

For immediate release

9M FY 21 Consolidated Results ended Dec 31, 2020

- **Revenue from Operations at ₹ 3515.3 crore, a growth of 19%**
 - **Profit before Tax at ₹ 326.0 crore, a growth of 16%**
 - **Profit after Tax at ₹ 209.6 crore, a growth of 6%**

- **Sugar Businesses**
 - *Sugar production estimated around 30.2 million tonnes in the Sugar Season (SS) 2020-21, with a likely diversion of over 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 ongoing in all the seven sugar mills; Sugarcane crushed 2.81 million tonnes @ a recovery of 10.19% (Gross Recovery of 10.93% after adjustment on account of B-heavy molasses) in Q3 FY 21*
 - *1.82 lakh tonnes quota for exports for 2020-21 under the MAEQ programme*
 - *Strong ethanol production and sales – growth of 11% and 24%*

- **Engineering Businesses**
 - *Muted performance of Power Transmission business in the quarter. Expected to make up in Q4 FY 2021.*
 - *WBG has participated in several tenders –domestic and international. New orders expected in Q4 FY 2021/ Q1 FY 2022.*
 - *Encouraging trends of recovery but uncertainty remains over the return in normalcy in order booking*
 - *Outstanding order book of ₹ 988 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*

- **Board Approval**
 - *The Board approved the proposal for setting up two new distilleries of (i) 40 KLPD (grain based) at Muzaffarnagar, Uttar Pradesh; and (ii) 160 KLPD (molasses/cane juice & syrup/grain based) at sugar unit situated at Milak Narayanpur, Dist.*

Rampur, U.P., subject to receipt of necessary statutory clearances, raising total distillation capacity to 520 KLPD at an aggregate cost of about ₹ 250 crore.

NOIDA, February 03, 2021: 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 third quarter and nine months ended Dec 31, 2020 (Q3/9M FY 21). The Company has prepared the Financial Results for the third quarter and nine months 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: Q3/9M FY 21 (Consolidated)

In ₹ crore

	Q3 FY 21	Q3 FY 20	Change (%)	9M FY 21	9M FY 20	Change (%)
Revenue from Operations	1123.1	1069.3	5%	3515.3	2942.6	19%
EBITDA	168.1	94.6	78%	413.9	385.5	7%
EBIDTA Margin	15%	9%		12%	13%	
Share of income from Associates	6.6	5.3	26%	10.4	16.4	-37%
Profit Before Tax (PBT)	145.8	66.6	119%	326.0	281.4	16%
Profit After Tax (PAT)	94.7	45.2	110%	209.6	197.5	6%
Other Comprehensive Income (Net of Tax)	-0.3	-0.2		0.5	-1.0	
Total Comprehensive Income	94.4	45.0	110%	210.1	196.5	7%
EPS (not annualized) (₹/share)	3.89	1.82		8.50	7.81	

- Increase in turnover over the previous period/s is on account of higher sugar and ethanol despatches and consequently, increased turnover of sugar has compensated for decline in engineering businesses due to lockdown and COVID-19 issues.
- Higher sale volumes of sugar and ethanol have resulted in higher profits. The profit for the Q3 FY 20 was impacted due to non-booking of subsidies of ₹ 40 crore.
- The Company has, under its Alcoholic Beverages vertical forming part of Distillery operating segment, started producing country liquor towards the end of the current quarter at its bottling facility in the premises of its existing distillery in Muzaffarnagar, Uttar Pradesh, to facilitate forward integration of distillery operations. The Company holds an approval for bottling upto 52.8 lakh litres of potable alcohol on an annual basis which will be achieved in a phased manner.

- The performance of Power Transmission business (PTB) was muted in the quarter but it is expected to substantially make up in the Q4 FY 21.
- Despite lower buffer stock subsidies by ₹ 9.85 crore, the Finance cost in 9M FY 21 has been significantly lower by 39% mainly due to lower average CC utilization by approximately 58% due to better working capital management and lower cost of funds by 34 basis points.
- The total debt of the Company as on Dec 31, 2020 is ₹ 550 crore as against ₹ 1544 crore as on Dec 31, 2019, comprising terms loans of ₹ 412.5 crore, almost all such loans are with interest subvention or at subsidized interest rate.

BUY-BACK

The Board of Directors of the company in its meeting held on 10th 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 nine months ended Dec 31, 2020 has been in line with our expectations. Sugarcane crushing started slightly early during the current season and we crushed approx. 2.81 million tonnes of sugarcane in Q3 FY 21 at an average recovery of 10.19% (gross recovery: 10.93% after adjustment on account of B-heavy molasses). The recovery levels and yields in the state of UP are slightly on the lower levels. It could be due to climatic reasons as well as due to extraordinary longer previous season, especially for sugar mills in the Western UP, as a result of which ratoon crop could not get adequate time to become fully matured. Further, there may be increased diversion of sugarcane to Gur and Khandsari units this year; in the previous season, diversion was not significant due to frequent rains and lockdown. The Company is actively pursuing variety substitution programme to gradually reduce overdependence on the star variety Co 0238.

The Govt has timely come out with an export scheme ‘Maximum Admissible Export Quantity’ (MAEQ) for SS 2020-21 which provides for assistance of ₹6000/MT to meet export expenses for export of sugar up to 6 million tonnes. The prevailing export prices are conducive for substantial exports to take place, which in turn will help in correcting the surplus stocks position in the country, including surplus of around 4 million tonnes expected to be produced in SS 2020-21 over the estimated consumption. MAEQ of 1.82 lakh tonnes have been allocated to the Company and as per the guidelines, it can also apply for higher quantities, if required.

The Board has approved setting up of a new distillery with a capacity of 160 KLPD at its sugar mill at Milak Narayanpur, which will be operated on molasses/sugarcane juice & syrup/ grain. A new grain-based distillery of 40 KLPD capacity has also been approved to be set up at Muzaffarnagar. The estimated capex for setting up of these two distilleries would be ₹ 250 crore.

In view of lockdowns, COVID-19 related issues and travel restrictions, the profitability of engineering business is lower by 36% as compared to corresponding period of the previous year. However, we expect to substantially narrow the gap for the full year due to much improved performance expected in the last quarter. While the order booking position is getting normalized for the Power Transmission Business, getting new orders for our Water business (WBG) has been a challenge in view of slow finalization of orders. WBG has participated in various tenders – domestic as well as international – and it is expected to secure sizeable orders in Q4 FY 21 / Q1 FY 22.

- ENDS -

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 and started manufacturing country liquor.

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 distillery 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 1st October 2010, and the same has become effective w.e.f. 21st 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

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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.

