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*For immediate release*

### **H1 FY 21 Consolidated Results ended Sep 30, 2020**

- **Revenue from Operations at ₹ 2392 crore, a growth of 28%**
  - **Profit before Tax at ₹ 180 crore**
  - **Profit after Tax at ₹ 115 crore**
  
- **Sugar Businesses**
  - *In the Sugar Season (SS) 2020-21, it is estimated that the sugar production will be around 31 million tonnes with a likely diversion of around 2 million tonnes for ethanol production (Previous season 2019-20 - ~ 27.42 million tonnes and 0.8 million tonnes diverted for ethanol production)*
  - *Sugarcane crushing started in all the seven sugar mills*
  - *Ethanol prices recently increased by ₹1.94 to ₹ 3.34 / litre*
  
- **Engineering Businesses**
  - *Both the Engineering businesses have performed much better in Q2 after the operations were impacted by the pandemic in Q1*
  - *Encouraging trends of recovery but uncertainty remains over the return in normalcy in order booking*
  - *Outstanding order book of ₹ 1024 crore for combined Engineering Businesses.*
  
- **Buy Back approved by the Board**
  - *The Company has completed the Buy-back of 61,90,000 equity shares at a price of ₹105 aggregating a total amount of ₹ 65 crore*

**NOIDA, November 9, 2020: Triveni Engineering & Industries Ltd.** ('Triveni'), one of the largest integrated sugar producers in the country; a market leader of engineered-to-order high speed gears & gearboxes and a leading player in water and wastewater management business, today announced its performance for the second quarter and half year ended Sep 30, 2020 (Q2/H1 FY 21). The Company has prepared the Financial Results for the second quarter and half year 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: Q2/H1 FY 21 (Consolidated)***In ₹ crore*

	Q2 FY 21	Q2 FY 20	Change (%)	H1 FY 21	H1 FY 20	Change (%)
Revenue from Operations	1168.4	948.0	23%	2392.20	1873.4	28%
EBITDA	85.8	193.3	(56%)	245.8	290.9	(16%)
EBIDTA Margin	7%	20%		10%	16%	
Share of income from Associates	(0.9)	9.2		3.7	11.1	(66%)
Profit Before Tax (PBT)	51.1	167.9	(70%)	180.3	214.8	(16%)
Profit After Tax (PAT)	31.2	118.3	(74%)	114.9	152.4	(25%)
Other Comprehensive Income (Net of Tax)	0.3	-0.6		0.8	-0.9	
Total Comprehensive Income	31.5	117.7	(73%)	115.7	151.5	(24%)
EPS (not annualized) (₹/share)	1.26	4.68		4.64	5.97	

- During the H1 (including the current quarter), all off-season expenses relating to the sugar business, including expenses incurred to repair the plant to make it ready for operation in the ensuing sugar season, are expensed out.
- Q2 FY 20 includes export incentives of ₹ 91.8 crore pertaining to exports made in the previous year (upon fulfilling prescribed conditions) whereas the current quarter does not include any such incentives which were booked in Q1 FY 21 to the extent of ₹ 57.7 crore.
- On a review, effective 1<sup>st</sup> April, 2020, the management has combined co-generation operations with the sugar operations and the co-generation activities no longer qualify as a separate operating segment. Accordingly, these have been combined with the sugar segment in accordance with Ind AS 108 'Operating Segments'.
- In Alcohol business, the profitability of the distillery in the current period/s is lower than the previous period/s in view of much lower raw material price (molasses price) relating to ethanol sold in the previous period/s. Besides, higher proportion of production / sale of ENA (in lieu of obligation to sell molasses to country liquor) during the current period has resulted in lower contribution, which will be made up during the year. Further, redundant capital items aggregating to ₹ 3.6 crore have been written off upon installation of incineration boiler at Muzaffarnagar distillery.
- The Board has approved to redesignate the 'Gear business' as the 'Power Transmission business', which is a more accurate representation of the present business, and accordingly, the new terminology has been used in the segment information.

- In respect of the Engineering businesses, the profitability in Q2 is almost at the level of corresponding quarter of the previous year. However, the profitability is lower in H1 FY 21 due to major impact of lockdown in Q1
- Finance cost in H1 FY 21 is lower mainly due to lower average CC utilization by approximately 54% against previous corresponding period (due to higher sales volumes, including exports).
- The total debt of the Company as on Sep 30, 2020 is ₹ 761.4 crore as against ₹ 1755.4 crore as on Sep 30, 2019, comprising terms loans of ₹ 442.0 crore, almost all such loans are with interest subvention or at subsidized interest rate. During the quarter, term loans of ₹ 110 crore were prepaid.

#### **BUY-BACK**

The Board of Directors of the company in its meeting held on 1st August 2020, has approved the buyback of fully paid up Equity Shares of face value of ~ ₹ 1 each (Rupee One only) not exceeding 61,90,000 (Sixty one lakh ninety thousand) Equity Shares (representing 2.50% of the total paid-up equity share capital of the Company as on March 31, 2020) at a price of ~ ₹ 105 (Rupees One hundred five only) per Equity Share payable in cash for an aggregate amount not exceeding ~ ₹ 64,99,50,000 (Rupees Sixty four crore ninety nine lakh and fifty thousand only), excluding taxes payable under Income Tax Act, 1961 and expenses to be incurred for the buyback like transaction costs.

The Company bought back an aggregate of 61,90,000 equity shares at a price of ₹ 105 per share and the total amount utilized in the Buyback was INR 64,99,50,000.00 (Indian Rupees Sixty Four Crores Ninety Nine Lakhs Fifty Thousand only), excluding Transaction Costs.

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

*"The overall performance of the Company during the half year ended Sept 30, 2020 has been in line with our expectations. Sugar volumes and Ethanol offtake have been at normal levels and besides, exports have been made towards additional allocation over and above the initial allocation under MAEQ – the company made total exports of 285756 tonnes of sugar which is 59% higher than the initial MAEQ allocation. The performance of the Engineering businesses has substantially improved in Q2 FY 21 while the overall profitability in H1 FY 21 is still lower when compared to last year due to impact of pandemic on Q1 FY 21.*

*The recent estimates for SS 2020-21 indicate higher sugar production in the country at around 31 million tonnes with 2 million tonnes expected to be diverted for ethanol production. The estimated*

*sugar production will be substantially higher than the domestic consumption and hence, exports are imperative to limit the surplus stocks. However, unlike the previous years, so far, the Government has not yet announced the export scheme. The timely announcement is critical for the industry to plan production of raw sugar and to enter into exports contracts. Further, the GoM had recommended increase in MSP in August, 2020 but the proposal has not yet been approved by the Cabinet. All these actions are extremely important to maintain financial viability and sugarcane payment capacity of the sugar sector. The policy action of the GoI in enhancing Ethanol prices is commendable and is indicative of their long-term commitment in the Ethanol blending programme. Such positive approach and further rationalization of prices, wherever required, will certainly result in additional distillation capacities to achieve the desired blending.*

*Due to the closure during lockdown and restrictions in travel and mobilization of resources etc., the performance of both the engineering businesses was impacted, particularly in the first quarter. While some constraints are continuing, with pro-active planning and use of various digital tools, the Power Transmission business has managed encouraging order booking growth of over 50% in Q2 FY 21 over Q1 FY 21. The pandemic has also slowed the process of tendering & finalization of orders for Water business but there are a large number of tenders / enquiries in the pipeline. The order finalization in the engineering businesses may improve in the second half of the year subject to COVID-19 being under check. The key to the growth of engineering businesses is resumption of normal industrial activity and generation of demand for its products.*

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### **Attached: Details to the Announcement and Results Table**

#### About Triveni Engineering & Industries Limited

Triveni Engineering & Industries Limited is a focused, growing corporation having core competencies in the areas of sugar and engineering. The Company is one amongst the largest integrated sugar manufacturers in India and the market leader in its engineering businesses comprising Power Transmission business and water & wastewater treatment solutions. Triveni 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 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 and two molasses-based distilleries in U.P. India, located at Muzaffarnagar and Sabitgarh. The Company manufactures Hand Sanitizers at its distillery located in Muzaffarnagar.

The Company produces premium quality multi-grade crystal sugar, raw, refined and pharmaceutical sugar. All of the Sugar units are FSSC-2000:2010 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 distillery at Muzaffarnagar produces Ethanol, Extra Neutral Alcohol

(ENA) and Hand Sanitizers” under the brand “GermCare. The new distillery commissioned at Sabitgarh produces Ethanol. Triveni currently operates 104.5 MW grid connected co-generation capacity.

The Company is the largest 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 remains the market leader 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.

The turbine business of the Company, located at Bengaluru has been demerged through a scheme of arrangement into Triveni Turbine Limited (TTL) from the appointed date on 1<sup>st</sup> October 2010, and the same has become effective w.e.f. 21<sup>st</sup> April, 2011. Triveni Engineering & Industries Limited holds 21.85% equity capital of Triveni Turbine Limited.

For further information on the Company, its products and services please visit [www.trivenigroup.com](http://www.trivenigroup.com)

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**Note:**

*Certain statements in this document may be forward-looking statements. Such forward-looking statements are subject to certain risks and uncertainties like government actions, local political or economic developments, technological risks, and many other factors that could cause our actual results to differ materially from those contemplated by the relevant forward-looking statements. Triveni Engineering & Industries Ltd. will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.*

