

PTB has signed a long-term business agreement with GE AE for locally manufacturing Base, Enclosure and Lubricating skid for LM2500 engines. It is working towards expanding its relationship with GE AE for their upcoming Gas turbine projects.

The Defence business is also poised to grow horizontally and vertically, expanding its current portfolio in tandem with the Government of India's ambitious plans to spend on the country's defence, especially in the naval segments. This will also auger well for Triveni to achieve growth in the medium to long term.

### POWER TRANSMISSION BUSINESS PERFORMANCE

PTB achieved a turnover of ₹ 184.6 crore in FY 22 - an increase of 42% over the previous year, with profitability (PBIT) of ₹ 64.2 crore (34.8% of turnover) which marks an increase of 57% over FY 21. The total order booking grew by 59% over last year, to ₹ 251.0 crore. Carry forward order book at the end of the financial year grew by 33%, and stood at ₹ 221.3 crore.

Our strong business performance in this segment is driven by our continuous and deep-rooted training initiatives covering employees across the business. About 450 man days of training was imparted during the year, helping keep employee skill sets and domain knowledge on the cutting edge and at par with the best-in-class global industrial standards.

### SUCCESS STORIES FROM FY 22

#### PTB bagged some qualification orders for Steam Turbine Generator Application from a prominent European OEM:

- PTB's qualification and acceptability in the market after successful execution of these orders will not only be a growth driver for the Company with respect to this OEM but will also have a cascading effect on other OEMs and segments
- The first order was a qualification order, having stringent and special quality plan for approving the sourcing and sub-vendor approval process to ensure global quality of raw materials meeting European standards and the manufacturing process
- Gearbox was successfully despatched and is currently installed in a European location, and subsequent orders have been received and are under execution

- PTB is now poised to increase the OEM base and subsequently gain acceptance in the European market as a quality supplier for gearboxes and gears



#### Leveraging Engineering capability in the Oil & Gas sector:

Triveni-PTB's domain expertise and agile engineering methodology was leveraged to carry out repair and refurbishing of casing through in situ boring, by carrying out design and development of special machining, fixtures and mandrels. This was in addition to replacement of gear parts in a span of 3 weeks, followed by load trial run for a 35MW load cum accessory Gas Turbine load gearbox supplied by a Japanese OEM, as mandated by the customer. This has resulted in saving of substantial downtime losses for the customer. This is one of its kind service offered in the Indian Rotary Engineering space.



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**Demonstrating experience and expertise of Engineering skills to an offshore Oil & Gas customer**

Triveni PTB's robust experience and expertise, coupled with its deep domain knowledge on application and layout, was utilised to change the direction of rotation of a spiral bevel gearbox, driven by diesel engine for fire water pump application. The change had to be made keeping the same foundation footprint and synergising it with the site layout constraints. This has resulted in saving time and money for the customer.

**NEW DEVELOPMENTS**

Triveni PTB is set to inaugurate a new modern green and eco-friendly administration block, equipped with modern gadgets and systems, in Q1 FY 23. Further, the entire manufacturing facility has been revamped, matched to the latest architectural, environment and safety standards. This development will aid in attracting and retaining talent by providing world-class working environment and boosting employee morale.

The new block will house resources for Gears as well as Defence business.

High technology CNC machine tools are on the way to further enhance the existing modern plant infrastructure for augmenting the current manufacturing capacity and capability, aligned to meet customer requirements.

The Company has announced a capital investment of ₹ 80 crore in PTB towards expansion plans, including the abovementioned initiatives.

**WAY FORWARD**

Driven by its long-term sustained market leadership position in the domestic market of high-speed gears, Triveni PTB is now aggressively looking at achieving rapid growth in the exports markets to aid the achievement of overall business growth in the long run. PTB aims to strengthen its presence in power generation, compressors, pumps and Built to Print in industrial and Oil & Gas segments, majorly from western markets.

In the Defence business, the focus is on securing a foothold in multiple indigenous product categories through development of own technology as well as through technology collaborations, in line with the continuing thrust of the Company on promoting self-reliance for the nation. Part of the focus is also aimed at starting a new multi modal facility at Mysuru, dedicated to the development of Defence products as well as a pool of highly competent resources with required domain expertise.

**POWER TRANSMISSION INDUSTRY OUTLOOK**

- India's GDP is expected to grow at 8.5 – 9% in spite of adverse global geopolitical developments. Capital expenditure in Power, Steel, Refinery, Fertiliser, Cement, Sugar, Textile, Petrochemical, and Mining drives the requirement of industrial gearboxes
- The domestic economy is showing good signs of growth through increased order booking and sales revenue. The key growth segments are Cement, Low power STG based on Bio mass/Agri waste and Steel. Oil and Gas segment is also expected to post significant growth, led by a number of brownfield expansions from State-owned refineries and the upcoming Greenfield HRRL project
- Multiple initiatives are being taken by the Government of India under the Production Linked Incentive (PLI) scheme across 15 sectors, to boost domestic manufacturing under Atmanirbhar Bharat Abhiyan (Self-reliant India campaign). Introduction of production-linked incentives (PLI schemes) over 13 sectors will drive capex and higher efficiency across sectors. Implementation of Flue Gas Desulphurisation (FGD) systems are mandatory as per the notification of the Ministry of Environment Forest and Climate Change (MoEFCC) to curb Sulfur oxide (SOx) emissions. Hence, it has become compulsory to install FGD system in the existing and upcoming thermal power plants to curb SOx emissions. Gearboxes are used for FGD system for Slurry pumps and Oxy blowers, and PTB anticipates several projects, with good potential, to be finalised in the coming quarters
- India's consumption level should propel capacity utilisation above the crucial threshold of 75% beyond 2022, thereby expediting private sector investment activity in 2023
- Expanding trade network and expediting negotiation for bilateral trade agreements such as with UAE / Australia / UK will open plethora of opportunities for Indian industry
- Consumption across segments has witnessed uptick from Sugar to Steel to Cement to Oil & Gas to Fertiliser to Power, except Automobile wherein challenges were shortage of semiconductors
- Energy conservation drives, combined with reduction of CO2 emission, is steering demand for Waste Heat Recovery Systems & Power upgrades in Steel & Cement plants, unveiling new streams of business opportunities