



Perseverance Pays

CONTENTS

01



CORPORATE OVERVIEW

Perseverance Pays __ 01
Persevere. Every Stick of Sugarcane Matters! __ 02
Persevere. Every Gain Matters! __ 04
Persevere. Every Turn Matters! __ 06
Business Profile __ 08

18



MANAGEMENT REPORTS

Management Discussion & Analysis __ 18
Directors' Report __ 44
Corporate Governance Report __ 50

14



MANAGEMENT STATEMENTS

Message from the Chairman __ 14
Q&A with the Vice Chairman & Managing Director __ 16

87



FINANCIAL STATEMENTS

Standalone Financials __ 87
Consolidated Financials __ 171

Forward looking statement

This report contains forward-looking statements, which may be identified by their use of words like 'plans', 'expects', 'will', 'anticipates', 'believes', 'intends', 'projects', 'estimates' or other words of similar meaning. All statements that address expectations of projections about the future, including but not limited to statements about the Company's strategy for growth, product development, market position, expenditures and financial results, are forward-looking statements. Forward-looking statements are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realised. The Company's actual results, performance or achievements could thus differ materially from those projected in any such forward-looking statements. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent developments, information or events. The Company has sourced the industry information from the publicly available resources and has not verified those information independently.

Perseverance Pays

Passion and determination coupled with the pursuit of our goals against difficult odds has resulted in success.

We at Triveni, have been working hard with grit and determination, to succeed in our pursuit of excellence and value creation for our stakeholders. In our long history and experience, we have weathered many adverse business cycles while remaining positive and have continued to maintain our momentum. We have been focusing on improving our capabilities through collaboration and teamwork, strengthening stakeholder engagement and exploring new avenues of growth. With our steadfast optimism and business acumen, we remain vigilant to capture growth opportunities at every turn.

We had witnessed a tough macro business environment for the past few years but it made us more determined to innovate and overcome impediments. Our hard work and perseverance has paid off and we have achieved many new milestones of success in FY 17. Bearing the fruits of perseverance, we attained our highest sugarcane crush and have featured amongst the highest sugar producers in the country and in Uttar Pradesh during Sugar Season (SS) 2016-17.

We remain resolute and keep moving forward towards sustainable growth and achieving many more milestones of success going forward.





Creating awareness
& strengthening ties
with farmers through
our cane development
programme



Persevere.

Every Stick of Sugarcane Matters!

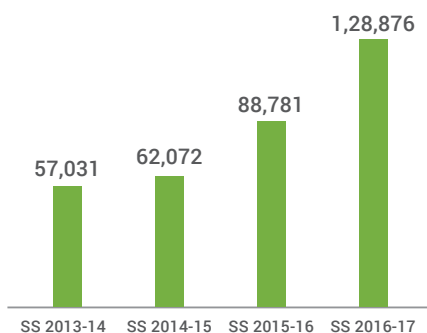
Excellence is the sum total of many constituents falling in place simultaneously in a planned manner. We believe that staying focused on granular elements and getting them right is the key to success for individuals and enterprises alike.

At Triveni, our core values drive us into doing what is within our ambit instead of waiting passively for the right set of external factors. Rather than waiting for a favourable operating environment, we have been working hard with decisiveness and clarity. One such initiative within our sphere of control is our strategic Cane Development Program, aimed to benefit the Company as well as the sugarcane growers in our operating geographies with improved yield and variety. The sustained Cane Development Program is being carried out with rigour

and fervour, across all our seven sugar manufacturing units. Our efforts of providing high-yielding seeds and inducing better agronomic practices have positively impacted the yields, earning the confidence of more than 250,000 sugarcane growers.

Perseverance in our long-running cane development program bore fruit for the Company in the year gone by in the form of higher sugarcane crush and recovery. Cascading positive effects have also registered in our co-generation and distillery business segments.

Area under Early & Improved Sugarcane Varieties (Hectare)





Value
Optimisation
is our key
strategy

Persevere. Every Gain Matters!

In the journey of perseverance, aimed at sustainable value creation; every gain matters. It is with this belief that we approach our diversified businesses of integrated sugar, industrial gears and water treatment.

We have been optimising the entire value chain in respective businesses in order to optimise value. Right from sourcing of resources to optimum deployment across manufacturing and distribution, to marketing our products and services; our efforts remain centered for incremental gains that can be attained at every stage of our business cycle.

We have recorded a robust 45% increase in sugar production over previous year, as a result of increased sugarcane yields, sugar recovery and optimised operational efficiencies. Stable sugar pricing has resulted in increased gains.

In our co-generation business, we are expecting higher power generation, as a result of increased operational period and better steam efficiencies across our plants. We have

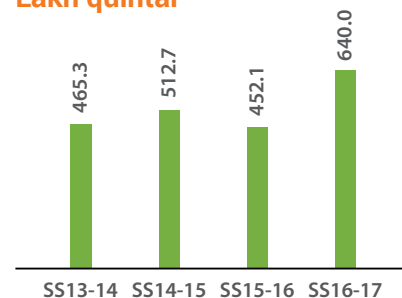
been successful in taking approval from the Ministry of Environment, Forest and Climate Change for operating our distillery for ~ 365 days. The approval empowers us to operate up to 20% added capacity.

In our Gears business, we have been successful in entering new segments to further strengthen the growth prospects. Entry into the defence segment and renewable energy product segment has helped us in expanding our market horizon.

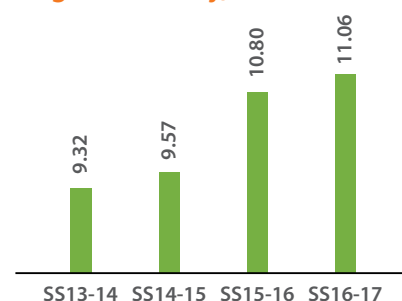
In our Water business, our focus on extending our portfolio of services into the Management of City Utilities in an integrated manner, has yielded results and opened more such avenues.



**Sugarcane crushed,
Lakh quintal**



Sugar Recovery, %





The supply shortages
turned out to be
advantageous
resulting in strong
sugar prices



Persevere. Every Turn Matters!

While initial fruits of our perseverance are visible in our FY 17 results, the external business environment appears more contributive towards business growth in the future. Sugar, co-generation and distillery businesses are poised to grow further on this year's productivity gains. The business prospects of Water business look encouraging with higher traction in the sector on account of numerous projects being prioritised by the Government. We have been improving our competencies, product as well as service offerings in both our engineering businesses and are ready to exploit the potential opportunities as and when those arise.

The Central Government has intensified its focus on fast-tracking infrastructure sector, which will revitalize long-term investments in the country. This holds great promise for our Engineering businesses.

The Government's focus towards a clean India and with increased environmental vigilance, the overall economic scenario is very conducive for our Water business. Business conditions and outlook indicate exciting time ahead. The key to success is to persevere until you reach your turn, as every turn matters.

Government's increased focus on infrastructure will revitalize long-term investments in the country.



Business Profile

Triveni Sugar

Integrated. Sustainable. Quality Product.

Triveni is one of the largest integrated sugar players in India, with seven sugar mills strategically located across the western, central and eastern parts of the sugarcane rich areas of Uttar Pradesh (U.P.), India's largest sugarcane producing state.

Integrated Operations

Our Khatauli, Deoband and Sabitgarh units are in Western UP, Rani Nangal, Chandanpur and Milak Narayanpur units are in central UP and the Ramkola unit is in Eastern UP. Integrated with co-generation and distillery businesses, our

sugar operations are optimised for value addition. Two of our facilities, Khatauli and Sabitgarh produce refined sugar, which accounts for almost 40% of total sugar production while the other five units manufacture white sulphitation sugar.

Triveni presently operates grid connected three co-generation plants and three incidental co-generation plants located across five sugar units which facilitate the export of surplus power to Uttar Pradesh Power Corporation Limited (UPPCL).

We have one of the largest and most efficient single stream molasses based distillery in the country, located at Muzaffarnagar, which operates on captive feedstock from our sugar units.

