Independent Auditor's Report

To the Members of Triveni Engineering & Industries Limited

Report on the Audit of the Consolidated Financial Statements

OPINION

We have audited the accompanying consolidated financial statements of TRIVENI ENGINEERING & INDUSTRIES LIMITED (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its associate, which comprise of the Consolidated Balance Sheet as at 31 March 2022, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and Consolidated Statement of Changes in Equity for the year then ended and notes to the consolidated financial statements including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements of the subsidiaries and associate as referred to in the Other Matters paragraph below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associate as at 31 March 2022 and of consolidated profit including other comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

BASIS FOR OPINION

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Financial Statements' section of our report. We are independent of the Group and its associate in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India and we have fulfilled our other ethical responsibilities in accordance with the provision of the Act. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the 'Other Matters' paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have considered the matters described below to be the key audit matters for incorporation in our report.

Sr. No.	Key Audit Matters	Auditor's Response
1	**Recognition of Subsidies:** We identified recognition of subsidies as a key audit matter as it involves significant management judgement. The area of management judgement includes management risk assessment with respect to recognition of subsidies based on substantive compliance of the conditions and reasonable certainty of receipt of subsidy. (Refer Note no. 43 of the consolidated financial statements)	Our audit procedures included the following: • Obtaining policy from the Holding Company defining the management perspective and basis for recognition of Government subsidies in the books of accounts; • Obtaining an understanding of internal controls over recognition and recoverability of subsidy claims and testing, on a sample basis, their design, and implementation and operating effectiveness; • Considered the relevant circulars/notifications issued by various authorities; and • Evaluated the management's assessment regarding the reasonable certainty for complying with the relevant conditions as specified in circulars/notifications issued by various authorities.

Sr. No.	Key Audit Matters	Auditor's Response
2	**Appropriateness of cost to complete the project:** The Group recognizes revenue from long-duration construction & supply contracts on percentage of completion method as specified in Indian Accounting Standards (Ind AS) 115- Revenue from Contract with Customers. (Refer Accounting policy Note no. 1(b)(iii)) We identified this matter as a key audit matter as it involves significant judgement by the management in estimation of cost to complete the project and any variation may have consequential impact on revenue.	Our audit procedures included the following: • Obtaining an understanding of internal controls over estimation of cost of completion of projects and testing, on a sample basis, their design, implementation and operating effectiveness; • Agreed the total project revenue estimates to contracts with customers; • Obtained computation of estimated costs to complete and the percentage of project completion and verified the same against the contracts on sample basis and also checked arithmetic accuracy of the same; • Performed the walkthrough procedure and verified the invoices, purchase orders etc. for actual cost incurred till the year end; and • Compared the management estimates revised during the year with the estimate made in earlier years and obtained reasons/approval for such revision.

INFORMATION OTHER THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the annual report but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed and based on the audit report of other auditors, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITY OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group including its associate in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards prescribed under Section 133 of the Act, read with relevant rules issued thereunder. The respective Board of Directors of the companies included in the Group and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associate and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associate are responsible for assessing the ability of the Group and of its associate to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associate are responsible for overseeing the financial reporting process of the Group and of its associate.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Group and its associate has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associate to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

OTHER MATTERS

We did not audit the financial statements of eight subsidiaries, whose financial statements reflect total assets of ₹ 2223.74 lacs as at 31 March 2022 and total revenue (including other income) of ₹ 2.82 lacs, total comprehensive income (comprising of profit/(loss) and other comprehensive income) of ₹ (-)10.92 lacs and net cash outflow of ₹ 4.70 lacs for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also includes the Group's share of net profit (before other comprehensive income) of ₹ 5914.48 lacs and other comprehensive income of ₹ 435.40 lacs for the year ended 31 March 2022, in respect of one associate company. These financial statements have been audited by the other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of aforesaid eight subsidiaries and one 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 aforesaid eight subsidiaries and one associate, is based solely on the report of other auditors.

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.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us and other auditors of companies included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

2. As required by Section 143(3) of the Act, based on our audit and on consideration of the report of the other auditors on financial statements and the other financial information of subsidiaries and associate referred to in Other Matters paragraph, we report, to the extent applicable, that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

b) In our opinion, proper books of account as required by law, relating to preparation of the aforesaid consolidated financial statements, have been kept so far as it appears from our examination of those books and reports of the other auditors.

c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of

Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.

e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2022 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, none of the directors of the Group and its associate company, is disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Group and its associate company, and the operating effectiveness of such controls, refer to our separate report in Annexure 'A'.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Group and its associate, where applicable, to its directors during the year is in accordance with the provisions of section 197 of the Act.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on consideration of the report of the other auditors on financial statements and also the other financial information of subsidiaries and its associate referred to in Other Matters paragraph:

i. The consolidated financial statements disclose impact of pending litigations as at 31 March 2022 on the consolidated financial position of the Group and its associate – Refer Note no. 48 to the consolidated financial statements.

ii. The Group and its associate have made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including long term derivative contracts.

iii. There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Group. In respect of associate company, there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund during the year ended 31 March 2022.

iv. a. The respective managements of the Holding Company, its subsidiary companies and associate company have represented that, to the best of it's knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or its subsidiaries or its associate to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company, its subsidiaries and associate ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

b. The respective management of the Holding Company, its subsidiary Companies and its associate company has represented, that, to the best of it's knowledge and belief, no funds have been received by the Holding Company, its subsidiaries and associate from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company, its subsidiary companies and associate company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

c. Based on the audit procedures that have been considered reasonable and appropriate in the circumstances and based on audit reports of other auditors, nothing has come to our notice that caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. As stated in note 15 (vii) to the Consolidated Financial Statements and based on review of the reports of other auditors:

a. The final dividend proposed in the previous year, declared and paid by the Holding Company and its associate company during the year is in accordance with Section 123 of the Act, as applicable.

b. The interim dividend declared and paid by the Holding Company and its associate company during the year and until the date of this report is in compliance with Section 123 of the Act.

c. The Board of Directors of the Holding Company and its associate company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

The subsidiary companies have neither declared dividend nor paid any dividend during the year.

For **S S KOTHARI MEHTA & COMPANY**
Chartered Accountants
Firm Registration No. 000756N

Yogesh K. Gupta
Partner
Membership No.:093214
UDIN: 22093214AIZKIY9811

Place: New Delhi
Date: May 14, 2022

"ANNEXURE A" TO THE INDEPENDENT AUDITOR'S

Report of even date on the Consolidated Financial Statements of TRIVENI ENGINEERING & INDUSTRIES LIMITED

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT") AS REFERRED TO IN PARAGRAPH (F) OF 'REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS'

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31 March 2022, we have audited the internal financial controls over financial reporting of TRIVENI ENGINEERING & INDUSTRIES LIMITED (hereinafter referred to as "the Holding Company") its subsidiary companies and its associate company 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, are responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements of the Company.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or may deteriorate.

OPINION

In our opinion, to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors, as referred to in Other Matters paragraph, the Holding Company, its subsidiary companies and its associate company have, in all material respects, an adequate internal financial controls system with respect to financial statements and such internal financial controls with respect to financial statements were operating effectively as at 31 March 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

OTHER MATTERS

Our aforesaid reports under Section 143(3) (i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to the eight subsidiary companies and one associate company is based on the corresponding reports of the auditors of such companies. Our opinion is not modified in respect of this matter.

For **S S KOTHARI MEHTA & COMPANY**
Chartered Accountants
Firm Registration No. 000756N

Yogesh K. Gupta
Partner
Membership No.:093214
UDIN: 22093214AIZKIY9811

Place: New Delhi
Date: May 14, 2022

Consolidated Balance Sheet

as at March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

	Note No.	As at 31-Mar-22	As at 31-Mar-21
ASSETS			
Non-current assets			
Property, plant and equipment	3	106307.76	105898.21
Capital work-in-progress	3	25652.78	2223.43
Investment property	4	1210.14	1210.14
Goodwill	5	68.23	68.23
Other intangible assets	5	160.74	123.68
Intangible assets under development	5	2.50	-
Investments accounted for using the equity method	6 (a)	18703.98	13907.92
Financial assets			
i. Investments	6 (b)	635.53	658.43
ii. Trade receivables	7	16468.85	11981.97
iii. Loans	8	2.18	2.46
iv. Other financial assets	9	1645.82	1396.68
Deferred tax assets (net)	23	37.26	27.31
Income tax assets (net)	22	753.62	1119.58
Other non-current assets	10	2333.25	2113.46
Total non-current assets		173982.64	**140731.50**
Current assets			
Inventories	11	203687.02	173374.92
Financial assets			
i. Trade receivables	7	26680.28	20839.23
ii. Cash and cash equivalents	12 (a)	2328.46	1127.70
iii. Bank balances other than cash and cash equivalents	12 (b)	461.63	131.88
iv. Loans	8	45.73	1843.77
v. Other financial assets	9	649.64	258.53
Other current assets	10	21912.31	23027.46
		255765.07	**220603.48**
Assets held for sale	13	-	**660.21**
Total current assets		255765.07	**221263.69**
Total assets		429747.71	**361995.19**
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	14	2417.57	2417.57
Other equity	15	188867.76	153149.83
Total equity		191285.33	**155567.40**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
i. Borrowings	16	31917.78	30890.94
ii. Lease liabilities		976.65	972.68
Provisions	17	3351.02	5175.34
Deferred tax liabilities (net)	23	13542.03	13409.15
Other non-current liabilities	18	509.51	1071.11
Total non-current liabilities		50296.99	**51519.22**
Current liabilities			
Financial liabilities			
i. Borrowings	19	124057.48	66831.16
ii. Lease liabilities		554.46	352.85
iii. Trade payables	20		
(a) total outstanding dues of micro enterprises and small enterprises		798.17	538.57
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		34285.83	61891.35
iv. Other financial liabilities	21	8005.38	4735.23
Other current liabilities	18	14312.87	14919.61
Provisions	17	4828.23	3727.66
Income tax liabilities (net)	22	1322.97	1912.14
Total current liabilities		188165.39	**154908.57**
Total liabilities		238462.38	**206427.79**
Total equity and liabilities		429747.71	**361995.19**

The accompanying notes 1 to 55 form an integral part of these consolidated financial statements

As per our report of even date attached

For S S Kothari Mehta & Company
Chartered Accountants
Firm's registration number : 000756N

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

Yogesh K. Gupta
Partner
Membership No. 093214

Dhruv M. Sawhney
Chairman & Managing Director

Homai A. Daruwalla
Director & Chairperson Audit Committee

Suresh Taneja
Group CFO

Geeta Bhalla
Group Vice President & Company Secretary

Date : 14 May 2022

Consolidated Statement of Profit and Loss

for the year ended March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

	Note No.	Year ended 31-Mar-22	Year ended 31-Mar-21
Revenue from operations	24	469404.36	470335.14
Other income	25	2218.40	3039.84
Total income		**471622.76**	**473374.98**
Expenses			
Cost of materials consumed	26	311468.61	321491.82
Purchases of stock-in-trade	27	2624.65	2200.73
Changes in inventories of finished goods, stock-in-trade and work-in-progress	28	(28177.49)	19914.26
Excise duty on sale of goods		40309.87	2917.60
Employee benefits expense	29	30265.55	27076.59
Finance costs	30	5452.93	5163.17
Depreciation and amortisation expense	31	8074.50	7908.76
Impairment loss on financial assets (including reversals of impairment losses)	32	561.08	340.18
Other expenses	33	48911.12	40573.35
Total expenses		**419490.82**	**427586.46**
Profit before share of net profits of investments accounted for using equity method and tax		**52131.94**	**45788.52**
Share of net profit of associates accounted for using the equity method	45	5914.48	121.04
Profit before exceptional items and tax		58046.42	45909.56
Exceptional items	34	(670.94)	66.95
Profit before tax		**57375.48**	**45976.51**
Tax expense:			
- Current tax	35	14900.19	10924.39
- Deferred tax	35	69.37	5591.85
Total tax expense		**14969.56**	**16516.24**
Profit for the year		**42405.92**	**29460.27**
Other comprehensive income			
A (i) Items that will not be reclassified to profit or loss			
- Remeasurements of the defined benefit plan	38	73.15	(44.36)
- Effective portion of gains/(losses) on hedging instruments designated as cash flow hedges	15	(29.33)	-
- Gains/(losses) on aligned portion of forward elements of cash flow hedging instruments	15	14.29	-
- Share of other comprehensive income of associates accounted for using the equity method (pertaining to bargain purchase on business combination)	45	416.61	-
- Share of other comprehensive income of associates accounted for using the equity method (pertaining to remeasurement of defined benefit plan)	45	(6.04)	24.18
		468.68	**(20.18)**
A (ii) Income tax relating to items that will not be reclassified to profit or loss	35	13.11	(15.50)
		455.57	**(4.68)**
B (i) Items that may be reclassified to profit or loss			
- Effective portion of gains/(losses) on hedging instruments designated as cash flow hedges (net of reclassification to profit or loss)	15	(72.24)	-
- Gains/(losses) on aligned portion of forward elements of cash flow hedging instruments (net of reclassification to profit or loss)	15	178.14	-
- Share of other comprehensive income of associates accounted for using the equity method (pertaining to exchange differences arising on translating the foreign operations)	45	10.14	(141.36)
- Share of other comprehensive income of associates accounted for using the equity method (pertaining to effective portion of gains/(losses) on hedging instruments designated as cash flow hedges (net of reclassification to profit or loss))	45	14.69	85.30
		130.73	**(56.06)**
B (ii) Income tax relating to items that may be reclassified to profit or loss	35	32.90	-
		97.83	**(56.06)**
Other comprehensive income for the year, net of tax		**553.40**	**(60.74)**
Total comprehensive income for the year		**42959.32**	**29399.53**
Earnings per equity share (face value ₹1 each)			
Basic	36	17.54	12.01
Diluted	36	17.54	12.01

The accompanying notes 1 to 55 form an integral part of these consolidated financial statements

As per our report of even date attached

For S S Kothari Mehta & Company
Chartered Accountants
Firm's registration number : 000756N

Yogesh K. Gupta
Partner
Membership No. 093214

Date : 14 May 2022

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

Dhruv M. Sawhney
Chairman & Managing Director

Homai A. Daruwalla
Director & Chairperson Audit Committee

Suresh Taneja
Group CFO

Geeta Bhalla
Group Vice President & Company Secretary

Consolidated Statement of Changes in Equity

for the year ended March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

A. EQUITY SHARE CAPITAL

Equity shares of ₹ 1 each issued, subscribed and fully paid up (including paid up value of ₹ 0.02 lakhs pertaining to forfeited shares)

As at 31 March 2020	2479.47
Extinguishment of shares upon buy-back	(61.90)
As at 31 March 2021	**2417.57**
Movement during the year	-
As at 31 March 2022	**2417.57**

B. OTHER EQUITY

	Reserves and surplus							Items of other comprehensive income			Total other equity
	Capital redemption reserve	Capital reserve	Securities premium	Amalgamation reserve	General reserve	Molasses storage fund reserve	Retained earnings	Foreign currency translation reserve	Cash flow hedging reserve	Costs of hedging reserve	
Balance as at 31 March 2020	**573.14**	**2706.77**	**16458.13**	**926.34**	**49919.43**	**140.71**	**60790.80**	**(54.83)**	**(73.12)**	**-**	**131387.37**
Profit/(loss) for the year	-	-	-	-	-	-	29460.27	-	-	-	29460.27
Other comprehensive income, net of income tax	-	-	-	-	-	-	(28.86)	-	-	-	(28.86)
Share of other comprehensive income of associates, net of income tax	-	-	-	-	-	-	24.18	(141.36)	85.30	-	(31.88)
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**-**	**29455.59**	**(141.36)**	**85.30**	**-**	**29399.53**
Share of associates - additions	-	-	0.01	-	-	-	-	-	-	-	0.01
Share of associates - adjustments consequent to divestment (refer note 13)	-	162.06	(38.97)	-	-	-	-	221.55	-	-	344.64
Transferred from retained earnings to molasses storage fund reserve	-	-	-	-	-	40.49	(40.49)	-	-	-	-
Transactions with owners in their capacity as owners :											
- Amount utilised for buy-back of equity shares	-	-	(6437.60)	-	-	-	-	-	-	-	(6437.60)
- Transferred from securities premium to capital redemption reserve on buy-back of equity shares	61.90	-	(61.90)	-	-	-	-	-	-	-	-
- Transaction costs related to buy-back of equity shares	-	-	(87.68)	-	-	-	-	-	-	-	(87.68)
- Tax paid on buy-back of equity shares	-	-	(1456.44)	-	-	-	-	-	-	-	(1456.44)
Balance as at 31 March 2021	**635.04**	**2868.83**	**8375.55**	**926.34**	**49919.43**	**181.20**	**90205.90**	**25.36**	**12.18**		**153149.83**

Consolidated Statement of Changes in Equity

for the year ended March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

	Reserves and surplus							Items of other comprehensive income			Total other equity
	Capital redemption reserve	Capital reserve	Securities premium	Amalgamation reserve	General reserve	Molasses storage fund reserve	Retained earnings	Foreign currency translation reserve	Cash flow hedging reserve	Costs of hedging reserve	
Profit/(loss) for the year	-	-	-	-	-	-	42405.92	-	-	-	42405.92
Other comprehensive income, net of income tax	-	-	-	-	-	-	54.74	-	(76.01)	144.00	122.73
Share of other comprehensive income of associates, net of income tax	-	-	-	-	-	-	(4.52)	7.59	10.99	-	14.06
Share of other comprehensive income of associates arising from the bargain purchase on business combination, net of income tax	-	416.61	-	-	-	-	-	-	-	-	416.61
Total comprehensive income for the year	**-**	**416.61**	**-**	**-**	**-**	**-**	**42456.14**	**7.59**	**(65.02)**	**144.00**	**42959.32**
Transferred from retained earnings to molasses storage fund reserve	-	-	-	-	-	49.60	(49.60)	-	-	-	-
Transferred to cost of non-financial hedged items, net of income tax	-	-	-	-	-	-	-	-	21.95	(10.69)	11.26
Transactions with owners in their capacity as owners :											
- Dividends paid	-	-	-	-	-	-	(7252.65)	-	-		(7252.65)
Balance as at 31 March 2022	**635.04**	**3285.44**	**8375.55**	**926.34**	**49919.43**	**230.80**	**125359.79**	**32.95**	**(30.89)**	**133.31**	**188867.76**

The accompanying notes 1 to 55 form an integral part of these consolidated financial statements

As per our report of even date attached

For S S Kothari Mehta & Company
Chartered Accountants
Firm's registration number : 000756N

Yogesh K. Gupta
Partner
Membership No. 093214

Date : 14 May 2022

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

Dhruv M. Sawhney
Chairman & Managing Director

Homai A. Daruwalla
Director & Chairperson Audit Committee

Suresh Taneja
Group CFO

Geeta Bhalla
Group Vice President & Company Secretary

Consolidated Statement of Cash Flows

for the year ended March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

	Year ended 31-Mar-22	Year ended 31-Mar-21
Cash flows from operating activities		
Profit before tax	57375.48	**45976.51**
Adjustments for :		
Share of net (profit)/loss of associate accounted for using the equity method	(5914.48)	(121.04)
Depreciation and amortisation expense	8074.50	7908.76
Bad debts written off - trade receivables carried at amortised cost	1128.66	75.06
Bad debts written off - other financial assets carried at amortised cost	1.63	-
Impairment loss allowance on trade receivables and other financial assets (net of reversals)	(569.21)	265.12
Bad debts written off - non financial assets	69.36	10.00
Impairment loss allowance on non financial assets (net of reversals)	698.89	59.24
Provision for non moving/obsolete inventory (net of reversals)	159.92	(6.00)
Loss on sale/write off of inventory	38.20	15.77
Net fair value (gains)/losses on investments	6.57	(169.36)
Mark-to-market (gains)/losses on derivatives	(3.30)	(35.92)
Credit balances written back	(108.74)	(131.63)
Exceptional items - profit on disposal of investment property	-	(66.95)
Exceptional items - net impairment loss allowance on receivable against divestment in equity shares	670.94	-
Unrealised (gains)/losses from changes in foreign exchange rates	(21.42)	25.38
Loss on sale/write off/impairment of property, plant and equipment	162.00	423.49
Net (profit)/loss on sale/redemption of investments	(72.92)	(0.02)
Interest income	(247.11)	(571.29)
Dividend income	(3.43)	(2.84)
Finance costs	5452.93	5163.17
Working capital adjustments :		
Change in inventories	(30510.21)	17828.01
Change in trade receivables	(10888.90)	1713.75
Change in other financial assets	(626.45)	3.22
Change in other assets	(131.44)	20126.42
Change in trade payables	(27247.45)	(13111.37)
Change in other financial liabilities	1301.18	356.36
Change in other liabilities	(299.44)	(1254.07)
Change in provisions	(650.61)	882.34
Cash generated from/(used in) operations	(2154.85)	**85362.11**
Income tax paid (net)	(15184.19)	(6279.21)
Net cash inflow/(outflow) from operating activities	(17339.04)	**79082.90**
Cash flows from investing activities		
Purchase of property, plant and equipment and intangible assets	(29345.05)	(8924.48)
Proceeds from sale of property, plant and equipment	233.36	237.47
Investments in subsidiaries	-	(24.00)
Investments (other than subsidiaries and associates)	-	(5.27)
Proceeds from disposal of investment property	-	60.00
Proceeds from disposal/redemption of investments (other than subsidiaries and associates)	89.25	10.69
Purchase of investment property	-	(42.44)
Loan to associate	-	(1733.60)
Repayments of loan by erstwhile associate	1845.60	-
Decrease/(increase) in deposits with banks	(198.81)	(489.72)

Consolidated Statement of Cash Flows

for the year ended March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

	Year ended 31-Mar-22	Year ended 31-Mar-21
Interest received	143.76	122.26
Dividend received from associate	1553.82	-
Other dividends received	3.43	2.84
Net cash outflow from investing activities	**(25674.64)**	**(10786.25)**
Cash flows from financing activities		
Proceeds from long term borrowings	14793.27	5693.09
Repayments of long term borrowings	(12032.37)	(23921.13)
Increase/(decrease) in short term borrowings	54633.35	(38230.97)
Interest paid (other than on lease liabilities)	(5341.16)	(5156.18)
Payment of lease liabilities (interest portion)	(129.68)	(146.14)
Payment of lease liabilities (principal portion)	(456.32)	(567.62)
Buy-back of equity shares	-	(6499.50)
Buy-back costs	-	(87.68)
Tax paid on buy-back of equity shares	-	(1456.44)
Dividend paid	(7252.65)	-
Net cash inflow/(outflow) from financing activities	**44214.44**	**(70372.57)**
Net increase/(decrease) in cash and cash equivalents	1200.76	(2075.92)
Cash and cash equivalents at the beginning of the year [refer note 12 (a)]	1127.70	3203.61
Addition on acquisition of a subsidiary	-	0.01
Cash and cash equivalents at the end of the year [refer note 12 (a)]	**2328.46**	**1127.70**

Reconciliation of liabilities arising from financing activities:

	Non-current borrowings (including current maturities and deferred grant related to long-term borrowings)	Current borrowings (excluding current maturities of long-term borrowings)	Interest payable (other than on lease liabilities)	Lease liabilities	Buy-back of equity shares (including tax thereon and buy-back costs)	Dividend paid
Balance as at 31 March 2020	**61471.68**	**94343.87**	**237.48**	**1766.50**	**-**	
Cash flows	(18228.04)	(38230.97)	(5156.18)	(713.76)	(8043.62)	-
Finance costs accruals (including interest capitalised)	-	-	5016.56	147.12	-	-
Lease liabilities accruals	-	-	-	125.67	-	
Buy-back of equity shares (including tax thereon and buy-back costs) accruals	-	-	-	-	8043.62	-
Addition on acquisition of a subsidiary	-	45.62	-	-	-	-
Balance as at 31 March 2021	**43243.64**	**56158.52**	**97.86**	**1,325.53**	**-**	**-**
Cash flows	2760.90	54633.35	(5341.16)	(586.00)	-	(7252.65)
Finance costs accruals (including interest capitalised)	-	-	5463.45	130.82	-	-
Lease liabilities accruals	-	-	-	660.76	-	-
Dividend distributions accruals	-	-	-	-	-	7252.65
Balance as at 31 March 2022	**46004.54**	**110791.87**	**220.15**	**1531.11**	**-**	**-**

The accompanying notes 1 to 55 form an integral part of these consolidated financial statements

As per our report of even date attached

For S S Kothari Mehta & Company
Chartered Accountants
Firm's registration number : 000756N

Yogesh K. Gupta
Partner
Membership No. 093214

Date : 14 May 2022

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

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Group Vice President & Company Secretary

Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

CORPORATE INFORMATION

The financial statements comprises of financial statements of Triveni Engineering & Industries Limited and its subsidiaries (collectively the "Group") and the Group's interest in associates. Triveni Engineering & Industries Limited (the "Company" or the "Parent") is a company limited by shares, incorporated and domiciled in India. The Company's equity shares are listed at two recognised stock exchanges in India (BSE and NSE). The registered office of the Company is located at A-44, Hosiery Complex, Phase-II extension, Noida, Uttar Pradesh – 201305. The Group is engaged in diversified businesses, mainly categorised into two segments – Sugar & allied businesses and Engineering business. Sugar & allied businesses primarily comprises manufacture of sugar and distillation of alcohol. Engineering business primarily comprises manufacture of high speed gears, gearboxes and providing water/waste-water treatment solutions.

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of preparation and presentation

(i) Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015 (as amended)] and other relevant provisions of the Act.

(ii) Historical cost convention

The financial statements have been prepared on an accrual basis under historical cost convention except for certain assets and liabilities that are measured at fair values at the end of each reporting period, as explained in the respective accounting policies described in subsequent paragraphs.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/ or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 116 Leases (see note 1(d)), and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 Inventories (see note 1(l)) or value in use in Ind AS 36 *Impairment of Assets* (see note 1(f)).

(iii) Classification of assets and liabilities into current/non-current

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in Schedule III to the Act. The operating cycle of the Group is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents.

(iv) Principles of consolidation and equity accounting

Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The financial statements of subsidiary company namely Triveni Foundation, incorporated under Section 8 of the Act are not considered for consolidation since the Group is not exposed to or has any right to variable returns from its involvement with this company.

The Group combines the financial statements of the Parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and

Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

expenses. Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Associates

Associates are all entities over which the Group has significant influence but not control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights.

Interests in associates are accounted for using the equity method, after being initially recognised at cost in the balance sheet.

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit or loss, the Group's share of other comprehensive income of the investee in other comprehensive income and the Group's share of other changes in other equity of the investee directly in other equity. Dividends received or receivable from associates are recognised as a reduction in the carrying amount of the investment.

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

When the Group ceases to consolidate or equity account for an investment because of a loss of control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

(b) Revenue recognition

Revenue from contracts with customers is recongised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. Transaction price at which revenue is recognised is net of goods & services tax and amounts collected on behalf of third parties, if any and includes effect of variable consideration (viz. returns, rebates, trade allowances, credits, penalties etc.). Variable consideration is estimated using the expected value method or most likely amount as appropriate in a given circumstance and is included in the transaction price only to the extent it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

Recognising revenue from major business activities

(i) Sale of goods

Revenue from the sale of goods is recognised at the point in time when control of the goods are transferred to the customer (i.e. satisfaction of performance obligation), generally on dispatch of the goods. The Group, in its engineering business, generally provides warranties to its customers in the nature of assurance, which is considered as an obligation and provided for under Ind AS 37 *Provisions, Contingent Liabilities and Contingent Assets* (refer note 1(n)).

(ii) Rendering of services

The Group provides engineering services that are either sold separately or bundled together with the sale of goods to a customer.

Contracts for bundled sales of goods and engineering services are comprised of two performance obligations because the promises to transfer goods and provide engineering services are distinct and capable of being separately identifiable. Accordingly, the Group allocates the transaction price based on relative stand-alone selling prices of such goods and engineering services.

The Group recognises revenue from engineering services over time, using an input method to measure progress towards complete satisfaction of the service, because the customer simultaneously receives and consumes the benefits provided by the Group. The progress towards complete satisfaction of the service is determined as follows:

- erection & commissioning / servicing revenue - based on technical estimate of completion of physical proportion of the contract work;
- operation & maintenance revenue - as the proportion of the total period of services contract that has elapsed at the end of the reporting period

(iii) Long-duration construction & supply contracts

Long-duration construction & supply contracts are analysed to determine combination of contracts and identification of performance obligations and accordingly transaction price is allocated amongst performance obligations based on stand-alone selling prices. Performance obligations, in long-duration construction & supply contracts, generally includes turnkey related activities towards design/engineering/supply of equipment/construction/commissioning and operation & maintenance related activities which are satisfied over time with the customer receiving benefits from the activities being performed by the Group.

When the progress towards complete satisfaction of performance obligations of a long-duration construction & supply contract can be estimated reliably, revenue is recognised by reference to the stage of completion of the contract activity at the end of the reporting period, measured based on the proportion of contract costs incurred for work performed to date relative to the estimated total contract costs, because the customer simultaneously receives and consumes the benefits provided by the Group. Contract costs excludes costs that do not depict the Company's progress in satisfying the performance obligation.

When the outcome of performance obligations of a long-duration construction & supply contract cannot be estimated reliably, but the Group expects to recover the costs incurred in satisfying the performance obligation, contract revenue is recognised only to the extent of the contract costs incurred until such time that it can reasonably measure the outcome of the performance obligation. Contract costs are recognised as expenses in the period in which they are incurred.

(iv) Dividend income

Dividend income from investments is recognised when the Group's right to receive payment has been established.

(v) Interest income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

(c) Government grants

Grants from the government are recognised where there is a reasonable assurance that the Group will comply with all attached conditions and the grant will be received.

Government grants relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented either within other operating income/other income or net of related costs.

Government grants relating to the purchase of property, plant and equipment are deducted from its gross value and are recognised in profit or loss on a systematic and rational basis over the expected useful lives of the related assets by way of reduced depreciation.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

The Government grants by way of a benefit of a Government loan at a below market rate of interest is measured as the difference between the proceeds received and the fair value of the loan based on prevailing market interest rates.

See note 43 for disclosures and treatment of government grants in financial statements.

(d) Leases

(i) As a lessee

The Group's lease assets classes primarily consist of leases for land and buildings. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contract involves the use of an identified asset; (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease; and (iii) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognises a right-of-use ("ROU") assets and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. The ROU assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset (see note 1(i) below) and is also evaluated for impairment (see note 1(f) below). The lease liability is measured at amortised cost at the present value of the future lease payments. The lease term includes (a) the non-cancellable period of the lease; (b) the period covered by an option to extend the lease, if it is reasonably certain that such option shall be exercised; and (c) the period covered by an option to terminate the lease, if it is reasonably certain that such option shall not be exercised. Lease liabilities are remeasured with a corresponding adjustment to the related ROU assets if the Group changes its assessment concerning the right to exercise its option of extending or terminating the lease provided to it under the relevant arrangement.

For short-term and low value leases as mentioned above, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

(ii) As a lessor

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases. The Group has given certain portion of its office / factory premises under operating leases (refer note 46). Lease income from operating leases is recognised as income on a straight-line basis over the lease term. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term. Respective leased assets are included in the balance sheet based on their nature.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

(e) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (₹), which is the Group's functional and presentation currency unless stated otherwise.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates that approximates the actual rate at the date of respective transactions. Foreign exchange gains or losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in profit or loss in the period in which they arise except for:

- foreign exchange gains or losses on settlement or translation of foreign currency borrowings that are directly attributable to acquisition, construction or production of a qualifying asset, which are included in cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings.

- foreign exchange gains or losses in respect of certain qualifying cash flow hedges which are deferred in equity.

Foreign exchange gains or losses which are regarded as an adjustment to borrowing costs are presented in the statement of profit and loss within finance costs. Foreign exchange gains or losses related to certain qualifying cash flow hedges are presented in other comprehensive income on a net basis. All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other income or other expenses, as the case may be.

(iii) Group companies

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities are translated at the closing rate at the date of that balance sheet

- income and expenses are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and

- all resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognised in other comprehensive income. When a foreign operation is sold, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

(f) Impairment of non-financial assets

Goodwill on acquisition of subsidiaries is not amortised but is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired. Other non-financial assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of

Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period. When an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, so however that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

(g) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Borrowing costs are not capitalised during extended periods in which active development of qualifying assets is suspended. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Other borrowing costs are expensed in the period in which they are incurred.

(h) Income tax

Income tax expense represents the sum of the tax currently payable and deferred tax.

(i) Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

(ii) Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences, the carry forward of unused tax credits and unused tax losses to the extent that it is probable that taxable profits will be available against which those deductible temporary differences, the carry forward of unused tax credits and unused tax losses can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

(iii) Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

(i) Property, plant and equipment

Property, plant and equipment are tangible items that are held for use in the production or supply of goods and services, rental to others or for administrative

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purposes and are expected to be used during more than one period. The cost of an item of property, plant and equipment is recognised as an asset if and only if it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. Freehold land is carried at cost. All other items of property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Cost comprises purchase price after deducting trade discounts/rebates, government grants related to assets and including import duties and non-refundable purchase taxes, borrowing costs, any costs that is directly attributable to the bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management and costs of dismantling/removing the item and restoring the site on which it was located under an obligation. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Each part of item of property, plant and equipment, if significant in relation to the total cost of the item, is depreciated separately. Further, parts of plant and equipment that are technically advised to be replaced at prescribed intervals/period of operation, insurance spares and cost of inspection/overhauling are depreciated separately based on their specific useful life provided these are of significant amounts commensurate with the size of the Group and scale of its operations. The carrying amount of any equipment / inspection / overhauling accounted for as separate asset or if otherwise significant, is derecognised when replaced. All other repairs and maintenance costs are charged to profit or loss during the reporting period in which they are incurred.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Transition to Ind AS

On transition to Ind AS, the Group has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April 2015 (transition date) measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Depreciation methods, estimated useful lives and residual value

Depreciation commences when the assets are available for their intended use. Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives.

The management has estimated the useful lives and residual values of all property, plant and equipment and adopted useful lives as stated in Schedule II along with residual values of 5% except for the following:

- On the basis of technical assessment and past experience:
  - o the useful lives of mill rollers, instrumentation and control devices installed at sugar plants is considered at ten years as against prescribed life of twenty five years in respect of continuous process plant.
  - o mobile phones costing ₹ 5,000/- or more are depreciated over two years.
  - o patterns, tools, Jigs etc. are depreciated over three years.
  - o machinery spares are depreciated over a life ranging from five to ten years.
- Assets costing less than ₹ 5,000/- are fully depreciated in the year of purchase.

Estimated useful lives considered are as follows:

Assets	Estimated useful life
Buildings	3 - 60 years
Roads	3 - 10 years
Plant & equipment	3 - 25 years
Furniture & fixtures	10 years
Vehicles	8 - 10 years
Office equipment	2 - 5 years
Computers	3 - 6 years
Laboratory equipment	10 years
Electrical installations and equipment	10 years

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Fixture and fittings and improvements to leasehold buildings not owned by the Group are amortised over the unexpired lease period or estimated useful life of such fixture, fittings and improvements, whichever is lower.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

(j) Investment property

Property that is held for long-term rental yields or for capital appreciation or both, is classified as investment property. Investment property is stated at cost less accumulated depreciation and accumulated impairment losses, if any. Investment property is measured initially at its cost, including related transaction costs and, where applicable, borrowing costs. Cost comprises purchase price after deducting trade discounts/rebates, government grants related to assets and including duties and taxes, borrowing costs, any costs that is directly attributable to the bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management and costs of dismantling/removing the item and restoring the site on which it was located under an obligation. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

Investment property being building is depreciated using the straight-line method over their estimated useful lives as stated in Schedule II at 30 years along with residual values of 5%.

Transition to Ind AS

On transition to Ind AS, the Group has elected to continue with the carrying value of all of its investment properties recognised as at 1 April 2015 (transition date) measured as per the previous GAAP and use that carrying value as the deemed cost of investment properties.

(k) Intangible assets

Intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Costs comprises purchase price after deducting trade discounts/rebates, government grants related to assets and including import duties and non-refundable purchase taxes, borrowing costs and any directly attributable cost of preparing the asset for its intended use. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Intangible assets comprising computer software and website are amortised using straight-line method over estimated useful life of 3 years. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, is recognised in profit or loss when the asset is derecognised. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Transition to Ind AS

On transition to Ind AS, the Group has elected to continue with the carrying value of all of intangible assets recognised as at 1 April 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of intangible assets.

(l) Inventories

(i) Finished goods and work-in-progress are valued at lower of cost and net realisable value. The cost of finished goods and work-in-progress is computed on weighted average basis and includes raw material costs, direct cost of conversion and proportionate allocation of indirect costs incurred in bringing the

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inventories to their present location and condition. Finished goods and work-in-progress are written down if their net realisable value declines below the carrying amount of the inventories and such write downs of inventories are recognised in profit or loss. When reasons for such write downs ceases to exist, the write downs are reversed through profit or loss.

(ii) Inventories of raw materials & components, stores & spares and stock-in-trade are valued at lower of cost and net realisable value. Raw materials and other items held for use in the production of inventories are not written down below cost if the finished goods in which they will be incorporated are expected to be sold at or above cost. Write down of such inventories are recognised in profit or loss and when reasons for such write downs ceases to exist, such write downs are reversed through profit or loss. Cost of such inventories comprises of purchase price and other directly attributable costs that have been incurred in bringing the inventories to their present location and condition. By-products used as raw material are valued at transfer price linked with net realisable value. Cost for the purpose of valuation of raw materials & components, stores & spares and stock-in-trade is considered on the following basis :

Raw materials & Components

Business Units	Basis
Sugar	First in first out
Co-generation & Distillery	Weighted average
Water Business Group	Specific cost
Power Transmission Business	Weighted average and Specific cost

Stores & Spares

Business Units	Basis
Water Business Group	Specific cost
Other units	Weighted average

Stock-in-trade

Business Units	Basis
Branded goods trading business	Weighted average
Diesel/petrol retailing business	First in first out

(iii) By-products (excluding those used as raw materials) and scrap are valued at estimated net realisable value.

(m) Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset and its sale is highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell. Non-current assets once classified as held for sale are neither depreciated nor amortised.

(n) Provisions, contingent liabilities and contingent assets

(i) Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When the effect of the time value of money is material, provision is measured at the present value of cash flows estimated to settle the present obligation. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

(ii) A contingent liability is not recognised in the financial statements, however, is disclosed, unless the possibility of an outflow of resources embodying economic benefits is remote. If it becomes probable that an outflow of future economic benefits will be required for an item dealt with as a contingent liability, a provision is recognised in the financial statements of the period (except in the extremely rare circumstances where no reliable estimate can be made).

(iii) A contingent asset is not recognised in the financial statements, however, is disclosed, where an inflow of economic benefits is probable. When the realisation of income is virtually certain, then the asset is no longer a contingent asset, and is recognised as an asset.

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(iv) Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

(o) Employee benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the undiscounted amounts expected to be paid when the liabilities are settled. The liabilities are presented as current benefit obligations in the balance sheet.

(ii) Other long-term employee benefit obligations

Other long-term employee benefits include earned leaves and sick leaves. The liabilities for earned leaves and sick leaves are not expected to be settled wholly within twelve months after the end of the period in which the employees render the related service. They are therefore measured at the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. The benefits are discounted using the market yield on government bonds at the end of the reporting period that have maturity term approximating to the estimated term of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss. The obligations are presented as provisions in the balance sheet.

(iii) Post-employment obligations

The Group operates the following post-employment schemes:

- defined benefit plans towards payment of gratuity; and
- defined contribution plans towards employees' provident fund & employee pension scheme, employees' state insurance, superannuation scheme and national pension scheme.

Defined benefit plan

The Group provides for gratuity obligations through a defined benefit retirement plan (the 'Gratuity Plan') covering all employees. The Gratuity Plan provides a lump sum payment to vested employees at retirement/termination of employment or death of an employee, based on the respective employees' salary and years of employment with the Group.

The liability or asset recognised in the balance sheet in respect of the defined benefit plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The present value of the defined benefit obligation is determined using projected unit credit method by discounting the estimated future cash outflows with reference to market yield at the end of the reporting period on government bonds that have maturity term approximating the estimated term of the related obligation, through actuarial valuations carried out at the end of each annual reporting period.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. Such net interest cost along with the current service cost and, if applicable, the past service cost and settlement gain/loss, is included in employee benefit expense in the statement of profit and loss. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions, comprising actuarial gains/losses and return on plan assets (excluding the amount recognised in net interest on the net defined liability), are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Defined contribution plans

Defined contribution plans are retirement benefit plans under which the Group pays fixed contributions to separate entities (funds) or financial institutions or state managed benefit schemes. The Group has no further payment obligations once the contributions have been paid. The defined contributions plans are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

- **Provident Fund Plan & Employee Pension Scheme**

  The Group makes monthly contributions at prescribed rates towards Employees' Provident Fund/Employees' Pension Scheme to a Fund administered and managed by the Government of India.

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- **Employee State Insurance**
  The Group makes prescribed monthly contributions towards Employees' State Insurance Scheme.
- **Superannuation Scheme**
  The Group contributes towards a fund established to provide superannuation benefit to certain employees in terms of Group Superannuation Policy entered into by such fund with the Life Insurance Corporation of India.
- **National Pension Scheme**
  The Group makes contributions to the National Pension Scheme fund in respect of certain employees of the Group.

(p) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the Group, on or before the end of the reporting period but not distributed by the end of the reporting period.

(q) Financial assets

(i) Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the Group's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For assets in the nature of debt instruments, this will depend on the business model. For assets in the nature of equity instruments, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity instrument at fair value through other comprehensive income.

The Group reclassifies debt instruments when and only when its business model for managing those assets changes.

(ii) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is recognised using the effective interest rate method.
- **Fair value through other comprehensive income (FVTOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVTOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in other income using the effective interest rate method.
- **Fair value through profit or loss (FVTPL):** Assets that do not meet the criteria for amortised cost or FVTOCI are measured at fair value through profit or loss. A gain or loss on a debt

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investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

Equity instruments

The Group subsequently measures all equity investments at fair value, except for equity investments in associates where equity accounting is followed (note 1(a)(iv)). Where the Group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the Group's right to receive payments is established.

(iii) Impairment of financial assets

In accordance with Ind AS 109 *Financial Instruments,* the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss associated with its financial assets carried at amortised cost and FVTOCI debt instruments.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115 *Revenue from Contracts with Customers*, the Group applies simplified approach permitted by Ind AS 109 *Financial Instruments,* which requires expected life time losses to be recognised after initial recognition of receivables. For recognition of impairment loss on other financial assets and risk exposure, the Group determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, twelve months ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on twelve-months ECL.

ECL represents expected credit loss resulting from all possible defaults and is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive, discounted at the original effective interest rate. While determining cash flows, cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms are also considered.

ECL is determined with reference to historically observed default rates over the expected life of the trade receivables and is adjusted for forward looking estimates. Note 41(i) details how the Group determines expected credit loss.

(iv) Derecognition of financial assets

A financial asset is derecognised only when the Company

- has transferred the rights to receive cash flows from the financial asset; or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Group has transferred an asset, it evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the Group has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the Group has neither transferred a financial asset nor retained substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had

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been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety, the Group allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

(v) Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL.

(r) Financial liabilities and equity instruments

(i) Classification

Debt and equity instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities.

Financial liabilities

The Group classifies its financial liabilities in the following measurement categories:

- those to be measured subsequently at fair value through profit or loss, and
- those measured at amortised cost.

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or it is designated as at FVTPL, other financial liabilities are measured at amortised cost at the end of subsequent accounting periods.

(ii) Measurement

Equity instruments

Equity instruments issued by the Group are recognised at the proceeds received. Transaction cost of equity transactions shall be accounted for as a deduction from equity.

Financial liabilities

At initial recognition, the Group measures a financial liability at its fair value net of, in the case of a financial liability not measured at fair value through profit or loss, transaction costs that are directly attributable to the issue of the financial liability. Transaction costs of financial liability carried at fair value through profit or loss are expensed in profit or loss.

Subsequent measurement of financial liabilities depends on the classification of financial liabilities. There are two measurement categories into which the Group classifies its financial liabilities:

- **Fair value through profit or loss (FVTPL):** Financial liabilities are classified as at FVTPL when the financial liability is held for trading or it is designated as at FVTPL. Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss.
- **Amortised cost:** Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost

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at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

(iii) Derecognition

Equity instruments

Repurchase of the Group's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments.

Financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

(iv) Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the gross carrying amount of a financial liability.

(v) Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in 'Other income'. The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period.

(s) Derivatives and hedging activities

The Company undertakes transactions involving derivative financial instruments, primarily foreign exchange forward contracts, to manage its exposure to foreign exchange risks.

Derivatives are initially recognised at fair value at the date the relevant contracts are entered into and are subsequently remeasured at their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedge, in which event the timing of the recognition in profit or loss depends on the nature of the hedging relationship and the nature of the hedged item.

The Company designates certain derivative instruments as cash flow hedges to hedge the foreign exchange risk relating to the cash flows attributable to certain firm commitments / highly probable forecast transactions. At the inception of the hedge relationship, the Company documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and strategy. Furthermore, at the inception of the hedge and on an ongoing basis, the Company assesses the effectiveness of the hedging instrument in offsetting changes in expected cash flows of the hedged item attributable to the hedged risk. The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated under cash flow hedging reserve within equity. The gain or loss relating to the ineffective portion is recognised immediately in the statement of profit and loss. In case the Company opts to designate only the changes in the spot element of a foreign currency forward contract as a cash flow hedge, the changes in the forward element of the relevant forward contract, is recognised in other comprehensive income and accumulated under cost of hedging reserve within equity, to the extent such forward element is aligned with the critical terms of the hedged item. The changes in the forward element of the relevant forward contract which is not so aligned, is recognised immediately in the statement of profit and loss.

Amounts previously recognised in other comprehensive income and accumulated in equity relating to effective and

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/or aligned portion (as described above) of the cash flow hedges are reclassified to the statement of profit or loss in the periods when the hedged item affects the statement of profit and loss.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in the statement of profit and loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in the statement of profit and loss.

(t) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

(u) Fair value of financial instruments

Fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

(v) Statement of cash flows

Cash flows are reported using the indirect method, whereby profit/loss before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing of financing flows. The cash flows from operating, investing and financing activities of the Group are segregated.

(w) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise of cash on hand, cheques on hand, balance with banks on current accounts and short term, highly liquid investments with an original maturity of three months or less and which carry insignificant risk of change in value.

For the purpose of statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above.

(x) Earnings per share

Basic earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and financing costs associated with dilutive potential equity shares and the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(y) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. Refer note 37 for segment information presented.

NOTE 2: CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Group's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed.

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Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances.

(a) Critical accounting judgements

Following are the areas which involved complex and subjective judgements:

(i) Incentives under the U.P. Sugar Industry Promotion Policy, 2004

In a writ petition filed by the Company against the illegal withdrawal of U.P. Sugar Industry Promotion Policy, 2004 ("the Policy") by the State Government of Uttar Pradesh, the Hon'ble Allahabad High Court had decided the matter in favour of the Company and directed the State Government to quantify and pay all the incentives that were promised under the said Policy. The State Government however filed a Special Leave Petition before the Hon'ble Supreme Court challenging the decision of the Hon'ble High Court against it.

While the case was sub-judice, the Company continued to avail and account for the remissions of statutory levies and duties aggregating to ₹ 4158.38 lakhs, which it was entitled to under the Policy, in accordance with the interim directions of the High Court. Based on the aforesaid decision of Hon'ble Allahabad High Court in its favour, the Company shall continue to pursue its claim of ₹ 11375 lakhs filed towards one time capital subsidy and its claims towards other incentives by way of reimbursements against specified expenses aggregating to ₹ 13015.88 lakhs, by filing necessary documents for the verification of the State Government authorities. The aforesaid amounts do not include any interest towards delayed settlement.

In view of uncertainties involved on account of the fact that the State Government has challenged the decision rendered against it and since the process of verification and quantification of claims by the State Government for the incentive period of 10 years is yet to be taken up, the Company has not recognised the above benefits/ incentives receivable under the Policy.

(ii) Society commission

In the cane price package offered by the State Government of Uttar Pradesh ("State Government") to sugar mills, the State Government had reduced the rate of commission payable to cane societies for sugar season 2012-13 and 2014-15 by way of notification dated 12 June 2015 and for 2015-16 vide notification dated 5 February 2016, to provide relief to the Sugar Industry in view of disparity in the cane price and the market outlook of the sugar prices. In the writ petitions filed by certain cane societies against such reduction in commission rates, the Hon'ble Allahabad High Court has held that these notifications cannot have retrospective applicability. The reduction in the rate of commission payable being part of the relief package announced by the State Government, the Group believes that the State Government is not likely to pass the cost burden to the sugar industry and instead, may explore other ways to meet the outcome of the order of the Court. Accordingly, no provision to this effect has been considered necessary.

(b) Key sources of estimation uncertainty

Following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year:

(i) Fair value measurements and valuation processes

Some of the Group's assets and liabilities are measured at fair value for financial reporting purposes. When the fair values of these assets and liabilities cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques by engaging third party qualified external valuers or internal valuation team to perform the valuation. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See note 4, 6, 9, 21 and 42 for further disclosures.

(ii) Employee benefit plans

The cost of employee benefits under the defined benefit plan and other long term employee benefits as well as the present value of the obligation there against are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, attrition and mortality rates.

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(All amounts in ₹ lakhs, unless otherwise stated)

Due to the complexities involved in the valuation and its long-term nature, obligation amount is highly sensitive to changes in these assumptions.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans, the management considers the market yields on government bonds with a maturity term that is consistent with the term of the concerned defined benefit obligation. Future salary increases are based on expected future inflation rates and expected salary trends in the industry. Attrition rates are considered based on past observable data of employees leaving the services of the Group. The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at intervals in response to demographic changes. See note 38 for further disclosures.

(iii) Impairment of trade receivables

The Group has a stringent policy of ascertaining impairment, if any, as result of detailed scrutiny of major cases and through determining expected credit losses. Despite best estimates and periodic credit appraisals of customers, the Group's receivables are exposed to delinquency risks due to material adverse changes in business, financial or economic conditions that are expected to cause a significant change to the party's ability to meet its obligations. All such parameters relating to impairment or potential impairment are reviewed at each reporting date. See note 41(i) for further disclosures.

(iv) Revenue and cost estimation for long-duration construction & supply contracts

The revenue recognition pertaining to long-duration construction & supply contracts are determined on proportionate completion method based on actual contract costs incurred till balance sheet date and total budgeted contract costs. An estimation of total budgeted contract cost involves making various assumptions that may differ from the actual developments in the future. These include delays in execution due to unforeseen reasons, inflation rate, future material rates, future labour rates etc. The estimates/assumptions are made considering past experience, market/inflation trends and technological developments etc. All such estimates/ assumptions are reviewed at each reporting date.

(v) Provision for warranty claims

The Group, in the usual course of sale of its products, provides warranties on certain products and services, undertaking to repair or replace the items that fail to perform satisfactorily during the specified warranty period. Provisions made represent the amount of expected cost of meeting such obligations of rectifications / replacements based on best estimate considering the historical warranty claim information and any recent trends that may suggest future claims could differ from historical amounts. The assumptions made in relation to the current period are consistent with those in the prior years.

(vi) Provision for litigations and contingencies

The provision for litigations and contingencies are determined based on evaluation made by the management of the present obligation arising from past events the settlement of which is expected to result in outflow of resources embodying economic benefits, which involves judgements around estimating the ultimate outcome of such past events and measurement of the obligation amount.

(vii) Useful life and residual value of plant, property equipment and intangible assets

The useful life and residual value of plant, property equipment and intangible assets are determined based on technical evaluation made by the management of the expected usage of the asset, the physical wear and tear and technical or commercial obsolescence of the asset. Due to the judgements involved in such estimations, the useful life and residual value are sensitive to the actual usage in future period.

(viii) Current taxes and deferred taxes

Significant judgement is required in determination of taxability of certain incomes and deductibility of certain expenses during the estimation of the provision for income taxes.

Deferred tax assets are recognised for deductible temporary differences and carry forward of unused tax losses and tax credits to the extent that it is probable that taxable profit would be available against which such deferred tax assets could be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax optimisation strategies.

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(All amounts in ₹ lakhs, unless otherwise stated)

NOTE 3: PROPERTY, PLANT AND EQUIPMENT AND CAPITAL WORK-IN-PROGRESS

	Property, plant and equipment											Capital work-in-progress
	Freehold Land	Leasehold Land	Right-of-use assets (Land)	Buildings & Roads	Right-of-use assets (Building)	Plant and Equipment	Furniture & Fixtures	Vehicles	Office Equipment	Computers	Total	
Year ended 31 March 2021												
Gross carrying amount												
Opening gross carrying amount	3567.74	1986.75	353.14	22469.40	2189.79	103240.75	409.64	1377.27	611.60	800.32	137006.40	2638.94
Additions	307.07	-	6.68	1285.33	132.81	4793.69	28.20	162.29	110.26	213.87	7040.20	3867.93
Disposals	-	-	-	(735.36)	(282.33)	(181.67)	(1.83)	(29.95)	(13.46)	(12.29)	(1256.89)	(23.10)
Transfers *	-	-	-	-	-	-	-	-	-	-	-	(4260.34)
Closing gross carrying amount	**3874.81**	**1986.75**	**359.82**	**23019.37**	**2040.27**	**107852.77**	**436.01**	**1509.61**	**708.40**	**1001.90**	**142789.71**	**2223.43**
Accumulated depreciation and impairment												
Opening accumulated depreciation and impairment	-	-	23.96	3809.13	558.36	23940.68	197.35	459.05	201.75	422.78	29613.06	23.10
Depreciation charge during the year	-	-	5.69	1084.54	552.39	5778.28	36.79	162.53	89.39	150.96	7860.57	-
Disposals	-	-	-	(156.14)	(268.52)	(116.15)	(1.09)	(20.85)	(10.14)	(9.24)	(582.13)	(23.10)
Closing accumulated depreciation and impairment	**-**	**-**	**29.65**	**4737.53**	**842.23**	**29602.81**	**233.05**	**600.73**	**281.00**	**564.50**	**36891.50**	**-**
Net carrying amount	**3874.81**	**1986.75**	**330.17**	**18281.84**	**1198.04**	**78249.96**	**202.96**	**908.88**	**427.40**	**437.40**	**105898.21**	**2223.43**
Year ended 31 March 2022												
Gross carrying amount												
Opening gross carrying amount	3874.81	1986.75	359.82	23019.37	2040.27	107852.77	436.01	1509.61	708.40	1001.90	142789.71	2223.43
Additions	130.44	-	13.72	3167.79	656.25	3895.53	102.38	445.82	168.68	232.60	8813.21	28152.73
Disposals	(0.78)	-	-	(191.06)	(339.61)	(343.92)	(10.65)	(252.21)	(41.06)	(24.10)	(1203.39)	-
Transfers *	-	-	-	-	-	-	-	-	-	-	-	(4723.38)
Closing gross carrying amount	**4004.47**	**1986.75**	**373.54**	**25996.10**	**2356.91**	**111404.38**	**527.74**	**1703.22**	**836.02**	**1210.40**	**150399.53**	**25652.78**
Accumulated depreciation and impairment												
Opening accumulated depreciation and impairment	-	-	29.65	4737.53	842.23	29602.81	233.05	600.73	281.00	564.50	36891.50	-
Depreciation charge during the year	-	-	6.68	1066.60	501.97	5934.35	30.74	171.11	106.38	180.27	7998.10	-
Disposals	-	-	-	(133.36)	(329.42)	(155.87)	(8.84)	(117.61)	(35.09)	(17.64)	(797.83)	-
Closing accumulated depreciation and impairment	**-**	**-**	**36.33**	**5670.77**	**1014.78**	**35381.29**	**254.95**	**654.23**	**352.29**	**727.13**	**44091.77**	**-**
Net carrying amount	**4004.47**	**1986.75**	**337.21**	**20325.33**	**1342.13**	**76023.09**	**272.79**	**1048.99**	**483.73**	**483.27**	**106307.76**	**25652.78**

* Represents amount capitalised during the year under property, plant and equipment out of capital work-in-progress.

Notes:

(i) Leasehold land

This comprises certain land acquired under agreements on perpetual lease terms from the Government and accordingly, classified and accounted for under Ind AS 16 Property, Plant and Equipment. Under the terms of the perpetual lease agreements, the Group has the right to sublet/ sub-lease/ assign/ transfer such land except in case of one perpetual lease relating to a small parcel of land where prior approval of the specified authority is required in case sub-lease/ assignment/ transfer relates to a part of such land demised under the lease.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

(ii) Restrictions on Property, plant and equipment

Refer note 16(i) & 19(i) for information on charges created on property, plant and equipment. Further, freehold land includes land having carrying amount of ₹ 12.35 lakhs (31 March 2021: ₹ 13.13 lakhs) for which transfer of titles in the name of the Company is pending (refer note 50).

(iii) Contractual commitments

Refer note 47 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

(iv) Capital work-in-progress

Capital work-in-progress mainly comprises of distillery plants being constructed at Milak Narayanpur and Muzaffarnagar.

Capital work-in-progress ageing schedule

	As at 31-Mar-22					As at 31-Mar-21				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	25334.63	238.36	79.79	-	25652.78	1965.44	257.99	-	-	2223.43

Capital work-in-progress completion schedule, whose completion is overdue or has exceeded its cost compared to its original plan

	As at 31-Mar-22					As at 31-Mar-21			
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total	Less than 1 year	1-2 years	2-3 years	More than 3 years
Projects in progress									
160 KLPD multi-feed distillery at Milak Narayanpur	18153.81	-	-	-	-	-	-	-	
60 KLPD grain based distillery at Muzaffarnagar	5408.55	-	-	-	-	-	-	-	

Notes to the Consolidated Financial Statements

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(All amounts in ₹ lakhs, unless otherwise stated)

NOTE 4: INVESTMENT PROPERTY

	As at 31-Mar-22	As at 31-Mar-21
Gross carrying amount		
Opening gross carrying amount	1210.14	1167.07
Additions	-	43.08
Closing gross carrying amount	1210.14	1210.14
Accumulated depreciation and impairment		
Opening accumulated depreciation	-	-
Depreciation charge/impairment losses	-	-
Closing accumulated depreciation and impairment	-	-
Net carrying amount	1210.14	**1210.14**

(i) Description about investment properties

Investment properties consist of :

(a) various parcels of freehold land located in the State of Uttar Pradesh.

(b) an office flat owned by the Group having carrying amount of ₹ 0.12 lakhs constructed by a Society on a leasehold land at Mumbai.

(ii) Amount recognised in statement of profit and loss

	As at 31-Mar-22	As at 31-Mar-21
Rental income from office flat at Mumbai	12.78	13.56
Direct operating expenses on property that generated rental income	-	-
Direct operating expenses on property that did not generate rental income	(11.78)	(10.46)
Profit from investment properties before depreciation	1.00	**3.10**
Depreciation	-	-
Profit from investment properties	1.00	**3.10**

(iii) Restrictions on realisability and contractual obligations

Though the transfer of titles in the name of the Group is pending in respect of freehold land having carrying amount of ₹12.90 lakhs (refer note 50), the Group has no restrictions on the realisability of any of its investment properties and it is under no contractual obligations to either purchase, construct or develop investment properties or for repairs, maintenance and enhancements thereof.

(iv) Fair value

	As at 31-Mar-22	As at 31-Mar-21
Investment properties		
- Various parcels of freehold land located in the State of Uttar Pradesh.	*	*
- Office flat at Mumbai	418.60	**502.98**

* The parcels of land owned by the Group are situated in the sugar belts of Uttar Pradesh. In view of slowdown in real estate and industrial activities, the circle rates may not be fully reflective of the fair value in the absence of transactions of similar properties (including size) in the vicinity of the subject properties.

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for the year ended March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

Estimation of fair value of office flat at Mumbai

The valuation of the office flat situated at Mumbai has been carried by a registered approved valuer (as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017), conversant with and having knowledge of real estate activities in the concerned area, based on prevalent rates and other observable market inputs (Level 2 fair value).

NOTE 5: INTANGIBLE ASSETS AND INTANGIBLE ASSETS UNDER DEVELOPMENT

	Goodwill	Other Intangible assets			Intangible assets under development
		Computer software	Website	Total	
Year ended 31 March 2021					
Gross carrying amount					
Opening gross carrying amount	-	364.42	-	364.42	-
Additions	-	80.84	-	80.84	-
Acquisition of Subsidiary (see (i) below)	68.23	-	-	-	-
Disposals	-	(0.23)	-	(0.23)	-
Closing gross carrying amount	**68.23**	**445.03**	**-**	**445.03**	**-**
Accumulated amortisation and impairment					
Opening accumulated amortisation and impairment	-	271.30	-	271.30	-
Amortisation charge during the year	-	50.28	-	50.28	-
Disposals	-	(0.23)	-	(0.23)	-
Closing accumulated amortisation and impairment	**-**	**321.35**	**-**	**321.35**	**-**
Closing net carrying amount	**68.23**	**123.68**	**-**	**123.68**	**-**
Year ended 31 March 2022					
Gross carrying amount					
Opening gross carrying amount	68.23	445.03	-	445.03	-
Additions	-	106.25	9.66	115.91	2.50
Disposals	-	(43.14)	-	(43.14)	-
Closing gross carrying amount	**68.23**	**508.14**	**9.66**	**517.80**	**2.50**
Accumulated amortisation and impairment					
Opening accumulated amortisation and impairment	-	321.35	-	321.35	-
Amortisation charge during the year	-	77.73	1.12	78.85	-
Disposals	-	(43.14)	-	(43.14)	-
Closing accumulated amortisation and impairment	**-**	**355.94**	**1.12**	**357.06**	**-**
Closing net carrying amount	**68.23**	**152.20**	**8.54**	**160.74**	**2.50**

(i) Goodwill represents the excess of consideration paid over the net assets value of United Shippers & Dredgers Limited upon acquisition of its entire shareholding on 25 March 2021.

(ii) Intangible assets under development

Intangible assets under development comprises of website under development

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for the year ended March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

Intangible assets under development ageing schedule

	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
As at 31 March 2022					
Projects in progress	2.50	-	-	-	2.50

NOTE 6: INVESTMENTS

(a) Investments accounted for using the equity method

	As at 31-Mar-22	As at 31-Mar-21
Quoted Investments (fully paid-up)		
Investments in Equity Instruments		
- of Associate		
70,627,980 (31 March 2021: 70,627,980) Equity shares of ₹1/- each of Triveni Turbine Limited [refer note 44(ii)]	18703.98	13907.92
Total investments accounted for using the equity method	**18703.98**	**13907.92**
Total investments accounted for using the equity method	**18703.98**	**13907.92**
Aggregate amount of quoted investments	18703.98	13907.92
Aggregate amount of market value of quoted investment	142774.46	71899.28
Aggregate amount of unquoted investments	-	-
Aggregate amount of impairment in the value of investments	-	-

(b) Other non-current investments

	As at 31-Mar-22	As at 31-Mar-21
At cost		
Unquoted Investments (fully paid-up)		
Investments in Equity Instruments		
- of Subsidiaries		
100,000 (31 March 2021: 100,000) Equity shares of ₹1/- each of Triveni Foundation (incorporated u/s 8 of the Companies Act, 2013)	1.00	1.00
Total other non-current investments carried at cost [A]	**1.00**	**1.00**
At Amortised cost		
Quoted Investments (fully paid-up)		
Investments in Debentures		
10,418 (31 March 2021: Nil) 6.75% redeemable non-convertible debentures of Piramal Capital & Housing Finance Ltd.	101.58	-
Total aggregate quoted investments	**101.58**	**-**
Unquoted Investments (fully paid-up)		
Investments in Government or trust securities		
National Saving Certificates (kept as security)	0.03	0.03

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(All amounts in ₹ lakhs, unless otherwise stated)

	As at 31-Mar-22	As at 31-Mar-21
Investments in Bonds		
Nil (31 March 2021: 2,000) 9.25% bonds of ₹1,000/- of Dewan Housing Finance Corporation Ltd. SR-V B	-	6.00
Nil (31 March 2021: 24,600) 9.25% bonds of ₹1,000/- of Dewan Housing Finance Corporation Ltd. SR-III	-	73.80
Nil (31 March 2021: 12,200) 9.10% bonds of ₹1,000/- of Dewan Housing Finance Corporation Ltd. SR-VI A	-	36.60
Nil (31 March 2021: 500) 9.30% bonds of ₹1,000/- of Dewan Housing Finance Corporation Ltd. SR-VI B	-	1.50
2,000 (31 March 2021: 2,000) 9.55% bonds of ₹1,000/- of IL&FS Financial Services Ltd. SR-V	0.20	0.20
3,000 (31 March 2021: 3,000) 8.85% bonds of ₹1,000/- of IL&FS Financial Services Ltd. SR-VI	6.00	6.00
4,000 (31 March 2021: 4,000) 8.75% bonds of ₹1,000/- of IL&FS Financial Services Ltd. SR-III	8.00	8.00
9,700 (31 March 2021: 9,700) 8.65% bonds of ₹1,000/- of IL&FS Financial Services Ltd. SR-XVI	0.97	0.97
5,100 (31 March 2021: 5,100) 8.23% bonds of ₹1,000/- of IL&FS Financial Services Ltd. SR-I	10.20	10.20
2,000 (31 March 2021: 2,000) 8.70% bonds of ₹1,000/- of IL&FS Financial Services Ltd. SR-I	4.00	4.00
3,000 (31 March 2021: 3,000) 9.50% bonds of ₹1,000/- of Infrastructure Leasing & Financial Services Ltd. SR-II C	6.00	6.00
6,000 (31 March 2021: 6,000) 9.00% bonds of ₹1,000/- of Infrastructure Leasing & Financial Services Ltd. SR-I-H (O-1)	12.00	12.00
Total aggregate unquoted investments	47.40	**165.30**
Total non-current investments carried at amortised cost [B]	148.98	**165.30**
At Fair value through Profit or Loss (FVTPL) (refer note 42)		
Quoted Investments (fully paid-up)		
Investments in Equity Instruments		
13,500 (31 March 2021: 13,500) Equity shares of ₹2/- each of Housing Development Finance Corporation Limited	322.70	337.25
5,000 (31 March 2021: 5,000) Equity shares of ₹1/- each of HDFC Bank Limited	73.52	74.68
24,175 (31 March 2021: 24,175) Equity shares of ₹2/- each of Punjab National Bank	8.47	8.86
76 (31 March 2021: 76) Equity shares of ₹10/- each of Central Bank of India	0.01	0.01
3,642 (31 March 2021: 3,642) Equity shares of ₹5/- each of NBI Industrial Finance Co. Limited	80.85	71.33
Total other non-current investments carried at FVTPL [C]	485.55	**492.13**
Total other non-current investments ([A]+[B]+[C])	635.53	**658.43**
Total other non-current investments	635.53	**658.43**
Aggregate amount of quoted investments	587.13	492.13
Aggregate amount of market value of quoted investments	567.63	492.13
Aggregate amount of unquoted investments	48.40	166.30
Aggregate amount of impairment in the value of investments	-	-

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for the year ended March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

NOTE 7: TRADE RECEIVABLES

	As at 31-Mar-22		As at 31-Mar-21	
	Current	Non- current	Current	Non- current
Trade receivables (at amortised cost)				
- Considered good - Unsecured	26844.36	16472.80	20976.22	11981.97
- Trade receivables which have significant increase in credit risk	-	1172.57	-	1004.59
- Trade receivables - Credit impaired	-	200.53	-	969.40
Less: Allowance for bad and doubtful debts	(164.08)	(1377.05)	(136.99)	(1973.99)
Total trade receivables	**26680.28**	**16468.85**	**20839.23**	**11981.97**

(i) Refer note 41(i) for credit risk, impairment of trade receivables under expected credit loss model and other related disclosures.

(ii) Mathura Wastewater Management Private Limited (MWMPL), a subsidiary of the Company, was incorporated as a special purpose vehicle for implementation of a project/order awarded to the MWMPL under a contract entered into with U.P. Jal Nigam, Agra and National Mission for Clean Ganga under the Namami Gange Programme. The project is on hybrid annuity basis under Public Private Partnership (PPP) model, according to which 40% of EPC value will be paid by customer during the construction period and balance 60% will be paid during O&M period of 15 years alongwith interest.

(iii) Pali ZLD Private Limited (PZPL), a subsidiary of the Company, was incorporated as a special purpose vehicle for implementation of a project/ order awarded to the PZPL under a contract entered into with CETP Foundation, Pali (Rajasthan). This project is on hybrid annuity model, according to which approx. 55% of EPC value will be paid by customer during the construction period and balance 45% will be paid during first 5 years of O&M period alongwith interest.

(iv) Trade receivables ageing schedule:

For the year ended 31 March 2022

	Not overdue	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables - considered good	33466.60	6893.08	318.86	174.33	213.10	119.19	41185.16
Undisputed trade receivables - which have significant increase in credit risk	-	3.65	18.51	9.06	38.09	8.93	78.24
Disputed trade receivables - considered good	-	296.08	225.22	441.15	484.98	684.57	2132.00
Disputed trade receivables -which have significant	-	-	-	-	-	1094.33	1094.33
Disputed trade receivables - credit impaired	-	-	-	-	-	200.53	200.53
Total trade receivables	**33466.40**	**7192.81**	**562.59**	**624.54**	**736.17**	**2107.55**	**44690.26**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

For the year ended 31 March 2021

	Not overdue	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables - considered good	21503.90	7459.02	385.92	378.06	58.12	279.81	30064.83
Undisputed trade receivables - which have significant increase in credit risk	-	-	-	15.00	-	8.93	23.93
Disputed trade receivables - considered good	-	944.31	405.50	464.47	-	1079.08	2893.36
Disputed trade receivables - which have significant	-	-	-	-	-	980.66	980.66
Disputed trade receivables - credit impaired	-	-	-	-	-	969.40	969.40
Total trade receivables	**21503.90**	**8403.33**	**791.42**	**857.53**	**58.12**	**3317.88**	**34932.18**

NOTE 8: LOANS

	As at 31-Mar-22		As at 31-Mar-21	
	Current	Non- current	Current	Non- current
At amortised cost				
Loan to related parties (refer note 39)				
- Loans receivables considered good - Unsecured	-	-	1831.47	-
Loan to employees				
- Loans receivables considered good - Unsecured	45.73	2.18	11.74	2.46
Loan to others				
- Loans receivables considered good - Unsecured	-	-	0.56	-
Total loans	45.73	2.18	**1843.77**	**2.46**

(i) Loan to related parties refers to loan provided to an Israel based associate company, Aqwise Wise Water Technologies Limited, for meeting its working capital requirements (refer note 13).

NOTE 9: OTHER FINANCIAL ASSETS

	As at 31-Mar-22		As at 31-Mar-21	
	Current	Non- current	Current	Non- current
At amortised cost				
Security deposits (see (i) below)	20.34	1041.14	26.38	671.10
Earnest money deposits	311.77	2.00	48.13	2.00
Less: Allowance for bad and doubtful deposits	(0.79)	-	(0.15)	-
	310.98	2.00	**47.98**	**2.00**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

	As at 31-Mar-22		As at 31-Mar-21	
	Current	Non- current	Current	Non- current
Bank balances:				
Earmarked balances with banks:				
- Deposit against molasses storage fund (refer note 15(vi))	-	300.72	-	244.27
Balances under lien/margin/kept as security:				
- Post office savings account	-	0.19	-	0.19
- Fixed / margin deposits	-	295.81	-	474.24
Other balances:				
- Fixed deposits	-	4.20	-	4.20
	-	600.92	**-**	**722.90**
Accrued interest	51.05	1.76	17.72	0.68
Insurance claim recoverable	147.00	-	122.38	-
Amount receivable against divestment (refer note 13)	999.08	-	-	-
Less: Allowance for bad and doubtful assets (refer note 13)	(999.08)	-	-	-
	-	-	**-**	**-**
Miscellaneous other financial assets	11.06	14.90	8.15	14.90
Less: Allowance for bad and doubtful assets	-	(14.90)	-	(14.90)
	11.06	-	**8.15**	**-**
Total other financial assets at amortised cost [A]	540.43	1645.82	**222.61**	**1396.68**
At fair value through Profit or Loss (FVTPL) (refer note 42)				
Derivatives financial instruments carried at fair value				
- Foreign exchange forward contracts (not designated as hedges)	3.30	-	35.92	-
Total other financial assets at FVTPL [B]	3.30	-	**35.92**	**-**
At fair value through Other Comprehensive Income (FVTOCI) (refer note 42)				
Derivatives financial instruments carried at fair value				
- Foreign exchange forward contracts (designated as hedges)	105.91	-	-	-
Total other financial assets at FVTOCI [C]	105.91	-	**-**	**-**
Total other financial assets ([A]+[B]+[C])	649.64	1645.82	**258.53**	**1396.68**

(i) Investment of ₹84.57 lakhs (31 March 2021: ₹82.95 lakhs) in equity shares of Atria Wind Power (Bijapur1) Private Limited, under group captive arrangement to source power, has been considered as security deposit in accordance with applicable accounting standards.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

NOTE 10: OTHER ASSETS

	As at 31-Mar-22		As at 31-Mar-21	
	Current	Non- current	Current	Non- current
Capital advances	-	1413.12	-	1671.66
Advances to suppliers	823.82	18.06	1105.33	18.06
Less: Allowance for bad and doubtful advances	(12.16)	(18.06)	(54.89)	(18.06)
	811.66	-	**1050.44**	**-**
Advances to related parties (refer note 39)	2.74	-	1.16	-
Indirect tax and duties recoverable	3972.18	339.89	3505.69	314.69
Less: Allowance for bad and doubtful amounts	(13.82)	(1.46)	(13.82)	(1.46)
	3958.36	338.43	**3491.87**	**313.23**
Deposit with sales tax authorities	111.77	6.55	166.95	6.55
Bank guarantee encashment recoverable	-	200.00	-	200.00
Less: Allowance for bad and doubtful claims	-	(200.00)	-	(200.00)
	-	-	**-**	**-**
Export incentives receivable	69.97	-	35.22	-
Less: Allowance for bad and doubtful claims	(1.32)	-	(7.46)	-
	68.65	-	**27.76**	**-**
Government grant receivables (refer note 43)	487.78	-	4535.96	-
Advances to employees	36.86	1.45	41.37	1.45
Prepaid expenses	1385.37	199.65	796.82	29.04
Due from customers under long-duration construction & supply contracts [see (ii) below]	8486.76	-	5611.67	-
Less: Allowance for bad and doubtful debts	(743.00)	-	-	-
	7743.76	-	**5611.67**	**-**
Unbilled revenue [see (ii) below]	-	-	23.17	-
Customer retentions [see (i) and (ii) below]	7326.43	-	7251.59	-
Less: Allowance for bad and doubtful debts	(125.81)	-	(121.02)	-
	7200.62	-	**7130.57**	**-**
Miscellaneous other assets	104.74	394.80	149.71	112.31
Less: Allowance for bad and doubtful assets	-	(20.75)	-	(20.78)
	104.74	374.05	**149.71**	**91.53**
Total other assets	21912.31	2333.25	**23027.45**	**2113.46**

(i) Customer retentions include ₹2969.02 lakhs (31 March 2021: ₹2139.68 lakhs) expected to be received after twelve months within the operating cycle.

(ii) Contract balances

	As at 31-Mar-22	As at 31-Mar-21
Contract assets		
- Amounts due from customers under long-duration construction & supply contracts	7743.76	5611.67
- Unbilled revenue	-	23.17
- Customer retentions	7200.62	7130.57
Contract liabilities		
- Amounts due to customers under long-duration construction & supply contracts	5092.66	6064.42
- Advance from customers	4928.05	5151.28

Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

(a) Contract assets are initially recognised for revenue earned but not billed pending successful achievement of milestones. Upon achievement of milestones contract assets are reclassified to trade receivables. A trade receivable represents the Group's right to an amount of consideration that is billed on the customer and which become due unconditionally (i.e. only the passage of time is required before payment of the consideration is due). Different businesses of the Group have their different credit terms [refer note 41(i)].

Contract costs incurred to date plus recognised profits or less recognised losses are compared with progress billings raised on the customer - any surplus is considered as contract assets and shown as amounts due from customers under long-duration construction & supply contracts, whereas any shortfall is considered as contract liabilities and shown as the amounts due to customers under long-duration construction & supply contracts. Amounts of revenue earned for service work performed pending billing on customers is also considered as contract assets and shown as unbilled revenue. Amounts billed for work performed which will become due upon fulfillment of specified conditions is considered as contract assets and shown as customer retentions. Amounts received before the related work is performed is considered as contract liabilities and is shown as advances from customers.

(b) Significant changes in contract assets and liabilities:
Increase in contract assets (Due from customers under long-duration construction & supply contracts) has resulted due to substantial work carried out during the current year pending billing due to non-achievement of contractual milestones, mainly in respect of sewage/wastewater treatment projects in the municipal/industrial segment.

Increase in contract assets (customer retentions) mainly attributable to significant billing done during the current year upon achieving contractual milestones, mainly in respect of sewage treatment projects in the municipal segment. As per the contractual terms, a specified percentage of the billing will be retained by the customer and will become due upon fulfillment of specified conditions.

Decrease in contract liabilities (Amount due to customers under long-duration construction & supply contracts) is due to the reason that against the billing done during the current year, the revenue recognised in accordance with Ind AS 115 Revenue from Contracts with Customers is higher, mainly in respect of sewage/water/wastewater treatment projects in the municipal/ industrial segment.

Decrease in contract liabilities (Advances from Customers) is due to adjustment of mobilsation advances as a result of progressive/final billings and due to lower advances received against fresh orders.

(c) Revenue recognised in relation to contract liabilities:
The following table shows how much of the revenue recognised in the current reporting period relates to carried-forward contract liabilities and how much relates to performance obligations that were satisfied in a prior year.

	Year ended 31-Mar-22	Year ended 31-Mar-21
Revenue recognised that was included in the contract liability balance at the beginning of the period	6775.26	13313.96
Revenue recognised from performance obligations satisfied in previous periods	-	-

Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

NOTE 11: INVENTORIES

	As at 31-Mar-22	As at 31-Mar-21
Raw materials and components	4364.94	3883.10
Less: Provision for obsolescence/slow moving raw materials and components	(235.45)	(114.32)
Work-in-progress	2838.73	2609.73
Finished goods [including stock in transit ₹425.89 lakhs as at 31 March 2022 (31 March 2021: ₹2184.92 lakhs)]	190098.78	161840.87
Stock in trade	179.03	44.89
Stores and spares [including stock in transit ₹2.51 lakhs as at 31 March 2022 (31 March 2021: ₹0.92 lakhs)]	6690.68	5335.85
Less: Provision for obsolescence/slow moving stores and spares	(326.32)	(287.53)
Others - Scrap & low value patterns	76.63	62.33
Total inventories	**203687.02**	**173374.92**

(i) The cost of inventories recognised as an expense during the year was ₹384969.70 lakhs (31 March 2021: ₹397845.24 lakhs)

(ii) Refer note 19(i) for information on charges created on inventories.

(iii) The mode of valuation of inventories has been stated in note 1(l).

(iv) All inventories are expected to be utilised/sold within twelve months except certain items of stores and spares, which are utilised on need basis. Quantum of such stores and spares, which may be utilised beyond one year, is not determinable and is not expected to be material with reference to the total value of inventories.

(v) For impairment losses recognised during the year refer note 25 & 33.

(vi) In addition to the cost of inventories recognised as expense as mentioned in (i) above, there are write-downs of inventories to net realisable value amounting to ₹396.91 lakhs [31 March 2021: write-downs of ₹31.52 lakhs] which are also recognised as an expense/income during the year and included in 'Changes in inventories of finished goods, stock-in-trade and work-in-progress' in statement of profit and loss.

NOTE 12: CASH AND BANK BALANCES

(a) Cash and cash equivalents

	As at 31-Mar-22	As at 31-Mar-21
At amortised cost		
Balances with banks	2302.41	1063.77
Cheques / drafts on hand	-	40.11
Cash on hand	26.05	23.82
Total cash and cash equivalents	**2328.46**	**1127.70**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

(b) Bank balances other than cash and cash equivalents

	As at 31-Mar-22	As at 31-Mar-21
At amortised cost		
Earmarked balances with banks:		
- unpaid dividend and preference share redemption accounts	20.71	11.75
Balances under lien/margin/kept as security:		
- in fixed/margin deposits	387.68	58.66
Other balances:		
- in fixed deposits	53.24	61.47
Total bank balances other than cash and cash equivalents	**461.63**	**131.88**

NOTE 13: ASSETS HELD FOR SALE

	As at 31-Mar-22	As at 31-Mar-21
Investment in equity shares of Aqwise Wise Water Technologies Limited (Israel)	-	660.21
Total assets held for sale	**-**	**660.21**

The activities of Aqwise Wise Water Technologies Ltd. ("Aqwise"), an erstwhile associate of the Company, based in Israel, had been severely impacted due to the Covid-19 pandemic. The Company alongwith other shareholders of Aqwise had accordingly agreed to divest their entire equity stake in favour of G.E.S. Global Environmental Solutions Ltd. ("GES") under an agreement dated 25 March 2021. Consequently, the Company ceased to consolidate the results of the associate company in any subsequent period and had classified its equity investment held in Aqwise (along with the loan agreed to be converted into equity) as "Assets held for sale" at the carrying amount. Such investment does not form part of any segment assets.

During the current year, the Company alongwith other shareholders of Aqwise have divested their entire equity stake in Aqwise. In view of considerable claims submitted by GES towards the consideration payable to the shareholders in terms of the above said agreement, the Company does not expect to receive any consideration amount and hence the amount receivable against the divestment has now been fully provided (refer note 9 & 34).

NOTE 14: SHARE CAPITAL

	As at 31-Mar-22		As at 31-Mar-21	
	Number of shares	Amount	Number of shares	Amount
AUTHORISED				
Equity shares of ₹1 each	50,00,00,000	5000.00	50,00,00,000	5000.00
Preference shares of ₹10 each	2,00,00,000	2000.00	2,00,00,000	2000.00
		7000.00		**7000.00**
ISSUED				
Equity shares of ₹1 each	24,17,63,110	2417.63	24,17,63,110	2417.63
SUBSCRIBED AND PAID UP				
Equity shares of ₹1 each, fully paid up	24,17,55,110	2417.55	24,17,55,110	2417.55
Add: Paid up value of equity shares of ₹1 each forfeited	8,000	0.02	8,000	0.02
		2417.57		**2417.57**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

(i) Movements in equity share capital

	Number of shares	Amount
As at 31 March 2020	24,79,45,110	2,479.45
Extinguishment of shares upon buy-back	(61,90,000)	(61.90)
As at 31 March 2021	**24,17,55,110**	**2,417.55**
Movement during the year	-	-
As at 31 March 2022	**24,17,55,110**	**2,417.55**

(ii) Terms and rights attached to equity shares

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

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

(iii) Details of shareholders holding more than 5% shares in the Company

	As at 31-Mar-22		As at 31-Mar-21	
	Number of shares	% holding	Number of shares	% holding
Dhruv M. Sawhney	3,77,33,691	15.61	3,77,33,691	15.61
Rati Sawhney	1,65,10,356	6.83	1,75,10,356	7.24
STFL Trading and Finance Private Limited	7,87,39,178	32.57	7,77,39,178	32.16
Nikhil Sawhney	1,43,67,837	5.94	1,43,67,837	5.94
Tarun Sawhney	1,38,20,236	5.72	1,38,20,236	5.72

(iv) Details of Promoter's shareholding

	As at 31-Mar-22			As at 31-Mar-21		
	Number of shares	% holding	% change during the year	Number of shares	% holding	% change during the year
Dhruv M. Sawhney	3,77,33,691	15.61	-	3,77,33,691	15.61	(2.37)
Rati Sawhney	1,65,10,356	6.83	(5.71)	1,75,10,356	7.24	(2.37)
STFL Trading and Finance Private Limited	7,87,39,178	32.57	1.29	7,77,39,178	32.16	(2.38)
Nikhil Sawhney	1,43,67,837	5.94	-	1,43,67,837	5.94	(2.37)
Tarun Sawhney	1,38,20,236	5.72	-	1,38,20,236	5.72	(2.37)
Manmohan Sawhney HUF	42,44,452	1.76	-	42,44,452	1.76	(2.37)
Tarana Sawhney	23,513	0.01	-	23,513	0.01	(2.37)

(v) The aggregate number of equity shares bought back during a period of five financial years immediately preceding the financial year ended 31 March 2022 is 1,61,90,000 equity shares (31 March 2021: 1,00,00,000 equity shares)

Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

NOTE 15: OTHER EQUITY

	As at 31-Mar-22	As at 31-Mar-21
Capital redemption reserve	635.04	635.04
Capital reserve	3285.44	2868.83
Securities premium	8375.55	8375.55
Amalgamation reserve	926.34	926.34
General reserve	49919.43	49919.43
Molasses storage fund reserve	230.80	181.20
Retained earnings	125359.79	90205.90
Foreign currency translation reserve	32.95	25.36
Cash flow hedging reserve	(30.89)	12.18
Costs of hedging reserve	133.31	-
Total other equity	**188867.76**	**153149.83**

(i) Capital redemption reserve

	Year ended 31-Mar-22	Year ended 31-Mar-21
Opening balance	635.04	573.14
Transferred from securities premium on buy-back of equity shares	-	61.90
Closing balance	**635.04**	**635.04**

Capital redemption reserve has been created consequent to redemption of preference share capital and buy-back of equity share capital in earlier years. This reserve shall be utilised in accordance with the provisions of Companies Act, 2013.

(ii) Capital reserve

	Year ended 31-Mar-22	Year ended 31-Mar-21
Opening balance	2868.83	2706.77
Share of associates - adjustments consequent to divestment (refer note 13)	-	162.06
Share of other comprehensive income of associates arising from the bargain purchase on business combination	416.61	-
Closing balance	**3285.44**	**2868.83**

Capital reserve majorly comprises reserve created consequent to business combination in earlier years, in accordance with the accounting standards then prevailing.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

(iii) Securities premium

	Year ended 31-Mar-22	Year ended 31-Mar-21
Opening balance	8375.55	16458.13
Amount utilised for buy-back of equity shares	-	(6437.60)
Transferred to capital redemption reserve on buy-back of equity shares	-	(61.90)
Transaction costs related to buy-back of equity shares	-	(87.68)
Tax paid on buy-back of equity shares	-	(1456.44)
Share of associates - addition	-	0.01
Share of associates - adjustments consequent to divestment (refer note 13)	-	(38.97)
Closing balance	**8375.55**	**8375.55**

Securities premium is used to record the premium received on issue of shares and is utilised in accordance with the provisions of Companies Act, 2013.

(iv) Amalgamation reserve

	Year ended 31-Mar-22	Year ended 31-Mar-21
Opening balance	926.34	926.34
Movement during the year	-	-
Closing balance	**926.34**	**926.34**

Amalgamation reserve was created consequent to business combinations in past in accordance with the accounting standards then prevailing.

(v) General reserve

	Year ended 31-Mar-22	Year ended 31-Mar-21
Opening balance	49919.43	49919.43
Movement during the year	-	-
Closing balance	**49919.43**	**49919.43**

General reserve represents amount retained by the Group out of its profits for future purposes. It is not earmarked for any specific purpose.

(vi) Molasses storage fund reserve

	Year ended 31-Mar-22	Year ended 31-Mar-21
Opening balance	181.20	140.71
Amount transferred from retained earnings	49.60	40.49
Amount transferred to retained earnings	-	-
Closing balance	**230.80**	**181.20**

Molasses storage fund reserve is created and maintained under the provisions of the Uttar Pradesh Sheera Niyantran Adhiniyam, 1964 (U.P. Act No. XXIV of 1964) and is to be utilised for the provision and maintenance of adequate storage facilities for molasses. Fixed deposit of ₹300.72 lakhs (31 March 2021: ₹244.27 lakhs) is earmarked against molasses storage fund (refer note 9).

Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

(vii) Retained earnings

	Year ended 31-Mar-22	Year ended 31-Mar-21
Opening balance	90205.90	60790.80
Net profit for the year	42405.92	29460.27
Other comprehensive income arising from the remeasurement of defined benefit obligation, net of income tax	54.74	(28.86)
Share of other comprehensive income of associates arising from the remeasurement of defined benefit plan, net of income tax	(4.52)	24.18
Transfer to molasses storage fund reserve	(49.60)	(40.49)
Dividends distributed	(7252.65)	-
Closing balance	**125359.79**	**90205.90**

(a) Retained earnings represents undistributed profits of the Group which can be distributed to its equity shareholders in accordance with the provisions of the Companies Act, 2013.

(b) Details of dividend distributions made and proposed:

	Year ended 31-Mar-22	Year ended 31-Mar-21
Cash dividends on equity shares distributed:		
Final dividend for the year ended 31 March 2021: 175% (₹1.75 per equity share of ₹1/- each) [31 March 2020: Nil]	4230.71	-
Interim dividend for the year ended 31 March 2022: 125% (₹1.25 per equity share of ₹1/- each) [31 March 2021: Nil]	3021.94	-
Total cash dividends on equity shares declared and paid	**7252.65**	**-**
Cash dividends on equity shares proposed:		
Final dividend for the year ended 31 March 2022: 200% (₹2 per equity share of ₹ 1/- each) [31 March 2021: 175% (₹1.75 per equity share of ₹1/- each)]	4835.10	4230.71

Proposed dividends on equity shares are subject to approval at the annual general meeting and are not recognised as a liability as at 31 March.

(viii) Foreign currency translation reserve

	Year ended 31-Mar-22	Year ended 31-Mar-21
Opening balance	25.36	(54.83)
Share of other comprehensive income of associates arising from the exchange differences on translation of foreign operations	10.14	(141.36)
Income tax related to above share of other comprehensive income of assoicates	(2.55)	-
Share of associates - adjustments consequent to divestment (refer note 13)	-	221.55
Closing balance	**32.95**	**25.36**

Exchange differences relating to the translation of the foreign operations are recognised in other comprehensive income and accumulated in the foreign currency translation reserve. The cumulative amount is reclassified to profit or loss when the net investment is disposed of.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

(ix) Cash flow hedging reserve

	Year ended 31-Mar-22	Year ended 31-Mar-21
Opening balance	12.18	(73.12)
Other comprehensive income arising from effective portion of gains/(losses) on hedging instruments designated as cash flow hedges (non-reclassifiable)	(29.33)	-
Other comprehensive income arising from effective portion of gains/(losses) on hedging instruments designated as cash flow hedges (reclassifiable)	(72.24)	-
Income tax related to gains/losses (net of reclassification to profit or loss) recognised in other comprehensive income	25.56	-
Amounts transferred to cost of non-financial hedged items	29.33	-
Income tax related to amounts transferred to cost of non-financial hedged items	(7.38)	-
Share of other comprehensive income of associates arising from effective portion of gains/(losses) on hedging instruments designated as cash flow hedges	14.69	85.30
Income tax related to above share of other comprehensive income of assoicates	(3.70)	-
Closing balance	**(30.89)**	**12.18**

The cash flow hedging reserve is used to recognise the effective portion of gains or losses on derivatives that are designated and qualify as cash flow hedges. Amounts are subsequently either transferred to the cost of non-financial hedged items or reclassified to profit or loss, as appropriate.

(x) Costs of hedging reserve

	Year ended 31-Mar-22	Year ended 31-Mar-21
Opening balance	-	-
Other comprehensive income arising from gains/(losses) on aligned portion of forward element of cash flow hedging instruments (non-reclassifiable)	14.29	-
Other comprehensive income arising from gains/(losses) on aligned portion of forward element of cash flow hedging instruments (reclassifiable)	178.14	-
Income tax related to gains/losses (net of reclassification to profit or loss) recognised in other comprehensive income	(48.43)	-
Amounts transferred to cost of non-financial hedged items	(14.29)	-
Income tax related to amounts transferred to cost of non-financial hedged items	3.60	-
Closing balance	**133.31**	**-**

In cases where the Group opts to designate only the spot element of a foreign exchange forward contract as a cash flow hedge, the changes in the aligned portion of the forward element of hedging instrument is deferred and accumulated under the costs of hedging reserve. These deferred costs of hedging are included in the initial cost of non-financial hedged items when it is recognised or reclassified to profit or loss when the hedged items affects profit or loss, as appropriate.

NOTE 16: NON-CURRENT BORROWINGS

	As at 31-Mar-22		As at 31-Mar-21	
	Current maturities	Non- current	Current maturities	Non- current
Secured- at amortised cost				
Term loans				
- from banks	6578.18	23046.35	4762.59	15332.08
- from other parties	6687.43	8871.43	5910.05	15558.86
	13265.61	31917.78	**10672.64**	**30890.94**
Less: Amount disclosed under the head "Current borrowings" (refer note 19)	(13265.61)	-	(10672.64)	-
Total non-current borrowings	-	31917.78	**-**	**30890.94**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

NOTE 16: NON-CURRENT BORROWINGS (Contd.)

(i) Details of long term borrowings of the Company

		Amount outstanding as at		Interest rate	Number of instalments outstanding as at		Terms of Repayment	Nature of Security
		31-Mar-22	31-Mar-21		31-Mar-22	31-Mar-21		
Secured- at amortised cost								
Term loans from banks (₹ loans)								
1	RBL Bank Limited*	4321.24	6238.59	At MCLR plus applicable spread. The interest rate as on 31.03.2022 ranges between 7.35% to 7.85% p.a.	9	13	Equal quarterly installments from September 2020 to June 2024	Secured by first pari-passu charge created / to be created by equitable mortgage on immoveable assets and hypothecation of all moveable assets, both present and future of the Company and second pari-passu charge on current assets of the Company.
2	Central Bank of India*	2793.24	4041.13		9	13	Equal quarterly installments from September 2020 to June 2024	
3	Punjab National Bank*	2807.03	4060.59		9	13	Equal quarterly installments from September 2020 to June 2024	
4	ICICI Bank Limited	-	495.00		-	16	-	
5	RBL Bank Limited*	2620.31	-		16	-	Equal quarterly installments from January 2023 to September 2026	
6	Axis Bank Limited*	3495.49	-		16	-	Equal quarterly installments from December 2022 to September 2026	
7	ICICI Bank Limited*	6995.25	-		16	-	Equal quarterly installments from January 2023 to September 2026	

Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

NOTE 16: NON-CURRENT BORROWINGS (Contd.)

(i) Details of long term borrowings of the Company

		Amount outstanding as at		Interest rate	Number of instalments outstanding as at		Terms of Repayment	Nature of Security
		31-Mar-22	31-Mar-21		31-Mar-22	31-Mar-21		
8	Axis Bank Limited	6421.99	5035.10	At MCLR plus applicable spread. The interest rate as on 31.03.2022 ranges between 7.35% to 7.85% p.a.	47	48	Equal quarterly installments from March 2022 to December 2033	(i) First charge by way of hypothecation of all the fixed assets / movable assets and current assets of Mathura Wastewater Management Private Limited ("MWMPL"), present & future, other than project assets. (ii) Pledge of 4,05,09,000 shares (30% of total equity shares) of the MWMPL held by the Parent company. (iii) Unconditional & irreovacable Corporate Guarantee of the Parent company
9	Axis Bank (Vehicle loan)	160.72	200.32	At fixed rates ranging from 7.45% to 9.35% p.a.	1 to 58	2 to 51	Equated monthly installments	Secured by hypothecation of vehicles acquired under the respective vehicle loans
10	PNB Bank (Vehicle loan)	5.24	11.81					
11	Yes Bank (Vehicle loan)	4.02	12.13					
		29624.53	20094.67					
Total term loans from banks		29624.53	20094.67					
Term loans from other parties (₹ loans)								
1	Daimler Financial Services Pvt. Ltd. (Vehicle loan)	-	95.64	5% p.a.	-	10	Equal monthly installments upto June 2024	Secured by hypothecation of vehicles acquired under the respective vehicle loans
2	Govt. of Uttar Pradesh through RBL Bank Ltd. under SEFASU 2018*	15558.86	21373.27		27	38		Secured by first pari-passu charge on the fixed assets of the Company
Total term loans from other parties		15558.86	21468.91					
Total loans		45183.39	41563.58					

* Loans with interest subvention or below market rate under various schemes of the Government, refer note 43.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

NOTE 17: PROVISIONS

	As at 31-Mar-22		As at 31-Mar-21	
	Current	Non-current	Current	Non-current
Provision for employee benefits				
Gratuity (refer note 38)	381.11	2183.70	482.67	4074.09
Compensated absences	557.64	1167.32	543.86	1101.25
Other provisions				
Warranty	3545.20	-	2375.07	-
Cost to completion	232.42	-	220.41	-
Arbitration/Court case claims	111.86	-	105.65	-
Total provisions	**4828.23**	**3351.02**	**3727.66**	**5175.34**

(i) Information about individual provisions and significant estimates

(a) Warranty

The Group provides warranties on certain products, undertaking to repair or replace the items that fail to perform satisfactorily during the warranty period. Provisions made represent the amount of expected cost of meeting such obligations of rectifications / replacements based on best estimate considering the historical warranty claim information and any recent trends that may suggest future claims could differ from historical amounts. It also includes provisions made towards contractual obligations to replace certain parts under an Operation and Maintenance contract. The timing of the outflows is expected to be within a period of two years.

(b) Cost to completion

The provision represents costs of materials and services required for integration of water treatment package at the site (the revenue of which has been fully recognised), prior to commissioning.

(c) Arbitration / Court-case claims

Represents the provision made towards certain claims awarded against the Group in legal proceedings which have been challenged by the Group before appropriate authorities. The timing of the outflows is uncertain.

(ii) Movement in provisions

Movement in each class of provision are set out below:

	Year ended 31-Mar-22			Year ended 31-Mar-21		
	Warranty	Cost to completion	Arbitration/ Court case claims	Warranty	Cost to completion	Arbitration/ Court case claims
Balance at the beginning of the year	2375.07	220.41	105.65	1855.08	385.76	99.44
Additional provisions recognised	1327.24	205.00	6.21	539.25	145.00	6.21
Amounts used during the year	(99.35)	(192.99)	-	(19.26)	(310.35)	-
Unused amounts reversed during the year	(57.76)	-	-	-	-	-
Balance at the end of the year	**3545.20**	**232.42**	**111.86**	**2375.07**	**220.41**	**105.65**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

NOTE 18: OTHER LIABILITIES

	As at 31-Mar-22		As at 31-Mar-21	
	Current	Non- current	Current	Non- current
Revenue received in advance				
Deferred revenue arising from government grant related to assets (refer note 43)	-	141.45	-	141.46
Deferred revenue arising from government grant related to income (refer note 43)	592.57	228.58	858.92	821.14
Amount due to customers under long-duration construction & supply contracts [refer note 10(ii)]	5092.66	-	6064.42	-
Other advances				
Advance from customers	4928.05	-	5151.28	-
Others				
Statutory remittances	3351.24	-	2685.68	-
Miscellaneous other payables	348.35	139.48	159.31	108.51
Total other liabilities	**14312.87**	**509.51**	**14919.61**	**1071.11**

NOTE 19: CURRENT BORROWINGS

	As at 31-Mar-22	As at 31-Mar-21
Secured- at amortised cost		
Repayable on demand		
- Cash credits/working capital demand loans/soft loans from banks (see (i) below)	105791.87	56157.43
Current maturities of long-term borrowings (refer note 16)	13265.61	10672.64
Unsecured- at amortised cost		
Commercial papers (see (ii) below)	5000.00	-
Loans from related parties (refer note 39)	-	1.09
Total current borrowings	**124057.48**	**66831.16**

(i) Secured by pledge/hypothecation of the stock-in-trade, raw material, stores and spare parts, work-in-progress and trade receivables and second charge created/to be created on the properties of all the Engineering units and immovable property at New Delhi and third charge on the properties of Sugar, Co-Generation and Distillery units of the Company on pari-passu basis. Interest rates on the above loans outstanding as at the year end majorly ranges between 4.25% to 7.50% (weighted average interest rate: 4.72% p.a.).

(ii) Commercial papers issued at the interest rate of 4.25% p.a. for a tenor of 80 days, to be fully repaid on May 2022.

(iii) There are no differences in the figures reported in the quarterly returns/statements filed with the banks vis-à-vis the books of accounts. For the determination of drawing power for sugar stocks, the Company follows the guidelines of the RBI as prescribed for commodities covered under selective credit control.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

NOTE 20: TRADE PAYABLES

	As at 31-Mar-22	As at 31-Mar-21
Trade payables (at amortised cost)		
- Total outstanding dues of micro enterprises and small enterprises (refer note 49)	798.17	538.57
- Total outstanding dues of creditors other than micro enterprises and small enterprises	34285.83	61891.35
Total trade payables	**35084.00**	**62429.92**

(i) Trade payables ageing schedule:

For the year ended 31 March 2022

	Unbilled	Not overdue	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	-	798.17	-	-	-	-	798.17
Others	1937.10	25958.72	5059.09	218.76	114.61	735.94	34024.22
Disputed dues - Others	-	191.79	-	-	4.52	65.30	261.61
Total trade payables	**1937.10**	**26948.68**	**5059.09**	**218.76**	**119.13**	**801.24**	**35084.00**

For the year ended 31 March 2021

	Unbilled	Not overdue	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	-	538.57	-	-	-	-	538.57
Others	1749.10	26737.89	32226.56	223.00	82.48	553.73	61572.76
Disputed dues - Others	196.79	-	-	-	70.73	56.07	318.59
Total trade payables	**1940.89**	**27276.46**	**32226.56**	**223.00**	**153.21**	**609.80**	**62429.92**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

NOTE 21: OTHER FINANCIAL LIABILITIES

	As at 31-Mar-22	As at 31-Mar-21
At amortised cost		
Accrued interest	114.23	97.86
Capital creditors (see (i) below)	3093.40	1149.76
Employee benefits & other dues payable	4286.62	3029.02
Security deposits (see (ii) below)	490.44	446.86
Unpaid dividends (see (iii) below)	20.69	11.73
Total other financial liabilities	**8005.38**	**4735.23**

(i) Capital creditors as at 31 March 2022 include ₹120.93 lakhs (31 March 2021: ₹24.74 lakhs) outstanding balance of micro enterprises and small enterprises (refer note 49).

(ii) Security deposits as at 31 March 2022 include ₹390 lakhs (31 March 2021: ₹364 lakhs) deposits from sugar selling agents which are interest bearing subject to fulfillment of terms and conditions. These deposits are repayable on cessation of contractual arrangements. Interest payable is normally settled annually.

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

NOTE 22: INCOME TAX BALANCES

	As at 31-Mar-22		As at 31-Mar-21	
	Current	Non-current	Current	Non-current
Income tax assets				
Tax refund receivable (net)	-	753.62	-	1119.58
	-	753.62	-	1119.58
Income tax liabilities				
Provision for income tax (net)	1322.97	-	1912.14	-
	1322.97	-	**1912.14**	**-**

NOTE 23: DEFERRED TAX BALANCES

	As at 31-Mar-22	As at 31-Mar-21
Entities with net deferred tax assets		
Deferred tax assets	37.26	27.31
Deferred tax liabilities	-	-
Net deferred tax assets	37.26	**27.31**
Entities with net deferred tax liabilities		
Deferred tax assets	3807.51	3306.42
Deferred tax liabilities	(17349.54)	(16715.57)
Net deferred tax liabilities	(13542.03)	**(13409.15)**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

(i) Movement in deferred tax balances

For the year ended 31 March 2022

	Opening balance	Recognised in profit or loss	Recognised in OCI	Recognised directly in equity	Closing balance
Tax effect of items constituting deferred tax assets/(liabilities)					
Entities with net deferred tax assets					
Deferred tax assets					
Liabilities and provisions tax deductible only upon payment/actual crystallisation - Statutory taxes and duties	27.31	9.95	-	-	37.26
	27.31	**9.95**	**-**	**-**	**37.26**
Deferred tax liabilities	-	-	-	-	-
Net deferred tax assets	**27.31**	**9.95**	**-**	**-**	**37.26**
Entities with net deferred tax liabilities					
Deferred tax assets					
Difference in carrying values of investment property	166.58	11.10	-	-	177.68
Liabilities and provisions tax deductible only upon payment/actual crystallisation					
- Employee benefits	1554.46	(445.52)	(18.41)	-	1090.53
- Statutory taxes and duties	176.43	12.91	-	-	189.34
- Other contractual provisions	687.52	307.62	(26.65)	(3.78)	964.71
Impairment provisions of financial assets made in books, but tax deductible only on actual write-off	684.00	72.89	-	-	756.89
Other temporary differences	37.43	10.05	-	-	47.49
Unused tax losses	-	580.87	-	-	580.87
	3306.42	**549.92**	**(45.06)**	**(3.78)**	**3807.51**
Deferred tax liabilities					
Difference in carrying values of property, plant & equipment and intangible assets	(13390.96)	468.25	-	-	(12922.71)
Investment in associates under equity method	(3324.61)	(1097.49)	(4.73)	-	(4426.83)
	(16715.57)	**(629.24)**	**(4.73)**	**-**	**(17349.54)**
Net deferred tax liabilities	**(13409.15)**	**(79.32)**	**(49.79)**	**(3.78)**	**(13542.03)**

For the year ended 31 March 2021

	Opening balance	Recognised in profit or loss	Recognised in OCI	Recognised directly in equity	Closing balance
Tax effect of items constituting deferred tax assets/(liabilities)					
Entities with net deferred tax assets					
Deferred tax assets					
Liabilities and provisions tax deductible only upon payment/actual crystallisation - Statutory taxes and duties	18.15	9.16	-	-	27.31
	18.15	**9.16**	**-**	**-**	**27.31**
Deferred tax liabilities	-	-	-	-	-
Net deferred tax assets	**18.15**	**9.16**	**-**	**-**	**27.31**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

	Opening balance	Recognised in profit or loss	Recognised in OCI	Recognised directly in equity	Closing balance
Entities with net deferred tax liabilities					
Deferred tax assets					
Difference in carrying values of investment property	190.86	(24.28)	-	-	166.58
Liabilities and provisions tax deductible only upon payment/actual crystallisation					
- Employee benefits	1663.90	(124.94)	15.50	-	1554.46
- Statutory taxes and duties	180.43	(4.00)	-	-	176.43
- Other contractual provisions	725.42	(37.90)	-	-	687.52
Impairment provisions of financial assets made in books, but tax deductible only on actual write-off	592.67	91.33	-	-	684.00
Other temporary differences	40.71	(3.28)	-	-	37.43
Unused tax credits	4925.34	(4925.34)	-	-	-
	8319.33	**(5028.41)**	**15.50**	**-**	**3306.42**
Deferred tax liabilities					
Difference in carrying values of property, plant & equipment and intangible assets	(13268.36)	(122.60)	-	-	(13390.96)
Investment in associates under equity method	(2874.61)	(450.00)	-	-	(3324.61)
	(16142.97)	**(572.60)**	**-**	**-**	**(16715.57)**
Net deferred tax liabilities	**(7823.64)**	**(5601.01)**	**15.50**	**-**	**(13409.15)**

(ii) Unrecognised deductible temporary differences, unused tax losses and unused tax credits:

Deferred tax assets have not been recognised in respect of following items, because it is not probable that future taxable profit will be available against which the Group can use the benefit therefrom.

	As at 31-Mar-22	As at 31-Mar-21
Tax effect on unused tax losses (Long/short term capital losses) (see table below for expiry)	-	0.41
Net deferred tax assets/(liabilities)	**-**	**0.41**
Expiry profile of unrecognised unused tax losses		
Unused tax losses shall expire on -		
(i) Short term capital loss		
March 31, 2025	-	0.16
March 31, 2026	-	0.25
	-	**0.41**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

NOTE 24 : REVENUE FROM OPERATIONS

	Year ended 31-Mar-22	Year ended 31-Mar-21
Sale of products [refer note 37(vii)		
Finished goods	431588.32	425887.37
Stock-in-trade	2489.40	2132.59
Sale of services		
Servicing	252.82	232.18
Operation and maintenance	3046.30	2578.00
Long-duration construction & supply contract revenue	21311.99	20848.56
Other operating revenue		
Subsidy from Central Government (refer note 43)	10489.13	18579.03
Income from sale of renewable energy certificates	-	16.06
Income from scrap	226.40	61.35
Total revenue from operations	**469404.36**	**470335.14**

(i) Unsatisfied long-duration construction & supply contracts:

The transaction price allocated to all long-duration construction & supply contracts that are partially or fully unsatisfied as at reporting date alongwith expected period of its revenue recognition, are as follows:

	As at 31-Mar-22#	As at 31-Mar-21#
Within one year	25823.81	14413.63
More than one year	32652.01	9108.41
Total	**58475.82**	**23522.04**

As permitted under Ind AS 115, all contracts having original expected duration of one year or less or which are billed based on time incurred are not disclosed.

(ii) Reconciliation of revenue recognised with contract price:

	As at 31-Mar-22	As at 31-Mar-21
Contract price	469968.57	470481.32
Adjustments for Discounts/ Commissions to Customers	(564.21)	(146.18)
Total revenue from operations	**469404.36**	**470335.14**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

NOTE 25: OTHER INCOME

	As at 31-Mar-22	As at 31-Mar-21
Interest income		
Interest income from financial assets carried at amortised cost	198.66	249.25
Interest income from investments carried at FVTPL	3.56	0.17
Interest income from others	44.89	321.87
	247.11	**571.29**
Dividend income		
Dividend income from equity investments	3.43	2.84
	3.43	**2.84**
Other non-operating income (net of expenses directly attributable to such income)		
Rental income [refer note 4(ii)]	40.09	33.85
Subsidy from Central Government (refer note 43)	-	200.64
Miscellaneous income	1593.58	1533.33
	1633.67	**1767.82**
Other gains/(losses)		
Net fair value gains/(losses) on investments	(6.57)	169.36
Net gains/(losses) on derivatives	22.86	133.29
Net foreign exchange rate fluctuation gains	64.53	-
Credit balances written back	108.74	131.63
Net profit/(loss) on sale / redemption of investments	72.92	0.02
Net reversal of provision for non moving/obsolete inventory (refer note 11)	-	6.00
Provision for cost to completion reversed (net) (refer note 17)	-	165.35
Excess provision of expenses reversed	71.71	**92.24**
	334.19	**697.89**
Total other income	2218.40	**3039.84**

NOTE 26: COST OF MATERIALS CONSUMED

	Year ended 31-Mar-22	Year ended 31-Mar-21
Stock at the beginning of the year	3883.10	2988.14
Add: Purchases	311953.01	322396.30
Less: Amount capitalised (included in the cost of property, plant and equipment and capital work-in-progress)	(2.56)	(9.52)
Less: Stock at the end of the year	(4364.94)	**(3883.10)**
Total cost of materials consumed	311468.61	**321491.82**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

NOTE 27: PURCHASES OF STOCK-IN-TRADE

	Year ended 31-Mar-22	Year ended 31-Mar-21
Petroleum goods	2496.39	2174.74
Other consumer goods	128.26	25.99
Total purchases of stock-in-trade	**2624.65**	**2200.73**

NOTE 28: CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS

	Year ended 31-Mar-22	Year ended 31-Mar-21
Inventories at the beginning of the year:		
Finished goods	161840.87	180701.02
Stock in trade	44.89	28.41
Work-in-progress	2609.73	3406.72
Total inventories at the beginning of the year	**164495.49**	**184136.15**
Inventories at the end of the year:		
Finished goods	190098.78	161840.87
Stock in trade	179.03	44.89
Work-in-progress	2838.73	2609.73
Total inventories at the end of the year	**193116.54**	**164495.49**
Add/(Less): Impact of excise duty on finished goods	443.56	273.60
Total changes in inventories of finished goods, stock-in-trade and work-in-progress	**(28177.49)**	**19914.26**

NOTE 29: EMPLOYEE BENEFITS EXPENSE

	Year ended 31-Mar-22	Year ended 31-Mar-21
Salaries and wages	27102.49	24173.27
Contribution to provident and other funds (refer note 38)	2408.57	2293.08
Staff welfare expenses	864.91	640.60
	30375.97	27106.95
Less: Amount capitalised (included in the cost of property, plant and equipment and capital work-in-progress)	(110.42)	(30.36)
Total employee benefits expense	**30265.55**	**27076.59**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

NOTE 30: FINANCE COSTS

	Year ended 31-Mar-22	Year ended 31-Mar-21
Interest costs		
- Interest on loans with interest subvention (refer note 43)	633.86	1595.52
- Interest on loans with below-market rate of interest (refer note 43)	986.49	1348.56
- Interest on other borrowings	3092.40	2002.67
- Interest on lease liabilities	130.82	147.12
- Other interest expense	736.73	57.65
Total interest expense on financial liabilities not classified as at FVTPL	5580.30	**5151.52**
Less: Amount capitalised (included in the cost of property, plant and equipment and capital work-in-progress)	(141.34)	(0.51)
	5438.96	**5151.01**
Other borrowing costs		
- Loan monitoring and administration charges	13.97	12.16
Total finance costs	5452.93	**5163.17**

NOTE 31: DEPRECIATION AND AMORTISATION EXPENSE

	Year ended 31-Mar-22	Year ended 31-Mar-21
Depreciation of property, plant and equipment (refer note 3)	7998.10	7860.57
Amortisation of intangible assets (refer note 5)	78.85	50.28
	8076.95	**7910.85**
Less: Amount capitalised (included in the cost of property, plant and equipment and capital work-in-progress)	(2.45)	(2.09)
Total depreciation and amortisation expense	8074.50	**7908.76**

NOTE 32: IMPAIRMENT LOSS ON FINANCIAL ASSETS (INCLUDING REVERSALS OF IMPAIRMENT LOSSES)

	Year ended 31-Mar-22	Year ended 31-Mar-21
Bad debts written off - trade receivables carried at amortised cost	1128.66	75.06
Bad debts written off - other financial assets carried at amortised cost	1.63	-
Impairment loss allowance on trade receivables (net of reversals) (refer note 7)	(569.85)	309.65
Impairment loss allowance on other financial assets carried at amortised cost (net of reversals) (refer note 8 & 9)	0.64	(44.53)
Total impairment loss on financial assets (including reversal of impairment losses)	561.08	**340.18**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

NOTE 33: OTHER EXPENSES

	Year ended 31-Mar-22	Year ended 31-Mar-21
Stores and spares consumed	5007.15	4031.44
Power and fuel	2501.24	2329.25
Design and engineering charges	94.26	53.32
Cane development expenses	238.93	186.74
Machining/fabrication expenses	211.12	100.81
Erection and commissioning expenses	896.36	999.38
Civil construction charges	5302.82	3581.26
Packing and stacking expenses	7080.90	4463.68
Repairs and maintenance		
- Machinery	6174.11	5234.94
- Building	946.22	823.07
- Others	498.11	378.95
Factory/operational expenses	2605.85	2708.66
Travelling and conveyance	1480.92	1104.99
Rent expense (refer note 46)	230.52	196.34
Rates and taxes	706.85	446.69
Insurance	726.33	698.94
Directors' fee	50.40	69.95
Directors' commission	92.00	96.00
Legal and professional expenses	1772.27	1590.98
Security service expenses	1754.74	1654.09
Net impairment loss allowance on contract assets (refer note 10)	747.79	59.36
Bad debts written off - other non financial assets [net of reversal of impairment loss allowance of ₹48.90 lakhs (31 March 2021: ₹0.12 lakhs) (refer note 10)]	20.46	9.88
Net foreign exchange rate fluctuation losses	-	4.06
Warranty expenses [includes provision for warranty (net) ₹1269.48 lakhs (31 March 2021: ₹539.25 lakhs) (refer note 17)]	1274.55	540.56
Provision for Arbitration/Court case claims (refer note 17)	6.21	6.21
Provision for cost to completion on construction contracts (net) (refer note 17)	12.01	-
Payment to Auditors (see (i) below)	87.08	73.93
Corporate social responsibility expenses (see (ii) below)	735.55	427.54
Donations to political parties	500.00	-
Provision for non moving / obsolete inventory (refer note 11)	159.92	-
Loss on sale /write off of inventory	38.20	15.77
Loss on sale / write off / impairment of property, plant and equipment	162.00	423.49
Expenses relating to third party exports under MAEQ scheme	992.70	28.75
Selling commission	710.02	877.75
Royalty	337.07	242.60
Outward freight and forwarding	2372.38	5061.83
Other selling expenses	285.01	272.93
Miscellaneous expenses	2200.81	1812.18
Less: Amount capitalised (included in the cost of property, plant and equipment and capital work-in-progress)	(101.74)	(32.97)
Total other expenses	**48911.12**	**40573.35**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

(i) Detail of payment to auditors

	Statutory Auditors		Cost Auditors	
	Year ended 31-Mar-22	Year ended 31-Mar-21	Year ended 31-Mar-22	Year ended 31-Mar-21
Audit fee	58.86	47.22	4.87	4.48
Limited review fee	18.63	16.20	-	-
Other services (Certification) *	3.60	5.45	0.53	0.33
Reimbursement of expenses	0.59	0.25	-	-
Total payment to auditors	**81.68**	**69.12**	**5.40**	**4.81**

* This amount is exclusive of ₹ Nil (31 March 2021: ₹3 lakhs) paid to the statutory auditors towards certificates in connection with buy-back of shares. The same has been adjusted against securities premium, as these are transaction costs pertaining to buy-back.

(ii) Corporate Social Responsibility (CSR)

The Company has incurred CSR expenses mainly towards promoting education, sports and healthcare, ensuring environmental sustainability and conservation of natural resources, maintaining quality of soil and making available safe drinking water, which are specified in Schedule VII of the Companies Act, 2013.

(a) The Company has incurred CSR expenses mainly towards promoting education, sports and healthcare, ensuring environmental sustainability and conservation of natual resources, maintaining quality of soil and making available safe drinking water, which are specified in Schedule VII of the Companies Act, 2013.

(b) Detail of CSR expenses:

	Year ended 31-Mar-22	Year ended 31-Mar-21
(a) Gross amount required to be spent during the year	735.52	427.54
(b) Maximum amount approved by the Board to be spent during the year (including excess spent brought forward from previous year)	754.81	460.85
(c) Amount spent during the year on :		
(i) Construction/acquisition of any asset		
Education, vocational skills and livelihood enhancement	6.13	-
Healthcare	140.24	-
Safe drinking water	13.88	-
	160.25	**-**
(ii) Purposes other than (i) above		
Education, vocational skills and livelihood enhancement	161.28	104.00
Environmental sustainability and conservation of natural resources	82.60	60.00
Healthcare	71.61	58.43
Promotion of sports	5.00	5.00
Maintenance of quality of soil	237.42	172.86
Contribution to Prime Minister National Relief Fund	13.05	50.85
	570.96	**451.14**
Add: Excess spent, brought forward from previous year	23.60	-
Less: Excess spent, carried forward to next year	19.26	23.60
Net amount recognised in the statement of profit and loss	735.55	**427.54**

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for the year ended March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

NOTE 34: EXCEPTIONAL ITEMS

	Year ended 31-Mar-22	Year ended 31-Mar-21
Profit on disposal of investment property	-	66.95
Net impairment loss allowance on consideration receivable against divestment in equity shares of Aqwise Wise Water Technologies Limited (Israel), an erstwhile associate of the Company (refer note 13)	(670.94)	-
Total exceptional items	**(670.94)**	**66.95**

NOTE 35: INCOME TAX EXPENSE

(i) Income tax recognised in profit or loss

	Year ended 31-Mar-22	Year ended 31-Mar-21
Current tax		
In respect of the current year	13663.28	10915.06
In respect of earlier years	1,236.91	9.33
Total current tax expense	**14900.19**	**10924.39**
Deferred tax		
In respect of origination and reversal of temporary differences *	69.37	5591.85
Total deferred tax expense	**69.37**	**5591.85**
Total income tax expense recognised in profit or loss	**14969.56**	**16516.24**

* includes utilisation of MAT credit of ₹ Nil (31 March 2021: ₹4925.34 lakhs).

Income tax expense of the current year includes an amount of ₹784.10 lakhs (being the one-time impact of foregoing certain tax credits/deductions), pertaining to earlier year, consequent to the decision of the Company to opt to be assessed under the new tax regime specified under section 115BAA of the Income Tax Act, 1961 with effect from the financial year 2020-21 onwards, which decision was taken subsequent to the finalisation of the financial statements for the year ended 31 March 2021.

Reconciliation of income tax expense and the accounting profit multiplied by Company's tax rate:

	Year ended 31-Mar-22	Year ended 31-Mar-21
Profit before tax	57375.48	45976.51
Income tax expense calculated at 25.168% (including surcharge and education cess) (2020-21: 34.944%)	14440.26	16066.03
Effect of changes in tax rate	2.75	-
Effect of income that is exempt from taxation	-	(21.90)
Effect of income that is taxable at lower rates	(0.90)	(46.33)
Effect of expenses that is non-deductible in determining taxable profit	718.36	231.51
Effect of tax incentives and concessions	(391.93)	(3.79)
Effect of changes in tax base of assets not considered in profit or loss (net of reversal of temporary differences)	(14.03)	25.63
Effect of recognition of deferred tax assets/liabilities due to changes in estimates	(350.44)	(206.36)
Effect of changes in estimates related to prior years on current tax	1236.43	9.71
Effect of different tax rates for subsidiaries	-	(81.41)
Effect of tax on share in undistributed profit of associates	(391.06)	407.70
Effect of tax losses for which deferred tax asset not created	0.35	0.51
Effect of deferred tax asset recognised on long term capital loss	(580.87)	-
Effect of elimination of income on consolidation (net)	300.64	134.94
Total income tax expense recognised in profit or loss	**14969.56**	**16516.24**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

(ii) Income tax recognised in other comprehensive income

	Year ended 31-Mar-22	Year ended 31-Mar-21
Current tax related to following items recognised in other comprehensive income:		
Effective portion of gains/(losses) on hedging instruments designated as cash flow hedges (non-reclassifiable)	(7.38)	-
Gains/(losses) on aligned portion of forward elements of cash flow hedging instruments (non-reclassifiable)	3.60	-
Total current tax expense	**(3.78)**	**-**
Deferred tax related to following items recognised in other comprehensive income:		
Remeasurement of defined benefit obligations (non-reclassifiable)	18.41	(15.50)
Share of other comprehensive income of associates arising from remeasurement of defined benefit plan (non-reclassifiable)	(1.52)	-
Effective portion of gains/(losses) on hedging instruments designated as cash flow hedges (reclassifiable)	(18.18)	-
Gains/(losses) on aligned portion of forward elements of cash flow hedging instruments (reclassifiable)	44.83	-
Share of other comprehensive income of associates arising from exchange differences arising on translating the foreign operations (reclassifiable)	2.55	-
Share of other comprehensive income of associates arising from effective portion of gains/(losses) on hedging instruments designated as cash flow hedges (reclassifiable)	3.70	-
Total deferred tax expense	**49.79**	**(15.50)**
Total income tax expense recognised in other comprehensive income	**46.01**	**(15.50)**
Bifurcation of the income tax recognised in other comprehensive income into:		
Items that will not be reclassified to profit or loss	13.11	(15.50)
Items that may be reclassified to profit or loss	32.90	-
Total income tax expense recognised in other comprehensive income	**46.01**	**(15.50)**

(iii) Income tax recognised directly in equity

	Year ended 31-Mar-22	Year ended 31-Mar-21
Deferred tax arised during the year on:		
Effective portion of gains/(losses) of hedging instruments designated as cash flow hedges transferred to cost of non-financial hedged items	7.38	-
Gains/(losses) on aligned portion of forward elements of cash flow hedging instruments transferred to cost of non-financial hedged items	(3.60)	-
Total income tax expense recognised directly in equity	**3.78**	**-**

NOTE 36: EARNINGS PER SHARE

	Year ended 31-Mar-22	Year ended 31-Mar-21
Profit for the year attributable to owners of the Company [A]	42405.92	29460.27
Weighted average number of equity shares for the purposes of basic EPS/diluted EPS [B]	24,17,55,110	24,52,99,521
Basic earnings per share (face value of ₹1 per share) [A/B]	17.54	12.01
Diluted earnings per share (face value of ₹1 per share) [A/B]	17.54	12.01

Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

NOTE 37: SEGMENT INFORMATION

(i) Description of segments and principal activities

The operating segments are classified under two major businesses which the Group is engaged in, and are briefly described as under:

Sugar & Allied Business

(a) **Sugar :** The Group is a manufacturer of white crystal sugar, having seven manufacturing plants situated in the states of Uttar Pradesh. The sugar is sold to wholesalers and industrial users. The Group uses its captively produced bagasse, generated as a by-product in the manufacturing of sugar, as a feed stock for generation of power and apart from meeting the power and steam requirements of the associated sugar units, also exports power to the state grid. Molasses, another by-product in the manufacturing of sugar, is used as raw material for producing alcohol/ethanol The Group sells the surplus molasses and bagasse, after meeting its captive requirements.

(b) **Distillery :** The Group with its two distilleries having total capacity of 320 kilo-litres per day located at Muzaffarnagar, Uttar Pradesh and Sabitgarh, Uttar Pradesh, uses captive molasses produced in manufacture of sugar as the principal raw material in production of various categories of alcohol. The Group also, under its Alcoholic Beverages vertical forming part of this segment, produces country liquor at its bottling facility in the premises of its existing distillery in Muzaffarnagar, Uttar Pradesh, to facilitate forward integration of distillery operations. The Group, during the current year, has undertaken to expand its distillery operations by way of setting up a new 160 kilo-litres per day capacity dual feed distillery at Milak Narayanpur, Uttar Pradesh and a new 60 kilo-litres per day capacity grain based distillery at Muzaffarnagar, Uttar Pradesh, which is under progress as at 31 March 2022.

Engineering Business

(a) **Power transmission :** This business segment is focused on all high speed and niche low speed products - supply of new equipment, after market services and retrofitment of gearboxes, catering to the requirement of power sector, defence and other industrial segments. The manufacturing facility is located at Mysore, Karnataka.

(b) **Water/Wastewater treatment :** The business segment operates from Noida, Uttar Pradesh and provides engineered-to-order process equipment and comprehensive solutions in the water and wastewater management. This segment includes EPC contracts, Hybrid Annuity Model projects and O&M. The Group also includes two wholly owned subsidiaries namely Mathura Wastewater Management Private Limited and Pali ZLD Private Limited, incorporated as special purpose vehicles to execute specific projects awarded under this segment.

The ‘Other Operations’ mainly include selling of own manufactured sugar and trading of other FMCG products, under the Company’s brand name/private labeling and retailing of diesel/petrol through a Company operated fuel station. It also includes a turnkey project relating to steam turbines which was awarded to it pursuant to bids tendered prior to demerger of steam turbine business.

The above reportable segments have been identified based on the significant components of the enterprise for which discrete financial information is available and are reviewed by the Chief operating decision maker (CODM) to assess the performance and allocate resources to the operating segments.

There are no geographical segments as the volume of exports is not significant and the major turnover of the Group takes place indigenously. There is no major reliance on few customers or suppliers.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

(ii) Segment revenue and segment profit

	SUGAR						ENGINEERING						OTHERS		Eliminations		Total	
	Sugar		Distillery		Total Sugar		Power transmission		Water		Total Engineering		Other Operations					
	Year ended 31-Mar-22	Year ended 31-Mar-21	Year ended 31-Mar-22	Year ended 31-Mar-21	Year ended 31-Mar-22	Year ended 31-Mar-21	Year ended 31-Mar-22	Year ended 31-Mar-21	Year ended 31-Mar-22	Year ended 31-Mar-21	Year ended 31-Mar-22	Year ended 31-Mar-21	Year ended 31-Mar-22	Year ended 31-Mar-21	Year ended 31-Mar-22	Year ended 31-Mar-21	Year ended 31-Mar-22	Year ended 31-Mar-21
REVENUE																		
From external customers	303427.96	369923.17	107126.61	54350.99	410554.57	424274.16	18390.66	12960.17	27021.66	26074.42	45412.32	39034.59	13437.47	7026.39	-	-	469404.36	470335.14
From inter-segments sales	43956.67	36388.29	34.20	24.57	43990.87	36412.86	71.87	47.43	-	-	71.87	47.43	144.44	117.82	(44207.18)	(36578.11)	-	-
Total revenue from operations	347384.63	406311.46	107160.81	54375.56	454545.44	460687.02	18462.53	13007.60	27021.66	26074.42	45484.19	39082.02	13581.91	7144.21	(44207.18)	(36578.11)	469404.36	470335.14
RESULT																		
Segment Profit/(loss)	38650.64	37449.92	14935.87	10105.42	53586.51	47555.34	6416.21	4090.81	3101.57	2674.51	9517.78	6765.32	(452.70)	(45.15)			62651.59	54275.51
Unallocated expenses (Net)																	(5313.83)	(3895.11)
Finance cost																	(5452.93)	(5163.17)
Interest income																	247.11	571.29
Exceptional items																	(670.94)	66.95
Share of profit of associates																	5914.48	121.04
Profit before tax																	57375.48	45976.51
Current tax																	(14900.19)	(10924.39)
Deferred tax																	(69.37)	(5591.85)
Profit for the year																	42405.92	29460.27

- The accounting policies of the reportable segments are the same as the Group's accounting policies described in note 1.
- Inter-Segment transfers are priced based on competitive market prices or determined to yield a desired margin or agreed on a negotiated basis.
- Segment profit is the Segment revenue less Segment expenses. Segment revenue/expenses includes all revenues/expenses that are attributable to the segments.
- Dividend income, finance income, finance costs, fair value gains & losses on certain financial assets/liabilities, current tax/deferred tax charge are not allocated to individual segments since these are managed/applicable at an overall Group basis.

(iii) Segment assets and liabilities

	SUGAR						ENGINEERING						OTHERS		Eliminations		Total	
	Sugar		Distillery*		Total Sugar		Power transmission		Water		Total Engineering		Other Operations					
	Year ended 31-Mar-22	Year ended 31-Mar-21	Year ended 31-Mar-22	Year ended 31-Mar-21	Year ended 31-Mar-22	Year ended 31-Mar-21	Year ended 31-Mar-22	Year ended 31-Mar-21	Year ended 31-Mar-22	Year ended 31-Mar-21	Year ended 31-Mar-22	Year ended 31-Mar-21	Year ended 31-Mar-22	Year ended 31-Mar-21	Year ended 31-Mar-22	Year ended 31-Mar-21	Year ended 31-Mar-22	Year ended 31-Mar-21
ASSETS																		
Segment assets	269508.07	239116.88	68368.77	46060.18	337876.84	285177.06	14557.00	11812.68	48193.15	38301.55	62750.15	50114.23	1423.70	1148.33	-	-	402050.69	336439.62
Unallocated assets																	27697.02	25555.57
Total assets	269508.07	239116.88	68368.77	46060.18	337876.84	285177.06	14557.00	11812.68	48193.15	38301.55	62750.15	50114.23	1423.70	1148.33	-	-	429747.71	361995.19
LIABILITIES																		
Segment liabilities	34638.16	66154.95	5555.26	2873.31	40193.42	69028.26	3972.60	3193.44	18843.18	16461.63	22815.78	19655.07	638.16	573.70	-	-	63647.36	89257.03
Unallocated liabilities																	174815.02	117170.76
Total liabilities	34638.16	66154.95	5555.26	2873.31	40193.42	69028.26	3972.60	3193.44	18843.18	16461.63	22815.78	19655.07	638.16	573.70	-	-	238462.38	206427.79

* includes assets and liabilities of new distilleries being set up

- The accounting policies of the reportable segments are the same as the Group's accounting policies described in note 1.
- All assets are allocated to reportable segments other than investments, loans, current/deferred tax assets and certain financial assets. Segment assets include all assets that are attributable to the segments.
- All liabilities are allocated to reportable segments other than borrowings, current and deferred tax liabilities and certain financial liabilities. Segment liabilities include all liabilities that are attributable to the segments.

Notes to the Consolidated Financial Statements

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(All amounts in ₹ lakhs, unless otherwise stated)

(iv) Other segment information

	SUGAR						ENGINEERING						OTHERS		Eliminations		Total	
	Sugar		Distillery		Total Sugar		Power transmission		Water		Total Engineering		Other Operations					
	Year ended 31-Mar-22	Year ended 31-Mar-21	Year ended 31-Mar-22	Year ended 31-Mar-21	Year ended 31-Mar-22	Year ended 31-Mar-21	Year ended 31-Mar-22	Year ended 31-Mar-21	Year ended 31-Mar-22	Year ended 31-Mar-21	Year ended 31-Mar-22	Year ended 31-Mar-21	Year ended 31-Mar-22	Year ended 31-Mar-21	Year ended 31-Mar-22	Year ended 31-Mar-21	Year ended 31-Mar-22	Year ended 31-Mar-21
Amount considered in segment results																		
Depreciation and amortisation	4754.96	4747.89	1677.64	1555.96	6432.60	6303.85	753.16	800.07	221.23	188.68	974.39	988.75	47.24	19.71	-	-	7454.23	7312.31
Unallocated depreciation and amortisation																	620.27	596.45
Total depreciation and amortisation	**4754.96**	**4747.89**	**1677.64**	**1555.96**	**6432.60**	**6303.85**	**753.16**	**800.07**	**221.23**	**188.68**	**974.39**	**988.75**	**47.24**	**19.71**	**-**	**-**	**8074.50**	**7908.76**
Non cash items (other than depreciation and amortisation)	20.12	(22.00)	49.54	(1.11)	69.66	(23.11)	109.78	(81.81)	1236.57	401.25	1346.35	319.44	(0.61)	(0.18)	-	-	1415.40	296.15
Unallocated non cash items (other than depreciation and amortisation)																	677.52	(213.88)
Total non cash items (other than depreciation and amortisation)	**20.12**	**(22.00)**	**49.54**	**(1.11)**	**69.66**	**(23.11)**	**109.78**	**(81.81)**	**1236.57**	**401.25**	**1346.35**	**319.44**	**(0.61)**	**(0.18)**	**-**	**-**	**2092.92**	**82.27**
Amounts not considered in segment results																		
Interest expense	**3396.04**	**4016.78**	**546.21**	**816.29**	**3942.25**	**4833.07**	**4.55**	**11.70**	**916.92**	**967.90**	**921.47**	**979.60**	**5.36**	**0.66**	**-**	**-**	**4869.08**	**5813.33**
Unallocated interest expense																	583.85	(650.16)
Total interest expense	3396.04	4016.78	546.21	816.29	3942.25	4833.07	4.55	11.70	916.92	967.90	921.47	979.60	5.36	0.66	-	-	5452.93	5163.17
Interest income	**33.76**	**38.33**	**9.73**	**8.47**	**43.49**	**46.80**	**16.98**	**16.42**	**53.96**	**218.99**	**70.94**	**235.41**	**-**	**-**	**-**	**-**	**114.43**	**282.21**
Unallocated interest income																	132.68	289.08
Total interest income	33.76	38.33	9.73	8.47	43.49	46.80	16.98	16.42	53.96	218.99	70.94	235.41	-	-	-	-	247.11	571.29
Capital expenditure	5095.20	4027.22	25108.37	2049.44	30203.57	6076.66	767.96	210.47	320.12	101.69	1088.08	312.16	18.93	0.70	-	-	31310.58	6389.52
Unallocated capital expenditure																	380.42	199.62
Total Capital expenditure	**5095.20**	**4027.22**	**25108.37**	**2049.44**	**30203.57**	**6076.66**	**767.96**	**210.47**	**320.12**	**101.69**	**1088.08**	**312.16**	**18.93**	**0.70**	**-**	**-**	**31691.00**	**6589.14**

(v) Break-up of revenue by geographical area

	Year ended 31-Mar-22	Year ended 31-Mar-21
India (country of domicile)	463956.87	467293.55
Foreign countries	5447.49	3041.59
	469404.36	**470335.14**

(vi) Non-current assets by geographical area

All non current assets of the Company are located in India.

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(All amounts in ₹ lakhs, unless otherwise stated)

(vii) Break-up of revenue from major products and services

	Timing of revenue recognition	Year ended 31-Mar-22	Year ended 31-Mar-21
Sale of products			
Finished goods			
- Sugar	At a point in time	293295.49	346014.17
- Molasses	At a point in time	848.25	420.88
- Bagasse	At a point in time	2049.23	2684.14
- Power	At a point in time	6237.98	6835.05
- Alcohol	At a point in time	106725.49	54102.27
- Mechanical equipment - Water/Waste-water	At a point in time	3749.16	2687.49
- Gears/Gear Boxes (including spares)	At a point in time	17946.86	12634.12
- Others	At a point in time	735.86	509.25
		431588.32	425887.37
Stock in trade			
- Petroleum goods (Diesel/Petrol/Lubricants)	At a point in time	2393.20	2104.33
- Other consumer goods	At a point in time	96.20	28.26
		2489.40	2132.59
		434077.72	428019.96
Sale of services			
Servicing	Over time	252.82	232.18
Operation and maintenance	Over time	3046.30	2578.00
		3299.12	2810.18
Long-duration construction & supply contract revenue			
Water, Waste-water and Sewage treatment	Over time	20068.70	20786.56
Power generation and evacuation system	Over time	1243.29	62.00
		21311.99	20848.56
Other operating revenue			
Subsidy from Central Government	At a point in time	10489.13	18579.03
Income from sale of renewable energy certificates	At a point in time	-	16.06
Income from scrap	At a point in time	226.40	61.35
		10715.53	18656.44

(viii) Information about major customers

There is no single customer who has contributed 10% or more to the Group's revenue in the years ended 31 March 2022 and 31 March 2021.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

NOTE 38: EMPLOYEE BENEFIT PLANS

(i) Defined contribution plans

(a) The Group contributes to certain defined contribution retirement benefit plans under which the Group pays fixed contributions to separate entities (funds) or financial institutions or state managed benefit schemes. The Group has no further payment obligations once the contributions have been paid. Following are the schemes covered under defined contributions plans of the Group:

Provident Fund Plan & Employee Pension Scheme: The Group makes monthly contributions at prescribed rates towards Employee Provident Fund/ Employee Pension Scheme administered and managed by the Government of India.

Employee State Insurance: The Group makes prescribed monthly contributions towards Employees State Insurance Scheme.

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

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

(b) The expense recognised during the period towards defined contribution plans are as follows:

	Year ended 31-Mar-22	Year ended 31-Mar-21
Employers' contribution to Employees' Provident Fund	1358.51	1293.48
Administration and other expenses relating to above	34.40	40.32
Employers' contribution to Employees' State Insurance Scheme	7.21	7.54
Employers' contribution to Superannuation Scheme	124.33	124.96
Employers' contribution to National Pension Scheme	55.96	50.77

(ii) Defined benefit plan (Gratuity)

(a) The Group operates a defined benefit retirement plan under which the Group pays certain defined benefit by way of gratuity to its employees. The Gratuity Plan provides a lump sum payment to vested employees at retirement/termination of employment or upon death of an employee, based on the respective employees' salary and years of employment with the Group.

(b) Risk exposure

The plan typically exposes the Group to number of actuarial risks, the most significant of which are detailed below:

Investment risk: The plan liabilities are calculated using a discount rate set with references to government bond yields as at end of reporting period; if plan assets underperform compared to the government bonds discount rate, this will create or increase a deficit. The investments in plan assets are made in accordance with pattern of investment prescribed by central government and ensures that the funds are invested in a balanced mix of investments comprising central government securities, state government securities, other debt instruments as well as equity instruments. Most of the plan investments is in fixed income securities with high grades and in government securities. The Group has a risk management strategy which defines exposure limits and acceptable credit risk rating.

Interest risk: A decrease in government bond yields will increase plan liabilities, although this is expected to be partially offset by an increase in the value of the plan's debt instruments.

Life expectancy: The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants during their employment. A change in the life expectancy of the plan participants will impact the plan's liability.

Notes to the Consolidated Financial Statements

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(All amounts in ₹ lakhs, unless otherwise stated)

Salary risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

Attrition rate: The present value of the defined benefit plan liability is impacted by the rate of employee turnover, disability and early retirement of plan participants. A change in the attrition rate of the plan participants will impact the plan's liability.

(c) The significant actuarial assumptions used for the purposes of the actuarial valuations were as follows:

	Valuation as at	
	31-Mar-22	**31-Mar-21**
Discounting rate	6.90%	6.50%
Future salary growth rate	8.00%	5.50% for next year and 8% thereafter
Mortality table *	IALM 2012-14 Ultimate	IALM 2012-14 Ultimate
Attrition rate	7.00% for Permanent employees 4.00% for Seasonal employees	7.00% for Permanent employees 4.00% for Seasonal employees
Method used	Projected unit credit method	Projected unit credit method

* Assumptions regarding future mortality are set based on actuarial advice in accordance with published statistics (i.e. IALM 2012-14 Ultimate). These assumptions translate into an average life expectancy in years at retirement age.

(d) Amounts recognised in statement of profit and loss in respect of the defined benefit plan (gratuity) are as follows:

	Year ended 31-Mar-22	Year ended 31-Mar-21
Current service cost	478.25	438.48
Net interest expense	261.17	246.77
Components of defined benefit costs recognised in profit or loss	739.42	**685.25**
Remeasurement on the net defined benefit liability		
- Return on plan assets (excluding amount included in net interest expense)	(6.79)	(49.22)
- Actuarial gains and loss arising form changes in demographic assumptions	0.63	(7.54)
- Actuarial gains and loss arising form changes in financial assumptions	(150.24)	36.64
- Actuarial gains and loss arising form experience adjustments	83.25	64.48
Components of defined benefit costs recognised in other comprehensive income	(73.15)	**44.36**
Total	666.27	**729.61**

(e) Amounts included in the balance sheet arising from the entity's obligation in respect of the defined benefit plan (gratuity) is as follows:

	As at 31-Mar-22	As at 31-Mar-21
Present value of defined benefit obligation as at the end of the year	6439.14	6310.39
Fair value of plan assets	3874.33	1753.63
Funded status	(2564.81)	**(4556.76)**
Net asset/(liability) arising from defined benefit obligation recognised in the balance sheet	(2564.81)	**(4556.76)**

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(All amounts in ₹ lakhs, unless otherwise stated)

(f) Movement in the present value of the defined benefit obligation (gratuity) is as follows:

	Year ended 31-Mar-22	Year ended 31-Mar-21
Present value of defined benefit obligation at the beginning of the year	6310.39	5727.01
Expenses recognised in profit or loss		
- Current service cost	478.25	438.48
- Interest expense/(income)	375.08	352.23
Remeasurement (gains)/losses recognised in other comprehensive income		
- Actuarial (gain)/loss arising from:		
i. Demographic assumptions	0.63	(7.54)
ii. Financial assumptions	(150.24)	36.64
iii. Experience adjustments	83.25	64.48
Benefit payments	(658.22)	(300.91)
Present value of defined benefit obligation at the end of the year	**6439.14**	**6310.39**

(g) Movement in the fair value of the plan assets (gratuity) is as follows:

	Year ended 31-Mar-22	Year ended 31-Mar-21
Fair value of plan assets at the beginning of the year	1753.63	1598.95
Recognised in profit or loss		
- Expected return on plan assets	113.91	105.46
Remeasurement gains / (losses) recognised in other comprehensive income		
- Actual return on plan assets in excess of the expected return	6.79	49.22
Contributions by employer	2658.22	300.91
Benefit payments	(658.22)	(300.91)
Fair value of plan assets at the end of the year	**3874.33**	**1753.63**

The fair value of the plan assets (gratuity) at the end of the reporting period for each category, are as follows:

	As at 31-Mar-22			As at 31-Mar-21		
	Quoted	Unquoted	Total	Quoted	Unquoted	Total
Cash and cash equivalents	-	2010.01	2010.01	-	42.10	42.10
Debt instruments						
- Government securities	-	291.43	291.43	-	266.94	266.94
- State development loans	-	731.01	731.01	-	702.47	702.47
- Private sector bonds	-	98.93	98.93	-	48.00	48.00
- Public sector bonds	-	352.69	352.69	-	309.71	309.71
- Fixed deposits with banks	-	30.50	30.50	-	47.50	47.50
- Special deposit scheme balance with RBI	-	102.13	102.13	-	102.13	102.13
- Debt mutual funds	-	81.65	81.65	-	78.72	78.72
Equity instruments						
- Index mutual funds	-	126.57	126.57	-	90.73	90.73
- Arbitrage mutual funds	-	15.57	15.57	-	14.91	14.91
Accrued interest and other recoverables	-	33.84	33.84	-	50.42	50.42
Total plan assets	**-**	**3874.33**	**3874.33**	**-**	**1753.63**	**1753.63**

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(All amounts in ₹ lakhs, unless otherwise stated)

The investible funds of the Gratuity Plan are invested in accordance with the investment pattern and norms prescribed by the Ministry of Finance, Government of India. The investment pattern mandates that the investible funds are invested across the permitted investments in the prescribed pattern, whereby the investment risk is spread across various categories of investment comprising sovereign government securities, state development loans monitored by the Reserve Bank of India, investment grade rated debt securities issued by private and public sector companies, fixed-deposit with banks fulfilling the prescribed norms, units of debt and equity mutual funds. The investments made are generally on held-to-maturity basis. It is the endeavour of the Group to mitigate risk by investing only in high-quality debt securities and in mutual funds after undertaking due diligence. There has been no change in the process used by the Group to manage its risks from prior periods.

(h) Sensitivity analysis

The sensitivity of the defined benefit obligation (gratuity) to changes in the weighted principal assumptions is:

	Change in assumption by	Impact on defined benefit obligation (gratuity)				
			Increase in assumptio		Decrease in assumption	
		Increase/ decrease	31-Mar-22	31-Mar-21	31-Mar-22	31-Mar-21
Discounting rate	0.50%	in ₹ lakhs	(178.69)	(176.27)	189.03	186.74
		in %	-2.78%	-2.79%	2.94%	2.96%
Future salary growth rate	0.50%	in ₹ lakhs	186.16	183.85	(177.72)	(175.29)
		in %	2.89%	2.91%	-2.76%	-2.78%
Attrition rate	0.50%	in ₹ lakhs	(11.84)	(15.16)	12.34	15.84
		in %	-0.18%	-0.24%	0.19%	0.25%
Mortality rate	10.00%	in ₹ lakhs	(0.76)	(1.06)	0.77	1.06
		in %	0.01%	-0.02%	0.01%	0.02%

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In the event of change in more than one assumption, the impact would be different than stated above. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to prior period.

(i) Defined benefit liability (gratuity) and employer contributions

The Group remains committed to fund all gratuity payments falling due and shall strive to gradually reduce the deficit in funding of its obligation in the coming years.

The Group expects to contribute ₹946.99 lakhs to the defined benefit plan relating to gratuity during the next financial year.

The weighted average duration of the defined gratuity obligation (on discounted cash flow basis) as at 31 March 2022 is 6 years (31 March 2021: 6 years).

The expected maturity analysis of undiscounted defined benefit obligation (gratuity) as at 31 March 2022 is as follows:

	Less than a year	Between 1-2 years	Between 3-5 years	Over 5 years	Total
Defined benefit obligation (Gratuity)	1346.30	857.33	2087.94	6132.20	10423.77

The president had given his assent to The Code on Social Security, 2020 (Code) in respect of employee benefits (during employment and post employment) in September 2020. The Code may impact the contributions made by the Group towards Provident Fund and Gratuity. However, the date on which the code will come into effects has not yet been notified.

The Group would assess and give effect to implications, if any, arising from the implementation of the code, in the period in which, the code becomes effective and the related rules are notified.

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(All amounts in ₹ lakhs, unless otherwise stated)

NOTE 39: RELATED PARTY TRANSACTIONS

(i) Subsidiaries (wholly owned) - incorporated under section 8 of the Companies Act, 2013

Triveni Foundation (incorporated on 28 June 2020)

(ii) Related parties with whom transactions have taken place during the year alongwith details of such transactions and outstanding balances as at the end of the year:

Name of related party and nature of transactions	Relationship	Year ended 31-Mar-22	Year ended 31-Mar-21
Sales and rendering services			
Triveni Turbine Limited	Associate	3911.83	2877.84
Purchases and receiving services			
Triveni Turbine Limited	Associate	2944.05	222.85
Interest income			
Aqwise Wise Water Technologies Limited (Israel)	Associate	-	127.48
Rent & other charges received			
Triveni Turbine Limited	Associate	18.90	19.82
Dividend received from investment in equity shares			
Triveni Turbine Limited	Associate	1553.82	-
Rent paid			
Dhruv M. Sawhney (Chairman & Managing Director) *	Key management personnel	62.96	59.37
Rati Sawhney	Close family member of Key management personnel	40.71	38.77
Kameni Upaskar Limited	Enterprise over which close family member of Key management personnel have control	98.56	93.55
Corporate Social Responsibility expenses			
Triveni Foundation	Subsidiary incorporated u/s 8 of the Companies Act, 2013	185.18	65.00
Remuneration			
Tarun Sawhney (Vice Chairman & Managing Director)	Key management personnel	755.29	650.39
Suresh Taneja (Group Chief Financial Officer)	Key management personnel	250.62	233.38
Geeta Bhalla (Group Vice President & Company Secretary)	Key management personnel	104.45	95.60
Directors fee paid			
Nikhil Sawhney (Promoter Non-Executive Director)	Key management personnel	10.05	9.60
Shekhar Dutta (Independent Non-Executive Director)	Key management personnel	2.75	14.75
Homai A. Daruwalla (Independent Non-Executive Director)	Key management personnel	12.75	15.00
Dr. Santosh Pande (Independent Non-Executive Director)	Key management personnel	2.85	10.60
Sudipto Sarkar (Independent Non-Executive Director)	Key management personnel	12.50	12.00
J. K. Dadoo (Independent Non-Executive Director)	Key management personnel	7.50	8.00
Ajay Relan (Independent Non-Executive Director)	Key management personnel	2.00	-

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(All amounts in ₹ lakhs, unless otherwise stated)

Name of related party and nature of transactions	Relationship	Year ended 31-Mar-22	Year ended 31-Mar-21
Directors commission			
Nikhil Sawhney (Promoter Non-Executive Director)	Key management personnel	45.00	45.00
Shekhar Dutta (Independent Non-Executive Director)	Key management personnel	3.00	10.00
Homai A. Daruwalla (Independent Non-Executive Director)	Key management personnel	15.00	11.00
Dr. Santosh Pande (Independent Non-Executive Director)	Key management personnel	4.00	10.00
Sudipto Sarkar (Independent Non-Executive Director)	Key management personnel	13.00	10.00
J. K. Dadoo (Independent Non-Executive Director)	Key management personnel	12.00	10.00
Contribution to post employment benefit plans			
Triveni Engineering Works Limited Gratuity Fund	Post employment benefit plan for the benefit of employees	2658.22	300.91
Triveni Engineering and Industries Limited Officers Pension Scheme	Post employment benefit plan for the benefit of employees	124.33	124.96
Expenses incurred by the Company on behalf of party (net of expenses incurred by party on behalf of the Company) on reimbursable basis			
Triveni Turbine Limited	Associate	36.89	1.49
Dhruv M. Sawhney (Chairman & Managing Director) *	Key management personnel	18.44	-
Kameni Upaskar Limited	Enterprise over which close family member of Key management personnel have control	(3.47)	(3.76)
Triveni Engineering Works Limited Gratuity Fund	Post employment benefit plan for the benefit of employees	(0.03)	(0.02)
Triveni Engineering and Industries Limited Officers Pension Scheme	Post employment benefit plan for the benefit of employees	(0.00)	(0.00)
Dividend paid on equity shares			
Dhruv M. Sawhney (Chairman & Managing Director) *	Key management personnel	1132.01	-
Tarun Sawhney (Vice Chairman & Managing Director)	Key management personnel	414.61	-
Nikhil Sawhney (Promoter Non-Executive Director)	Key management personnel	431.04	-
Suresh Taneja (Group Chief Financial Officer)	Key management personnel	0.39	-
Manmohan Sawhney HUF	Controlled by Key management personnel	127.33	-
Rati Sawhney	Close family member of Key management personnel	525.31	-
Tarana Sawhney	Close family member of Key management personnel	0.71	-
STFL Trading and Finance Private Limited *	Enterprise over which Key management personnel have control	2332.18	-

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for the year ended March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

Name of related party and nature of transactions	Relationship	Year ended 31-Mar-22	Year ended 31-Mar-21
Buy-back of equity shares			
Dhruv M. Sawhney (Chairman & Managing Director) *	Key management personnel	-	962.94
Tarun Sawhney (Vice Chairman & Managing Director)	Key management personnel	-	352.68
Nikhil Sawhney (Promoter Non-Executive Director)	Key management personnel	-	366.66
Suresh Taneja (Group Chief Financial Officer)	Key management personnel	-	0.35
Manmohan Sawhney HUF	Controlled by Key management personnel	-	108.31
Rati Sawhney	Close family member of Key management personnel	-	446.85
Tarana Sawhney	Close family member of Key management personnel	-	0.60
STFL Trading and Finance Private Limited *	Enterprise over which Key management personnel have control	-	1986.55
Investment made in equity shares			
Triveni Foundation	Subsidiary incorporated u/s 8 of the Companies Act, 2013	-	1.00
Acquisition of equity shares of United Shippers & Dredgers Limited			
Subhadra Trade and Finance Limited	Enterprise over which Key management personnel have control	-	23.00
Purchase of investment in bonds			
Upper India Sugar Mills Employees' Provident Fund	Post employment benefit plan for the benefit of employees	-	165.27
Loans given (including interest converted to loan)			
Aqwise Wise Water Technologies Limited (Israel)	Associate	-	1875.05
Repayment of loan taken			
Subhadra Trade & Finance Limited	Enterprise over which Key management personnel have control	1.09	-

Related party transactions stated above are inclusive of applicable taxes

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Outstanding balances

Name of related party and nature of balances	Relationship	Year ended 31-Mar-22	Year ended 31-Mar-21
Receivable			
Triveni Foundation	Subsidiary incorporated u/s 8 of the Companies Act, 2013	2.42	-
Triveni Turbine Limited	Associate	576.25	380.12
Aqwise Wise Water Technologies Limited (Israel)	Associate	-	1831.47
Payable			
Triveni Turbine Limited	Associate	419.93	501.76
Dhruv M. Sawhney (Chairman & Managing Director) *	Key management personnel	4.83	3.27
Tarun Sawhney (Vice Chairman & Managing Director)	Key management personnel	328.20	253.20
Suresh Taneja (Group Chief Financial Officer)	Key management personnel	0.20	0.20
Nikhil Sawhney (Promoter Non-Executive Director)	Key management personnel	45.00	45.46
Shekhar Dutta (Independent Non-Executive Director)	Key management personnel	3.00	10.00
Homai A. Daruwalla (Independent Non-Executive Director)	Key management personnel	15.00	11.46
Dr. Santosh Pande (Independent Non-Executive Director)	Key management personnel	4.00	10.46
Sudipto Sarkar (Independent Non-Executive Director)	Key management personnel	13.00	10.00
J. K. Dadoo (Independent Non-Executive Director)	Key management personnel	12.00	10.00
Subhadra Trade & Finance Limited	Enterprise over which Key management personnel have control	-	1.09
Triveni Engineering and Industries Limited Officers Pension Scheme	Post employment benefit plan for the benefit of employees	-	124.96

* Person or entity belonging to the promoter/promoter group holding 10% or more shareholding in the Company

(iii) Remuneration of key management personnel:

	Year ended 31-Mar-22	Year ended 31-Mar-21
Short-term employee benefits	1,041.90	914.84
Post-employment benefits	68.47	64.53
Total	**1110.37**	**979.37**

The remuneration of key management personnel is determined by the remuneration committee having regard to the performance of individuals, market trends and applicable provisions of Companies Act, 2013.

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(All amounts in ₹ lakhs, unless otherwise stated)

(iv) Remuneration and outstanding balances of key management personnel does not include long term employee benefits by way of gratuity and compensated absences, which are currently not payable and are provided on the basis of actuarial valuation by the Company.

(v) Terms & conditions:

(a) Transactions relating to dividends and buyback of shares were on same terms and conditions that applied to other shareholders.

(b) Loans to associate were given at normal commercial terms & conditions at prevailing market rate of interest.

(c) Sales to and purchases from related parties, including rendering/availment of service, are made on terms equivalent to those that prevail in arm's length transactions. All other transactions were made on normal commercial terms and conditions and at market rates.

(d) The outstanding balances at the year-end are unsecured and settlement occurs in cash.

NOTE 40: CAPITAL MANAGEMENT

For the purpose of capital management, capital includes net debt and total equity of the Group. The primary objective of the capital management is to maximize shareholder value along with an objective to keep the leverage in check in view of cyclical capital intensive sugar business of the Group.

One of the major businesses of the Group is the sugar business, a seasonal industry, where the entire production occurs in about six months which is sold throughout the year. Thus, it necessitates keeping high levels of sugar inventory requiring high working capital funding. Sugar business being also a cyclical business, it is prudent to avoid high leverage and the resultant high finance cost. It is the endeavour of the Group to prune down debts to acceptable levels based on its financial position.

The Group may resort to further issue of capital when the funds are required to make the Group stronger financially or to invest in projects meeting the ROI expectations of the Group.

The Group monitors capital structure through gearing ratio represented by debt-equity ratio (debt/total equity). In addition to the gearing ratio, the Group also looks at non-current debt to operating profit ratio (non-current debt/EBITDA) which gives an indication of adequacy of earnings to service the debts. The Group carefully negotiates the terms and conditions of the loans and ensures adherence to all the financial covenants. With a view to arrive at the desired capital structure based on the financial condition of the Group, the Group normally incorporates a clause in loan agreements for prepayment of loans without any premium. The gearing ratios and non-current debt/EBITDA ratio for the Group as at the end of reporting period were as follows:

	Year ended 31-Mar-22	Year ended 31-Mar-21
Non-current borrowings (note 16)	31917.78	30890.94
Current borrowings (note 19)	124057.48	66831.16
Non-current lease liabilities	976.65	972.68
Current lease liabilities	554.46	352.85
Total debt	**157506.37**	**99047.63**
Total equity (note 14 & 15)	191285.33	155567.40
EBITDA (before exceptional items)	71573.85	58981.49
Total debt to equity ratio	0.82	0.64
Non-current debt equity ratio	0.17	0.20
Non-current debt/EBITDA ratio	0.46	0.54

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2022 and 31 March 2021. The Group is not subject to any externally imposed capital requirements.

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(All amounts in ₹ lakhs, unless otherwise stated)

NOTE 41: FINANCIAL RISK MANAGEMENT

The Group's principal financial liabilities comprise borrowings, trade payables and other payables. The main purpose of the financial liabilities is to finance the Group's operations. The Group's principal financial assets include loans, trade and other receivables and cash and bank balances that derive directly from its operations. The Group also holds investments measured at fair value through profit or loss and enters into derivative transactions, which are not extensive.

The Group's activities expose it mainly to market risk, liquidity risk and credit risk. The monitoring and management of such risks is undertaken by the senior management of the Group and there are appropriate policies and procedures in place through which such financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. The Group has specialised teams to undertake derivative activities for risk management purposes and such team has appropriate skills, experience and expertise. It is the Group policy not to carry out any trading in derivative for speculative purposes. The Audit Committee and the Board are regularly apprised of these risks every quarter and each such risk and mitigation measures are extensively discussed.

(i) Credit risk

Credit risk is associated with the possibility of a counterparty defaulting on its contractual obligations to pay, resulting in financial loss to the Company. The Group is exposed to credit risks from its operating activities, primarily trade receivables. The credit risks in respect of deposits with the banks, foreign exchange transactions and other financial instruments are nominal. As far as practicable, the Company endeavours to take reasonable security to mitigate the credit risk.

(a) Credit risk management

The customer credit risk is managed by each business subject to the Group's established policy, procedure and controls relating to customer credit risk management. Various businesses require different processes and policies to be followed based on the business risks, industry practice and customer profiles.

In the case of Sugar business, majority of the sales are made either against advance payments or at a very short credit period upto 7-10 days through established sugar agents whereas in Cogeneration, forming part of sugar business, and Distillery, most of the sales are made to Government customers, such as, State Electricity Board (UPPCL) and Oil Marketing Companies (OMCs). There may be delays, generally not exceeding one year, in receiving payments from UPPCL but the risk in respect of realisation of dues is minimal. In Power transmission business, it is the policy of the Group to receive payment prior to delivery of the material except in the case of some well established OEMs, including public sector undertakings, where the credit up to 90 days is extended. Water business is engaged in Engineering, Procurement and Construction (EPC) business in the municipal and industrial sectors where it is customary to have prescribed retentions which are payable upon completion of the project and after satisfactory performance of the plant.

In order to contain the business risk especially with respect to long-duration construction & supply contracts, creditworthiness of the customer is ensured through scrutiny of its financials, status of financial closure of the project, if required, market reports and reference checks. The Group remains vigilant and regularly assesses the financial position of customers during execution of contracts with a view to restrict risks of delays and default. In view of its diversified business profile and considering the size of the Group, credit risks from receivables are well contained on an overall basis.

The impairment analysis is performed on each reporting period on individual basis for major customers. In addition, a large number of receivables are grouped and assessed for impairment collectively. The calculation of impairment loss is based on historical data of losses, current conditions and forecasts and future economic conditions. The Group's maximum exposure to credit risk at the reporting date is the carrying amount of each financial asset as detailed in note 6, 7, 8, 9 and 12.

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The business wise receivable position as at the end of the year is provided here below:

	Year ended 31-Mar-22			Year ended 31-Mar-21		
	External sales (A)	Year end receivables (B)	% Receivables (B/A)	External sales (A)	Year end receivables (B)	% Receivables (B/A)
Sugar business	293060.91	5413.45	2%	351399.03	5726.64	2%
Distillery business	107126.61	5170.99	5%	54350.99	3206.57	6%
Power transmission business	18296.53	6457.51	35%	12909.37	4248.02	33%
Water business	26993.71	25750.72	95%	26070.33	19440.69	75%
Others	13437.47	356.46	3%	7026.39	199.28	3%
Total	**458915.23**	**43149.13**	**9%**	**451756.11**	**32821.20**	**7%**

In the case of Water and Power transmission businesses, the percentage receivables to external sales is high whereas the overall ratio for the Group is much lower. In the case of EPC projects undertaken by Water business, the receivables are high in accordance with the norms of the industry and terms of the tender. A majority of such projects are executed for the municipalities and before bidding for any contract, the Water business carries out due-diligence to ensure that the customer has made satisfactory funding arrangements. Further, this business is executing two projects on hybrid annuity model and in such projects, receivables are higher as specified proportion of EPC contract value is paid rear-ended during O&M period. In the case of Power transmission business, negotiated credit is given to reputed OEMs. The percentage receivables to external sales is high due to higher year end sales.

Overall, the credit risk from receivable is low in view of diverse businesses and government customers.

(b) Provision for expected credit losses

Basis as explained above, life time expected credit loss ("ECL") is determined on trade receivables except in cases where advance payment terms are prescribed or payment is due from Central / State Government or Government Authorities / entities where there is no track record of short receipts. ECL arising from delays in receiving payments from the Government customers pursuant to sale of goods or under construction contracts are not considered if such delays are commonly prevalent in the industry and / or the delays are not exceeding one year. All other short receipts, other than arising from expense claims, are duly considered in determining ECL. In view of the business model of the Group's engineered-to-order products and the profile of trade receivables, the determination of provision based on age analysis may not be realistic and hence, the provision of expected credit loss is determined for the total trade receivables outstanding as on the reporting date. This provision for ECL is made in addition to the specific credit losses, if any, provided on specific financial assets.

Provision matrix (%, amounts) of ECL for trade receivables (other than specific credit losses separately recognised) is as under:

Business	% ECL	ECL amount as at 31-Mar-22	ECL amount as at 31-Mar-21
Sugar	Nil	Nil	Nil
Distillery	Nil	Nil	Nil
Power transmission	0.96%	64.03	36.59
Water	1.15%	104.00	100.40

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(All amounts in ₹ lakhs, unless otherwise stated)

(c) Reconciliation of loss allowance provision

Trade receivables:

Business	Year ended 31-Mar-22	Year ended 31-Mar-21
Balance at beginning of the year	2110.98	1801.33
Additional provisions recognised during the year	529.53	445.45
Provision reversed/utilised during the year	(1099.38)	(135.80)
Balance at the end of the year	1541.13	2110.98

Loans and other financial assets:

	Loans		Other financial assets	
	Year ended 31-Mar-22	Year ended 31-Mar-21	Year ended 31-Mar-22	Year ended 31-Mar-21
Balance at beginning of the year	-	44.53	15.05	15.05
Movement in expected credit loss allowance during the year	-	(44.53)	0.64	-
Balance at the end of the year	-	-	15.69	15.05

(ii) Liquidity risk

The Group uses liquidity forecast tools to manage its liquidity. The Group operates capital intensive sugar business and has obligation to timely make cane price payments within the statutory time period. The Group is able to organise liquidity through own funds and through working capital loans. The Company has good relationship with its lenders, has not defaulted at any point of time in the past and is maintaining healthy credit ratings (viz. short term A1+ and long term AA with stable outlook from ICRA), as a result of which it does not experience any difficulty in arranging funds from its lenders. However, when the sugar fundamentals are unfavourable, either due to market forces or due to excessive cane pricing by the Government, the payment of cane price gets delayed. However, it is the endeavour of the Group to make cane payment on a priority basis. It is the objective and focus of the Group to reduce debts to be able to meet the cyclicalities of the sugar business.

Apart from cyclical sugar business, the Group has alternate revenue streams in the form of distillery and engineering business, which, to a large extent, offset the impact of sugar cyclicalities.

Table hereunder provides the current ratios of the Company as at the year end

Business	As at 31-Mar-22	As at 31-Mar-21
Total current assets	255765.07	221263.69
Total current liabilities	188165.39	154908.57
	1.36	1.43

In view of seasonal nature of sugar business, which is a dominant business of the Group, there is a peak build-up of sugar inventories at the year end, resulting in peak working capital requirement. With the liquidation of such inventories over the year, the working capital requirement is gradually reduced. Thus, the current ratio computed at the year end is not a reflection of average and realistic ratio for the year.

(a) Maturities of financial instruments

Maturities of non-derivative financial liabilities:

The following table details the remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The amounts disclosed in the table have been drawn up based on the undiscounted cash flows of financial liabilities. The contractual maturity is based on the earliest date on which the Group may be required to pay.

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(All amounts in ₹ lakhs, unless otherwise stated)

	On demand	< 1 year	1-3 years	3-5 years	> 5 years	Total	Carrying amount
As at 31 March 2022							
Borrowings	105791.87	18868.21	22907.17	6992.52	2326.75	156886.52	155975.26
Trade payables	-	34470.01	613.99	-	-	35084.00	35084.00
Lease liabilities	-	554.46	920.29	46.76	9.60	1531.11	1531.11
Other financial liabilities	-	8005.38	-	-	-	8005.38	8005.38
	105791.87	**61898.06**	**24441.45**	**7039.28**	**2336.35**	**201507.01**	**200595.75**
As at 31 March 2021							
Borrowings	56157.43	11540.72	24589.44	4014.31	3187.50	99489.40	97722.10
Trade payables	-	61754.47	675.45	-	-	62429.92	62429.92
Lease liabilities	-	352.85	595.44	373.01	4.23	1325.53	1325.53
Other financial liabilities	-	4735.23	-	-	-	4735.23	4735.23
	56157.43	**78383.27**	**25860.33**	**4387.32**	**3191.73**	**167980.08**	**166212.78**

Maturities of derivative financial instruments:

The Group enters into derivative contracts (mainly foreign exchange forward contracts) that are settled on a net basis to manage some of its foreign currency exposures. Derivative asset (net) of ₹ 109.21 lakhs as at 31 March 2022 (31 March 2021: Derivative asset (net) ₹ 35.92 lakhs), shall mature within one year from reporting date.

(iii) Market risk

The Group is exposed to following key market risks:

(a) Interest rate risk on loans and borrowings

(b) Sugar price risk

(c) Other market risks

(a) Interest rate risk

Most of the borrowings availed by the Group are subject to interest on floating rate basis linked to the MCLR (Marginal Cost of funds based Lending Rate). In view of the fact that the total borrowings of the Group are quite substantial, the Group is exposed to interest rate risk.

The strategy of the Group to opt for floating interest rates is helpful in maintaining market related realistic rates. Further, most of the loans and borrowings have a prepayment clause through which the loans could be prepaid without any prepayment premium. The said clause helps the Group to arrange debt substitution to bring down the interest costs or to prepay the loans out of the surplus funds held. The interest rate risk is largely mitigated as 85% of the long term debts as at 31 March 2022 (31 March 2021: 86% of long term debts), comprises loans carrying concessional interest rates/ interest subvention.

While declining interest rates would be beneficial to the Group, adverse interest rate fluctuations could increase the finance cost. The total impact, in respect of borrowings on floating interest rate basis, is limited as per sensitivity analysis provided here under:

	Year ended 31-Mar-22	Year ended 31-Mar-21
Total debt as at the end of the year	157506.37	99047.63
Debt at floating rate of interest as at the end of the year	140246.42	76028.93
Average availment of borrowings at floating rate of interest	66209.43	68680.79
Impact of 1% interest rate variation	662.09	686.81

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(b) Sugar price risk

The sugar prices are dependent inter-alia on domestic and global sugar balance - higher supplies lead to softening of sugar prices whereas higher demand than available supplies lead to hardening of sugar prices. The Group sells most of its sugar in the domestic market where there are no effective mechanism available to hedge sugar prices in view of limited breadth in the commodity exchanges. The Group also exports sugar in the years of surplus production based on Government policy and incentives being offered.

Adverse changes in sugar price impact the Group in the following manner:

- The Group values sugar stocks at lower of cost and net realisable value (NRV). In the event, the cost of production of sugar is higher than the NRV, the stocks are written down to NRV leading to recognition of loss on such inventory.
- The Group is a large producer of sugar and even a small variation in the sugar price leads to significant impact on the profitability on the Group.

Sensitivity analysis in respect of sugar price risk is provided here below:

	Year ended 31-Mar-22	Year ended 31-Mar-21
Annual production of sugar (MT)	887373	1007299
Impact of sugar price variation by ₹1000/MT	8873.73	10072.99

However, in view of sugar operations being highly efficient, the cost of production is generally lower than the net realisable value of sugar and hence, chances of significant losses due to inventory write down are low. Further, the Central Government has prescribed Minimum Selling Price (MSP) for sugar, which is revised from time to time. It ensures that there is no steep decline in the sugar prices.

(c) Other market risks

The other market risks includes Equity price risk and Foreign currency risk.

Equity price risk in respect of listed and non listed equity securities which are susceptible to market price risk arising from uncertainties about future value of the investment securities. In view of nominal value of investments being held by the Group, other than in associates which are accounted for using equity method, the magnitude of risk is only nominal.

The Group is exposed to foreign currency exchange risk generally on certain contracts in connection with export and import of goods and services (and foreign currency loans advanced by it till the previous year). The Group mitigates such risk through entering into off-setting derivative contracts with Banks, mainly foreign exchange forward contracts, of appropriate maturity and amounts at adequate intervals. The impact of sensitivity of such foreign exchange fluctuations on the overall financial performance and position of the Group is nominal.

In respect of firm commitments under certain contracts involving receipt of consideration in foreign currency, the Company has chosen to follow hedge accounting to hedge the risks attributable to the cash flows in respect of such firm commitments. The foreign exchange risk arises in respect of the movement in the foreign currency from the time the contract is negotiated/entered into and till the time the consideration under the contract is actually settled. In accordance with its risk management strategy, the Company manages such risks, generally by entering into foreign exchange forward contracts for the appropriate maturity with banks. The risk mitigation strategy involves determination of the timing and the amount of hedge to be taken in a progressive manner, with a view to protect the exchange rate considered at the time of acceptance of the contract. The Company, generally hedges the foreign currency risk directly to ₹ and for hedge accounting, designates a hedge ratio of generally 1:1 in respect of all such cash flow hedges. Besides monitoring the movements in the foreign exchange market, the Company also takes the advice of outside consultants in arriving at its hedging decision. Refer note 1(s) for further details on accounting policy in respect of hedge accounting.

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(All amounts in ₹ lakhs, unless otherwise stated)

Foreign currency risk exposure

The Group's exposure to foreign currency risk at the end of the reporting period are as follows:

		US$	EURO	GBP	AUD	SGD
As at 31 March 2022						
Financial assets						
- Trade receivables	in foreign currency lakhs	20.23	6.97	-	-	-
	in equivalent ₹ lakhs	1516.35	579.24	-	-	-
Derivatives (in respect of underlying financial assets)						
- Foreign exchange forward contracts to	in foreign currency lakhs	1.96	-	-	-	-
sell foreign currency	in equivalent ₹ lakhs	146.94	-	-	-	-
Net exposure to foreign currency risk (assets)	in foreign currency lakhs	**18.27**	**6.97**	**-**	**-**	**-**
	in equivalent ₹ lakhs	**1369.41**	**579.24**	**-**	**-**	**-**
Financial liabilities						
- Trade payables	in foreign currency lakhs	3.51	0.48	0.45	0.63	-
	in equivalent ₹ lakhs	268.54	40.85	45.86	36.16	-
Derivatives (in respect of underlying financial liabilities)						
- Foreign exchange forward contracts to	in foreign currency lakhs	-	-	-	-	-
buy foreign currency	in equivalent ₹ lakhs	-	-	-	-	-
Net exposure to foreign currency risk (liabilities)	in foreign currency lakhs	**3.51**	**0.48**	**0.45**	**0.63**	**-**
	in equivalent ₹ lakhs	**268.54**	**40.85**	**45.86**	**36.16**	**-**
As at 31 March 2021						
Financial assets						
- Trade receivables	in foreign currency lakhs	3.05	8.08	1.03	-	-
	in equivalent ₹ lakhs	221.69	682.91	101.93	-	-
- Loans receivables	in foreign currency lakhs	25.19	-	-	-	-
	in equivalent ₹ lakhs	1831.47	-	-	-	-
Derivatives (in respect of underlying financial assets)						
- Foreign exchange forward contracts to	in foreign currency lakhs	-	6.04	-	-	-
sell foreign currency	in equivalent ₹ lakhs	-	510.56	-	-	-
Net exposure to foreign currency risk (assets)	in foreign currency lakhs	**28.24**	**2.04**	**1.03**	**-**	**-**
	in equivalent ₹ lakhs	**2,053.16**	**172.35**	**101.93**	**-**	**-**
Financial liabilities						
- Trade payables	in foreign currency lakhs	0.62	1.56	0.07	-	0.04
	in equivalent ₹ lakhs	46.01	136.36	7.51	-	2.02
Derivatives (in respect of underlying financial liabilities)						
- Foreign exchange forward contracts to	in foreign currency lakhs	-	-	-	-	-
buy foreign currency	in equivalent ₹ lakhs	-	-	-	-	-
Net exposure to foreign currency risk (liabilities)	in foreign currency lakhs	**0.62**	**1.56**	**0.07**	**-**	**0.04**
	in equivalent ₹ lakhs	**46.01**	**136.36**	**7.51**	**-**	**2.02**

The Group's foreign currency derivatives outstanding (including for firm commitments) at the end of the reporting period are as follows:

		US$	EURO	GBP	AUD	SGD
As at 31 March 2022						
Derivatives (designated as hedges)						
- Foreign exchange forward contracts to	in foreign currency lakhs	93.00	-	-	-	-
sell foreign currency	in equivalent ₹ lakhs	6972.21	-	-	-	-
- Foreign exchange forward contracts to	in foreign currency lakhs	-	-	-	-	-
buy foreign currency	in equivalent ₹ lakhs	-	-	-	-	-
Derivatives (not designated as hedges)						
- Foreign exchange forward contracts to	in foreign currency lakhs	5.22	-	-	-	-
sell foreign currency	in equivalent ₹ lakhs	391.57	-	-	-	-
- Foreign exchange forward contracts to	in foreign currency lakhs	-	-	-	-	-
buy foreign currency	in equivalent ₹ lakhs	-	-	-	-	-

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		US$	EURO	GBP	AUD	SGD
As at 31 March 2021						
Derivatives (designated as hedges)		-	-	-	-	-
Derivatives (not designated as hedges)						
- Foreign exchange forward contracts to	in foreign currency lakhs	4.06	12.71	-	-	-
sell foreign currency	in equivalent ₹ lakhs	295.49	1074.42	-	-	-
- Foreign exchange forward contracts to	in foreign currency lakhs	-	-	-	-	-
buy foreign currency	in equivalent ₹ lakhs	-	-	-	-	-

All the above contracts are maturing within one year from the reporting date.

Sensitivity

The following table demonstrate the sensitivity of net unhedged foreign currency exposures relating to financial instruments to reasonably possible changes in foreign currency exchange rates, with all other variables held constant.

	Change in FC exchange rate by	Impact on profit or loss and equity (in ₹ lakhs)			
		Increase in FC exchange rates		Decrease in FC exchange rates	
		31-Mar-22	31-Mar-21	31-Mar-22	31-Mar-21
US$ sensitivity	5%	55.04	100.36	(55.04)	(100.36)
EURO sensitivity	5%	26.92	1.80	(26.92)	(1.80)
GBP sensitivity	5%	(2.29)	4.72	2.29	(4.72)
AUD sensitivity	5%	(1.81)	-	1.81	-
SGD sensitivity	5%	-	(0.10)	-	0.10

Further, the impact of change in foreign currency rates (assuming forward premium to remain unchanged) on the fair valuation of derivatives (excluding derivatives which have hedged the foreign currency denominated receivables and payables) as at the end of the year, is demonstrated in the table below. However, apart from the impact on the profit or loss due to fair value changes of the derivatives, the derivatives will help the Group in capturing the hedged rates including forward premium and the budgeted profitability will remain unaffected.

	Change in FC exchange rate by	Impact on profit or loss / other comprehensive income and equity (in ₹ lakhs)			
		Increase in FC exchange rates		Decrease in FC exchange rates	
		31-Mar-22	31-Mar-21	31-Mar-22	31-Mar-21
Impact on profit or loss and equity					
US$ sensitivity	5%	(12.23)	(14.77)	12.23	14.77
EURO sensitivity	5%	-	(28.19)	-	28.19
Impact on other comprehensive income and equity					
US$ sensitivity	5%	(348.61)	-	348.61	-

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Impact of hedging activities

Outstanding derivative instruments designated as hedges:

	< 3 Months	3-6 Months	6-9 Months	Total
As at 31 March 2022				
Foreign exchange forward contracts to hedge receivables				
- Nominal amount (in USD)	35.00	20.00	38.00	93.00
- Nominal amount (in ₹)	2707.53	1563.38	3005.07	7275.98
Average rate	77.36	78.17	79.08	78.24
As at 31 March 2021	-	-	-	-

Effects on financial position:

	As at 31-Mar-22	As at 31-Mar-21
Carrying amount of hedging instruments - Assets (refer note 9 - other financial assets)	105.91	-
Amount included under non-financial liabilities (refer note 18 - other liabilities)	(15.03)	-
Total	**90.88**	**-**

Effects on financial performance:

	Year ended 31-Mar-22	Year ended 31-Mar-21
Effective portion of gains/(losses) on hedging instruments recognised in other comprehensive income	(101.57)	-
Share of other comprehensive income of associates arising from effective portion of gains/(losses) on hedging instruments designated as cash flow hedges	14.69	85.30
Fair value gains/(losses) on forward elements of forward contracts in hedging relationship recognised in other comprehensive income	192.43	-
(Refer note 15(ix) & 15(x) for movements in cash flow hedging reserve and costs of hedging reserve)		

Other disclosures:

	Year ended 31-Mar-22	Year ended 31-Mar-21
Changes in fair value of hedging instruments	(72.24)	-
Changes in the value of hedged items used as the basis for recognising hedge effectiveness	72.24	**-**

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(All amounts in ₹ lakhs, unless otherwise stated)

NOTE 42: FAIR VALUE MEASUREMENTS

(i) Financial instruments by category

	As at 31-Mar-22			As at 31-Mar-21		
	FVTPL *	FVTOCI	Amortised cost	FVTPL *	FVTOCI	Amortised cost
Financial assets						
Investments						
- Equity instruments	485.55	-	-	492.13	-	-
- Debentures or Bonds	-	-	148.95	-	-	165.27
- National Saving Certificates	-	-	0.03	-	-	0.03
Trade receivables	-	-	43149.13	-	-	32821.20
Loans	-	-	47.91	-	-	1,846.23
Cash and bank balances	-	-	3391.01	-	-	1982.48
Security deposits	-	-	1061.48	-	-	697.48
Earnest money deposits	-	-	312.98	-	-	49.98
Derivative financial assets	3.30	105.91	-	35.92	-	-
Other receivables	-	-	210.87	-	-	148.93
Total financial assets	**488.85**	**105.91**	**48322.36**	**528.05**	**-**	**37711.60**
Financial liabilities						
Borrowings	-	-	155975.26	-	-	97722.10
Trade payables	-	-	35084.00	-	-	62429.92
Capital creditors	-	-	3093.40	-	-	1149.76
Security deposits	-	-	490.44	-	-	446.86
Lease liabilities	-	-	1531.11	-	-	1325.53
Other payables			4421.54			3138.61
Total financial liabilities	**-**	**-**	**200595.75**	**-**	**-**	**166212.78**

*Mandatorily required to be measured at FVTPL. There is no financial instrument which is designated as FVTPL.

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(ii) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Financial assets and liabilities measured at fair value - recurring fair value measurements

	Note No.	Level 1	Level 2	Level 3	Total
As at 31 March 2022					
Financial assets					
- Investments in equity instruments at FVTPL (Quoted)	6	485.55	-	-	485.55
- Foreign exchange forward contract at FVTPL (not designated as hedges)	9	-	3.30	-	3.30
- Foreign exchange forward contract at FVTOCI (designated as hedges)	9	-	105.91	-	105.91
		485.55	**109.21**	**-**	**594.76**
Financial liabilities					
- Foreign exchange forward contract at FVTPL (not designated as hedges)	21	-	-	-	-
- Foreign exchange forward contract at FVTOCI (designated as hedges)	21	-	-	-	-
		-	**-**	**-**	**-**
As at 31 March 2021					
Financial assets					
- Investments in equity instruments at FVTPL (Quoted)	6	492.13	-	-	492.13
- Foreign exchange forward contract at FVTPL (not designated as hedges)	6	-	35.92	-	35.92
		492.13	**35.92**	**-**	**528.05**
Financial liabilities					
- Foreign exchange forward contract at FVTPL (not designated as hedges)	21	-	-	-	-
		-	-	-	-

Level 1: Level 1 hierarchy includes financial instruments measured using quoted unadjusted market prices in active markets for identical assets or liabilities. This includes listed equity instruments that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting date.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

There are no transfers between levels 1 and 2 during the year.

(iii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include the fair value of derivatives (viz. foreign exchange forward contracts) is determined using market observable inputs, including prevalent forward rates for the maturities of the respective contracts and interest rate curves as indicated by banks and third parties.

All of the resulting fair value estimates are included in level 2.

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(iv) Valuation processes

The Corporate finance team has requisite knowledge and skills in valuation of financial instruments. The team headed by Group CFO directly reports to the audit committee on the fair value of financial instruments.

(v) The management considers that the carrying amounts of financial assets and financial liabilities recognised in the financial statements approximate their fair values.

NOTE 43: GOVERNMENT GRANTS

(i) Government grants recognised in the financial statements

	Grants recognised in profit or loss			Grant recoverable	
	Year ended 31-Mar-22	**Year ended 31-Mar-21**	**Treatment in financial statements**	**As at 31-Mar-22**	**As at 31-Mar-21**
A Deferred government grants related to income					
a) Loans at below market interest rate aggregating to ₹36400 lakhs availed during financial year 2018-19 under the "Scheme for Extending Financial Assistance to Sugar Undertakings 2018" notified by the State Government of Uttar Pradesh.	858.92	1125.25	Reduced from finance cost (note 30)	-	-
Total deferred government grants	**858.92**	**1125.25**		**-**	**-**
B Other revenue government grants					
a) Financial assistance by Government of India under the Scheme for providing assistance to sugar mills for expenses on marketing costs including handling, upgrading and other processing costs and costs of international and internal transport and freight charges on export of sugar during the sugar season 2020-21.	10366.50	545.00	Presented under "Other operating revenue" (note 24)	-	545.00
b) Financial assistance by Government of India under the Scheme for providing assistance to sugar mills for expenses on marketing costs including handling, upgrading and other processing costs and costs of international and internal transport and freight charges on export of sugar during the sugar season 2019-20.	-	17979.14	Presented under "Other operating revenue" (note 24)	-	371.67
c) Financial assistance by Government of India under the Scheme for Creation and Maintenance of Buffer Stock of sugar.	-	200.64	Depicted under "Other income" (note 25)	-	1897.71
	-	1049.85	Reduced from finance cost (note 30)		
d) Interest subvention @ 7% for one year by Government of India on soft loans of ₹31000 lakhs availed from banks under the scheme for soft loans to sugar mills	-	131.37	Reduced from finance cost (note 30)	0.30	1025.26

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		Grants recognised in profit or loss			Grant recoverable	
		Year ended 31-Mar-22	**Year ended 31-Mar-21**	**Treatment in financial statements**	**As at 31-Mar-22**	**As at 31-Mar-21**
e)	Interest subvention @ 50% of rate charged by lenders (subject to maximum of 6%) on loans of ₹30815 lakhs (31 March 2021: ₹17693 lakhs) availed from banks for distileries under the "Scheme for extending financial assistance to sugar mills for enhancement and augmentation of ethanol production capacity"	492.18	749.33	Reduced from finance cost (note 30)	347.41	696.32
		140.07	-	Reduced from capital work in progress (note 3)	140.07	-
f)	Export incentives under Duty Draw back Scheme, Refund of Duties and Taxes on Export Proceeds, Incremental Export Incentive Scheme and Merchandise Export Incentive Scheme.	122.63	54.89	Presented under "Other operating revenue" (note 24)	69.97	35.22
Total other revenue government grants		**11121.38**	**20710.22**		**557.75**	**4571.18**
Total government grants related to income		**11980.30**	**21835.47**		**557.75**	**4571.18**

		Grants received			Grant recoverable	
		Year ended 31-Mar-22	**Year ended 31-Mar-21**	**Treatment in financial statements**	**As at 31-Mar-22**	**As at 31-Mar-21**
C	**Government grants related to assets**					
a)	Grant in respect of Effluent Treatment Plant from the State Government of Karnataka under Karnataka 2009-14 Industrial Policy.	-	11.59	Reduced from gross value of PPE upon receipt. Recognised in profit or loss by way of reduced depreciation (refer note 3 and 31)	-	-
b)	Grant of ₹141.45 lakhs in the form of duties saved upon import of machinery during financial year 2017-18 under Export Promotion Capital Goods (EPCG) scheme.	-	-	Reduced from gross value of PPE upon fulfilment of export obligation(s). Recognised in profit or loss by way of reduced depreciation (refer note 3 and 31)	-	-
Total government grants related to assets		**-**	**11.59**		**-**	**-**

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(ii) Movement of deferred government grants is provided here below:

	Year ended 31-Mar-22	Year ended 31-Mar-21
As at the beginning of the year	1821.52	2946.77
Released to the statement of profit and loss	(858.92)	(1125.25)
As at the end of the year	**962.60**	**1821.52**
Current (refer note 18)	592.57	858.92
Non-current (refer note 18)	370.03	962.60
Total	**962.60**	**1821.52**

NOTE 44: INTEREST IN OTHER ENTITIES

(i) Subsidiaries:

Details of the Group's subsidiaries at the end of the reporting period are as follows

Name of Subsidiaries	Principal activities	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Group	
			As at 31-Mar-22	As at 31-Mar-21
Triveni Engineering Limited	see (a) below	India	100%	100%
Triveni Energy Systems Limited	see (a) below	India	100%	100%
Svastida Projects Limited	see (a) below	India	100%	100%
Triveni Entertainment Limited	see (a) below	India	100%	100%
Triveni Industries Limited	see (a) below	India	100%	100%
Triveni Sugar Limited	see (a) below	India	100%	100%
United Shippers & Dredgers Limited	see (a) below	India	100%	100%
Gaurangi Enterprises Limited	see (a) below	India	100%	100%
Triveni Foundation (Section 8 company)	Corporate social responsibility activities	India	100%	100%
Mathura Wastewater Management Private Limited	Water and wastewater treatment solutions	India	100%	100%
Pali ZLD Private Limited	Water and wastewater treatment solutions	India	100%	N.A.

(a) These companies are relatively much smaller and there have been no significant business activities in these companies.

(ii) Interest in Associates

Details of the Group's associates at the end of the reporting period are as follows:

Name of Associates	Principal activities	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Group	
			As at 31-Mar-22	As at 31-Mar-21
Triveni Turbine Limited	Power generating equipment and solutions	India	21.85%	21.85%
Aqwise Wise Water Technologies Limited	Water and wastewater treatment solutions	Israel	-	25.04% (refer note 13)

The above associates are accounted for using the equity method. Further at the previous year end, investment in Aqwise Wise Water Technologies Limited had been classified as "Assets held for sale" (refer note 13).

Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

(a) Summarised financial information of Associates

The summarised financial information below represents amounts based on the associate's financial statements drawn up for consolidation under equity accounting method by the Group.

Summarised balance sheet of Associates

	Triveni Turbine Limited		Aqwise Wise Water Technologies Limited	
	As at 31-Mar-22	As at 31-Mar-21	As at 31-Mar-22 *	As at 31-Mar-21 *
Current assets	106554.07	65972.07	N.A.	13632.17
Non-current assets	26927.89	28212.57	N.A.	3214.98
Current liabilities	46519.43	29276.89	N.A.	23042.77
Non-current liabilities	1224.38	1150.04	N.A.	1701.25
Non-controlling interest	81.52	-	N.A.	(797.58)
Net assets	85656.63	63757.71	N.A.	(7099.29)

Summarised statement of profit and loss of Associates

	Triveni Turbine Limited		Aqwise Wise Water Technologies Limited	
	Year ended 31-Mar-22	Year ended 31-Mar-21	Year ended 31-Mar-22*	Year ended 31-Mar-21*
Revenue	85223.54	70258.31	N.A.	13859.23
Profit from continuing operations	27019.62	10246.27	N.A.	(7532.98)
Profit from discontinued operations	-	-	N.A.	-
Other comprehensive income	1984.28	493.63	N.A.	(69.12)
Total comprehensive income	29003.90	10739.90	N.A.	(7602.10)
Dividend received from the Associate	1553.82	-	N.A.	-

Reconciliation of the above summarised financial information to the carrying amount of the interest in the associates recognised in financial statements:

	Triveni Turbine Limited		Aqwise Wise Water Technologies Limited	
	As at 31-Mar-22	As at 31-Mar-21	As at 31-Mar-22*	As at 31-Mar-21*
Net assets of the Associates	85656.63	63757.71	N.A.	(7099.29)
Group's share in %	21.85%	21.85%	-	25.04%
Group's share in ₹	18712.19	13928.24	-	(1777.66)
Adjustments:				
Group's share in adjustment for unrealised profits on inter-company transactions (net of tax)	(0.17)	(12.28)	-	-
Goodwill on acquisition (as restated)	(8.11)	(8.11)	-	2,012.75
Adjustments in respect of share of capital reserve and security premium earlier considered in the carrying amount of investment, consequent to divestment (refer note 13)	-	-	-	123.10
Other adjustments	0.07	0.07	-	-
Transferred to "Assets held for sale" (refer note 13)	-	-	-	(358.19)
Carrying amount	18703.98	13907.92	-	-

* The consolidation of accounts of Aqwise Wise Water Technologies Limited, under equity accounting method, is done using its most recent available financial statements for the year ended 31 December 2020 adjusted for the effects of significant transactions/events for the quarter ended 31 March 2021, if any (refer note 13).

Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

NOTE 45: ADDITIONAL INFORMATION REQUIRED BY SCHEDULE III

Name of the entity in the Group	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Parent								
Triveni Engineering & Industries Limited								
31 March 2022	84.40%	161443.59	85.48%	36248.26	21.32%	118.00	84.65%	36366.26
31 March 2021	86.35%	134326.92	97.56%	28740.69	47.52%	(28.86)	97.66%	28711.83
Subsidiaries (Group's share)								
Indian								
Triveni Engineering Limited								
31 March 2022	0.06%	116.62	0.00%	(0.94)	0.00%	-	0.00%	(0.94)
31 March 2021	0.07%	110.13	0.00%	(0.98)	0.00%	-	0.00%	(0.98)
Triveni Energy Systems Limited								
31 March 2022	0.06%	117.70	0.00%	(0.92)	0.00%	-	0.00%	(0.92)
31 March 2021	0.08%	118.62	0.00%	(0.95)	0.00%	-	0.00%	(0.95)
Triveni Sugar Limited								
31 March 2022	0.06%	105.94	0.00%	(0.69)	0.00%	-	0.00%	(0.69)
31 March 2021	0.07%	106.62	0.00%	(1.05)	0.00%	-	0.00%	(1.05)
Svastida Projects Limited								
31 March 2022	0.07%	130.81	0.00%	(0.37)	0.00%	-	0.00%	(0.37)
31 March 2021	0.09%	133.80	0.00%	(0.92)	0.00%	-	0.00%	(0.92)
Triveni Entertainment Limited								
31 March 2022	0.07%	126.67	0.00%	(1.40)	0.00%	-	0.00%	(1.40)
31 March 2021	0.08%	128.07	0.00%	(1.46)	0.00%	-	0.00%	(1.46)
Triveni Industries Limited								
31 March 2022	0.05%	103.45	0.00%	(1.01)	0.00%	-	0.00%	(1.01)
31 March 2021	0.07%	104.45	0.00%	(1.23)	0.00%	-	0.00%	(1.23)
Mathura Wastewater Management Private Limited								
31 March 2022	4.77%	9132.94	0.44%	186.82	0.00%	-	0.44%	186.82
31 March 2021	4.64%	7211.54	2.07%	608.97	0.00%	-	2.07%	608.97
Gaurangi Enterprises Limited								
31 March 2022	0.07%	126.08	0.00%	(0.42)	0.00%	-	0.00%	(0.42)
31 March 2021	0.08%	126.50	-0.01%	(3.72)	0.00%	-	-0.01%	(3.72)

Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

Name of the entity in the Group	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
United Shippers & Dredgers Limited								
31 March 2022	0.00%	1.02	0.00%	(0.77)	0.00%	-	0.00%	(0.77)
31 March 2021	0.00%	(0.82)	0.00%	(0.12)	0.00%	-	0.00%	(0.12)
Pali ZLD Private Limited								
31 March 2022	0.98%	1882.87	0.15%	62.88	0.00%	-	0.15%	62.88
31 March 2021	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Associates (Investments as per the equity method)								
Indian								
Triveni Turbine Limited								
31 March 2022	9.41%	17997.64	13.95%	5914.48	78.68%	435.40	14.78%	6349.88
31 March 2021	8.49%	13201.57	7.57%	2228.85	-177.53%	107.84	7.95%	2336.69
Foreign								
Aqwise Wise Water Technologies Limited (refer note 13)								
31 March 2022	0.00%	-	0.00%	-	0.00%	-	0.00%	-
31 March 2021	0.00%	-	-7.15%	(2107.81)	230.02%	(139.72)	-7.64%	(2,247.53)
Total								
31 March 2022	100%	191285.33	100%	42405.92	100%	553.40	100%	42959.32
31 March 2021	100%	155567.40	100%	29460.27	100%	(60.74)	100%	29399.53

NOTE 46: LEASES

As Lessee

The Group had acquired a land with original lease term of ninety years and had paid one-time payment of lease charges (i.e. the market value of the land) in respect of this lease at the inception of lease. There are no further future lease maintenance payments, no contingent rent or restriction imposed under the lease agreement and the Group has transfer rights in respect of such land. In terms of criteria specified in Ind AS 116 Leases, such lease has been recognised as Right-of-use assets during the current year (refer note 3).

Apart from above mentioned lease, assets taken under lease mainly includes various residential, office, godown premises and plots of land. These are generally not non-cancellable leases (except for few premises) having unexpired period upto nine years. The leases are renewable by mutual consent and on mutually agreeable terms. The Group has given refundable interest free security deposits under certain lease agreements. There is no contingent rent, sublease payments or restriction imposed in the lease agreement. In terms of criteria specified in AS 116 Leases, for some of these leases (i.e. leases other than with short term period or low value assets), present value of all future lease payments has been recognised as Right-of-use assets and lease liabilities with the charge for depreciation on Right-of-use assets and interest on lease liabilities in the statement of profit and loss (refer note 3 & 30) and for other leases, yearly lease payments has been expensed off on straight line basis over lease term as rent expenses (refer note 33).

Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

Amounts recognised as expens

	Year ended 31-Mar-22	Year ended 31-Mar-21
Depreciation expense - Right-of-use assets (Land) (refer note 3)	6.68	5.69
Depreciation expense - Right-of-use assets (Building) (refer note 3)	501.97	552.39
Interest on lease liabilities (refer note 30)	130.82	147.12
Rent expense - short term leases (refer note 33)	230.52	196.34
Total	**869.99**	**901.54**

Total cash outflow for leases during the year ended 31 March 2022 is ₹823.73 lakhs (31 March 2021: ₹911.97 lakhs).

Commitments for short term leases as at 31 March 2022 is ₹24.04 lakhs (31 March 2021 is ₹57.91 lakhs).

Group's share of associates' commitments for short term leases as at 31 March 2022 is Nil (31 March 2021: Nil).

As Lessor

The Group has given certain portion of its office / factory premises under operating leases [including lease of investment property (refer note 4)]. These leases are not non-cancellable and are extendable by mutual consent and at mutually agreeable terms. The gross carrying amount, accumulated depreciation and depreciation recognised in the statement of profit and loss in respect of such portion of the leased premises are not separately identifiable. There is no impairment loss in respect of such premises. No contingent rent has been recognised in the statement of profit and loss. There are no minimum future lease payments as there are no non-cancellable leases. Lease income is recognised in the statement of profit and loss under "Other income" (refer note 25). Lease income earned by the Group from its investment properties and direct operating expenses arising on the investment properties for the year is set out in note 4.

NOTE 47: COMMITMENTS

		As at 31-Mar-22	As at 31-Mar-21
(i)	Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	6125.01	9530.44
(ii)	Group's share of associates' commitments: Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	281.86	30.86

Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

NOTE 48: CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Contingent liabilities

	As at 31-Mar-22	As at 31-Mar-21
Claims against the Company not acknowledged as debts:	7940.70	7852.59
(i) Claims which are being contested by the Group and in respect of which the Group has paid amounts aggregating to ₹693.49 lakhs (31 March 2021: ₹439.01 lakhs), excluding interest, under protest pending final adjudication of the cases:		

Sl. No.	Particulars	Amount of contingent liability		Amount paid	
		31-Mar-22	31-Mar-21	31-Mar-22	31-Mar-21
1	Sales tax	243.41	531.51	88.52	95.91
2	Excise duty	545.18	312.73	279.74	275.74
3	Others*	7152.11	7008.35	325.23	67.36

* Amount of contingent liability includes ₹5973.50 lakhs as at 31 March 2022 (31 March 2021: ₹5973.50 lakhs) in respect of interest on delayed payment of cane price for the sugar seasons 2012-13, 2013-14 and 2014-15 in respect of which the Hon'ble Allahabad High Court had passed an order directing the Cane Commissioner of the State to decide the matter afresh, taking into consideration certain additional factors. The Cane Commissioner is understood to have filed an affidavit in a contempt proceeding, specifying interest rates on delayed cane price payments but no such order of the Cane Commissioner has been served on the Company or industry association and such order, which if served may be legally challenged.

	As at 31-Mar-22	As at 31-Mar-21
(ii) The Group is contingently liable in respect of short provision against disputed income tax liabilities (excluding determination of final interest payable thereon) of ₹2569.59 lakhs (31 March 2021: ₹3065.18 lakhs) against which ₹698.92 lakhs (31 March 2021: ₹1666.79 lakhs) stands paid. The disputed income tax liability mainly arises on the issue of taxability of unrealised incentives, majority of which have been held to be non-taxable in the first appeal filed by the Group against which the Department has filed appeals before the Tribunal..	2569.59	3065.18
(iii) Liability arising from claims / counter claims/ interest in arbitration/ court cases, claims of certain employees/ex-employees and in respect of service tax, if any, on certain activities of the Group which are being contested by the Group.	Indeterminate	Indeterminate
(iv) Group's share of associates' contingent liabilities	313.79	174.60

The amount shown above represent the best possible estimates arrived at on the basis of available information. The uncertainties, possible payments and reimbursements are dependent on the outcome of the different legal processes which have been invoked by the Group or the claimants, as the case may be, and therefore cannot be predicted accurately. The Group engages reputed professional advisors to protect its interests and has been advised that it has strong legal position against such disputes.

Contingent assets

Based on management analysis, there are no material contingent assets as at 31 March 2022 and as at 31 March 2021

Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

NOTE 49: DISCLOSURES OF MICRO ENTERPRISES AND SMALL ENTERPRISES

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

	31-Mar-22	31-Mar-21
The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year; as at the end of the year		
(i) Principal amount (refer note 20 & 21)	919.10	563.31
(ii) Interest due on above	-	-
The amount of interest paid by the buyer in terms of section 16 of Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-

NOTE 50: TITLE DEEDS OF IMMOVABLE PROPERTIES NOT HELD IN NAME OF THE GROUP

Relevant line item in the Balance Sheet	Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the Group
As at 31 March 2022						
Property, plant and equipment (note 3)	Land	8.27	Horam Singh	No	Jul'2005	Transfer of land in the name of some Group companies could not be completed on account of certain technicalities/ documentary deficiencies/ various delays including due to the pandemic, which the Group companies are trying to resolve to the extent feasiable
	Land	4.08	Shyam Bhadur	No	Jul'2005	
Investment property (note 4)	Land	12.06	Madhu Arora	No	Sep'2004	
	Land	0.84	Madhu Arora	No	Sep'2004	
As at 31 March 2021						
Property, plant and equipment (Note 3)	Land	8.27	Horam Singh	No	Jul'2005	Transfer of land in the name of some Group companies could not be completed on account of certain technicalities/ documentary deficiencies, which the Group companies are trying to resolve to the extent feasiable
	Land	4.08	Shyam Bhadur	No	Jul'2005	
	Land	0.78	Represents unreconciled payments earlier capitalised, which is written off during financial year 2021-22			
Investment property (note 4)	Land	12.06	Madhu Arora	No	Sep'2004	Transfer of land in the name of some Group companies could not be completed due to various delays, including due to the pandemic. The Group companies are trying to resolve to the extent feasiable
	Land	0.84	Madhu Arora	No	Sep'2004	

Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

NOTE 51: RATIOS

Ratio	Numerator	Denominator	31-Mar-22	31-Mar-21	% Variance	Reason for variance
Current ratio	Current assets	Current liabilities	1.36	1.43	-5%	-
Debt equity ratio	Borrowings and lease liabilities	Equity	0.82	0.64	29%	Mainly due to increase in short term borrowings on account of faster cane price payment and higher inventory and receivable levels
Debt service coverage ratio	Profit after tax plus finance costs, depreciation and amortisation expense	Repayment of long term borrowings and lease liabilities (excluding prepayments) and finance costs	3.21	2.28	41%	Mainly due to higher profitability
Return on equity ratio (%)	Profit after tax	Average equity	24%	20%	4%	-
Inventory turnover ratio	Revenue from operations (net of excise duty)	Average inventories	2.28	2.56	-11%	-
Trade receivables turnover ratio	Revenue from operations	Average trade receivables	12.36	13.89	-11%	-
Trade payables turnover ratio	Purchases of goods and services	Average trade payables	7.44	5.29	40%	Due to faster cane price payment
Net capital turnover ratio	Revenue from operations (net of excise duty)	Average working capital (i.e. current assets less current liabilities)	6.41	7.74	-17%	-
Net profit ratio (%)	Profit after tax	Revenue from operations (net of excise duty)	10%	6%	4%	-
Return on capital employed (%)	Earnings before interest and taxes	Average capital employed (i.e. equity, borrowings, lease liabilities and deferred tax liabilities)	20%	18%	2%	-
Return on investment (other than subsidiaries & associates) (%)	Market value changes of quoted investments, dividend income, interest income and gain/loss on disposal of investment	Weighted Average investment	8%	36%	-28%	Mainly due to decline in market value of certain quoted investments

Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

NOTE 52: ADDITIONAL REGULATORY INFORMATION UNDER SCHEDULE III

The Group has made the relevant disclosures to the extent applicable under note 3, 4, 5, 19, 50 and 51.

NOTE 53: RECENT ACCOUNTING PRONOUNCEMENTS

Ministry of Corporate Affairs, vide notification dated 23 March 2022, has made following amendments to Ind AS which are effective from 1 April 2022:

(i) Ind AS 103 *Business Combinations:* Reference to the Conceptual Framework

(ii) Ind AS 109 *Financial Instruments:* Annual improvements to Ind AS (2021)

(iii) Ind AS 16 *Property, Plant & Equipment:* Proceeds before intended use

(iv) Ind AS 37 *Provisions, Contingent liabilities and Contingent assets:* Onerous contracts – Costs of fulfilling a contract

The Company intends to adopt these standards when they become effective. Based on preliminary assessment, the Company does not expect these amendments to have any significant impact on its financial statements.

NOTE 54: COMPARATIVES

The consolidated financial statements were approved for issue by the Board of Directors of the Company on 14 May 2022 subject to approval of shareholders.

NOTE 55: APPROVAL OF CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements were approved for issue by the Board of Directors of the Company on 14 May 2022 subject to approval of shareholders.

As per our report of even date attached

For S S Kothari Mehta & Company
Chartered Accountants
Firm's registration number : 000756N

Yogesh K. Gupta
Partner
Membership No. 093214

Date : 14 May 2022

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

Dhruv M. Sawhney
Chairman & Managing Director

Homai A. Daruwalla
Director & Chairperson Audit Committee

Suresh Taneja
Group CFO

Geeta Bhalla
Group Vice President & Company Secretary