

Triveni Turbine Ltd.

Accumulate

Sector: Capital Goods

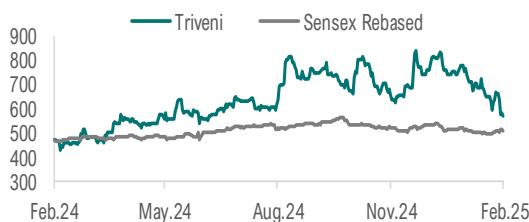
 20th February 2025

Key Changes		Target	Rating	Earnings		Target	Rs.656
Stock Type	Bloomberg Code	Sensex	NSE Code	BSE Code	Time Frame	CMP	Rs.563
Small Cap	TRIV:IN	75,939	TRITURBINE	533655	12 Months	Return	+17%

Data as of: 19-02-2025

Company Data			
Shareholding (%)	Q1FY25	Q2FY25	Q3FY25
Promoters	55.8	55.8	55.8
FII's	27.5	28.1	28.3
MFs/Insti	12.3	11.5	10.9
Public	4.3	4.6	4.9
Total	100.0	100.0	100.0
Promoter Pledge (%)	Nil	Nil	Nil
Price Performance	3 Month	6 Month	1 Year
Absolute Return	-10%	-18%	21%
Absolute Sensex	-2%	-2%	8%
Relative Return*	-8%	-16%	12%

*over or under performance to benchmark index



Consolidated (cr)	FY25E	FY26E	FY27E
Sales	2,019	2,564	3,139
Growth (%)	22.1	27.0	22.4
EBITDA	428.1	533.3	659.3
EBITDA Margin(%)	21.20	20.80	21.00
Adj. PAT	363.7	444.2	541.3
Growth (%)	35.1	22.1	21.9
Adj.EPS	11.0	13.5	16.4
Growth (%)	35.1	22.1	21.9
P/E	51.0	41.8	34.3
P/B	15.4	11.5	8.7
EV/EBITDA	42.5	33.8	27.0
ROE (%)	35.7	32.0	29.4
D/E	0.0	0.0	0.0

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Export mix to be the next leg of growth...

Triveni Turbine Ltd (TTL) is the domestic market leader in steam turbines up to 30 MW. The company designs and manufactures steam turbines up to 100 MW, and delivers robust, reliable, and efficient end-to-end solutions.

- TTL reported the highest ever revenue achieved in a quarter at Rs 503cr, a growth of ~17% YoY in Q3FY25, led by robust execution in export orders (31% YoY).
- EBITDA margin improved by 232bps YoY to 21.7%, due to better revenue recognition in Product segment and a drop in other expenses.
- The order book grew by 15% YoY, supported by 20% YoY growth in order inflows in 9MFY25. Strong growth in export orders by 41% YoY, combined with an improvement in export contribution (65% mix), provides visibility for both revenue and profitability for coming quarters.
- The company has received a 160 MWh long duration energy storage (LDES) system at NTPC's Kudgi supercritical thermal power plant for a consideration of Rs290cr, with this TTL is foraying into a new product segment.

Outlook & Valuation

A strong mix of international orders (65% of the order book vs 52% earlier) is expected to increase the earnings visibility in the coming quarters. On the domestic front, there is a slowdown in order inflow, in 9MFY25 domestic order book declined by 22% YoY. Due to slow pace in domestic execution, we reduce our revenue estimate for FY25E/26E by 7.5/7.3% respectively. We therefore revise our rating to **Accumulate** and value the stock at a P/E of 40x on FY27E EPS with a revised target price of Rs 656.

Quarterly Financials Consol.

Rs.cr	Q3FY25	Q3FY24	YoY (%)	Q2FY25	QoQ (%)	9MFY25	9MFY24	YoY (%)
Sales	503	432	16.6	501	0.5	1,468	1,196	22.7
EBITDA	109	84	30.6	111	-1.9	316	229	38.1
Margin (%)	21.7	19.4	232bps	22.2	-52bps	21.5	19.1	240bps
EBIT	103	78	31.4	105	-2.4	298	214	39.4
PBT	125	95	31.2	124	0.3	356	257	38.9
Rep. PAT	92	68	35.4	91	1.6	264	193	36.5
Adj PAT	92	68	35.4	91	1.6	264	193	36.5
EPS (Rs)	2.9	2.1	35.4	2.8	1.6	8.2	6.0	36.5

Key Concall Highlights

- Order booking from India remained subdued in the quarter, the company continues to showcase good international demand, which is reflected in export order booking, which grew 41% YoY to Rs.1,070cr in 9MFY25.
- Order booking continues to reflect good demand from the renewable space, particularly from the Waste to Energy (WtE) segment, biomass-based energy generation.
- Export order book contributed to 65% of overall order book in Q3FY25, which places the company well from a profitability perspective and is likely to aid in generating new business enquiries.
- In 9MFY25, order inflow in Product segment increased by 30% YoY to Rs.1,283cr, driven by higher international orders. The product segment turnover was Rs.969cr, led by higher execution, an increase of 21% YoY.
- Aftermarket segment registered an order inflow of Rs 452cr during 9MFY25, which was largely flat on a YoY basis.

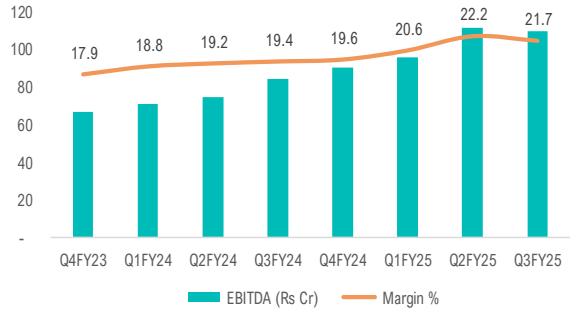
Revenue



Order Book



EBITDA



PAT



Change in Estimates

	Old estimates			New estimates			Change (%)		
	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E
Year / Rs cr									
Revenue	2,184	2,767	3,279	2,019	2,564	3,139	-7.5	-7.3	-4.3
EBITDA	470	567	672	428	533	659	-8.9	-5.9	-1.9
Margins (%)	21.5	20.5	20.5	21.2	20.8	21.0	-32bps	31bps	51bps
Adj. PAT	394	470	551	364	444	541	-7.7	-5.5	-1.8
EPS	12	14	17	11	13	16	-7.7	-3.8	-3.5

Consolidated Financials

PROFIT & LOSS

Y.E March (Rs. cr)	FY23A	FY24A	FY25E	FY26E	FY27E
Revenue	1,248	1,654	2,019	2,564	3,139
% change	46.4	32.6	22.1	27.0	22.4
EBITDA	234	319	428	533	659
% change	43.7	36.4	34.3	24.6	23.6
Depreciation	20	21	24	27	30
EBIT	214	298	404	506	630
Interest	1	3	3	3	3
Other Income	42.6	62.2	80.0	85.0	90.0
PBT	256	358	481	588	717
% change	-30.8	40.0	34.5	22.4	21.9
Tax	63	88	123	144	176
Tax Rate (%)	25	25	26	25	25
Reported PAT	193	269	364	444	541
Adj*	0	0	0	0	0
Adj PAT	193	269	364	444	541
% change	167.9	39.6	35.1	22.1	21.9
No. of shares (cr)	32	32	32	32	32
Adj EPS (Rs.)	6	8	11	13	16
% change	1.7	0.4	0.4	0.2	0.2
DPS (Rs.)	1.8	1.2	1.2	1.2	1.2

BALANCE SHEET

Y.E March (Rs. cr)	FY23A	FY24A	FY25E	FY26E	FY27E
Cash	207	286	362	516	759
Accounts Receivable	98	150	221	316	430
Inventories	197	227	331	436	575
Other Cur. Assets	52	68	77	91	112
Investments	332	382	439	505	581
Gross Fixed Assets	365	415	465	515	565
Net Fixed Assets	253	259	285	308	328
CWIP	5	4	4	4	4
Intangible Assets	4	4	4	5	5
Def. Tax (Net)	(4)	(5)	(5)	(5)	(5)
Other Assets	1	4	4	4	4
Total Assets	1,144	1,379	1,723	2,181	2,793
Current Liabilities	478	483	496	541	639
Provisions	28	29	34	40	51
Debt Funds	-	-	-	-	-
Other Liabilities	13	10	10	10	10
Equity Capital	32	32	32	32	32
Reserves & Surplus	593	825	1,151	1,557	2,060
Shareholder's Fund	625	857	1,183	1,589	2,093
Total Liabilities	1,144	1,379	1,723	2,181	2,793
BVPS (Rs.)	20	27	37	49	65

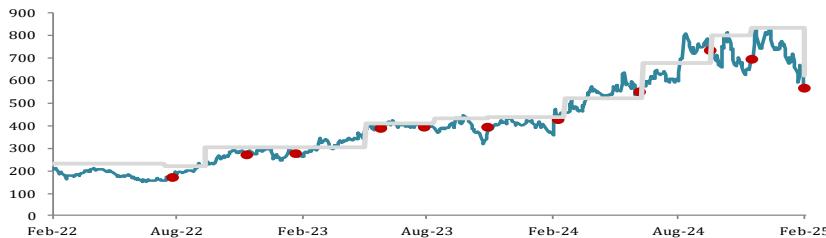
CASH FLOW

Y.E March (Rs. cr)	FY23A	FY24A	FY25E	FY26E	FY27E
Net inc. + Depn.	275	378	505	615	747
Non-cash adj.	-48	-66	-102	-136	-168
Changes in W.C	30	-92	-167	-163	-164
C.F. Operation	257	221	236	316	414
Capital exp.	-13	-49	-50	-50	-50
Change in inv.	145	-50	-57	-66	-76
Other invest.CF	-13	-20	-18	-5	-5
C.F – Investment	119	-118	-125	-121	-131
Issue of equity	0	0	0	0	0
Issue/repay debt	-1	-3	0	0	0
Dividends paid	-59	-38	-38	-38	-38
Other finance.CF	-406	12	5	0	0
C.F – Finance	-464	-34	-36	-41	-41
Chg. in cash	-88	69	76	154	243
Closing cash	217	286	362	516	759

RATIOS

Y.E March	FY23A	FY24A	FY25E	FY26E	FY27E
Profitab. & Return					
EBITDA margin (%)	18.7	19.3	21.2	20.8	21.0
EBIT margin (%)	17.1	18.0	20.0	19.7	20.1
Net profit mgn. (%)	15.5	16.3	18.0	17.3	17.2
ROE (%)	26.0	36.3	35.7	32.0	29.4
ROCE (%)	20.0	28.0	26.6	24.2	22.2
W.C & Liquidity					
Receivables (days)	29.2	27.3	33.5	38.3	43.4
Inventory (days)	101.1	94.3	101.1	109.8	118.8
Payables (days)	226.9	195.0	177.9	143.2	117.4
Current ratio (x)	1.1	1.4	1.9	2.3	2.7
Quick ratio (x)	0.6	0.3	0.4	0.6	0.7
Turnover & Leverage					
Gross asset T.O (x)	3.5	4.2	4.6	5.2	5.8
Total asset T.O (x)	1.0	1.3	1.3	1.3	1.3
Int. coverage ratio (x)	216.0	112.0	134.6	168.8	242.1
Adj. debt/equity (x)	0.0	0.0	0.0	0.0	0.0
Valuation					
EV/Sales (x)	14.7	11.1	9.0	7.0	5.7
EV/EBITDA (x)	78.5	57.3	42.5	33.8	27.0
P/E (x)	96.2	68.9	51.0	41.8	34.3
P/BV (x)	28.8	21.3	15.4	11.5	8.7

Recommendation Summary (last 3 years)



Source: Bloomberg, Geojit Research.

Investment Rating Criteria

Ratings	Large caps	Midcaps	Small Caps
Buy	Upside is above 10%	Upside is above 15%	Upside is above 20%
Accumulate	-	Upside is between 10%-15%	Upside is between 10%-20%
Hold	Upside is between 0% - 10%	Upside is between 0%-10%	Upside is between 0%-10%
Reduce/sell	Downside is more than 0%	Downside is more than 0%	Downside is more than 0%
Not rated/Neutral			

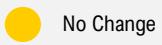
Definition:

Buy: Acquire at Current Market Price (CMP), with the target mentioned in the research note; **Accumulate:** Partial buying or to accumulate as CMP dips in the future; **Hold:** Hold the stock with the expected target mentioned in the note.; **Reduce:** Reduce your exposure to the stock due to limited upside.; **Sell:** Exit from the stock; **Not rated/Neutral:** The analyst has no investment opinion on the stock.

Symbols definition:



Upgrade



No Change



Downgrade

To satisfy regulatory requirements, we attribute 'Accumulate' as Buy and 'Reduce' as Sell.

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Not rated/Neutral- The analyst has no investment opinion on the stock under review.

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