water business has completely rationalised the project management process and has defined threshold limits for order intake to ensure optimum use of resources.
- Before accepting fresh orders, Water business carries out a detailed credit analysis of the customer and funding arrangements for the proposed project and the orders are accepted only from credible customers.
- Water business is presently not enthusiastic to accept orders from domestic private industrial segment in view of their stressed financials and is concentrating on industrial PSUs only where the risk of project delay and payment risks are substantially lower.

All these actions help the business to manage its resources efficiently and effectively and make use of the opportunities which may arise due to specific initiatives of the Government and also due to higher sensitivity and concern for the environmental issues.



COMMUNITY DEVELOPMENT INITIATIVES

Triveni's community development initiatives are focused on five key areas - education, healthcare, environment, community enhancement and sports & recreation.

Education

The Company runs schools at three of its major sugar units namely Khatauli, Deoband and Ramkola. The Company has established Lala Puran Chand Sawhney Memorial Inter College, Deoband as a primary school in the year 1970. Now this school imparts education up to class 12th to the children of the factory employees as well as to the poorest of poor family's children in the vicinity of the factory at a very nominal fee. The Company has established a basic Prarambhik Pathshala and Rai Bahadur Ishwardas Sawhney Junior High School under the aegis of Rai Bahadur Ishwardas Sawhney Educational Society, Khatauli. The Company also runs Smt. Gopi Devi Girls Junior High School in factory premises of Ramkola unit to facilitate girls' education in the area. More than 1,300 students are enrolled in these schools out of which around 85% students are from the financially weaker section. These schools encourage activity based learning. For inclusive growth of students, the schools organise various activities like painting & drawing competition, essay writing competition, singing and dancing competition, sports activities etc.

Early childhood care and education is now being universally recognised as a crucial input for overall development of Pre-Primary child. Realising this, many Non-Governmental

Organisations like Pratham, Mysore have come up with model Preschool centres called Balawadis which advocate and practice play-way methods. The Company supports Pratham in its effort to address the Pre-School needs of children in slums and narrow lanes in Mysore. Pratham Mysore's Balawadi programme targets children from low-income families in the age group of 3-5½ years and familiarises them with schooling such that 'school-going' becomes a habit.

Healthcare

The Company established dispensaries for the employees and the nearby villagers since the time of commissioning of sugar units at Khatauli, Deoband and Ramkola in 1930s. This initiative was taken to provide free medical facilities to the employees and the villagers of the nearby areas who could not afford medical expenses and first aid facilities. These dispensaries provide free treatment for general ailments. The villagers from the nearby areas come for the first aid and routine check-ups in the dispensary and get free medical aid. On an average, around 200 patients are treated every day at these dispensaries. The sugar units also organise health check-up camps, blood donation and vaccination camps from time to time for the employees and nearby villagers.

The Company sponsors Akshaya Patra Programme of ISKON, which offers free, nutritious mid-day meals to underprivileged children studying in Government primary school in and around Mysore. The programme helps in increased enrolment of children in schools, enhanced classroom performance of children and improves nutrition status.

Environment, community enhancement and sports & recreation

The Company organises Inter unit sports activities for employees with the purpose of enhancing various skills like team building, managing stress & conflicts and thus helping employees to develop attitude for success. Various units of the Company also organise sports activities for residents of adjoining villages and support community fairs and festivities with useful contributions for organising such activities. The sugar units distribute blankets amongst underprivileged people of surrounding villages. Triveni recognises its responsibility towards environment protection and realises the importance of awakening and engaging public at large to achieve greater impact. All units of the Company regularly organise tree plantation campaigns throughout the year and ensure participation of local communities into it.



DIRECTORS' REPORT

Your Directors have pleasure in presenting the 80th Annual Report and audited financial statements for the Financial Year (FY) ended March 31, 2016.

FINANCIAL RESULTS

	(₹ in lakhs)	
	2015-16	2014-15
Sales (Net)	191502.42	206082.52
Operating Profit (EBITDA)	15051.73	(16.18)
Finance Cost	11490.59	12207.62
Depreciation & amortization	5803.88	5922.17
Profit before tax (before exceptional items)	(2242.74)	(18145.97)
Exceptional items	1012.80	—
Profit before Tax (PBT)	(1229.94)	(18145.97)
Tax expenses	-	(1736.88)
Profit after Tax (PAT)	(1229.94)	(16409.09)
Earning per equity share of ₹1 each (in ₹)	(0.48)	(6.36)
Surplus brought forward	(31647.39)	(15228.53)
Surplus available for Appropriation	(32877.33)	(31637.62)
Appropriation:		
Equity dividend (including dividend distribution tax)	—	—
Transfer to/(withdrawn) from molasses storage fund reserve (net)	(12.88)	9.77
Surplus carried forward	(32864.45)	(31647.39)

With the loss of ₹ 12.30 crore during the year, the total deficit in the Profit & Loss Account is at ₹ 328.64 crore and the total net worth of the Company is at ₹ 603.07 crore.

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

BUSINESS OPERATIONS AND FUTURE PROSPECTS

Sugar Business

It has been an eventful year for the Sugar business. In July/August, 2015, the sugar prices inexplicably declined to record lows much below the cost of production. Apart from the enormous losses suffered by sugar mills, it constrained the cane price paying capacity of the sugar mills and resulted in substantial cane due arrears. At this critical juncture, both State and Central Governments extended their support to rescue the sugar industry so that the dues to the farmers could be regularized. In accordance with the cane price package earlier announced by the UP Government for the season 2014-15, the State Government stepped forward to disburse the committed cane price subsidy of ₹ 28.60 /quintal directly to the farmers through sugar mills. The gesture of UP Government will go a long way in developing mutual confidence and will facilitate in

resolving several issues relating to the industry in the best interest of the stakeholders. Likewise, Central Government also extended soft loans through commercial banks with interest subvention for a period of one year. These subsidies/grants helped the industry to tide over the difficult period of financial crisis.

With a view to help the industry and to provide support to the declining sugar prices, the Central Government, during the year, announced a mandatory Export Policy as per which provisional export quotas were allocated to all the sugar mills and they were required to export atleast 80% of their indicative quota. Upon complying with such condition and also with another condition relating to despatch of ethanol, sugar mills would be entitled to receive production subsidy of ₹ 45/tonne of cane crushed, which will be paid by the Central Government through sugar mills directly to the farmers towards the cane dues. As a result of this Scheme, about 1.4 million tonne sugar has already been contracted for exports. It is a creative scheme which aimed at liquidation surplus sugar stocks in the country, albeit even at a loss, so that the balance sugar can be sold domestically at remunerative prices.

Due to the impact of drought conditions in Maharashtra and Karnataka, the production in the season 2015-16 is expected to be 11% lower at over 25 MT in the country. It is further believed that, the planting in Maharashtra and Karnataka has been impacted due to drought and therefore, notwithstanding a normal monsoon this year, the production in Maharashtra/Karnataka is estimated to further decline by about 30% to 35% in the next season.

The aforesaid factors have resulted in better market fundamentals and the sugar prices have substantially increased from mid of March 2016. The prices prevailing at the end of the year were around 30% higher than the average achieved in the year. Due to favourable climatic factors and due to better varietal mix, the average recovery in UP has gone up significantly by 106 basis points to 10.61% and your Company has also achieved a significantly higher recovery by 123 basis points. Although, the crush of the Company during the season 2015-16 has been lower by 12% than the previous season due to much lower yields, the sugar production is more or less at the similar levels due to higher recovery. The higher recovery achieved in the season 2015-16 resulted in lower cost of production. In terms of demand, supply and market outlook, the sugar industry is poised for better times ahead. However, there remain an uncertainty in respect of cane pricing for the next season in view of assembly election in Uttar Pradesh but looking at the way the Government has taken balanced cane pricing decisions in the past two seasons, it is hoped that cane price to be fixed will duly consider all perspectives, including the economics of the sugar mills.

In order to help the sugar industry as well as to have adequate fuel security in the country, the Government has taken another pragmatic step towards achieving target 10% ethanol blending (EBP-10). The Government has also prescribed competitive prices for ethanol along with excise exemption to encourage and attract additional distillation capacities to be developed and deployed for the production of ethanol.

The Distillery and the Co-generation plants are being operated at high efficiencies and their performances have been satisfactory.

Water Business

The performance of the business has been adversely affected due to a slowdown in the capital goods and infrastructure sector, funding constraints, slow investment decision making and funds crunch with some of our customers. The order booking in FY 15 was abysmally low and resultantly, due to lack of adequate pipeline, the turnover of the year under review was impacted. It also led to losses in view of under recovery of fixed overheads, cost overruns and delays which necessitated provisioning.

However, during the year, the order booking has been satisfactory and based on various tenders the Company has participated in, it is expected that order booking will continue to be robust in the next year, which will help the business achieve optimum turnover. The Company is also exploring export potential where the margins are much better.

Gears Business

It has been a challenging year for the Gears business and it is creditable that it has been able to achieve minor growth in turnover while maintaining its profitability and margins. The expected business from GE Lufkin did not materialise in view of sluggish global market. We continue to be confident that the anticipated business from GE Lufkin, though slower in initial stages, will gradually fructify as the markets regain normalcy. The Company has already incurred capital expenditure to the extent necessary at this stage for creating manufacturing capacities and the facilities available will help the business to reduce sub-contracting work and improve on its delivery lead time.

DIVIDEND

Owing to losses incurred during the year under review, the directors are constrained not to declare any dividend on equity shares.

SUBSIDIARY AND ASSOCIATE COMPANIES PERFORMANCE

Associate Companies

Triveni Turbine Ltd. (TTL)

The Company holds 21.82% stake in the equity shareholding of TTL. TTL has achieved record turnover and profitability in the FY 16—the turnover was higher by 13% and the profitability by 14% over the previous year. It is commendable that order bookings during the year under challenging conditions have increased by about 18% and export orders constitute about 58% of the total order booking. Consequently, orders book at the year-end is about 10% higher than the previous year.

Aqwise-Wise Water Technologies Ltd. (Aqwise)

The Company holds 25.04% stake in the equity capital of Aqwise. Aqwise continued its strong performance in calendar 2015 with a revenue growth of 63% over the previous year at USD 18.6 million. From a consolidated loss of USD 0.39 million in Calendar Year 2014, the company achieved a consolidated net profit of USD 1.02 million in Calendar year 2015. The year under review also saw a good growth in order intake at USD 19 million, a growth of 19% over the previous year. The order in-take represents a healthy mix of projects and technology sales with main growth in turnkey scope without civil work in most cases. It has been able to make an entry into some large global clients

having projects currently running in various geographies and it will help the Company to broad base its presence. With a strong carry forward order book, the company is poised to achieve good growth in future.

Subsidiary Companies

During the year under review, the Company has incorporated a new wholly owned subsidiary (WOS), Triveni Industries Ltd., on July 22, 2015. The Company has now five WOS, namely: Triveni Industries Ltd., Triveni Engineering Ltd., Triveni Entertainment Ltd., Triveni Energy Systems Ltd., and Svastida Projects Ltd. Further during the year, the Company divested nominal equity shares in its existing WOS viz. Triveni Sugar Ltd. (TSL) (formerly Bhudeva Projects Ltd.). Consequently, TSL has become 99.99% subsidiary of the Company. These companies are relatively much smaller and there have not been any material business activities in these companies.

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.

MATERIAL SUBSIDIARIES

In accordance with Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 ('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 <http://www.trivenigroup.com/investor/corporate-governance/policies.html>.

SCHEME OF ARRANGEMENT

The Company had proposed a Composite Scheme of Arrangement on July 28, 2015 to segregate Sugar business and Engineering business of the Company. Considerable progress was achieved in terms of approval of the Scheme by the Stock Exchanges/SEBI, shareholders and creditors. In view of certain developments and change in the outlook in the Sugar business environment, it was felt that the proposed Scheme may not realise the perceived benefits and more efficient structures may be possible in the changed scenario to fulfil the objectives of the Company. Accordingly, with the approval of the Board of Directors of the Company at their meeting held on March 22, 2016 and the order of the Hon'ble Allahabad High Court, the Scheme has been withdrawn.

However, to achieve the previously conceived objective of segregating Sugar and Engineering Businesses, the Board has approved a new Scheme of Arrangement (New Scheme) between the Company, its wholly owned subsidiary, Triveni Industries Ltd, (TIL), and their respective shareholders and creditors for transfer of the Sugar Business, comprising all the seven sugar mills along with Co-generation and Distillery operations, including all related assets and liabilities, and vesting of the same in TIL by way of demerger. The appointed date of the Scheme is April 01, 2016. Upon the Scheme becoming effective and in consideration of the transfer of Sugar Business, TIL will issue and allot to the shareholders of the Company, one equity share of Re 1/- each, credited as fully paid up, for every one equity share held by them in the Company. The equity shares of TIL will be listed on both BSE Limited (BSE) and National

Stock Exchange of India Ltd. (NSE). The Company has submitted the Scheme with the stock exchanges for their approval and on receipt of the same, necessary applications for convening the meetings of shareholders and creditors will be made to the Hon'ble Allahabad High Court.

The Scheme is in the best interest of all concerned including the shareholders, creditors, employees and the general public. The separation of Sugar and Engineering Businesses will facilitate focused management orientation and the resultant structure will take advantage of significant global growth opportunities, provide flexibility for future fund raising and unlock and maximise the shareholders' value.

CONSOLIDATED FINANCIAL STATEMENTS

In accordance with Section 136 of the Companies Act, 2013, and the Accounting Standard 21 on Consolidated Financial Statements, 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 Company's website www.trivenigroup.com.

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, 2016, the applicable accounting standards have been followed and there are no material departures;
- b) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for that period;
- c) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the directors have prepared the annual accounts on a going concern basis;
- e) the directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f) the directors 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 SEBI Regulations, a separate report on Corporate Governance is given in **Annexure-B** along with the Auditors' Certificate on its compliance in **Annexure-C** to the Board's Report. The Auditors' Certificate does not contain any qualification, reservation and adverse remark.

RELATED PARTY CONTRACTS / TRANSACTIONS

The Company has formulated a Related Party Transactions Policy, which has been uploaded on its website at <http://www.trivenigroup.com/investor/corporate-governance/policies.html>. It is the endeavour of the Company to enter into related party transaction on commercial and arms' length basis with a view to optimise the overall resources of the group.

All transaction entered into with related Parties during the year were in the ordinary course of business of the Company and at arms' length basis. The Company 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. Form AOC-2 is not attached with this report as there was no such related party transaction for which disclosure in terms of Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is required.

RISK MANAGEMENT POLICY AND INTERNAL FINANCIAL CONTROL

The Company has a risk management policy the objective of which is to lay down a structured framework for identifying potential threats to the organisation on a regular basis, assessing likelihood of their occurrences, designate risk owners to continually evaluate the emergent risks and plan measures to mitigate the impact on the Company, to the extent possible. The framework and the system are reviewed from time to time to enhance their usefulness and effectiveness. The policy recognizes that all the risks in the business cannot be eliminated but these could be controlled or minimized through effective mitigation measures, effective internal controls and by defining risk parameters

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 impact on the organisation and the reputation of the company. Such categorisation gives highest weightage to the risks which have potential to threaten the existence or 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 to improve the risk profile of the Company.

In order to align with the requirement of Section 134(5)(e) of the Companies Act, 2013, the existing Internal Financial Controls system has been revisited and strengthened, wherever required and the system ensures adequate operating controls, clear policies and detailed procedures of operations, delegation of authorities, safeguarding of assets, prevention and detection of frauds and errors, financial controls on financial reporting and timely preparation of reliable financial information. There is a system of self-certification of the compliance of the prescribed internal controls and procedures which is also subject to verification and audit.

DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)

As per the provisions of the Companies Act, 2013 (Act), Mr Nikhil Sawhney will retire by rotation at the ensuing Annual General Meeting (AGM) of the Company and being eligible, seeks re-appointment. The Board has recommended his re-appointment.

By virtue of provisions of Section 161(1) of the Act, Mr Sudipto Sarkar was appointed as an Additional Director by the Board with effect from November 7, 2015 and he shall hold office up to the date of the ensuing AGM. The Company has received a notice, pursuant to Section 160 of the Act, from a member signifying his intention to propose the appointment of Mr. Sarkar as an Independent Director of the Company. Mr Sarkar being eligible, offers himself for appointment. The Board has, on the recommendations of the Nomination and Remuneration Committee, recommended his appointment for a term of three years.

The Company has received declarations of Independence in terms of Section 149 of the Act and also under the Listing Regulations from all the Independent Directors.

As required under the provisions of Section 203 of the Act, the Key Managerial Personnel namely, Vice Chairman & Managing Director, Group CFO and Company Secretary continue to hold that office as on the date of this report.

EMPLOYEES STOCK OPTION

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

AUDITORS

At the 78th Annual General Meeting held on August 6, 2014, M/s J.C. Bhalla & Co., Chartered Accountants (JCB), were appointed as Statutory Auditors of the Company and M/s Virmani and Associates, Chartered Accountants (VA) as the Branch Auditors of the Company's Gear and Water Business Groups of the Company for a period of three consecutive years until the conclusion of 81st Annual General Meeting (AGM) of the Company, subject to ratification by the shareholders at every AGM. The Company has received letters from JCB and VA that they are eligible for continuation as Statutory and Branch Auditors respectively of the Company and consented to continue in office on ratification by the shareholders

The Board recommends the ratification of the appointment of JCB and VA as the Statutory Auditors and Branch Auditors respectively, to hold office till the next AGM.

COMMENTS ON THE AUDITOR'S REPORT

In respect of the comments of the Auditor in Para 1 (c) of Annexure 1 to the Independent Auditors Report regarding some title deeds of the land not being in the name of the Company, we provide comments as hereunder:

- a) Land having book value of ₹ 12.35 lakhs: The titles could not be transferred in the name of the Company due to some objections /disputes, which the Company is trying to resolve through judicial process.
- b) Land having book value of ₹ 381.47 lakhs: Such land was purchased for the proposed expansion of Sugar business but due to change in business plans, the legal process required to transfer the land in the name of the Company could not be implemented. The Company is actively seeking to dispose of the land.

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 Gears businesses of the Company for the FY 17. M/s R.M. Bansal & Co and Mr. T.L. Sangameswaran, Cost Accountants have been appointed as Cost Auditors to conduct the cost audit of the Sugar businesses (including cogeneration and distillery) and Gears business respectively of the Company for the FY 17, 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 the FY 17.

SECRETARIAL AUDIT REPORT

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. The report on secretarial audit is annexed as **Annexure-D** to the Board's report. The report does not contain any qualification, reservation or adverse remark.

DISCLOSURES

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The CSR Policy is available on the Company's website at <http://www.trivenigroup.com/investor/corporate-governance/policies.html>.

The composition of the CSR Committee is provided in the Corporate Governance Report that forms part of this Annual Report. In view of losses, no formal CSR activity has been initiated during the period under review and, therefore, no annual report on CSR activity is provided with this report. However, the Company continues to remain engaged in meaningful charitable work, primarily around its area of operations.

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 the 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 <http://www.trivenigroup.com/investor/corporate-governance/policies.html>.

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

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act 2013. The Internal Complaint Committee (ICC) has been set up to redress complaints received regarding sexual harassment. During the period under review, no complaint was received by the ICC.

BOARD MEETINGS

During the year, eight 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 meetings did not exceed 120 days as prescribed under the Companies Act, 2013 and the Listing Regulations.

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

In the Notes 13 and 44 of the standalone financial statements of the Company contained in the Annual report, the particulars of the investments made by the Company in the securities of other bodies corporate and loans advanced to the subsidiary and associate companies are provided respectively. The investments mainly comprise strategic investments in the subsidiary and associate companies, whereas the loan advanced to a subsidiary is for meeting its funds requirement till it is engaged in business activities and attains self-sufficiency. The Company has not given any guarantee or provided any security in connection with a loan to any other body corporate or person.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars required under Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 are provided in **Annexure-E** to the Board's report.

LISTING AGREEMENTS

Your Company has entered into new Listing Agreements with BSE and NSE, in compliance with Regulation 109 of the Listing Regulations.

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-F** 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-G** to the Board's Report. However, as per the provisions of Section 136 of the Companies Act, 2013, the annual report is being sent to all the members of the Company excluding the aforesaid information. The said information is available for inspection by the members at the registered office of the Company up to the date of the ensuing Annual General Meeting. Any member interested in obtaining such particulars may write to the Company Secretary at the registered office of the Company.

MANAGEMENT'S DISCUSSION AND ANALYSIS

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

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.

EXTRACTS OF ANNUAL RETURN

Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014, extracts of the annual return in the prescribed form is annexed as **Annexure-H** to the Board's Report.

SIGNIFICANT AND MATERIAL ORDERS

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.

HUMAN RESOURCES

Your Company believes and considers its human resources as the most valuable asset. The management is committed to provide 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.

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, adopted by the Board is annexed as **Annexure-I** to this report.

BOARD EVALUATION MECHANISM

Pursuant to the provisions of Companies Act, 2013 and Listing Regulations, the Board has carried out 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 Board such as composition, performance of specific duties, obligations and governance.

The performance of individual directors was evaluated on parameters, such as, number of meetings attended, contribution made in the discussions, contribution towards formulation of the growth strategy of the Company, independence of judgement, safeguarding the interest of the Company and minority shareholders, additional time devoted besides attending Board / Committee meetings. The Directors have expressed their satisfaction with the evaluation process.

APPRECIATION

Your Directors wish to take the opportunity to express their sincere appreciation to our customers, suppliers, shareholders, employees, the Central, 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

Place: Noida (U.P.)
Date : May 16, 2016

Dhruv M. Sawhney
Chairman and Managing Director

ANNEXURE-A

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

PART A : SUBSIDIARIES

(₹ in Lakhs)

Name of the subsidiary	Triveni Energy Systems Ltd. (TESL)	Triveni Engineering Ltd (TEL)	Triveni Entertainment Ltd. (TENL)	Triveni Sugar Ltd.*1 (TSL)	Svastida Projects Ltd. (SPL)	Triveni Industries Limited*2 (TIL)
	Wholly owned subsidiary	Wholly owned subsidiary	Wholly owned subsidiary	subsidiary	Wholly owned subsidiary	Wholly owned subsidiary
1. Reporting period for the subsidiary concerned, if different from the holding company's reporting period	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
3. Share capital	205.00	205.00	287.00	5.00	205.00	0.50
4. Reserves & surplus	-7.15	-20.86	-22.89	-2.29	-6.65	-0.92
5. Total assets	371.83	438.54	447.50	2.84	203.18	2.13
6. Total Liabilities	173.98	254.40	183.39	0.13	4.83	2.55
7. Investments	369.28	435.94	383.37	-	-	-
8. Turnover	-	-	-	-	-	-
9. Profit before taxation	-1.33	-1.48	2.44	-1.16	-1.34	-0.92
10. Provision for taxation	-	-	0.94	0.05	0.01	-
11. Profit after taxation	-1.33	-1.48	1.49	-1.21	-1.35	-0.92
12. Proposed Dividend	-	-	-	-	-	-
13. % of shareholding	100.00%	100.00%	100.00%	99.99%	100.00%	100%

Note: All the above subsidiaries are relatively much smaller and there have not been any material business activities in these companies.

*1 During the year, the company divested nominal equity shares in TSL (formerly known as Bhudeva projects Ltd.). Consequently TSL has ceased to be a wholly owned subsidiary.

*2 Triveni Industries Ltd. was incorporated on 22nd July, 2015.

PART B: ASSOCIATES AND JOINT VENTURES

(₹ in Lakhs)

Name of Associates/Joint Ventures	Triveni Turbine Ltd. Associate Company	Aqwise-Wise Water Technologies Ltd. Associate Company
1. Latest audited Balance Sheet Date	31-Mar-16	31-Dec-15
2. Shares of Associate/Joint Ventures held by the company on the year end		
- No of shares	72000000	13008
- Amount of Investment in Associates/Joint Venture (₹ Lakhs)	720.07	3006.19
- Extent of Holding %	21.82	25.04
3. Description of how there is significant influence	Due to holding of stake of more than 20%	Due to holding of stake of more than 20% and Board nomination
4. Reason why the associate/joint venture is not consolidated	Being consolidated	Being consolidated
5. Networth attributable to Shareholding as per latest audited Balance Sheet (₹ Lakhs)	6384.53	614.38
6. Profit / Loss for the year (after tax) (₹ Lakhs) – as per consolidated financial statements	11063	558.05*
i. Considered in Consolidation (₹ Lakhs)	2413.95	139.74*
ii. Not Considered in Consolidation	—	—

* Based on unaudited consolidated results for the period 1.4.2015 to 31.3.2016

Place: Noida (U.P.)
Date: May 16, 2016

Suresh Taneja
Group CFO
Geeta Bhalla
GGM & Company Secretary

For and on behalf of the Board of Directors
Dhruv M. Sawhney
Chairman & Managing Director
Ms. Homai A. Daruwalla
Director & Chairperson
Audit Committee

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 ensure 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 adopt 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. The Independent & Non-Executive Directors form 70% of the Board of Directors.
2. The Board has constituted several Committees viz. Audit Committee, Nomination and Remuneration Committee, Compensation Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee and Executive Sub Committee for more focused 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 and Corporate Disclosure Policy for prevention of Insider Trading for Directors and Employees 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 Committee 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 ten (10) Directors - 7 (seven) Non-Executive and Independent Directors including 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 eight times during the FY 16 ended on March 31, 2016. The interval between any two successive meetings did not exceed one hundred and twenty days. Board Meetings were held on May 27, 2015, June 26, 2015, July 28, 2015, August 14, 2015, November 7, 2015, January 20, 2016, March 15, 2016 and March 22, 2016.

Independent Directors

All the Independent Directors have confirmed that they meet the criteria as stipulated under Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') read with Section 149(6) of the Companies Act, 2013. All such declarations were placed before the Board. 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.

During the year, separate meeting of the Independent Directors was held on March 15, 2016 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>

COMPOSITION OF THE BOARD

The composition of the Board of Directors, their attendance at Board Meetings held during the year and the number of Directorships and Committee Chairmanships / Memberships held by them in other companies are given below:-

Name of the Director	Category	No. of Board Meetings		Attendance at last AGM held on September 23, 2015	No. of other Directorships##	No. of Committees positions held in other companies###	
		Held	Attended			Chairman	Member
Mr. Dhruv M. Sawhney# Chairman and Managing Director DIN-00102999	Promoter & Executive Director	8	6	No	2	1	None
Mr. Tarun Sawhney# Vice Chairman and Managing Director DIN-00382878	Promoter & Executive Director		8	Yes	3	None	1
Mr. Nikhil Sawhney# DIN-00029028	Promoter & Non-Executive Director		6	Yes	3	None	2
Dr. F.C. Kohli DIN-00102878	Independent Non-Executive Director		6	No	4	None	None
Lt. Gen. K.K. Hazari (Retd.) DIN-00090909	Independent Non-Executive Director		8	No	3	1	2
Mr. Mahendra K. Daga DIN-00062503	Independent Non-Executive Director		2	No	3	None	3
Mr. Shekhar Datta DIN- 00045591	Independent Non-Executive Director		7	No	4	2	1
Ms. Homai A. Daruwalla DIN-00365880	Independent Non-Executive Director		7	Yes	5	1	2
Dr. Santosh Pande DIN-01070414	Independent Non-Executive Director		8	No	1	None	1
Mr. Sudipto Sarkar* DIN-00048279	Independent Non-Executive Director		2	No	4	None	5

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

Excludes Directorships in Indian Private Limited Companies, Foreign Companies, Firms, Partnerships including LLPs, Section 8 Companies and membership of various Chambers and other non-corporate organisations.

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

* Appointed as an Additional Director w.e.f. November 7, 2015.

BOARD FUNCTIONING AND PROCEDURE

BOARD MEETING FREQUENCY AND CIRCULATION OF AGENDA PAPERS

The Board and its Committees meet at regular intervals for discussion on agenda circulated well in advance by the Company. All material information is incorporated in the agenda for facilitating meaningful and focused discussion at the meeting. Where it is not practical to attach or send the relevant information as a part of agenda papers, the same are tabled at the Meeting. To meet 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 judgment or order which, may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that can have negative implications on the Company.
- 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 Directors

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 with adequate delegation of powers to oversee business of the Company and to take decisions within the parameters defined by the Board:

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

The Committee comprises of four Directors which include three Non-Executive Independent Directors and one Executive Director of the Company. The Chairperson of the Committee is an Independent Director. The constitution and term 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. The Company Secretary is the Secretary to the Audit Committee.

Meetings & Attendance

The Audit Committee met seven times during the FY 16 ended on March 31, 2016 i.e. on May 26, 2015, July 28, 2015, August 13, 2015, November 7, 2015, January 19, 2016, March 15, 2016 and March 22, 2016. The composition and attendance of each Audit Committee Member is as under:-

Name of the Members	No. of Meetings	
	Held	Attended
Ms. Homai A. Daruwalla* Chairperson	7	6
Mr. Tarun Sawhney		7
Mr. Shekhar Datta		7
Lt. Gen. K. K. Hazari (Retd.)		7

* Designated as Chairperson w.e.f. May 27, 2015

The Chairperson of the Audit Committee attended the AGM held on September 23, 2015 to answer the shareholders' queries.

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

- (i) Reviewing the Company's financial reporting process and its financial statements.
- (ii) Reviewing the accounting and financial policies and practices and compliance with applicable accounting standards.
- (iii) Reviewing the efficacy of the internal control mechanism, monitor risk management policies adopted by the Company and ensure compliance with regulatory guidelines.
- (iv) Reviewing reports furnished by the internal and statutory auditors, and ensure that suitable follow-up action is taken.
- (v) Examining accountancy and disclosure aspects of all significant transactions.
- (vi) Reviewing with management the quarterly, half yearly & annual financial statements including review of qualifications, if any, in the audit report before submission to the Board for approval.
- (vii) Recommending appointment of external and internal auditors and fixation of audit fees.
- (viii) Seeking legal or professional advice, if required.
- (ix) Approval or any subsequent modifications of transactions of the Company with related parties.
- (x) Scrutiny of Inter-Corporate loans and investments.
- (xi) Valuation of undertakings or assets of the Company, wherever required.

(II) Nomination and Remuneration Committee

The Committee comprises of following Non-Executive Directors, namely:

- (i) Lt. Gen. K. K. Hazari (Retd.), Chairman
- (ii) Mr. Shekhar Datta
- (iii) Mr. Nikhil Sawhney

The Chairman of the Committee is an Independent Director. The constitution and term of reference of the Nomination and Remuneration Committee meet the requirements of Regulation 19 of the Listing Regulations read with the relevant provisions of the Companies Act, 2013.

Meetings and Attendance

The Committee met only once during the FY 16 ended on March 31, 2016 i.e. on November 6, 2015 and all the members attended the said meeting.

The broad terms of reference of the Committee 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; and
- To review the adequacy of aforesaid terms of reference and recommend any proposed change to the Board for its approval.

Remuneration Policy

In terms of the provisions of the Companies Act, 2013 and the Listing Regulations, the Board of Directors of the Company has adopted Nomination and Remuneration Policy for nomination and remuneration of Directors, Key Managerial Personnel (KMP) and Senior Management, which forms part of this Annual Report. 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.

Performance Evaluation Criteria for Independent Directors

The Nomination and Remuneration Committee has laid down the criteria for evaluation of performance of Independent Directors based on the indicators provided in the Remuneration Policy. The performance evaluation of Independent Directors (IDs) was done by the entire Board of Directors, excluding the ID being evaluated, based on parameters, such as, number of meetings attended, inputs and contribution made, independence of judgement, effectiveness etc.

Remuneration to Executive Directors

The remuneration to the Executive Directors is recommended by the Nomination and Remuneration Committee to the Board and after approval by the Board, the same is put up for the Shareholders approval. Executive Directors do not receive any sitting fees for attending the Board and Committee meetings.

During the FY 16 ended on March 31, 2016, 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 the FY 16 ended on March 31, 2016 are as under:

₹ in Lakhs

Name of the Executive Director	Mr. Dhruv M. Sawhney	Mr. Tarun Sawhney
	CMD	VCMD
No. of Equity Shares held	38391756	14695375
Service Period	31.03.2015 to 30.03.2020	01.10.2013 to 30.09.2018
Salary (in ₹)	Nil	118.92
Contribution to PF & other funds	Nil	17.33*
Other Perquisites	Nil	15.08
Total	Nil	151.33

*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 an Associate Company, Triveni Turbine Ltd. (TTL).

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. However, keeping in view the financial performance of the Company for the FY 16 ended on March 31, 2016, as decided by the Board, no provision for commission to NEDs has been made.

The details of the remuneration paid during the FY 16 ended on March 31, 2016 to NEDs are as follows:-

₹ in Lakhs

Name of The Non-Executive Director	Sitting Fees	Commission	No. of Equity Shares held
Dr. F. C. Kohli	5.00	NIL	Nil
Lt. Gen. K. K. Hazari (Retd.)	11.00	NIL	Nil
Mr. Mahendra K.Daga	1.50	NIL	9000
Mr. Shekhar Datta	9.75	NIL	10000
Mr. Nikhil Sawhney	5.45	NIL	15277653
Ms. Homai A. Daruwalla	8.75	NIL	Nil
Dr. Santosh Pande	6.50	NIL	Nil
Mr. Sudipto Sarkar	2.00	NIL	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. Lt. Gen K.K. Hazari (Retd.) and Mr. Shekhar Datta, Independent Directors have received sitting fee / commission as Director and Member of Board/Committees of Triveni Turbine Ltd. (Associate Company), whereas Mr. Nikhil Sawhney, Promoter & Non-Executive Director is the Vice Chairman and Managing Director of the said 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

The Committee comprises of three Directors which include two Non-Executive Directors and one Executive Director of the Company. The Chairman of the Committee is a Non-Executive Independent Director. The constitution and term 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 General Manager & Company Secretary is the Compliance Officer of the Company.

Meetings & Attendance

The Stakeholders' Relationship Committee met four times during the FY 16 ended on March 31, 2016 i.e. on May 26, 2015, August 13, 2015, November 7, 2015 and January 19, 2016. The composition and attendance of each Committee Member is as under:-

Name of the Members	No. of Meetings	
	Held	Attended
Lt. Gen. K. K. Hazari (Retd.), Chairman	4	4
Mr. Tarun Sawhney		4
Mr. Nikhil Sawhney		3

Function and term of reference

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

Details of investor complaints

During the FY 16 ended on March 31, 2016, 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 the FY 16 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, 2016.

Other Committees

Compensation Committee

The Board of Directors have constituted Compensation Committee to administer, supervise and finalise the grant of Stock options under the ESOP Schemes to the permanent employees of the company and the matters prescribed under SEBI guidelines/regulations. The Committee comprises of three directors viz Lt. Gen. K. K. Hazari (Retd.), Chairman, Mr. Dhruv M. Sawhney and Mr. Mahendra K. Daga. The Committee didn't meet during the FY 16 ended on March 31, 2016.

Corporate Social Responsibility Committee (CSR Committee)

In accordance with the provisions of Companies Act, 2013, the Board of Directors have constituted the CSR Committee 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 CSR projects. The Committee comprises of four Directors viz Ms. Homai A. Daruwalla, Chairperson, Dr. Santosh Pande, Mr Tarun Sawhney and Mr Nikhil Sawhney. The Chairperson of the Committee is an Independent Director. The constitution and term of reference of the CSR Committee meet the requirements of relevant provisions of the Companies Act, 2013. In the absence of profits the CSR Committee didn't meet during the FY 16 ended on March 31, 2016.

Executive Sub-Committee

The Board of Directors have constituted an Executive Sub-Committee comprising of four (4) 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 thrice during the FY16 ended on March 31, 2016.

GENERAL BODY MEETINGS

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

Year	Date & Day	Location	Time	Special Resolution
2014-15	September 23, 2015 Wednesday	Company's Guest House at Deoband Sugar Unit Complex Deoband, District Saharanpur, U.P.	12:00 Noon	None
2012-14	August 6, 2014 Wednesday	Company's Guest House at Deoband Sugar Unit Complex Deoband, District Saharanpur, U.P.	11:30 A.M.	<ol style="list-style-type: none"> Variation in the terms of appointment including continuity of Mr Dhruv M. Sawhney as Chairman and Managing Director of the Company for the remaining period of his tenure, liable to retire by rotation. Contribution and/or donation to any bona-fide charitable and other funds. Alteration of Articles of Association of the Company by insertion/substitution of certain articles.
2011-12	February 19, 2013, Tuesday	Company's Guest House at Deoband Sugar Unit Complex Deoband, District Saharanpur, U.P.	1:30 P.M.	None

Court Convened Meeting

In terms of the Order dated November 4, 2015 of the Hon'ble High Court of Judicature at Allahabad, a court convened meeting of the equity shareholders of the Company was held on Saturday, the December 19, 2015 at 11.30 a.m. at the Company's Guest House at Sugar Unit Complex, Deoband, District Saharanpur, Uttar Pradesh-247 554, for obtaining the requisite approval of the equity shareholders for the proposed Composite Scheme of Arrangement between the Company, Triveni Engineering & Industries Ltd., and Triveni Sugar Ltd., and Triveni Industries Ltd. and their respective shareholders and creditors under Sections 391-394 of the Companies Act, 1956. The resolution as set out in the notice was passed with requisite majority by the shareholders.

As stated earlier in this Annual Report, with the approval of the Board of Directors and the Order dated April 29, 2016 of the Hon'ble High Court of Judicature at Allahabad, the

aforsaid Composite Scheme of Arrangements stands withdrawn.

POSTAL BALLOT

I. Details of the Special/Ordinary Resolutions passed by the Company through Postal Ballot:

The Company conducted a Postal Ballot during the period March 20, 2015 to April 18, 2015, the result of which was declared on April 24, 2015. The details of voting pattern in respect of said postal ballot was disclosed in the Annual Report for the FY 15 ended on March 31, 2015.

II. Whether any special resolution is proposed to be conducted through postal ballot and the procedure thereof:

As on date, the Company does not have any proposal to pass any special resolution by way of 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 Stand-alone 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 & 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

Date & Day : September 14, 2016, Wednesday
 Time : 12.00 Noon
 Venue : Company's Guest House at Deoband Sugar Unit Complex, Deoband, Distt. Saharanpur, Uttar Pradesh-247 554.

(b) Financial Year : April to March

Financial calendar for the financial year 2016-17 (tentative)

Financial Reporting for the quarter ending June 30, 2016	: By mid of August 2016
Financial Reporting for the quarter / half year ending September 30, 2016	: By mid of November 2016
Financial Reporting for the quarter / nine months ending December 31, 2016	: By mid of February 2017
Financial Reporting for the annual audited accounts for the financial year ending March, 31, 2017	: By the end of May 2017

(c) 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

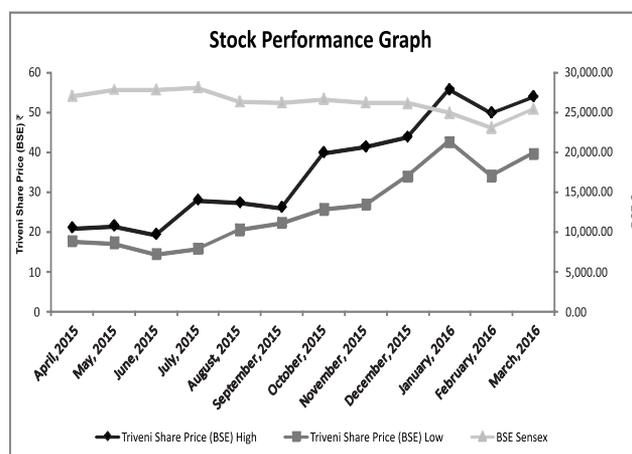
The Company has paid the listing fees for the Financial Year 2016-2017 to both the aforesaid Stock Exchanges.

(d) Market Price Data/Stock Performance: FY 16 ended on March 31, 2016

During the year under report, the trading in Company's equity shares was from April 1, 2015 to March 31, 2016. 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, 2015	20.90	17.60	21.00	17.55
May, 2015	21.35	17.20	21.40	17.05
June, 2015	19.20	14.40	19.25	14.55
July, 2015	27.90	15.65	27.90	15.40
August, 2015	27.25	20.45	27.20	20.15
September, 2015	26.05	22.20	26.50	22.50
October, 2015	39.80	25.60	39.80	25.20
November, 2015	41.35	26.75	41.30	26.10
December, 2015	43.80	33.90	43.75	33.95
January, 2016	55.70	42.50	55.60	42.60
February, 2016	49.80	34.00	49.75	34.10
March, 2016	53.90	39.50	53.90	39.40

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



(f) Registrar & Share Transfer Agent

M/s Karvy Computershare Pvt. Ltd.,
 Unit: Triveni Engineering & Industries Limited
 Karvy Selenium Tower B, Plot 31-32, Gachibowli
 Financial District, Nanakramguda,
 Hyderabad – 500 032
 Tel. :- Board No.: 040 6716 2222
 Fax No.: 040 23001153
 Email : einward.ris@karvy.com

(g) Share Transfer System

The Company's share transfer authority has been delegated to the Company Secretary / Registrar and Transfer Agent M/s Karvy Computershare Private Ltd., which generally

approves and confirm the request for share transfer / transmission / transposition / consolidation / issue of duplicate share certificates / sub-division, consolidation, remat, demat and perform other related activities in accordance with the Listing Regulations and SEBI (Depositories and Participants) Regulations, 1996 and submit a report in this regard to Stakeholders' Relationship Committee.

The shares sent for physical transfer are registered and returned within the stipulated period from the date of receipt of request, if the documents are complete in all respects. As per the requirement of regulation 40(9) of the Listing Regulations, a certificate on half yearly basis confirming due compliance of share transfer/transmission formalities by the Company from Practicing Company Secretary has been submitted to Stock Exchanges within stipulated time.

(h) Distribution of Equity Shareholding as on March 31, 2016

Group of Shares	Number of Shareholders	% to total Shareholders	Number of Shares held	% to total shares
From 1-500	27823	81.972	3910616	1.516
501-1000	2440	7.189	2049983	0.795
1001-2000	1277	3.762	2001363	0.776
2001-3000	528	1.555	1389155	0.539
3001-4000	358	1.055	1285442	0.498
4001-5000	337	0.993	1620304	0.628
5001-10000	488	1.438	3642072	1.412
10001& higher	691	2.036	242046175	93.836
Total	33942	100.000	257945110	100.000

(i) Shareholding Pattern of Equity Shares as on March 31, 2016

Category	Number of Shareholders	% to total shareholders
Promoters	175957229	68.21
Mutual Funds	6696252	2.60
Banks, Financial Institutions,		
Insurance Cos.	198448	0.08
FII/FPIs	10986015	4.26
Bodies Corporate/NBF	13918739	5.40
Indian Public(*)	44940350	17.42
NRIs / OCBs	1656938	0.64
Other – Clearing Members & Trust/HUF	3591139	1.39
Total	257945110	100.00

(*) Includes 20000 equity shares held by some directors and / or their relatives.

(j) Dematerialisation of Shares & Liquidity

The Company's equity shares are compulsorily traded in the electronic form. The Company has entered into an Agreement with NSDL and CDSL to establish electronic connectivity of its 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, 2016, 99.90% 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.

(k) Outstanding GDR / ADR or Warrants

As on date there are no Global Depository Receipts (GDR), American Depository Receipt (ADR), Warrants or any other convertible instrument.

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

The details on commodity price risk is provided hereinbelow under "Other Disclosures". The Company does not have significant foreign exchange exposures. However, the Company remains substantially hedged through appropriate derivative instruments to minimize the risk. The details of unhedged foreign currency exposures and hedging are disclosed in notes to the financial statements.

(m) Reconciliation of Share Capital Audit

As stipulated by SEBI, a qualified 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.

(n) Unclaimed Dividend

All unclaimed dividends upto the financial year 2008-09 (Interim) have been transferred to the Investor Education and Protection Fund (IEPF), administered by the Central Government.

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
2008-2009	Final Dividend	29.12.2009	28.12.2016
2009-2010	Interim Dividend	08.05.2010	07.05.2017
2009-2010	Final & Special Dividend	18.02.2011	17.02.2018
2010-2011	Final Dividend	10.02.2012	09.02.2019
2011-2012	Final Dividend	19.02.2013	18.02.2020

Shareholders who have not so far encashed their dividend warrant(s) or have not received the same are requested to seek issuance of duplicate warrant(s) by writing to the Company confirming non-encashment / non-receipt of dividend warrant(s).

o) Locations

Registered Office

Triveni Engineering & Industries Limited
Deoband, Distt. Saharanpur
Uttar Pradesh - 247 554
Tel. :- 01336-222185, 222497
Fax :- 01336-222220

Share Department

Triveni Engineering & Industries Ltd.
8th Floor, Express Trade Towers,
15-16, Sector 16A, Noida-201 301.
Tel. :- 0120-4308000; Fax :- 0120-4311010-11
email :- shares@trivenigroup.com

Plant Locations

Detailed information on plant / business locations is provided elsewhere in the Annual Report.

Address for correspondence

Please contact the Compliance Officer of the Company at the following address regarding any questions or concerns:

Ms. Geeta Bhalla
Group General Manager & Company Secretary
Triveni Engineering & Industries Ltd.
8th Floor, Express Trade Towers,
15-16, Sector 16A, Noida-201 301.
Tel. :- 0120-4308000; Fax :- 0120-4311010-11
Email :- shares@trivenigroup.com

OTHER DISCLOSURES

• Related Party Transactions

During the year, there was no materially significant related party transaction which may have potential conflict with the interest of the Company. The Company has formulated a Related Party Transaction policy which has been uploaded on its website at <http://www.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.37 to the financial statements.

• Disclosures of Accounting Treatment

In the financial statements for the year ended March 31, 2016, the Company has followed the treatment as prescribed in the applicable Accounting Standards.

• Details of Non-Compliance by the Company, penalties, stricture imposed on the Company by the Stock Exchanges, SEBI or any statutory authorities or any matter related to capital markets.

The Company has complied with all the requirements of the Stock Exchanges / the Regulations and guidelines of SEBI and other Statutory Authorities on all matters relating to capital markets. No penalties or strictures have been imposed by SEBI, Stock Exchanges or any statutory authorities on matters relating to capital markets during the last three years.

• Whistle Blower Policy and Affirmation that no personnel has been denied access to the Audit Committee

The Company has established a vigil mechanism through a Whistle Blower Policy for directors and employees to report concerns about unethical behavior, 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. Further, no complaint of sexual harassment was received from any women employee.

• 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. 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.

• 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, 2016. 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 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, 2016.

Date: May 16, 2016 **Dhruv M. Sawhney**
Place: Noida (U.P.) Chairman and Managing Director

• CEO / CFO Certification

A prescribed certificate as stipulated in Regulation 17 (8) of the Listing Regulations duly signed by the Chairman and Managing Director and Group CFO was placed before the Board alongwith the financial statements for the FY 16 ended on March 31, 2016. The said certificate is provided elsewhere in this Annual Report.

• Details of compliance with mandatory requirements and adoption of the non-mandatory requirements

The details of mandatory requirements are mentioned in this Report. The Company is in compliance with the requirements specified under Clause 49 of the Listing Agreements and regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of the Listing Regulations, as applicable, with regard to corporate governance.

Further, as required under the SEBI Regulations, the Company has executed fresh Listing Agreements with BSE Limited and National Stock Exchange of India Limited and has adopted Policy on Preservation of Documents, Archival Policy and Policy for determination of Materiality. The status of adoption of the discretionary requirement as prescribed in Schedule II Part E of the Listing Regulations is as under:

Modified opinion(s) in audit report

The opinion expressed by the Auditor in the audit report on

the financial statements for the year ended March 31, 2016 is unmodified.

• Subsidiary Companies

There are six unlisted Indian subsidiary companies viz. Triveni Industries Ltd., Triveni Engineering Ltd., Triveni Energy Systems Ltd., Triveni Entertainment Ltd., Svastida Projects Ltd. and Triveni Sugar Ltd. Out of these, five are wholly owned subsidiaries except Triveni Sugar Ltd., which is a 99.99% subsidiary. 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>

• Disclosure of commodity price risks and commodity hedging activities

With respect to inputs, the Company is not exposed to any material commodity price risks. However, with respect to the outputs, the Company is exposed to risks relating to the sugar price. In view of lack of adequate depth in commodity exchange/s in India, there is little potential of effective hedging but the Company strives to minimise the risk by an effective sales strategy.

AUDITORS' CERTIFICATE ON COMPLIANCE OF CORPORATE GOVERNANCE

The certificate dated May 16, 2016 from Statutory Auditors of the Company (M/s J. C. Bhalla & 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 May 16, 2016.

ANNEXURE-C

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

Auditors' Certificate on Compliance of conditions of Corporate Governance as stipulated in Paragraph C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations')

To
The Members of
Triveni Engineering & Industries Limited

We have examined the compliance of conditions of corporate governance by Triveni Engineering & Industries Ltd for the financial year 2015-16 ended March 31, 2016 as stipulated in Paragraph C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance as stipulated in the said Regulations. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations.

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.

For and on behalf of
J. C. Bhalla & Company
Chartered Accountants
FRN No.001111N

(Sudhir Mallick)
Partner
Membership No.80051

Place : Noida (U.P.)
Date : May 16, 2016

CEO/CFO CERTIFICATION

To
Board of Directors
Triveni Engineering & Industries Ltd.

Sub: CEO/CFO certification under Regulation 17(8) of Listing Regulations

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 financial year ended March 31, 2016 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 the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the auditors and the Audit Committee:
- (i) That there were no significant changes in internal control over financial reporting during the year;
 - (ii) There 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

Place : Noida (U.P.)
Date : May 16, 2016

ANNEXURE-D

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

For The Financial Year Ended 31st March, 2016

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Triveni Engineering and Industries Limited
(CIN:L15421UP1932PLC022174)
Deoband, District Saharanpur,
Uttar Pradesh-247 554.

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) Where ever 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 authorized 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 31st March, 2016 ("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 31st March, 2016 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, if any;
- (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, 1992/2015;
 - (c) *The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) *The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999/Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014
 - (e) *The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;
 - (g) *The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
 - (h) *The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; and
 - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, applicable with effect from 1st December, 2015.

* No event took place under these Regulations during the Audit Period.

We have also examined compliance with the applicable clauses of the following-

- (i) Secretarial Standard of Meetings of the Board of Directors (SS-1) and Secretarial Standard on General Meetings (SS-2) issued by The Institute of Company Secretaries of India, applicable with effect from 1st July, 2015; and
- (ii) Listing Agreements entered into by the Company with BSE Limited and the National Stock Exchange of India Limited.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations and Guidelines, to the extent applicable, as mentioned above.

(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 Niyam Adhinyam, 1964
- U.P. Vacuum Pan Sugar Factories Licensing Order, 1969
- The Electricity Act, 2003

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. We believe that the Audit evidence which we have obtained is sufficient and appropriate to provide a basis for our audit opinion. 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 and guidelines.

We further report that during the Audit Period-

- (i) the Shareholders of the Company through postal ballot (result declared on 24th April, 2015) passed a special resolution pursuant to Section 180(1)(a) of the Companies Act, 2013 authorizing the Board of Directors of the Company to create charge, hypothecation, mortgage etc. on the Company's assets in favour of any lender(s) to secure financial assistance availed/to be availed by the Company from such lender, subject to an overall limits of ₹ 3000 crores (Rupees Three thousand crores only).
- (ii) A composite scheme of arrangement had been proposed between the Company viz. Triveni Engineering & Industries Ltd. & Triveni Sugar Ltd. & Triveni Industries Ltd. & their respective shareholders & creditors under the applicable provisions of the Companies Act, 1956/2013 (the "earlier Composite Scheme of Arrangement"), which was approved by Equity Shareholders, Secured Creditors and Unsecured Creditors in the Court Convened Meeting held on 19th December, 2015. Subsequently, with the approval of the Board of Directors of the Company ('the Board') and the order of the Hon'ble Allahabad High Court, the earlier Composite Scheme of Arrangement has been withdrawn. However, the Board further approved a fresh Scheme of Arrangement between the Company and Triveni Industries Ltd. (TIL) & their respective shareholders and creditors under the applicable provisions of the Companies Act, 1956/2013 for the transfer and vesting (by way of demerger) of Sugar Business of the Company into TIL. The requisite approvals with respect to the latter Scheme are yet to be taken.

For Suresh Gupta & Associates
Company Secretaries

Suresh Gupta
Proprietor
FCS No.:5660
CP No.:5204

Date : May 16, 2016
Place: Delhi

ANNEXURE-E

(A) Conservation of energy

a) The steps taken or impact on conservation of energy

- i) Replaced 3 nos. reciprocating air compressors with energy efficient screw compressors at Gears unit.
- ii) One mix bed unit in DM plant converted into activated carbon filter to reduce the pressure drop in the system. Consequently, the operation of the second pump has reduced, resulting in power savings at Co-generation plant at Khatauli.
- iii) Replaced air pre-heater tubes in boiler resulting in reduction of power requirements at ID/FD fans of the boiler at Co-generation plant at Khatauli.
- iv) Flash of boiler feed water tank connected to vapour condenser - 2 (2nd vapour header) and flash of 4th body condensate connected to 5th body calendria at fletcher evaporator set for recovery of heat for saving of steam at Deoband Unit
- v) Installed VFDs at mill and at boiler FD fan at Ramkola and at filtrate juice pump at Deoband for reduction in power consumption.
- vi) Modified re-circulation system of cooling water resulting in reduction in tube well operations at Ramkola unit thereby saving in electrical energy.
- vii) Process Cooling Tower application - out of 3 cells, fan of one cell has been equipped with VFD and fan r.p.m regulated as per requirement resulting in reduction of electrical load and consequently power consumption at Sabitgarh.
- viii) Replaced Sodium Vapor Lamps / HPSV lamps with CFLs and LED lights at Chandanpur, Raninangal and Sabitgarh units to save electrical power. Open area lighting was provided with timers for auto on/off at Sabitgarh.
- ix) Fixed LT Capacitors in 55 KW and above capacity motors, to improve power factor and consequent power efficiency at Rani Nangal unit.
- x) Installed 02 Nos VFD in Bio Gas Plant to save electrical energy at Distillery.
- xi) Increased awareness on electric power consumption, like fine tuning of temperature setting; to switch off machine/lights/ fans/ computer when not in use, at all units.

b) The steps taken by the Unit for utilising alternate source of energy

Solar panel installed at Chandanpur unit for LED lights in Mill area. Apart from this, in all sugar units of the Company, majority of power is generated through bagasse, which is a renewable source of energy. At Distillery, bio-gas is generated from the effluent and is used as a fuel in the boiler for generation of steam and power.

c) The capital investment energy conservation equipment

No major capital expenditure was made during the year on energy conservation measures/equipment.

(B) Technology absorption

- (i) The efforts made towards technology absorption:
All our businesses use mostly indigenous technology except for Gears Business, which apart from own technology up to 7.5 MW, gets technology under Licence Agreements. Gears business is self-sufficient in the application of the technologies obtained under the Licence Agreements. The Gear Business is also involved in R&D activities to develop fundamental understanding of technology, to evolve other 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 market place 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	Not applicable
c)	whether the technology has been fully absorbed	Not applicable
d)	if not fully absorbed, areas where absorption has not taken place and reasons thereof;	Not applicable

* The Gears Business has a License Agreement with an overseas party under which limited information by way of drawings is provided to undertake manufacture of the product and as such, the underlying technology is not passed. However, the exposure and interaction with the Licensor helps the Gears Business to increase its learning and use the learning for development of other products.

(C) Foreign exchange earnings and outgo

Earnings in foreign exchange	-	₹ 1786.71 lakhs
Foreign exchange outgo	-	₹ 1989.22 lakhs*

*excluding ₹ 36.19 lakhs paid on behalf of an associate company.

For and on behalf of the Board of Directors

Place: Noida (U.P.)
Date : May 16, 2016

Dhruv M. Sawhney
Chairman and Managing Director

ANNEXURE-F

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 the FY 16, ratio of remuneration of each Director to the median remuneration of the employees of the Company for the FY 16.

(₹ in Lakhs)

Name of Director/KMP and Designation	Remuneration for FY 16*	% increase of remuneration in the FY 16	Ratio of remuneration to Median Remuneration
Mr. Dhruv M. Sawhney ** Chairman and Managing Director (CMD)	Nil	Nil	N.A.
Mr. Tarun Sawhney Vice Chairman and Managing Director (VCMD)	151.33	(3)	65.2
Mr. Nikhil Sawhney Non-Executive Director	5.45	(4.38)	2.35
Dr. F.C. Kohli Non-Executive Independent Director	5.00	28.20	2.15
Lt. Gen. K.K. Hazari (Retd.) Non-Executive Independent Director	11.00	48.65	4.74
Mr. Mahendra K. Daga Non-Executive Independent Director	1.50	(11.76)	0.65
Mr. Shekhar Datta Non-Executive Independent Director	9.75	21.87	4.20
Ms. Homai A. Daruwalla Non-Executive Independent Director	8.75	38.88	3.77
Dr. Santosh Pande Non-Executive Independent Director	6.50	66.66	2.80
Mr. Sudipto Sarkar*** Additional Director	2.00	N.A.	0.86
Mr. Suresh Taneja Group Chief Financial Officer	156.85	9	67.6
Ms. Geeta Bhalla Group General Manager & Company Secretary	49.33	18	21.3

(*) Gratuity is provided based on actuarial valuation and hence, remuneration does not include gratuity.

(**) No salary is being drawn by the CMD.

(***) Appointed during the year and hence, comparative salary details not provided.

Note: The remuneration of the non-executive & independent directors includes sitting fees only for attending Board or Committee meetings, as no commission was paid during FY 16 in view of losses.

- (i) The annual median remuneration of employees at ₹ 2.32 lakhs decreased by 12.44% during the financial year.
- (ii) There were 4021 permanent employees (831 officers, 3190 workmen including 1551 seasonal employees) on the rolls of the Company as on March 31, 2016.
- (iii) Relationship between average increase in remuneration and Company's performance: The average increase in the remuneration for all employees (including Executive directors and KMPs) was 8.38% which was granted to the employees from October 1, 2015. The increase is reflective of the improved performance of the Company and is in line with the industry trends.

- (iv) Based on the closing quotation on March 31, 2016 and March 31, 2015 on NSE, the market capitalisation as on March 31, 2016 was ₹ 130133.31 lakhs as against ₹ 47461.90 lakhs on March 31, 2015, i.e., an increase of about 174%.
- (v) In view of losses, PE Ratio is not provided.
- (vi) The Company had come out with a FPO in 2005 and the offer was subscribed at ₹ 48 per equity share of the nominal value of ₹ 1/-, whereas the market price of the equity share of the Company was at ₹ 50.45 as on March 31, 2016. The aforesaid figures are not comparable as subsequent to the FPO in 2010, the Turbine Undertaking of the Company was demerged and vested in Triveni Turbine Ltd. (TTL) and the equity shares of TTL were issued to the shareholders of the Company in the ratio of 1:1 pursuant to a Scheme of Arrangement duly approved by the Allahabad High Court.
- (vii) The average percentage salary increase of employees other than managerial personnel was 8.46% and there is a decrease of 3% in managerial remuneration.
- (viii) Comparison of remuneration of each of the Key Managerial Personnel (KMP) against the performance of the Company:
The average increase in the remuneration of KMPs is 8%. The increase in the remuneration of each KMP is provided in (i) above and the increase is within a range of (-)3% to 18%. The performance of the Company in the current year has substantially improved and the loss during the year has reduced to ₹ 12.30 crores as against ₹ 164.09 crore in the previous year. Further, the Company has diversified businesses and high level management expertise is required to manage the businesses under prevailing challenging conditions.
- (ix) The Key parameters for any variable component of remuneration availed by the directors: In accordance with the provisions of the Act and the approval of the shareholders, the Executive Directors are entitled to a variable component of salary in the form of performance bonus, based on individual's performance, management challenges and the Company's performance, which is approved by the Board on the recommendation of Nomination and Remuneration Committee.
Non-executive and Independent directors are entitled to commission based on their contribution and the performance of the Company within the ceilings as provided in the Act. In view of losses, no performance bonus/commission has been given to any of the Director of the Company during the FY 16.
- (x) The ratio of the remuneration of the highest paid director i.e. VCMD to that of Group CFO who is not a director but receive remuneration in excess of the highest paid director during the year is 0.96.
- (xi) It is hereby affirmed that the remuneration paid during the financial ended March 31, 2016 is as per the Nomination and Remuneration policy of the Company.

Note: 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.

For and on behalf of the Board of Directors

Place: Noida (U.P.)
Date : May 16, 2016

Dhruv M. Sawhney
Chairman and Managing Director

ANNEXURE-H

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March, 2016 of

Triveni Engineering & Industries Limited

[Pursuant to Section 92(1) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i)	CIN	L15421UP1932PLC022174
ii)	Registration Date	27 th July, 1932
iii)	Name of the Company	Triveni Engineering & Industries Limited
iv)	Category/sub-Category of the Company	Public Company limited by shares / Indian Non-Government Company
v)	Address of the Registered Office and contact details	Deoband, District Saharanpur, Uttar Pradesh-247 554; Ph: (01336) 222185
vi)	Whether listed company (Yes/No)	Yes
vii)	Name, Address and Contract details of Registrar and Transfer Agent, if any	M/s Karvy Computershare Pvt. Ltd Karvy Selenium Tower-B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad- 500 032, Ph: 040 6716 2222, Email : einward.ris@karvy.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products/services	NIC Code of the Product/ service	% to total turnover of the company
1.	MANUFACTURE OF SUGAR	1072	72.81

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

Sl. NO.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of sharesheld	Applicable Section
1.	Triveni Engineering Limited 8 th Floor, Express Trade Towers, 15-16, Sector-16A, Noida-201 301 (U.P.)	U29119UP2006PLC032060	Subsidiary	100%	2(87)
2.	Triveni Energy Systems Limited 8 th Floor, Express Trade Towers, 15-16, Sector-16A, Noida-201 301 (U.P.)	U40102UP2008PLC034648	Subsidiary	100%	2(87)
3.	Triveni Entertainment Limited Grand Plaza, 104, 1 st Floor, 99, Old Rajinder Nagar Market, New Delhi-110 060.	U52110DL1986PLC024603	Subsidiary	100%	2(87)
4.	Triveni Sugar Limited (formerly Bhudeva Projects Limited) A-44, Hosiery Complex, Phase II Extension, Noida-201 305 (U.P.)	U45201UP2014PLC063454	Subsidiary	99.99%	2(87)
5.	Svastida Projects Limited A-44, Hosiery Complex, Phase II Extension, Noida-201 305 (U.P.)	U45201UP2014PLC063455	Subsidiary	100%	2(87)
6.	Triveni Industries Limited Sugar Unit, Deoband-247 554,Uttar Pradesh	U15122UP2015PLC072202	Subsidiary	100%	2(87)
7.	Triveni Turbine Limited A-44, Hosiery Complex, Phase II Extension, Noida-201 305 (U.P.)	L29110UP1995PLC041834	Associate	21.82	2(6)
8.	Aqwise-Wise Water Technologies Ltd., Israel	Foreign Company	Associate	25.04	2(6)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category-wise Share Holding

Category of shareholder	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A) Promoter									
(1) Indian	93261173	0	93261173	36.155	34511253	0	34511253	13.379	-22.776
(a) Individuals/ HUF									
(b) Central Government									
(c) State Government(s)									
(d) Bodies Corporate	82696056	0	82696056	32.060	82696056	0	82696056	32.060	0.000
(e) Bank /FI									
(f) Any Other									
Sub-Total (A)(1)	175957229	0	175957229	68.215	117207309	0	117207309	45.439	-22.776
(2) Foreign									
(a) NRI - Individuals	0	0	0	0	58749920	0	58749920	22.776	22.776
(b) Other - Individuals									
(c) Bodies Corporate									
(d) Bank /FI									
(e) Any Other									
Sub-Total (A)(2)	0	0	0	0	58749920	0	58749920	22.776	22.776
Total Shareholding of Promoter (A)=(A)(1)+(A)(2)	175957229	0	175957229	68.215	175957229	0	175957229	68.215	0
(B) Public shareholding									
(1) Institutions									
(a) Mutual Funds/UTI	0	0	0	0.000	6696252	0	6696252	2.596	2.596
(b) Bank / FI	77435	0	77435	0.030	198448	0	198448	0.077	0.047
(c) Central Government									
(d) State Government(s)									
(e) Venture Capital Funds									
(f) Insurance Companies									
(g) FIs	38372653	0	38372653	14.876	10252775	0	10252775	3.975	-10.901
(h) Foreign Venture Capital Investors									
(i) Any Other (specify)									
(j) Foreign Portfolio Investor (Corporate)	0	0	0	0.000	733240	0	733240	0.284	0.284
Sub-Total (B)(1)	38450088	0	38450088	14.906	17880715	0	17880715	6.932	-7.974

Category of shareholder	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(2) Non-institutions									
(a) Bodies Corporate									
i) Indian	7269811	1	7269812	2.818	13918738	1	13918739	5.396	2.578
ii) Overseas									
(b) Individuals -									
i. Individual shareholders holding nominal share capital up to ₹ 1 lakh.*	21030763	274265	21305028	8.260	23737041	265766	24002807	9.305	1.046
ii. Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	11400072	0	11400072	4.420	20937543	0	20937543	8.117	3.697
(c) Any Other (specify)									
[i] NRI	1721443	0	1721443	0.667	1656938	0	1656938	0.642	-0.025
[ii] HUF	1643729	0	1643729	0.637	2667668	0	2667668	1.034	0.397
[iii] Clearing Member	197709	0	197709	0.077	883471	0	883471	0.343	0.266
[iv] Trust	0	0	0	0.000	40000	0	40000	0.016	0.016
Sub-Total (B)(2)	43263527	274266	43537793	16.879	63841399	265767	64107166	24.853	7.974
Total Public Shareholding (B)= (B)(1)+(B)(2)	81713615	274266	81987881	31.785	81722114	265767	81987881	31.785	0.000
(C) Shares held by Custodians for GDRs & ADRs									
GRAND TOTAL (A)+(B)+(C)	257670844	274266	257945110	100	257679343	265767	257945110	100	0.000

(ii) Shareholding of Promoters

Sr. No.	Shareholders's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in the share holding during the year
		No. of Shares	% of total shares of the Company	% of Shares Pledge / encumbered of total shares	No. of Shares	% of total shares of the Company of total shares	% of Shares Pledge / encumbered	
(a) Individual/Hindu Undivided Family / NRI								
1	Mr. Dhruv M. Sawhney	38391756	14.883	0	38391756	14.883	0	0.000
2	Mrs. Rati Sawhney	20358164	7.892	0	20358164	7.892	0	0.000
3	Mr. Tarun Sawhney	14695375	5.697	0	14695375	5.697	17.012	0.000
4	Mr. Nikhil Sawhney	15277653	5.923	0	15277653	5.923	0	0.000
5	Manmohan Sawhney (HUF)	4513225	1.750	0	4513225	1.750	0	0.000
6	Mrs. Tarana Sawhney	25000	0.010	0	25000	0.010	0	0.000
	Total (a)	93261173	36.155	0	93261173	36.155	2.68	0.000
(b) Bodies Corporate								
1	Umananda Trade & Finance Limited	20991589	8.138	0	21414339	8.302	0	0.164
2	Tarnik Investments & Trading Limited.	18680527	7.242	0	18680527	7.242	0	0.000
3	Subhadra Trade & Finance Limited	16907375	6.555	0	16907375	6.555	0	0.000
4	Kameni Upaskar Limited	10328525	4.004	0	10328525	4.004	0	0.000
5	Dhankari Investments Limited	14714901	5.705	0	14714901	5.705	0	0.000
6	TOFSL Trading & Investments Ltd.	1639	0.001	0	1639	0.001	0	0.000
7	The Engineering & Technical Services Limited	250	0.000	0	250	0.000	0	0.000
8	Carvanserai Limited	422750	0.164	0	0	0.000	0	-0.164
9	Accurate Traders Limited	648500	0.251	0	648500	0.251	0	0.000
	Total (b)	82696056	32.060	0	82696056	32.060	0	0.000
	TOTAL(a+b)	175957229	68.215	0	175957229	68.215	1.42	0.000

(iii) Change in Promoters' Shareholding (please specify, if there is no change):

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year		Date	Increase/Decrease in the shareholding	Reason	Cumulative shareholding during the year	
		No. of Shares	% of total shares of the Company				No. of Shares	% of total shares of the Company
1	Umananda Trade & Finance Ltd.	20991589	8.138	26-02-2016	422750	Inter-se transfer amongst promoters	21414339	8.302
2	Carvanserai Limited	422750	0.164	26-02-2016	-422750	-do-	0	0.000

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year		Date	Increase/Decrease in the shareholding	Reason	Cumulative shareholding during the year	
		No. of Shares	% of total shares of the Company				No. of Shares	% of total shares of the Company
1*	Nalanda India Fund Limited	25788000	9.997	09-10-2015	-158359	Transfer	25629641	9.936
				16-10-2015	-157186	Transfer	25472455	9.875
				23-10-2015	-502774	Transfer	24969681	9.680
				30-10-2015	-1954806	Transfer	23014875	8.922
				06-11-2015	-2962222	Transfer	20052653	7.774
				13-11-2015	-289561	Transfer	19763092	7.662
				20-11-2015	-19763092	Transfer	0	0.000
2	Government Pension Fund Global	6900000	2.675	15-05-2015	30000	Transfer	6930000	2.687
				22-05-2015	30000	Transfer	6960000	2.698
				29-05-2015	17544	Transfer	6977544	2.705
				17-07-2015	2456	Transfer	6980000	2.706
3	Morgan Stanley Asia (Singapore) pte.	5551853	2.152	08-05-2015	45081	Transfer	5596934	2.170
				15-05-2015	66616	Transfer	5663550	2.196
				29-05-2015	36939	Transfer	5700489	2.210
				05-06-2015	109316	Transfer	5809805	2.252
				12-06-2015	18648	Transfer	5828453	2.260
				05-02-2016	-1037133	Transfer	4791320	1.857
				12-02-2016	-312550	Transfer	4478770	1.736
				11-03-2016	-8091	Transfer	4470679	1.733
				18-03-2016	-1114205	Transfer	3356474	1.301
				25-03-2016	-81002	Transfer	3275472	1.270
				31-03-2016	-2697	Transfer	3272775	1.269
4*	Devabhaktuni Krishna Kumari	1039786	0.403	24-04-2015	-682947	Transfer	356839	0.138
				08-05-2015	-250000	Transfer	106839	0.041
				19-06-2015	304349	Transfer	411188	0.159
				26-06-2015	190962	Transfer	602150	0.233
				30-09-2015	-33000	Transfer	569150	0.221
				09-10-2015	-5800	Transfer	563350	0.218
				18-03-2016	50000	Transfer	613350	0.238
5*	Sarita Sharma	721900	0.280	31-07-2015	-45000	Transfer	676900	0.262
				23-10-2015	-25000	Transfer	651900	0.253
				13-11-2015	-1000	Transfer	650900	0.252
				20-11-2015	-34000	Transfer	616900	0.239
				08-01-2016	-12500	Transfer	604400	0.234
				15-01-2016	-10000	Transfer	594400	0.230
				18-03-2016	-3000	Transfer	591400	0.229
6*	Indianivesh Securities Private Limited	720000	0.279	15-05-2015	-100000	Transfer	620000	0.240
				05-06-2015	100000	Transfer	720000	0.279
				26-06-2015	-100000	Transfer	620000	0.240
				10-07-2015	-500000	Transfer	120000	0.047
				31-07-2015	500000	Transfer	620000	0.240
				14-08-2015	-20000	Transfer	600000	0.233
				28-08-2015	65000	Transfer	665000	0.258
				30-09-2015	-65000	Transfer	600000	0.233
				09-10-2015	-100000	Transfer	500000	0.194

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year		Date	Increase/ Decrease in the shareholding	Reason	Cumulative shareholding during the year	
		No. of Shares	% of total shares of the Company				No. of Shares	% of total shares of the Company
				20-11-2015	699999	Transfer	1199999	0.465
				27-11-2015	64001	Transfer	1264000	0.490
				11-12-2015	-16000	Transfer	1248000	0.484
				18-12-2015	200000	Transfer	1448000	0.561
				25-12-2015	-136000	Transfer	1312000	0.509
				31-12-2015	446	Transfer	1312446	0.509
				01-01-2016	-100446	Transfer	1212000	0.470
				08-01-2016	236000	Transfer	1448000	0.561
				15-01-2016	-47512	Transfer	1400488	0.543
				22-01-2016	-100000	Transfer	1300488	0.504
				05-02-2016	-384000	Transfer	916488	0.355
				12-02-2016	-14500	Transfer	901988	0.350
				19-02-2016	-173500	Transfer	728488	0.282
				04-03-2016	-178488	Transfer	550000	0.213
				18-03-2016	30000	Transfer	580000	0.225
				25-03-2016	-100000	Transfer	480000	0.186
				31-03-2016	40250	Transfer	520250	0.202
7	Poonam Arora	707141	0.274	31-07-2015	42000	Transfer	749141	0.290
				07-08-2015	959	Transfer	750100	0.291
				04-09-2015	16413	Transfer	766513	0.297
				11-09-2015	42084	Transfer	808597	0.313
				16-10-2015	3000	Transfer	811597	0.315
				04-12-2015	4000	Transfer	815597	0.316
				18-12-2015	46340	Transfer	861937	0.334
				25-12-2015	3200	Transfer	865137	0.335
				08-01-2016	5000	Transfer	870137	0.337
8*	Narender Kumar Arora	646197	0.251	17-07-2015	5000	Transfer	651197	0.252
				31-07-2015	12700	Transfer	663897	0.257
				07-08-2015	3900	Transfer	667797	0.259
				28-08-2015	4000	Transfer	671797	0.260
				04-09-2015	9000	Transfer	680797	0.264
				16-10-2015	2000	Transfer	682797	0.265
				23-10-2015	10800	Transfer	693597	0.269
				30-10-2015	5800	Transfer	699397	0.271
				20-11-2015	13800	Transfer	713197	0.276
				27-11-2015	6000	Transfer	719197	0.279
				04-12-2015	3303	Transfer	722500	0.280
				18-12-2015	5500	Transfer	728000	0.282
				25-12-2015	6300	Transfer	734300	0.285
				31-12-2015	5200	Transfer	739500	0.287
				08-01-2016	4500	Transfer	744000	0.288
				22-01-2016	4000	Transfer	748000	0.290
9*	Dhanpati Devi	626915	0.243	24-07-2015	3085	Transfer	630000	0.244
				31-07-2015	15000	Transfer	645000	0.250
				07-08-2015	44434	Transfer	689434	0.267
				14-08-2015	13672	Transfer	703106	0.273
				21-08-2015	20000	Transfer	723106	0.280
				09-10-2015	1894	Transfer	725000	0.281
				16-10-2015	5000	Transfer	730000	0.283
				11-12-2015	5000	Transfer	735000	0.285
				05-02-2016	5000	Transfer	740000	0.287
10*	Rishabh Chandra Sharma	584325	0.227	18-12-2015	-20000	Transfer	564325	0.219
				18-03-2016	-10000	Transfer	554325	0.215
				25-03-2016	-65000	Transfer	489325	0.190
				31-03-2016	-5000	Transfer	484325	0.188
11**	L And T Mutual Fund Trustee Ltd-L And T Mid Cap Fund	0	0.000	20-11-2015	1200000	Transfer	1200000	0.465
				27-11-2015	607998	Transfer	1807998	0.701
				18-12-2015	131240	Transfer	1939238	0.752
				25-12-2015	50000	Transfer	1989238	0.771
				31-12-2015	267456	Transfer	2256694	0.875
				01-01-2016	50000	Transfer	2306694	0.894
				08-01-2016	39483	Transfer	2346177	0.910
				15-01-2016	161387	Transfer	2507564	0.972
				04-03-2016	87946	Transfer	2595510	1.006

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year		Date	Increase/Decrease in the shareholding	Reason	Cumulative shareholding during the year	
		No. of Shares	% of total shares of the Company				No. of Shares	% of total shares of the Company
12**	L And T Mutual Fund Trustee Ltd-L And T India Special Situations Fund	0	0.000	15-01-2016	702175	Transfer	702175	0.272
				22-01-2016	611725	Transfer	1313900	0.509
				29-01-2016	225000	Transfer	1538900	0.597
				05-02-2016	225000	Transfer	1763900	0.684
				12-02-2016	249442	Transfer	2013342	0.781
				19-02-2016	100000	Transfer	2113342	0.819
				11-03-2016	50000	Transfer	2163342	0.839
				31-03-2016	100000	Transfer	2263342	0.877
13**	Principal Trustee Co. Pvt Ltd. - Principal Mutual Fund - Principal Eme	0	0.000	26-02-2016	1654800	Transfer	1654800	0.642
				04-03-2016	3000	Transfer	1657800	0.643
				11-03-2016	-135000	Transfer	1522800	0.590
				18-03-2016	24000	Transfer	1546800	0.600
				25-03-2016	21000	Transfer	1567800	0.608
				31-03-2016	-21000	Transfer	1546800	0.600
14**	Ajay Shivnarain Upadhyaya	0	0.000	08-01-2016	152868	Transfer	152868	0.059
				15-01-2016	856397	Transfer	1009265	0.391
				22-01-2016	110735	Transfer	1120000	0.434
				29-01-2016	80000	Transfer	1200000	0.465
				12-02-2016	50000	Transfer	1250000	0.485
				04-03-2016	75000	Transfer	1325000	0.514
				18-03-2016	38704	Transfer	1363704	0.529
				25-03-2016	500	Transfer	1364204	0.529
				31-03-2016	35796	Transfer	1400000	0.543
				15**	Hitesh Satishchandra Doshi	0	0.000	13-11-2015
20-11-2015	200000	Transfer	1150000					0.446
11-12-2015	150000	Transfer	1300000					0.504
16**	Sanjay Datta	0	0.000	16-10-2015	50000	Transfer	50000	0.019
				23-10-2015	50000	Transfer	100000	0.039
				08-01-2016	755000	Transfer	855000	0.331
				15-01-2016	100000	Transfer	955000	0.370
				22-01-2016	450000	Transfer	1405000	0.545
				29-01-2016	-120000	Transfer	1285000	0.498
				19-02-2016	-35000	Transfer	1250000	0.485
				17**	Shradha Gupta	369733	0.143	03-04-2015
24-04-2015	10048	Transfer	419781					0.163
08-05-2015	1088	Transfer	420869					0.163
15-05-2015	57154	Transfer	478023					0.185
12-06-2015	16000	Transfer	494023					0.192
07-08-2015	55000	Transfer	549023					0.213
09-10-2015	977	Transfer	550000					0.213
16-10-2015	12395	Transfer	562395					0.218
20-11-2015	240000	Transfer	802395					0.311
04-12-2015	10000	Transfer	812395					0.315
11-12-2015	68007	Transfer	880402					0.341
18-12-2015	2000	Transfer	882402					0.342
08-01-2016	2598	Transfer	885000					0.343
15-01-2016	500	Transfer	885500					0.343
22-01-2016	24536	Transfer	910036					0.353
29-01-2016	3868	Transfer	913904					0.354
05-02-2016	10000	Transfer	923904					0.358
12-02-2016	51096	Transfer	975000					0.378
19-02-2016	30000	Transfer	1005000					0.390
31-03-2016	10000	Transfer	1015000					0.393

*Ceased to be in the list of top 10 shareholders as on 31.3.2016. However, the same has been reflected above since the shareholder was one of the top 10 shareholders as on 01.04.2015.

**Not in the list of top 10 shareholders as on 01.04.2015. However, the same has been reflected above since the shareholder was one of the top 10 shareholders as on 31.03.2016.

(v). Shareholding of Directors and Key Managerial Personnel:

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year		Date	Increase/ Decrease in the shareholding	Reason	Cumulative shareholding during the year	
		No. of Shares	% of total shares of the Company				No. of Shares	% of total shares of the Company
A. DIRECTORS								
1	Mr. Dhruv M Sawhney	38391756	14.883	-	0		38391756	14.883
2	Mr. Tarun Sawhney	14695375	5.697	-	0	-	14695375	5.697
3	Mr. Nikhil Sawhney	15277653	5.923	-	0	-	15277653	5.923
4	Dr. F.C. Kohli	0	0	-	0	-	0	0
5	Lt. Gen. K.K. Hazari (Retd.)	0	0	-	0	-	0	0
6	Mr. Mahendra K. Daga	9000	0.003	-	0	-	9000	0.003
7	Mr. Shekhar Datta	10000	0.004	-	0	-	10000	0.004
8	Ms. Homai A. Daruwalla	0	0	-	0	-	0	0
9	Dr. Santosh Pande	0	0	-	0	-	0	0
10	Dr. Sudipto Sarkar	0	0	-	0	-	0	0
B. KEY MANAGERIAL PERSONNEL								
11	Mr. Suresh Taneja	14000	0.005	-	0	-	14000	0.005
12	Mrs. Geeta Bhalla	0	0	-	0	-	0	0

V. INDEBTEDNESS**Indebtedness of the Company including interest outstanding/accrued but not due for payment**

(₹ in Lakhs)

	Secured Loans excluding Deposits*	Unsecured Loans	Unclaimed Deposits	Total Indebtedness	
Indebtedness at the beginning of the Financial year					
i)	Principal Amount	147001.59	198.58	3.73	147203.90
ii)	Interest due but not paid			1.41	1.41
iii)	Interest accrued but not due	226.60			226.60
	Total (i+ii+iii)	147228.19	198.58	5.14	147431.91
Change in Indebtedness during the financial year					
•	Addition	35100.54	198.58		35299.12
•	Reduction	12142.50	725.53	4.35	12872.38
	Net Change	22958.04	-526.95	-4.35	22426.74
Indebtedness at the end of the year					
i)	Principal Amount	169876.23	725.53		170601.76
ii)	Interest due but not paid			0.79	0.79
iii)	Interest accrued but not due	310.00			310.00
	Total (i+ii+iii)	170186.23	725.53	0.79	170912.55

*Includes short term borrowings(cash credit) from banks

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

(₹ in Lakhs)

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount
		Mr Dhruv M. Sawhney CMD	Mr Tarun Sawhney VCMD	
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	—	118.92	118.92
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961	—	15.08	15.08
	(c) Profits in lieu of salary under 17(3) Income-tax Act, 1961	—	—	—
2.	Stock Option	—	—	—
3.	Sweat Equity	—	—	—
4.	Commission - as % of profit - others, specify	—	—	—
5.	Others (Retiral Benefits)	—	17.33*	17.33
	Total (A)	—	151.33	151.33
	Ceiling as per the Act	In view of absence of profits, the above remuneration was paid as 'minimum remuneration' in accordance with the applicable provisions of the Companies Act, 2013.		

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

B. Remuneration to other directors:

(₹ in Lakhs)

Sl. No.	Particulars of Remuneration	Fee for attending board/committee meetings	Commission	Others, please specify	Total Amount
1.	Independent Directors				
	Dr. F.C. Kohli	5.00	—	—	5.00
	Lt. Gen. K.K. Hazari (Retd.)	11.00	—	—	11.00
	Mr. Mahendra K. Daga	1.50			1.50
	Mr. Shekhar Datta	9.75	—	—	9.75
	Ms. Homai A. Daruwalla	8.75	—	—	8.75
	Dr. Santosh Pande	6.50			6.50
	Mr. Sudipto Sarkar	2.00			2.00
	Total (1)	44.50	—	—	44.50
2.	Other Non-Executive Directors				
	Mr. Nikhil Sawhney	5.45	—	—	5.45
	Total (2)	5.45	—	—	5.45
	Total (B) = (1+2)	49.95			49.95
	Total Managerial Remuneration (A+B)				201.28
	Overall ceiling as per the Act	In view of absence of profits, the above remuneration was paid as 'minimum remuneration' in accordance with the applicable provisions of the Companies Act, 2013.			

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD / MANAGER/WTD

(₹ in Lakhs)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CFO	CS	Total
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	NA	141.58	46.93	188.51
	(b) Value of perquisites u/s 17(2) Income tax Act, 1961	NA	0.71	0.31	1.02
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NA	Nil	Nil	Nil
2	Stock Option	NA	Nil	Nil	Nil
3	Sweat Equity	NA	Nil	Nil	Nil
4	Commission - as % of profit - others, specify	NA	Nil	Nil	Nil
5	Others (Retiral benefits)*	NA	14.56	2.09	16.65
	Total	NA	156.85	49.33	206.18

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

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD/NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty			None		
Punishment					
Compounding					
B. DIRECTORS					
Penalty			None		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty			None		
Punishment					
Compounding					

ANNEXURE-I

NOMINATION AND REMUNERATION POLICY

Introduction

In pursuance of the Company's policy to consider human resources as its invaluable assets, to pay equitable remuneration to all Directors, Key Managerial Personnel (KMP) and employees of the Company, to harmonize the aspirations of human resources consistent with the goals of the Company and in terms of the provisions of the Companies Act, 2013 and the listing agreement as amended from time to time, this policy on nomination and remuneration of Directors, KMP and Senior Management has been formulated by the Nomination and Remuneration Committee and approved by the Board of Directors on August 14, 2014.

Objective and purpose of the Policy

- To lay down criteria and terms and conditions with regard to identifying persons who are qualified to become Directors (Executive and Non-Executive) and persons who may be appointed in Senior Management and Key Managerial positions and to determine their remuneration.
- To determine remuneration based on the complexity and challenges of job, Company's size and financial position and trends and practices on remuneration prevailing in peer companies in the industry or sector wherein the company operates.
- To carry out evaluation of the performance of Directors, as well as Key Managerial and Senior Management Personnel.
- To provide them reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
- To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.

Constitution of the Nomination and Remuneration Committee

The 'Nomination and Remuneration Committee' comprises of following Directors:

- (i) Lt. Gen. K.K. Hazari (Retd.) – Chairman
- (ii) Mr. Shekhar Datta
- (iii) Mr. Nikhil Sawhney

The Board has the power to reconstitute the Committee consistent with the Company's policy and applicable statutory requirement.

Definitions

- 'Board of Directors' or 'Board' means the collective body of the Directors of the Company.
- 'Directors' means a Director appointed to the Board of the Company.
- 'Committee' means 'Nomination and Remuneration Committee' of the Company as constituted or reconstituted by the Board from time to time.
- 'Company' means Triveni Engineering & Industries Limited.
- 'Independent Director' means a Director referred to in Section 149 (6) of the Companies Act, 2013.
- 'Key Managerial Personnel' means-
 - (i) Chairman & Managing Director, or Vice Chairman & Managing Director, or Whole- time Director, if any
 - (ii) Chief Financial Officer;
 - (iii) Company Secretary; and
 - (iv) Such other officer as may be prescribed under the applicable statutory provisions / regulations.
- 'Senior Management' means personnel of the Company, who are the members of Core management team and one level below the Executive Director including Corporate Functional Heads and Business Heads of the Company.

Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 as may be amended from time to time shall have the meaning respectively assigned to them therein.

Applicability

The Policy is applicable to the Directors, Key Managerial Personnel and other employees of Triveni Engineering & Industries Limited ('Company').

General

This Policy is divided in three parts:

- Part – A covers the matters to be dealt with and recommended by the Committee to the Board;
- Part – B covers the appointment and nomination; and
- Part – C covers remuneration and perquisites etc.

The key features of this Company's policy shall be included in the Board's Report.

Part – A

Matters to be dealt with, perused and recommended to the Board by the Committee

The Committee shall:

- Formulate the criteria for determining qualifications, positive attributes and independence of a director.
- Identify persons who are qualified to become Director and the persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this policy.
- Recommend to the Board, appointment and removal of Director and Senior Management Personnel.

Part – B

Policy for appointment and removal of Directors, Senior Management Personnel

- **Appointment criteria and qualifications**

1. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director and at Senior Management level and recommend to the Board his / her appointment. However, the Committee may delegate to the Managing Director, Executive Director the power to identify, appoint and remove the Senior Management Personnel.
2. A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person are sufficient / satisfactory for the concerned position.
3. The Company shall only appoint or continue the employment of any person as Managing Director or Whole-time Director beyond the age of seventy years if the contribution of the concerned individual is invaluable to the Company and his vacancy may be detrimental to the interest of the Company. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

- **Term / Tenure**

- 1. Managing/Whole-time Director**

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Whole-time Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

- 2. Independent Director**

An Independent Director shall hold office for such term upto a maximum of five consecutive years on the Board of the Company, as may be recommended by the Committee and approved by the Board and Shareholders and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other

capacity, either directly or indirectly. However, if a person who has already served as an Independent Director for 5 years or more in the Company as on 1st October, 2014 or such other date as may be determined by the Committee as per regulatory requirement, he / she shall be eligible for appointment for one more term up to 5 years only.

At the time of appointment of Independent Director, it should be ensured that number of his directorship is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company.

- **Evaluation**

The Committee shall carry out evaluation of performance of every Director at regular intervals based on the indicators provided in the policy. Similarly, the Chairman and Managing Director, Vice Chairman and Managing Director and the Executive Directors shall evaluate the Senior Management Personnel (including KMPs other than the Directors of the Company) considering the competencies/indicators provided in the Policy.

- **Removal of Directors**

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made thereunder or under any other applicable Act, rules and regulations, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, subject to the provisions and compliance of the said Act, rules and regulations.

- **Retirement**

The Whole-time Director, if any and Senior Management Personnel shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company. The Board will have the discretion to retain the Director/Senior Management Personnel in the same position / remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

Part – C

Policy relating to the remuneration for the Managing Director/Whole-time Director, KMP, Senior Management Personnel and other employees

The remuneration to be paid to the Directors, KMPs, Senior Management and other employees will be decided taking into consideration the following key factors/attributes:

- Strategic vision for the growth of business and alignment with the Company's goal,
- Competence, experience and performance,
- Leadership and team building qualities,
- Innovative and creative thinking,
- Market compensation levels for similar profile

Remuneration Policy

(a) Executive Directors

The remuneration of the Executive Directors will be recommended by the Nomination and Remuneration Committee to the Board of Directors and after approval by the Board the same will be put up for the shareholders' approval.

The evaluation of the Executive Directors will be made by the NRC based on the following attributes which will in addition to all attributes applicable to non-executive directors as mentioned below:

- Assessment of leadership and direction provided to the Business
- Assessment of performance or functions directly under their responsibility and control
- Assessment of managing business challenges and related risks
- Assessment of policies and efforts in promoting and expanding the business
- People development processes and organizational values

(b) Non-Executive Directors

Non-Executive Directors will be paid commission as approved by the Board within the limits approved by the shareholders of the Company. The amount of such commission taken together for all the Non-Executive Directors, will not exceed 1% of the net profits of the Company in any financial year calculated as per the requirements of Section 198 of the Companies Act 2013.

The said commission shall be decided each year by the Board of Directors of the Company and distributed amongst the Non-Executive Directors, based on their evaluation and the following attributes:

- Attendance in the Board / Committee meetings
- Inputs and contribution made in the meetings
- Creativity and idea generation
- Proactive, positive and strategic thinking
- Understanding of Company's business
- Time spent on operational and strategic matters other than the meetings.

The Company shall reimburse the travelling, hotel and other out of pocket expenses incurred by the Directors for attending the meetings and for other work on behalf of the Company.

(c) Key Managerial Personnel, Senior Management and other employees

The Company's remuneration policy of Key Managerial Personnel (other than Executive Directors covered above), Senior Management and other employees is driven by their success and performance of the Company and other attributes mentioned below. The Company endeavours to attract, retain, develop and motivate high performance workforce. The Company follows a compensation mix of fixed pay, performance based variable pay, benefits and perquisites. The performance of the individuals is measured through performance appraisal process. The Company will ensure that level and composition of remuneration is reasonable and sufficient to attract, retain and motivate all employees to contribute to their potential and in turn run the Company successfully.

The Stock options may be used as an instrument to actively engage senior management to achieve the objectives of the company, to reward them for their performance, to motivate and retain them.

The parameters of the assessment of the senior management will be the same as applicable to the executive directors but in the case of corporate functional heads, JDs may be different based on the uniqueness and domain responsibility of the function. The company has institutionalized a comprehensive PMS which will continue to be applicable to the senior management. The applicable competencies are:

- Driving and Managing Change
- Business acumen
- Capability Building
- Managing Critical Partnership
- Decision Making
- Excellence orientation
- Customer Focus
- Resource Management
- Domain area of responsibility
- Benchmarks of similar positions in similar comparable industries
- Functional expertise
- Commitment and Ownership

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF TRIVENI ENGINEERING & INDUSTRIES LIMITED

REPORT ON THE STANDALONE FINANCIAL STATEMENTS

We have audited the accompanying standalone financial statements of Triveni Engineering & Industries Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information, in which are incorporated the returns for the year ended on that date audited by the Branch Auditors of the Company's Mysore Unit, Water Business Unit, Noida and Project Division, Noida.

MANAGEMENT'S RESPONSIBILITY FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements.

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. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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.

OPINION

In our opinion, and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by this 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, 2016 and its loss and its cash flows for the year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2016 ("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 1, a statement on the matters specified in the paragraph 3 and 4 of the Order.
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 & proper returns adequate for the purpose of our audit have been received from Mysore Unit, Water Business Unit, Noida and Projects Division, Noida of the Company not visited by us;
 - c. the report on the accounts of the Mysore Unit, Water Business Unit, Noida and Projects Division, Noida of the company audited under sub-section (8) of section 143 by the branch auditors have been sent to us and have been properly dealt with by us in preparing this report;
 - d. the balance sheet, the statement of profit and loss and the cash flow statement dealt with in this report are in agreement with the books of account and with the returns

received from the Mysore Unit, Water Business Unit, Noida and Projects Division, Noida of the Company not visited by us;

- e. in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- f. on the basis of written representations received from the directors as on March 31, 2016 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016 from being appointed as a director in terms of section 164(2) of the Act;
- g. with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure 2 to this report.
- 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 litigation on its financial position in its financial statements. Refer Note No. 32 of the financial statements;
- ii) The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses; and
- iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For J.C. Bhalla and Co.
Chartered Accountants
FRN : 001111N

Sudhir Mallick
Partner
Membership No.80051

Place :Noida (U.P.)
Date : May 16, 2016

ANNEXURE 1 TO INDEPENDENT AUDITORS' REPORT OF EVEN DATE OF THE STANDALONE FINANCIAL STATEMENT OF TRIVENI ENGINEERING & INDUSTRIES LIMITED

Referred to in paragraph 1 of the Independent Auditors' Report of even date under the heading "Report on Other Legal and Regulatory Requirements" to the members of Triveni Engineering & Industries Limited on the standalone financial statements as of and for the year ended March 31, 2016.

We report that:

1. (a) The Company has generally maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - (b) Major items of fixed assets have been physically verified by the management during the year as per information given to us. As explained to us, no material discrepancies were noticed on such verification as compared to the book records. In our opinion the frequency of verification is reasonable having regard to the size of the Company and nature of its activities.
 - (c) According to the information and explanation given to us and on the basis of examination of title deeds, other relevant records provided to us evidencing the title, confirmation from the lenders with whom title deeds have been deposited as security for banking facilities and legal opinion obtained by the Company, 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 2 cases having gross book value of Rs. 12.35 lakhs in respect of freehold land as disclosed in Note No. 11A on Tangible Assets and 35 cases having gross book value of Rs. 381.47 lakhs in respect of freehold land transferred during the year from Tangible Assets to Non-Current Investments, disclosed as "Investment Property" in Note No. 13 to Standalone Financial Statements, where the title deeds are not held in the name of the Company.
2. Inventories have been physically verified by the Management to the extent practicable at reasonable intervals during the year. In our opinion the frequency of verification is reasonable. The discrepancies noticed on physical verification as compared to the book records were not material having regard to the size and nature of the operations of the Company and have been properly adjusted in the books of account.
 3. According to information and explanation given to us, the Company has not granted any loan, secured or unsecured to companies, firms, limited liability partnership or other parties covered in the register maintained under Section 189 of the Act. Accordingly clauses 3(iii)(a), 3(iii)(b) & 3(iii)(c) of the Companies (Auditor's Report) Order, 2016 are not applicable to the Company.
 4. According to the information and explanations given to us and in our opinion the Company has not advanced any loan, investment, guarantee or security to any person as specified under sections 185 of the Companies Act, 2013. The company has not advanced any loan, guarantee or security to any person within the meaning of section 186 of the companies Act 2013 during the year. The company has complied with the provisions of section 186 of the company Act 2013 with regards to investment made.
 5. According to the information and explanations given to us, the Company has not accepted any deposits from the public under the provisions of Sections 73 to 76 of the Act or other relevant provisions of the Act and rules framed there under during the year.
 6. We have broadly reviewed the books of accounts maintained by the Company in respect of the products where pursuant to the rules made by the Central Government the maintenance of cost records has been prescribed under Section 148 (1) of the Companies Act, 2013, and are of the opinion that prima facie the prescribed accounts and records have been maintained.
 7. (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, customs duty, excise duty, value added tax, cess and other statutory dues applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect of aforesaid dues were in arrears as at March 31, 2016 for a period of more than six months from the date they became payable except an instance of excise duty dues of Rs. 35.34 lakhs which has subsequently been deposited.
 - (b) According to the information and explanations given to us, the particulars of dues of income tax, sales tax, service tax, customs duty, excise duty, value added tax and cess which have not been deposited on account of matters pending before appropriate authorities are as under:

Sl. No.	Name of Statute	Forum where dispute is pending	Nature of dues	Gross Demand (₹ in Lakhs)	Amount Deposited (₹ in Lakhs)	Year/ Period
1	The Central Excise Act, 1944	High Court	Excise duty	347.67	19.07	1997-98, 1998-99, 99-00, 2003-04, 05-06 07-08 to 10-11,
			Penalty	269.30	266.00	
		CESTAT	Excise duty	359.81	60.21	1995-96, 1996-97, 03-04, 04-05 to 06-07, 08-09 to 2013-14
			Penalty	246.41	0.17	
		Comm.(A)	Excise duty	26.25	3.35	1994-95, 95-96, 2007-08 to 09-10, 2011-12 to 13-14
			Penalty	18.15	0.00	
2	The Finance Act, 1994 (Service Tax)	High Court	Service Tax	12.07	0.00	2009-10 to 2011-12 2004-05, 05-06, 2007-08 to 2011-12
			Tribunal	Service Tax	237.63	
		Comm.(A)	Service Tax	1.15	0.00	
			Penalty	0.02	0.00	
3	The Central Sales Tax Act, 1944 & State VAT Act	High Court	Sales Tax	254.91	159.28	1993-94 1994-95 1996-97 1999-00 2006-07 07-08
			Penalty	0.21	0.00	
		Tribunal	Sales Tax	275.41	12.71	1987-88 1994-95 1998-99 99-00 2007-08
			Penalty	11.89	11.89	
			Interest	35.91	8.37	
		Addl/ Joint Comm. (A)	Sales Tax	544.17	43.92	1996-97 2008-09 to 2011-12
			Penalty Interest	52.20 74.24	0.00 0.00	
		Assessing Authority	Sales Tax	194.89	126.50	1991-92 93-94 94-95 96-97 97-98 2000-01 02-03
		4	The Customs Act, 1962	Tribunal	Penalty	19.93
5	U.P. Sugar Promotion Policy 2004	High Court	Entry Tax	997.49	0.00	2006-07 to 2014-15
			Sales Tax	36.24	0.00	

8. Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of dues to banks or government during the year. The company has no outstanding dues in respect of financial institutions or debenture holders.
9. In our opinion and according to information and explanation given by the management, the term loans obtained by the company have been applied for the purpose for which they were raised. According to the information and explanation given to us, there was no money raised by way of initial public offer or further public offer by the Company during the year.
10. During the course of our examination of the books of accounts and records carried out in accordance with the generally accepted auditing practices and according to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
11. According to the information and explanation given to us, the company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
12. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, clause 3(xii) of the Companies (Auditor's Report) Order, 2016 is not applicable.
13. 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 sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
14. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(xiv) of the Companies (Auditor's Report) Order, 2016 is not applicable.
15. 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 him. Accordingly, clause 3(xv) of the Companies (Auditor's Report) Order, 2016 is not applicable.
16. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For J.C. Bhalla and Co.
Chartered Accountants
FRN : 001111N

Sudhir Mallick
Partner

Place :Noida (U.P.)
Date : May 16, 2016

Membership No.80051

ANNEXURE 2 TO INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON STANDALONE FINANCIAL STATEMENT OF TRIVENI ENGINEERING & INDUSTRIES LIMITED

Referred to in paragraph 2 (g) of the Independent Auditors' Report of even date under the heading "Report on Other Legal and Regulatory Requirements" to the members of Triveni Engineering & Industries Limited on the standalone financial statements as of and for the year ended March 31, 2016

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Triveni Engineering & Industries Limited ("the Company") as of March 31, 2016 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 control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by The Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of 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 over financial reporting 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") and the Standards on Auditing, issued by The Institute of Chartered Accountants of India and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 over financial reporting 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 over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting 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 over financial reporting 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting 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 over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March, 2016,

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 J.C. Bhalla and Co.

Chartered Accountants

FRN : 001111N

Sudhir Mallick

Partner

Membership No.80051

Place :Noida (U.P.)

Date : May 16, 2016

BALANCE SHEET

as at 31st March 2016

(₹ in Lakhs)

Particulars	Note No.	31.03.2016	31.03.2015
I. EQUITY AND LIABILITIES			
1. Shareholders' funds			
Share capital	2	2,579.47	2,579.47
Reserves and surplus	3	57,727.18	58,964.30
		60,306.65	61,543.77
2. Non-current liabilities			
Long-term borrowings	4	39,470.21	39,638.27
Deferred tax liabilities (net)	5	-	-
Other long term liabilities	6	1,876.86	1,803.52
Long-term provisions	7	3,356.70	3,071.91
		44,703.77	44,513.70
3. Current liabilities			
Short-term borrowings	8	116,195.11	95,371.66
Trade payables	9	42,772.44	66,242.09
Other current liabilities	10	23,210.89	19,337.74
Short-term provisions	7	9,905.73	5,740.40
		192,084.17	186,691.89
Total		297,094.59	292,749.36
II. ASSETS			
1. Non-current assets			
Fixed assets			
(i) Tangible assets	11 A	85,669.31	87,426.84
(ii) Intangible assets	12	152.71	118.62
(iii) Capital work-in-progress	11 B	933.69	1,842.36
Non-current investments	13	5,325.77	4,613.48
Long-term loans and advances	14	22,955.91	23,071.24
Other non-current assets	18	3,817.42	3,382.60
		118,854.81	120,455.14
2. Current assets			
Inventories	15	141,536.39	123,433.78
Trade receivables	16	23,490.45	23,283.24
Cash and bank balances	17	387.09	594.59
Short-term loans and advances	14	6,103.13	19,451.10
Other current assets	18	6,722.72	5,531.51
		178,239.78	172,294.22
Total		297,094.59	292,749.36

Significant Accounting Policies

1

The accompanying Note Nos.1 to 50 form an integral part of the financial statements.

As per our report of even date.

For and on behalf of
J.C.Bhalla & Company
Chartered Accountants
FRN : 001111N

Sudhir Mallick
Partner
Membership No.80051

Dhruv M. Sawhney
Chairman &
Managing Director

Homai A. Daruwalla
Director & Chairman
Audit Committee

Geeta Bhalla
Group General Manager
& Company Secretary

Suresh Taneja
Group CFO

Place : Noida (U.P.)
Date : May 16, 2016

STATEMENT OF PROFIT AND LOSS

for the year ended 31st March 2016

(₹ in Lakhs)

Particulars	Note No.	31.03.2016	31.03.2015
Continuing operations			
INCOME			
Revenue from operations (gross)	19	200,111.21	212,783.20
Less : Excise duty		8,608.79	6,700.68
Revenue from operations (net)		191,502.42	206,082.52
Other Income	20	2,548.15	1,765.36
Total revenue		194,050.57	207,847.88
EXPENSES			
Cost of raw material and components consumed	21	151,509.03	145,469.18
Purchase of traded goods	22	1,404.43	1,507.68
(Increase)/decrease in inventories of finished goods,work-in-progress and traded goods	23	(14,191.20)	17,239.31
Employee benefit expenses	24	15,855.34	15,251.34
Other expenses	25	24,333.60	28,416.29
Prior period items (net)	26	87.64	(19.74)
Total		178,998.84	207,864.06
Earnings before exceptional items, extraordinary item, interest, tax, depreciation and amortisation (EBITDA)		15,051.73	(16.18)
Depreciation and amortisation expenses	27	5,803.88	5,922.17
Finance costs	28	11,490.59	12,207.62
Profit/(loss) before exceptional items, extraordinary item & tax		(2,242.74)	(18,145.97)
Exceptional items	29	1,012.80	-
Profit/(loss) before extraordinary item & tax		(1,229.94)	(18,145.97)
Extraordinary item		-	-
Profit/(loss) before tax		(1,229.94)	(18,145.97)
Tax expense	30	-	(1,736.88)
Profit/(loss) after tax		(1,229.94)	(16,409.09)
Earning per equity share of ₹ 1/ each	31		
Basic and diluted (in ₹)		(0.48)	(6.36)

Significant Accounting Policies

1

The accompanying Note Nos.1 to 50 form an integral part of the financial statements.

As per our report of even date.

For and on behalf of
J.C.Bhalla & Company
 Chartered Accountants
 FRN : 001111N

Sudhir Mallick
 Partner
 Membership No.80051

Dhruv M. Sawhney
 Chairman &
 Managing Director

Homai A. Daruwalla
 Director & Chairman
 Audit Committee

Geeta Bhalla
 Group General Manager
 & Company Secretary

Suresh Taneja
 Group CFO

Place : Noida (U.P.)
 Date : May 16, 2016

CASH FLOW STATEMENT

for the year ended 31st March 2016

(₹ in Lakhs)

Particulars	31.03.2016	31.03.2015
A Cash Flow from Operating Activities		
Profit before tax	(1,229.94)	(18,145.97)
Non-cash adjustment to reconcile profit before tax to net cash flows		
Depreciation / amortisation on continuing operation	5,807.15	5,877.76
Loss / (profit) on sale of fixed assets	70.78	9.85
Provision for diminution in value of investments in subsidiary company written back	(9.68)	-
Exceptional Item (Net gain on sale of Land)	(1,012.80)	-
Interest Expense	11,491.08	12,207.66
Interest Income	(69.39)	(126.80)
Dividend Income	(1,226.75)	(576.44)
Operating profit before working capital changes	13,820.45	(753.94)
Movements in working capital :		
Change in Liabilities	(17,898.37)	(13,746.97)
Change in Inventories	(18,102.61)	16,771.72
Change in Trade Receivables	(599.94)	90.72
Change in Loans and Advances	13,381.51	(13,332.89)
Change in Other Current Assets	(1,087.36)	(1,811.35)
Cash generated from / (used in) operations	(10,486.32)	(12,782.71)
Direct taxes paid (net of refunds)	(205.07)	(507.19)
Net cash flow from / (used in) operating activities (A)	(10,691.39)	(13,289.90)
B Cash Flow from Investing Activities		
Purchase of fixed assets	(4,177.32)	(4,002.28)
Proceeds from sale of fixed assets	1,410.54	27.70
Proceeds of non-current investments		
- Subsidiary - current year ₹ 50/-	0.00	-
Purchase of non-current investments		
- Subsidiary	(0.50)	(800.00)
Interest received	51.21	128.97
Dividends received	1,226.75	576.44
Net cash flow from / (used in) investing activities (B)	(1,489.32)	(4,069.17)
C Cash Flow from Financing Activities		
Proceeds from issue of Equity Share capital under ESOP	-	6.29
Proceeds from long-term borrowings	14,804.05	10,101.99
Repayment of long-term borrowings	(12,225.90)	(16,678.42)
Increase / (Decrease) in short-term borrowings	20,823.45	36,143.94
Interest paid	(11,417.89)	(12,416.00)
Dividend paid on equity shares	(3.65)	(1.77)
Net cash flow from / (used in) financing activities (C)	11,980.06	17,156.03
Net increase / (decrease) in cash and cash equivalents (A + B+ C)	(200.65)	(203.04)
Cash and cash equivalents at the beginning of the year	479.77	682.81
Cash and cash equivalents at the end of the year	279.12	479.77

As per our report of even date.

For and on behalf of
J.C.Bhalla & Company
Chartered Accountants
FRN : 001111N

Sudhir Mallick
Partner
Membership No.80051

Dhruv M. Sawhney
Chairman &
Managing Director

Homai A. Daruwalla
Director & Chairman
Audit Committee

Geeta Bhalla
Group General Manager
& Company Secretary

Suresh Taneja
Group CFO

Place : Noida (U.P.)
Date : May 16, 2016

NOTES TO FINANCIAL STATEMENTS

for the year ended 31st March 2016

1. SIGNIFICANT ACCOUNTING POLICIES

a) Basis of preparation of Financial Statements

The financial statements of the Company have been prepared as a going concern on an accrual basis of accounting under the historical cost convention and in accordance with generally accepted accounting principles in India. The financial statements comply, in all material respects, with the applicable accounting standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) in accordance with section 133 of the Companies Act, 2013, read with Rule 7 of Companies (Accounts) Rules, 2014. All assets and liabilities have been classified as current and non-current as per the criteria set out in the Schedule III of the Companies Act 2013.

b) Use of Estimates

The presentation of financial statements requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/materialize.

c) Fixed Assets

- i. Fixed assets are stated at their acquisition cost less accumulated depreciation. Acquisition cost includes taxes, duties (excluding excise duty, service tax and VAT for which CENVAT/VAT credit is available), freight and other incidental expenses relating to acquisition and installation. In the acquisition of fixed assets involved in the establishment of a new project/factory, all direct expenses including borrowing costs are capitalized.
- ii. Fixed assets pending disposal are stated at lower of net book value (at the time of discarding of assets) and net realizable value. Wherever, the net book value of the assets can not be reasonably determined, it is stated at net realizable value.

d) Recognition of Income/Expenditure

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria are applied for revenue recognition:

- i. Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer. The Company collects sales taxes and value added taxes (VAT) on behalf of the government and therefore these are not economic benefits flowing to the Company and accordingly they are excluded from revenue.
- ii. Revenue from service contracts is recognised as the service is performed. Performance of service is measured either under the completed service contract method or under the proportionate completion method, whichever relates the revenue to the work accomplished or obligations fulfilled and when no significant uncertainty exist regarding the consideration receivable for the service performed. The Company collects service tax on behalf of the government and therefore, it is not an economic benefit flowing to the Company and accordingly it is excluded from revenue.
- iii. Income from sale of Certified Emission Reductions (CERs) and Renewable Energy Certificates (RECs) is recognized on the delivery of the CERs/RECs to the customers' account as evidenced by the receipt of confirmation of execution of delivery instructions.
- iv. Revenue from construction contracts is recognized on the percentage of completion method, measured by the proportion that contract costs incurred for work performed till the reporting date bear to the estimated total contract cost. Contract costs for this purpose include :
 - a. Costs that relate directly to the specific contract;
 - b. Costs that are attributable to contract activity in general and can be allocated to the contract; and
 - c. Such other costs as are specifically chargeable to the customer under the terms of contract.

Foreseeable losses, if any, are provided for immediately.
- v. Income/Expenditure relating to prior periods and prepaid expenses which do not exceed ₹ 10,000/- in each case, are treated as Income/Expenditure of current year.
- vi. Compensation under Voluntary Retirement Scheme and all other termination benefits, if any, incurred during the year, are recognized as expense in the statement of profit and loss.

e) Foreign Currency Transactions

- i. Transactions denominated in foreign currencies are initially recorded at the exchange rate prevailing at the date of transaction.
- ii. Foreign currency monetary items (including forward contracts not relating to firm commitments or highly probable forecast transactions and not intended for trading or speculative purposes) are translated at year end rates. Exchange differences arising on settlement of transactions and translation of monetary items are recognized as income or expense in the year in which they arise.
- iii. The premium or discount on forward exchange contracts not relating to firm commitments or highly probable forecast transactions and not intended for trading or speculative purposes is amortized as expense or income over the life of the contracts.
- iv. In respect of derivative contracts relating to firm commitments or highly probable forecast transactions, provision is made for mark to market losses, if any, at the balance sheet date. Gains, if any, are not recognized till settlement.

f) Inventories

- i. Inventories of raw materials, components, stores and spares are valued at lower of cost and net realizable value. By-products used as raw material are valued at transfer cost. Cost for the purpose of valuation of raw materials and components, stores and spares is considered on the following basis :

Raw Materials & Components

Business Units	Basis
Sugar	First in first out
Gears, Co-generation & Distillery	Weighted Average
Water Business Group	Specific Cost

Stores and Spares

Business Units	Basis
Water Business Group	Specific Cost
Other Units	Weighted Average

- ii. Finished goods and Work-in-progress are valued at lower of cost and net realizable value. The cost of finished goods and work-in-progress includes raw material costs, direct cost of conversion and proportionate allocation of indirect costs incurred in bringing the inventories to their present location and condition. Excise duty is included in the value of finished goods.
- iii. Unsold certified emission reductions (CERs) and renewable energy certificates (RECs) are recognized as

inventory in accordance with the Guidance Note on Accounting for Self-generated Certified Emission Reductions, issued by the Institute of Chartered Accountants of India. Inventory of CERs and RECs is valued at lower of cost and net realizable value. The cost incurred on verification/certification of CERs/RECs is considered as the cost of inventories of CERs/RECs.

- iv. Patterns, Loose tools, Jigs and Fixtures are written off equally over three years.
- v. By-products (excluding those used as raw materials) and scrap are valued at estimated net realizable value.

g) Depreciation

- (i) Depreciation on fixed assets is provided on the straight line method in accordance with Schedule II of the Companies Act, 2013. Schedule II provides the useful lives of various categories of fixed assets and allows the Company to use higher / lower useful lives and residual values if such lives and residual values can be technically supported and the justification for any difference is disclosed in the financial statements.

Accordingly, the management has estimated the useful lives and residual values of all its fixed assets 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 involving technology obsolescence 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.
- Based on the experience and assessment, mobile phones costing ₹ 5,000/- or more are depreciated over 2 years.
- Assets costing less than ₹ 5,000/- are fully depreciated in the year of purchase.
- ii. Intangible assets are recognised as specified in the applicable accounting standard and are amortised as follows:

Particulars	Period of amortization
Computer software	36 months
Technical know-how	72 months

- (iii) Cost of leasehold land, other than acquired on perpetual basis, is amortized over the lease period.
- (iv) Fixture and fittings and improvements to leasehold buildings not owned by the Company are amortized over the lease period or estimated useful life of such fixture, fittings and improvements, whichever is lower.

h) Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as non-current / long-term investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision is made to recognize a decline, other than temporary, in the value of long-term investments, such reduction being determined and made for each investment individually.

i) Employee Benefits

1) Short Term Employee Benefits:

All employee benefits payable wholly within twelve months after the end of the period in which the employees render the related services are classified as short term employee benefits and are recognized as expense in the period in which the employee renders the related service. The Company recognizes the undiscounted amount of short term employee benefits expected to be paid (including compensated absences) in exchange for services rendered, as a liability.

2) Long Term Employee Benefits:

i) 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's contribution to defined contribution plans is recognized in the statement of profit and loss in the financial year to which they relate.

The Company contributes to the following defined contribution plans.

- Provident Fund Plan & Employee Pension Scheme

The Company makes monthly contributions at prescribed rates towards Employee Provident Fund/ Employee Pension Scheme to fund administered and managed by the Government of India.

- Employee State Insurance

The Company makes prescribed monthly contributions towards Employees State Insurance Scheme.

- Superannuation Scheme

The Company contributes towards a fund

established to provide superannuation benefit to certain employees in terms of Group Superannuation Policies entered into by such fund with the Life Insurance Corporation of India.

- National Pension Scheme

The Company makes contributions to the National Pension Scheme fund in respect of certain employees of the Company.

ii) Defined Benefit Plans

Defined benefit plans are plans under which the Company pays certain defined benefits to its employees at the time of their retirement/resignation/death based on rules framed for such schemes. The Company operates following defined benefit plans:

- Provident fund (set-up by the Company and administered through trust)

The Company also contributes to a provident fund which was set-up by the Company and administered through trust for the benefit of certain employees. The interest rate payable by the trust to the beneficiaries is regulated by statutory authorities. The Company has an obligation to make good the shortfall, if any, between the return on investments of the Trust and the notified interest rate.

- Gratuity

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 Company provides for its liability under the Gratuity Plan based on actuarial valuation.

iii) Other long-term benefits

- Earned Leaves / Sick Leaves

The Company provides for the liability at year end on account of un-availed accumulated leaves on the basis of actuarial valuation.

j) Borrowing costs

Borrowing costs attributable to the acquisition of qualifying assets are capitalized till the period such assets are ready for their intended use. All other borrowing costs are charged to the statement of profit and loss.

k) Operating leases

Lease payments under an operating lease are recognized as an expense in the statement of profit and loss on a straight line basis over the lease term.

l) Government Grants

Recognition

Government grants are recognized where:

- i) There is reasonable assurance of complying with the conditions attached to the grant.
- ii) Such grant/benefit has been earned and it is reasonably certain that the ultimate collection will be made.

Presentation in Financial Statements:

- i) Government grants relating to specific fixed assets are adjusted with the value of such fixed assets.
- ii) Government grants in the nature of promoters' contribution, i.e. which have reference to the total investment in an undertaking or by way of contribution towards total capital outlay, are credited to capital reserve.
- iii) Government grants related to revenue items are either adjusted with the related expenditure/revenue or shown under "Other Income", in case direct linkage with cost/income is not determinable.

m) Taxes on Income

- i) Current tax on income is determined on the basis of taxable income computed in accordance with the applicable provisions of the Income Tax Act, 1961.
- ii) Deferred tax is recognized for all timing differences between the accounting income and the taxable income for the year and quantified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date.
- iii) Deferred tax asset is recognized and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized,

except in the case of unabsorbed depreciation or carry forward of losses under the Income Tax Act, 1961, where such deferred tax asset is recognized only to the extent that there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realized.

- iv) Minimum Alternate Tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will be in a position to avail of such credit under the provisions of the Income Tax Act, 1961.

n) Impairment of Asset

Impairment of individual assets/cash generating unit (a group of assets that generates identified independent cash flows) is identified using external and internal sources of information and impairment loss, if any, is determined and recognized in accordance with the Accounting Standard (AS) 28 "Impairment of Assets".

o) Provisions, Contingent liabilities and Contingent assets

Provisions are recognized for liabilities that can be measured only by using a substantial degree of estimation, if:

- i) the Company has a present obligation as a result of a past event;
- ii) a probable outflow of resources is expected to settle the obligation; and
- iii) the amount of the obligation can be reliably estimated.

Reimbursement expected in respect of expenditure required to settle a provision is recognized only when it is virtually certain that the reimbursement will be received.

Contingent liability is disclosed in the case of

- i) a present obligation arising from a past event, when it is not probable that an outflow of resources will be required to settle the obligation.
- ii) a possible obligation, unless the probability of outflow of resources is remote.

Contingent assets are not recognized.

2. Share Capital

(₹ in Lakhs)

Particulars	31.03.2016	31.03.2015
AUTHORISED		
500,000,000 Equity shares of ₹ 1/- each	5,000.00	5,000.00
20,000,000 Preference shares of ₹ 10/- each	2,000.00	2,000.00
	7,000.00	7,000.00
ISSUED		
257,953,110 (257,953,110) Equity shares of ₹ 1/- each	2,579.53	2,579.53
	2,579.53	2,579.53
SUBSCRIBED AND PAID UP		
257,945,110 (257,945,110) Equity shares of ₹ 1/- each	2,579.45	2,579.45
Add :Paid up value of 8,000 Equity shares of ₹ 1/- each forfeited	0.02	0.02
	2,579.47	2,579.47

a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

Equity Shares

Particulars	As at 31.03.2016		As at 31.03.2015	
	No. of Shares	₹ in lakhs	No. of Shares	₹ in lakhs
At the beginning of the year	257,945,110	2,579.45	257,900,150	2,579.00
Add : Equity Shares issued pursuant to exercise of employee stock options	-	-	44,960	0.45
Outstanding at the end of the year	257,945,110	2,579.45	257,945,110	2,579.45

b) Terms/rights attached to equity shares

The Company has only one class of equity shares with a par value of ₹ 1/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares are entitled to receive the remaining assets of the Company, after meeting all liabilities and distribution of all preferential amounts, in proportion to their shareholding.

c) Details of shareholders holding more than 5% equity shares in the Company

Particulars	As at 31.03.2016		As at 31.03.2015	
	No. of Shares	% holding	No. of Shares	% holding
Dhruv M. Sawhney	38,391,756	14.88	38,391,756	14.88
Nalanda India Fund Limited	-	-	25,788,000	10.00
Umananda Trade & Finance Limited	21,414,339	8.30	20,991,589	8.14
Rati Sawhney	20,358,164	7.89	20,358,164	7.89
Tarnik Investments & Trading Limited	18,680,527	7.24	18,680,527	7.24
Subhadra Trade & Finance Limited	16,907,375	6.56	16,907,375	6.56
Nikhil Sawhney	15,277,653	5.92	15,277,653	5.92
Dhankari Investments Limited	14,714,901	5.70	14,714,901	5.70
Tarun Sawhney	14,695,375	5.70	14,695,375	5.70

3. Reserves and Surplus

(₹ in Lakhs)

Particulars	31.03.2016	31.03.2015
Capital Reserve		
Balance as per the last financial statements	13,325.85	13,325.85
Less: Amount utilised	-	-
Closing Balance	13,325.85	13,325.85
Securities Premium		
Balance as per the last financial statements	26,546.93	26,541.09
Add: Amount received pursuant to exercise of employee stock options	-	5.84
Less: Amount utilised	-	-
Closing Balance	26,546.93	26,546.93
Revaluation Reserve - Fixed Assets		
Balance as per the last financial statements	-	1,507.65
Less: Amount reversed	-	1,507.65
Less: Amount utilised	-	-
Closing Balance	-	-
General Reserve		
Balance as per the last financial statements	49,219.91	48,602.09
Add: Amount transferred from Debenture Redemption Reserve	-	2,000.00
Less: Impact of componentisation of fixed assets pursuant to Schedule II to the Companies Act,2013. [Refer Note No.33 (b)]	7.18	-
Less: Impact of revision of useful lives of fixed assets pursuant to Schedule II to the Companies Act,2013.	-	1,382.18
Closing Balance	49,212.73	49,219.91
Capital Redemption Reserve		
Balance as per the last financial statements	397.40	397.40
Less: Amount utilised	-	-
Closing Balance	397.40	397.40
Amalgamation Reserve		
Balance as per the last financial statements	926.34	926.34
Less: Amount utilised	-	-
Closing Balance	926.34	926.34
Debenture Redemption Reserve		
Balance as per the last financial statements	-	2,000.00
Less: Amount transferred to General Reserve	-	2,000.00
Closing Balance	-	-

(₹ in Lakhs)

Particulars	31.03.2016	31.03.2015
Molasses Storage Fund Reserve		
Balance as per the last financial statements	195.28	185.50
Add: Amount transferred from surplus/ (deficit) in the statement of profit and loss	26.72	25.78
Less: Amount transferred to surplus/ (deficit) in the statement of profit and loss	39.60	16.00
Closing Balance	182.40	195.28
Surplus/(deficit) in the statement of profit and loss		
Balance as per the last financial statements	(31,647.41)	(15,228.54)
Add: Net profit/(loss) after tax transferred from statement of profit and loss	(1,229.94)	(16,409.09)
Amount available for appropriation (A)	(32,877.35)	(31,637.63)
Appropriations:		
Withdrawn from Molasses Storage Fund Reserve	(39.60)	(16.00)
Transfer to Molasses Storage Fund Reserve	26.72	25.78
Total appropriations (B)	(12.88)	9.78
Net surplus/(deficit) in the statement of profit and loss (A-B)	(32,864.47)	(31,647.41)
Total reserves and surplus	57,727.18	58,964.30

4. Long-Term Borrowings

(₹ in Lakhs)

Particulars	Non- Current portion		Current maturities	
	31.03.2016	31.03.2015	31.03.2016	31.03.2015
Term loans				
From banks	39,021.34	38,978.97	14,712.02	11,642.57
From others	448.87	659.30	224.43	547.67
	39,470.21	39,638.27	14,936.45	12,190.24
The above amount includes				
Secured loans	39,470.21	39,638.27	14,936.45	12,190.24
	39,470.21	39,638.27	14,936.45	12,190.24
Less: Amount disclosed under the head "Other Current Liabilities" (Refer Note No 10)			14,936.45	12,190.24
	39,470.21	39,638.27	-	-

Details of Securities and other terms :-

Name of the Bank/ Others	Total loan outstanding (₹ in Lakhs)	Repayment terms of loan outstanding	Rate of interest	Nature of Security
Term loans From banks (Indian Rupee Loan)				
1. Canara Bank	5,150.55 (7,028.31)	11 (15) equal quarterly installments upto December 2018.	At Banker's base rates plus applicable spread. The interest rate as on 31.03.2016 range between 11.40% to 12.55% per annum.	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 subject to bankers prior charges created/ to be created on current assets for providing working capital facilities and excluding assets purchased under vehicle loan scheme.
2. Axis Bank	2,500.00 (4,166.67)	6 (10) equal quarterly installments upto August 2017.		
3. State Bank of Patiala	625.00 (3125.00)	1 (5) equal quarterly installments upto June 2016.		
4. Oriental Bank of Commerce	1,245.63 (3,748.06)	2 (6) equal quarterly installments upto July 2016.		
5. Yes Bank	4,218.75 (6,093.75)	9 (13) equal quarterly installments upto June 2018.		
6. Ratnakar Bank Limited	3,300.00 (3,900.00)	11 (15) quarterly installments upto December 2018.		
7. Central Bank of India	4,999.75 (4,999.96)	36 (36) equated monthly installments commencing January 2017 and ending December 2019.		
8. Punjab National Bank	Nil (205.35)	Nil (1) equal monthly installment upto April 2015.		Secured by first pari-passu charge on current assets and residual charge on the fixed assets of the Company
9. Oriental Bank of Commerce	2,499.36 (2,499.96)	36 (36) equated monthly installments commencing November 2016 and ending October 2019.		Secured by third charge on fixed assets of Khatauli and Ramkola units and second charge on fixed assets of other units of the Company.
10. Axis Bank	2,033.50 (2,033.50)	12 (12) equal quarterly installments commencing February 2017 and ending November 2019.		Secured by second pari-passu charge on current assets, third charge on fixed assets of Khatauli and Ramkola units and second charge on fixed assets of other units of the Company.
11. Central Bank of India	1,874.96 (Nil)	15 (Nil) equal quarterly installments commencing March 2016 and ending December 2019.		Secured by first pari-passu charge on the fixed assets of the Company
12. Oriental Bank of Commerce	1,308.03 (Nil)	16 (Nil) equal quarterly installments commencing November 2016 and ending August 2020.		Secured by first pari-passu charge on the fixed assets of the Company
13. Punjab National Bank (Soft Loan)	4,500.00 (Nil)	12 (Nil) equal quarterly installments commencing October 2017 and ending July 2020 with a moratorium of 2 years.		Secured by second charge on all fixed assets of the company except Ramkola unit (where SDF holds second exclusive charge) and third charge on fixed assets of Ramkola unit.

Name of the Bank/ Others	Total loan outstanding (₹ in Lakhs)	Repayment terms of loan outstanding	Rate of interest	Nature of Security
14. Central Bank of India (Soft Loan)	3,900.00 (Nil)	12 (Nil) equal quarterly installments commencing October 2017 2020 with a and ending July moratorium of 2 years.	At Banker's base rates plus applicable spread. The interest rate as on 31.03.2016	Secured by second charge on all fixed assets of the company except Ramkola unit (where SDF holds second exclusive charge) and third charge on fixed assets of Ramkola unit.
15. Oriental Bank of Commerce	670.00 (Nil)	12 (Nil) equal quarterly installments commencing October 2017 and ending July 2020 with a (Soft Loan) moratorium of 2 years.	range between 11.75% to 11.85% per annum. (See Note below)	Secured by second charge on all fixed assets of the company except Ramkola unit (where SDF holds second exclusive charge) and third charge on fixed assets of Ramkola unit.
16. Industrial Development Bank of India (Soft Loan)	510.00 (Nil)	12 (Nil) equal quarterly installments commencing October 2017 and ending July 2020 with a moratorium of 2 years.		Secured by second charge on all fixed assets of the company except Ramkola unit (where SDF holds second exclusive charge) and third charge on fixed assets of Ramkola unit.
17. Canara Bank (Soft Loan)	1,870.50 (Nil)	12 (Nil) equal quarterly installments commencing October 2017 and ending July 2020 with a moratorium of 2 years.		Secured by second charge on all fixed assets of the company except Ramkola unit (where SDF holds second exclusive charge) and third charge on fixed assets of Ramkola unit.
18. Punjab National Bank (Excise Duty Loan)	8,629.44 (8,876.00)	35 (36) equated monthly installments commencing March 2016 and ending February 2019.	Interest Free Loan	Secured by second charge on fixed assets of all business units except Khatauli and Ramkola units.
19. Central Bank of India (Excise Duty Loan)	3,750.00 (3,750.00)	12 (12) equal quarterly installments commencing June 2016 and ending March 2019.	Interest Free Loan	Secured by second charge on fixed assets of all business units except Khatauli and Ramkola units.
20. Vehicle Loans		In equated monthly installments ranging from 8 to 47 months (6 to 59 months)	At fixed rates ranging from 9.37% to 11.00% p.a.	Secured by hypothecation of vehicle acquired under the respective vehicle loans.
- Axis Bank	116.08 (126.08)			
- ICICI Bank	31.81 (64.80)			
From others (Indian Rupee Loan)				
1. Vehicle Loan - Daimler Financial Services P Ltd.	Nil (6.80)	N.A. (In 9 equated monthly installments)	At fixed rate of 9.38% p.a.	Secured by hypothecation of vehicle acquired under the respective vehicle loans.
2. Other Loans-Sugar Development Fund Govt. of India	673.30 (1204.27)	3 (4) equal yearly and Nil (1) half yearly installments upto September 2018.	2% below the Bank Rate at present 4%	Secured by exclusive second charge created over moveable/immoveable assets of Ramkola unit.
Total	54,406.66 (51,828.51)			

Figures in brackets relate to previous year.

Note: Interest rate subvention @ 10% provided by Government of India under the "scheme for extending soft loan to Sugar Mills 2015" for a period of one year from the date of disbursement.

5. Deferred Tax Liabilities (Net)

(₹ in Lakhs)

Particulars	31.03.2016	31.03.2015
Deferred Tax Liabilities :		
Difference in net book value of fixed assets as per books and tax laws	16,548.02	16,727.83
Deferred Tax Assets :		
Unabsorbed business loss/depreciation	(12,455.48)	(12,485.18)
Expenses allowable on payment basis	(1,647.05)	(1,621.52)
Others (net)	(2,445.49)	(2,621.13)
Net Deferred Tax Liabilities	-	-

6. Other Long term liabilities

Interest accrued but not due	61.24	91.86
Lease Equalisation	4.78	18.64
Trade Payable (Retentions) - (Refer Note No. 40)	1,810.84	1,693.02
	1,876.86	1,803.52

7. Provisions

(₹ in Lakhs)

Particulars	Long-term		Short-term	
	31.03.2016	31.03.2015	31.03.2016	31.03.2015
Provision for Employee Benefits				
Gratuity (Refer Note No 36)	2,306.93	2,106.91	130.15	116.10
Compensated Absences	1,049.77	965.00	285.47	299.15
Other Provisions				
Warranty	-	-	253.02	236.40
Cost to Completion	-	-	30.00	60.00
Arbitration/Court case claims	-	-	265.23	251.67
Mark to market loss on foreign exchange derivatives	-	-	-	6.65
Excise duty on closing stock	-	-	8,941.86	4,770.43
	3,356.70	3,071.91	9,905.73	5,740.40

For Movement in provisions - Refer Note No.41

8. Short-Term Borrowings

(₹ in Lakhs)

Particulars	31.03.2016	31.03.2015
Repayable on demand		
Cash credits from banks	115,469.58	95,173.08
Other borrowings		
From Banks		
- Foreign currency loans (Buyers' credits)	725.53	198.58
	116,195.11	95,371.66
The above amount includes :		
Secured borrowings	115,469.58	95,173.08
Unsecured borrowings	725.53	198.58

Cash credit from banks is secured by pledge/hypothecation of the stock-in-trade, raw material, stores and spare parts, work-in-progress and receivables and second charge created/to be created on the properties of all the Engineering units and third charge on the properties of Sugar, Co-Generation and Distillery units of the Company on pari-passu basis.

9. Trade Payables

(₹ in Lakhs)

Trade payables		
Total outstanding dues of micro enterprises and small enterprises (Refer Note No.40)	46.19	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	42,726.25	66,242.09
	42,772.44	66,242.09

10. Other Current Liabilities

(₹ in Lakhs)

Current maturities of long term borrowings (Refer Note No 4)	14,936.45	12,190.24
Capital creditors	1,347.75	1,420.47
Advance from customers	2,482.75	1,462.25
Due to customers (Construction and project related activity)	399.66	333.84
Advance against sale of fixed assets	200.00	800.00
Security deposits	310.52	293.94
Interest accrued but not due on borrowings	248.76	134.74
Employee benefits & other dues payable	1,916.91	1,559.46
Statutory dues payable relating to employees	296.02	283.59
Other statutory dues payable	618.38	511.30
Amount payable to hedging banks	30.21	48.04
Other payables	323.20	191.36
Unclaimed preference shares redemption	90.22	90.46
Unpaid dividend *	9.27	12.91
Unclaimed matured deposits *	-	3.73
Unclaimed interest on deposits *	0.79	1.41
	23,210.89	19,337.74

* There are no amounts as at the end of the year which are due and outstanding to be credited to the Investors Education and Protection Fund.

11A. Tangible Assets

(₹ in Lakhs)

Particulars	Land Freehold	Land Lease Hold	Buildings & Roads	Plant and Machinery	Office Equipments	Furniture and Fixtures	Vehicles	Computers	Total
Gross block									
As at April 1, 2014	4,755.40	390.76	26,660.14	130,133.42	610.46	821.71	805.95	1,150.14	165,327.98
Additions	-	50.00	119.60	1,533.26	43.09	3.46	132.83	46.08	1,928.32
Deductions	-	-	1.70	158.73	16.90	8.59	23.19	53.87	262.98
Adjustment due to reversal of Revaluation	-	-	(1,993.57)	(30.12)	-	-	-	-	(2,023.69)
Other adjustments	-	235.59	(230.98)	66.37	(11.23)	(53.75)	-	(6.00)	-
As at March 31, 2015	4,755.40	676.35	24,553.49	131,544.20	625.42	762.83	915.59	1,136.35	164,969.63
Additions	-	125.00	2,010.30	2,889.44	27.65	13.13	70.43	81.59	5,217.54
Deductions	353.05	-	2.71	125.00	28.01	6.61	30.74	27.15	573.27
Other adjustments	(821.01) *1	-	(5.48)	5.28	9.32	(0.50)	-	(8.62)	(821.01)
As at March 31, 2016	3,581.34	801.35	26,555.60	134,313.92	634.38	768.85	955.28	1,182.17	168,792.89
Depreciation									
As at April 1, 2014	-	35.57	5,961.30	62,490.18	255.44	504.35	261.26	935.13	70,443.23
Charge for the year	-	4.65	656.52	4,807.82	94.39	67.73	93.05	80.39	5,804.55
Deductions	-	-	0.73	150.23	15.25	8.29	13.36	50.45	238.31
Adjustment due to reversal of Revaluation	-	-	(487.43)	(28.61)	-	-	-	-	(516.04)
Other adjustments	-	-	1.13	24.44	9.15	(31.95)	-	(2.77)	-
Depreciation written back	-	-	(44.54)	-	-	-	-	-	(44.54)
Adjustment with General Reserve	-	-	1,549.28	385.83	78.58	5.19	29.00	46.02	2,093.90
As at March 31, 2015	-	40.22	7,635.53	67,529.43	422.31	537.03	369.95	1,008.32	77,542.79
Charge for the year	-	4.65	671.86	4,807.26	60.24	50.90	94.09	46.41	5,735.41
Deductions	-	-	1.05	92.37	23.73	5.87	13.30	25.48	161.80
Other adjustments	-	-	(1.67)	(0.59)	6.84	2.05	-	(6.63)	-
Adjustments with General Reserve (Refer Note No. 33 b)	-	-	-	7.18	-	-	-	-	7.18
As at March 31, 2016	-	44.87	8,304.67	72,250.91	465.66	584.11	450.74	1,022.62	83,123.58
Net Block									
As at March 31, 2015	4,755.40	636.13	16,917.96	64,014.77	203.11	225.80	545.64	128.03	87,426.84
As at March 31, 2016	3,581.34	756.48	18,250.93	62,063.01	168.72	184.74	504.54	159.55	85,669.31

* 1 Includes :

- (a) Land costing ₹ 118.90 lakhs proposed to be sold to a wholly owned subsidiary company, considered under Fixed Assets pending disposal/sale under Note no. 18.
(b) Land costing ₹ 702.11 lakhs, considered as Investment Property under Note no. 13.

11B. Capital work-in-progress

(₹ in Lakhs)

Particulars	31.03.2016	31.03.2015
Capital work-in-progress	990.00	1,842.36
Less: Provision for impairment	56.31	-
	933.69	1,842.36

12. Intangible Assets (Other than internally generated)

(₹ in Lakhs)

Particulars	Computer Software	Technical know-how	Total
Gross block			
As at April 1, 2014	1,601.71	30.81	1,632.52
Additions	87.30	-	87.30
Disposals	35.71	-	35.71
As at March 31, 2015	1,653.30	30.81	1,684.11
Additions	105.84	-	105.84
Disposals	0.29	-	0.29
As at March 31, 2016	1,758.85	30.81	1,789.66
Amortisation			
As at April 1, 2014	1,452.64	30.81	1,483.45
Charge for the year	117.75	-	117.75
Disposals	35.71	-	35.71
As at March 31, 2015	1,534.68	30.81	1,565.49
Charge for the year	71.74	-	71.74
Disposals	0.28	-	0.28
As at March 31, 2016	1,606.14	30.81	1,636.95
Net Block			
As at March 31, 2015	118.62	-	118.62
As at March 31, 2016	152.71	-	152.71

13. Non-Current Investments

(₹ in Lakhs)

Particulars	31.03.2016	31.03.2015
LONG TERM (At Cost)		
OTHER THAN TRADE		
GOVERNMENT SECURITIES		
UNQUOTED		
National Saving Certificates *1	0.11	0.11
OTHER SECURITIES		
SHARES - Fully paid-up		
QUOTED		
13,500 (13,500) Equity shares of ₹ 2/- each of Housing Development Finance Corporation Ltd	0.17	0.17
2,500 (2,500) Equity shares of ₹ 2/- each of HDFC Bank Ltd.	0.05	0.05
24,175 (24,175) Equity shares of ₹ 2/- each of Punjab National Bank	2.34	2.34
76 (76) Equity shares of ₹ 10/- each of Central Bank of India	0.08	0.08
UNQUOTED		
1,821 (1,821) Ordinary shares of ₹ 10/- each of NBI Industrial Finance Co. Ltd.	0.13	0.13
TRADE		
OTHER SECURITIES		
SHARES - Fully paid-up		
SUBSIDIARY COMPANIES (Wholly owned)		
UNQUOTED		
20,500,000 (20,500,000) Equity shares of ₹ 1/-each of Triveni Engineering Ltd.	205.00	205.00
Less : Provision for diminution	-	(5.00)
20,500,000 (20,500,000) Equity shares of ₹ 1/-each of Triveni Energy Systems Ltd.	205.00	205.00
Less : Provision for diminution	-	(4.68)
Nil (500,000) Equity shares of ₹ 1/-each of Triveni Sugar Limited (Formerly known as Bhudeva Projects Limited)	-	5.00
20,500,000 (20,500,000) Equity shares of ₹ 1/-each of Svastida Projects Limited	205.00	205.00
2,870,000 (2,870,000) Equity shares of ₹ 10/-each of Triveni Entertainment Limited	274.02	274.02
50,000 (Nil) Equity shares of ₹ 1/-each of Triveni Industries Limited	0.50	-
SUBSIDIARY COMPANIES (Partly owned)		
UNQUOTED		
499,950 (Nil) Equity shares of ₹ 1/-each of Triveni Sugar Ltd. (Formerly known as Bhudeva Projects Limited)	5.00	-
ASSOCIATE COMPANIES		
QUOTED		
72,000,000 (72,000,000) Equity shares of ₹ 1/- each of Triveni Turbine Ltd.	720.07	720.07
UNQUOTED		
13,008 (13,008) Equity shares of NIS 0.10 each of Aqwise-Wise Water Technologies Ltd.(Israel)	3,006.19	3,006.19
INVESTMENT PROPERTY		
Land (Refer Note No.11A)	702.11	-
	5,325.77	4,613.48
Aggregate book value of quoted investments	722.71	722.71
Aggregate book value of unquoted investments	4,603.06	3,890.77
Market value of quoted investments	69,064.57	93,730.18
Aggregate amount of provision made for diminution in value of investments	-	9.68

* 1 kept as security.

14. Loans and Advances

(₹ in Lakhs)

Particulars	Long-term		Short-term	
	31.03.2016	31.03.2015	31.03.2016	31.03.2015
Capital advances				
Unsecured, considered good	116.07	409.78	-	-
Unsecured, considered doubtful	-	200.25	-	-
	116.07	610.03	-	-
Less: Provision for doubtful advances	-	200.25	-	-
(A)	116.07	409.78	-	-
Security deposit				
Unsecured, considered good	652.10	405.43	47.86	31.24
Unsecured, considered doubtful	0.40	0.40	-	-
	652.50	405.83	47.86	31.24
Less: Provision for doubtful security deposit	0.40	0.40	-	-
(B)	652.10	405.43	47.86	31.24
Loans and advances to related parties *1				
Unsecured, considered good				
Mobilisation advance	-	-	122.31	216.57
Unsecured, considered doubtful				
Other loans	13.76	13.76	-	-
	13.76	13.76	122.31	216.57
Less: Provision for doubtful loans and advances	13.76	13.76	-	-
(C)	-	-	122.31	216.57
Other loans and advances				
Unsecured, considered good				
Prepaid expenses	34.37	14.17	342.98	284.15
Loans and advances to employees	12.34	7.80	95.75	108.74
Advances to suppliers for purchases	3.92	13.17	559.43	571.16
Earnest money deposit	2.00	2.00	103.76	23.06
Service tax recoverable	-	558.95	289.98	192.73
Deposit with sales tax authorities	60.22	60.22	27.99	22.99
Sales tax refundable	-	-	3.95	3.95
Excise duty (Cenvat Balance)	2,896.20	2,634.48	267.10	640.70
Works contract tax recoverable	15.00	8.88	-	-
Advance payment of tax { net of provision for tax of ₹ 21.13 lakhs (previous year: ₹ 25.13 lakhs)}	4,670.45	4,465.37	-	-
VAT recoverable	59.40	57.36	648.50	573.28
Excise duty recoverable	348.83	340.73	46.90	22.28
Incentives recoverable from UP Govt. [Refer Note No.34 (a)]	14,002.46	14,002.46	-	-
Cane price/society commission recoverable [Refer Note No.34 (b)]	-	-	1,330.72	16,546.07
Cane price subsidy recoverable [Refer Note No.34(c)]	-	-	1,994.50	-
Others	82.55	90.44	221.40	214.18
Sub-total (considered good)	22,187.74	22,256.03	5,932.96	19,203.29
Unsecured, considered doubtful				
Excise duty / Sales tax recoverable	861.84	449.48	1.46	-
Loans and advances to employees	2.26	2.26	-	-
Advances to suppliers for purchases	44.13	42.31	1.56	1.27
Bank guarantee encashments recoverable	1,122.74	1,122.74	-	-
Others	350.88	336.71	15.96	15.03
Sub-total (considered doubtful)	2,381.85	1,953.50	18.98	16.30
Total Gross (other loans and advances)	24,569.59	24,209.53	5,951.94	19,219.59
Less: Provision for doubtful loans and advances	2,381.85	1,953.50	18.98	16.30
Total Net (other loans and advances)	(D) 22,187.74	22,256.03	5,932.96	19,203.29
Total (A+B+C+D)	22,955.91	23,071.24	6,103.13	19,451.10
*1 Loans and advances to related parties include the following:				
Triveni Engineering Limited (Subsidiary Company)	13.76	13.76	-	-
Triveni Turbine Limited (Associate Company) Mobilisation advance	-	-	122.31	216.57

15. Inventories

(₹ in Lakhs)

Particulars	31.03.2016	31.03.2015
Raw material and components	2,015.42	2,418.90
Less: Provision for obsolescence/slow moving raw materials and components	(146.29)	(153.49)
Work-in-progress	1,723.95	1,916.22
Stores and spares	3,319.88	3,214.89
Less: Provision for obsolescence/slow moving stores and spares	(65.52)	(31.49)
Finished goods	134,424.76	115,858.33
Stock- in- trade	10.38	24.55
Certified emission reductions/renewable energy certificates (Refer Note No.45)	2.95	0.74
Patterns, loose tools, jigs and fixtures	62.64	26.28
Others - Scrap	188.22	158.85
	141,536.39	123,433.78

16. Trade Receivables

(₹ in Lakhs)

Particulars	Non-Current		Current	
	31.03.2016	31.03.2015	31.03.2016	31.03.2015
Over Six Months				
Unsecured, considered good	20.99	1.49	2,235.86	3,654.90
Considered doubtful	785.14	2,653.86	3,273.67	2,197.67
	806.13	2,655.35	5,509.53	5,852.57
Less : Provision for doubtful receivables	785.14	2,653.86	3,273.67	2,197.67
	(A) 20.99	1.49	2,235.86	3,654.90
Others				
Unsecured, considered good	3,226.72	2,853.48	21,254.59	19,628.34
Considered doubtful	-	-	0.64	11.38
	3,226.72	2,853.48	21,255.23	19,639.72
Less : Provision for doubtful receivables	-	-	0.64	11.38
	(B) 3,226.72	2,853.48	21,254.59	19,628.34
	Total (A+B) 3,247.71	2,854.97	23,490.45	23,283.24
Less: Amount disclosed under other non-current assets (Refer Note No 18)	3,247.71	2,854.97		
	-	-	23,490.45	23,283.24

17. Cash and Bank Balances

(₹ in Lakhs)

Particulars	Non-Current		Current	
	31.03.2016	31.03.2015	31.03.2016	31.03.2015
Cash and cash equivalents				
Balance with banks				
Current accounts	-	-	193.07	259.77
Cheques / drafts on hand	-	-	45.19	188.25
Cash on hand	-	-	40.86	31.75
	(A)		279.12	479.77
Other bank balances				
Earmarked balances :				
Deposit against molasses storage fund	207.67	174.28	-	-
Unpaid dividend and preference share redemption accounts	-	-	99.49	103.38
Balances under lien/margin/kept as security :				
Post office savings account	0.27	1.80	-	-
Fixed / margin deposits (original maturity upto one year)	47.23	7.35	3.11	2.91
Fixed / margin deposits (original maturity more than one year)	168.96	212.76	-	-
Other balances:				
Demand deposits (original maturity more than one year)	4.20	3.90	-	-
Demand deposits (original maturity exceeding three months but upto one year)	-	-	5.37	8.53
	(B)		107.97	114.82
	Total (A+B)		387.09	594.59
Less: Amount disclosed under other non-current assets (Refer Note No 18)	428.33	400.09		
			387.09	594.59

18. Other Assets

(₹ in Lakhs)

Long-term trade receivables (Refer Note No 16)	3,247.71	2,854.97	-	-
Non current cash and bank balances (Refer Note No 17)	428.33	400.09	-	-
Interest accrued on bank deposits	49.15	38.45	25.78	18.30
Export incentives receivable	-	-	17.40	16.45
Forward premium /discount adjustable	-	-	33.16	20.91
Due from customers (Construction and project related activity)	-	-	5,734.31	5,266.76
Fixed assets pending disposal/sale	-	-	261.79	143.62
Insurance claim recoverable	-	-	15.02	16.09
Unamortised front end charges	92.23	89.09	45.36	38.92
Amount recoverable against sale of fixed assets	-	-	588.39	-
Others	-	-	1.51	10.46
	3,817.42	3,382.60	6,722.72	5,531.51

19. Revenue from Operations

(₹ in Lakhs)

Particulars	31.03.2016	31.03.2015
Sale of products		
Finished goods	185,453.06	187,482.06
Traded goods	1,390.90	1,469.51
Sale of services		
Erection and commissioning	53.54	81.20
Servicing	169.52	227.98
Operation and maintenance	2,267.53	1,555.45
Construction contract revenue	9,980.58	21,390.85
Other operating revenue		
Income from sale of renewable energy certificates	731.82	481.38
Export incentives	21.10	20.87
Sale of scrap	43.16	73.90
	200,111.21	212,783.20
Details of Sales (Finished Goods)		
Sugar	140,608.89	145,137.63
Molasses	1,896.59	2,425.87
Bagasse	3,198.63	3,871.97
Power	7,583.67	6,898.51
Alcohol	17,825.08	15,798.74
Mechanical equipment - Water/Waste-water treatment	2,111.18	1,795.86
Gears/Gear Boxes	10,687.26	9,238.35
Bought outs and Spares	1,059.97	1,726.03
Others	481.79	589.10
	185,453.06	187,482.06
Details of Sales (Traded Goods)		
Diesel/Petrol/Lubricants	1,320.86	1,380.12
Other consumer goods	70.04	89.39
	1,390.90	1,469.51
Details of Sales (Construction Contract Revenue)		
Water,Waste-water and Sewage treatment	8,801.22	16,320.86
Power generation and evacuation system	1,179.36	5,069.99
	9,980.58	21,390.85

20. Other Income

(₹ in Lakhs)

Particulars	31.03.2016	31.03.2015
Exchange rate fluctuation gain [Includes premium/discount received on foreign currency forward contracts : ₹ 41.17 lakhs (Previous year: ₹ 8.95 lakhs)]	1.68	40.16
Rent received	34.01	26.17
Interest income from		
- Bank deposits	47.40	82.31
- Customers	16.36	9.18
- Others	5.63	35.31
Dividend on long term investment	1,226.75	576.44
Credit balances written back [net of amounts written off: ₹ Nil (previous year: ₹ 68.14 lakhs)]	-	108.59
Excess provision for mark to market loss on foreign exchange derivatives reversed (net) (Refer Note No.41)	6.65	-
Excess provision for warranty written back (net) (Refer Note No.41)	-	20.25
Excess provision for cost to completion reversed (net) (Refer Note No.41)	30.00	-
Excess provision of expenses written back	300.41	141.22
Subsidy from Central Government [Refer Note No.34 (c)]	270.35	-
Provision for diminution in value of long term investment in subsidiary company written back	9.68	-
Miscellaneous income	599.23	725.73
	2,548.15	1,765.36

21. Cost of Raw Material and Components Consumed

(₹ in Lakhs)

Stock at commencement	2,418.90	2,084.75
Purchases	151,114.82	145,819.17
	153,533.72	147,903.92
Less : Amount capitalised	9.27	15.84
Less: Stock at close	2,015.42	2,418.90
	151,509.03	145,469.18
Details of raw material and components consumed		
Sugar cane (Refer Note No. 35)	137,977.52	128,270.82
Water, Waste-water and Sewage treatment		
- Clarifiers	447.18	468.63
- RO Plants	4,553.99	6,966.94
- Operation and maintenance	543.98	400.08
Molasses	1,428.24	732.94
Forgings and castings	2,046.35	1,524.97
Sub contract charges	209.11	173.26
Others	4,302.66	6,931.54
	151,509.03	145,469.18

22. Purchase of Traded Goods

(₹ in Lakhs)

Diesel/Petrol/Lubricants	1,344.91	1,430.47
Other consumer goods	59.52	77.21
	1,404.43	1,507.68

23. (Increase)/Decrease in Inventories of Finished Goods, Work-in-Progress and Traded Goods

(₹ in Lakhs)

Particulars	31.03.2016	31.03.2015
Stock at commencement		
- Work-in-progress	1,916.22	3,032.73
- Finished goods	115,858.33	131,729.16
- Traded goods	24.55	34.00
- Certified emission reduction	0.74	8.24
	117,799.84	134,804.13
Stock at close		
- Work-in-progress	1,723.95	1,916.22
- Finished goods	134,424.76	115,858.33
- Traded goods	10.38	24.55
- Certified emission reduction/renewable energy certificates	2.95	0.74
	136,162.04	117,799.84
Add/(Less): Impact of excise duty on finished goods	4,171.00	235.02
	(14,191.20)	17,239.31
Details of Work in Progress		
Sugar	935.04	1,334.31
Molasses	100.72	155.78
Mechanical Equipment-Water/Waste Water	312.25	63.00
Gear/Gear Boxes	262.84	276.80
Others	113.10	86.33
	1,723.95	1,916.22
Details of Finished Goods		
Sugar	126,217.25	108,568.52
Molasses	5,314.70	4,743.07
Bagasse	168.68	237.96
Power	213.35	170.94
Alcohol	2,237.13	2,107.75
Gear/Gear Boxes	273.42	-
Others	0.23	30.09
	134,424.76	115,858.33
Details of Traded Goods		
Diesel/Petrol/Lubricants	9.29	23.16
Other consumer goods	1.09	1.39
	10.38	24.55

24. Employee Benefit Expenses

(₹ in Lakhs)

Salaries,wages and bonus	14,040.17	13,246.39
Contributions to provident and other funds	1,063.29	996.56
Gratuity	398.37	643.78
Employee welfare	361.54	364.61
	15,863.37	15,251.34
Less : Amount capitalised	8.03	-
	15,855.34	15,251.34

25. Other Expenses

(₹ in Lakhs)

Particulars	31.03.2016	31.03.2015
(A) Manufacturing/Operating Expenses		
Stores,spares and tools consumed	2,167.21	2,265.45
Power and fuel	2,225.94	2,283.90
Design and engineering charges	64.96	194.33
Cane development expenses	323.09	292.14
Machining/fabrication expenses	82.56	117.36
Erection and commissioning expenses	887.57	1,122.62
Civil construction charges	2,594.23	4,978.95
Packing and stacking expenses	2,054.96	2,166.74
Repairs and maintenance		
- Machinery	2,777.35	3,300.97
- Building	276.05	336.98
- Others	375.31	373.44
Factory/operational expenses	1,260.38	1,170.09
	15,089.61	18,602.97
(B) Administration Expenses		
Travelling and conveyance	1,218.87	1,222.22
Rent	505.00	503.94
Rates and taxes	541.77	850.20
Insurance	224.63	227.35
Directors' fee	49.95	36.90
Legal and professional expenses	786.87	708.92
Security service expenses	868.60	750.82
Bad debts/sundry amount written off [net of credit balances written back of ₹ 40.66 lakhs(previous year ₹ Nil) and provision for doubtful debts and advances written back of ₹ 572.70 lakhs (previous year ₹ Nil)]	1,750.77	-
Warranty expenses [Includes provision for warranty (net) ₹ 36.76 lakhs (Previous year : ₹ Nil)] - Refer Note No.41	37.88	1.01
Payment to Auditors (Refer Note No.49)	121.05	99.85
Provision for Arbitration/Court case claims (Refer Note No.41)	13.56	13.56
Provision for mark to market loss on foreign exchange derivatives (net) (Refer Note No.41)	-	6.45
Provision for non moving / obsolete inventory	26.83	57.05
Provision for bad and doubtful debts/advances (net)	-	1,853.22
Provision for cost to completion on construction contracts (net) (Refer Note No.41)	-	19.85
Loss on sale/write off / impairment of fixed assets	70.78	2.33
Loss on sale /write off of stores & spares	10.07	0.34
Miscellaneous expenses	1,251.86	1,173.67
	7,478.49	7,527.68
(C) Selling Expenses		
Selling commission	602.27	537.27
Royalty	338.25	258.40
Advertisement and sales promotion	38.14	36.94
Rebate and discount	1.64	9.10
Outward freight and forwarding	794.26	1,441.06
Other selling expenses	18.87	18.67
	1,793.43	2,301.44
Sub-total (A+B+C)	24,361.53	28,432.09
Less : Amount capitalised	27.93	15.80
Total Other Expenses	24,333.60	28,416.29

26. Prior Period Items

(₹ in Lakhs)

Particulars	31.03.2016	31.03.2015
(A) Expenses		
Cost of raw material and components consumed	-	10.48
Repairs and maintenance		
- Machinery	12.80	-
Rates & Taxes	5.55	2.45
Legal and professional expenses	-	0.77
Loss on sale/write off / impairment of fixed assets	-	7.52
Miscellaneous expenses	68.16	6.42
Depreciation	3.27	0.13
Interest on fixed loans	0.49	-
Other borrowing cost	-	0.05
	90.27	27.82
(B) Income		
Revenue from operations	2.63	-
Excess Depreciation written back	-	44.54
Miscellaneous income	-	3.02
	2.63	47.56
Prior period items (net) (A) - (B)	87.64	(19.74)

27. Depreciation and Amortisation Expenses

(₹ in Lakhs)

Depreciation	5,732.14	5,804.42
Amortisation		
- Intangible assets	71.74	117.75
	5,803.88	5,922.17

28. Finance Costs

(₹ in Lakhs)

Interest expense on		
Debentures	-	367.02
Fixed loans	4,334.83	4,919.61
Others	7,023.89	6,701.88
Other borrowing cost	92.46	184.61
Exchange rate fluctuation *	39.41	34.50
	11,490.59	12,207.62

* Includes premium/discount paid on foreign currency forward contracts to hedge buyers credit availed : ₹ 27.44 lakhs
(Previous year: ₹ 33.81 lakhs)

29. Exceptional Items

(₹ in Lakhs)

Profit on transfer of Land (Refer Note No.47)	1,012.80	-
	1,012.80	-

30. Tax Expense

(₹ in Lakhs)

For Current Year		
- Deferred Tax Expense/(Credit)	-	(1,736.88)
	-	(1,736.88)

31. Earning Per Share (EPS)

Net loss after tax as per statement of profit and loss (A)	(1,229.94)	(16,409.09)
Weighted average number of equity shares outstanding during the year [B]	257,945,110	257,940,676
Basic earning per share - ₹/Share [A/B]	(0.48)	(6.36)
Diluted earning per share - ₹/Share	(0.48)	(6.36)

32. Contingent liabilities (to the extent not provided for)

(a) Claims against the Company not acknowledged as debts: (₹ in Lakhs)

		31.03.2016	31.03.2015
i) Claims which are being contested by the company and in respect of which the company has paid amounts aggregating to ₹ 495.51 lakhs (previous year ₹ 471.80 lakhs) excluding interest, under protest pending final adjudication of the cases:		2,621.11	2,208.25
Sl. No.	Particulars	Amount of Contingent Liability	Amount Paid
01.	Sales Tax	699.75 (295.20)	105.45 (91.92)
02.	Excise Duty	1,174.41 (1,189.61)	342.43 (340.42)
03.	Others	746.95 (723.44)	47.63 (39.46)
Figures in brackets relates to previous year.			
ii) The Company is contingently liable in respect of short provision against disputed income tax liabilities (excluding determination of final interest payable thereon) of ₹ 3,568.99 lakhs (previous year ₹ 4,409.28 lakhs) against which ₹ 2,739.06 lakhs (previous year ₹ 2,844.88 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. In the event such liability finally materializes, ₹ 3,524.20 lakhs (previous year ₹ 3,524.20 lakhs) will be adjusted against the capital reserve.		3,568.99	4,409.28
iii) Statutory levies against which remission has been availed under U.P. Sugar Industry Promotion Policy 2004 issued by the State Government of Uttar Pradesh [refer note 34(a)]		3,631.51	3,591.14
iv) 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.

(b) Guarantees/surety given on behalf of companies ₹ 1,734.99 lakhs (previous year ₹ 1,688.13 lakhs), including a corporate guarantee of ₹ 1,693.99 lakhs (previous year ₹ 1,647.13 lakhs) equivalent to GBP 17.62 lakhs (previous year GBP 17.62 lakhs) given on behalf of an associate company as a surety for due performance of its obligations under a contract awarded by an overseas customer and in respect of which, the associate company has fully indemnified the Company against any claims, damages or expenses, including legal costs. The guarantees have been given in the normal course of operations of these companies and are not expected to result in any loss to the Company on the basis of such companies fulfilling their ordinary commercial obligations.

(c) Estimated amount of contracts remaining to be executed on capital account and not provided for as at the end of the year ₹ 1,033.75 lakhs (previous year ₹ 3,525.70 lakhs), after adjusting advances aggregating to ₹ 116.07 lakhs (previous year ₹ 409.78 lakhs).

33. In accordance with Schedule II of the Companies Act 2013, the Company has, during the year, separately assessed the useful lives of the major components forming part of its fixed assets and charged depreciation on such components over their separate useful lives. Consequent thereto-

a) the depreciation charge for the current year is higher by ₹ 99.79 lakhs; and

b) an amount of ₹ 7.18 lakhs, being the carrying value of components, the useful lives of which have expired prior to 01/04/2015, has been adjusted with the opening reserves in accordance with the Guidance Note on Accounting for Depreciation in Companies in the context of Schedule II to the Companies Act,2013.

34. (a) The Company had, in respect of eligible projects, accounted for capital subsidy as well as remissions and reimbursement of certain statutory levies and other expenses, in accordance with and as prescribed under the U.P. Sugar Industry Promotion Policy 2004 ("Policy") issued by the State Government of U.P. Till the beginning of the current financial year, the Company had for accounted recoverable incentives, aggregating to ₹ 14,002.46 lakhs (previous year ₹ 14,002.46 lakhs) including capital subsidy of ₹ 10,470.00 lakhs (previous year ₹ 10,470.00 lakhs) credited to capital reserves, and had availed remission of ₹ 3,591.14 lakhs (previous year ₹ 3,570.27 lakhs)

On premature termination of the Policy by the State Government with effect from June 4, 2007, the Company has challenged before the Lucknow Bench of the Allahabad High Court, the action of the State Government in withdrawing the said Policy and not granting the incentives to the Company. Pending final adjudication in the matter, the High Court vide its interim order dated 09.05.2008 has permitted limited protection of remissions which were being enjoyed on the date when the Policy was revoked.

Accordingly, during the current year, the Company has accounted for only remissions of ₹ 40.37 lakhs (previous year ₹ 20.88 lakhs) as permitted by the High Court in the interim order. Eligible reimbursements of ₹ 541.07 lakhs (previous year ₹ 793.61 lakhs) have however not been accounted for during the current year. The amount of reimbursements not accounted for, net of reduction in the cane commission by ₹ 737.03 lakhs till the end of the current year aggregate to ₹ 7,936.82 lakhs (previous year ₹ 8,132.78 lakhs) which will be accounted for in accordance with the final order of the High Court.

(b) During the year, the Company has accounted for subsidy aggregating to ₹ 2,642.73 lakhs (Previous year: ₹ 17,067.89 lakhs comprising reimbursement of commission on cane purchased during the season 2015-16 in terms of Press Release dated 18.01.2016, reimbursement of commission on cane purchased and subsidy of ₹ 28.60/qtl both pertaining to season 2014-15 as per notification dated 12.11.2014 issued by the State Government of Uttar Pradesh. Further, purchase tax payable at ₹ 2/qtl of cane purchased has been remitted

by the State Government for the seasons 2015-16 as well as for 2014-15. Pending announcement of details with respect to determination of further subsidy applicable as per the Press Release dated 18.01.2016, if any, for the season 2015-16, no additional subsidy has been considered by the Company.

(c) The Central Government has announced a cane production subsidy of ₹ 4.50 per quintal of cane purchased by the sugar mills, which is payable on the condition that the sugar mills export at least 80% of their minimum indicative export quota (MIEQ) notified on 18.09.2015 and upon production of ethanol (in cases where the sugar mills also have distillery capacities) of at least of 80% of the notified targets by 30.09.2016. Based upon the facts that export of sugar has already been undertaken and expected production of ethanol against firm orders placed by oil marketing companies for supply of ethanol, the Company has accounted for an amount of ₹ 1,994.50 lakhs towards the cane subsidy and has incurred a loss of ₹ 1,724.15 lakhs in fulfillment of its export obligations through third party exports. The net income of ₹ 270.35 lakhs (after offsetting the loss on fulfillment of export obligation) has been depicted under the head "Other Income" in the statement of profit and loss.

(d) The Company had availed loans aggregating ₹ 12,626.00 lakhs during financial year 2012-14 under the "Scheme for Extending Financial Assistance to Sugar Undertakings, 2014" notified by the Government of India. Under the said scheme interest subvention @ 12% per annum is granted by the Government on such loan. The loan outstanding as at the end of the year is ₹ 12,379.44 lakhs (previous year ₹ 12,626.00 lakhs).

(e) During the current year, the Company has availed loans aggregating to ₹ 11,450.50 lakhs under the "Scheme of extending soft loan to sugar mills". Interest subvention @ 10% p.a. is granted by the Government of India for one year on such loans.

35. Cost of material consumed for the year is net of ₹ 1,747.30 lakhs, being reversal of cane commission pertaining to season 2012-13 consequent to reduction in cane commission rates notified by the State Government of Uttar Pradesh.

36. The Company has made provisions for the employee benefits in accordance with the Accounting Standard (AS) 15 "Employees Benefits". During the year, the Company has recognized the following amounts in its financial statements:

(i) Defined Contribution Plans

(₹ in Lakhs)

Particulars	2015-16		2014-15	
Employers' Contribution to Employees' Provident Fund		850.28		803.91
Employers' Contribution to ESI		8.46		7.31
Employers' Contribution to Superannuation Scheme		112.73		114.63
Employers' Contribution to National Pension Scheme		10.42		-

(ii) Defined Benefit Plans

Changes in present value of obligation

(₹ in Lakhs)

Particulars	Gratuity		Compensated Absence (unfunded)	
	2015-16	2014-15	2015-16	2014-15
Present value of obligation as at the beginning of the year	3310.17	2939.24	1079.73	909.65
Interest cost	244.12	207.89	84.78	70.12
Current service cost	280.61	261.61	128.43	130.29
Benefits paid	(184.29)	(358.47)	(39.89)	(66.22)
Actuarial (gain)/loss on obligation	(17.73)	259.90	(100.62)	35.89
Present value of obligation as at the end of the year	3632.88	3310.17	1152.43	1079.73

Change in the value of plan assets

(₹ in Lakhs)

Particulars	Gratuity		Compensated Absence (unfunded)	
	2015-16	2014-15	2015-16	2014-15
Fair value of the plan assets at the beginning of the year	1087.16	999.19	-	-
Expected return on plan assets	92.41	82.44	-	-
Contributions	184.29	334.86	-	-
Benefits paid	(184.29)	(332.52)	-	-
Actuarial gain/(loss) on plan assets	16.23	3.19	-	-
Fair value of the plan assets at the end of the year	1195.80	1087.16	-	-

Amount recognized in balance sheet

(₹ in Lakhs)

Particulars	Gratuity		Compensated Absence (unfunded)	
	2015-16	2014-15	2015-16	2014-15
Present value of obligation as at the end of the year	3632.88	3310.17	1152.44	1079.73
Fair value of plan assets as at the end of the year	1195.80	1087.16	-	-
Funded Status	(2437.08)	(2223.01)	(1152.44)	(1079.73)
Net Assets/(Liability) recognized in the balance sheet	(2437.08)	(2223.01)	(1152.44)	(1079.73)

Amount recognized in the statement of profit and loss

(₹ in Lakhs)

Particulars	Gratuity		Compensated Absence (unfunded)	
	2015-16	2014-15	2015-16	2014-15
Current service cost	280.61	261.61	128.43	130.29
Interest cost	244.12	207.89	84.78	70.12
Expected return on plan assets	(92.41)	(82.43)	-	-
Net actuarial (gain)/loss recognized during the year	(33.95)	256.71	(100.62)	35.90
Expenses recognized in the statement of profit and loss	398.37	643.78	112.59	236.31

Experience adjustment (Gratuity)

(₹ in Lakhs)

Particulars	2015-16	2014-15	2012-14	2011-12	2010-11
Present value of obligation as at the end of the year	3632.88	3310.17	2939.24	2648.49	2423.88
Fair value of plan assets at the end of the year	1195.80	1087.16	999.19	904.66	861.07
Surplus/(Deficit)	(2437.08)	(2223.01)	(1940.05)	(1743.83)	(1562.81)
Experience adjustment on plan liabilities - (gain)/loss	(17.09)	16.62	116.43	57.90	(26.34)
Experience adjustment on plan assets -(gain)/loss	(13.51)	(5.69)	(25.93)	(3.59)	(6.31)

Experience adjustment (Compensated Absence)

(₹ in Lakhs)

Particulars	2015-16	2014-15	2012-14	2011-12	2010-11
Present value of obligation as at the end of the year	1152.44	1079.73	909.65	779.36	671.80
Fair value of plan assets at the end of the year	-	-	-	-	-
Surplus/(Deficit)	(1152.44)	(1079.73)	(909.65)	(779.36)	(671.80)
Experience adjustment on plan liabilities - (gain)/loss	(100.78)	(109.04)	(48.03)	(17.97)	(126.74)
Experience adjustment on plan assets - (gain)/loss	N.A.	N.A.	N.A.	N.A.	N.A.

The amount of contribution expected to be made to the Gratuity Fund during the year ended March 31, 2017 is ₹ 108.03 lakhs (₹ 112.46 lakhs).

Major actuarial assumptions

(₹ in Lakhs)

Particulars	Gratuity		Compensated Absence (unfunded)	
	2015-16	2014-15	2015-16	2014-15
Discounting rate	8%	8%	8%	8%
Future salary increase	7%	7%	7%	7%
Expected rate of return on plan assets	8.50%	8.25%	N.A.	N.A.
Mortality table	IALM 2006-08 Ultimate			
Method used	Projected unit credit method			

Contributions to provident fund also include contributions in respect of certain employees which are made to trust administered by the Company. In terms of the guidance note issued by the Institute of Actuaries of India, the actuary has provided a valuation of provident fund liability for the year ended 31.03.2016 and determined that there is no shortfall as at 31.03.2016. The disclosures and assumptions with respect to defined benefit provident fund plan are as under:

(₹ in Lakhs)

Particulars	2015-16	2014-15
Obligation / Plan Assets		
Present value of benefit obligation at balance sheet date	8133.48	8555.35
Fair value of plan assets as at balance sheet date	8229.85	8662.76
Liability recognised in balance sheet	-	
Major actuarial assumptions		
Discounting rate	8.00%	8.75%
Expected rate of return on plan assets	8.75%	8.70%
Expected statutory interest rate	8.75%	8.75%

37. Pursuant to compliance of Accounting Standard (AS) 18 "Related Party Disclosures", the relevant information is provided here below :

a) Related party where control exists

(i) Mr D.M. Sawhney, Chairman & Managing Director (Key Management person).

(ii) Subsidiaries

Wholly owned

Triveni Energy Systems Limited

Triveni Engineering Limited

Triveni Entertainment Limited

Svastida Projects Limited

Triveni Industries Limited ^{*1}

Triveni Sugar Limited (formerly known as Bhudeva Projects Limited) ^{*2}

Others

Triveni Sugar Limited (formerly known as Bhudeva Projects Limited) ^{*2}

^{*1} Incorporated during the year.

^{*2} Ceased to be wholly owned subsidiary w.e.f. 23.07.2015.

b) The details of related parties with whom transactions have taken place during the Year :

i) Subsidiaries (Group A)

Wholly owned

Triveni Energy Systems Limited (TESL)

Triveni Engineering Limited (TEL)

Triveni Entertainment Limited (TENL)

Svastida Projects Limited (SPL)

Triveni Industries Limited (TIL)

Triveni Sugar Limited (formerly known as Bhudeva Projects Limited) (TSL)

Others

Triveni Sugar Limited (formerly known as Bhudeva Projects Limited) (TSL)

ii) Associates (Group B)

Triveni Turbine Limited (TTL)

Aqwise-Wise Water Technologies Limited (AWTL)

iii) Key Management Person (Group C)

Mr D.M. Sawhney, Chairman & Managing Director (DMS)

Mr. Tarun Sawhney, Vice Chairman and Managing Director (TS)

iv) Relatives of Key Management Person (Group D)

Mr Nikhil Sawhney (NS – Son of DMS)

v) Companies/Parties in which key management person or his relatives have substantial interest/significant influence (Group E)

Kameni Upaskar Limited (KUL)

TOFSL Trading & Investments Limited (TOFSL)

Tirath Ram Shah Charitable Trust (TR SCT)

(C) Details of transactions with the related parties

SR. No.	NATURE OF TRANSACTION	Group - A						Group - B			Group - C			Group - D			Group - E		
		TSL	SPL	TENL	TESL	TEL	TIL	TTL	AWTL	DMS	TS	NS	KUL	TOFSL	TRST	TOTAL			
1	Sales and Rendering Services	0.69 (0.68)	0.69 (0.68)	0.68 (0.67)	0.68 (0.67)	0.68 (0.67)	0.40 (-)	3766.13 (3610.78)	-	-	-	-	-	-	-	3769.95 (3614.15)			
2	Purchases and receiving Services	-	-	-	-	-	-	1277.27 (5446.34)	29.86 (-)	-	-	-	-	-	1.10 (0.76)	1308.23 (5447.10)			
3	Rent Paid	-	-	-	-	-	-	-	43.06 (38.76)	-	-	-	70.23 (64.26)	-	-	113.29 (103.02)			
4	Rent & Other Charges received	-	-	-	-	-	-	21.19 (20.90)	-	-	-	-	-	-	-	21.19 (20.90)			
5	Advance against sale of land	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
6	Expenses incurred by the Company on behalf of party (net)	-	-	0.14	0.13	0.13	-	43.24 (48.19)	-	-	-	-	2.42 (1.96)	-	-	46.06 (50.15)			
7	Sale of land	-	-	383.23	369.15	435.81	-	-	-	-	-	-	-	-	-	1188.19 (-)			
8	Remuneration *1	-	-	-	-	-	-	-	-	151.33 (155.33)	-	-	-	-	-	151.33 (267.02)			
9	Investment in Shares	-	-	-	-	-	0.50	-	-	-	-	-	-	-	-	0.50 (800.00)			
10	Directors fee paid	-	-	-	-	-	-	-	-	-	5.45 (5.70)	-	-	-	-	5.45 (5.70)			
11	Outstanding balances as on 31.03.2016	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
	A Receivable	(0.61)	(0.61)	(-)	(0.62)	(14.38)	0.40 (-)	687.06 (438.61)	-	-	-	-	-	-	-	1289.41 (454.83)			
	B. Payable	-	200.00 (200.00)	-	-	(200.00)	(-)	1918.67 (2096.15)	-	3.08 (2.16)	-	-	-	0.22 (0.53)	-	2124.76 (2902.08)			
	C. Guarantees / Surety Outstanding *2	-	-	-	-	-	-	1694.99 (1648.13)	-	-	-	-	40.00 (40.00)	-	-	1734.99 (1688.13)			

*1 For TS gratuity & compensated absence are not included as these are provided on actuarial valuation for the entire Company.

*2 Refer Note 32 (b)

Figures in brackets relate to previous period.

38. Disclosures under Accounting Standard (AS) 7 "Construction contracts" as at the end of the year are provided here-below.

(₹ in Lakhs)

Particulars of Disclosure	31.03.2016	31.03.2015
Amount of contract revenue recognized as revenue during the year	9,980.58	21,390.85
In respect of contracts in progress :		
The aggregate amount of costs incurred and recognized profits (less recognized losses) upto the reporting date	90,087.25	85,868.18
Advances Received	2,057.18	1,005.45
Retentions	6,551.34	6,573.29
Gross amount due from customers for contract work as on asset	5,734.31	5,266.76
Gross amount due to customers for contract work as liability	399.66	333.84

39. (a) The Company has taken various residential, office and godown premises under operating lease. These are generally not non-cancelable leases having unexpired period upto 4 years. The leases are 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 or restriction imposed in the lease agreement. Lease payments under operating lease are recognized in the statement of profit and loss under "Other expenses" in Note No. 25. The minimum future lease payments under non-cancellable leases are as under :

(₹ in Lakhs)

Particulars	31.03.2016	31.03.2015
Not later than one year	24.00	94.50
Later than one year but not later than five years	-	24.00
Later than five years	Nil	Nil

(b) The Company has given certain portion of its office / factory premises under operating leases. These leases are not non-cancelable and are extendable by mutual consent and at mutually agreeable terms. The gross carrying amount, accumulated depreciation and depreciation recognized in the statement of profit and loss in respect of such portion of the leased premises are not separately identifiable. There is no impairment loss in respect of such premises. No contingent rent has been recognised in the statement of profit and loss. There are no minimum future lease payments as there are no non-cancellable leases. Lease income is recognised in the statement of profit and loss under "Other Income" in Note No.20.

40. Based on the intimation received by the Company from its suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act,2006, the relevant information is provided here below:-

(₹ in Lakhs)

S.No.	Particulars	31.03.2016	31.03.2015
1	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	46.19	Nil
	ii) Interest due on above	Nil	Nil
2	The amount of interest paid by the buyer in terms of section 16 of Micro, Small and Medium Enterprises Development Act,2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	Nil	Nil
3	The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro,Small and Medium Enterprises Development Act,2006	Nil	Nil
4	The amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil	Nil
5	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	Nil	Nil

41. Disclosures required by Accounting Standard (AS) 29 – Provisions, Contingent liabilities and Contingent assets:

(a) Movement in provisions:

(₹ in Lakhs)					
Nature of provision	Opening balance	Made during the year	Used during the year	Reversed during the year	Closing balance
Warranty	236.40 (276.23)	45.53 (77.14)	20.14 (19.58)	8.77 (97.39)	253.02 (236.40)
Cost to completion	60.00 (40.15)	30.00 (60.00)	- (-)	60.00 (40.15)	30.00 (60.00)
Arbitration/ Court-case claims	251.67 (238.11)	13.56 (13.56)	- (-)	- (-)	265.23 (251.67)
Mark to market Loss on foreign exchange derivatives	6.65 (0.20)	- (6.65)	- (-)	6.65 (0.20)	- (6.65)

Figures in brackets relate to previous year.

(b) Nature of provisions:

Warranties: The Company gives warranties on certain products and services, 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. The timing of the outflows is expected to be within the period of two years.

Cost to completion: The provision represents costs of materials and services required for integration of water treatment package at the site, prior to commissioning.

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.

Loss on foreign exchange derivatives: Provision is made for mark-to-market losses on derivative contracts outstanding at the year-end which were entered into for hedging certain firm commitments or highly probable forecast transactions. The timing of the outflows is expected to be within the period of one year.

(c) Disclosure in respect of contingent liabilities is given as part of Note No.32

42. Information on Segment Reporting of the Company for the period ended 31.03.2016

(₹ in Lakhs)

	SUGAR						Engineering						OTHERS							
	Sugar		Co-generation		Distillery		Total Sugar		Gears		Water		Total Engineering		Other Operations		Eliminations		Total	
	31.03.2016	31.03.2015	31.03.2016	31.03.2015	31.03.2016	31.03.2015	31.03.2016	31.03.2015	31.03.2016	31.03.2015	31.03.2016	31.03.2015	31.03.2016	31.03.2015	31.03.2016	31.03.2015	31.03.2016	31.03.2015	31.03.2016	
REVENUE																				
External Sales	145,710.15	151,655.65	6,757.29	6,195.40	17,051.897	17,392.96	11,950.76	11,229.96	13,263.72	19,810.54	19,810.54	19,810.54	19,810.54	19,810.54	19,810.54	19,810.54	19,810.54	19,810.54	19,810.54	19,810.54
Inter-segment Sales	18,338.73	17,454.28	10,203.98	9,494.26	28,642.71	26,995.54	36.15	0.00	-	28.45	28.45	28.45	28.45	28.45	28.45	28.45	28.45	28.45	28.45	28.45
Total Sales	164,048.88	169,109.93	17,061.27	15,679.66	45,694.60	44,388.50	11,986.91	11,230.86	13,263.72	19,838.99	19,838.99	19,838.99	19,838.99	19,838.99	19,838.99	19,838.99	19,838.99	19,838.99	19,838.99	19,838.99
Other Income	5,127.1	4,706.5	11.05	27.81	5,354.2	5,048.1	93.52	76.40	33.13	11.96	11.96	11.96	11.96	11.96	11.96	11.96	11.96	11.96	11.96	11.96
Total Revenue	164,561.59	169,580.58	17,072.32	15,707.47	51,048.81	49,436.61	12,080.43	11,307.26	13,296.85	19,850.95	19,850.95	19,850.95	19,850.95	19,850.95	19,850.95	19,850.95	19,850.95	19,850.95	19,850.95	19,850.95
RESULT																				
Segment Result	(3,115.91)	(16,588.87)	7,798.66	6,579.86	8,957.16	(7,139.74)	2,910.01	2,922.68	(2,208.99)	(370.54)	(370.54)	(370.54)	(370.54)	(370.54)	(370.54)	(370.54)	(370.54)	(370.54)	(370.54)	(370.54)
Unallocated expenses (Net)																				
Operating profit																				
Interest expense																				
Dividend income																				
Exceptional items																				
Income taxes (including deferred tax)																				
Net profit																				
OTHER INFORMATION																				
Segment assets	214,848.93	214,292.25	19,624.27	19,516.24	16,032.59	16,694.89	14,219.42	10,785.04	20,724.80	20,161.32	20,161.32	20,161.32	20,161.32	20,161.32	20,161.32	20,161.32	20,161.32	20,161.32	20,161.32	20,161.32
Unallocated assets																				
Total assets																				
Segment liabilities	49,830.19	68,738.22	286.02	280.07	67,512	539.73	2,949.01	2,286.15	8,768.03	6,947.90	6,947.90	6,947.90	6,947.90	6,947.90	6,947.90	6,947.90	6,947.90	6,947.90	6,947.90	6,947.90
Unallocated liabilities																				
Total liabilities																				
Capital expenditure	395.12	1,992.54	50.34	0.05	1,192.61	2,110.58	2,952.17	1,208.17	130.89	200.45	200.45	200.45	200.45	200.45	200.45	200.45	200.45	200.45	200.45	200.45
Depreciation	3,597.40	3,637.72	674.04	768.53	564.39	562.77	675.05	558.09	156.85	175.96	175.96	175.96	175.96	175.96	175.96	175.96	175.96	175.96	175.96	175.96
Amortisation	1042	901	0.01	0.02	1,177	1,005	357.0	78.59	107.1	17.55	17.55	17.55	17.55	17.55	17.55	17.55	17.55	17.55	17.55	17.55

Notes :

(i) In accordance with the Accounting Standard (AS) 17 "Segment Reporting", the Company's operations have been categorized into 5 major business segments, which constitute 97.81% (96.34%) of the total turnover of the Company. These business segments are classified under the two major businesses in which the Company is engaged in, and are briefly described hereunder :

Sugar & Allied Businesses

- Sugar : The Company is a manufacturer of white crystal sugar, having seven manufacturing plants situated in the State of Uttar Pradesh. After meeting the captive requirements, the Company sells the surplus molasses and bagasse, which are produced as a by-product in the manufacture of sugar. The Company also sells the surplus power produced at three of its sugar units.
- Co-generation : The business segment, apart from meeting part of the power and steam requirements of the associated sugar units, also exports power to the State grid. It has installed capacity of 68 MW spread over Khatauli and Deoband sugar mills.
- Distillery : The 160 kilo-liters per day capacity distillery located at Muzaffarnagar, Uttar Pradesh, uses the molasses produced in manufacture of sugar as the principal raw material in production of various categories of alcohol.

Engineering Businesses

- High Speed Gears : This business segment manufactures high speed gears and gear boxes at the manufacturing facility located at Mysore, Karnataka.
 - Water/Wastewater Treatment : This business segment operates from Noida, Uttar Pradesh and provides engineered to order process equipment and comprehensive solutions in the water and wastewater management.
- (ii) The 'Other Operations' mainly include execution of a turnkey project relating to installation of Steam Turbine based power evacuation system, trading of various packaged fast moving consumer goods under the Company's brand name (including sugar) and retailing of diesel/petrol through a Company operated fuel station.
- (iii) 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 a few customers or suppliers.
- (iv) Inter-segment transfers are priced based on competitive market prices or determined to yield a desired margin or agreed on a negotiated basis. These are then eliminated on consolidation.
- (v) Segment result is the segment revenue less segment expenses. Segment expenses include all expenses directly attributable to the segments and portion of the enterprise expenses that can be allocated on a reasonable basis to the segments. Interest expense is not included in segment expenses and accordingly, segment liabilities do not include any corresponding borrowings.

43. Derivative Instruments

(a) Derivative instruments outstanding as on 31.03.2016 for hedging foreign currency risks (including firm commitments and highly probable forecasted transactions)

(₹ in Lakhs)

Foreign Currency Forward Contracts	As on 31.03.16		As on 31.03.15	
	Payables	Receivables	Payables	Receivables
USD (INR Equivalent)	11.25 (751.17)	6.81 (448.98)	5.15 (324.99)	2.32 (144.54)
EURO (INR Equivalent)	6.40 (484.99)	0.55 (40.79)	12.96 (886.38)	1.25 (83.61)
JPY (INR Equivalent)	813.00 (484.87)	- (-)	813.00 (427.88)	- (-)

(b) Year end foreign exchange exposures that have not been hedged by a derivative instrument or otherwise :

(Amount In Lakhs)

Currency	As on 31.03.2016			As on 31.03.2015		
	Payables	Receivables	Net* ¹	Payables	Receivables	Net* ¹
USD (INR Equivalent)	0.95 (63.21)	0.51 (33.72)	0.44 (29.49)	2.24 (141.65)	4.34 (270.26)	-2.10 (-128.61)
EURO (INR Equivalent)	0.85 (64.82)	0.20 (14.91)	0.65 (49.91)	0.77 (52.89)	0.96 (64.45)	-0.19 (-11.56)
GBP (INR Equivalent)	0.61 (58.28)	- (-)	0.61 (58.28)	0.02 (1.53)	- (-)	0.02 (1.53)
CHF (INR Equivalent)	0.05 (3.68)	- (-)	0.05 (3.68)	- (-)	- (-)	- (-)

*¹ Negative figures in net column indicate open receivables.

44. Pursuant to compliance of clause 34(3) of the Listing Agreement, on disclosure of loans/advances in the nature of loans, the relevant information is provided hereunder:

(₹ In Lakhs)

S.No. Particulars	As at 31.3.2016	Maximum amount due During the year
1. Loans & advances to subsidiaries (Note1)- Triveni Engineering Limited	13.76 (13.76)	13.76 (13.76)
2. Loans & advances to associates	Nil (Nil)	Nil (Nil)
3. Loans & advances to firms/companies in which directors are interested	Nil (Nil)	Nil (Nil)
4. Investment by the loanee in the shares of Triveni Engineering & Industries Ltd. and its subsidiaries	Nil (Nil)	Nil (Nil)

Figures in brackets relate to previous year.

Note 1. There are no repayment schedule for the loans and advances to subsidiary companies mentioned above, which are repayable on demand.

45. (a) In accordance with the Guidance Note on Accounting for Self-generated Certified Emission Reductions (CERs), issued by the Institute of Chartered Accountants of India, the Company has recognized the CERs held by it as inventories in its financial statements. Disclosures as required under the Guidance Note are as under:
- i) 86562 (previous year 86562) CERs (net of fee for UNFCCC adaptation fund) have been held as inventory by the Company as at the end of the year.
 - ii) There are no CERs under certification as on the date of the financial statements;
 - iii) The Company's Deoband and Khatauli Phase-I projects are registered as Clean Development Mechanism (CDM) projects with United Nations Framework Convention on Climate Change (UNFCCC) and it is not feasible to identify specific items of machinery/equipment as an "emission reduction equipment". Accordingly, details of depreciation and operation & maintenance costs, pertaining to emission reducing equipment have not been provided.
- (b) During the year, the National Load Dispatch Centre (NLDC) has issued 55443 (previous year 54275) Renewable Energy Certificates (RECs) to the Company under the Central Electricity Regulatory Commission Regulation on RECs. At the close of the year 142005 (previous year 106533) RECs remained unsold and are held as inventories in the financial statements.
46. The Board of Directors of the Company have approved a Scheme of Arrangement ("the Scheme") framed under the provisions of section 391-394 of Companies Act 1956, whereby it is proposed to demerge the Sugar Business, comprising of sugar manufacture, cogeneration of power and distillation of alcohol, ("Demerged Undertaking") of the Company to its wholly owned subsidiary company, Triveni Industries Limited ("Resulting Company"). With effect from the appointed date on 1/04/2016, the Demerged Undertaking shall stand vested with the Resulting Company and all the assets and liabilities pertaining to the Demerged Undertaking shall stand transferred to the Resulting Company. The process regarding approval of the Scheme is under progress at the relevant stock exchanges. As per the Scheme, in consideration for the transfer of the Demerged Undertaking, the shareholders of the Company shall be issued one fully paid-up equity share in the Resulting Company for every one equity share held by them in the Company on the record date to be fixed for this purpose.
47. Exceptional item of ₹ 1,012.80 lakhs in the statement of profit and loss represents profit on sale of land, including ₹ 839.20 lakhs towards profit on land transferred to wholly owned subsidiary companies.

48. Statement of Additional Information:

(₹ in Lakhs)

Particulars	2015-16	2014-15		
a. Value of imports on CIF basis				
i) Raw materials	1058.07	1487.44		
ii) Components and spare parts	71.35	56.41		
iii) Capital goods	655.95	521.38		
b. Expenditure in foreign currency				
i) Travelling	51.52	41.69		
ii) Royalty	338.25	258.40		
iii) Interest on loans	4.99	4.71		
iv) Others	45.25	20.41		
c. Earnings in foreign currency				
i) Export of goods on FOB basis	1,286.14	1,217.79		
ii) Others	32.03	26.09		
d. Consumption of raw materials, spare-parts and components				
	2015-16	%	2014-15	%
i) Raw material				
- Directly imported	1,059.86	0.70	1,604.24	1.10
- Indigenous	150,449.17	99.30	143,864.94	98.90
Total	151,509.03	100.00	145,469.18	100.00
ii) Spare-parts and components				
- Directly imported	67.32	3.11	52.12	2.30
- Indigenous	2,099.89	96.89	2,213.33	97.70
Total	2,167.21	100.00	2,265.45	100.00

e. Remittance in foreign currencies for dividend:

The Company has not paid/declared any dividend during the year. Accordingly no amount has been remitted in foreign currencies by the Company, on account of dividend, during the year.

49. Payment to Auditors represents amount paid/payable to the auditors on account of:

		(₹ In Lakhs)					
Sl. No.	Particulars	Statutory Auditors		Branch Auditors		Cost Auditors	
		2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
1	Audit fee	43.36	36.99	7.04	5.15	3.42	3.62
2	Tax audit fee	17.57	19.05	3.10	3.36	-	-
3	Limited review fee	19.57	18.20	2.48	2.31		
4	Other services						
	- Certification	13.69	2.94	2.40	-	0.65	0.58
5	Reimbursement of expenses	4.65	4.33	2.93	2.89	0.19	0.43
	Total	98.84	81.51	17.95	13.71	4.26	4.63

50. The figures of the previous year have been regrouped/rearranged to the extent necessary to make them comparable with the figures of current year.

As per our report of even date.

For and on behalf of
J.C.Bhalla & Company
 Chartered Accountants
 FRN : 001111N

Sudhir Mallick
 Partner
 Membership No.80051

Dhruv M. Sawhney
 Chairman &
 Managing Director

Homai A. Daruwalla
 Director & Chairman
 Audit Committee

Geeta Bhalla
 Group General Manager
 & Company Secretary

Suresh Taneja
 Group CFO

Place : Noida (U.P.)
 Date : May 16, 2016

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF TRIVENI ENGINEERING & INDUSTRIES LIMITED

REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

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 associates comprising of the Consolidated Balance Sheet as at 31st March, 2016, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its associates in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 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.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

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

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 sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

OPINION

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associates as at 31st March, 2016, and their consolidated loss and their consolidated cash flows for the year ended on that date.

OTHER MATTERS

- (a) We did not audit the financial statements of two subsidiaries, whose financial statements reflect total assets of Rs.650.68 lakhs as at 31st March, 2016, total revenues of Rs.4.48 lakhs and net cash flows amounting to Rs.20.24 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and 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 subsidiaries, is based solely on the reports of the other auditors.

(b) The consolidated financial statements include the Group's share of net profit of Rs.139.74 lakhs for the year ended 31st March, 2016, as considered in the consolidated financial statements, in respect of one associate, whose financial statements have not been audited by us. These financial statements are unaudited and 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 the associate, 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 associate, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us, by the Management, these financial statements are not material to the Group.

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 and the financial statements certified by the Management.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of other auditors on separate financial statements of the subsidiaries as mentioned in sub-paragraph (a) of the Other Matters paragraph, we report that :

- (a) We have sought and obtained all the information and explanations which to the best our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements.
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors in respect of entities audited by them and representation received from the management for the entity un-audited.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement 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, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2016 taken on record by the Board of

Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies and associate company incorporated in India, none of the directors of the Group Companies and its associate company incorporated in India is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164(2) of the Act.

- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure 1 to this report.
- (g) With respect to the other matters to be included in the Auditors' 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 the consideration of the reports of other auditors on separate financial statements of the subsidiaries as mentioned in sub-paragraph (a) of the Other Matters paragraph:
 - i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Holding Company, its subsidiary companies and its associate companies. – Refer Note Nos. 32 & 33 to the consolidated financial statements.
 - ii) The Holding Company, its subsidiary companies and its associate companies did not have any material foreseeable losses on long-term contracts including derivative contracts as at March 31, 2016 as it appears from our examination of the books and records of the Holding Company and the reports of the other auditors in respect of entities audited by them and representation received from the management for entity un-audited.
 - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiary companies and associate company incorporated in India.

For J.C. Bhalla and Co.
Chartered Accountants
FRN : 001111N

Sudhir Mallick

Partner

Membership No.80051

Place :Noida (U.P.)
Date :May 16, 2016

ANNEXURE 1 TO THE INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF TRIVENI ENGINEERING & INDUSTRIES LIMITED

Referred to in paragraph 1 (f) of the Independent Auditors' Report of even date under the heading "Report on Other Legal and Regulatory Requirements" to the members of Triveni Engineering & Industries Limited on the consolidated financial statements as of and for the year ended March 31, 2016

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSES (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2016, we have audited the internal financial controls over financial reporting of Triveni Engineering & Industries Limited (herein after referred to as "the Holding Company"), its subsidiary companies and its associate company, which are companies incorporated in India, as of that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The respective board of directors of the Holding company, its subsidiary companies and its associate company, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (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 over financial reporting 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") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those

standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting 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 over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 report 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 over financial reporting.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company's internal financial control over financial reporting 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 over financial reporting 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

Because of the inherent Limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting 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 Holding Company, its subsidiary companies and its associate company, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, 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 as it appears from our examination of the books and records of the Holding Company and the reports of the other auditors in respect of entities audited by them.

OTHER MATTERS

Our aforesaid report under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to two subsidiary companies which are the companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India. Our opinion is not qualified in respect of this matter.

For J.C. Bhalla and Co.
Chartered Accountants
FRN : 001111N

Sudhir Mallick
Partner

Place :Noida (U.P.)
Date :May 16, 2016

Membership No.80051

CONSOLIDATED BALANCE SHEET

as at 31st March 2016

(₹ in Lakhs)

Particulars	Note No.	31.03.2016	31.03.2015
I EQUITY AND LIABILITIES			
1. Shareholders' funds			
Share capital	2	2,579.47	2,579.47
Reserves and surplus	3	62,294.15	63,302.40
		64,873.62	65,881.87
2. Minority interest - Current year ₹ 27/-			
		0.00	-
3. Non-current liabilities			
Long-term borrowings	4	39,470.21	39,638.27
Deferred tax liabilities (net)	5	-	-
Other long term liabilities	6	1,876.86	1,803.52
Long-term provisions	7	3,356.70	3,071.91
		44,703.77	44,513.70
4. Current liabilities			
Short-term borrowings	8	116,195.11	95,371.66
Trade payables	9	42,772.44	66,242.09
Other current liabilities	10	23,011.62	18,538.84
Short-term provisions	7	9,905.73	5,740.40
		191,884.90	185,892.99
Total		301,462.29	296,288.56
II ASSETS			
1. Non-current assets			
Fixed assets			
(i) Tangible assets	11 A	85,669.31	87,426.84
(ii) Intangible assets	12	152.71	118.62
(iii) Capital work-in-progress	11 B	933.69	1,842.36
Non-current investments	13	10,339.73	8,086.78
Long-term loans and advances	14	22,956.77	23,072.63
Other non-current assets	18	3,857.36	3,382.60
		123,909.57	123,929.83
2. Current assets			
Inventories	15	141,536.39	123,433.78
Trade receivables	16	23,490.05	23,280.79
Cash and bank balances	17	406.00	657.70
Short-term loans and advances	14	6,103.13	19,451.10
Other current assets	18	6,017.15	5,535.36
		177,552.72	172,358.73
Total		301,462.29	296,288.56

Significant Accounting Policies

1

The accompanying Note Nos.1 to 51 form an integral part of the consolidated financial statements.

As per our report of even date.

For and on behalf of
J.C.Bhalla & Company
Chartered Accountants
FRN : 001111N

Sudhir Mallick
Partner
Membership No.80051

Dhruv M. Sawhney
Chairman &
Managing Director

Homai A. Daruwalla
Director & Chairman
Audit Committee

Geeta Bhalla
Group General Manager
& Company Secretary

Suresh Taneja
Group CFO

Place : Noida (U.P.)
Date : May 16, 2016

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

for the year ended 31st March 2016

(₹ in Lakhs)

Particulars	Note No.	31.03.2016	31.03.2015
Continuing operations			
INCOME			
Revenue from operations (gross)	19	200,111.21	212,783.20
Less : Excise duty		8,608.79	6,700.68
Revenue from operations (net)		191,502.42	206,082.52
Other Income	20	1,315.02	1,191.79
Income from Associates		2,327.33	1,787.04
Total revenue		195,144.77	209,061.35
EXPENSES			
Cost of raw material and components consumed	21	151,509.03	145,469.18
Purchase of traded goods	22	1,404.43	1,507.68
(Increase)/decrease in inventories of finished goods and work-in-progress	23	(14,191.20)	17,239.31
Employee benefit expenses	24	15,855.34	15,251.34
Other expenses	25	24,337.93	28,425.89
Prior period items (net)	26	87.64	(19.74)
Total		179,003.17	207,873.66
Earnings before exceptional items, extraordinary item, interest, tax, depreciation and amortisation (EBITDA)		16,141.60	1,187.69
Depreciation and amortisation expenses	27	5,803.88	5,922.17
Finance costs	28	11,490.60	12,207.62
Profit/(loss) before exceptional items, extraordinary item & tax		(1,152.88)	(16,942.10)
Exceptional items	29	173.60	-
Profit/(loss) before extraordinary item & tax		(979.28)	(16,942.10)
Extraordinary item		-	-
Profit/(loss) before tax		(979.28)	(16,942.10)
Tax expense	30	1.01	(1,735.90)
Profit/(loss) after tax but before Minority interest		(980.29)	(15,206.20)
Less: Minority interest in subsidiary - Current year ₹ 12/-		0.00	-
Profit/(loss) for the year after Minority interest		(980.29)	(15,206.20)
Earning per equity share of ₹ 1/ each	31		
Basic and diluted (in ₹)		(0.38)	(5.90)

Significant Accounting Policies

1

The accompanying Note Nos.1 to 51 form an integral part of the consolidated financial statements.

As per our report of even date.

For and on behalf of

J.C.Bhalla & Company

Chartered Accountants

FRN : 001111N

Sudhir Mallick
Partner
Membership No.80051

Dhruv M. Sawhney
Chairman &
Managing Director

Homai A. Daruwalla
Director & Chairman
Audit Committee

Geeta Bhalla
Group General Manager
& Company Secretary

Suresh Taneja
Group CFO

Place : Noida (U.P.)

Date : May 16, 2016

CONSOLIDATED CASH FLOW STATEMENT

for the year ended 31st March 2016

(₹ in Lakhs)

Particulars	31.03.2016	31.03.2015
A Cash Flow from Operating Activities		
Profit before tax	(979.28)	(16,942.10)
Income from Associates	2,327.33	1,787.04
Non-cash adjustment to reconcile profit before tax to net cash flows		
Depreciation / amortisation	5,807.15	5,877.76
Income from disposal of investments current year (₹ 11)	(0.00)	
Exceptional item (net gain on sale of Land)	(173.59)	
Loss / (profit) on sale of fixed assets	70.78	9.85
Interest Expense	11,491.09	12,207.66
Interest Income	(73.34)	(132.23)
Dividend Income	(2.75)	(0.44)
Operating profit before working capital changes	13,812.73	(766.54)
Movements in working capital :		
Change in Liabilities	(17,298.75)	(14,546.70)
Change in Inventories	(18,102.61)	16,771.72
Change in Trade Receivables	(602.00)	93.17
Change in Loans and Advances	13,404.01	(13,307.89)
Change in Other Current Assets	(539.10)	(1,811.35)
Cash generated from / (used in) operations	(9,325.72)	(13,567.59)
Direct taxes paid (net of refunds)	(205.55)	(508.29)
Net cash flow from / (used in) operating activities (A)	(9,531.27)	(14,075.88)
B Cash Flow from Investing Activities		
Purchase of fixed assets	(4,177.71)	(4,002.28)
Proceeds from sale of fixed assets	222.35	27.70
Proceeds of non-current investments	-	-
- From Associate (Dividend)	1,224.00	576.00
- From sale of shares held in subsidiary - Current year ₹ 50/-	0.00	-
Interest received	57.49	131.82
Dividends received	2.75	0.44
Net cash flow from / (used in) investing activities (B)	(2,671.12)	(3,266.32)
C Cash Flow from Financing Activities		
Proceeds from issuance of share capital	-	6.29
Proceeds from long-term borrowings	14,804.05	10,101.99
Repayment of long-term borrowings	(12,225.90)	(16,678.42)
Increase / (Decrease) in short-term borrowings	20,823.45	36,143.94
Interest paid	(11,417.91)	(12,416.01)
Dividend paid on equity shares	(3.65)	(1.77)
Net cash flow from / (used in) financing activities (C)	11,980.04	17,156.02
Net increase / (decrease) in cash and cash equivalents (A + B+ C)	(222.35)	(186.18)
Cash and cash equivalents at the beginning of the year	508.88	695.06
Cash and cash equivalents at the end of the year	286.53	508.88

As per our report of even date.

For and on behalf of

J.C.Bhalla & Company

Chartered Accountants

FRN : 001111N

Sudhir Mallick

Partner

Membership No.80051

Dhruv M. Sawhney

Chairman &

Managing Director

Homai A. Daruwalla

Director & Chairman

Audit Committee

Geeta Bhalla

Group General Manager

& Company Secretary

Suresh Taneja

Group CFO

Place : Noida (U.P.)

Date : May 16, 2016

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March 2016

1. SIGNIFICANT ACCOUNTING POLICIES

a) Basis of principles of Consolidation

- i) The consolidated financial statements of Triveni Engineering and Industries Limited and its subsidiaries and associates (hereinafter referred to as "the Group"/"the Company") have been prepared in accordance with the applicable accounting standard relating to preparation of consolidated financial statements.
- ii) The consolidated financial statements comprise the audited financial statements of following entities :
 - Triveni Engineering and Industries Ltd., a company incorporated in India ("holding company")
 - Triveni Engineering Limited, a wholly owned subsidiary company, incorporated in India
 - Triveni Energy Systems Limited, a wholly owned subsidiary company, incorporated in India
 - Triveni Entertainment Limited, a wholly owned subsidiary company, incorporated in India
 - Svastida Projects Limited, a wholly owned subsidiary company, incorporated in India
 - Triveni Industries Limited, a wholly owned subsidiary company, incorporated during the year in India
 - Triveni Sugar Limited (formerly Bhudeva Projects Limited), a subsidiary company incorporated in India in which 99.99% equity share capital is held by the holding company.
- iii) The consolidated financial statements also incorporate proportionate share of interest in its following associate companies:
 - Triveni Turbine Ltd, a company incorporated in India
 - Aqwise-Wise Water Technologies Ltd., a company incorporated in Israel
- iv) The financial statements of the holding company and its subsidiaries are consolidated on a line-by-line basis adding together the book values of like items of assets, liabilities, incomes and expenses. The effects of inter-company transactions are eliminated in consolidation.

- v) The Company accounts for its share in the change in net assets of the associates, post-acquisition, after eliminating unrealized profits and losses resulting from transactions between the Company and its associates to the extent of its share, through its statement of profit and loss and through its reserves for the balance, based on available information.
- vi) Investments in associate companies are accounted under the Equity Method prescribed under Accounting Standard (AS) 23 "Accounting for Investment in Associates in Consolidated Financial Statements". The difference between the cost of investment in the associates and the share of net assets at the time of acquisition of shares in the associates is identified in the financial statements as Goodwill or Capital Reserve as the case may be.
- vii) The difference between the proceeds from disposal of investment in subsidiaries and the carrying amount of its assets less liabilities as of the date of disposal is recognized in the consolidated statement of profit and loss, being the profit or loss on disposal of investment in subsidiary.
- viii) As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.
- ix) Investments other than in subsidiaries and associates have been accounted as per Accounting Standard (AS) 13 "Accounting for Investments".

b) Basis of preparation of Financial Statements

The financial statements of the Company have been prepared as a going concern on an accrual basis of accounting under the historical cost convention and in accordance with generally accepted accounting principles in India. The financial statements comply, in all material respects, with the applicable accounting standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) in accordance with section 133 of the Companies Act, 2013, read with Rule 7 of Companies (Accounts) Rules, 2014. All assets and liabilities have been classified as current and non-current as per the criteria set out in the Schedule III of the Companies Act 2013.

c) Use of Estimates

The presentation of financial statements requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/materialize.

d) Fixed Assets

- i. Fixed assets are stated at their acquisition cost less accumulated depreciation. Acquisition cost includes taxes, duties (excluding excise duty, service tax and VAT for which CENVAT/VAT credit is available), freight and other incidental expenses relating to acquisition and installation. In the acquisition of fixed assets involved in the establishment of a new project/factory, all direct expenses including borrowing costs are capitalized.
- ii. Fixed assets pending disposal are stated at lower of net book value (at the time of discarding of assets) and net realizable value. Wherever, the net book value of the assets can not be reasonably determined, it is stated at net realizable value.

e) Recognition of Income/Expenditure

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria are applied for revenue recognition:

- i. Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer. The Company collects sales taxes and value added taxes (VAT) on behalf of the government and therefore these are not economic benefits flowing to the Company and accordingly they are excluded from revenue.
- ii. Revenue from service contracts is recognised as the service is performed. Performance of service is measured either under the completed service contract method or under the proportionate completion method, whichever relates the revenue to the work accomplished or obligations fulfilled and when no significant uncertainty exist regarding the consideration receivable for the service performed. The Company collects service tax on behalf of the government and therefore, it is not an economic benefit flowing to the Company and accordingly it is excluded from revenue.

- iii. Income from sale of Certified Emission Reductions (CERs) and Renewable Energy Certificates (RECs) is recognized on the delivery of the CERs/RECs to the customers' account as evidenced by the receipt of confirmation of execution of delivery instructions.
- iv. Revenue from construction contracts is recognized on the percentage of completion method, measured by the proportion that contract costs incurred for work performed till the reporting date bear to the estimated total contract cost. Contract costs for this purpose include:
 - a. Costs that relate directly to the specific contract;
 - b. Costs that are attributable to contract activity in general and can be allocated to the contract; and
 - c. Such other costs as are specifically chargeable to the customer under the terms of contract. Foreseeable losses, if any, are provided for immediately.
- v. Income/Expenditure relating to prior periods and prepaid expenses which do not exceed ₹ 10,000/- in each case, are treated as Income/Expenditure of current year.
- vi. Compensation under Voluntary Retirement Scheme and all other termination benefits, if any, incurred during the year, are recognized as expense in the statement of profit and loss.

f) Foreign Currency Transactions

- i. Transactions denominated in foreign currencies are initially recorded at the exchange rate prevailing at the date of transaction.
- ii. Foreign currency monetary items (including forward contracts not relating to firm commitments or highly probable forecast transactions and not intended for trading or speculative purposes) are translated at year end rates. Exchange differences arising on settlement of transactions and translation of monetary items are recognized as income or expense in the year in which they arise.
- iii. The premium or discount on forward exchange contracts not relating to firm commitments or highly probable forecast transactions and not intended for trading or speculative purposes is amortized as expense or income over the life of the contracts.
- iv. In respect of derivative contracts relating to firm commitments or highly probable forecast transactions, provision is made for mark to market losses, if any, at the balance sheet date. Gains, if any, are not recognized till settlement.

- v. In case of foreign associates, being non-integral foreign operations, revenue items are consolidated at the average rate prevailing during the relevant period. All assets and liabilities are converted at rates prevailing at the end of the year. Any exchange difference arising on consolidation is recognized in the exchange fluctuation reserve

g) Inventories

- i. Inventories of raw materials, components, stores and spares are valued at lower of cost and net realizable value. By-products used as raw material are valued at transfer cost. Cost for the purpose of valuation of raw materials and components, stores and spares is considered on the following basis :

Raw Materials & Components

Business Units	Basis
Sugar	First in first out
Gears, Co-generation & Distillery	Weighted Average
Water Business Group	Specific Cost

Stores and Spares

Business Units	Basis
Water Business Group	Specific Cost
Other Units	Weighted Average

- ii. Finished goods and Work-in-progress are valued at lower of cost and net realizable value. The cost of finished goods and work-in-progress includes raw material costs, direct cost of conversion and proportionate allocation of indirect costs incurred in bringing the inventories to their present location and condition. Excise duty is included in the value of finished goods.
- iii. Unsold certified emission reductions (CERs) and renewable energy certificates (RECs) are recognized as inventory in accordance with the Guidance Note on Accounting for Self-generated Certified Emission Reductions, issued by the Institute of Chartered Accountants of India. Inventory of CERs and RECs is valued at lower of cost and net realizable value. The cost incurred on verification/certification of CERs/RECs is considered as the cost of inventories of CERs/RECs.
- iv. Patterns, Loose tools, Jigs and Fixtures are written off equally over three years.
- v. By-products (excluding those used as raw materials) and scrap are valued at estimated net realizable value.

h) Depreciation

- i. Depreciation on fixed assets is provided on the straight line method in accordance with Schedule II

of the Companies Act, 2013. Schedule II provides the useful lives of various categories of fixed assets and allows the Company to use higher / lower useful lives and residual values if such lives and residual values can be technically supported and the justification for any difference is disclosed in the financial statements.

Accordingly, the management has estimated the useful lives and residual values of all its fixed assets 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 involving technology obsolescence 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.
- Based on the experience and assessment, mobile phones costing ₹ 5,000/- or more are depreciated over 2 years.
- Assets costing less than ₹ 5,000/- are fully depreciated in the year of purchase.

- ii. Intangible assets are recognised as specified in the applicable accounting standard and are amortised as follows:

Particulars	Period of amortization
Computer software	36 months
Technical know-how	72 months

- iii. Cost of leasehold land, other than acquired on perpetual basis, is amortized over the lease period.
- iv. Fixture and fittings and improvements to leasehold buildings not owned by the Company are amortized over the lease period or estimated useful life of such fixture, fittings and improvements, whichever is lower.

i) Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as non-current / long-term investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision is made to recognize a decline, other than temporary, in the value of long-term investments, such reduction being determined and made for each investment individually.

i) Employee Benefits

1) Short Term Employee Benefits:

All employee benefits payable wholly within twelve months after the end of the period in which the employees render the related services are classified as short term employee benefits and are recognized as expense in the period in which the employee renders the related service. The Company recognizes the undiscounted amount of short term employee benefits expected to be paid (including compensated absences) in exchange for services rendered, as a liability.

2) Long Term Employee Benefits:

i) 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's contribution to defined contribution plans is recognized in the statement of profit and loss in the financial year to which they relate.

The Company contributes to the following defined contribution plans.

- Provident Fund Plan & Employee Pension Scheme:

The Company makes monthly contributions at prescribed rates towards Employee Provident Fund/ Employee Pension Scheme to fund administered and managed by the Government of India.

Employee State Insurance

The Company makes prescribed monthly contributions towards Employees State Insurance Scheme.

- Superannuation Scheme

The Company contributes towards a fund established to provide superannuation benefit to certain employees in terms of Group Superannuation Policies entered into by such fund with the Life Insurance Corporation of India.

- National Pension Scheme

The Company makes contributions to the National Pension Scheme fund in respect of certain employees of the Company.

ii) Defined Benefit Plans

Defined benefit plans are plans under which the Company pays certain defined benefits to its employees at the time of their retirement/resignation/death based on rules framed for such schemes. The Company operates following defined benefit plans:

- Provident fund (set-up by the Company and administered through trust)

The Company also contributes to a provident fund which was set-up by the Company and administered through trust for the benefit of certain employees. The interest rate payable by the trust to the beneficiaries is regulated by statutory authorities. The Company has an obligation to make good the shortfall, if any, between the return on investments of the Trust and the notified interest rate.

- Gratuity

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 Company provides for its liability under the Gratuity Plan based on actuarial valuation.

iii) Other long-terms benefits

- Earned Leaves / Sick Leaves

The Company provides for the liability at year end on account of un-availed accumulated leaves on the basis of actuarial valuation.

k) Borrowing costs

Borrowing costs attributable to the acquisition of qualifying assets are capitalized till the period such assets are ready for their intended use. All other borrowing costs are charged to the statement of profit and loss.

l) Operating leases

Lease payments under an operating lease are recognized as an expense in the statement of profit and loss on a straight line basis over the lease term.

m) Government Grants

Recognition

Government grants are recognized where:

- i) There is reasonable assurance of complying with the conditions attached to the grant.
- ii) Such grant/benefit has been earned and it is reasonably certain that the ultimate collection will be made.

Presentation in Financial Statements:

- i) Government grants relating to specific fixed assets are adjusted with the value of such fixed assets.
- ii) Government grants in the nature of promoters' contribution, i.e. which have reference to the total investment in an undertaking or by way of contribution towards total capital outlay, are credited to capital reserve.
- iii) Government grants related to revenue items are either adjusted with the related expenditure/revenue or shown under "Other Income", in case direct linkage with cost/income is not determinable.

n) Taxes on Income

- i) Current tax on income is determined on the basis of taxable income computed in accordance with the applicable provisions of the Income Tax Act, 1961.
- ii) Deferred tax is recognized for all timing differences between the accounting income and the taxable income for the year and quantified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date.
- iii) Deferred tax asset is recognized and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized, except in the case of unabsorbed depreciation or carry forward of losses under the Income Tax Act, 1961, where such deferred tax asset is recognized only to the extent that there is virtual

certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realized.

- iv) Minimum Alternate Tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will be in a position to avail of such credit under the provisions of the Income Tax Act, 1961.

o) Impairment of Asset

Impairment of individual assets/cash generating unit (a group of assets that generates identified independent cash flows) is identified using external and internal sources of information and impairment loss, if any, is determined and recognized in accordance with the Accounting Standard (AS) 28 "Impairment of Assets".

p) Provisions, Contingent liabilities and Contingent assets

Provisions are recognized for liabilities that can be measured only by using a substantial degree of estimation, if:

- i) the Company has a present obligation as a result of a past event;
- ii) a probable outflow of resources is expected to settle the obligation; and
- iii) the amount of the obligation can be reliably estimated.

Reimbursement expected in respect of expenditure required to settle a provision is recognized only when it is virtually certain that the reimbursement will be received.

Contingent liability is disclosed in the case of

- i) a present obligation arising from a past event, when it is not probable that an outflow of resources will be required to settle the obligation.
- ii) a possible obligation, unless the probability of outflow of resources is remote.

Contingent assets are not recognized.

2. Share Capital

(₹ in Lakhs)

Particulars	31.03.2016	31.03.2015
AUTHORISED		
500,000,000 Equity shares of ₹ 1/- each	5,000.00	5,000.00
20,000,000 Preference shares of ₹ 10/- each	2,000.00	2,000.00
	7,000.00	7,000.00
ISSUED		
257,953,110 (257,953,110) Equity shares of ₹ 1/- each	2,579.53	2,579.53
	2,579.53	2,579.53
SUBSCRIBED AND PAID UP		
257,945,110 (257,945,110) Equity shares of ₹ 1/- each	2,579.45	2,579.45
Add :Paid up value of 8,000 Equity shares of ₹ 1/- each forfeited	0.02	0.02
	2,579.47	2,579.47

a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

Equity Shares

Particulars	As at 31.03.2016		As at 31.03.2015	
	No. of Shares	₹ in lakhs	No. of Shares	₹ in lakhs
At the beginning of the year	257,945,110	2,579.45	257,900,150	2,579.00
Add : issued during the period pursuant to exercise of employee stock options	-	-	44,960	0.45
Outstanding at the end of the year	257,945,110	2,579.45	257,945,110	2,579.45

b) Terms/rights attached to equity shares

The Company has only one class of equity shares with a par value of ₹ 1/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares are entitled to receive the remaining assets of the Company, after meeting all liabilities and distribution of all preferential amounts, in proportion to their shareholding.

c) Details of shareholders holding more than 5% equity shares in the Company

Particulars	As at 31.03.2016		As at 31.03.2015	
	No. of Shares	% holding	No. of Shares	% holding
Dhruv M. Sawhney	38,391,756	14.88	38,391,756	14.88
Nalanda India Fund Limited	-	-	25,788,000	10.00
Umananda Trade & Finance Limited	21,414,339	8.30	20,991,589	8.14
Rati Sawhney	20,358,164	7.89	20,358,164	7.89
Tarnik Investments & Trading Limited	18,680,527	7.24	18,680,527	7.24
Subhadra Trade & Finance Limited	16,907,375	6.56	16,907,375	6.56
Nikhil Sawhney	15,277,653	5.92	15,277,653	5.92
Dhankari Investments Limited	14,714,901	5.70	14,714,901	5.70
Tarun Sawhney	14,695,375	5.70	14,695,375	5.70

3. Reserves and Surplus

Capital Reserve

(₹ in Lakhs)

Particulars	31.03.2016	31.03.2015
Balance as per the last consolidated financial statements	13,338.83	13,338.83
Less: Amount utilised	-	-
Closing Balance	13,338.83	13,338.83
Securities Premium		
Balance as per the last consolidated financial statements	26,561.22	26,552.70
Add: Amount received during the year/period pursuant to exercise of employee stock options	-	5.84
Add: Proportionate share of Associates	13.58	2.68
Less: Amount utilised	-	-
Closing Balance	26,574.80	26,561.22
Revaluation Reserve - Fixed Assets		
Balance as per the last consolidated financial statements	-	1,507.65
Less: Amount reversed	-	1,507.65
Less: Amount utilised	-	-
Closing Balance	-	-
General Reserve		
Balance as per the last consolidated financial statements	51,448.09	50,831.13
Less: Impact of change in holding in an associate	-	0.86
Less: Impact of revision of useful lives of fixed assets pursuant to Schedule II to the Companies Act, 2013.	-	1,382.18
Add: Amount transferred from Debenture Redemption Reserve	-	2,000.00
Less: Impact of componentisation of fixed assets pursuant to Schedule II to the Companies Act, 2013. [Refer Note No. 34(b)]	7.18	-
Closing Balance	51,440.91	51,448.09
Capital Redemption Reserve		
Balance as per the last consolidated financial statements	397.40	397.40
Less: Amount utilised	-	-
Closing Balance	397.40	397.40
Amalgamation Reserve		
Balance as per the last consolidated financial statements	926.34	926.34
Less: Amount utilised	-	-
Closing Balance	926.34	926.34
Debenture Redemption Reserve		
Balance as per the last consolidated financial statements	-	2,000.00
Less: Amount transferred to General Reserve	-	2,000.00
Closing Balance	-	-

(₹ in Lakhs)

Particulars	31.03.2016	31.03.2015
Molasses Storage Fund Reserve		
Balance as per the last consolidated financial statements	195.28	185.50
Add : Amount transferred from surplus/ (deficit) in the consolidated statement of profit and loss	26.72	25.78
Less: Amount transferred to surplus/ (deficit) in the consolidated statement of profit and loss	39.60	16.00
Closing Balance	182.40	195.28
Foreign Exchange Translation Reserve		
Balance as per the last consolidated financial statements	1.22	(32.64)
Add/(Less): Proportionate share of Associate	(34.36)	33.86
Less: Amount utilised	-	-
Closing Balance	(33.14)	1.22
Surplus/(deficit) in the consolidated statement of profit and loss		
Balance as per the last consolidated financial statements	(29,565.98)	(14,350.00)
Add: Net profit/(loss) after tax transferred from consolidated statement of profit and loss	(980.29)	(15,206.20)
Amount available for appropriation (A)	(30,546.27)	(29,556.20)
Appropriations:		
Withdrawn from Molasses Storage Fund Reserve	(39.60)	(16.00)
Transfer to Molasses Storage Fund Reserve	26.72	25.78
Total appropriations (B)	(12.88)	9.78
Net surplus/(deficit) in the consolidated statement of profit and loss (A-B)	(30,533.39)	(29,565.98)
Total reserves and surplus	62,294.15	63,302.40

4. Long-Term Borrowings

(₹ in Lakhs)

Particulars	Non- Current portion		Current maturities	
	31.03.2016	31.03.2015	31.03.2016	31.03.2015
Term loans				
From banks	39,021.34	38,978.97	14,712.02	11,642.57
From others	448.87	659.30	224.43	547.67
	39,470.21	39,638.27	14,936.45	12,190.24
The above amount includes				
Secured loans	39,470.21	39,638.27	14,936.45	12,190.24
	39,470.21	39,638.27	14,936.45	12,190.24
Less: Amount disclosed under the head "Other Current Liabilities"			14,936.45	12,190.24
(Refer Note No 10)				
	39,470.21	39,638.27	-	-

Notes to consolidated Financial Statements for the year ended 31st March 2016**Details of Securities and other terms :-**

Name of the Bank/ Others	Total loan outstanding (₹ in Lakhs)	Repayment terms of loan outstanding	Rate of interest	Nature of Security
Term loans From banks (Indian Rupee Loan)				
1. Canara Bank	5,150.55 (7,028.31)	11 (15) equal quarterly installments upto December 2018.		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 subject to bankers prior charges created / to be created on current assets for providing working capital facilities and excluding assets purchased under vehicle loan scheme.
2. Axis Bank	2,500.00 (4,166.67)	6 (10) equal quarterly installments upto August 2017.		
3. State Bank of Patiala	625.00 (3125.00)	1 (5) equal quarterly installments upto June 2016.		
4. Oriental Bank of Commerce	1,245.63 (3,748.06)	2 (6) equal quarterly installments upto July 2016.		
5. Yes Bank	4,218.75 (6,093.75)	9 (13) equal quarterly installments upto June 2018.		
6. Ratnakar Bank Limited	3,300.00 (3,900.00)	11 (15) quarterly installments upto December 2018.		
7. Central Bank of India	4,999.75 (4,999.96)	36 (36) equated monthly installments commencing January 2017 and ending December 2019.	At Banker's base rates plus applicable spread.The interest rate	Secured by first pari-passu charge on current assets, third charge on fixed assets of Khatauli and Ramkola units and second charge on fixed assets of other units of the Company.
8. Punjab National Bank	Nil (205.35)	Nil (1) equal monthly installment upto April 2015.	as on 31.03.2016 range	Secured by first pari-passu charge on current assets and residual charge on the fixed assets of the Company
9. Oriental Bank of Commerce	2,499.36 (2,499.96)	36 (36) equated monthly installments commencing November 2016 and ending October 2019.	between 11.40% to 12.55% per annum.	Secured by third charge on fixed assets of Khatauli and Ramkola units and second charge on fixed assets of other units of the Company.
10. Axis Bank	2,033.50 (2,033.50)	12 (12) equal quarterly installments commencing February 2017 and ending November 2019.		Secured by second pari-passu charge on current assets, third charge on fixed assets of Khatauli and Ramkola units and second charge on fixed assets of other units of the Company.
11. Central Bank of India	1,874.96 (Nil)	15 (Nil) equal quarterly installments commencing March 2016 and ending December 2019.		Secured by first pari-passu charge on the fixed assets of the Company
12. Oriental Bank of Commerce	1,308.03 (Nil)	16 (Nil) equal quarterly installments commencing November 2016 and ending August 2020.		Secured by first pari-passu charge on the fixed assets of the Company

Name of the Bank/ Others	Total loan outstanding (₹ in Lakhs)	Repayment terms of loan outstanding	Rate of interest	Nature of Security
13. Punjab National Bank (Soft Loan)	4,500.00 (Nil)	12 (Nil) equal quarterly installments commencing October 2017 and ending July 2020 with a moratorium of 2 years.		Secured by second charge on all fixed assets of the company except Ramkola unit (where SDF holds second exclusive charge) and third charge on fixed assets of Ramkola unit.
14. Central Bank of India (Soft Loan)	3,900.00 (Nil)	12 (Nil) equal quarterly installments commencing October 2017 and ending 2020 with a moratorium of 2 years.	At Banker's base rates plus applicable spread. The interest rate as on 31.03.2016	Secured by second charge on all fixed assets of the company except Ramkola unit (where SDF holds second exclusive charge) and third charge on fixed assets of Ramkola unit.
15. Oriental Bank of Commerce (Soft Loan)	670.00 (Nil)	12 (Nil) equal quarterly installments commencing October 2017 and ending July 2020 with a (Soft Loan) moratorium of 2 years.	range between 11.75% to 11.85% per annum. (See Note below)	Secured by second charge on all fixed assets of the company except Ramkola unit (where SDF holds second exclusive charge) and third charge on fixed assets of Ramkola unit.
16. Industrial Development Bank of India (Soft Loan)	510.00 (Nil)	12 (Nil) equal quarterly installments commencing October 2017 and ending July 2020 with a moratorium of 2 years.		Secured by second charge on all fixed assets of the company except Ramkola unit (where SDF holds second exclusive charge) and third charge on fixed assets of Ramkola unit.
17. Canara Bank (Soft Loan)	1,870.50 (Nil)	12 (Nil) equal quarterly installments commencing October 2017 and ending July 2020 with a moratorium of 2 years.		Secured by second charge on all fixed assets of the company except Ramkola unit (where SDF holds second exclusive charge) and third charge on fixed assets of Ramkola unit.
18. Punjab National Bank (Excise Duty Loan)	8,629.44 (8,876.00)	35 (36) equated monthly installments commencing March 2016 and ending February 2019.	Interest Free Loan	Secured by second charge on fixed assets of all business units except Khatauli and Ramkola units.
19. Central Bank of India (Excise Duty Loan)	3,750.00 (3,750.00)	12 (12) equal quarterly installments commencing June 2016 and ending March 2019.	Interest Free Loan	Secured by second charge on fixed assets of all business units except Khatauli and Ramkola units.
20. Vehicle Loans - Axis Bank - ICICI Bank	116.08 (126.08) 31.81 (64.80)	In equated monthly installments ranging from 8 to 47 months (6 to 59 months)	At fixed rates ranging from 9.37% to 11.00% p.a.	Secured by hypothecation of vehicle acquired under the respective vehicle loans.
From others (Indian Rupee Loan)				
1. Vehicle Loan - Daimler Financial Services P Ltd.	Nil (6.80)	N.A. (In 9 equated monthly installments)	At fixed rate of 9.38% p.a.	Secured by hypothecation of vehicle acquired under the respective vehicle loans.
2. Other Loans-Sugar Development Fund Govt. of India	673.30 (1,204.27)	3 (4) equal yearly and Nil (1) half yearly installments upto September 2018.	2% below the Bank Rate at present 4%	Secured by exclusive second charge created over moveable/immoveable assets of Ramkola unit.
Total	54,406.66 (51,828.51)			

Figures in brackets relate to previous year.

Note: Interest rate subvention @ 10% provided by Government of India under the "scheme for extending soft loan to Sugar Mills 2015" for a period of one year from the date of disbursement.

5. Deferred Tax Liabilities (Net)

(₹ in Lakhs)

Particulars	31.03.2016	31.03.2015
Deferred Tax Liabilities:		
Difference in net book value of fixed assets as per books and tax laws	16,548.02	16,727.83
Deferred Tax Assets:		
Unabsorbed business loss/depreciation	(12,455.48)	(12,485.18)
Expenses allowable on payment basis	(1,647.05)	(1,621.52)
Others (net)	(2,445.49)	(2,621.13)
Net Deferred Tax Liabilities	-	-

6. Other Long term liabilities

Interest accrued but not due	61.24	91.86
Lease Equalisation	4.78	18.64
Trade Payable (Retentions)- (Refer Note No. 41)	1,810.84	1,693.02
	1,876.86	1,803.52

7. Provisions

(₹ in Lakhs)

Particulars	Long-term		Short-term	
	31.03.2016	31.03.2015	31.03.2016	31.03.2015
Provision for Employee Benefits				
Gratuity (Refer Note No 37)	2,306.93	2,106.91	130.15	116.10
Compensated Absences	1,049.77	965.00	285.47	299.15
Other Provisions				
Warranty	-	-	253.02	236.40
Cost to Completion	-	-	30.00	60.00
Arbitration/Court case claims	-	-	265.23	251.67
Mark to market loss on foreign exchange derivatives	-	-	6.65	
Excise duty on closing stock	-	-	8,941.86	4,770.43
	3,356.70	3,071.91	9,905.73	5,740.40

For Movement in provisions - Refer Note No.42

8. Short-Term Borrowings

(₹ in Lakhs)

Particulars	31.03.2016	31.03.2015
Repayable on demand		
Cash credits from banks	115,469.58	95,173.08
Other borrowings		
From Banks		
- Foreign currency loans (Buyers' credits)	725.53	198.58
	116,195.11	95,371.66
The above amount includes :		
Secured borrowings	115,469.58	95,173.08
Unsecured borrowings	725.53	198.58

Cash credit from banks is secured by pledge/hypothecation of the stock-in-trade, raw material, stores and spare parts, work-in-progress and receivables and second charge created/to be created on the properties of all the Engineering units and third charge on the properties of Sugar, Co-Generation and Distillery units of the Company on pari-passu basis.

9. Trade Payables

(₹ in Lakhs)

Trade payables		
Total outstanding dues of micro enterprises and small enterprises (Refer Note No.41)	46.19	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	42,726.25	66,242.09
	42,772.44	66,242.09

10. Other Current Liabilities

(₹ in Lakhs)

Current maturities of long term borrowings (Refer Note No 4)	14,936.45	12,190.24
Capital creditors	1,347.75	1,420.47
Advance from customers	2,482.75	1,462.25
Due to customers (Construction and project related activity)	399.66	333.84
Security deposits	310.52	293.94
Interest accrued but not due on borrowings	248.76	134.74
Employee benefits & other dues payable	1,916.91	1,559.46
Statutory dues payable relating to employees	296.02	283.59
Other statutory dues payable	618.38	511.54
Amount payable to hedging banks	30.21	48.04
Other payables	323.93	192.22
Unclaimed preference shares redemption	90.22	90.46
Unpaid dividend *	9.27	12.91
Unclaimed matured deposits *	-	3.73
Unclaimed interest on deposits *	0.79	1.41
	23,011.62	18,538.84

* There are no amounts as at the end of the year which are due and outstanding to be credited to the Investors Education and Protection Fund.

11A. Tangible Assets

(₹ in Lakhs)

Particulars	Land Freehold	Land Lease Hold	Buildings & Roads	Plant and Machinery	Office Equipments	Furniture and Fixtures	Vehicles	Computers	Total
Gross block									
As at April 1, 2014	4,755.40	390.76	26,660.14	130,133.42	610.46	821.71	805.95	1,150.14	165,327.98
Additions	-	50.00	119.60	1,533.26	43.09	3.46	132.83	46.08	1,928.32
Deductions	-	-	1.70	158.73	16.90	8.59	23.19	53.87	262.98
Adjustment due to reversal of Revaluation	-	-	(1,993.57)	(30.12)	-	-	-	-	(2,023.69)
Other adjustments	-	235.59	(230.98)	66.37	(11.23)	(53.75)	-	(6.00)	-
As at March 31, 2015	4,755.40	676.35	24,553.49	131,544.20	625.42	762.83	915.59	1,136.35	164,969.63
Additions	0.40	125.00	2,010.30	2,889.44	27.65	13.13	70.43	81.59	5,217.94
Deductions	4.06	-	2.71	125.00	28.01	6.61	30.74	27.14	224.27
Other adjustments	(1170.40) *1	-	(5.49)	5.28	9.33	(0.50)	-	(8.62)	(1170.40)
As at March 31, 2016	3,581.34	801.35	26,555.59	134,313.92	634.39	768.85	955.28	1,182.18	168,792.90
Depreciation									
As at April 1, 2014	-	35.57	5,961.30	62,490.18	255.44	504.35	261.26	935.13	70,443.23
Charge for the year	-	4.65	656.52	4,807.82	94.39	67.73	93.05	80.39	5,804.55
Deductions	-	-	0.73	150.23	15.25	8.29	13.36	50.45	238.31
Adjustment due to reversal of Revaluation	-	-	(487.43)	(28.61)	-	-	-	-	(516.04)
Other adjustments	-	-	1.13	24.44	9.15	(31.95)	-	(2.77)	-
Depreciation written back	-	-	(44.54)	-	-	-	-	-	(44.54)
Adjustment with General Reserve	-	-	1,549.28	385.83	78.58	5.19	29.00	46.02	2,093.90
As at March 31, 2015	-	40.22	7,635.53	67,529.43	422.31	537.03	369.95	1,008.32	77,542.79
Charge for the year	-	4.65	671.86	4,807.26	60.24	50.90	94.09	46.41	5,735.41
Deductions	-	-	1.05	92.36	23.73	5.87	13.30	25.48	161.79
Other adjustments	-	-	(1.67)	(0.59)	6.84	2.05	-	(6.63)	-
Adjustment with General Reserve (Refer Note No. 34b)	-	-	-	7.18	-	-	-	-	7.18
As at March 31, 2016	-	44.87	8,304.67	72,250.92	465.66	584.11	450.74	1,022.62	83,123.59
Net Block									
As at March 31, 2015	4,755.40	636.13	16,917.96	64,014.77	203.11	225.80	545.64	128.03	87,426.84
As at March 31, 2016	3,581.34	756.48	18,250.92	62,063.00	168.73	184.74	504.54	159.56	85,669.31

*1 Land costing ₹ 1,170.40 lakhs, considered as Investment Property under note no. 13.

11B. Capital work-in-progress

(₹ in Lakhs)

Particulars	31.03.2016	31.03.2015
Capital work-in-progress	990.00	1,842.36
Less: Provision for impairment	56.31	-
	933.69	1,842.36

12. Intangible Assets (Other than internally generated)

(₹ in Lakhs)

Particulars	Computer Software	Technical know-how	Total
Gross block			
As at April 1, 2014	1,601.71	30.81	1,632.52
Additions	87.30	-	87.30
Disposals	35.71	-	35.71
As at March 31, 2015	1,653.30	30.81	1,684.11
Additions	105.84	-	105.84
Disposals	0.29	-	0.29
As at March 31, 2016	1,758.85	30.81	1,789.66
Amortisation			
As at April 1, 2014	1,452.64	30.81	1,483.45
Charge for the year	117.75	-	117.75
Disposals	35.71	-	35.71
As at March 31, 2015	1,534.68	30.81	1,565.49
Charge for the year	71.74	-	71.74
Disposals	0.28	-	0.28
As at March 31, 2016	1,606.14	30.81	1,636.95
Net Block			
As at March 31, 2015	118.62	-	118.62
As at March 31, 2016	152.71	-	152.71

13. Non-Current Investments

(₹ in Lakhs)

Particulars	31.03.2016	31.03.2015
LONG TERM (At Cost)		
OTHER THAN TRADE		
GOVERNMENT SECURITIES		
UNQUOTED		
National Saving Certificates *1	0.11	0.11
OTHER SECURITIES		
SHARES - Fully paid-up		
QUOTED		
13,500 (13,500) Equity shares of ₹ 2/- each of Housing Development Finance Corporation Ltd	0.17	0.17
2,500 (2,500) Equity shares of ₹ 2/- each of HDFC Bank Ltd.	0.05	0.05
24,175 (24,175) Equity shares of ₹ 2/- each of Punjab National Bank	2.34	2.34
76 (76) Equity shares of ₹ 10/- each of Central Bank of India	0.08	0.08
UNQUOTED		
1,821 (1,821) Ordinary shares of ₹ 10/- each of NBI Industrial Finance Co. Ltd.	0.13	0.13
TRADE		
OTHER SECURITIES		
SHARES - Fully paid-up		
ASSOCIATE COMPANIES		
Equity Shares at cost		
[including goodwill (net of capital reserve) amounting to ₹ 2,359.04 lakhs (Previous year: ₹ 2,359.04 lakhs) arising on acquisition of associates as per equity method]		
QUOTED		
72,000,000 (72,000,000) Equity shares of ₹ 1/- each of Triveni Turbine Ltd.	720.07	720.07
Accumulated Income/(Loss) from Triveni Turbine Ltd. (Refer Note No.49)	5,661.82	4,698.23
UNQUOTED		
13,008 (13,008) Equity shares of NIS 0.10 each of Aqwise-Wise Water Technologies Ltd.(Israel)	3,006.19	3,006.19
Accumulated Income/(Loss) from Aqwise-Wise Water Technologies Ltd. (Israel) [Refer Note No. 49]	(221.63)	(340.59)
INVESTMENT PROPERTY		
Land (Refer Note No.11A)	1,170.40	-
	10,339.73	8,086.78
Aggregate book value of quoted investments	6,384.53	5,420.94
Aggregate book value of unquoted investments	3,955.20	2,665.84
Market value of quoted investments	69,064.57	93,730.18

* 1 kept as security.

14. Loans and Advances

(₹ in Lakhs)

Particulars	Long-term		Short-term	
	31.03.2016	31.03.2015	31.03.2016	31.03.2015
Capital advances				
Unsecured, considered good	116.07	409.78	-	-
Unsecured, considered doubtful	-	200.25	-	-
	116.07	610.03	-	-
Less: Provision for doubtful advances	-	200.25	-	-
	(A) 116.07	409.78	-	-
Security deposit				
Unsecured, considered good	652.10	405.43	47.86	31.24
Unsecured, considered doubtful	0.40	0.40	-	-
	652.50	405.83	47.86	31.24
Less: Provision for doubtful security deposit	0.40	0.40	-	-
	(B) 652.10	405.43	47.86	31.24
Loans and advances to related parties *1				
Unsecured, considered good				
Mobilisation advance	-	-	122.31	216.57
Unsecured, considered doubtful				
Other loans	-	-	-	-
	-	-	122.31	216.57
Less: Provision for doubtful loans and advances	-	-	-	-
	(C) -	-	122.31	216.57
Other loans and advances				
Unsecured, considered good				
Prepaid expenses	34.37	14.17	342.98	284.15
Loans and advances to employees	12.34	7.80	95.75	108.74
Advances to suppliers for purchases	3.92	13.17	559.43	571.16
Earnest money deposit	2.00	2.00	103.76	23.06
Service tax recoverable	-	558.95	289.98	192.73
Deposit with sales tax authorities	60.22	60.22	27.99	22.99
Sales tax refundable	-	-	3.95	3.95
Excise duty (Cenvat Balance)	2,896.20	2,634.48	267.10	640.70
Works contract tax recoverable	15.00	8.88	-	-
Advance payment of tax { net of provision for tax of ₹ 26.45 lakhs (previous year: ₹ 29.50 lakhs)}	4,671.31	4,466.76	-	-
VAT recoverable	59.40	57.36	648.50	573.28
Excise duty recoverable	348.83	340.73	46.90	22.28
Incentives recoverable from UP Govt.				
[Refer Note No.35 (a)]	14,002.46	14,002.46	-	-
Cane price/society commission recoverable				
[Refer Note No.35 (b)]	-	-	1,330.72	16,546.07
Cane price subsidy recoverable [Refer Note No.35(c)]	-	-	1,994.50	-
Others	82.55	90.44	221.40	214.18
Sub-total (considered good)	22,188.60	22,257.42	5,932.96	19,203.29
Unsecured, considered doubtful				
Excise duty / Sales tax recoverable	861.84	449.48	1.46	-
Loans and advances to employees	2.26	2.26	-	-
Advances to suppliers for purchases	44.13	42.31	1.56	1.27
Bank guarantee encashments recoverable	1,122.74	1,122.74	-	-
Others	350.88	336.71	15.96	15.03
Sub-total (considered doubtful)	2,381.85	1,953.50	18.98	16.30
Total Gross (other loans and advances)	24,570.45	24,210.92	5,951.94	19,219.59
Less: Provision for doubtful loans and advances	2,381.85	1,953.50	18.98	16.30
Total Net (other loans and advances)	(D) 22,188.60	22,257.42	5,932.96	19,203.29
Total (A+B+C+D)	22,956.77	23,072.63	6,103.13	19,451.10
*1 Loans and advances to related parties include the following:				
Triveni Turbine Limited (Associate Company) Mobilisation advance	-	-	122.31	216.57

15. Inventories

(₹ in Lakhs)

Particulars	31.03.2016	31.03.2015
Raw material and components	2,015.42	2,418.90
Less: Provision for obsolescence/slow moving raw materials and components	(146.29)	(153.49)
Work-in-progress	1,723.95	1,916.22
Stores and spares	3,319.88	3,214.89
Less: Provision for obsolescence/slow moving stores and spares	(65.52)	(31.49)
Finished goods	134,424.76	115,858.33
Stock- in- trade	10.38	24.55
Certified emission reductions/renewable energy certificates (Refer Note No.45)	2.95	0.74
Patterns, loose tools, jigs and fixtures	62.64	26.28
Others - Scrap	188.22	158.85
	141,536.39	123,433.78

16. Trade Receivables

(₹ in Lakhs)

Particulars	Non-Current		Current	
	31.03.2016	31.03.2015	31.03.2016	31.03.2015
Over Six Months				
Unsecured, considered good	20.99	1.49	2,235.86	3,654.90
Considered doubtful	785.14	2,653.86	3,273.67	2,197.67
	806.13	2,655.35	5,509.53	5,852.57
Less : Provision for doubtful receivables	785.14	2,653.86	3,273.67	2,197.67
	(A) 20.99	1.49	2,235.86	3,654.90
Others				
Unsecured, considered good	3,226.72	2,853.48	21,254.19	19,625.89
Considered doubtful	-	-	0.64	11.38
	3,226.72	2,853.48	21,254.83	19,637.27
Less : Provision for doubtful receivables	-	-	0.64	11.38
	(B) 3,226.72	2,853.48	21,254.19	19,625.89
	Total (A+B) 3,247.71	2,854.97	23,490.05	23,280.79
Less: Amount disclosed under other non-current assets (Refer Note No 18)	3,247.71	2,854.97		
	-	-	23,490.05	23,280.79

17. Cash and Bank Balances

(₹ in Lakhs)

Particulars	Non-Current		Current	
	31.03.2016	31.03.2015	31.03.2016	31.03.2015
Cash and cash equivalents				
Balance with banks				
Current accounts	-	-	200.46	288.86
Cheques / drafts on hand	-	-	45.19	188.25
Cash on hand	-	-	40.88	31.77
	(A)	-	286.53	508.88
Other Bank Balances				
Earmarked balances :				
Deposit against molasses storage fund	207.67	174.28	-	-
Unpaid dividend and preference share redemption accounts	-	-	99.49	103.38
Balances under lien/margin/kept as security :				
Post office savings account	0.27	1.80	-	-
Fixed / margin deposits (original maturity upto one year)	47.23	7.35	3.11	2.91
Fixed / margin deposits (original maturity more than one year)	168.96	212.76	-	-
Other balances:				
Demand deposits (original maturity more than one year)	44.14	3.90	-	34.00
Demand deposits (original maturity exceeding three months but upto one year)	-	-	16.87	8.53
	(B)	468.27	400.09	119.47
	Total (A+B)	468.27	400.09	406.00
Less: Amount disclosed under other non-current assets (Refer Note No 18)	468.27	400.09	-	-
	-	-	406.00	657.70

18. Other Assets

(₹ in Lakhs)

Long-term trade receivables (Refer Note No 16)	3,247.71	2,854.97	-	-
Non current cash and bank balances (Refer Note No 17)	468.27	400.09	-	-
Interest accrued on bank deposits	49.15	38.45	27.30	22.15
Export incentives receivable	-	-	17.40	16.45
Forward premium /discount adjustable	-	-	33.16	20.91
Due from customers (Construction and project related activity)	-	-	5,734.31	5,266.76
Fixed assets pending disposal/sale	-	-	142.88	143.62
Insurance claim recoverable	-	-	15.02	16.09
Unamortised front end charges	92.23	89.09	45.36	38.92
Amount recoverable against sale of fixed assets	-	-	0.21	-
Others	-	-	1.51	10.46
	3,857.36	3,382.60	6,017.15	5,535.36

19. Revenue from Operations

(₹ in Lakhs)

Particulars	31.03.2016	31.03.2015
Sale of products		
Finished goods	185,453.06	187,482.06
Traded goods	1,390.90	1,469.51
Sale of services		
Erection and commissioning	53.54	81.20
Servicing	169.52	227.98
Operation and maintenance	2,267.53	1,555.45
Construction contract revenue	9,980.58	21,390.85
Other operating revenue		
Income from sale of renewable energy certificates	731.82	481.38
Export incentives	21.10	20.87
Sale of scrap	43.16	73.90
	200,111.21	212,783.20
Details of Sales (Finished Goods)		
Sugar	140,608.89	145,137.63
Molasses	1,896.59	2,425.87
Bagasse	3,198.63	3,871.97
Power	7,583.67	6,898.51
Alcohol	17,825.08	15,798.74
Mechanical equipment - Water/Waste-water treatment	2,111.18	1,795.86
Gears/Gear Boxes	10,687.26	9,238.35
Bought outs and Spares	1,059.97	1,726.03
Others	481.79	589.10
	185,453.06	187,482.06
Details of Sales (Traded Goods)		
Diesel/Petrol/Lubricants	1,320.86	1,380.12
Other consumer goods	70.04	89.39
	1,390.90	1,469.51
Details of Sales (Construction Contract Revenue)		
Water,Waste-water and Sewage treatment	8,801.22	16,320.86
Power generation and evacuation system	1,179.36	5,069.99
	9,980.58	21,390.85

20. Other Income

(₹ in Lakhs)

Particulars	31.03.2016	31.03.2015
Exchange rate fluctuation gain [Includes premium/discount received on foreign currency forward contracts : ₹ 41.17 lakhs (Previous year: ₹ 8.95 lakhs)]	1.68	40.16
Rent received	34.01	26.17
Interest income from		
- Bank deposits	51.35	87.75
- Customers	16.36	9.18
- Others	5.63	35.31
Dividend on long term investment	2.75	0.44
Profit on sale of shares in a subsidiary company - current year ₹ 11/-	0.00	-
Credit balances written back [net of amounts written off: ₹ Nil (previous year: ₹ 68.14 lakhs)]	-	108.59
Excess provision for mark to market loss on foreign exchange derivatives reversed (net) (Refer Note No.42)	6.65	-
Excess provision for warranty written back (net) (Refer Note No.42)	-	20.25
Excess provision for cost to completion reversed (net) (Refer Note No.42)	30.00	-
Excess provision of expenses written back	300.41	141.22
Subsidy from Central Government [Refer Note No.35 (c)]	270.35	-
Miscellaneous income	595.83	722.72
	1,315.02	1,191.79

21. Cost of Raw Material and Components Consumed

(₹ in Lakhs)

Stock at commencement	2,418.90	2,084.75
Purchases	151,114.82	145,819.17
	153,533.72	147,903.92
Less : Amount capitalised	9.27	15.84
Less: Stock at close	2,015.42	2,418.90
	151,509.03	145,469.18
Details of raw material and components consumed		
Sugar cane (Refer Note No. 36)	137,977.52	128,270.82
Water, Waste-water and Sewage treatment		
- Clarifiers	447.18	468.63
- RO plants	4,553.99	6,966.94
- Operation and maintenance	543.98	400.08
Molasses	1,428.24	732.94
Forgings and castings	2,046.35	1,524.97
Sub contract charges	209.11	173.26
Others	4,302.66	6,931.54
	151,509.03	145,469.18

22. Purchase of Traded Goods

(₹ in Lakhs)

Diesel/Petrol/Lubricants	1,344.91	1,430.47
Other consumer goods	59.52	77.21
	1,404.43	1,507.68

23. (Increase)/Decrease in Inventories of Finished Goods, Work-in-Progress

(₹ in Lakhs)

Particulars	31.03.2016	31.03.2015
Stock at commencement		
- Work-in-progress	1,916.22	3,032.73
- Finished goods	115,858.33	131,729.16
- Traded goods	24.55	34.00
- Certified emission reduction	0.74	8.24
	117,799.84	134,804.13
Stock at close		
- Work-in-progress	1,723.95	1,916.22
- Finished goods	134,424.76	115,858.33
- Traded goods	10.38	24.55
- Certified emission reduction / renewable energy certificates	2.95	0.74
	136,162.04	117,799.84
Add/(Less): Impact of excise duty on finished goods	4,171.00	235.02
	(14,191.20)	17,239.31
Details of Work in Progress		
Sugar	935.04	1,334.31
Molasses	100.72	155.78
Mechanical Equipment-Water/Waste Water	312.25	63.00
Gear/Gear Boxes	262.84	276.80
Others	113.10	86.33
	1,723.95	1,916.22
Details of Finished Goods		
Sugar	126,217.25	108,568.52
Molasses	5,314.70	4,743.07
Bagasse	168.68	237.96
Power	213.35	170.94
Alcohol	2,237.13	2,107.75
Gear/Gear Boxes	273.42	-
Others	0.23	30.09
	134,424.76	115,858.33
Details of Traded Goods		
Diesel/Petrol/Lubricants	9.29	23.16
Other consumer goods	1.09	1.39
	10.38	24.55

24. Employee Benefit Expenses

(₹ in Lakhs)

Salaries, wages and bonus	14,040.17	13,246.39
Contributions to provident and other funds	1,063.29	996.56
Gratuity	398.37	643.78
Employee welfare	361.54	364.61
	15,863.37	15,251.34
Less : Amount capitalised	8.03	-
	15,855.34	15,251.34

25. Other Expenses

(₹ in Lakhs)

Particulars	31.03.2016	31.03.2015
(A) Manufacturing/Operating Expenses		
Stores,spares and tools consumed	2,167.21	2,265.45
Power and fuel	2,225.94	2,283.90
Design and engineering charges	64.96	194.33
Cane development expenses	323.09	292.14
Machining/fabrication expenses	82.56	117.36
Erection and commissioning expenses	887.57	1,122.62
Civil construction charges	2,594.23	4,978.95
Packing and stacking expenses	2,054.96	2,166.74
Repairs and maintenance		
- Machinery	2,777.35	3,300.97
- Building	276.05	336.98
- Others	375.31	373.44
Factory/operational expenses	1,260.38	1,170.09
	15,089.61	18,602.97
(B) Administration Expenses		
Travelling and conveyance	1,218.87	1,222.22
Rent	505.83	504.43
Rates and taxes	542.72	857.60
Insurance	224.63	227.35
Directors' fee	49.95	36.90
Legal and professional expenses	788.36	709.90
Security service expenses	868.60	750.82
Bad debts/sundry amount written off [net of credit balances written back of ₹ 40.66 lakhs (previous year ₹ Nil) and provision for doubtful debts and advances written back of ₹ 572.70 lakhs (previous year ₹ Nil)]	1,750.77	-
Warranty expenses [Includes provision for warranty (net) ₹ 36.76 lakhs (Previous year : ₹ Nil)] - Refer Note No.42	37.88	1.01
Payment to Auditors (Refer Note No 50)	121.78	100.55
Provision for Arbitration/Court case claims (Refer Note No.42)	13.56	13.56
Provision for mark to market loss on foreign exchange derivatives (Refer Note No.42)	-	6.45
Provision for non moving / obsolete inventory	26.83	57.05
Provision for bad and doubtful debts/advances (net)	-	1,853.22
Provision for cost to completion on construction contracts (net) (Refer Note No.42)	-	19.85
Loss on sale/write off / impairment of fixed assets	70.78	2.33
Loss on sale /write off of stores & spares	10.07	0.34
Miscellaneous expenses	1,252.19	1,173.70
	7,482.82	7,537.28
(C) Selling Expenses		
Selling commission	602.27	537.27
Royalty	338.25	258.40
Advertisement and sales promotion	38.14	36.94
Rebate and discount	1.64	9.10
Outward freight and forwarding	794.26	1,441.06
Other selling expenses	18.87	18.67
	1,793.43	2,301.44
Sub-total (A+B+C)	24,365.86	28,441.69
Less : Amount capitalised	27.93	15.80
Total Other Expenses	24,337.93	28,425.89

26. Prior Period Items

(₹ in Lakhs)

Particulars	31.03.2016	31.03.2015
(A) Expenses		
Cost of raw material and components consumed	-	10.48
Repairs and maintenance		
- Machinery	12.80	-
Rates & Taxes	5.55	2.45
Legal and professional expenses	-	0.77
Loss on sale/write off / impairment of fixed assets	-	7.52
Miscellaneous expenses	68.16	6.42
Depreciation	3.27	0.13
Interest on fixed loans	0.49	-
Other borrowing cost	-	0.05
	90.27	27.82
(B) Income		
Revenue from operations	2.63	-
Excess Depreciation written back	-	44.54
Miscellaneous income	-	3.02
	2.63	47.56
Prior period items (net) (A) - (B)	87.64	(19.74)

27. Depreciation and Amortisation Expenses

(₹ in Lakhs)

Depreciation	5,732.14	5,804.42
Amortisation		
- Intangible assets	71.74	117.75
	5,803.88	5,922.17

28. Finance Costs

(₹ in Lakhs)

Interest expense on		
Debentures	-	367.02
Fixed loans	4,334.83	4,919.61
Others	7,023.90	6,701.88
Other borrowing cost	92.46	184.61
Exchange fluctuation loss *	39.41	34.50
	11,490.60	12,207.62

* Includes premium/discount paid on foreign currency forward contracts to hedge buyers credit availed : ₹ 27.44 lakhs
(Previous year: ₹ 33.81 lakhs)

29. Exceptional Items

(₹ in Lakhs)

Profit on sale of Land	173.60	-
	173.60	-

30. Tax Expense

(₹ in Lakhs)

For Current Year		
- Current Tax Expense	0.80	0.98
- Deferred Tax Expense/(credit)	-	(1,736.88)
	0.80	(1,735.90)
For Earlier Years (Net)		
- Current Tax Expense	0.21	-
	0.21	-
	1.01	(1,735.90)

31. Earning Per Share (EPS)

(₹ in Lakhs)

Particulars	31.03.2016	31.03.2015
Net loss after tax as per consolidated statement of profit and loss (A)	(980.29)	(15,206.20)
Weighted average number of equity shares outstanding during the year [B]	257,945,110	257,940,676
Basic earning per share - ₹/Share [A/B]	(0.38)	(5.90)
Diluted earning per share - ₹/Share	(0.38)	(5.90)

32. The contingent liabilities of the Group are mainly of the holding company. The Group, besides the contingent liabilities of the holding company disclosed here-under, is also contingently liable for ₹ 120.45 lakhs (previous year ₹113.80 lakhs) in respect of its associate companies, proportionate to the equity investment in such associates, excluding the cases where the amounts are not quantifiable.

33. Contingent liabilities (to the extent not provided for)

(a) Claims against the Company not acknowledged as debts:

(₹ in Lakhs)

	31.03.2016	31.03.2015																
i) Claims which are being contested by the company and in respect of which the company has paid amounts aggregating to ₹ 495.51 lakhs (previous year ₹ 471.80 lakhs) excluding interest under protest pending final adjudication of the cases:	2,621.11	2,208.25																
<table border="1"> <thead> <tr> <th>Sl. No.</th> <th>Particulars</th> <th>Amount of Contingent Liability</th> <th>Amount Paid</th> </tr> </thead> <tbody> <tr> <td>01.</td> <td>Sales Tax</td> <td>699.75 (295.20)</td> <td>105.45 (91.92)</td> </tr> <tr> <td>02.</td> <td>Excise Duty</td> <td>1,174.41 (1,189.61)</td> <td>342.43 (340.42)</td> </tr> <tr> <td>03.</td> <td>Others</td> <td>746.95 (723.44)</td> <td>47.63 (39.46)</td> </tr> </tbody> </table>	Sl. No.	Particulars	Amount of Contingent Liability	Amount Paid	01.	Sales Tax	699.75 (295.20)	105.45 (91.92)	02.	Excise Duty	1,174.41 (1,189.61)	342.43 (340.42)	03.	Others	746.95 (723.44)	47.63 (39.46)		
Sl. No.	Particulars	Amount of Contingent Liability	Amount Paid															
01.	Sales Tax	699.75 (295.20)	105.45 (91.92)															
02.	Excise Duty	1,174.41 (1,189.61)	342.43 (340.42)															
03.	Others	746.95 (723.44)	47.63 (39.46)															
ii) The Company is contingently liable in respect of short provision against disputed income tax liabilities (excluding determination of final interest payable thereon) of ₹ 3,568.99 lakhs (previous year ₹ 4,409.28 lakhs) against which ₹ 2,739.06 lakhs (previous year ₹ 2,844.88 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. In the event such liability finally materializes, ₹ 3,524.20 lakhs (previous year ₹ 3,524.20 lakhs) will be adjusted against the capital reserve.	3,568.99	4,409.28																
iii) Statutory levies against which remission has been availed under U.P. Sugar Industry Promotion Policy 2004 issued by the State Government of Uttar Pradesh [refer note 35(a)]	3,631.51	3,591.14																
iv) 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																

Figures in brackets relates to previous year.

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.

(b) Guarantees/surety given on behalf of companies ₹ 1,734.99 lakhs (previous year ₹ 1,688.13 lakhs), including a corporate guarantee of ₹ 1,693.99 lakhs (previous year ₹ 1,647.13 lakhs) equivalent to GBP 17.62 lakhs (previous year GBP 17.62 lakhs) given on behalf of an associate company as a surety for due performance of its obligations under a contract awarded by an

overseas customer and in respect of which, the associate company has fully indemnified the Company against any claims, damages or expenses, including legal costs. The guarantees have been given in the normal course of operations of these companies and are not expected to result in any loss to the Company on the basis of such companies fulfilling their ordinary commercial obligations.

- (c) Estimated amount of contracts remaining to be executed on capital account and not provided for as at the end of the year ₹ 1,913.50 lakhs (previous year ₹ 3,620.63 lakhs), after adjusting advances aggregating to ₹ 235.23 lakhs (previous year ₹ 413.66 lakhs).

34. In accordance with Schedule II of the Companies Act 2013, the Company has, during the year, separately assessed the useful lives of the major components forming part of its fixed assets and charged depreciation on such components over their separate useful lives. Consequent thereto-

- a) the depreciation charge for the current year is higher by ₹ 99.79 lakhs; and
 b) an amount of ₹ 7.18 lakhs, being the carrying value of components, the useful lives of which have expired prior to 01/04/2015, has been adjusted with the opening reserves in accordance with the Guidance Note on Accounting for Depreciation in Companies in the context of Schedule II to the Companies Act, 2013.

35. (a) The Company had, in respect of eligible projects, accounted for capital subsidy as well as remissions and reimbursement of certain statutory levies and other expenses, in accordance with and as prescribed under the U.P. Sugar Industry Promotion Policy 2004 ("Policy") issued by the State Government of U.P. Till the beginning of the current financial year, the Company had accounted for recoverable incentives, aggregating to ₹ 14,002.46 lakhs (previous year ₹ 14,002.46 lakhs) including capital subsidy of ₹ 10,470.00 lakhs (previous year ₹ 10,470.00 lakhs) credited to capital reserves, and had availed remission of ₹ 3,591.14 lakhs (previous year ₹ 3,570.27 lakhs)

On premature termination of the Policy by the State Government with effect from June 4, 2007, the Company has challenged before the Lucknow Bench of the Allahabad High Court, the action of the State Government in withdrawing the said Policy and not granting the incentives to the Company. Pending final adjudication in the matter, the High Court vide its interim order dated 09.05.2008 has permitted limited protection of remissions which were being enjoyed on the date when the Policy was revoked.

Accordingly, during the current year, the Company has accounted for only remissions of ₹ 40.36 lakhs (previous year ₹ 20.88 lakhs) as permitted by the High Court in the

interim order. Eligible reimbursements of ₹ 541.07 lakhs (previous year ₹ 793.61 lakhs) have however not been accounted for during the current year. The amount of reimbursements not accounted for, net of reduction in the cane commission by ₹ 737.03 lakhs, till the end of the current year aggregate to ₹ 7,936.82 lakhs (previous year ₹ 8,132.78 lakhs), which will be accounted for in accordance with the final order of the High Court.

- (b) During the year, the Company has accounted for subsidy aggregating to ₹ 2,642.73 lakhs (Previous year: ₹ 17,067.89 lakhs), comprising reimbursement of commission on cane purchased during the season 2015-16 in terms of Press Release dated 18.01.2016, reimbursement of commission on cane purchased and subsidy of ₹ 28.60/qtl both pertaining to season 2014-15 as per notification dated 12.11.2014 issued by the State Government of Uttar Pradesh. Further, purchase tax payable at ₹ 2/qtl of cane purchased has been remitted by the State Government for the seasons 2015-16 as well as for 2014-15. Pending announcement of details with respect to determination of further subsidy applicable as per the Press Release dated 18.01.2016, if any, for the season 2015-16, no additional subsidy has been considered by the Company.

(c) The Central Government has announced a cane production subsidy of ₹ 4.50 per quintal of cane purchased by the sugar mills, which is payable on the condition that the sugar mills export at least 80% of their minimum indicative export quota (MIEQ) notified on 18.09.2015 and upon production of ethanol (in cases where the sugar mills also have distillery capacities) of at least of 80% of the notified targets by 30.09.2016. Based upon the facts that export of sugar has already been undertaken and expected production of ethanol against firm orders placed by oil marketing companies for supply of ethanol, the Company has accounted for an amount of ₹ 1,994.50 lakhs towards the cane subsidy and has incurred a loss of ₹ 1,724.15 lakhs in fulfillment of its export obligations through third party exports. The net income of ₹ 270.35 lakhs (after offsetting the loss on fulfillment of export obligation) has been depicted under the head "Other Income" in the statement of profit and loss.

(d) The Company had availed loans aggregating ₹ 12,626.00 lakhs during financial year 2012-14 under the "Scheme for Extending Financial Assistance to Sugar Undertakings, 2014" notified by the Government of India. Under the said scheme interest subvention @ 12% per annum is granted by the Government on such loan. The loan outstanding as at the end of the year is ₹ 12,379.44 lakhs (previous year ₹ 12,626.00 lakhs).

(e) During the current year, the Company has availed loans aggregating to ₹ 11,450.50 lakhs under the 'Scheme of extending soft loan to sugar mills'. Interest subvention @ 10% p.a. is granted by the Government of India for one year on such loans.

36. Cost of raw material & components consumed for the year, presented in note no. 21, is net of ₹ 1,747.30 lakhs, being reversal of cane commission pertaining to season 2012-13 consequent to reduction in cane commission rates notified by the State Government of Uttar Pradesh.

37. The Company has made provisions for the employee benefits in accordance with the Accounting Standard (AS) 15 "Employees Benefits". During the year, the Company has recognized the following amounts in its financial statements:

(i) Defined Contribution Plans

(₹ in Lakhs)

Particulars	2015-16	2014-15
Employers' Contribution to Employees' Provident Fund	850.28	803.91
Employers' Contribution to ESI	8.46	7.31
Employers' Contribution to Superannuation Scheme	112.73	114.63
Employers' Contribution to National Pension Scheme	10.42	-

(ii) Defined Benefit Plans

Changes in present value of obligation

(₹ in Lakhs)

Particulars	Gratuity		Compensated Absence (unfunded)	
	2015-16	2014-15	2015-16	2014-15
Present value of obligation as at the beginning of the year	3310.17	2939.24	1079.73	909.65
Interest cost	244.12	207.89	84.78	70.12
Current service cost	280.61	261.61	128.43	130.29
Benefits paid	(184.29)	(358.47)	(39.89)	(66.22)
Actuarial (gain)/loss on obligation	(17.73)	259.90	(100.62)	35.89
Present value of obligation as at the end of the year	3632.88	3310.17	1152.43	1079.73

Change in the value of plan assets

(₹ in Lakhs)

Particulars	Gratuity		Compensated Absence (unfunded)	
	2015-16	2014-15	2015-16	2014-15
Fair value of the plan assets at the beginning of the year	1,087.16	999.19	-	-
Expected return on plan assets	92.41	82.44	-	-
Contributions	184.29	334.86	-	-
Benefits paid	(184.29)	(332.52)	-	-
Actuarial gain/(loss) on plan assets	16.23	3.19	-	-
Fair value of the plan assets at the end of the year	1,195.80	1,087.16	-	-

Amount recognized in balance sheet

(₹ in Lakhs)

Particulars	Gratuity		Compensated Absence (unfunded)	
	2015-16	2014-15	2015-16	2014-15
Present value of obligation as at the end of the year	3,632.88	3,310.17	1,152.44	1,079.73
Fair value of plan assets as at the end of the year	1,195.80	1,087.16	-	-
Funded Status	(2,437.08)	(2,223.01)	(1,152.44)	(1,079.73)
Net Assets/(Liability) recognized in the balance sheet	(2,437.08)	(2,223.01)	(1,152.44)	(1,079.73)

Amount recognized in the statement of profit and loss

(₹ in Lakhs)

Particulars	Gratuity		Compensated Absence (unfunded)	
	2015-16	2014-15	2015-16	2014-15
Current service cost	280.61	261.61	128.43	130.29
Interest cost	244.12	207.89	84.78	70.12
Expected return on plan assets	(92.41)	(82.43)	-	-
Net actuarial (gain)/loss recognized during the year	(33.95)	256.71	(100.62)	35.89
Expenses recognized in the statement of profit and loss	398.37	643.78	112.59	236.31

Experience adjustment (Gratuity)

(₹ in Lakhs)

	2015-16	2014-15	2012-14	2011-12	2010-11
Present value of obligation as at the end of the year	3632.88	3310.17	2939.24	2648.49	2423.88
Fair value of plan assets at the end of the year	1195.80	1087.16	999.19	904.66	861.07
Surplus/(Deficit)	(2437.08)	(2223.01)	(1940.05)	(1743.83)	(1562.81)
Experience adjustment on plan liabilities - (gain)/loss	(17.09)	16.62	116.43	57.90	(26.34)
Experience adjustment on plan assets -(gain)/loss	(13.51)	(5.69)	(25.93)	(3.59)	(6.31)

Experience adjustment (Compensated Absence)

(₹ in Lakhs)

	2015-16	2014-15	2012-14	2011-12	2010-11
Present value of obligation as at the end of the year	1152.44	1079.73	909.65	779.36	671.80
Fair value of plan assets at the end of the year	-	-	-	-	-
Surplus/(Deficit)	(1152.44)	(1079.73)	(909.65)	(779.36)	(671.80)
Experience adjustment on plan liabilities - (gain)/loss	(100.78)	(109.04)	(48.03)	(17.97)	(126.74)
Experience adjustment on plan assets - (gain)/loss	N.A.	N.A.	N.A.	N.A.	N.A.

The amount of contribution expected to be made to the Gratuity Fund during the year ended March 31, 2017 is ₹ 108.03 lakhs (₹ 112.46 lakhs).

Major actuarial assumptions

(₹ in Lakhs)

Particulars	Gratuity		Compensated Absence (unfunded)	
	2015-16	2014-15	2015-16	2014-15
Discounting rate	8%	8%	8%	8%
Future salary increase	7%	7%	7%	7%
Expected rate of return on plan assets	8.50%	8.25%	N.A.	N.A.
Mortality table	IALM 2006-08 Ultimate			
Method used	Projected unit credit method			

Contributions to provident fund also include contributions in respect of certain employees which are made to trust administered by the Company. In terms of the guidance note issued by the Institute of Actuaries of India, the actuary has provided a valuation of provident fund liability for the year ended 31.03.2016 and determined that there is no shortfall as at

31.03.2016. The disclosures and assumptions with respect to defined benefit provident fund plan are as under:

(₹ in Lakhs)		
Particulars	2015-16	2014-15
Obligation / Plan Assets		
Present value of benefit obligation at balance sheet date	8133.48	8555.35
Fair value of plan assets as at balance sheet date	8229.85	8662.76
Liability recognised in balance sheet	-	
Major actuarial assumptions		
Discounting rate	8.00%	8.75%
Expected rate of return on plan assets	8.75%	8.70%
Expected statutory interest rate	8.75%	8.75%

38. Pursuant to compliance of Accounting Standard (AS) 18 "Related Party Disclosures", the relevant information is provided here below :

a) Related party where control exists

- (i) Mr D.M. Sawhney, Chairman & Managing Director (Key Management person).

b) The details of related parties with whom transactions have taken place during the Year :

i) Associates (Group A)

- Triveni Turbine Limited (TTL)
Aqwise-Wise Water Technologies Limited (AWTL)

ii) Key Management Person (Group B)

- Mr D.M. Sawhney, Chairman & Managing Director (DMS)
Mr. Tarun Sawhney, Vice Chairman and Managing Director (TS)

iii) Relatives of Key Management Person (Group C)

- Mr Nikhil Sawhney (NS – Son of DMS)

iv) Companies/Parties in which key management person or his relatives have substantial interest/significant influence (Group D)

- Kameni Upaskar Limited (KUL)
TOFSL Trading & Investments Limited (TOFSL)
Tirath Ram Shah Charitable Trust (TRSCT)

(₹ in Lakhs)

c). Details of transactions with the related parties during the year ended 31.03.2016 :

SR. No.	NATURE OF TRANSACTION	Group - A		Group - B		Group - C			Group - D		TOTAL
		TTL	AWTL	DMS	TS	NS	KUL	TOFSL	TRSTCT		
1	Sales and Rendering Services	3766.13 (3610.78)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	3766.13 (3610.78)
2	Purchases and receiving Services	1277.27 (5446.34)	29.86 (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	1.10 (0.76)	1308.23 (5447.10)
3	Rent Paid	- (-)	- (-)	43.06 (38.76)	- (-)	- (-)	70.23 (64.25)	- (-)	- (-)	- (-)	113.29 (103.01)
4	Rent & Other Charges received	21.19 (20.90)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	21.19 (20.90)
5	Expenses incurred by the Company on behalf of party (net)	43.24 (48.19)	- (-)	- (-)	- (-)	- (-)	2.42 (1.95)	- (-)	- (-)	- (-)	45.66 (50.14)
6	Remuneration *	- (-)	- (-)	- (-)	151.33 (155.33)	- (-)	- (-)	- (-)	- (-)	- (-)	151.33 (267.02)
7	Directors fee paid	- (-)	- (-)	- (-)	- (-)	5.45 (5.70)	- (-)	- (-)	- (-)	- (-)	5.45 (5.70)
8	Outstanding balances as on 31.03.2016										
	A Receivable	687.06 (438.61)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	687.06 (438.61)
	B. Payable	1,918.67 (2,096.15)	- (-)	2.79 (3.24)	3.08 (2.16)	- (-)	- (-)	- (-)	- (-)	0.22 (0.53)	1924.76 (2102.08)
	C. Guarantees / Surety Outstanding	1,694.99 (1,648.13)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	40.00 (40.00)	- (-)	1734.99 (1688.13)

* : For TS gratuity & compensated absence are not included as these are provided on actuarial valuation for the entire Company.

Figures in brackets relate to previous period.

39. Disclosures under Accounting Standard (AS) 7 "Construction contracts" as at the end of the year are provided here-below.

(₹ in Lakhs)

Particulars of Disclosure	31.03.2016	31.03.2015
Amount of contract revenue recognized as revenue during the year	9,980.58	21,390.85
In respect of contracts in progress :		
The aggregate amount of costs incurred and recognized profits (less recognized losses) upto the reporting date	90,087.25	85,868.18
Advances Received	2,057.18	1,005.45
Retentions	6,551.34	6,573.29
Gross amount due from customers for contract work as on asset	5,734.31	5,266.76
Gross amount due to customers for contract work as liability	399.66	333.84

40. (a) The Company has taken various residential, office and godown premises under operating lease. These are generally not non-cancelable leases having unexpired period upto 4 years. The leases are 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 or restriction imposed in the lease agreement. Lease payments under operating lease are recognized in the statement of profit and loss under "Other expenses" in Note No. 25. The minimum future lease payments under non-cancellable leases are as under :

(₹ in Lakhs)

Particulars	31.03.2016	31.03.2015
Not later than one year	24.00	94.50
Later than one year but not later than five years	-	24.00
Later than five years	Nil	Nil

(b) The Company has given certain portion of its office / factory premises under operating leases. These leases are not non-cancelable and are extendable by mutual consent and at mutually agreeable terms. The gross carrying amount, accumulated depreciation and depreciation recognized in the statement of profit and loss in respect of such portion of the leased premises are not separately identifiable. There is no impairment loss in respect of such premises. No contingent rent has been recognised in the statement of profit and loss. There are no minimum future lease payments as there are no non-cancellable leases. Lease income is recognised in the statement of profit and loss under "Other Income" in Note No.20.

41. Based on the intimation received by the Company from its suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act,2006, the relevant information is provided here below:-

(₹ in Lakhs)

S.No.	Particulars	31.03.2016	31.03.2015
1	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	46.19	Nil
	ii) Interest due on above	Nil	Nil
2	The amount of interest paid by the buyer in terms of section 16 of Micro, Small and Medium Enterprises Development Act,2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	Nil	Nil
3	The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro,Small and Medium Enterprises Development Act,2006	Nil	Nil
4	The amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil	Nil
5	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	Nil	Nil

42. Disclosures required by Accounting Standard (AS) 29 – Provisions, Contingent liabilities and Contingent assets:

(a) Movement in provisions:

	(₹ in Lakhs)				
Nature of provision	Opening balance	Made during the year	Used during the year	Reversed during the year	Closing balance
Warranty	236.40 (276.23)	45.53 (77.14)	20.14 (19.58)	8.77 (97.39)	253.02 (236.40)
Cost to completion	60.00 (40.15)	30.00 (60.00)	- (-)	60.00 (40.15)	30.00 (60.00)
Arbitration/ Court-case claims	251.67 (238.11)	13.56 (13.56)	- (-)	- (-)	265.23 (251.67)
Mark to market Loss on foreign exchange derivatives	6.65 (0.20)	- (6.65)	- (-)	6.65 (0.20)	- (6.65)

Figures in brackets relate to previous year.

(b) Nature of provisions:

Warranties: The Company gives warranties on certain products and services, 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. The timing of the outflows is expected to be within the period of two years.

Cost to completion: The provision represents costs of materials and services required for integration of water treatment package at the site, prior to commissioning.

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.

Loss on foreign exchange derivatives: Provision is made for mark-to-market losses on derivative contracts outstanding at the year-end which were entered into for hedging certain firm commitments or highly probable forecast transactions. The timing of the outflows is expected to be within the period of one year.

(c) Disclosure in respect of contingent liabilities is given as part of Note No.32 & 33.

44. Derivative Instruments

(a) Derivative instruments outstanding as on 31.03.2016 for hedging foreign currency risks (including firm commitments and highly probable forecasted transactions)

(₹ in Lakhs)				
Foreign Currency Forward Contracts	As on 31.03.16		As on 31.03.15	
	Payables	Receivables	Payables	Receivables
USD (INR Equivalent)	11.25 (751.17)	6.81 (448.98)	5.15 (324.99)	2.32 (144.54)
EURO (INR Equivalent)	6.40 (484.99)	0.55 (40.79)	12.96 (886.38)	1.25 (83.61)
JPY (INR Equivalent)	813.00 (484.87)	- (-)	813.00 (427.88)	- (-)

(b) Year end foreign exchange exposures that have not been hedged by a derivative instrument or otherwise :

(Amount in Lakhs)						
Currency	As on 31.03.2016			As on 31.03.2015		
	Payables	Receivables	Net*1	Payables	Receivables	Net*1
USD (INR Equivalent)	0.95 (63.21)	0.51 (33.72)	0.44 (29.49)	2.24 (141.65)	4.34 (270.26)	-2.10 (-128.61)
EURO (INR Equivalent)	0.85 (64.82)	0.20 (14.91)	0.65 (49.91)	0.77 (52.89)	0.96 (64.45)	-0.19 (-11.56)
GBP (INR Equivalent)	0.61 (58.28)	- (-)	0.61 (58.28)	0.02 (1.53)	- (-)	0.02 (1.53)
CHF (INR Equivalent)	0.05 (3.68)	- (-)	0.05 (3.68)	- (-)	- (-)	- (-)

*1 Negative figures in net column indicate open receivables.

45. (a) In accordance with the Guidance Note on Accounting for Self-generated Certified Emission Reductions (CERs), issued by the Institute of Chartered Accountants of India, the Company has recognized the CERs held by it as inventories in its financial statements. Disclosures as required under the Guidance Note are as under:

- i) 86562 (previous year 86562) CERs (net of fee for UNFCCC adaptation fund) have been held as inventory by the Company as at the end of the year.
- ii) There are no CERs under certification as on the date of the financial statements;
- iii) The Company's Deoband and Khatauli Phase-I projects are registered as Clean Development Mechanism (CDM) projects with United Nations Framework Convention on Climate Change (UNFCCC) and it is not feasible to identify specific items of machinery/equipment as an "emission reduction equipment". Accordingly, details of depreciation and operation & maintenance costs, pertaining to emission reducing equipment have not been provided.

(b) During the year, the National Load Despatch Centre (NLDC) has issued 55443 (previous year 54275) Renewable Energy Certificates (RECs) to the Company under the Central Electricity Regulatory Commission Regulation on RECs. At the close of the year 142005 (previous year 106533) RECs remained unsold and are held as inventories in the financial statements.

46. The Board of Directors of the holding company have approved a Scheme of Arrangement ("the Scheme") framed under the provisions of section 391-394 of Companies Act 1956, whereby it is proposed to demerge the Sugar Business, comprising of sugar manufacture, cogeneration of power and distillation of alcohol, ("Demerged Undertaking") of the holding Company to its wholly owned subsidiary company, Triveni Industries Limited ("Resulting Company"). With effect from the appointed date on 01/04/2016, the Demerged Undertaking shall stand vested with the Resulting Company and all the assets and liabilities pertaining to the Demerged Undertaking shall stand transferred to the Resulting Company. The process regarding approval of the Scheme is under progress at the relevant stock exchanges. As per the Scheme, in consideration for the transfer of the Demerged Undertaking, the shareholders of the Company shall be issued one fully paid-up equity share in the Resulting Company for every one equity share held by them in the Company on the record date to be fixed for this purpose..

47. Statement of Additional Information:

(₹ in Lakhs)

Particulars	2015-16		2014-15	
a. Value of imports on CIF basis				
i) Raw materials		1058.07		1487.44
ii) Components and spare parts		71.35		56.41
iii) Capital goods		655.95		521.38
b. Expenditure in foreign currency				
i) Travelling		51.52		41.69
ii) Royalty		338.25		258.40
iii) Interest on loans		4.99		4.71
iv) Others		45.25		20.41
c. Earnings in foreign currency				
i) Export of goods on FOB basis		1286.14		1217.79
ii) Others		32.03		26.09
d. Consumption of raw materials, spare-parts and components	2015-16	%	2014-15	%
i) Raw material				
- Directly imported	1,059.86	0.70	1,604.24	1.10
- Indigenous	150,449.17	99.30	143,864.94	98.90
Total	151,509.03	100.00	145,469.18	100.00
ii) Spare-parts and components				
- Directly imported	67.32	3.11	52.12	2.30
- Indigenous	2,099.89	96.89	2,213.33	97.70
Total	2,167.21	100.00	2,265.45	100.00

- e. Remittance in foreign currencies for dividend: The Company has not paid/declared any dividend during the year. Accordingly no amount has been remitted in foreign currencies by the Company, on account of dividend, during the year.

48. The financial information as required under Schedule III of the Companies Act 2013 is given here-under :

(₹ in Lakhs)

Name of the entity	Net Assets i.e. total assets minus total liabilities		Share in profit or loss	
	As a % of consolidated net assets	Amount	As a % of consolidated profit of loss	Amount
Parent				
Triveni Engineering & Industries Ltd.	91.60% (93.28%)	59,425.90 (61,456.98)	-336.92% (-111.70%)	-3302.82 (-16985.09)
Subsidiaries				
Indian				
Triveni Engineering Ltd	-0.21% (0.00%)	-136.61 (1.02)	-0.15% (-0.01%)	-1.48 (-1.14)
Triveni Energy Systems Limited	-0.09% (0.00%)	-56.13 (0.82)	-0.14% (-0.01%)	-1.33 (-1.14)
Triveni Entertainment Limited	0.00% (0.10%)	-0.37 (62.62)	0.15% (0.00%)	1.49 (-0.05)
Triveni Sugar Ltd (formerly Bhudeva Projects Limited)	0.00% (0.00%)	2.71 (2.48)	-0.12% (-0.01%)	-1.21 (-0.80)
Svastida Projects Limited	0.31% (0.00%)	198.35 (0.31)	-0.14% (-0.03%)	-1.35 (-5.02)
Triveni Industries Limited	0.00% (-)	-0.42 (-)	-0.09% (-)	-0.92 (-)
Total before minority interests	91.61% (93.39%)	59,433.43 (61,524.23)	-337.41% (-111.75%)	-3,307.62 (-16,993.23)
Minority Interests in all subsidiaries - current year ₹ 27/- (previous year - ₹ 12/-)	0.00% (0.00%)	0.00 (0.00)	0.00% (0.00%)	0.00 (0.00)
Associates (Investment as per equity method)				
Indian				
Triveni Turbine Ltd.	8.73% (7.13%)	5,661.82 (4,698.23)	223.16% (11.76%)	2187.59 (1788.61)
Foreign				
Aqwise-Wise Water Technologies Ltd.	-0.34% (-0.52%)	-221.63 (-340.59)	-14.25% (-0.01%)	139.74 (-1.57)
	100.00% (100.00%)	64,873.62 (65,881.87)	-100.00% (-100.00%)	-980.29 (-15206.20)

Figures in brackets relate to previous period.

49. Pursuant to compliance of Accounting Standard (AS) 23 "Accounting for Investments in Associates in Consolidated Financial Statements" the Group has accounted investments in Associates under the equity method. The relevant information of the investments in Associates is given hereunder :

(₹ in Lakhs)

Name of the Associate Company	Country of Incorporation	Ownership interest and Voting Power at the year end	Original cost of investments (Capital Reserve included in Original Cost)	Goodwill/ Share of Accumulated Income/(Loss) at the year end
Triveni Turbine Ltd	India	21.82% (21.82%)	720.07 (720.07)	Nil (Nil)
Aqwise-Wise Water Technologies Ltd	Israel	25.04% (25.04%)	3,006.19 (3,006.19)	2,359.04 (2,359.04)

Figures in brackets relate to previous period.

* Net of ₹ 565.62 lakhs being the Company's share of losses on the date it became an associate.

50. Payment to Auditors represents amount paid/payable to the auditors on account of:

(₹ in Lakhs)

Sl. No. Particulars	Statutory Auditors		Branch Auditors		Cost Auditors	
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
1 Audit fee	44.06	37.69	7.04	5.15	3.42	3.62
2 Tax audit fee	17.57	19.05	3.10	3.36	-	-
3 Limited review fee	19.57	18.20	2.48	2.31	-	-
4 Other services						
- Certification	13.72	2.95	2.40	-	0.65	0.58
5 Reimbursement of expenses	4.65	4.33	2.93	2.88	0.19	0.43
Total	99.57	82.22	17.95	13.70	4.26	4.63

51. The figures of the previous year have been regrouped / rearranged to the extent necessary to make them comparable with the figures of current year.

As per our report of even date.

For and on behalf of
J.C.Bhalla & Company
Chartered Accountants
FRN : 001111N

Sudhir Mallick
Partner
Membership No.80051

Dhruv M. Sawhney
Chairman &
Managing Director

Homai A. Daruwalla
Director & Chairman
Audit Committee

Geeta Bhalla
Group General Manager
& Company Secretary

Suresh Taneja
Group CFO

Place : Noida (U.P.)
Date : May 16, 2016

Information on Company's Business Locations

Registered Office

Deoband, District-Saharanpur
Uttar Pradesh-247 554
STD Code: 01336
Phone: 222497, 222185
Fax: 222220
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 Karvy Computershare Pvt. Ltd.,
Unit: Triveni Engineering & Industries Limited
Karvy Selenium Tower B,
Plot 31-32, Gachibowli,
Financial District, Nanakramguda,
Hyderabad-500 032
Phone: 040-67162222,
Fax: 040-23001153
Email: einward.ris@karvy.com

Khatauli Sugar Unit

Khatauli, District- Muzaffarnagar,
Uttar Pradesh-251 201
STD Code: 01396
Phone: 272561 & 272562
Fax: 272309

Deoband Sugar Unit

Deoband, District-Saharanpur
Uttar Pradesh-247 554
STD Code: 01336
Phone: 222497, 222185, 222866
Fax: 222220

Ramkola Sugar Unit

Ramkola, District-Kushinagar
Uttar Pradesh-247 305
STD Code: 05567
Phone: 256021, 256071-2, 256182
Fax: 256248

Sabitgarh Sugar Unit

P.O. Karora, Tehsil Khurja
District-Bulandshahar,
Uttar Pradesh
STD Code: 05738
Phone: 228894,
Fax: 228893

Rani Nangal Sugar Unit

Rani Nangal, Thakurdwara
District- Moradabad, Uttar Pradesh
STD Code: 0595
Phone: 2564350, 2564627
Fax: 2565002

Milak Narayanpur Sugar Unit

Milak Narayanpur, P.O. Dadiyal
District-Rampur
Uttar Pradesh- 244 925
STD Code: 0595
Phone: 2564350, 2564627, 2564215
Fax: 2565002

Chandanpur Sugar Unit

P.O. Chapna, Tehsil-Hasanpur,
District- Amroha
Uttar Pradesh-244255
STD Code: 05924
Phone: 267002
Fax: 267001

Co-Generation Khatauli

Khatauli, District- Muzaffarnagar,
Uttar Pradesh-251 201
STD Code: 01396
Phone: 272561 & 272562
Fax: 272309

Co-Generation Deoband

Deoband, District-Saharanpur
Uttar Pradesh-247 554
STD Code: 01336
Phone: 222497, 222185, 222866
Fax: 222220

Alco-Chemical Unit

Village Bhikki Bilaspur,
Jolly Road, District- Muzaffarnagar,
Uttar Pradesh-251 001
STD Code: 0131
Phone: 2600659, 2600684
Fax: 2600569

Branded Division

'Express Trade Towers',
8th Floor, 15-16, Sector- 16A
Noida 201 301 (U.P.)
STD Code: 0120
Phone: 4308000
Fax: 4311010-11

Gears Business

1,2,3 Belagola Industrial Area,
Metagalli Post, K.R.S. Road,
Mysore-570 016
STD Code: 0821
Phone: 4280501, 4280502
Fax: 2582694

Water Business

Plot No. 44, Block-A,
Phase II Extension,
Hosiery Complex, Noida,
District Gautam Budh Nagar, U.P.
STD Code: 0120
Phone: 4748000; Fax: 4243049
Email: wbg@projects.trivenigroup.com

Subsidiary Companies

Triveni Industries Limited

Sugar Unit Deoband,
District-Saharanpur
Uttar Pradesh-247 554
STD Code: 01336
Phone: 222497, 222185
Fax: 222220

Triveni Engineering Limited

'Express Trade Towers',
8th Floor, 15-16, Sector- 16A
Noida 201 301 (U.P.)
STD Code: 0120
Phone: 4308000
Fax: 4311010-11

Triveni Energy Systems Limited

'Express Trade Towers',
8th Floor, 15-16, Sector- 16A
Noida 201 301 (U.P.)
STD Code: 0120
Phone: 4308000
Fax: 4311010-11

Triveni Entertainment Limited

Grand Plaza, 104, 1st Floor,
99, Old Rajinder Nagar Market,
New Delhi-110060
STD Code: 011
Phone: 25810660

Triveni Sugar Limited

(formerly Bhudeva Projects Ltd.)
Plot No. 44, Block-A,
Phase II Extension,
Hosiery Complex, Noida,
District Gautam Budh Nagar, U.P.
STD Code: 0120
Phone: 4748000
Fax: 4243049

Svastida Projects Limited

Plot No. 44, Block-A,
Phase II Extension,
Hosiery Complex, Noida,
District Gautam Budh Nagar, U.P.
STD Code: 0120
Phone: 4748000
Fax: 4243049

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)

Dr. F.C. Kohli
(DIN-00102878)

Lt. Gen. K.K. Hazari (Retd.)
(DIN-00090909)

Mr. M.K. Daga
(DIN-00062503)

Mr. Shekhar Datta
(DIN-00045591)

Ms. H.A. Daruwalla
(DIN-00365880)

Dr. Santosh Pande
(DIN-01070414)

Mr. Sudipto Sarkar
(DIN-00048279)

Group Chief Financial Officer

Mr. Suresh Taneja

Group General Manager & Company Secretary

Ms. Geeta Bhalla

Bankers

Axis Bank Ltd.

Canara Bank

Central Bank of India

IDBI Bank Ltd.

IndusInd Bank Ltd.

Oriental Bank of Commerce

Punjab National Bank

State Bank of India

State Bank of Patiala

Yes Bank Ltd

Auditors

M/s J.C. Bhalla & Co.

Branch Auditors

M/s Virmani & Associates

Triveni Group Website

www.trivenigroup.com



Triveni
ENGINEERING & INDUSTRIES LTD.

CIN-L15421UP1932PLC022174
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