

For immediate release

FY 24 Consolidated Results ended Mar 31, 2024

- **Revenue from Operations (Net of excise duty) at ₹ 5220 crore**
 - **Profit before Exceptional items and Tax at ₹ 529 crore**
 - **Profit after Tax at ₹ 395 crore**
- **Board recommended a final dividend of ₹ 1.25 per equity share in addition to an interim dividend of ₹ 2.25 per equity share and a special dividend of ₹ 2.25 per equity share earlier paid during the year**

Performance Highlights

- *Net turnover is lower by 7%, mainly due to lower sugar sales volume by 16%. However, Profit Before Tax (PBT) before considering share of profit of associates and exceptional income is lower by 3%*
- *Sugarcane Crush during Sugar Season (SS) 2023-24 is 11% lower at 8.26 million tonnes over SS 2022-23 but the gross recovery is marginally higher at 11.49%. The decline in crush is due to heavy rains and water logging in certain regions and associated proliferation of red rot disease in plant cane of Co238 variety*
- *In the Alcohol business, in view of feedstock restrictions on supply of Surplus Food Grains from Food Corporation of India (FCI Rice) and limitation of usage of B-heavy molasses, the production and sales volumes were less than earlier estimated. Overall margins declined in view of lower margins on maize operations*
- *Power Transmission Business reported record turnover and profitability – turnover increased by 30% and segment profits by 40%. An intensive capex programme is being executed currently*
- *Turnover of Water business declined due to slow execution in certain projects but segment profits increased by 29% due to cost optimisation/savings in various projects executed during the year*

Outcome of the Board Meeting:

- *The Board of Directors of the Company has recommended a final dividend of 125% (₹ 1.25 per equity share of the face value of ₹ 1 each) for the financial year 2023-24, which is subject to the shareholder's approval in the ensuing annual general meeting. During the year, the Company had paid an interim dividend of 225% (₹ 2.25 per equity share of the face value of ₹ 1 each) and a special dividend of 225% (₹ 2.25 per equity share of the face value of ₹ 1 each).*

NOIDA, May 20, 2024: Triveni Engineering & Industries Ltd. ('Triveni'), one of the largest integrated sugar manufacturers & engineered-to-order turbo gearbox manufacturers in the country and a leading player in water and wastewater management business, today announced its financial results for the fourth quarter and full year ended Mar 31, 2024 (Q4/FY 24). The Company has prepared the financial results based on the Indian Accounting Standards (Ind AS) and as in the past, has been publishing and analyzing results on a consolidated basis.

PERFORMANCE OVERVIEW: Q4/FY 24 (Consolidated Results)

In ₹ crore

	Q4 FY 24	Q4 FY 23	Change %	FY 24	FY 23	Change %
Revenue from Operations (Gross)	1,548.1	1,818.3	-14.9	6,151.4	6,310.1	-2.5
Revenue from Operations (Net of excise duty)	1,302.1	1,582.6	-17.7	5,220.1	5,616.8	-7.1
EBITDA	261.2	284.8	-8.3	688.4	696.3	-1.1
EBITDA Margin	20.1	18.0		13.2	12.4	
Share of income from Associates	0.5	-		0.2	16.3	-98.9
Profit Before Tax (PBT) Before Exceptional Items	216.7	250.6	-13.5	529.0	562.4	-5.95
Exceptional Items-income/(expense)	-	-		-	1,401.2	
Profit Before Tax (PBT) After Exceptional Items	216.7	250.6	-13.5	529.0	1,963.6	-73.1
Profit After Tax (PAT)	161	190.3	-15.4	395.2	1,791.8	-77.9
Other Comprehensive Income (Net of Tax)	9.7	(2.5)		10.1	(3.8)	
Total Comprehensive Income	170.7	187.8	-9.1	405.3	1,788.1	-77.3
EPS (not annualised) (₹/share)	7.36	8.08	-8.9	18.05	74.58	-75.8

- The decline in turnover during FY 24 is mainly due to Sugar (-12%) and Water business (-30%). The turnover of Sugar Business declined due to 16% reduction in sales volumes due to lower monthly releases as determined by the Government as well as reduced exports. The turnover of the Water business declined due to slow execution of certain projects. The turnover of Alcohol business (net of Excise) and Power Transmission business, however, increased by 9% and 30%.
- Profit before share of profits of associates and Exceptional items and Tax is 3% lower at ₹ 528.8 crore. Lower segment profits of Alcohol business have been substantially off-set by improved profitability in the Engineering businesses due to improved margins.
- Despite lower sales volumes by 16%, Segment profits of Sugar business are at the same level as the previous year due to higher contribution arising from 6% increase in sugar realization prices.
- The profitability of the Alcohol business was adversely affected due to restrictions imposed by the Government on the feedstocks – sales volumes of ethanol produced from relatively high-margin

molasses and FCI rice were substituted by low-margin maize operations, procured through the open market.

- The gross debt on a standalone basis as on March 31, 2024 increased to ₹ 1324.7 crore as compared to ₹ 825.0 crore as on March 31, 2023 due to higher sugar inventories held. Standalone debt at the end of the period under review, comprises term loans of ₹ 277.8 crore, almost all such loans are with interest subvention or at subsidized interest rate. On a consolidated basis, the gross debt is at ₹ 1411 crore as on March 31, 2024 as compared to ₹ 913.8 crore as on March 31, 2023. Overall average cost of funds (standalone) is at 6.5% during FY 24 as against 5.1% in the previous corresponding period. During the quarter, the Company's long-term credit rating was upgraded to AA+ (Stable) by ICRA.

Commenting on the Company's financial performance, Mr. Dhruv M. Sawhney, Chairman and Managing Director, Triveni Engineering & Industries Ltd, said:

"The year gone by presented several operating challenges to the Company especially in the Sugar and Alcohol businesses while our Power Transmission business delivered another year of stellar performance. It is heartening to note that the Company has reported satisfactory results despite such challenges. The Company is hopeful of an improved performance in the coming year through a combination of policy decisions, and favourable macro environment while addressing challenges with agility.

The sugarcane crush in the just concluded Sugar Season (SS) 2023-24 was 11% lower to 8.26 million tonnes, well short of our initial expectations. The major decline in crush took place in four sugar units: Deoband in Western UP and Chandanpur, Rani Nangal and Milak Narayanpur in the Central UP. The chief reasons are the climatic factors, such as, heavy rainfall and water logging in certain regions, absence of sunshine for long spell in winter and spread of red rot disease, which reduced the yields considerably, mainly in the plant cane and higher diversion to kolhus/crushers. Such trend of lower sugarcane availability was witnessed across Central & Western UP regions. The sugarcane development teams have chalked out multi-pronged strategy to contain the damage by uprooting the diseased crop to limit the spread and to carry out comprehensive varietal substitution programme to reduce the proportion of vulnerable variety Co238, especially in low-lying/ water-logging prone areas and to substitute it by other high sucrose and high yield varieties. We hope to substantially improve our crush next season.

Sugar prices have remained at healthy levels both in FY 24 and more recently. We expect these trends to continue and believe that a continually increasing portfolio of refined sugar and pharmaceutical-grade sugar production, which now stands at 70% of overall sugar production, augurs well for sugar realisations for the Company. We continue to make judicious investment in our facilities to enhance crush rate, sugar quality and efficiencies.

In our Alcohol business, the Company faced several feedstock challenges during the year that led to disruption in planned production, such as abrupt stoppage of Surplus Rice by Food Corporation of India (FCI rice), restrictions with respect to usage of B-heavy molasses, introduction of Maize as feedstock, price volatility in feedstocks, etc. Accordingly, sugar operations were carried largely with C-heavy molasses as compared to B-heavy molasses in the previous year and the distillery operations were largely based on maize instead of FCI rice earlier. This has led to lower operating capacities and hence lower production and further, the margins on maize operations were relatively lower despite price corrections. We are hopeful the Government will address the feedstock and profitability challenges in FY 25 as it remains committed to Ethanol Blended Petrol (EBP) targets of 20% by 2025-26.

Our long-term strategy is to grow the Alcohol business by being an active partner in India's EBP programme and self-reliance journey. To this end, we recently commissioned a 200 KLPD multi-feed distillery at our sugar unit at Rani Nangal which has resulted in an aggregate distillation capacity to 860 KLPD for the Company.

In our Engineering businesses, the Power Transmission business reported remarkable performance with new milestones achieved with respect to revenues, profitability and order booking in FY 24. The year also marked a period of extensive international customer outreach and continued investments in R&D and infrastructure aimed at enhancing the business' market share to capitalize on the global opportunity landscape. Coupled with the strides made in Defence, the Power Transmission business is on a sustained growth path. In the Water business, the year went by was muted in terms of market activity and finalization of orders. We expect this to improve in the coming years and the business is well-placed in terms of bids and credentials. The long-term prospects for water and wastewater treatment solutions, both in India and in International markets, remain intact leading to a positive outlook on this business."

About Triveni Engineering & Industries Limited

Triveni Engineering & Industries Limited (TEIL) is a diversified industrial conglomerate having core competencies in the areas of sugar, alcohol, power transmission and water. The Company holds the position of one of India's largest integrated sugar manufacturers and one of the largest ethanol manufacturers, while making significant contributions in Power Transmission and in Water & Wastewater treatment solutions. TEIL currently has seven sugar mills in operation at Khatauli, Deoband, Sabitgarh, (all in western Uttar Pradesh), Chandanpur, Rani Nangal and Milak Narayanpur (all in central Uttar Pradesh) and Ramkola (eastern Uttar Pradesh). While the Company's Power Transmission (Gears) manufacturing facility is located at Mysuru, the Water & Wastewater treatment business is located at Noida. The Company currently operates 6 co-generation power plants located across five sugar units, with 104.5 MW grid connected co-generation capacity.

The Company has state-of-the-art distilleries spread across Muzaffarnagar (MZN) – 2 facilities, Sabitgarh (SBT), Milak Narayanpur (MNP) and recently commissioned Rani Nangal (RNG) in Uttar Pradesh aggregating to 860 KLPD. These facilities have the capability to produce Ethanol, Extra Neutral Alcohol (ENA), Rectified Spirit (RS) and Denatured Spirit (SDS). The Company utilises a mix of sugarcane-based feedstocks as well as grain. Distillers Dried Grain Solubles (DDGS), a co-product produced on grain operations is also sold to premium Institutions and has been well accepted in market. The Company also manufactures Indian Made Indian Liquor (IMIL).

The Company produces premium quality multi-grade crystal sugar, raw (as per the market/export requirements), refined and pharmaceutical-grade sugar. All of the Sugar units are FSSC 22000 certified. The sugar is supplied not only

to household consumers but also to bulk consumers. The Company has supply chain relationship with leading multinational beverage, food & FMCG companies, pharmaceutical companies and leading confectionery producers. It also has a strong presence in branded sugar market through its brand “Shagun”.

The Company is a dominant market player in the engineered-to-order turbo gearbox manufacturer in India. The Power Transmission business has 3 different business segments – Gears, Defence, Built to Print. It delivers robust and reliable Gears solutions which cover a range of applications and industries to meet the ever-changing operating conditions and customers’ requirements. The Company has become a dominant supplier to all major OEMs in the country, offering solutions to all industrial segments including Oil and Gas as per AGMA, API-613 and API-677 standards. It is amongst the market leaders in high-speed Gears and Gearboxes up to 70 MW capacity and speed of 70,000 rpm. The major product portfolio includes steam turbines, gas turbines and compressor gearboxes under the High-Power High-Speed segment. In the Low-Speed segment, the Company focuses on the gearboxes used in applications such as reciprocating pumps and compressors, hydel turbines, mill and extruder drives for metal, sugar, rubber and plastic industries, marine applications, etc. Its robust and reliable products are backed by 360-degree service solutions which minimise the downtime for its customers. The Company provides health monitoring services for all types of critical gearboxes, high-speed and low-speed, as well as maintains an inventory of dimension ready sites for immediate solution.

The Company provides complete and sustainable water technology solutions across the water usage segments. Advanced Solutions offered for total water management include turnkey / EPC, customer care, operations and maintenance, life cycle models such as Design, Build Own & Operate (DBOO), Design, Build Own Operate and Transfer (DBOOT), BOOT, equipment supply for unit processes like screening, grit separation, clarification and sludge handling. The Customer Care Division offers value added services for operation management and performance optimisation. The quality service offerings are tailored to customers’ requirements, which in many cases form an integral part of the main contract - operations and maintenance, annual maintenance contracts, product & process audit, health check-up and overhauling, pilot experiments, refreshment, upgradation and automation of existing plants, spares and service consumables and chemicals and on-site training and assistance.

Triveni Brands is the FMCG Division of the Company which currently constitutes Shagun Sugar, Triveni Sugar and the Private Label Business. The mission of this division is to create innovative and high-quality products that delight customers. Our products have a strong omni-channel strategy and we are committed to growing in a sustainable manner while keeping customer at the very center.

As a result of a Scheme of Arrangement, the Company's steam turbine division was demerged into one of its wholly owned subsidiaries, Triveni Turbine Limited (TTL), and was listed on the NSE and BSE in 2011. The Company owned 21.85% of TTL's equity, until September 21, 2022 when the entire stake was divested with net proceeds of ₹ 1,593 crore.

For further information on the Company, its products and services please visit www.trivenigroup.com

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Note:

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