



# Imagine. **Innovate.** Inspire

## Investor Presentation

**Q2 / H1 FY 24**

November 2023

# Contents

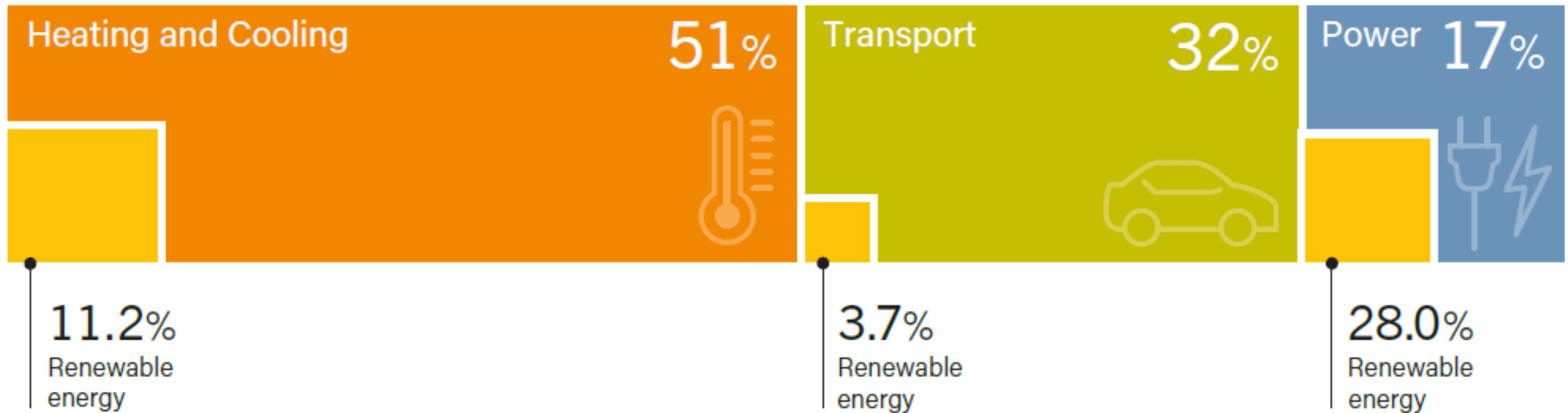
<b>01</b>	Global and Domestic Overview	<b>03</b>
<b>02</b>	Company Overview	<b>09</b>
<b>03</b>	FY 23 Performance Review	<b>22</b>
<b>04</b>	Q2 / H1 FY 24 Performance Review	<b>28</b>
<b>05</b>	Shareholding Pattern	<b>32</b>



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# Global and Domestic Overview

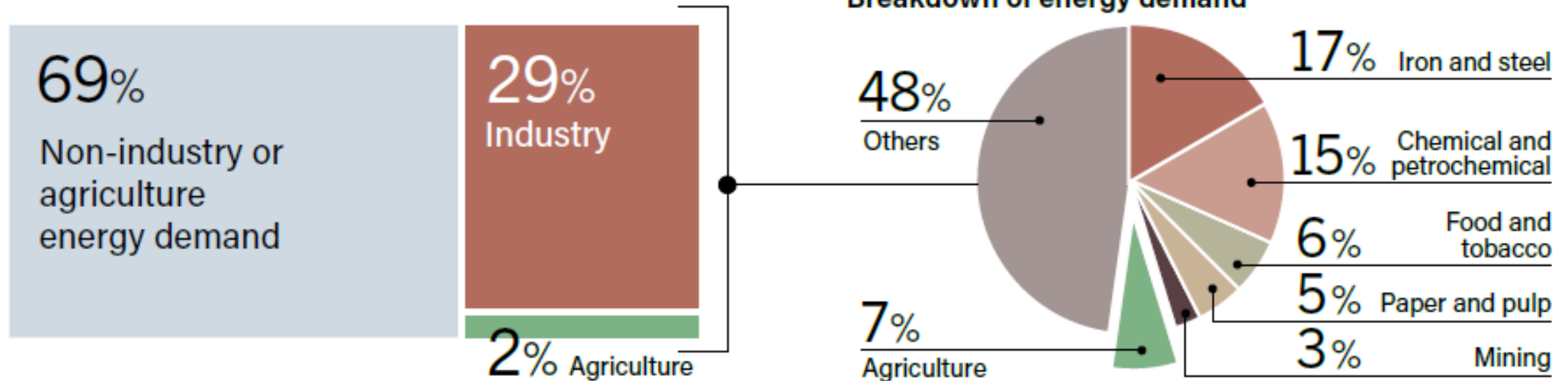
# Global Energy Consumption Is Driven By Heating and Cooling



**Thermal energy uses, which include space and water heating, space cooling, and industrial process heat, represent more than half (51%) of Global Total Final Energy Consumption**

# Industry as a sector is one of the largest energy users globally

Energy demand for industry and agriculture accounts for 31% of total final energy consumption

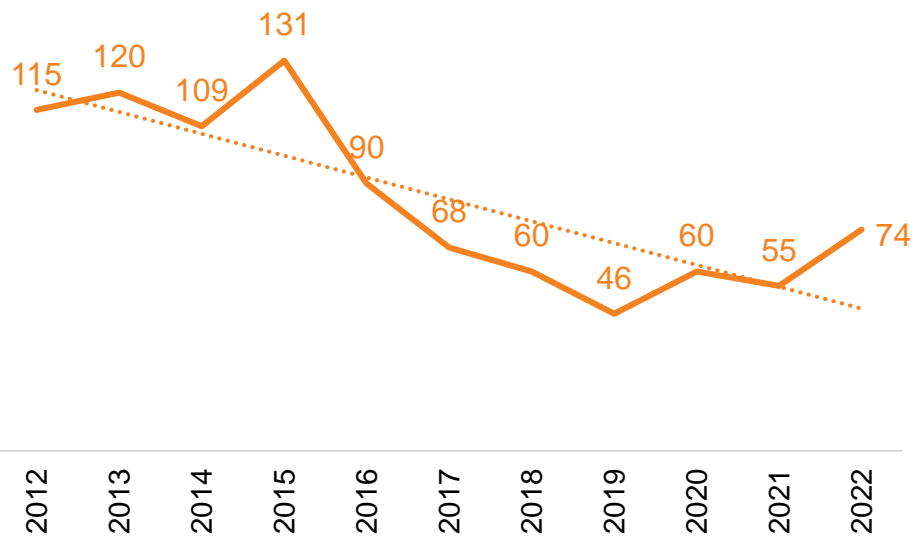


The industry sector is one of the largest energy users, accounting for 29% of Global Total Final Energy Consumption

# Overall Global Steam Turbine Market Has Been Declining Over The Years...



## Overall Global Steam Turbine Market (in GW)



Source: McCoy Report 2022

The global steam turbine market declined from

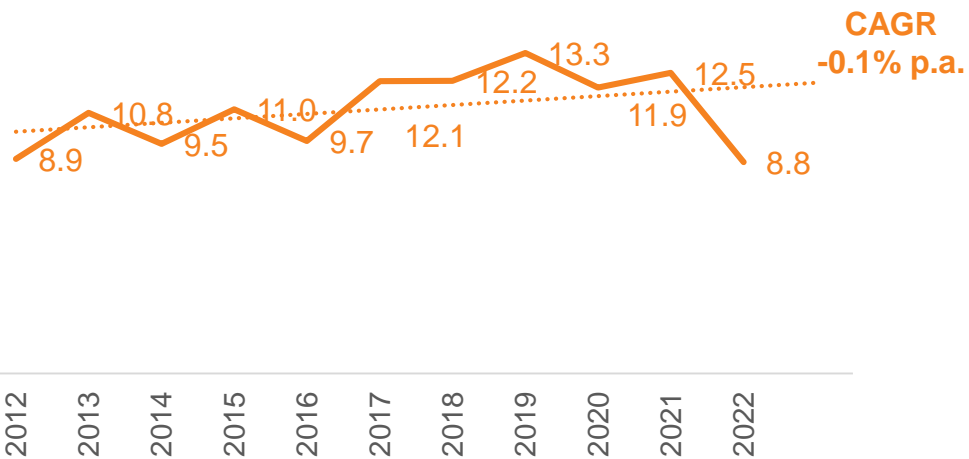
**115 GW** in 2012 to  
**74 GW** in 2022

a decline of **4% p.a.** yearly  
during 2012 - 22



# ...However Below 100 MW Segment where Triveni Turbines operates is largely flat

### Steam Turbine Market Below 100 MW (in GW)

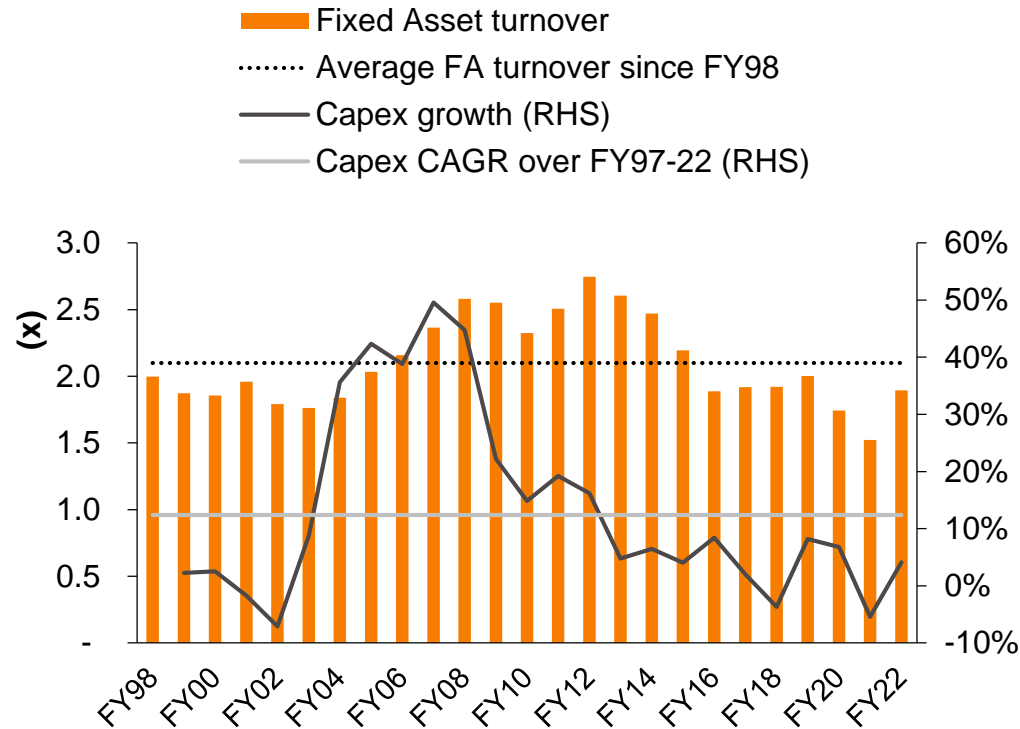


Source: McCoy Report 2022

**Steep Decline in over 100 MW segment from 106 GW to 66 GW translating to -5% p.a.**

**...while below 100 MW where Triveni Turbines operates is largely flat at 8.8 GW over a period of 10 years**

# ...And India Capacity Utilization is yet to return to its peak levels



Source: Ambit Capital Research

**While Indian economy is showing signs of recovery in last 1-2 years...**

**...we are still trending below average in terms of fixed asset turnover which was at 1.9x in FY 22 vs. average of 2.1 and well below peak of 2.75x, suggesting the Indian economy still has room to grow**



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# Company Overview

# Triveni Turbines at a Glance



**Top 2 globally in its addressable market\***

**Domestic market leader**

**50 years of designing,  
manufacturing & supplying  
industrial steam turbines**

**Closing Order Book:  
₹14.8 bn as on Sep  
2023 up 30% YoY**

**Caters to a diverse base of  
customers and end-users**

**Industrial and  
Renewable Heat and  
Power Solutions  
<100 MW**

**Global presence in >80  
countries**

**Dominant player in  
renewable steam turbines**

**6000+ global installations with power  
generation capacity of 16+GW**

\* Source: McCoy Report 2022

# Key Growth Drivers



01

Energy  
Transition

02

Increasing Industrial  
Energy Demand

03

Global  
Leadership

04

Innovation & Technological  
Advancements

05

Strong Execution  
Capabilities

06

Engineering  
Excellence

07

Focus on  
Sustainability

08

Diverse Customer Base  
and Market Presence

09

Refurbishment  
Solutions

10

Expansion into New  
Markets

11

Customer-Centric  
Approach

12

Dynamic and  
Collaborative Workforce

# Our Founding Principles



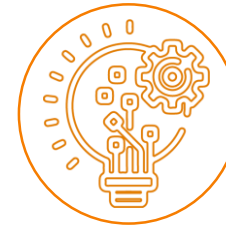
## Impact

- Aims to make a positive impact to all our stakeholders
- Enhance market share with a compelling value proposition
- Propel sustainable development through our strategic priorities



## Product Quality

- Best-in-class manufacturing at two-world class facilities at Peenya and Sompura in Bengaluru
- Both the plants are certified for AS 9100, ISO 9001, ISO 14001 and ISO 45001 standards for Quality Management, Environmental Management and Safety Management respectively



## Technology

- Consistent R&D of technology to surpass customer needs and keeping up with changing business requirements
- Leveraged in-house R&D expertise along with institutional association reputed technical institutes such as IISc, etc.
- An organization driven by Intellectual Property (IP)



# Our Founding Principles



## Ethics

- Professional and transparent business practices
- Strong focus on Environment, Social and Governance (ESG)



## Strong Relationships

- Sustainable solutions that create a high degree of value for our customers
- Strong networks in place to enable smooth business operations
- Customer centricity with focus on continuous modernisation, with regular upgrades and efficiency improvements



## Sustainability

- Supports environment sustainability with significant focus on thermal efficiency improvements
- Leadership in all our business lines with sustainability at the core
- Enabling Environmentally responsive operations



# Continued ESG Focus



## Environmental

- Manufacturing Facilities at both Peenya and Sompura are Green Factories
- Installation of roof top solar power plant of 1300 KW capacity with net metering facility
- ~350 MWH of electrical power saved during FY 23 through energy conservation efforts



## Social

- Educational initiatives such as sponsorship on education and training programmes for differently-abled students
- Provided financial support to a non-profit organisation, that focusses on value based leadership development and open dialogue on important issues facing the Indian society, to help its transformation



## Governance

- Board comprises of 10 members which include 5 Non-Executive Independent Directors including one Women Director, 2 Non-Executive Non-Independent Directors and 3 Executive Directors
- Committees of the Board:
  - i. Audit Committee
  - ii. Nomination and Remuneration Committee
  - iii. Stakeholders' Relationship Committee
  - iv. Corporate Social Responsibility Committee
  - v. Risk Management Committee





# A Differentiated Product Portfolio Catering To Wide Range Of Applications

## Upto 100 MW

### Condensing Steam Turbines

- Straight Condensing
- Uncontrolled Extraction Condensing
- Controlled Extraction Condensing
- Double Extraction Condensing
- Injection Condensing
- Reheat Condensing Axial Turbines

### Back Pressure Steam Turbines

- Straight Back Pressure
- Uncontrolled Extraction Back Pressure
- Controlled Extraction Back Pressure

### Power Generation Applications

#### Independent Power Producers (IPP)

- Biomass
- Waste to Energy
- Waste Heat Recovery
- Combined Cycle Power Plant

### Combined Heat & Power Applications

#### Industrial Segments

- Sugar & Distillery
- Food Processing
- Paper
- Textile
- Palm
- Oil
- Cement
- Steel
- Chemicals
- Petrochemicals
- Petroleum Refineries, etc.

### Drive Applications

- Petroleum Refineries
- Chemicals
- Petrochemicals
- Fertilisers

# Strong Global Footprint

80 Countries  
of Presence



- 📍 Headquarters TTL & TESL (Subsidiary) – Bengaluru, India
- 📍 Other Subsidiaries/Representative Office
- 📍 Countries with Installed Base

Note: Map for representation purpose and not to scale





# A Diversified Base Of End Use Industries



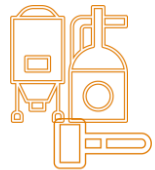
Sugar



Chemicals



Solvent  
Extraction



Distilleries



Oil & Gas



Metals



Steel



Pulp & Paper



Palm Oil



Cement



Petrochemicals



Food Processing



Textiles



Fertilisers

...and many more!

# Supplying turbine solutions to renewable energy space



**Biomass (bagasse, palm oil, residues, wood pellets, rice husk)**

**Waste-to-energy (WtE) (Industrial and municipal waste) facilities**

**Waste Heat Recovery (WHR) (Steel, Cement)**

# Our Value Proposition



## **Continued investment in R&D**

- Strong R&D and Innovation, backed by continuous investments in Digitalisation and Automation
- Focus on alternative energy technologies

## **Manufacturing excellence**

- Two state-of-the-art manufacturing facilities
- Triveni is amongst the few turbine manufacturers worldwide, which conducts mechanical steam run tests

## **Cost and value proposition**

- Cost leadership and on-time delivery performance ensure quick Return on Investment (ROI)

## **Growing installed base**

- Growing installed turbine base provides opportunity for aftermarket services which contributes significantly to customer lifetime value

## **Expanding addressable market**

- Foray into API (American Petroleum Institute), Geothermal, aftermarket services for turbines of other make
- Independent approach to the larger industrial steam turbine market

## **Market share in Renewables**

- Strong market share in renewables globally, a growing segment



# Our Value Proposition



## **Customer Centricity**

- Experienced and reliable partner with proven expertise

## **Innovation Strength**

- Strong Research & Development (R&D) capabilities to innovate new products and solutions designed to meet our customer needs; 338 filed, 249 granted Total IP (Intellectual Property) rights (as at end FY 23)

## **Sales & Marketing Efficiency**

- Extensive Sales & Marketing network, comprising in-house team and hired agents
- Engineering Excellence
- Expert teams to drive precision excellence across the value chain

## **Sustainable Sourcing**

- ‘Responsible Sourcing’ programme for all vendors to upgrade their units from “Standard” to “World-Class” level

## **Manufacturing Prowess**

- World-class manufacturing facilities with best-in-class machinery and equipment

## **Aftermarket Strength**

- Delivering to customer needs across applications, sectors and geographies, as well as different brands of turbines





# Pillars of our Growth with focus on Enhancing Addressable Markets

## Maintaining Leadership position in small turbines segment

Continued focus in the small range turbines where Company is among the Top 2 globally and has dominant share in the Indian market

## Making strides in the larger turbine segment

Making good progress in its strategic objective of gaining a strong foothold in the larger turbine segment internationally in the coming years

## Gaining Traction in API Turbines

Significant strides made with several key orders on the ability to supply energy-efficient API 611 and 612 compliant steam turbines, ranging from 10 kW to 100 MW

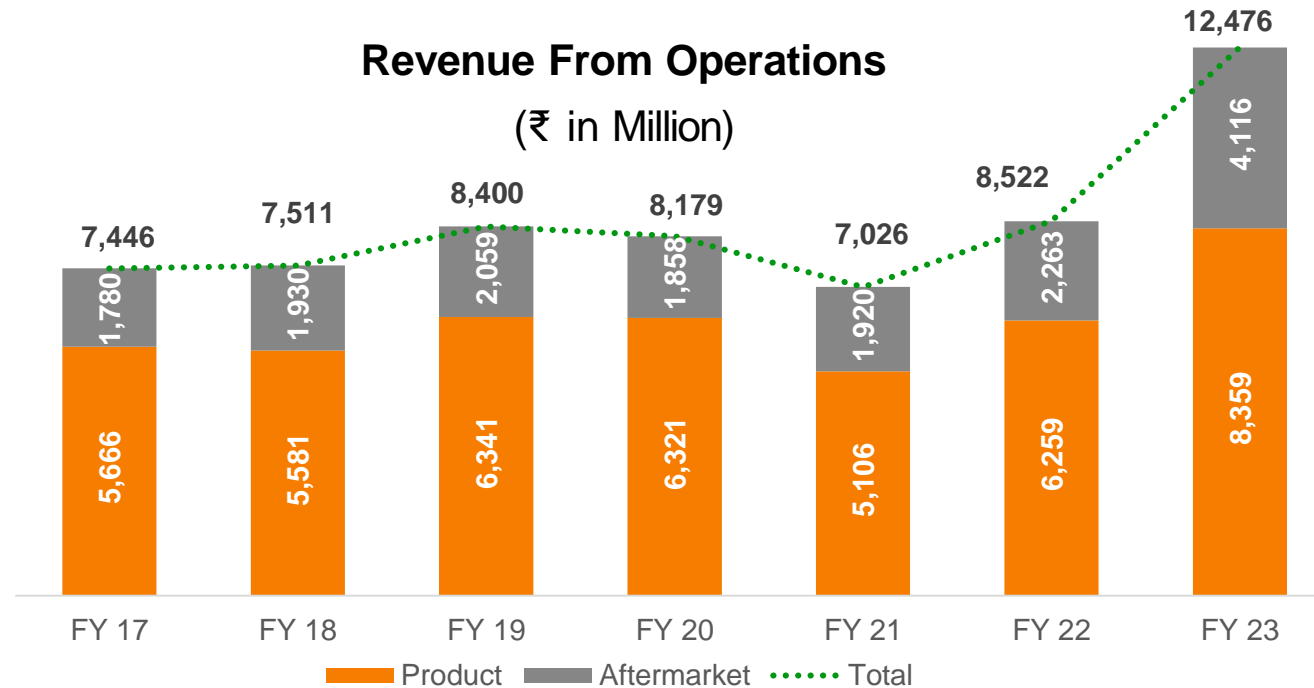
## Augment the Aftermarket segment

Expanding capabilities in the Aftermarket segment to refurbish other rotating equipment beyond industrial steam turbines, such as geothermal, compressors, etc.

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# FY 23 Performance Review

# Highest-ever Revenue in FY 23; an increase of 46.4% y-o-y

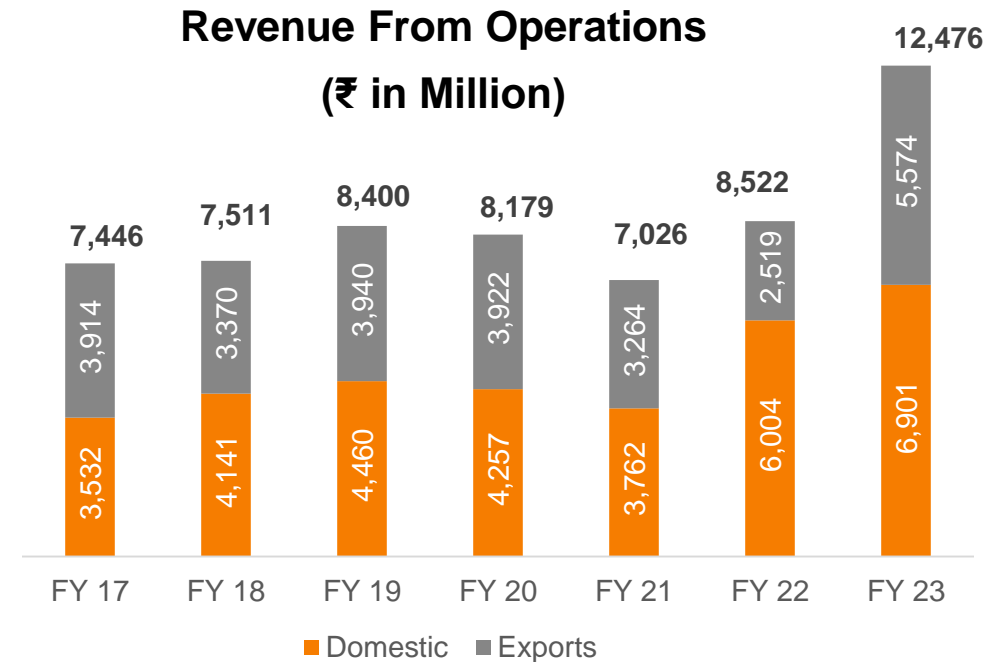
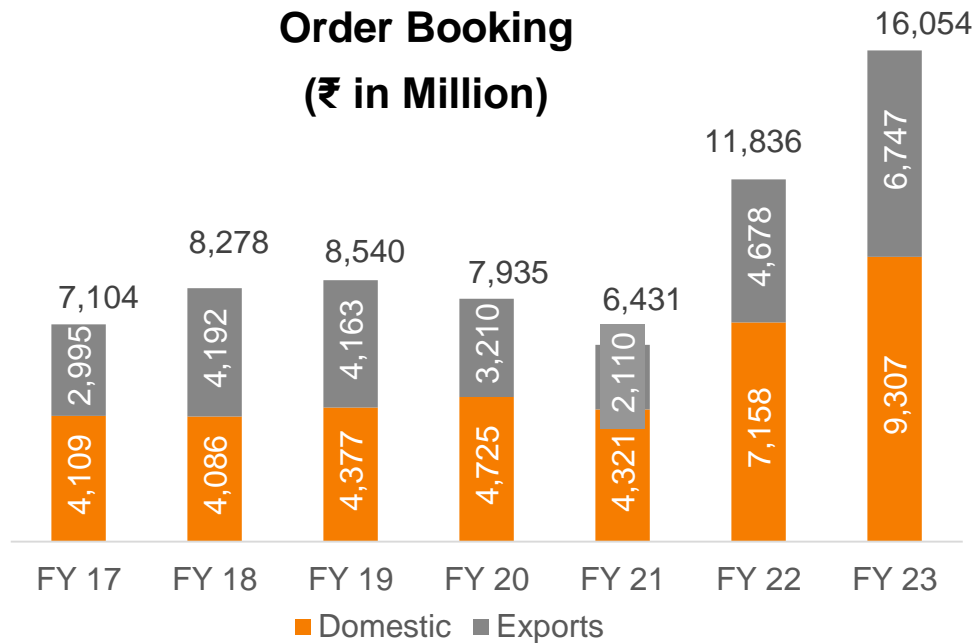


Increasing contribution from drive turbines in the last 2-3 years

Making strides globally in the larger turbine segment in the last 1-2 years

Expanding aftermarket portfolio to include geothermal, gas turbines, other rotating equipment and servicing of utility turbines

# Strong Performance in FY 23 in both Domestic & International Markets



**Order booking up 36% y-o-y (Domestic +30% y-o-y; Exports +44% y-o-y)**

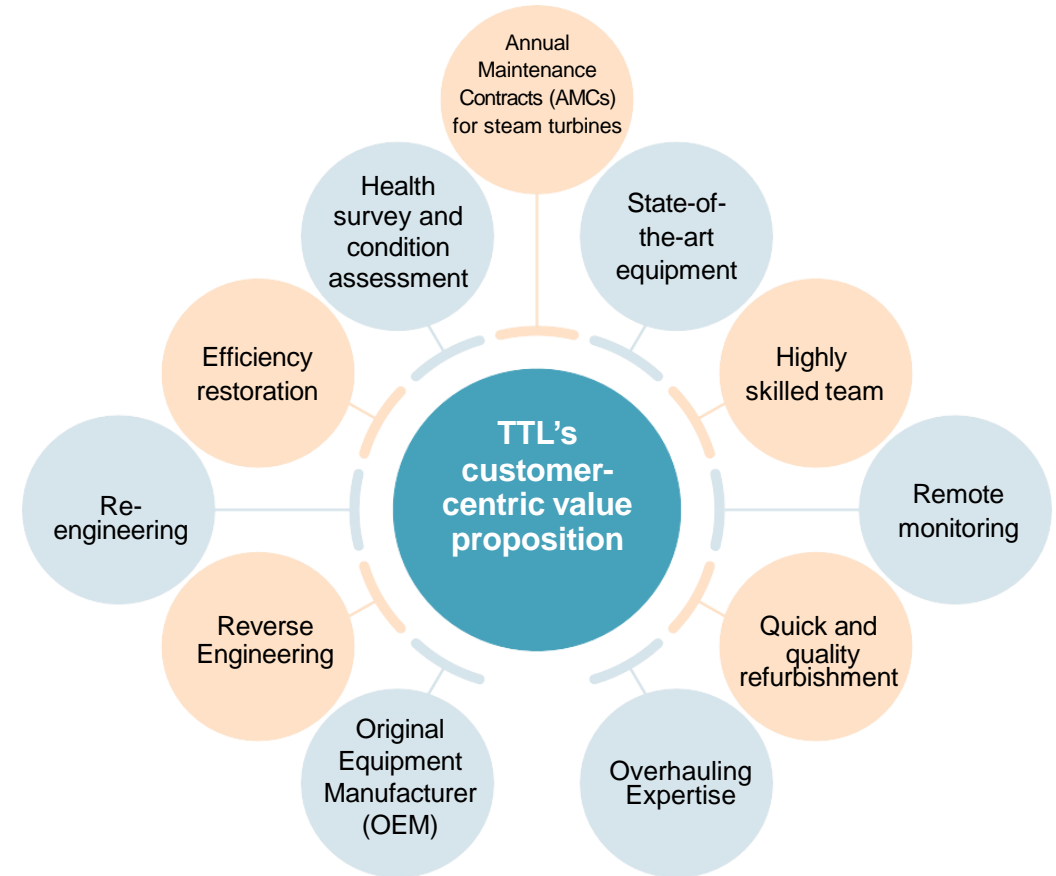
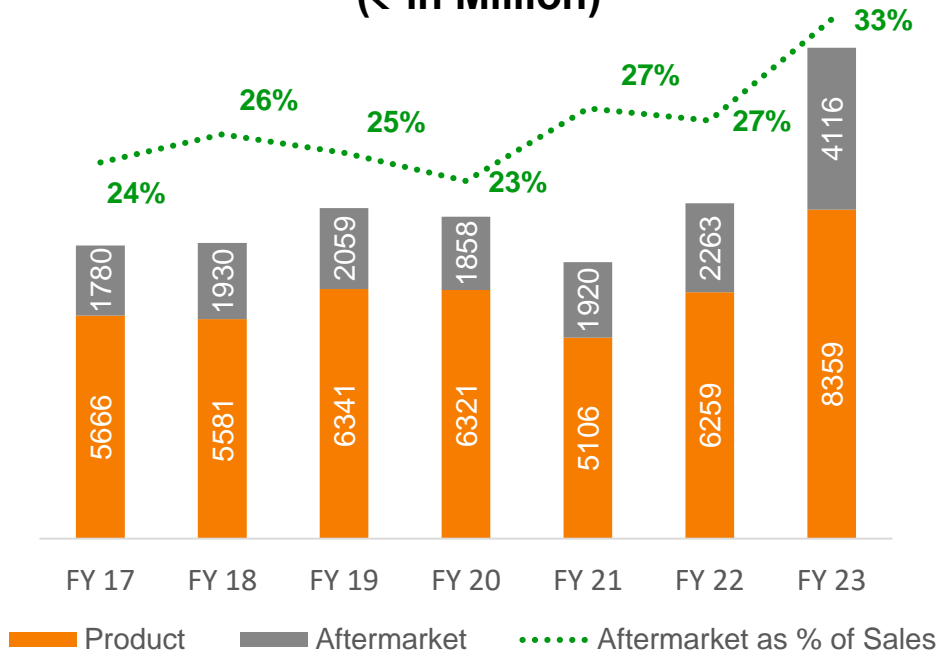
**Revenues up 46% y-o-y (Domestic +15% y-o-y; Exports +121% y-o-y)**

**Exports as 45% of sales in FY 23, up from 30% in FY 22)**



# Increasing Contribution Of Aftermarket

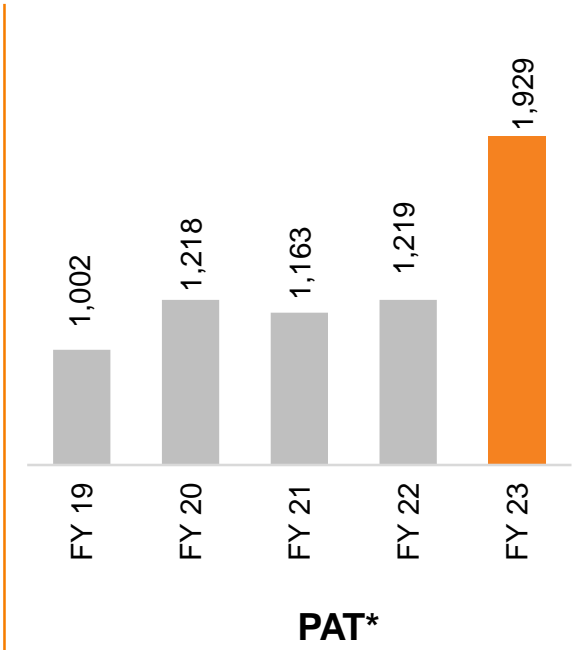
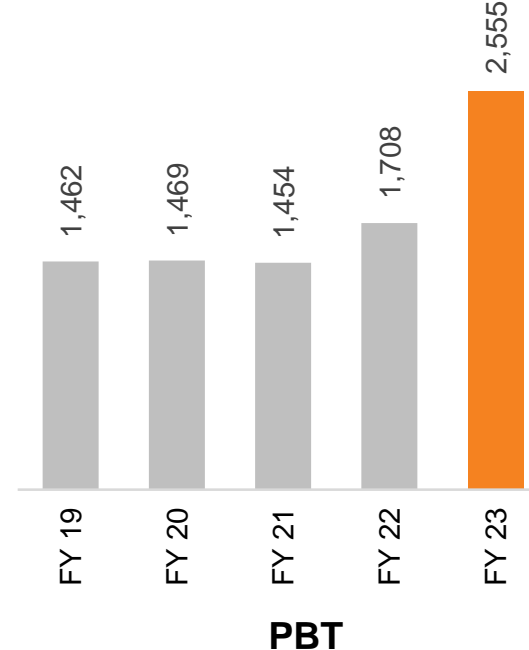
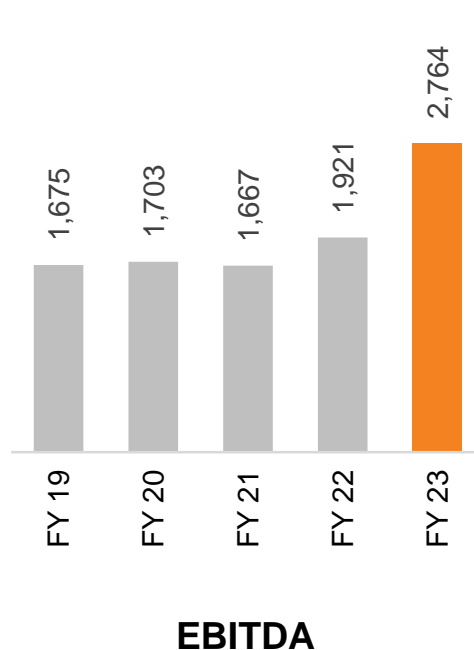
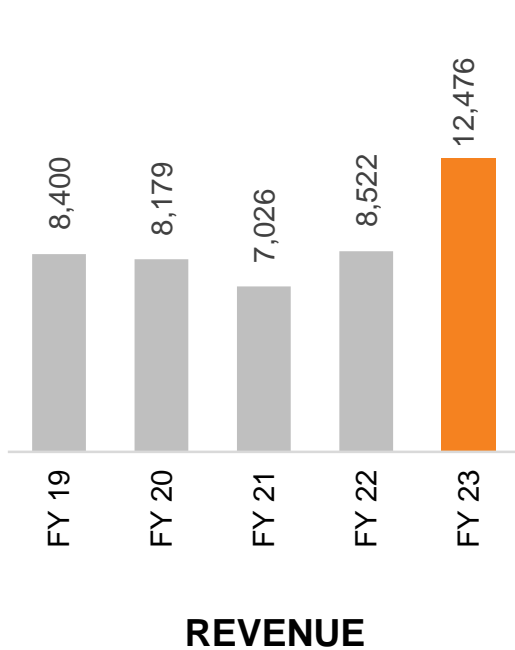
**Aftermarket Contribution to Sales**  
(₹ in Million)



**Aftermarket Sales up 82% y-o-y in FY 23**  
**Aftermarket contribution increased to 33% of Sales in FY 23 (up from 27% in FY 22)**

# Financial Highlights FY 23: A record year with many all-time highs

(₹ in Million)



## Highest ever turnover:

Achieved a record turnover of ₹ 12.48 billion, **increase of 46.4% in FY 23**

## Highest ever EBITDA and EBITDA Margins:

**EBITDA increased by 43.9%** to ₹ 2.76 billion in FY 23  
EBITDA margins of 22.2% in FY 23 (vs. 22.5% in FY 22)

## Robust Profitability:

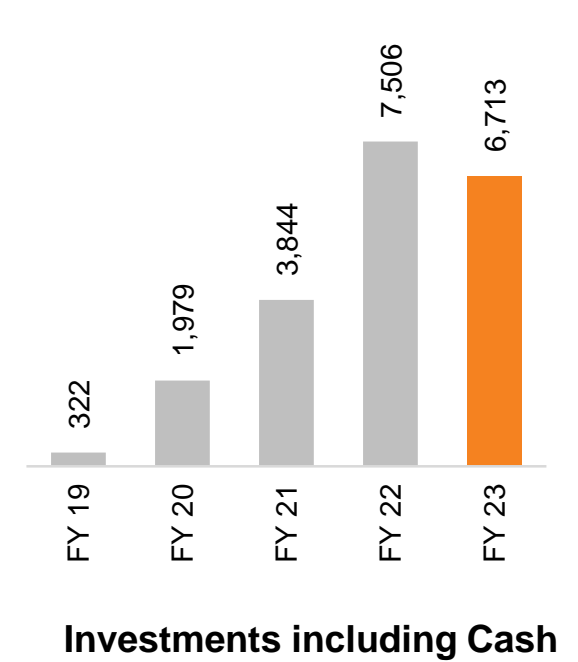
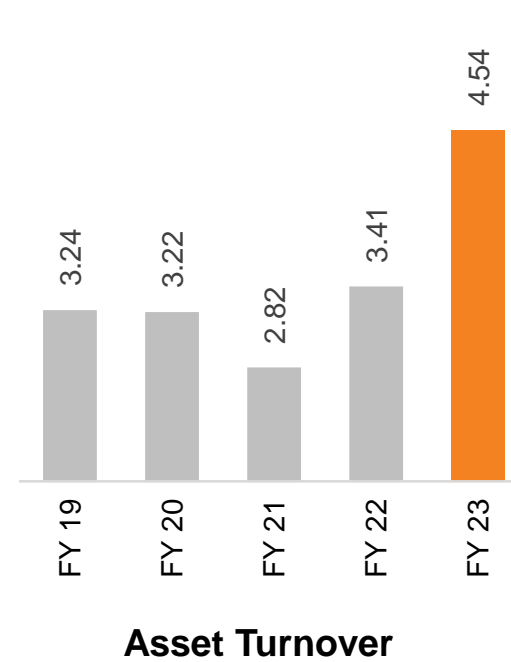
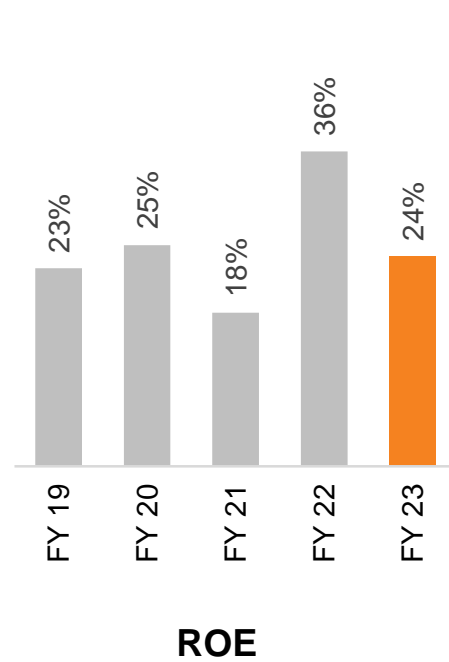
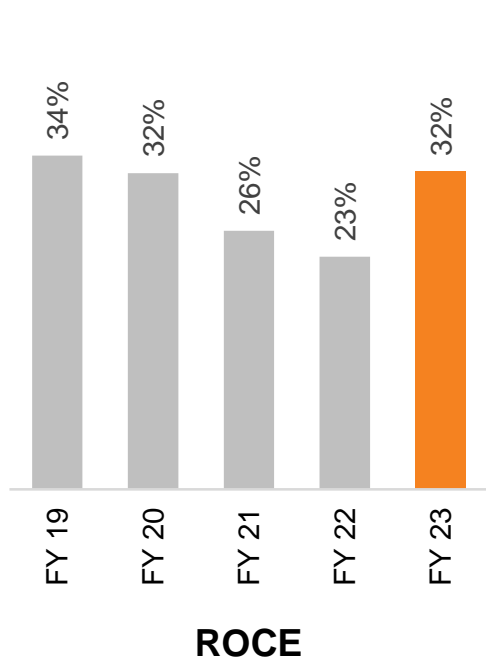
**PBT grew by 49.6%** with a **PBT margin of 20.5%** as compared to 20.0% in FY 22

**PAT (ex-exceptionals) grew by 57.7%** in FY 23

\*PAT (excluding exceptional items); FY 22 reported PAT was ₹ 2,702 million

# Financial Highlights FY 23: A record year with many all-time highs

(₹ in Million)



**32% & 24%**

Healthy Return Ratios – Return on Capital Employed (ROCE) and Return On Equity (ROE) respectively. ROE lower due to exceptional items in FY 22

**4.54 Times**

Focus on high-value engineering while remaining asset-light. Thus, Company enjoys a **healthy asset turnover**

**₹ 6,713 Million**

Healthy cash flow position following buyback of ₹ 1.90 billion and dividend of ₹ 0.50 billion in FY 23

# Q2 / H1 FY 24 Performance Review

# Comments from the Chairman & Managing Director on Q2 / H1 FY 24 Performance and Outlook for the Company



Mr. Dhruv Sawhney,  
Chairman & Managing Director  
Triveni Turbine Limited

- In the quarter and half year ending September 30, Triveni Turbines has reported yet another strong set of results across all key metrics of revenues, profitability and order booking. **Revenues for H1 FY 24 grew 38%, with improved margins leading to higher Profit Before Tax (PBT) growth of 44% and Profit After Tax growth of 48%, over the previous year.**
- The Company had a **record closing order book of ₹ 14.8 billion, up 30% year-on-year as on Sep 30, 2023.**
- With a formidable product and aftermarket portfolio, underlying demand drivers in place, continued focus of innovation and sustainability, amplifying people strength, digital transformation underway, **the Company is well poised to enhance its global market position in the years to come.**



# Q2 / H1 FY 24 : Performance Review

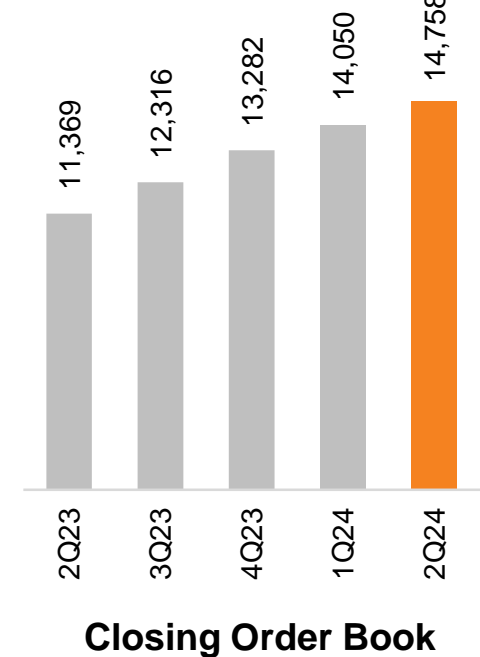
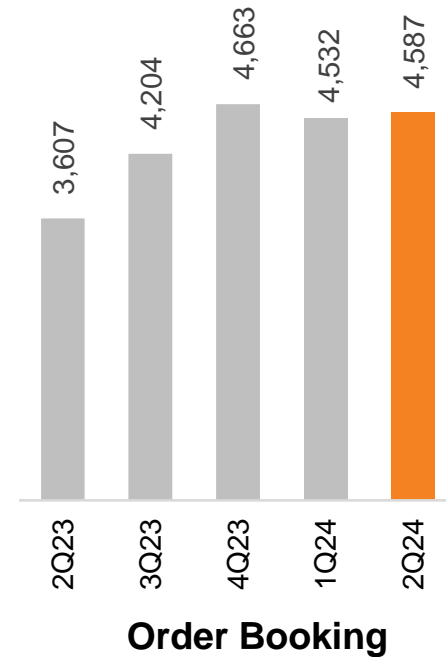
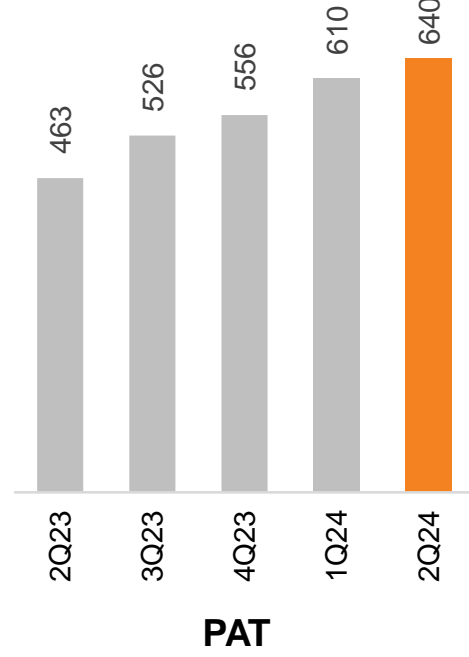
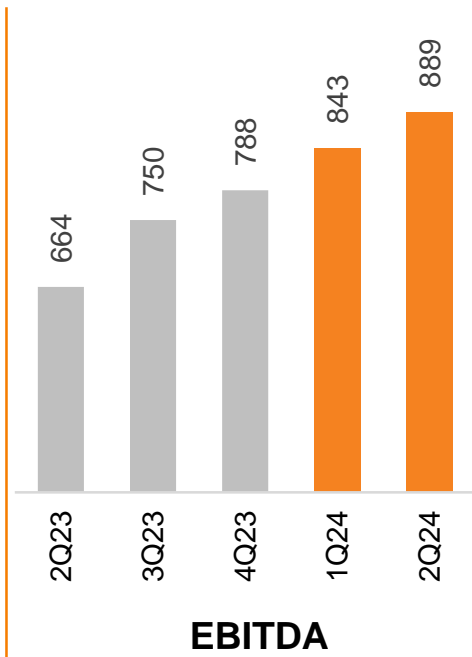
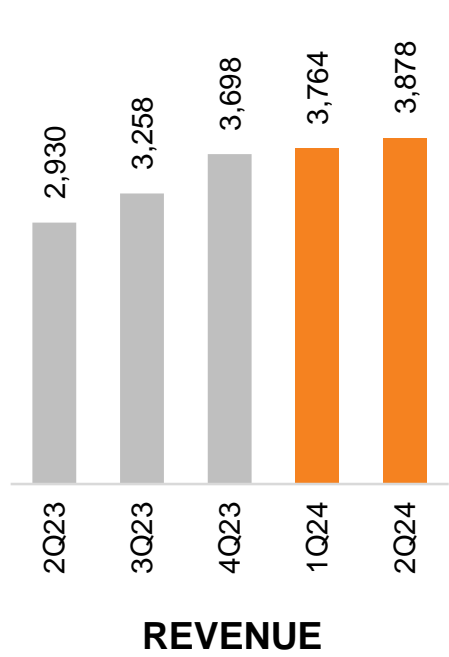
(₹ in Million)

	Q2 FY 24	Q2 FY 23	% Change	H1 FY 24	H1 FY 23	% Change
Revenue from Operations	3,878	2,930	32.4%	7,642	5,520	38.4%
EBITDA	889	664	33.9%	1,732	1,226	41.3%
EBITDA Margin	22.9%	22.7%		22.7%	22.2%	
Depreciation & Amortisation	51	49		100	100	
PBT	832	614	35.5%	1,618	1,121	44.3%
PBT Margin	21.5%	21.0%		21.2%	20.3%	
Consolidated PAT	640	463	38.2%	1,250	847	47.6%
Consolidated PAT Margin	16.5%	15.8%		16.4%	15.3%	
EPS (₹/share)	2.02	1.43		3.93	2.61	

Note: EPS is not annualized

# Reaching New Highs

(₹ in Million)



**32.4%  
YoY Growth in Net Sales**

Higher international and aftermarket sales led to the overall growth

**33.9% and 38.2%  
YoY Growth in EBITDA and Profit After Tax (PAT)**

EBITDA margins grew 25 bps YoY to 22.9%

**₹ 14,758 Million  
Record Closing Order Book, an  
increase of 30% YoY**

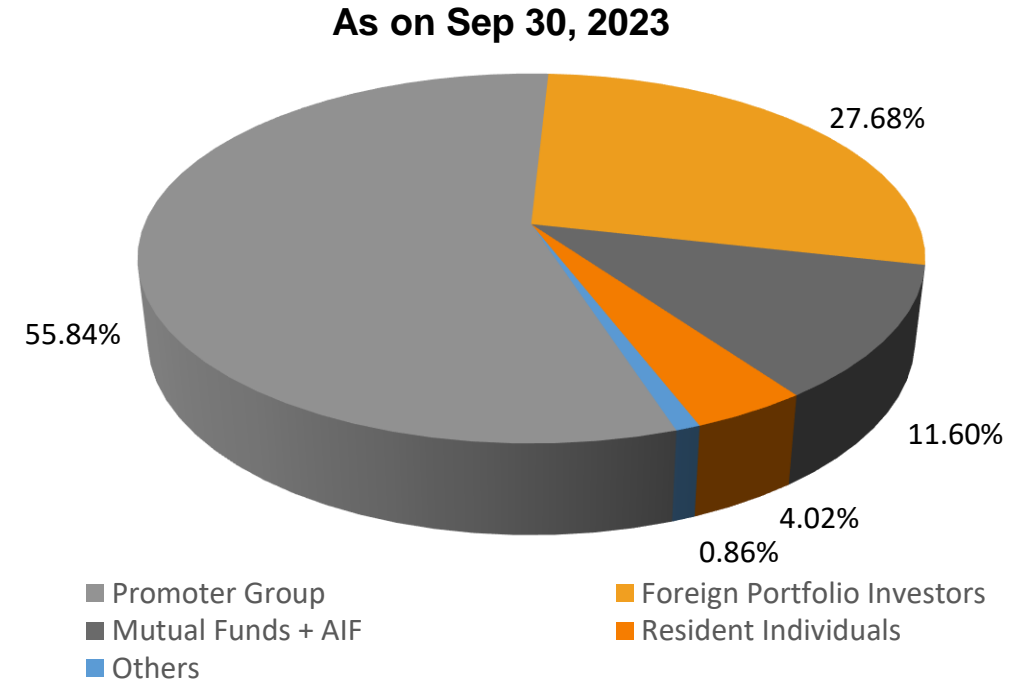
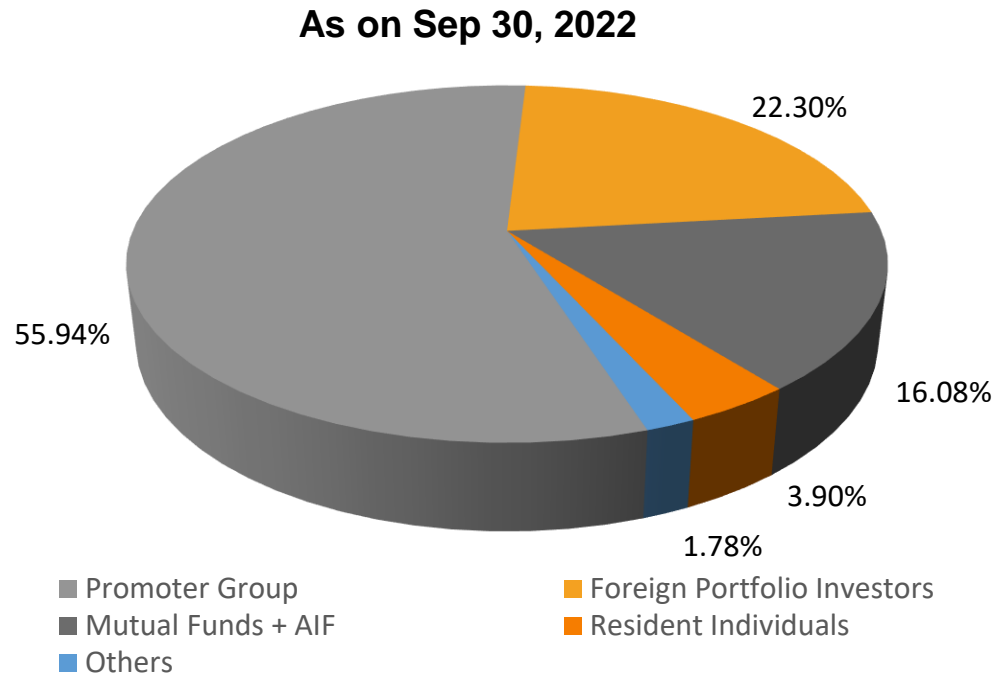
Record closing order book driven by strong demand across sectors and geographies

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# Shareholding Pattern



# Shareholding Pattern



**Increased free float of 44.16%, following sale by Triveni Engineering & Industries Ltd.  
As on Sep 30, 2023 Foreign Portfolio Investors (FPI) increased holding y-o-y**

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# Investor Relations Contact

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**Surabhi Chandna**

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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.

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Thank You