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*For immediate release*

## **FY 18 Consolidated Results ended Mar 31, 2018**

**Gross Revenue at ₹ 3412.4 crore, 15% growth**

**Profit after Tax at ₹ 119.1 crore**

- ***Sugar Businesses***
  - ***Record year for the Company in terms of Sugarcane crush, Sugar production and Recovery***
  - ***Substantial paring of debt achieved during the year – finance cost was well contained.***
  - ***Sugar prices collapsed progressively in Q4 leading to write down of sugar inventories by ₹ 219.7 crore.***
  - ***Present Pricing levels are unviable and liquidation of cane dues may not be possible unless there is a significant intervention by the Government.***
  - ***The Board has approved a capital investment of ₹200 crore for distillery capacity expansion.***
  
- ***Engineering Businesses***
  - ***Market has turned around showing good visibility for Gears business; registered good growth during the year in terms of turnover, profitability and order booking***
  - ***Muted performance of Water business due to overall Macro-economic factors, resulting in lower turnover & profitability***
  - ***Recently, Water business has received an order for significant value under Namami Gange Programme***
  - ***Outstanding order book of ₹ 709 crore***

**NOIDA, May 24, 2018: 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 fourth quarter and full year ended Mar 31, 2018 (Q4/FY 18).

The Company has prepared the Financial Results for the quarter and full 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: Q4/FY 18 (Consolidated)***In ₹ crore*

	Q4 FY 18	Q4 FY 17	FY 18	FY 17
Gross Revenue	734.8	937.5	3412.4	2966.9
EBITDA (before exceptional items)	(107.7)	179.2	291.3	548.7
EBIDTA Margin	NM	19%	9%	18%
Share of income from Associates	7.6	3.2	18.2	22.7
Profit / (Loss) Before Tax	(134.7)	48.2	168.8	302.1
Profit / (Loss) After Tax (PAT) Consolidated	(102.1)	60.5	119.1	253.0
Other Comprehensive Income (Net of Tax)	0.5	(5.1)	1.2	(4.8)
Total Comprehensive Income	(101.6)	55.4	120.3	248.2
EPS (not annualized) (₹/share)	(3.96)	2.34	4.62	9.81

- In view of significant decline in sugar prices in Q4, the profitability of Sugar Business was adversely impacted, mainly due to write down of sugar inventories to net realizable value.
- Co-generation business has performed well during the year owing to higher number of days of operations.
- Distillery business performance has been lower than last year mainly due to lower dispatches and lower capacity utilization.
- Gears business performed well during the year resulting in better order booking, turnover and profitability.
- The performance of Water business has been subdued. Provision has been made for additional losses in Water Business resulting from delayed projects and the consequent cost overrun.
- The total debt of the Company as on Mar 31, 2018 is ₹ 1242.3 crore which is 28% lower than on 31.03.2017
- The term loan as at Mar 31, 2018 is at ₹ 165.8 crore (including ₹ 41.9 crore loans with concessional interest/interest subvention) and the short term loans including cash credit has been ₹ 1076.5 crore. During the year, the Company repaid total debts amounting to ₹ 324 crore, including prepayment of ₹ 120 crore.

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

*"The Company has achieved highest ever sugarcane crush, sugar production and average sugar recovery during the year. Our focused cane development program has helped in significantly increasing the yield and recoveries, leading to an increase of 35% in sugar production in SS 2017-18 as*

compared to SS 2016-17. The average recovery of the Company is higher than the state average by around 50 basis points.

The improved operating performance would have substantially reduced the cost of production of sugar but significant decline in sugar prices in Q4 and collapse of molasses prices due to supply pressures have almost nullified the favourable impact of improved operational efficiencies. Record sugar production in the country of 32+ million tonnes is expected to be achieved in the current sugar year and given the normal monsoon forecast, it has the potential of achieving even higher production next year. In view of the financial hardships, cane dues are mounting and presently, these are over ₹ 20,000 crore, out of which over 60% is from the state of Uttar Pradesh.

The Central Government has well comprehended the financial hardships and apart from some measures already taken, such as, export of 2 million tonnes under Scheme of Minimum Indicative Export Quantities (MIEQ), cane payment subsidy of ₹ 55/ MT, reverse stock limits in February and March' 2018 etc., it is expected to take significant decisions to boost sugar prices and / or provide assistance in meeting cane dues. With enormous sugar surplus, export of sugar has to go on unabated all through the next sugar year accompanied with some policy decisions particularly on the new Biofuel policy to produce Ethanol including from sugar cane juice, could contain the production of sugar. A timely and a friendly policy will go a long way in the creation of necessary capacities. Lastly, to avoid repeated catastrophic like conditions in the industry, it is time to implement Dr. Rangarajan Committee Report fully in letter and spirit, with a provision to provide assistance if the sugar prices are not adequate to pay the FRP.

Gears business, during the year has performed well in terms of turnover, profitability and the order booking which augurs well for the business going forward. Our foray into new products is expected to result in better performance in the coming quarters. In the Water business, the order inflow had been inconsistent and unsatisfactory, and there had been continuing delays in some projects, leading to cost overruns and provisioning. Based upon some early signals, we feel that the process of order finalisation would be faster next year and recently, we have received an order of significant value.

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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 high speed gears, gearboxes, and water 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 Mysore, the Water & Wastewater treatment business is located at Noida. The Company currently operates three grid connected co-generation plants and three incidental co-generation plants located across five sugar units and one of the largest single stream molasses based distillery in India, located at Muzaffarnagar.

The Company produces premium quality multi-grade plantation and refined 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 and pharmaceutical companies. It also has a strong presence in branded sugar market through its brand "Shagun". The distillery has a flexible manufacturing process allowing it to produce Ethanol, Extra Neutral Alcohol (ENA), Rectified Spirit (RS) and Special Denatured Spirit (SDS) all of which are renowned for their high quality. Its co-generation plants in Deoband and Khatauli (Phase I) are registered as Clean Development Mechanism (CDM) projects with UNFCCC. The Company's Khatauli, Deoband, Sabitgarh, Chandanpur & Milak Narayanpur units are also registered as Renewable Energy Certificate (REC) project under CERC.

The Company 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 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. All the products are designed, manufactured and commissioned in accordance with international quality norms such as DIN/ AGMA/ API/ ISO standards. 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 is also one of the leading solutions providers for water treatment, wastewater treatment and the recycle of water. 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 21.82% 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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