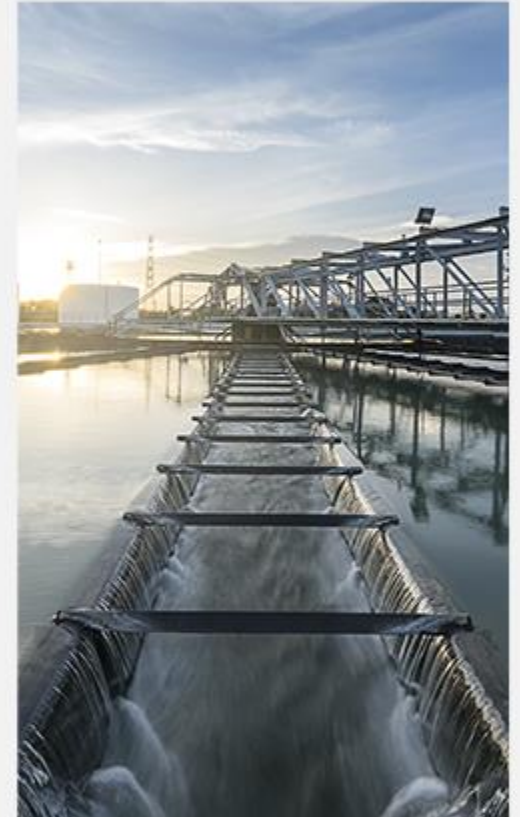




Investor Presentation Q3/9M FY 23

February 2023



ABOUT THE COMPANY

PERFORMANCE OVER THE YEARS

RESULTS REVIEW Q3/9M FY 23

MARKET UPDATES

ABOUT THE COMPANY

COMPANY OVERVIEW



Integrated and diversified conglomerate in areas of sugar, ethanol and engineering



Located strategically in sugarcane-rich western and central belt of Uttar Pradesh



One of India's leading sugar & ethanol manufacturers

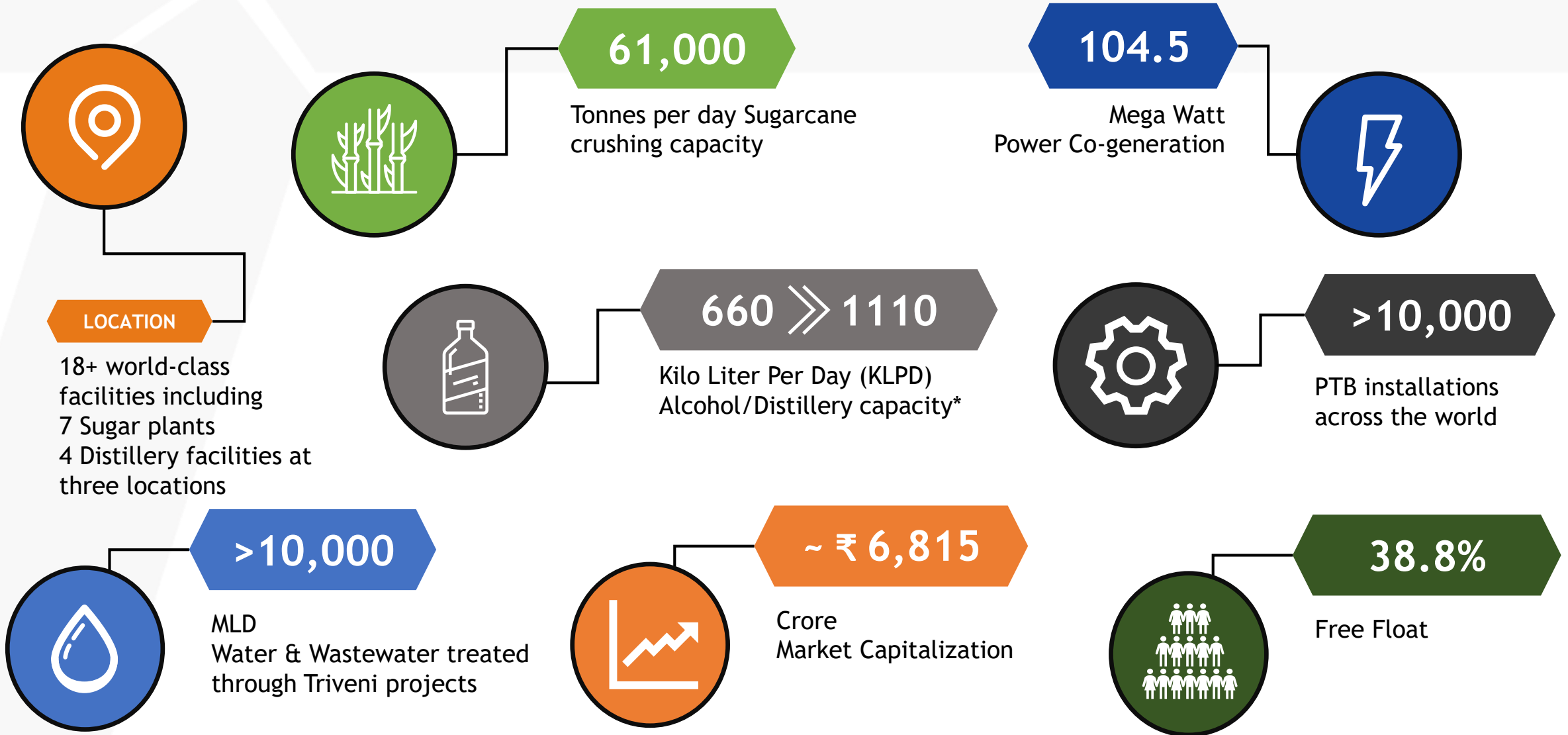


Efficient, sustainable and complete water/wastewater treatment solutions provider, across the water cycle



Dominant market player in the engineered-to-order turbo gearbox industry

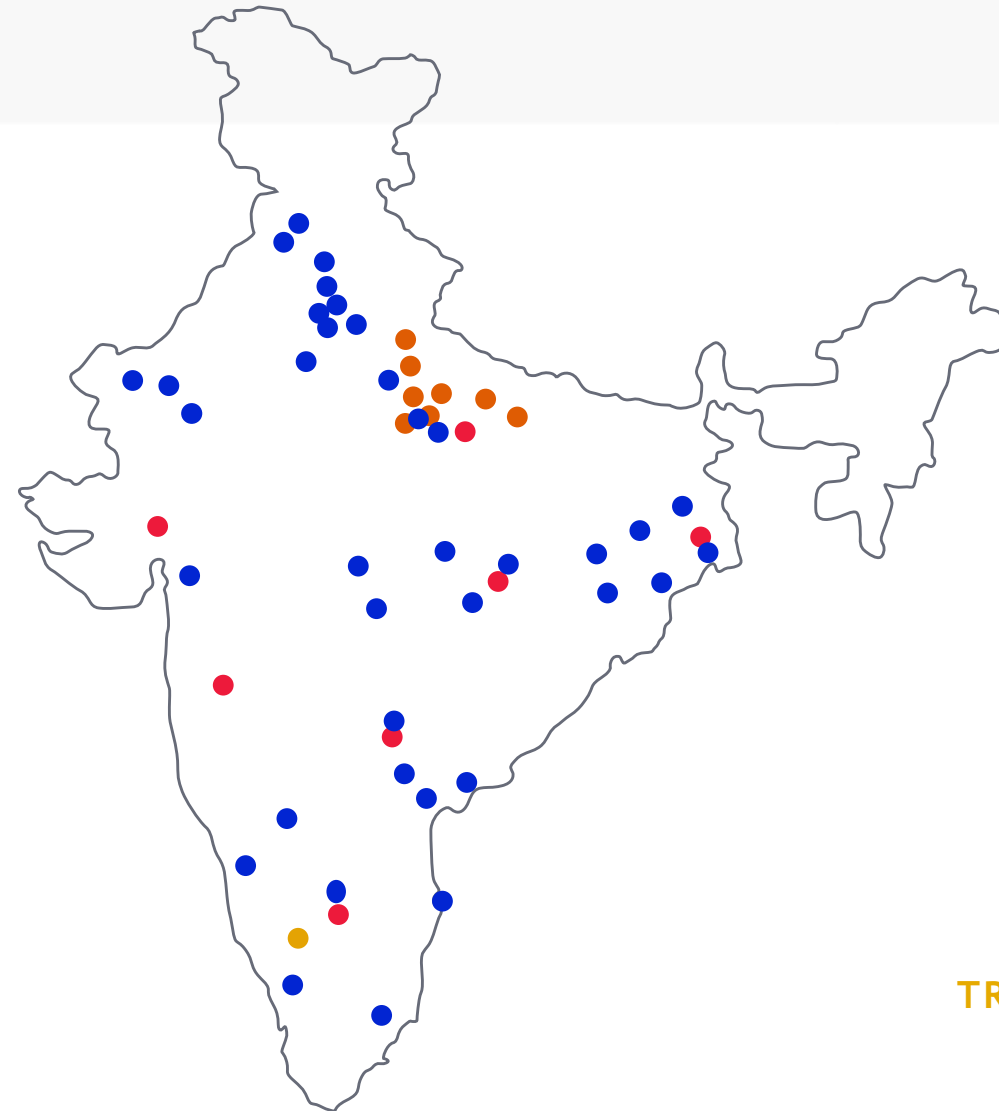
TRIVENI AT A GLANCE



Note: Market Capitalization and Free Float as on December 31, 2022

* Current distillation capacity at 660 KLPD; announced expansion to 1110 KLPD

INDIA FOOTPRINT



- TEIL PLANTS ●
- TRIVENI WATER PROJECTS ●
- OUR SERVICE LOCATIONS ●
- TRIVENI POWER TRANSMISSION ●

~206K

Hectare Area
under Sugarcane

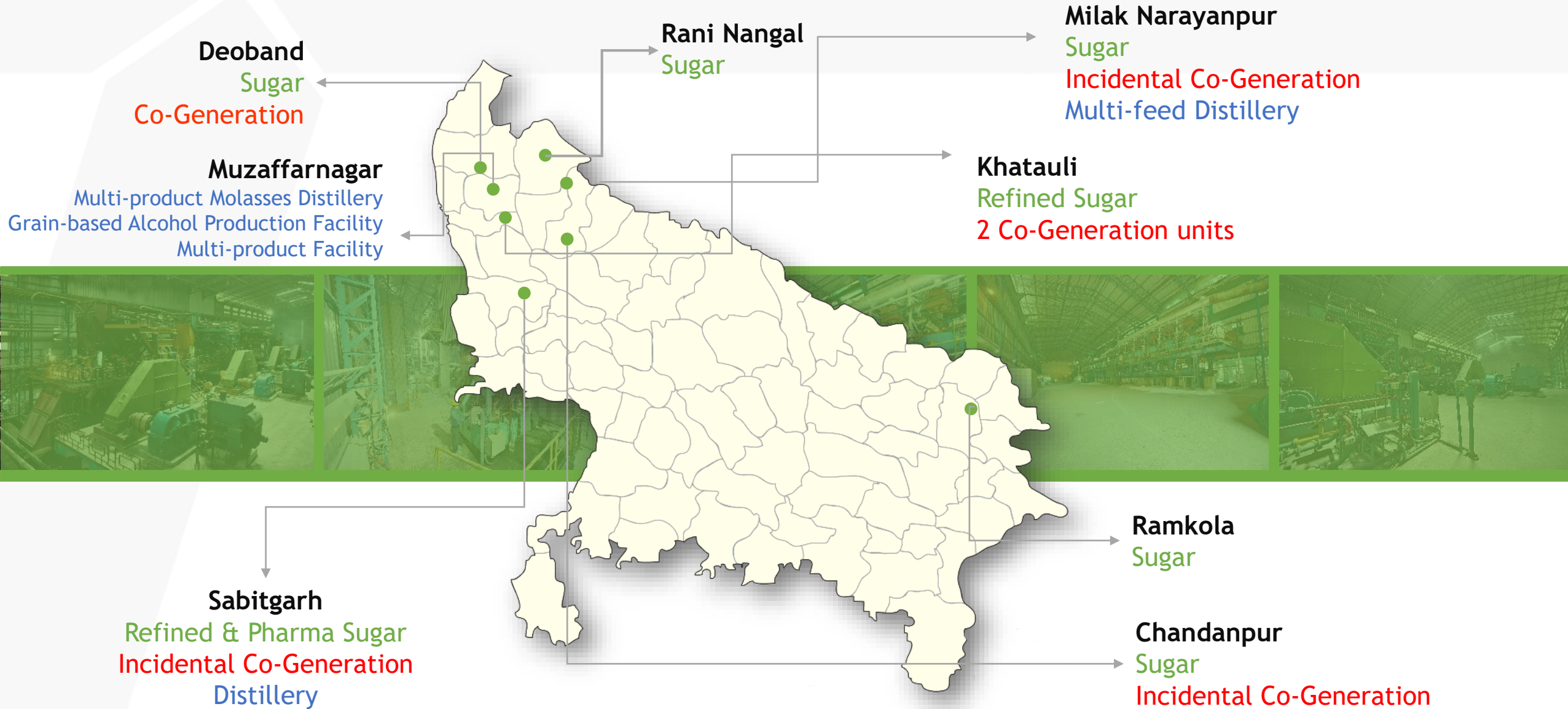
300K+

Farmer Network

~61,000

Tonnes per day
crushing capacity

OUR SUGAR & DISTILLERY UNITS' LOCATIONS



Note: Muzaffarnagar can produce high quality Extra Neutral Alcohol (ENA), Rectified Spirit (RS), Specially Denatured Spirit (SDS) from molasses and grain and Ethanol from molasses

OUR ESG DRIVEN APPROACH TO BUSINESS

01

Maintaining ecological balance while ensuring business excellence



02

Best-in-class sustainable processes and solutions across our operations and units



03

Fostering Community Development And Social Empowerment



04

Allocation of capital with focus to reduce carbon footprint and promote energy efficiency



05

Harnessing co-products to become raw materials for other products promoting circular economy

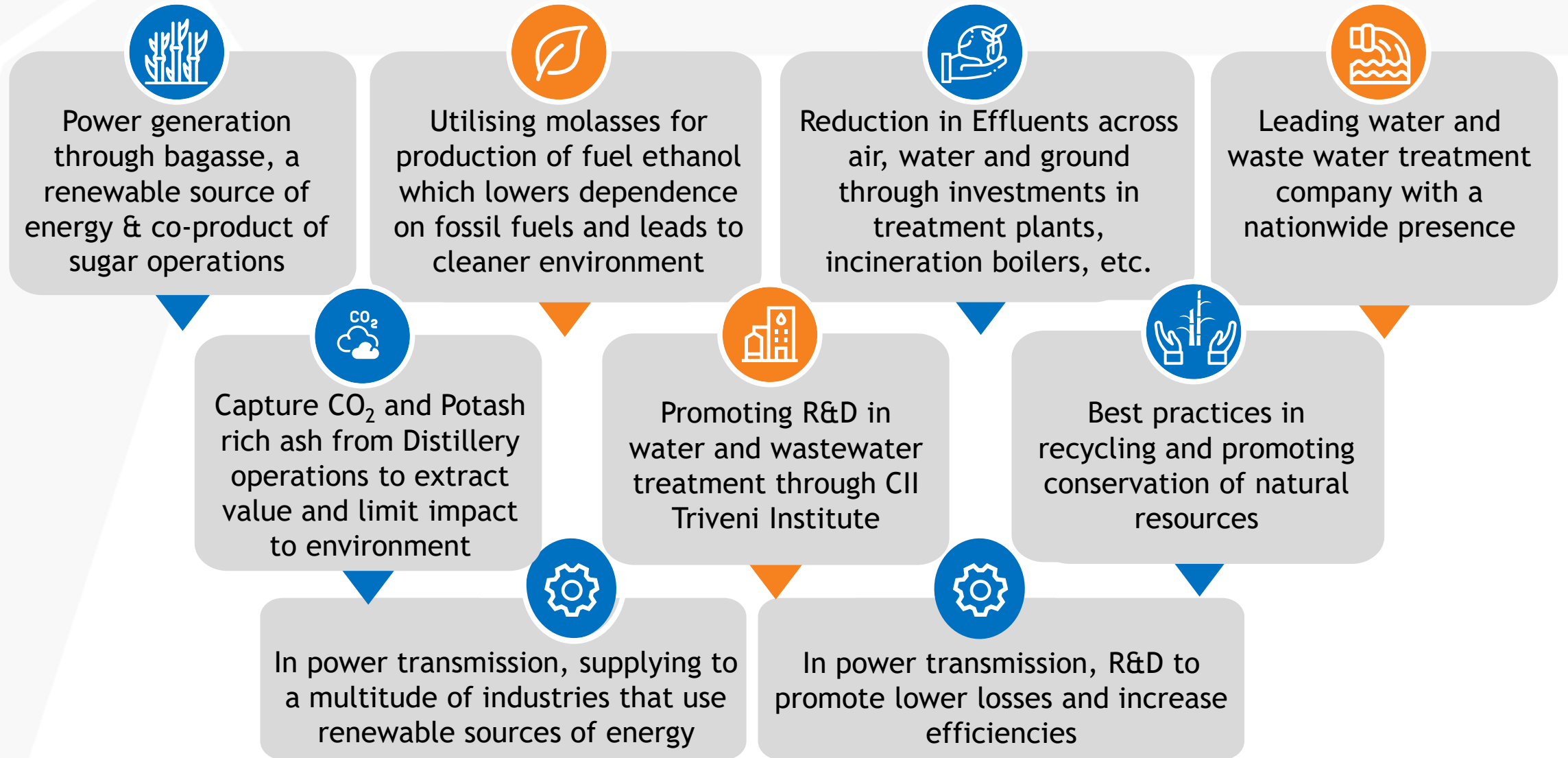


06

Highest level of ethical and corporate governance standards



STRIVING TO GO BEYOND COMPLIANCE TO ADDRESS RISKS THAT THREATEN THE ENVIRONMENT



Continue to look at ways to make a positive societal difference for the community at large

Farmer relations through continuous communication

Improving soil health through regular tests

Engagement with farmer communities

Customer satisfaction

Data protection and privacy policies and efforts

Employee diversity equity and inclusion

Employee engagement and relations

Health and safety

Respect for human rights and compliance to labour principles

SOUND CORPORATE GOVERNANCE IS THE BACKBONE OF OUR ORGANISATION



Diverse Board of Directors with broad-based functional and managerial competencies and experience



Visionary Company leadership



Highest ethical standards



Professionally run organization with highly experienced management team



Accountability, transparency & fairness in business practices



Well-structured Enterprise Risk Management (ERM) policy





PERFORMANCE OVER THE YEARS

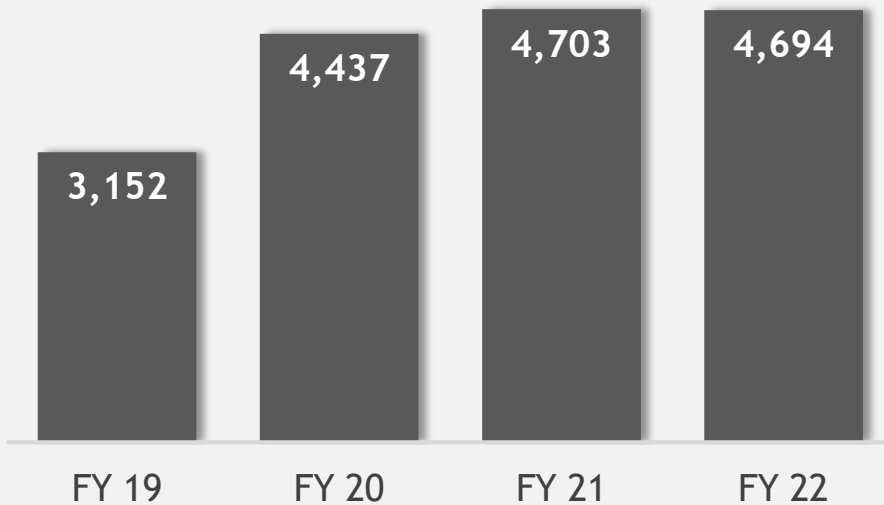
WELL DIVERSIFIED AND GROWING REVENUE BASE

₹ Crore

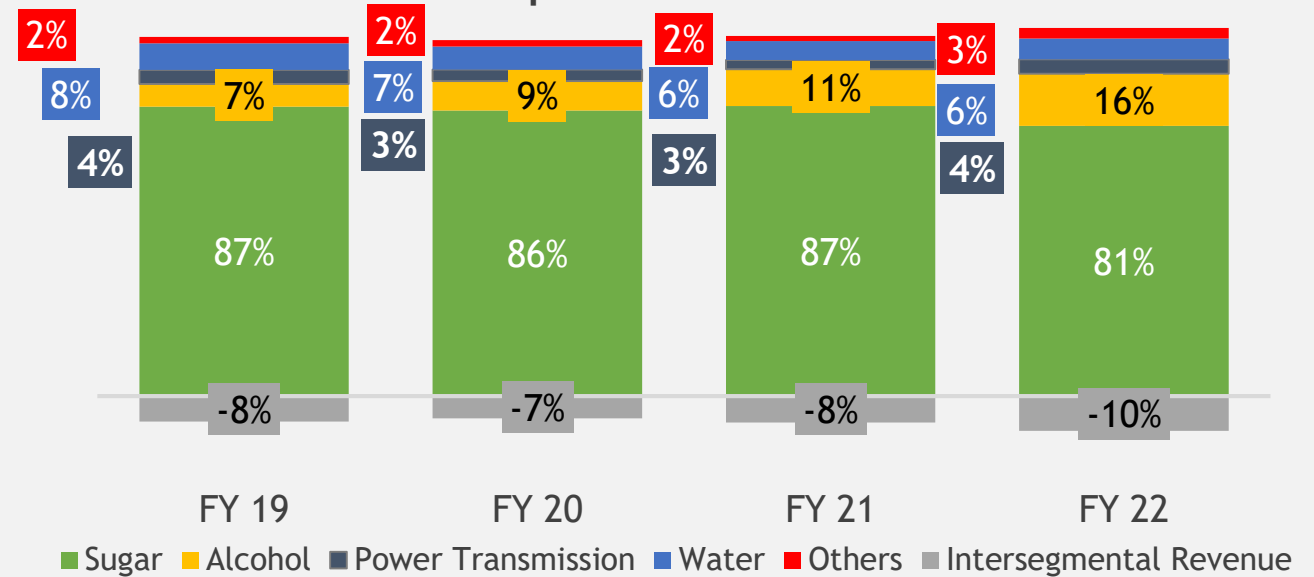
FY 19-22 Revenue CAGR 14.2%

Rising non-sugar contribution from 13% to 19% during FY 2019-22

Revenue from Operations (Gross)*



Segment-wise Contribution to Revenue from Operations#



Revenue growth of 14.2% p.a. during FY 2019-2022 with increasing contribution from other businesses

Note: * Revenue from Operations (Gross) include Excise duty of ₹ 403.10 crore in FY 22 and ₹ 29.18 crore in FY 21 on account of Indian Made Indian Liquor (IMIL) sales

Percentages calculated on Net Revenue from Operations excluding aforesaid excise duty

PROGRESSIVELY INCREASING PROFITABILITY WITH HEALTHY CONTRIBUTION FROM NON-SUGAR BUSINESSES

₹ Crore

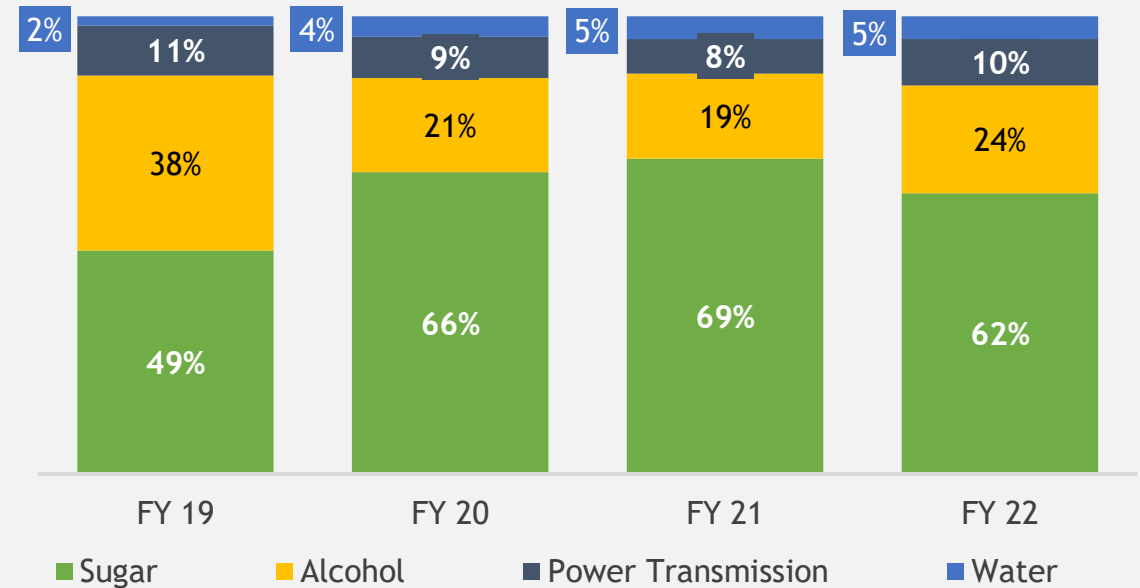
FY 19-22 PBIT CAGR 21.6%

Sugar contribution of 62% in FY 2022

Profit Before Interest and Tax (PBIT)



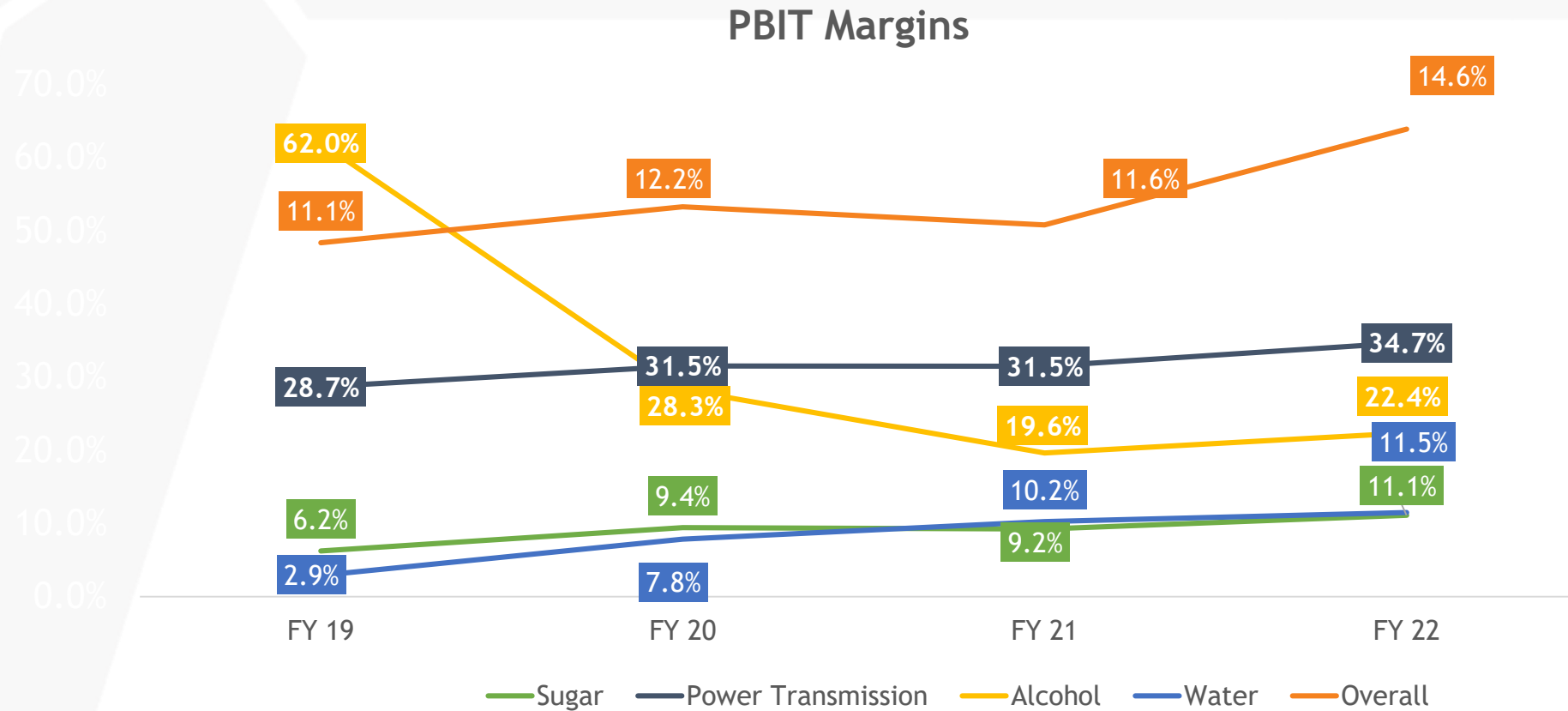
Segment-wise PBIT Contribution



PBIT growth of 21.6% p.a. during FY 2019-2022

Note: In FY 19, distillery profitability was higher due to increase in operating days and higher capacity utilisation which resulted in higher production by 80% and corresponding increase in sales volume. The higher profitability was also contributed by lower raw material prices.

HEALTHY MARGINS ACROSS BUSINESSES



All businesses delivered margin improvement in FY 22

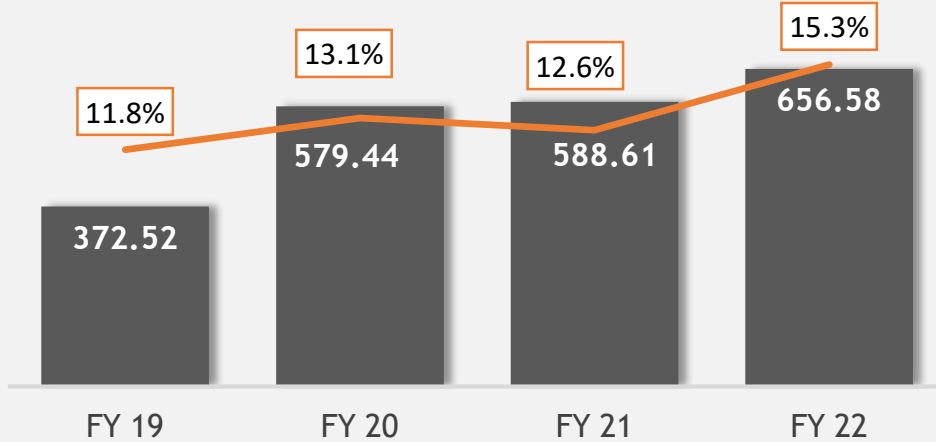
Note: Margins have been calculated on revenues net of excise duty. In FY 19, distillery profitability was higher due to increase in operating days and higher capacity utilization which resulted in higher production by 80% and corresponding increase in sales volume. The higher profitability was also contributed by lower raw material prices.

HIGHEST EVER PROFITABILITY ACHIEVED IN FY 22

₹ Crore

FY 22 EBITDA Growth 11.6% y-o-y

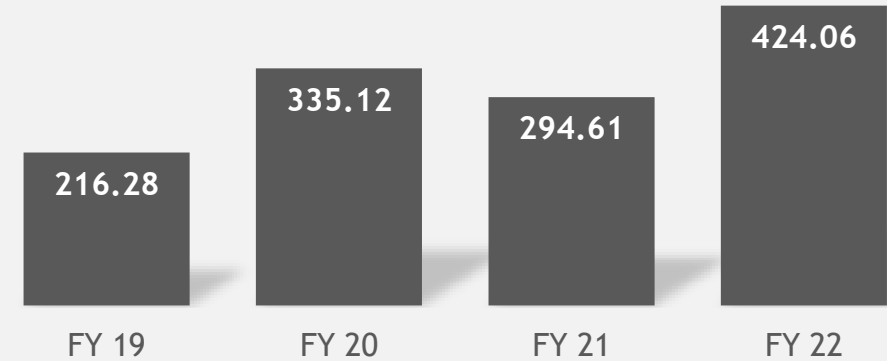
EBITDA and EBITDA Margins*



*EBITDA margins calculated on Revenue net of excise duty

FY 22 PAT Growth 43.9% y-o-y

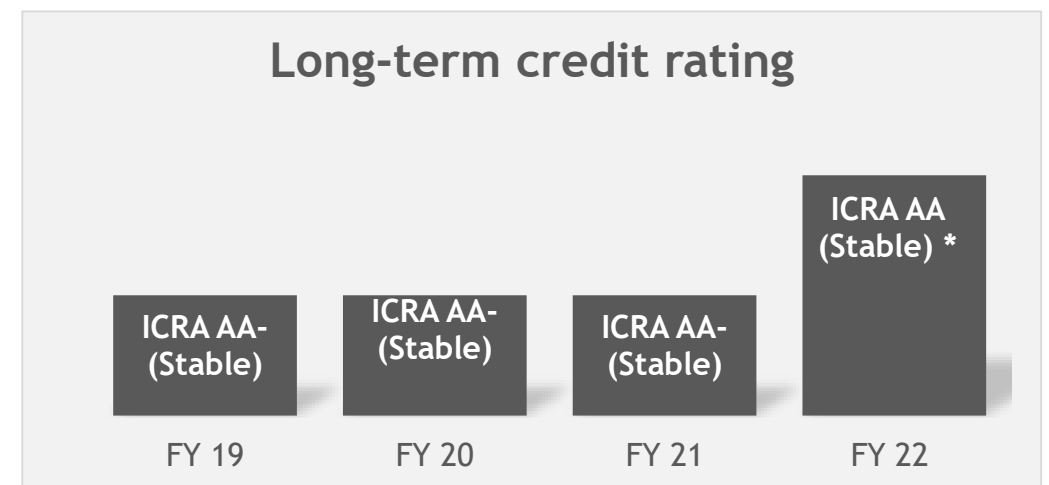
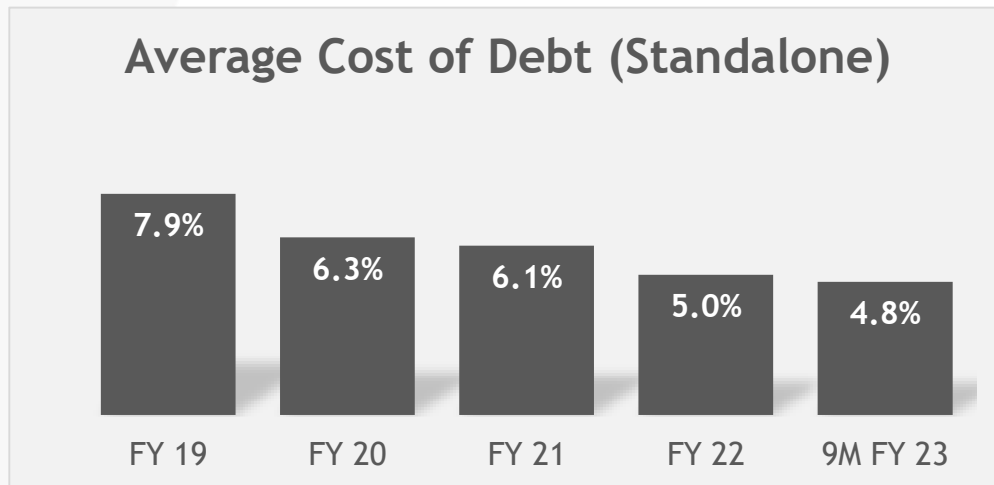
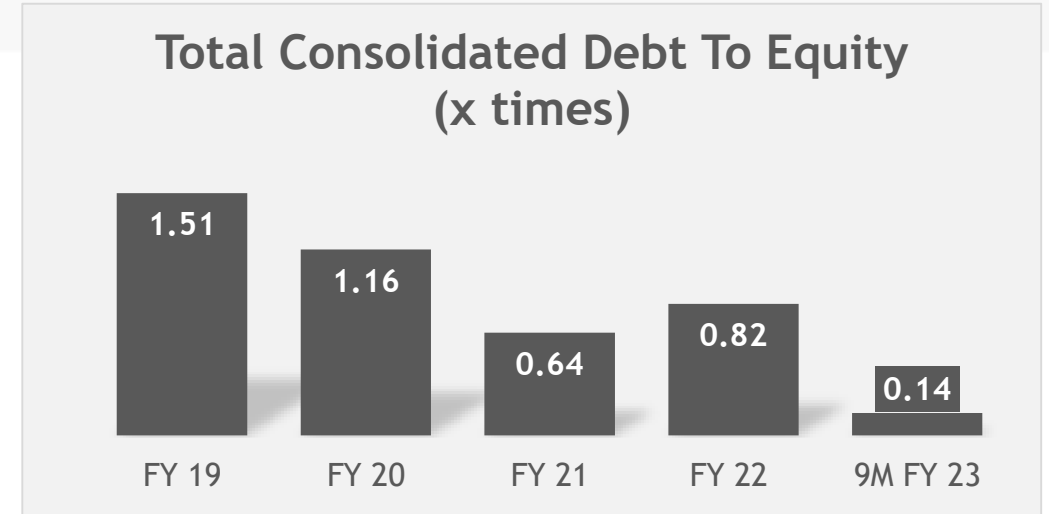
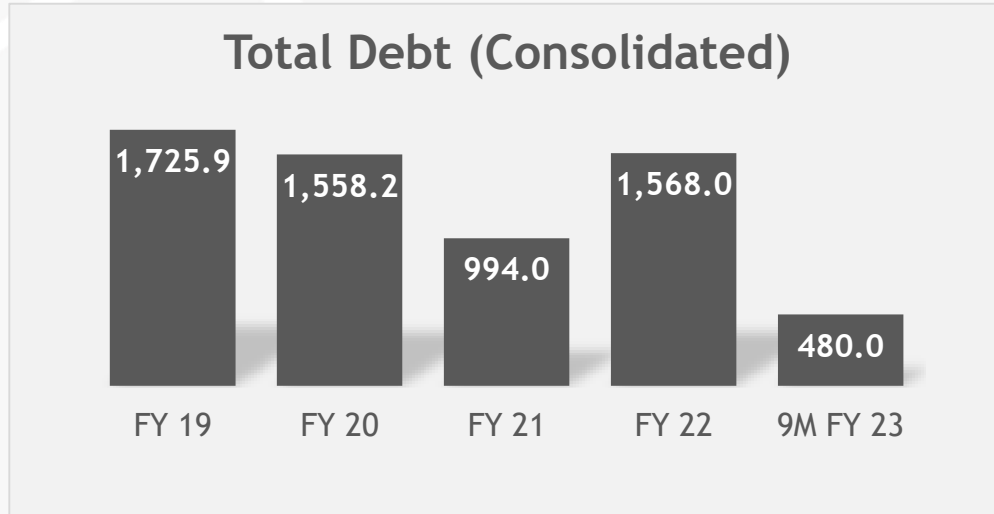
Profit After Tax (PAT)



Highest ever EBITDA and PAT in FY 22

STRONG BALANCE SHEET POSITION

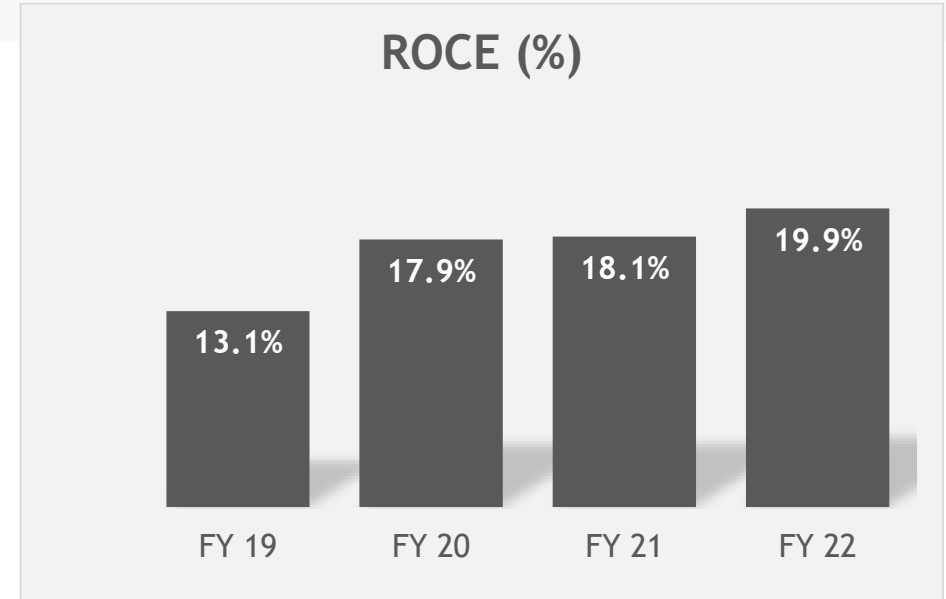
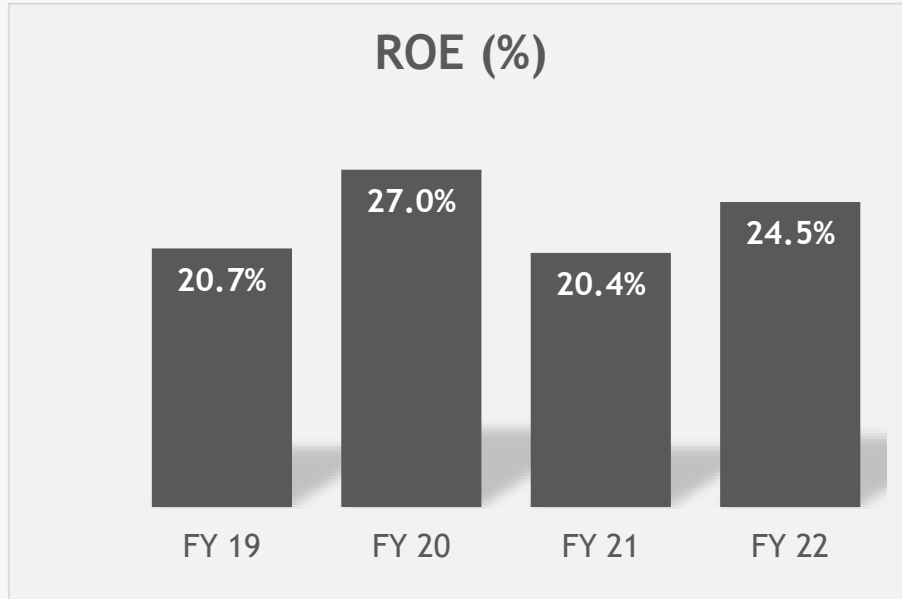
₹ Crore



Note: Lower debt to equity in 9M FY 23 due to seasonal nature of earnings and substantial exceptional income during the nine months

Note: *Upgraded to ICRA AA- (Positive) on 06.04.21 and further upgraded to ICRA AA (Stable) on 23.11.21

CONSISTENT FOCUS ON ENHANCING RETURNS



Maximising operational performance across businesses

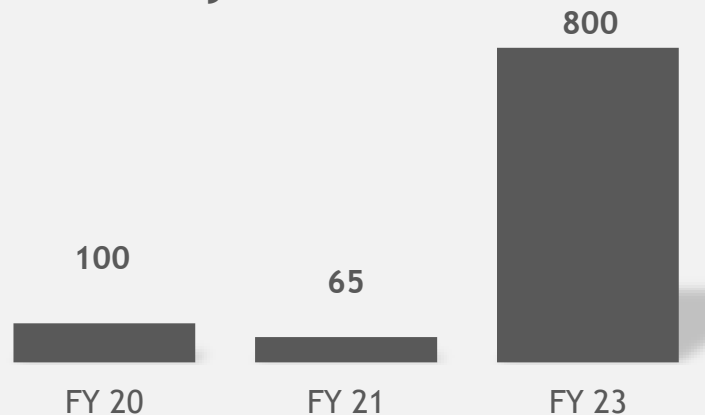
Enhancing returns consistently over the years

Note: Return Ratios for 9M FY 23 not presented due to seasonal nature of earnings and substantial exceptional income during the nine months

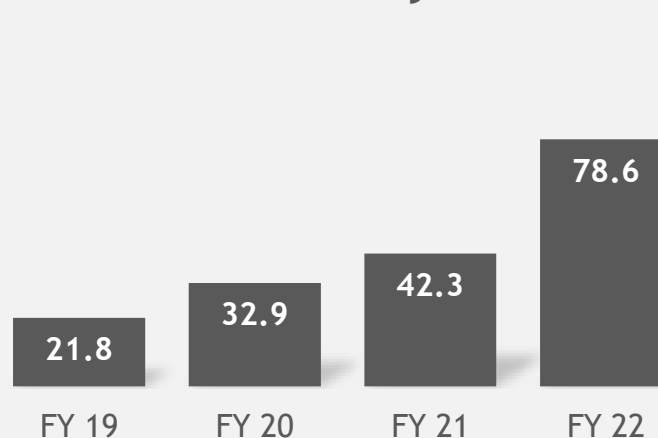
ENHANCING SHAREHOLDER RETURNS THROUGH COMBINATION OF BUYBACKS & DIVIDENDS

₹ Crore

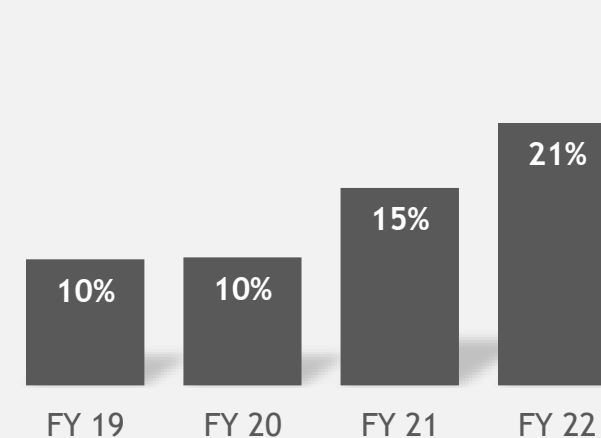
Buyback of Shares



Dividend Payout



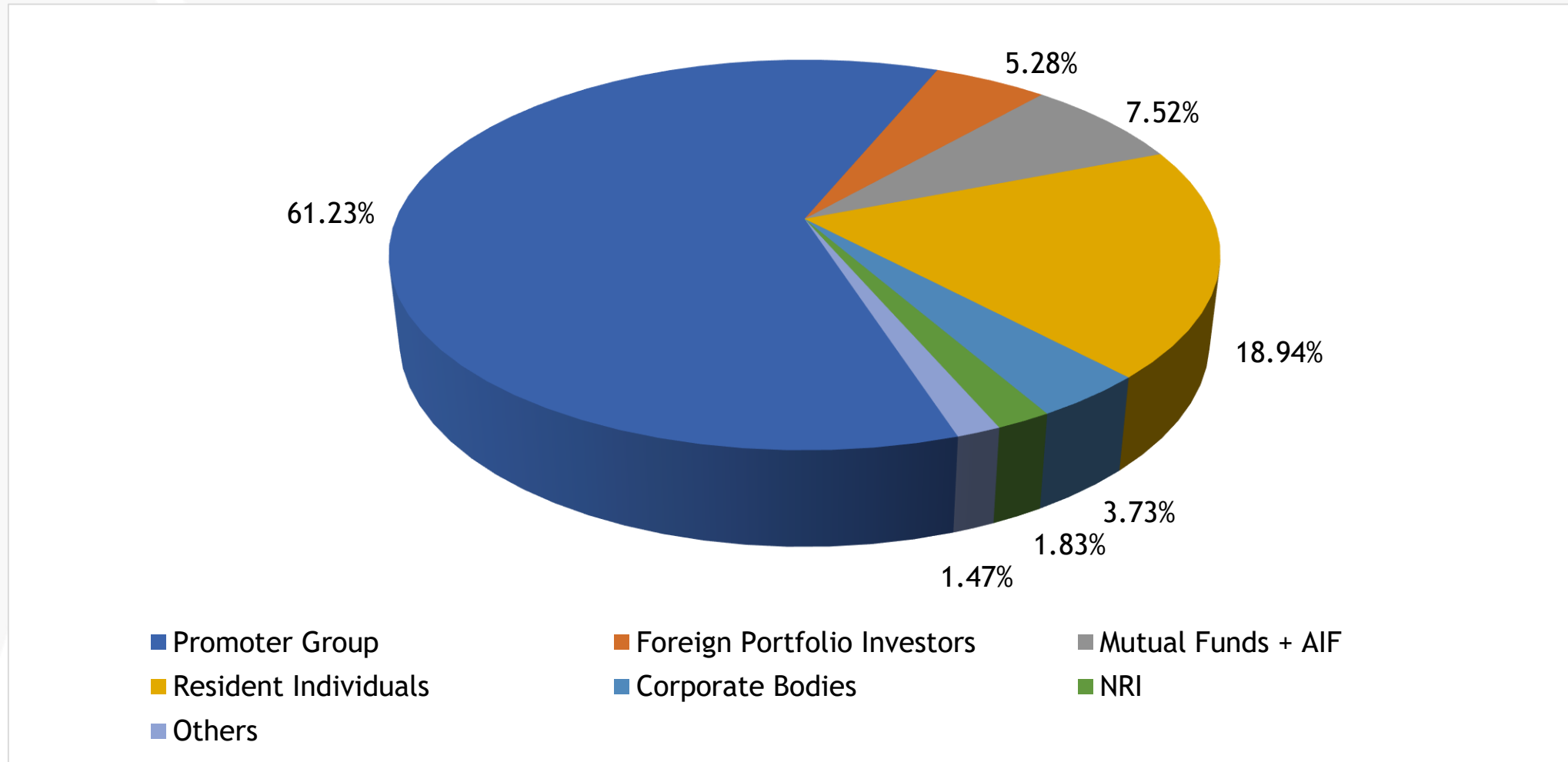
Dividend Payout Ratio (%)



Past history of returning cash through combination of dividend and buybacks
Announced buyback of ₹ 800 crore in November 2022 @ ₹ 350 per equity share

Dividend Policy: Payout ratio of the dividend is in the range of 15-25% of the normal business income after deduction of tax

SHAREHOLDING PATTERN



Note: For the quarter ending December 31, 2022. Others comprise of Clearing members, HUF, Trust, IEPF, etc.

RESULTS REVIEW
Q3/9M FY 23

KEY HIGHLIGHTS OF 9M FY 23 RESULTS



Revenue from Operations (Net of excise duty) at ₹4034.28 crore, an increase of 25.3%



Profit before exceptional items and tax at ₹ 311.87 crore



Profit after Tax at ₹ 1601.49 crore



The Board of Directors approved capex of ₹ 90 crore for Sugar business and ₹ 100 crore for Power Transmission business

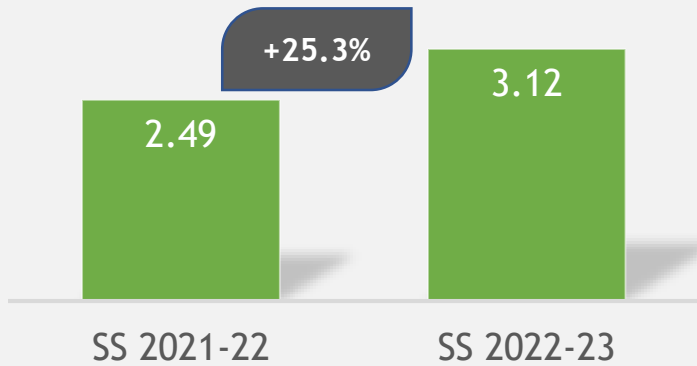
FINANCIAL HIGHLIGHTS Q3 / 9M FY 23

	Q3 FY 23	Q3 FY 22	Change (%)	9M FY 23	9M FY 22	Change (%)
Revenue from Operations (Gross)	1,658.7	1,235.4	34.3	4,491.8	3,501.9	28.3
Revenue from Operations (Net of excise duty)	1,462.7	1,115.7	31.1	4,034.3	3,220.9	25.3
EBITDA	230.6	209.8	9.9	411.5	478.9	-14.1
EBITDA Margin	16%	19%		10%	15%	
Share of income from Associates	-	7.8		16.33	51.8	-68.5
Profit Before Tax (PBT) Before Exceptional Items	198.7	185.0	7.4	311.9	430.3	-27.5
Exceptional Items - income/(expense)	-	-		1,401.20	-	
Profit Before Tax (PBT) After Exceptional Items	198.7	185.0	7.4	1,713.1	430.3	298.1
Profit After Tax (PAT)	147.3	130.1	13.2	1,601.5	314.9	408.6
Other Comprehensive Income (Net of Tax)	0.2	0.8		(1.2)	5.2	
Total Comprehensive Income	147.5	130.9	12.7	1,600.2	320.1	399.9
EPS (not annualized) (₹/share)	6.09	5.39	13.0	66.24	13.03	408.4

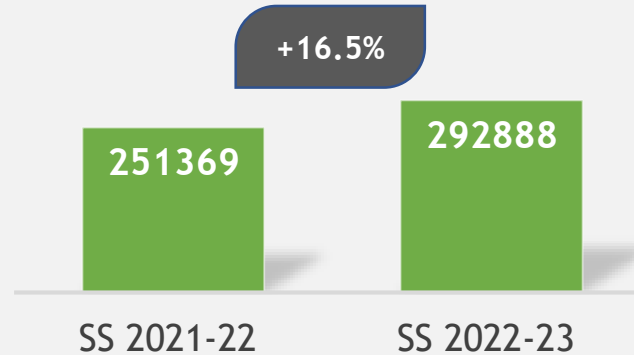
SUGAR: PERFORMANCE IN SUGAR SEASON

SUGAR

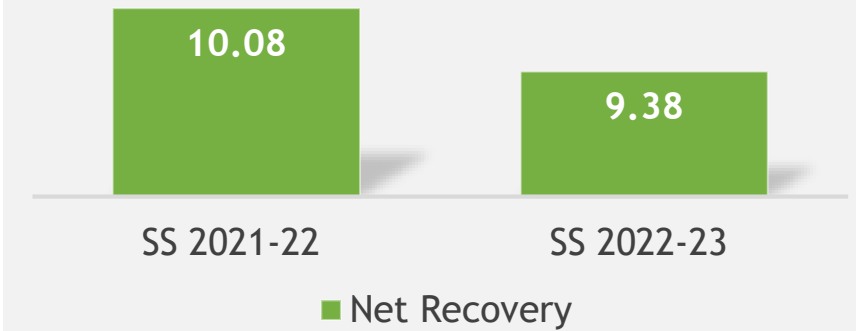
Sugarcane Crushed (Million Tonnes)



Sugar Production (Tonnes)



Recovery (%)

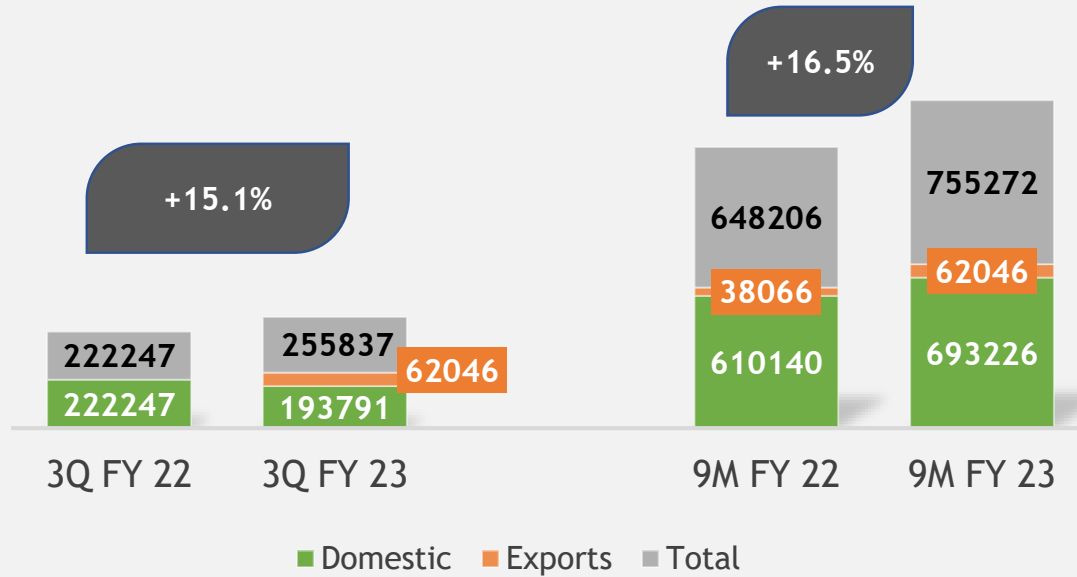


Materially higher crush in SS 2022-23 owing to the modernisation, debottlenecking at three sugar facilities

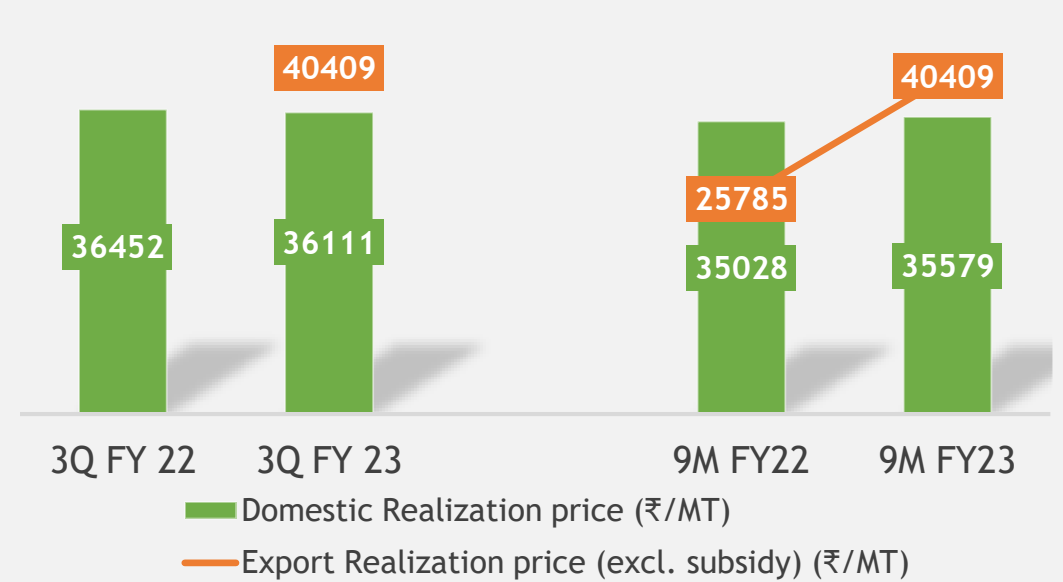
SUGAR: HIGHER DISPATCHES AND REALISATIONS

SUGAR

Domestic Sugar Dispatches (Tonnes)



Domestic Realization price (₹/MT)



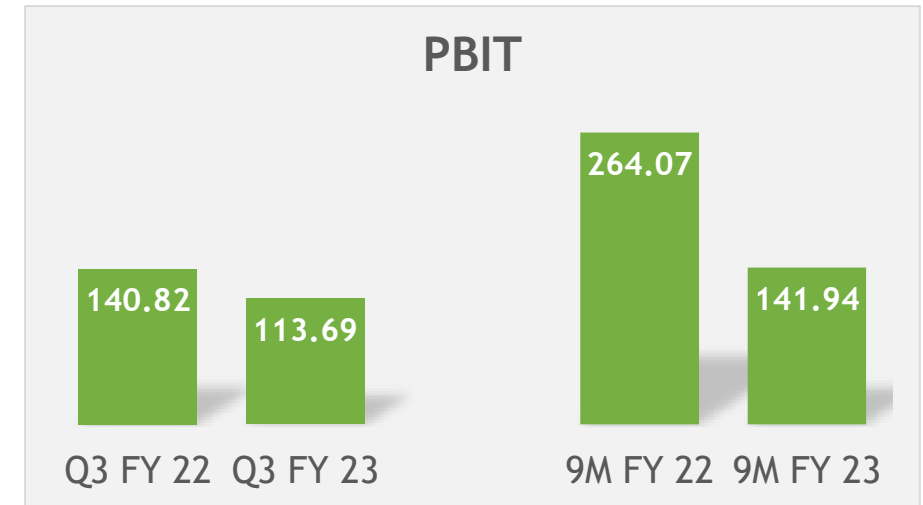
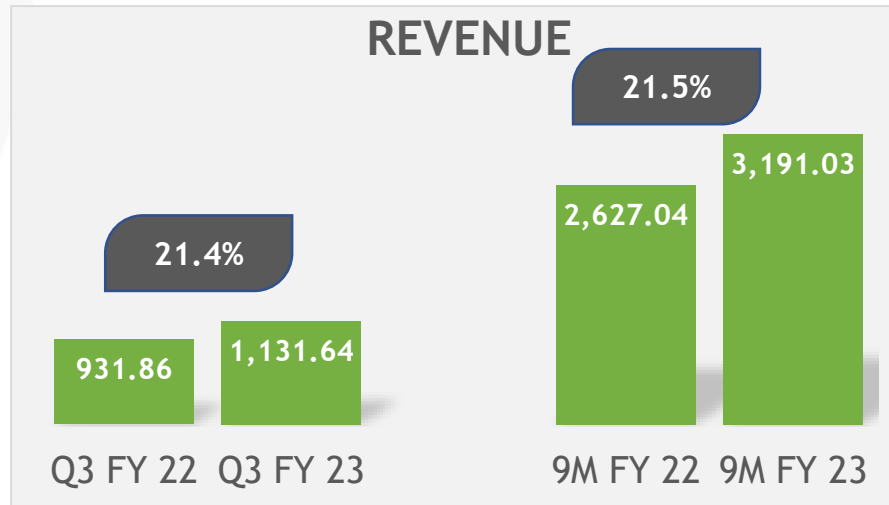
Higher sales volumes and realizations

Achieved sugar exports of 135034 tonnes (including sale of quota for 72988 tonnes) during Q3 FY 23 out of total export quota of 204868 tonnes

SUGAR: HIGHER REVENUES; PROFITABILITY IMPACTED IN Q3 / 9M FY 23

SUGAR

₹ Crore



Revenues boosted by higher sales volumes and sugar realisations

Profitability in sugar business is lower as the cost of sugar sold pertaining to the previous season includes the impact of sugarcane price increase for the Season 2021-22 and higher cost of sugar produced in the current season due to transitory lower recoveries

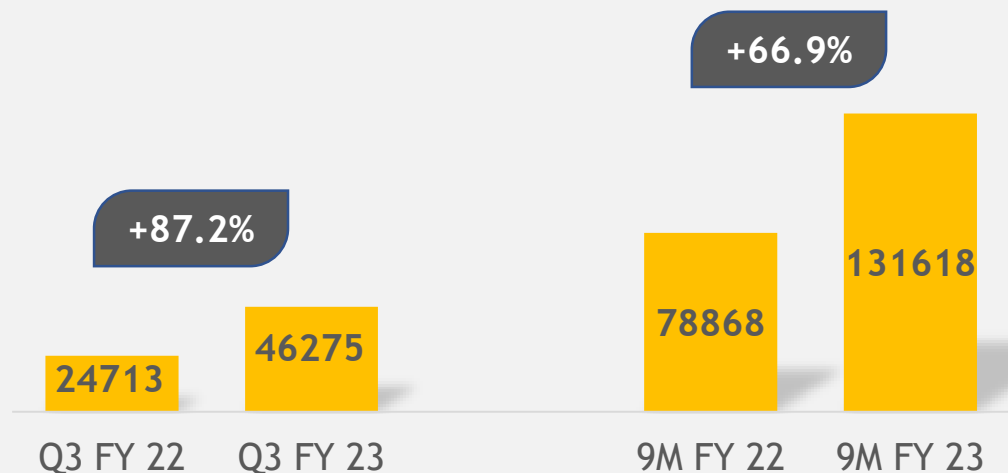
9M FY 22 included export subsidy of ₹ 57 crore relating to the previous period

The sugar inventory as on December 31, 2022 was 23.93 lakh quintals, which is valued at around ₹ 34.4/kg

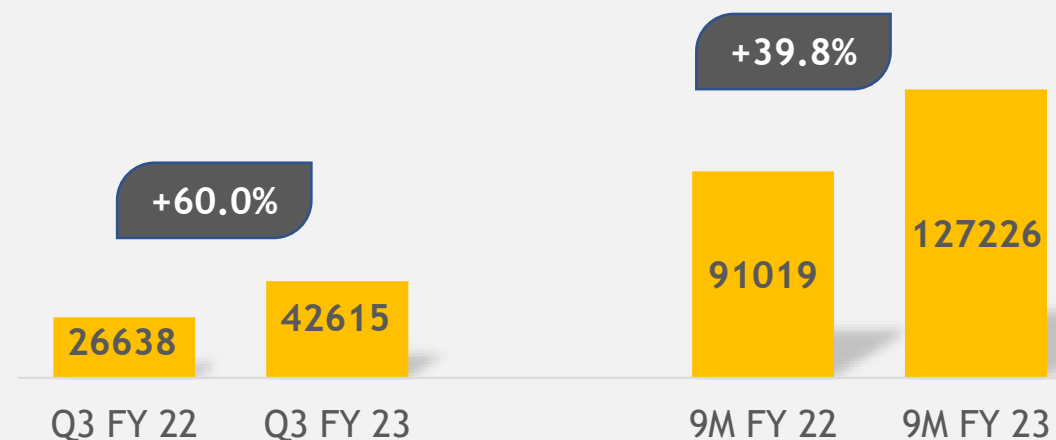
HIGHER ALCOHOL REALISATIONS AND SALES IN Q3/9M FY 23

ALCOHOL

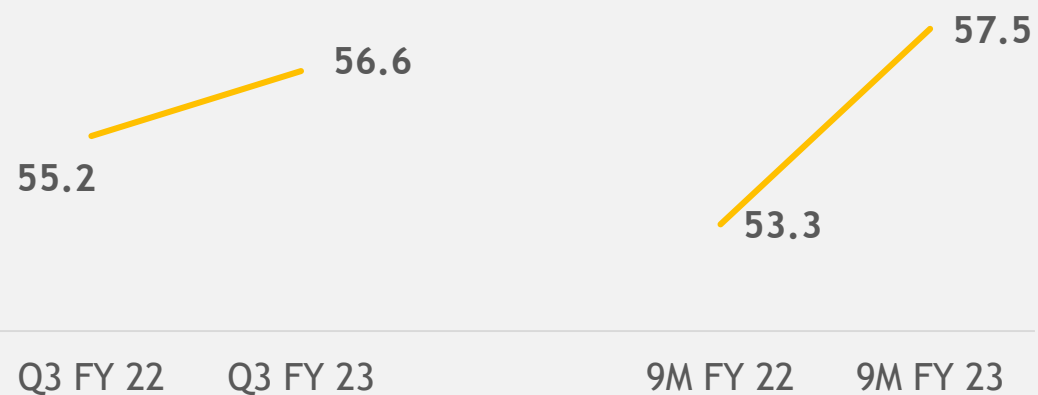
Alcohol Production (KL)



Alcohol Sales (KL)



Avg. Realisation (₹/litre)



Additional capacity commissioned in 9M FY 23 leading to higher volumes

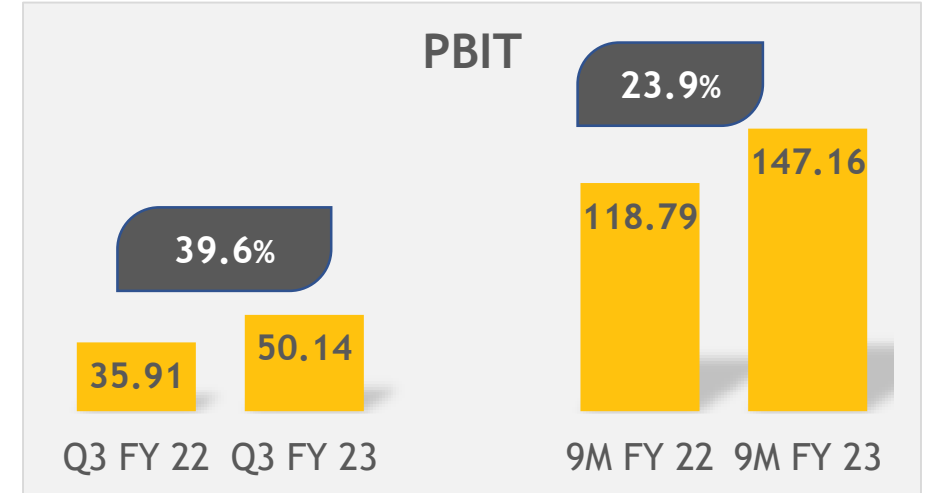
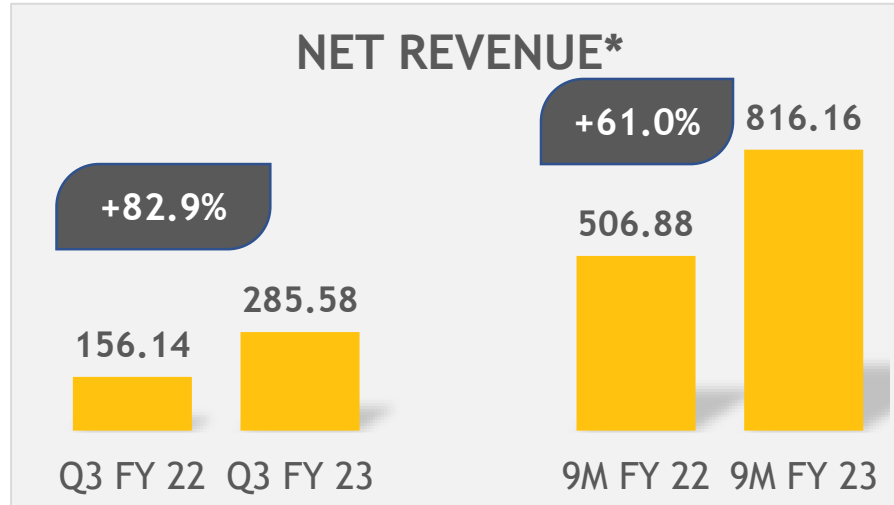
Ethanol produced from B-heavy constitutes 57% and 72% of the sales volume in the current quarter and nine-month period as against 88% and 80% last year

Sale of ethanol produced from grain accounted for 33% and 20% of total sales volumes in the current quarter and nine-month period

ADDITIONAL DISTILLATION CAPACITIES ADDED IN 9M FY 23

₹ Crore

ALCOHOL



* Revenue net of excise duty

Additional capacities commissioned in 9M FY 23 resulting in increased sales volumes

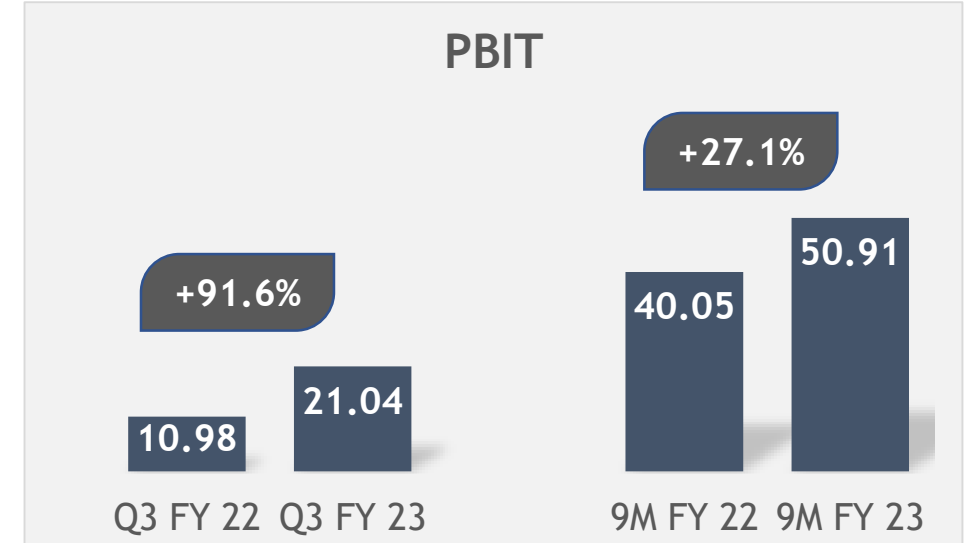
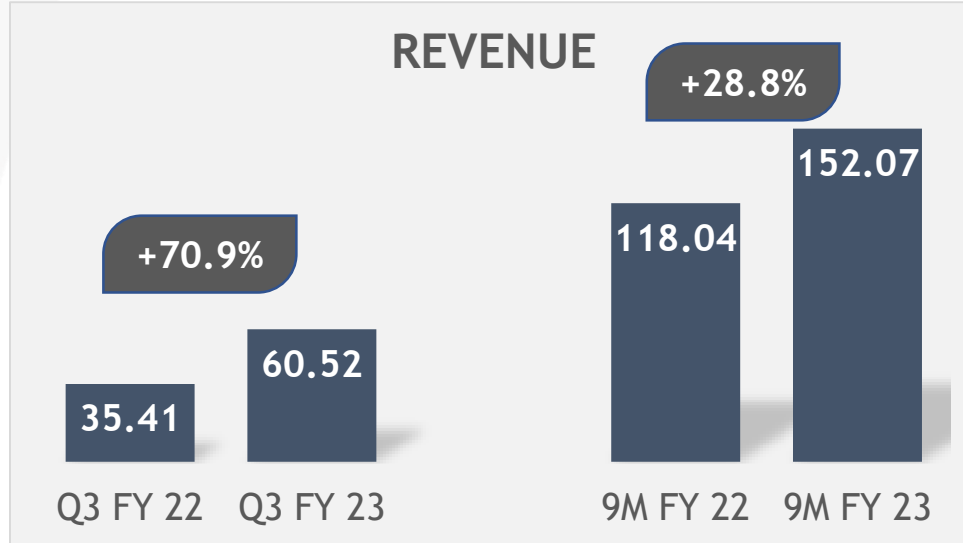
Aggregate distillation capacity 660 KLPD

The profitability has been impacted due to increased transfer price of B-heavy molasses, initial stabilization period of distilleries and relatively lower margin with grain as feedstock.

POWER TRANSMISSION CONTINUES ITS GROWTH PATH

POWER TRANSMISSION

₹ Crore



Domestic market showing encouraging signs due to various Government policies and overall economic growth

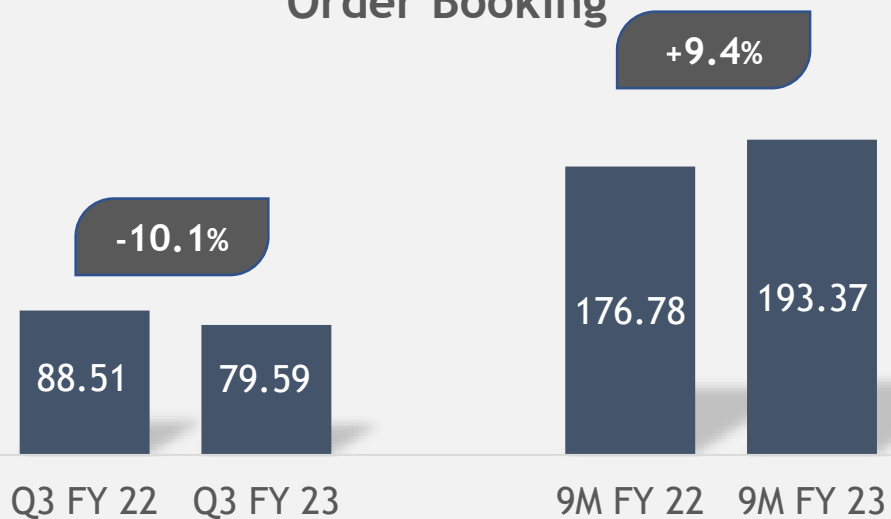
Following the expiration of High Speed Licence Agreement with Lufkin Gears LLC in January 2023, the Company will pursue the high-speed high-power segment independently, and is confident of enhancing market share in its identified target markets.

POWER TRANSMISSION CLOSING ORDER BOOK UP 23% y-o-y

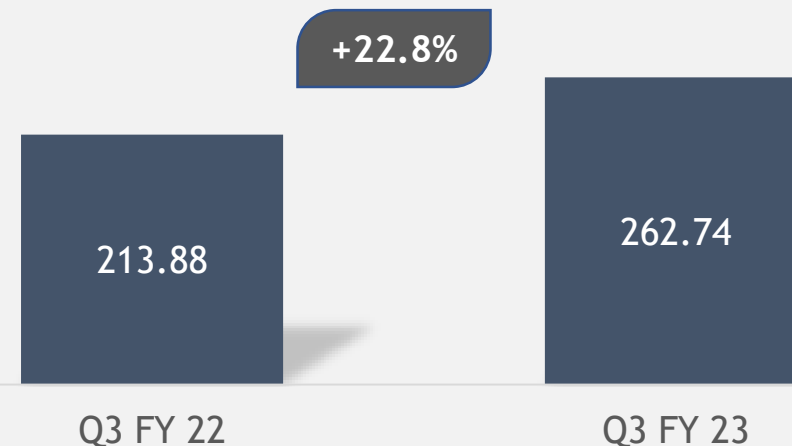
POWER TRANSMISSION

₹ Crore

Order Booking



Closing Order Book



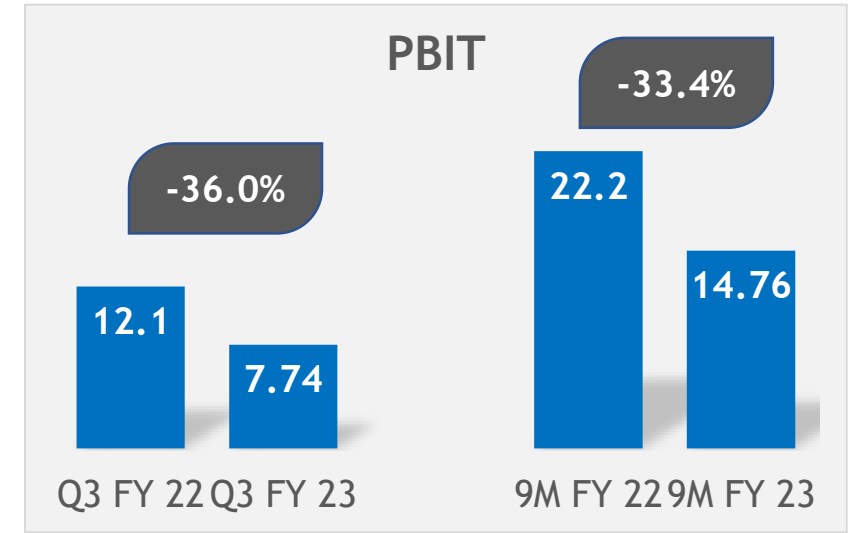
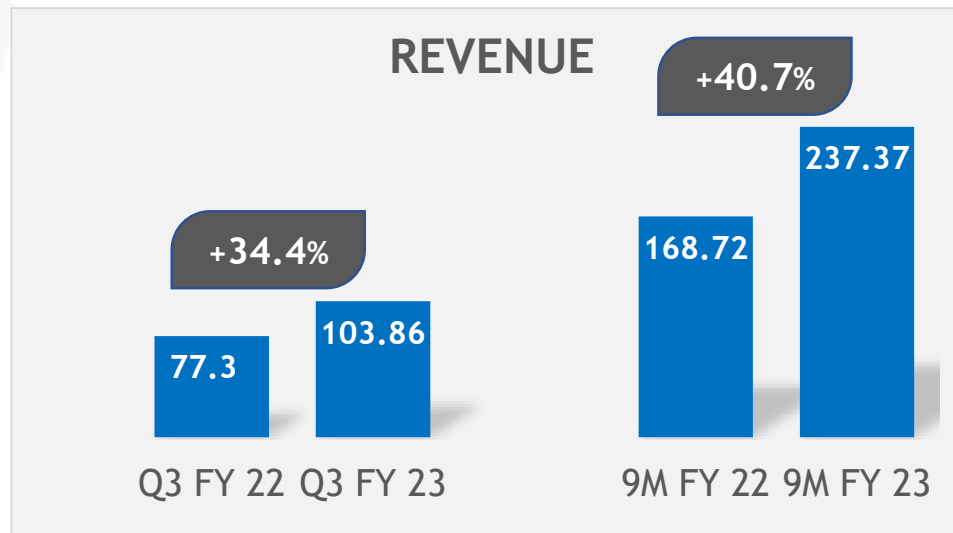
Some challenges especially in export markets in 9M FY 23, however with good momentum in order booking, expect these to be resolved in the coming quarters

Outstanding order book as on December 31, 2022 stood at ₹ 262.74 crore including long duration orders of ₹ 120.62 crore

CONTINUED IMPROVEMENT IN WATER BUSINESS REVENUES

₹ Crore

WATER



Water business revenues improved in Q3 FY 23

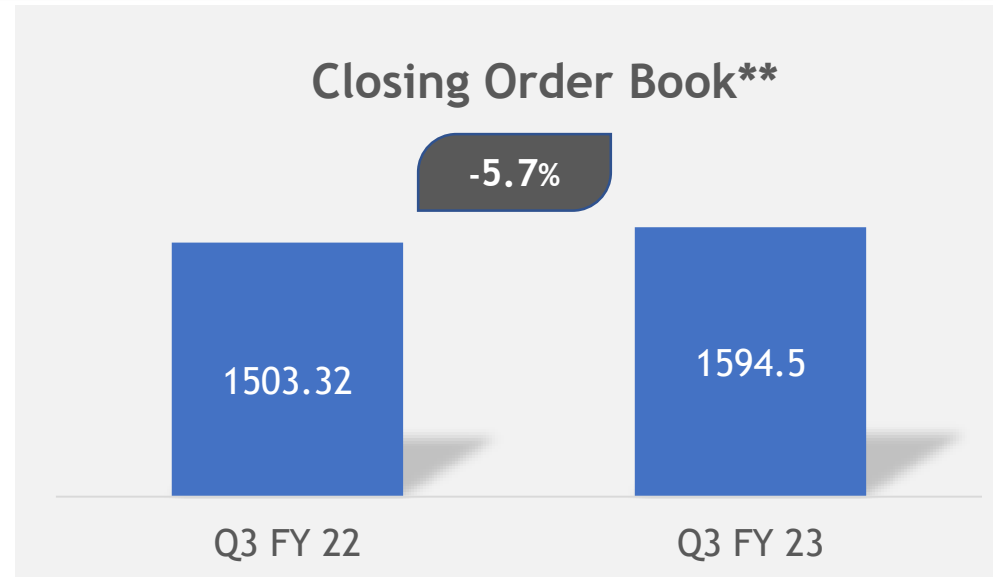
The orders received in 9M FY 23 stood at ₹ 190.45 crore excluding O&M orders

Note: These results are based on consolidated results including wholly owned SPV executing Mathura Project awarded by National Mission of Clean Ganga (NMCG) under Namami Gange Programme and PALI ZLD Pvt. Ltd.

WATER BUSINESS ORDER BOOKING REMAINS ROBUST

₹ Crore

WATER



Expecting robust order booking in the coming quarters and is well placed in certain bids being evaluated both domestically and internationally

Long duration O&M orders in hand are Q3 FY 23: ₹ 930 crore

**Including long duration orders for Operations & Maintenance (O&M)



MARKET UPDATES

GLOBAL & DOMESTIC SUGAR OUTLOOK

- Recent industry reports forecast for global sugar balance for SS 2022-23 is a surplus of 3 million tonnes, owing to a bigger crop in CS Brazil and Thailand.
- Central South Brazil is expected to produce ~36 million tonnes of sugar in the next season as against ~33-34 million tonnes in the previous season. Thailand is expected to produce 11.6 million tonnes of sugar in 2022-23, up from 10.34 million tonnes in previous season.
- Triveni estimates net sugar production in SS 2022-23 at around 35 million tonnes, which is lower than street estimates of ~36 million tonnes.
- With an opening balance as on October 1, 2022 of around 5.5 million tonnes, estimated sugar production for SS 2022-23 of around 35 million tonnes and estimated domestic sales of around 27.5 million tonnes, around 7 million tonnes of sugar needs to be exported to maintain the closing stock at similar levels.

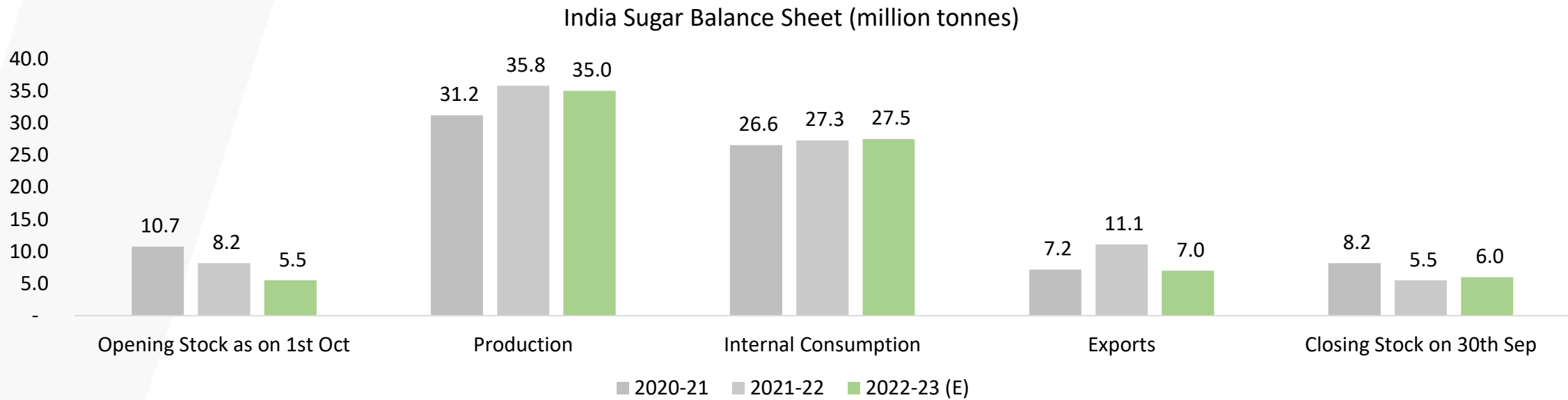


INDIA SUGAR BALANCE SHEET: STABLE CLOSING STOCKS OF ~6 MT EXPECTED FOR SUGAR SEASON (SS) 2022-23

+2.0 million tonnes*

+3.4 million tonnes*

+4.5 million tonnes*



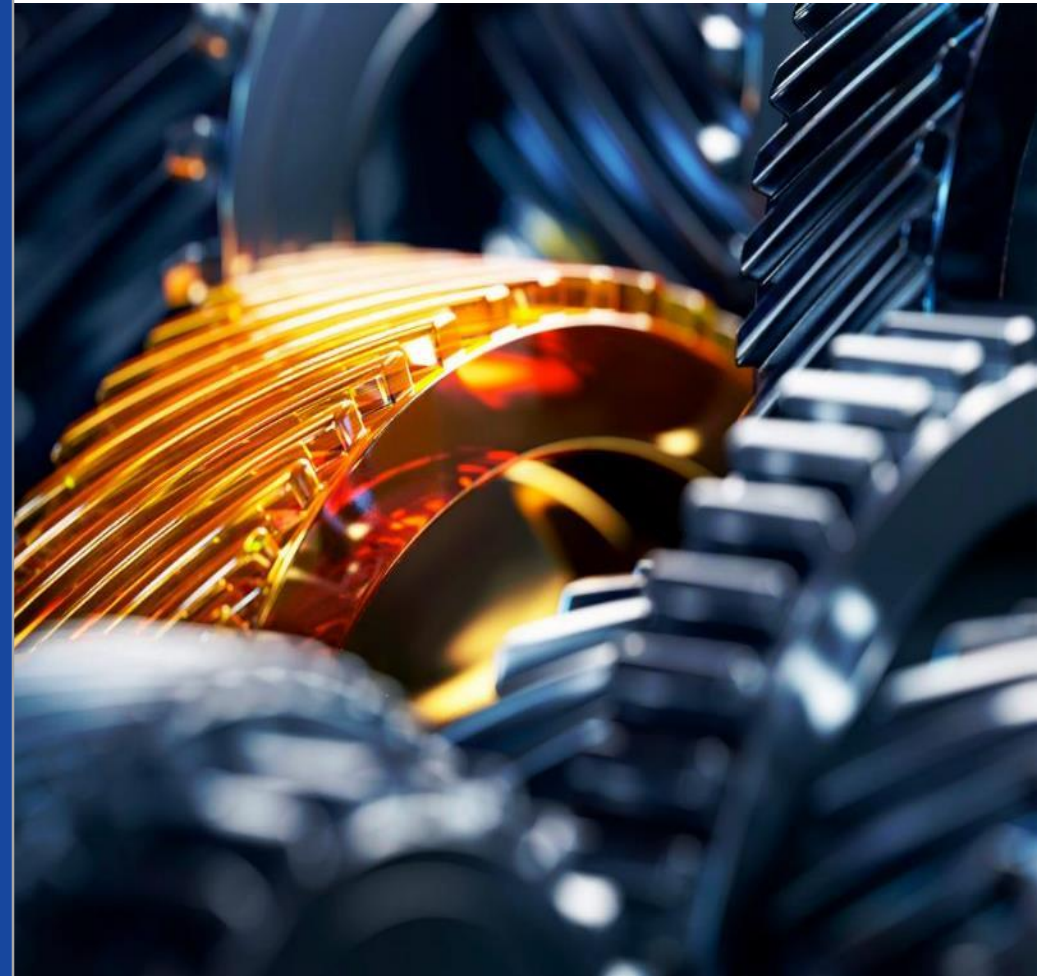
Source: Triveni Estimates

*sugar diversion to ethanol production

Closing inventories expected ~6 million tonnes in SS 2022-23

POWER TRANSMISSION BUSINESS OUTLOOK

- Outlook for the domestic product segment within high speed gears is extremely promising as industrial CapEx in sectors like cement, energy, distillery, steel is growing and have been supported by policies and robust economic growth
- In the aftermarket business, the Company is focused on expanding its addressable market and market share looking both at domestic and identified target markets
- The Government's 'Make in India' initiative has led to new opportunities for diverse engineering products and the Power transmission business is actively participating in many of these indigenous projects
- In the Defence segment, expect long-term growth in the segment combined with the machining infrastructure that is likely to show growth over the coming years



WATER & WASTEWATER DEVELOPMENTS AND THE WAY FORWARD

- Expect improvement in order booking in coming quarters with many projects coming under conclusion
- Expanding our activities in overseas markets after achieving success in Maldives and Bangladesh
- Domestic market opportunities are increasing in Recycle & Reuse of wastewater and water business is equipped to target this market
- Municipal business opportunities are looking attractive in many key states such as Karnataka, UP, Punjab, Delhi, Telangana, and Maharashtra
- Market is witnessing increasingly more & more projects under Public Private Partnership (PPP) - Hybrid Annuity Model (HAM) and the Company would widely participate in those



INVESTORS CONTACT



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gavin@cdr-india.com / rishab@cdr-india.com

A collage of four images: top-left shows a large industrial machine with gears; top-right shows a blue metal structure over a body of water; bottom-left shows a green field; bottom-right shows a large ship in a harbor. The text "INSPIRED ENGINEERING" is overlaid in the center.

**INSPIRED
ENGINEERING**

SAFE HARBOUR/LEGAL DISCLAIMER

Some of the statements in this presentation that are not historical facts are forward looking statements. These forward-looking statements include our financial and growth projections as well as statements concerning our plans, strategies, intentions and beliefs concerning our business and the markets in which we operate.

These statements are based on information currently available to us, and we assume no obligation to update these statements as circumstances change. There are risks and uncertainties that could cause actual events to differ materially from these forward-looking statements. These risks include, but are not limited to, the level of market demand for our services, the highly-competitive market for the types of services that we offer, market conditions that could cause our customers to reduce their spending for our services, our ability to create, acquire and build new businesses and to grow our existing businesses, our ability to attract and retain qualified personnel, currency fluctuations and market conditions in India and elsewhere around the world, and other risks not specifically mentioned herein but those that are common to industry.

Further, this presentation may make references to reports and publications available in the public domain. Triveni Engineering & Industries Ltd. makes no representation as to their accuracy or that the company subscribes to those views / findings.

THANK YOU