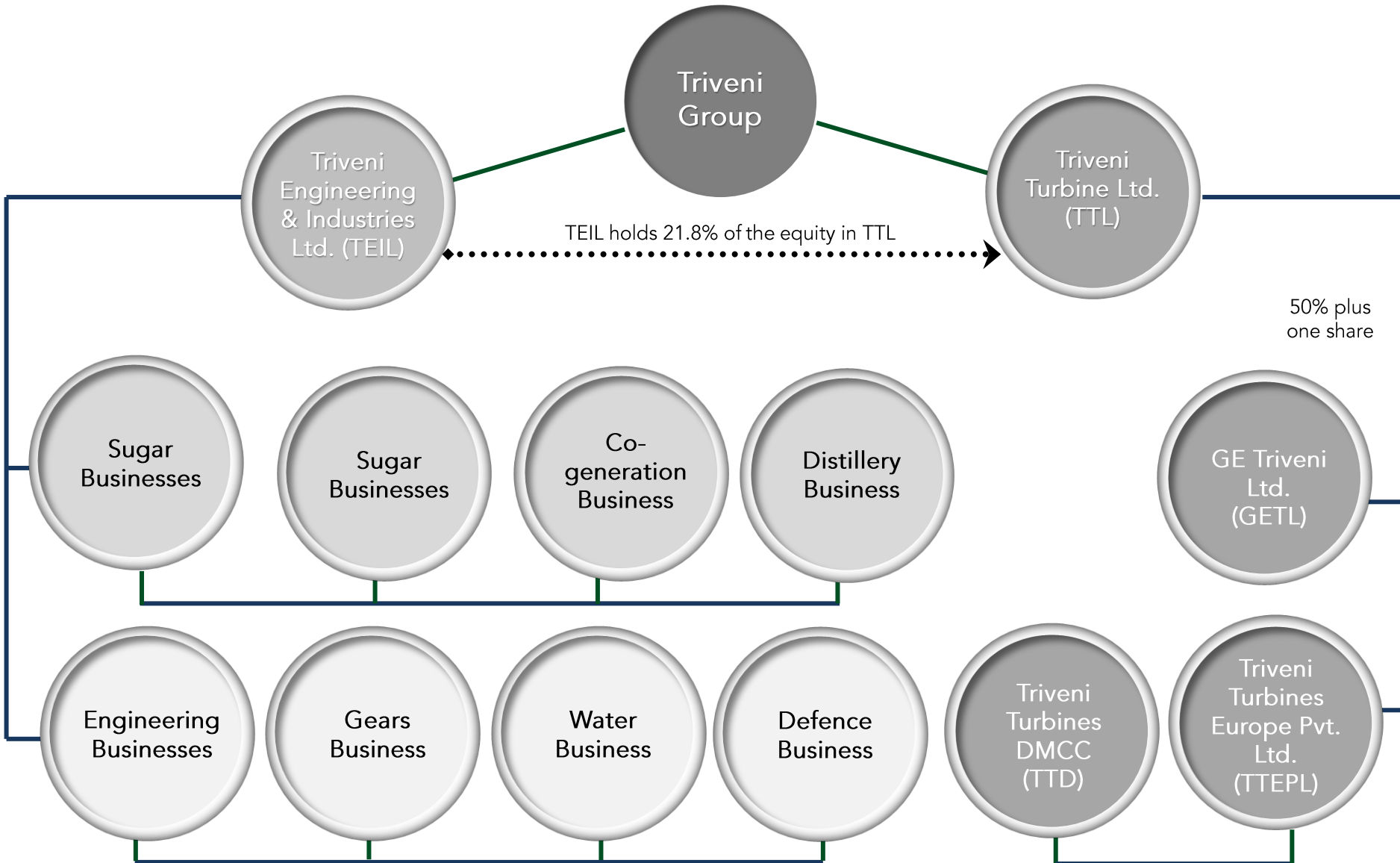




# CORPORATE PRESENTATION

(August 2017)

# Triveni Group Organisation Structure



# Triveni Group Fact Sheet

1

Two Independent Listed Companies with total FY 17 gross revenue of INR 37.12 billion (USD 573 million)  
– Triveni Engineering & Industries Ltd. and Triveni Turbine Ltd.

2

Listed in both National Stock Exchange & Bombay Stock Exchange  
Total Market Capitalisation of ~ INR 6.7 billion (~ USD 1 billion)  
(as on August 17, 2017)

3

Promoter driven, professionally managed companies with eminent and independent Board of Directors

4

Triveni Engineering is one of the largest integrated sugar manufacturers in India and market leader in its engineering businesses comprising high speed gears, gearboxes, and water & waste water treatment solutions

5

Triveni Turbine Ltd. is one of the world's largest manufacturers of steam turbines up to 30 MW range for providing industrial & renewable power solutions



# Financial Performance – TEIL (Consolidated)

*In ₹ million*

	Q1 FY 18	Q1 FY 17
Gross Revenue	8443	6302
EBITDA	1320	1095
EBITDA Margin	16%	17%
Share of income from Associates	24	54
Profit / (Loss) Before Tax	838	624
Profit / (Loss) After Tax (PAT) Consolidated	605	482
Other Comprehensive Income (after tax)	1	3
Total Comprehensive Income	606	485
EPS (not annualized) (₹/share)	2.35	1.87



# Engineering Business



# Engineering Businesses



## Triveni Gears

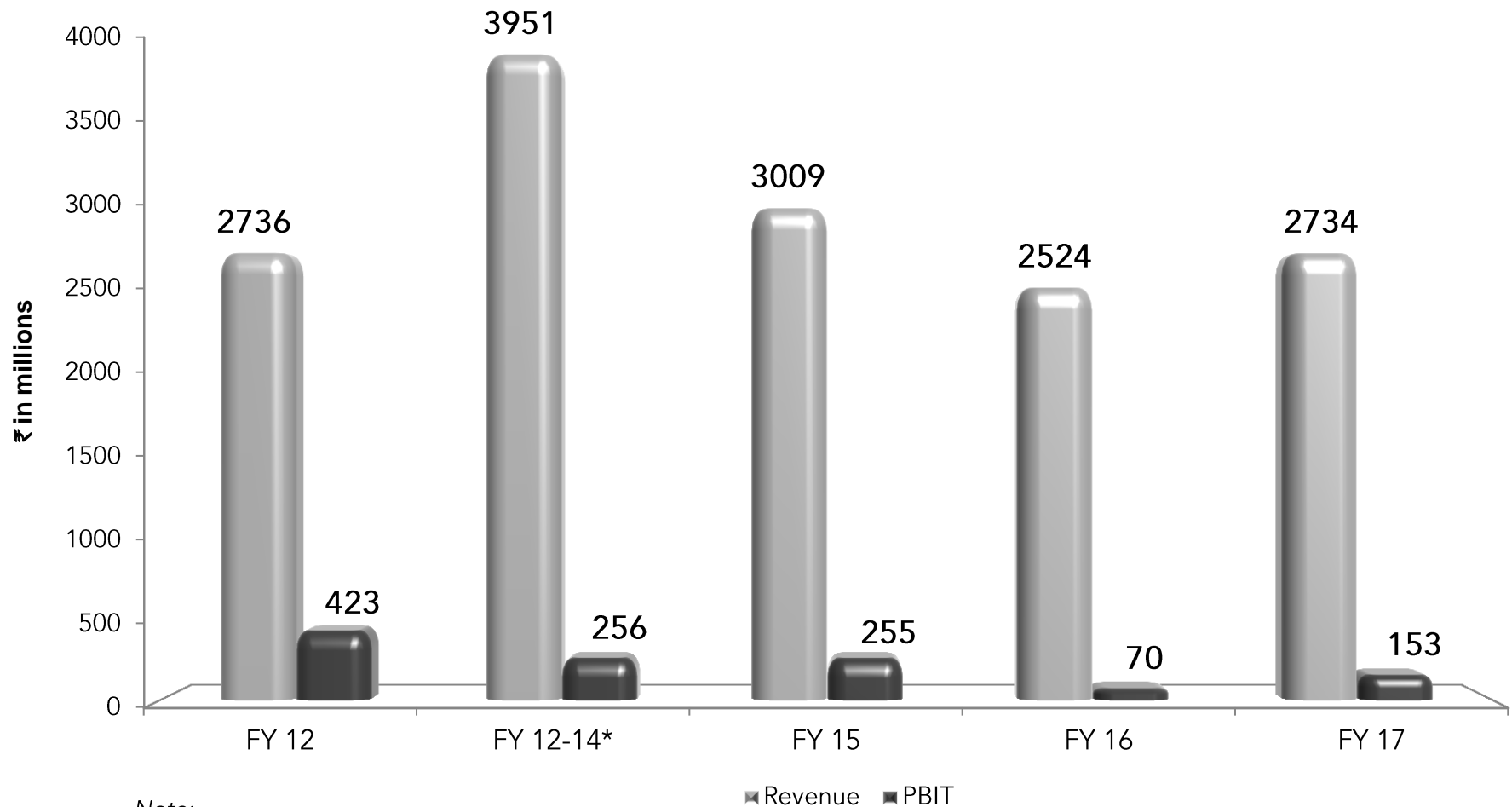
Market leader in High speed gears & gear boxes upto 70 MW capacity and speed of 70,000 rpm



## Triveni Water

A leading player in the high technology water & wastewater management business

# Engineering Businesses – Revenue Growth

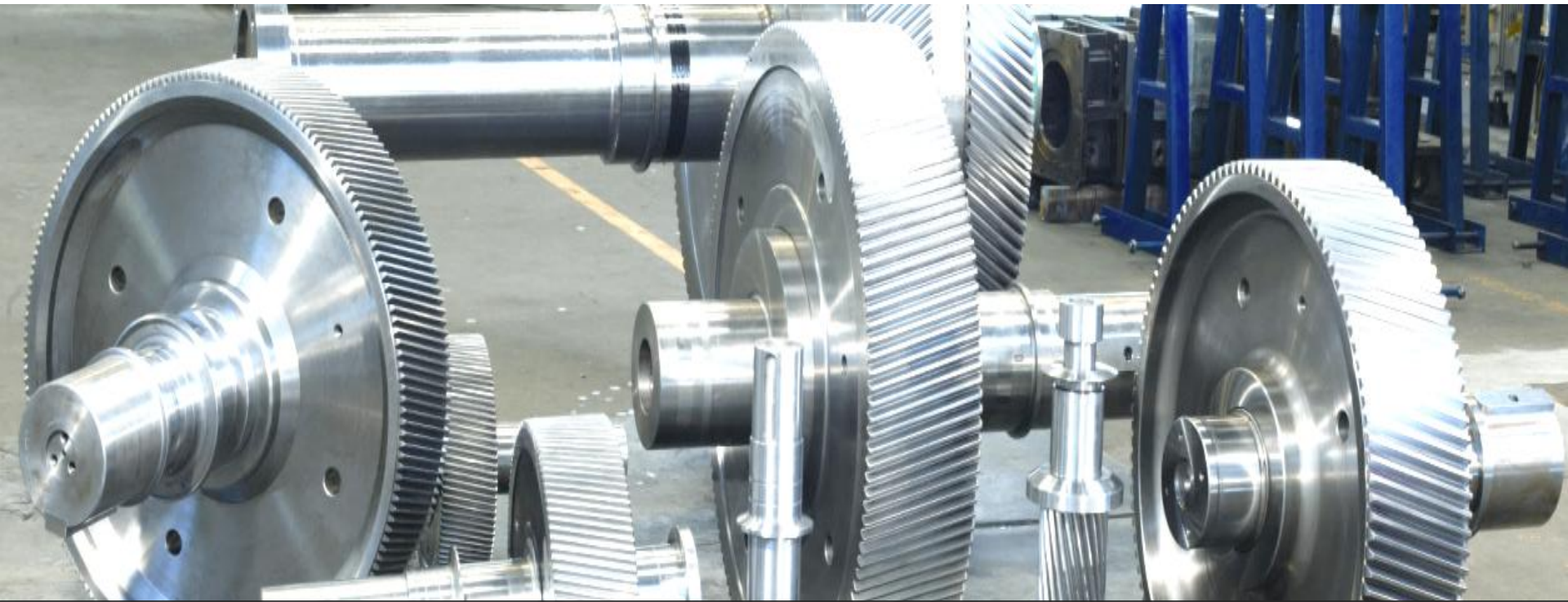


Note:

For FY 16 & FY 17 revenue figures are including excise duty

FY 12-14\* - 18 months period from Oct 12 – Mar 14

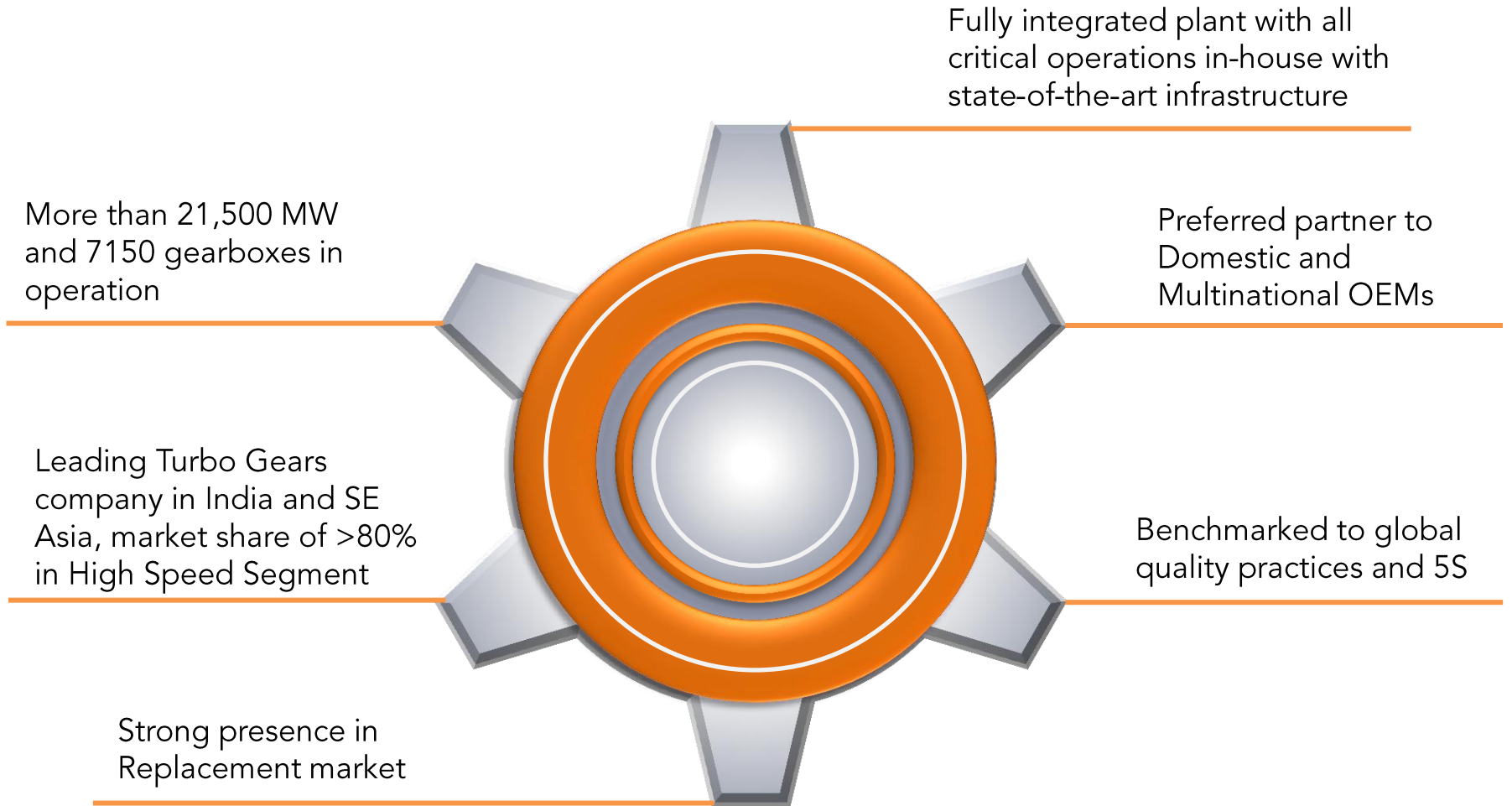
# Gears Business - Overview



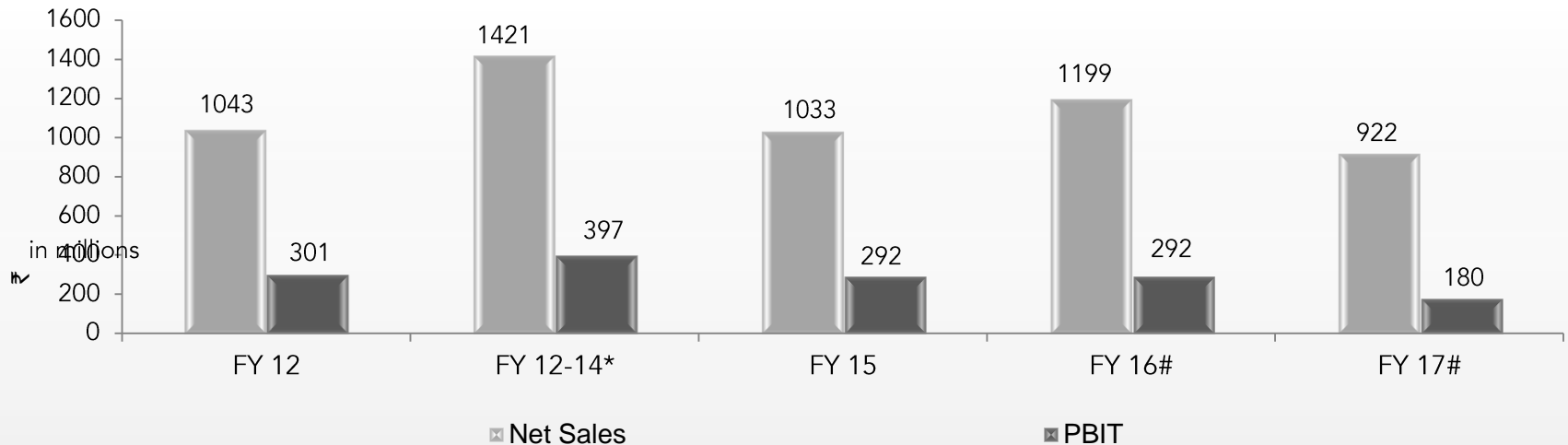
- ❑ Design, manufacture and marketing of customised gears and gearboxes (both high speed and niche low speed gears)
- ❑ State-of-the-art design and manufacturing facility at Mysore conforming to international standards
- ❑ Triveni technology for high speed gear boxes upto 7.5 MW and for hydel gearbox range upto 6 MW
- ❑ Range above 7.5 MW-62 MW is manufactured using technology licensed from GE (Lufkin), USA



# Gears Business - Overview



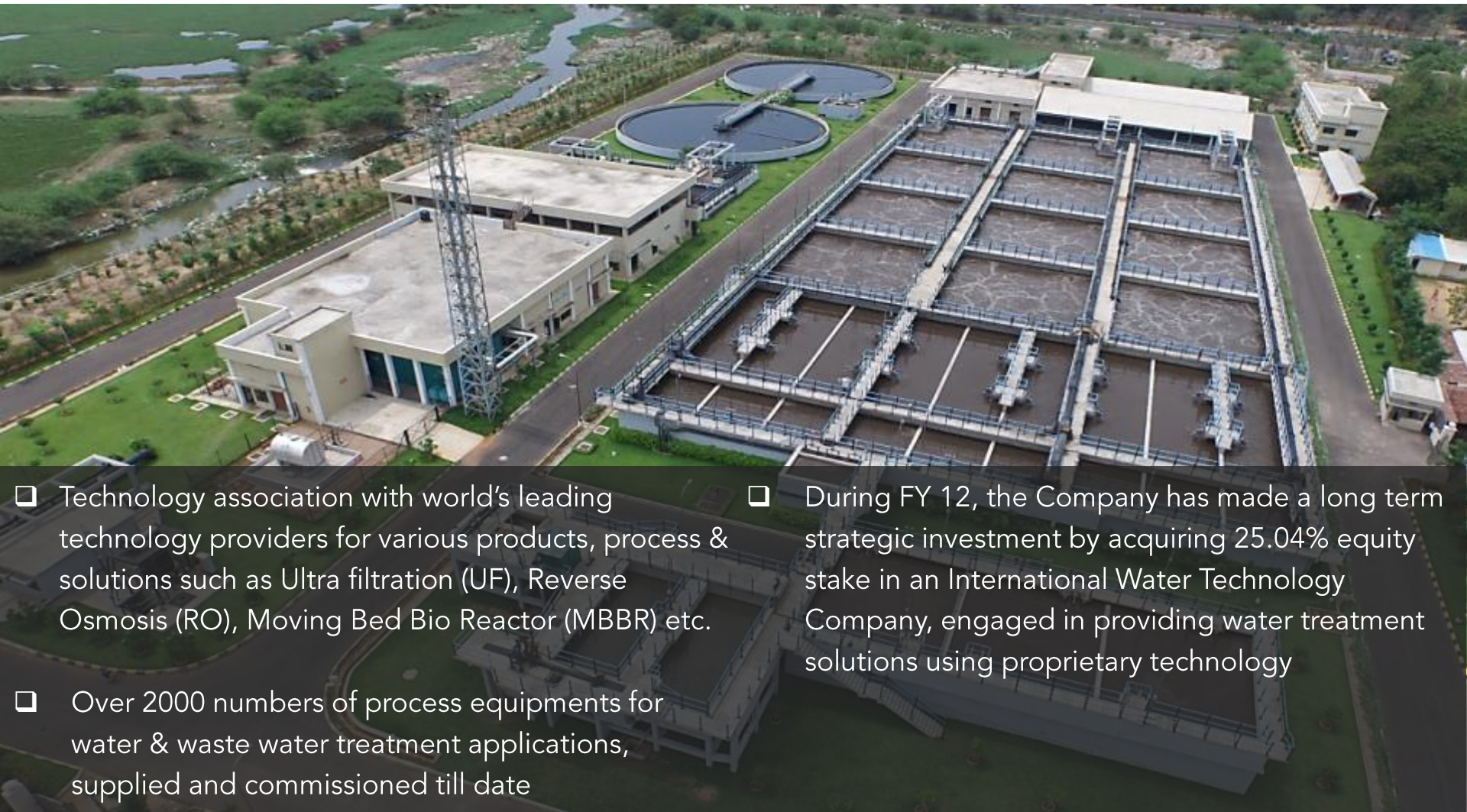
# Gears Business – Financial Performance



#revenue figures are including excise duty  
 FY 12-14\* - 18 months period from Oct 12 – Mar 14

- The muted economic outlook has resulted in slowdown in the off-take from customers.
- Overall the market is still impacted by the slowdown in the capital goods segment with significantly lower OEM off-take year on year.
- The business has strong enquiry books from defence and is hopeful of concluding some of them in the coming quarters.
- The order in-take during Q1 FY 18 was ₹ 255 million. Additionally, during the quarter, the Gears business has concluded a long term arrangement from one of the largest OEM globally for machining of wind gear components worth ₹ 508 million executable from FY 19 onwards equally spread over five years.

# Water Business - Overview

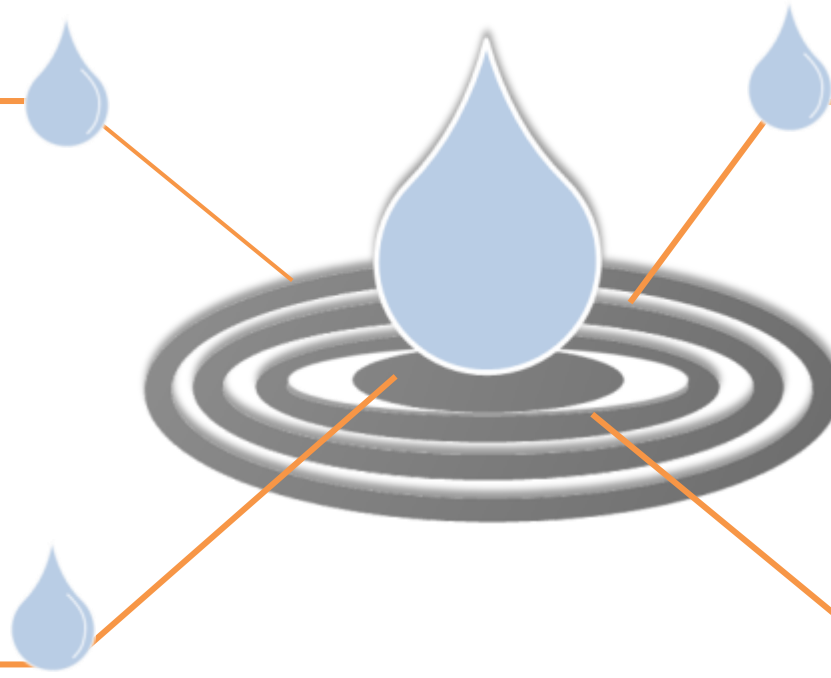


- ❑ Technology association with world's leading technology providers for various products, process & solutions such as Ultra filtration (UF), Reverse Osmosis (RO), Moving Bed Bio Reactor (MBBR) etc.
- ❑ Over 2000 numbers of process equipments for water & waste water treatment applications, supplied and commissioned till date
- ❑ During FY 12, the Company has made a long term strategic investment by acquiring 25.04% equity stake in an International Water Technology Company, engaged in providing water treatment solutions using proprietary technology

# Water Business - Overview

Over 100 successfully operating installations across various segments – infrastructure, industrial and municipal

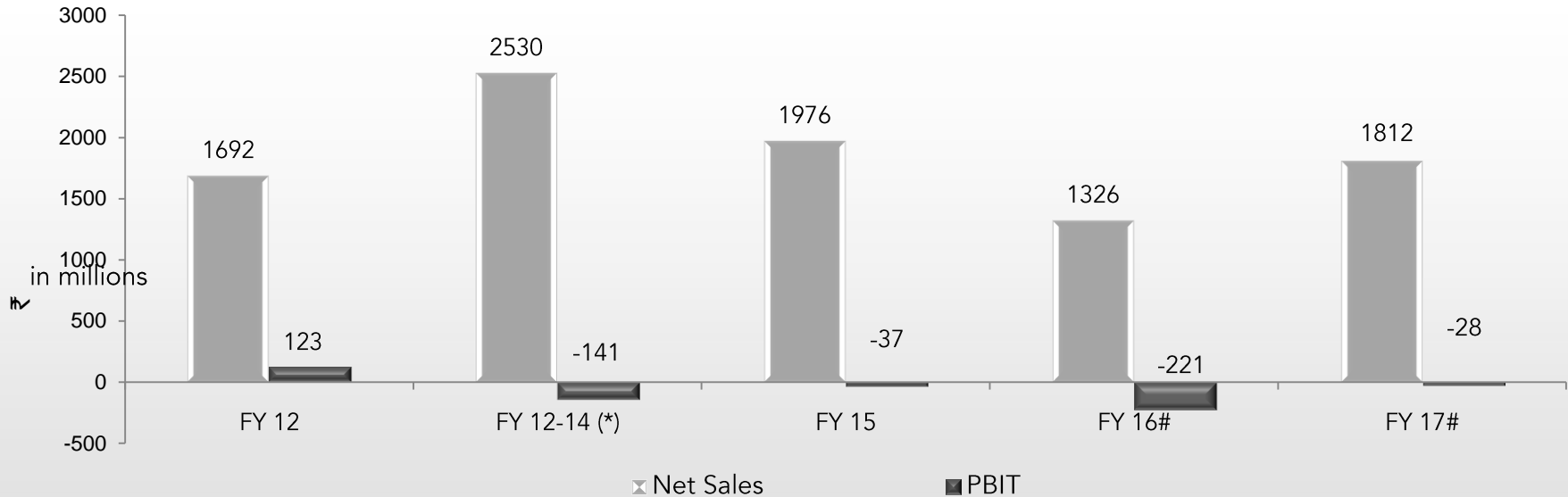
Technology associations with the world's leading technology providers for various products, processes and solutions



Won many Water Awards for Innovative project designs

Approx. 8000 MLD of water is treated through our projects & equipment

# Water Business – Financial Performance



#revenue figures are including excise duty  
 FY 12-14\* - 18 months period from Oct 12 – Mar 14

- ❑ The total order intake for the quarter was ₹ 774 million
- ❑ The Company has participated in various tenders which are in various stages of finalisation
- ❑ The Company is also exploring export opportunities to expand its business thereby aim to improve its performance
- ❑ The turnover should show a good growth going forward based on the execution of the order book
- ❑ The Company continues to successfully leverage its existing engineering relationships with industrial sector customers.

# Sugar Business

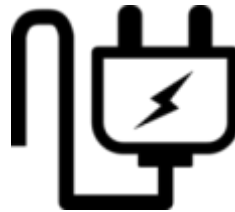


# Sugar Business



## Sugar

One of the largest sugar producers in India with seven sugar manufacturing facilities



## Co-generation

Three grid connected co-generation plants and three incidental co-generation plants located across five sugar units.



## Distillery

One of the largest single stream molasses based distillery in the country located at Muzaffarnagar

# Sugar Business – Industry Overview

- ❑ As per the estimates, the sugar production will decline by 19% to 20.1 million tonnes in the (Sugar Season) SS 2016-17. Uttar Pradesh surpassed Maharashtra in sugar production ~ 8.72 million tonnes. Maharashtra produced ~ 4.25 million tonnes, lower by ~ 49%. Karnataka produced 2.03 million tonnes, a decline of ~49%.
- ❑ Considering consumption of 24.2 million tonnes and our estimates of 20.1 million tonnes of sugar production and import of 0.5 million tonnes, the estimated sugar inventory at the end of SS 2016-17 would be around 4.35 million tonnes.
- ❑ Sugar prices have been stable during the quarter with the average NCDEX spot prices at Muzaffarnagar at around ₹ 39.16 kg which has been an increase of ~19% year on year.
- ❑ The sugarcane planting in the country has increased as compared to last year as per the initial estimates. The acreage under sugarcane has increased by 30-40% in Maharashtra and North Karnataka; declined by 35% in Tamil Nadu and south Karnataka while in UP it increased by approx. 10%, as per initial estimates.
- ❑ In the light of the sugar scenario currently prevailing and the first estimates for the next year's production, the Company believes that the current sugar prices are likely to hold for the next few quarters.

## International Sugar Scenario

- ❑ The global sugar output is expected to reach 191 million tonnes in 2017/18 with a consumption of over 184 million tonnes which will lead to a surplus of 4.9 million tonnes in the global sugar market.
- ❑ Brazil's center-south region has produced around 11.05 million tonnes in the 2017/18 till July 1, 2017 as against ~11.02 million tonnes in 2016/17. The share of sugar to ethanol production is at 47.36:52.64, which is an increase in diversion of sugarcane towards sugar production than ethanol. It is estimated that Brazil CS will produce ~35.7 MMT in 2017/18.
- ❑ In Thailand, the sugar production is estimated at 12 million tonnes in 2017/18.
- ❑ The world market prices for both raw and white further declined in June, from 14.65 cents/lb at the starting of the month to below 13 cents/lb by June 28, 2017.



# Sugar Business – Industry Overview

(Figures in million tonnes)

	2011-12	2012-13	2013-14	2014-15	2015-16 (P)	2016-17 (E)
Opening Stock as on 1 <sup>st</sup> Oct.	5.8	6.6	9.3	7.5	9.1	7.7*
Production during the Season	26.3	25.1	24.4	28.3	25.1	20.1
Imports	0	0.7	0.1	0.0	0.0	0.5
Total Availability	32.1	32.4	33.8	35.8	34.2	28.3
Off-take						
i) Internal Consumption	22.6	22.7	24.2	25.6	24.9	24.0
ii) Exports	2.9	0.3	2.1	1.1	1.6	0.0
Total off-take	25.5	23.1	26.3	26.7	26.5	24.0
Closing Stock as on 30 <sup>th</sup> Sept.	6.6	9.2	7.5	9.1	7.7*	4.3
Stock as % of Off-take	25.9%	39.8%	28.5%	34.0%	28.1%	17.9%

- Source: Industry data
- Closing stock taken as a percent of off-take is one of the indicators of sugar price movement.
- \*ISMA reported closing inventory as on Sep 30, 2016 at 7.7 million tonnes

# Sugar Business - Overview



- ❑ Major facilities located in cane rich areas of Western Uttar Pradesh with more than 80% cane intensity – fertile and irrigated land
- ❑ Sugar cane catchment area for all sugar units under canal irrigation – both in Western & Central Uttar Pradesh - Lower dependency on monsoon
- ❑ Closer to country's major sugar consuming markets - better realizations & lower transportation cost. Long term relationship with ~ 250,000 farmers
- ❑ Extensive sugar cane development programme – to develop new areas under cane cultivation in our new locations; improving yields of cane across the units.

# Sugar Business – Financial Performance

- Robust sugar realisation prices coupled with low cost of goods sold and increased volume of sugar despatches resulted in better profitability of Sugar Business
- The Company crushed record sugarcane at 6.4 million tonnes, an increase of 42% from last sugar season; produced 0.71 million tonnes of sugar, an increase of 45% with an average recovery of 11.06% during the sugar season 2016-17.
- The sugar realisation has shown an improvement of 6% quarter-over-quarter with the average realisation for Q1 FY 18 at ₹ 36890 /tonne.
- The sugar inventory as on Jun 30, 2017 was 33.5 lakh quintals valued at ₹ 30.7/Kg.
- The Company's continuous focus on sugarcane development program and the resultant efforts have helped it to achieve good sowing during the quarter. It is expected to improve the quality of cane and increase yields in the coming season.

	FY 11	FY 12	FY 12-14 (*)	FY 15	FY 16#	FY 17#
Net Sales (₹ in millions)	13434	14821	24930	16284	16405	26108
PBIT (₹ in millions)	74	29	(1919)	(1659)	(282)	3649
Sugar Manufactured (000 t)	420	465	937	491	488.5	707.6

#revenue figures are including excise duty

FY 12-14\* - 18 months period from Oct 12 – Mar 14

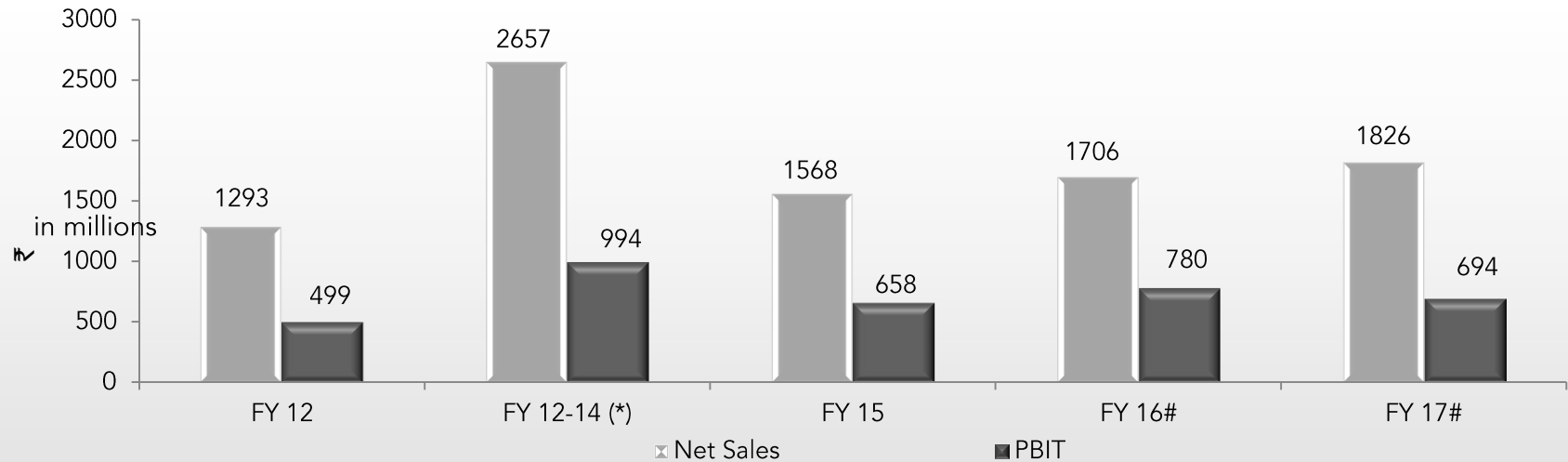
# Co-generation Business - Overview



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

□ Deoband and Khatauli co-generation plants of the Company are registered as Clean Development Mechanism (CDM) projects with United Nations Framework Convention on Climate Change (UNFCCC) and have been registered with National Load Dispatch Centre (NLDC) as REC projects.

# Co-generation Business – Financial Performance



#revenue figures are including excise duty  
 FY 12-14\* - 18 months period from Oct 12 – Mar 14

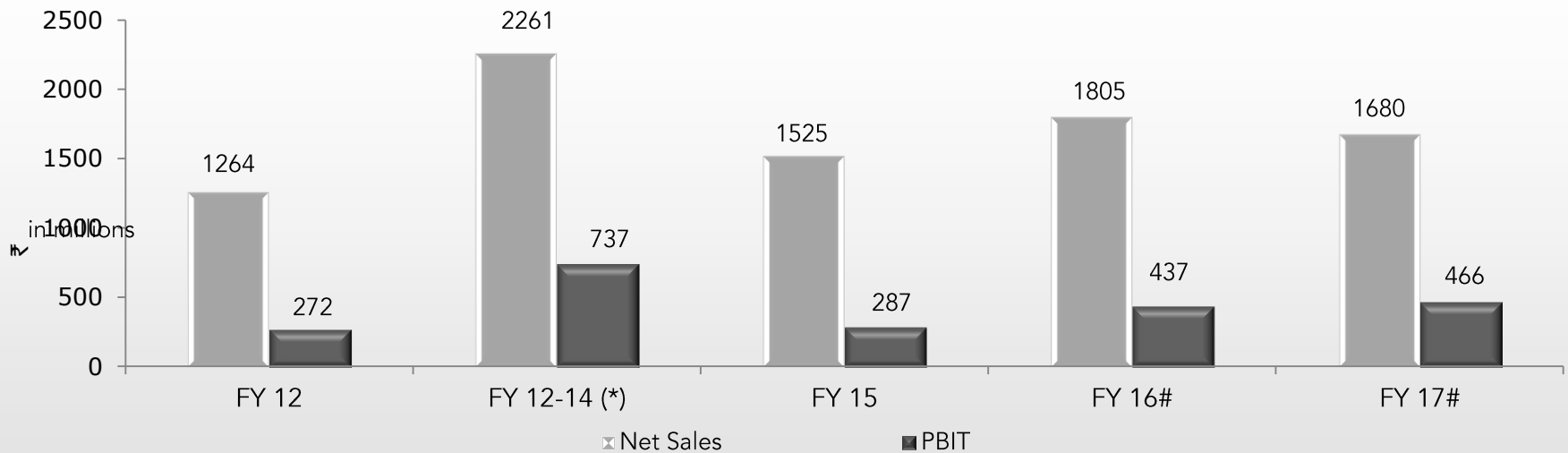
- ❑ On account of longer sugar operations during SS 2016-17, the co-generation operations during Q1 FY 18 has been significantly higher in comparison to Q1 FY 17.
- ❑ The gross revenue was ₹ 361 million with PBIT at ₹ 137 million
- ❑ The operating efficiency of the plants continued to be excellent.

# Distillery Business - Overview



- ❑ One of the largest single stream molasses based distillery in the country located at Muzaffarnagar.
- ❑ Strategically located in close proximity to two of its largest sugar units - Khatauli and Deoband, the distillery procures consistent supply of captive raw material.
- ❑ The distillery has a flexible manufacturing process allowing it to produce Extra Neutral Alcohol (ENA), Rectified Spirit (RS), Special Denatured Spirit (SDS) & Ethanol which are renowned for their high quality.

# Distillery Business – Financial Performance



#revenue figures are including excise duty  
 FY 12-14\* - 18 months period from Oct 12 – Mar 14

- ❑ The distillery remained closed for over a month in view of some checks mandated by NGT. Since then it has been ordered for reopening.
- ❑ In view of re-fixation of basic Ethanol price to ₹ 39/litre, average realization price in Q1 FY 18 is lower in comparison to corresponding period of FY 17.
- ❑ The share of Ethanol sales in Q1 FY 18 is 83% of the total sales volume, as against 75% in Q1 FY 17.
- ❑ While already having permission from MoEFCC, and having carried out the necessary requirements, going forward the distillery is now expected to operate for 330 days annually

# Triveni Turbine Ltd.





# Triveni Turbines Factsheet



One of the world's largest manufacturers of steam turbines up to 30 MW range for providing industrial & renewable power solutions



Market leadership position in India, with around 60% market share for a decade



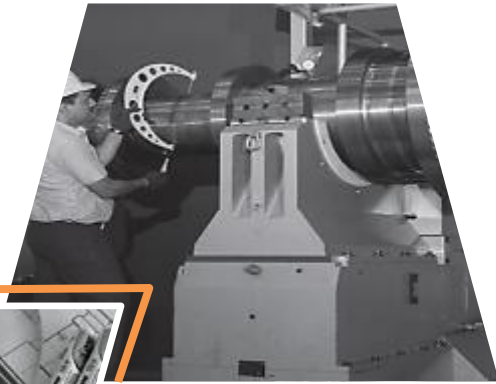
Joint Venture with General Electric (now BHGE), GE Triveni Ltd, with majority stake for the range above 30 MW to 100 MW

# Triveni Turbines Factsheet

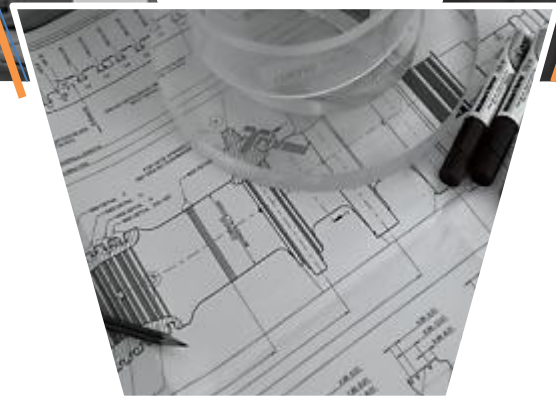


Presence in  
over 70  
countries

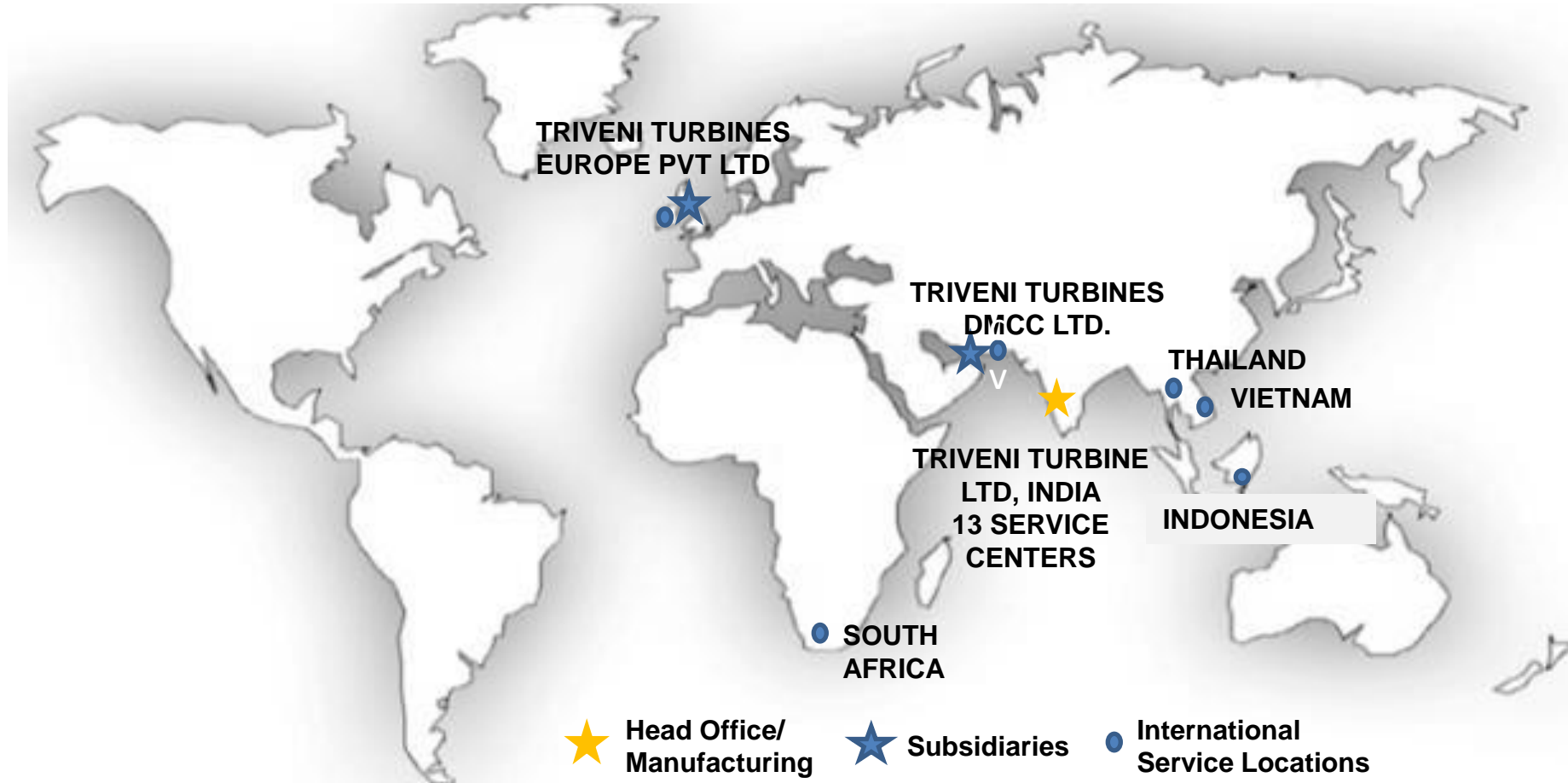
Over 3000  
steam turbines  
installed  
globally



Over 12 GW  
power generation  
capacity



# Global Footprint



CAGR of 25% in Export sales in past 5 years

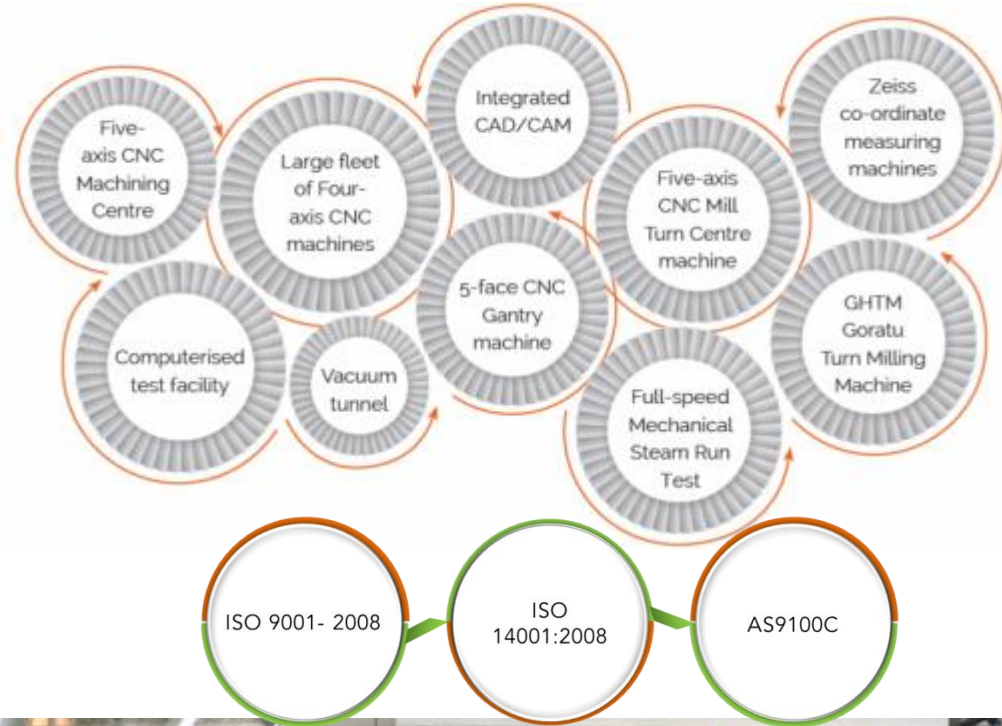
# Infrastructure

1

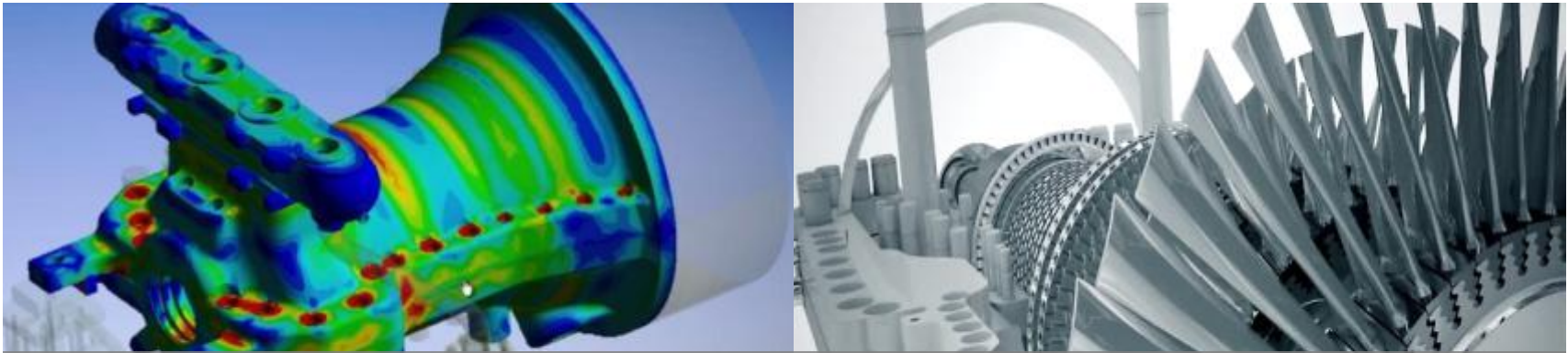
State-of-the-art manufacturing facilities equipped to provide manufacturing of critical components, assembly, testing and refurbishing services

2

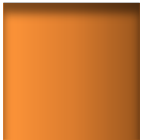
Latest design tools and software to deliver innovative solutions to customers



# Design & Development



Continuous value engineering helps us to deliver products designed to meet customers' requirements for economic installation and operation



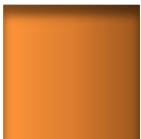
Strong design team supported by consultants and domain experts



Association with globally acclaimed turbo-machinery design houses



Innovative designs delivering maximum performance and higher efficiency



TTL has filed total 201 IP filings till Mar 31, 2017

Innovative product development concepts such as design to cost, QFD, FMEA techniques, DOE



Deploy Latest computer aided design and engineering software for continuous product development



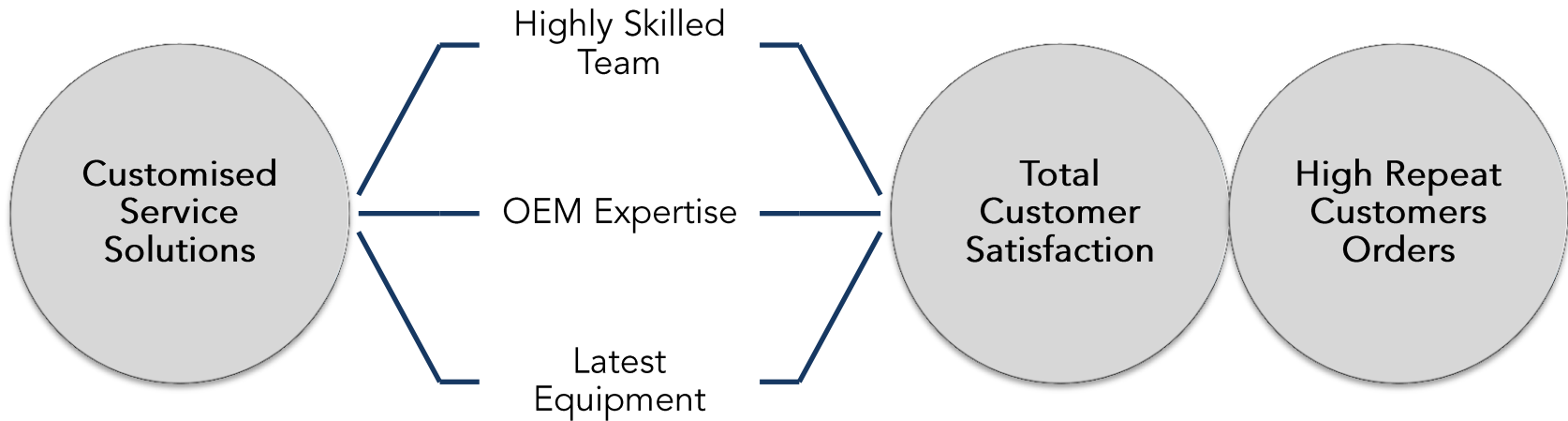
The R & D advanced product program has commercialized over 50 models/variants



The Company won the prestigious National Intellectual Property Award 2016 for "Top Organisation in Design"



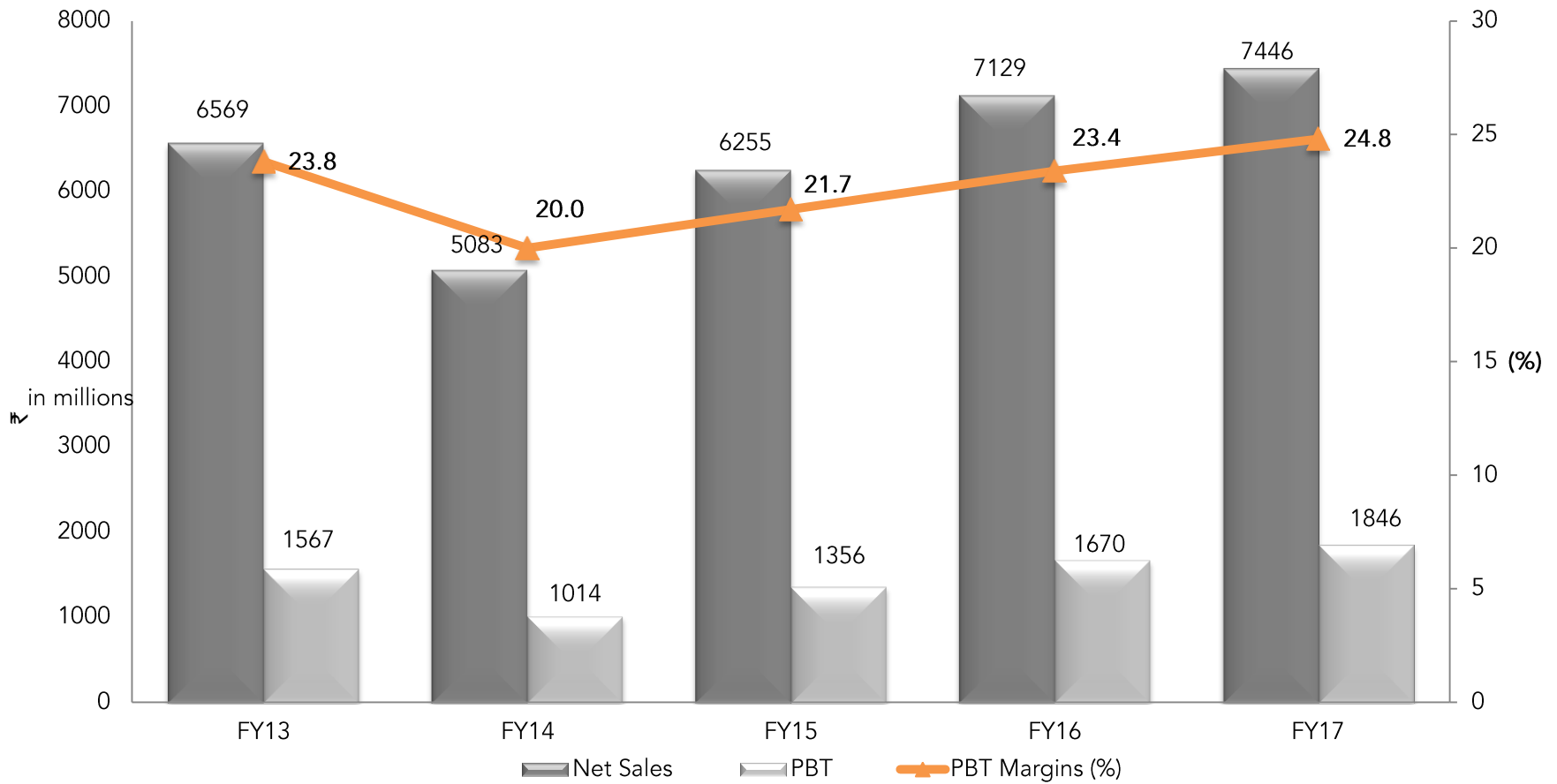
# Comprehensive Service Solutions



## Service Offerings:

- Full speed vacuum balancing tunnel for balancing turbines, compressors/alternators
- Customization & upgradation of old turbines for both industrial and utility segments
- Refurbishment solutions for higher MW turbines, upto 300 MW for all makes
- Overhauling & Troubleshooting; quick response in the delivery of spares

# Financial Performance



Note:

For FY 16 & FY 17 consolidated numbers including Share of Profit from JV have been considered

For FY 13 – FY 15 standalone figures have been considered

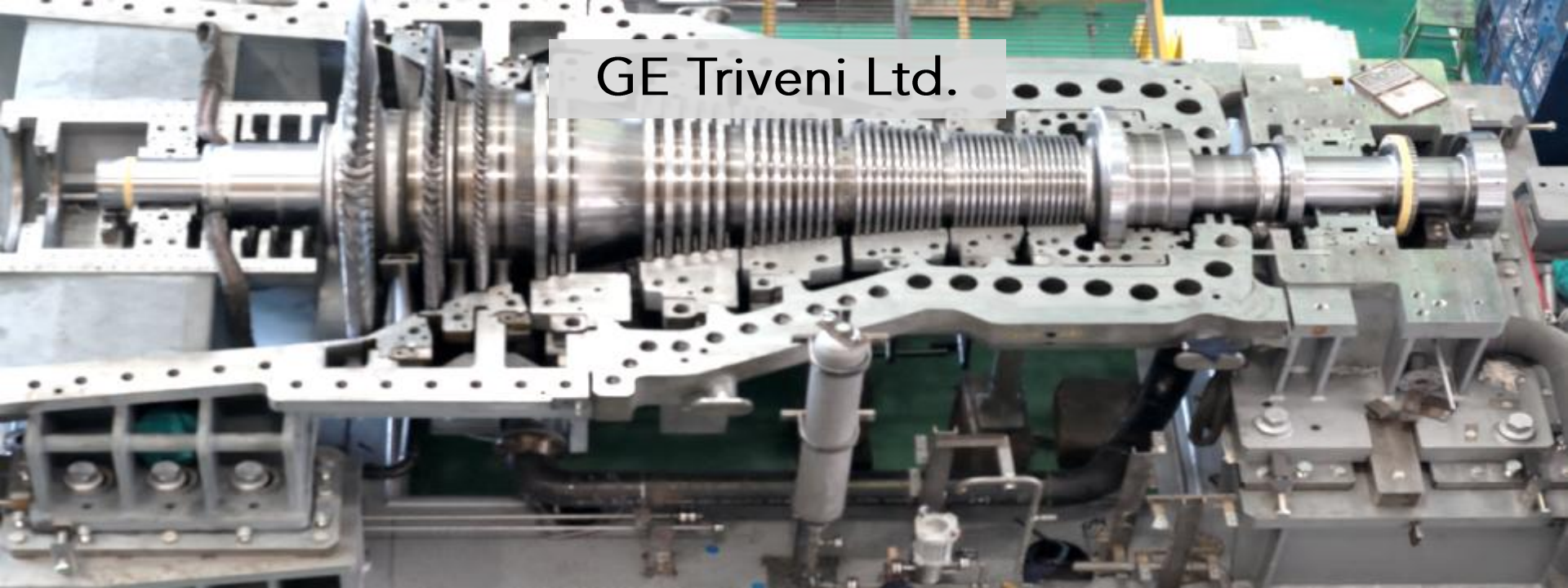
# Q1 FY 18 Financial Performance (Consolidated)

(Figures in ₹ million)

	Q1 FY 18	Q1 FY 17	% Change
Net Income from Operations	1217	1617	-25%
EBITDA	192	384	-50%
EBITDA Margin	15.7%	23.7%	
Depreciation & Amortisation	50	36	39%
PBIT	141	348	-59%
PBIT Margin	11.5%	21.5%	
Finance Cost	0.8	0.3	167%
PBT	140	348	-60%
PBT Margin	11.5%	21.5%	
Share of Profit of JV	39	30	30%
Consolidated PAT	128	268	-52%
Consolidated PAT Margin	10.5%	16.6%	
EPS (₹/share)	0.39	0.81	



## GE Triveni Ltd.



- ❑ Triveni Turbine Ltd. formed a 50:50 Joint Venture with a GE affiliate on 15<sup>th</sup> April 2010. GE Triveni Ltd. (GETL) headquartered in Bengaluru, a subsidiary of TTL, will design, supply, sell and service advanced technology steam turbines in India in the range above 30-100 MW for power generation applications in India and globally
- ❑ GETL gets technology and on-going R&D support from GE and TTL and use TTL's Bengaluru facility for turbine manufacturing
- ❑ GETL recorded sales of ₹ 462 million with a PAT of ₹ 87 million
- ❑ Even though the JV did not close any orders during the quarter, the enquiry pipeline is strong enough indicating good order finalization in the coming quarters.
- ❑ The execution and commissioning of large sized turbines in the export market is underway and GETL expects these references to help it to achieve enhanced order inflows in the future

# Contact for Investor Relations

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