Registered office: Deoband, District Saharanpur, Uttar Pradesh 247554.
Corporate office: Express Trade Towers, 8th floor, 15-16 Sector 16A, Noida 201301.

For immediate release

H1 FY 10 net sales up 31% at Rs 10.81 billion EBITDA at Rs 1.94 billion with margin of 18% PBT increases 46% to 1.28 billion and PAT at Rs. 878 million, a growth of 42% Declared Interim Dividend of 40%

- ***Important Business Announcements:***
  - ***Demerger of Turbine Business***
  - ***Joint venture with GE for Steam Turbines business in >30 - 100 MW range***

- ***Engineering Businesses:***
  - ***Strong Order book of Rs. 8.5 Billion***
  - ***Significantly Improved Performance - Growth of 40% in turnover and 33% in PBIT over H1 FY 09***
  - ***Expected to improve in the subsequent quarters***

- ***Sugar:***
  - ***High volatility in sugar prices due to Government policies***
  - ***Pressure on margins due to high cost of production and levy obligation resulting from non-declaration of revised levy price***

Noida, May 8, 2010: Triveni Engineering & Industries Ltd. ('Triveni'), one of India's leading companies engaged in the manufacture of sugar and engineered-to-order mechanical equipment, such as steam turbines, high speed gears and water and wastewater treatment equipment, today announced its performance for the quarter /half-year ended 31st March 2010 (H1 / Q2 FY 10).

PERFORMANCE OVERVIEW: Q2FY 10 V/S Q2FY 09
(Q2 FY 10 – January– March 2010); (Q2 FY 09 – January – March 2009)

- Net Sales increase by 30% to Rs. 5.94 billion
- EBITDA of Rs. 622.8 million
- Profit before Interest & Tax (PBIT) at 394 million
- Profit after tax (PAT) at Rs. 149 million
- EPS for Q2 (not annualized) was Rs. 0.58.
- Engineering businesses achieved a growth of 41% in turnover with 37% growth in PBIT
- Sugar businesses achieved a growth of 22% in turnover while the profitability was severely impacted on account of volatility of sugar prices, increased cost of production and higher levy obligation.
- The sugar inventories have been stated at estimated net realizable value, being lower than the cost by Rs. 512 million. This is mainly with respect to levy sugar as the provisional levy price for the season 2009-10 is substantially lower than the cost of production. Pending notification of the revised levy price for the season 2009-10, no effect has been considered in respect thereof and the differential levy price will be accounted for as and when notified by the Government.

PERFORMANCE OVERVIEW: H1FY 10 V/S H1FY 09
(H1 FY 2010 – October– March 2010); (H1 FY 09 – October – March 2009)

- Net Sales increase by 31% to Rs. 10.81 billion
- EBITDA of Rs. 1.94 billion with a margin of 18%
- Profit before Interest & Tax (PBIT) at Rs. 1.48 billion
- Profit after tax (PAT) has gone up by 42% at Rs. 878 million
- EPS for H1 (not annualized) was Rs. 3.41 as against 2.39 in the previous half year.

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

"*All the three engineering businesses showed improved performance during the current quarter and half year under review with strong increases of 40% and 33% in turnover and profitability over the previous first half. The total order book of Rs. 8.5 billion, is higher by 14% when compared with the beginning of the year. Further, during the current quarter under review, the turbines business achieved robust order booking in the face of stiff competition. With all our three engineering businesses having a healthy order book which will be executed in the coming quarters, we believe that the growth in these business segments should be strong going forward.*

With the two major business initiatives undertaken during this period viz., approval for demerger of turbines business into a separate company and a joint venture with GE Oil & Gas, we believe our turbines business is getting into higher growth trajectory in the years to come and our endeavor will be to create value for shareholders in future through appropriate actions in our other businesses as well.

In our Sugar business, the quarter under review reflects two paradoxes. Firstly, the sugar prices reaching an all time high in the month of January 2010 and subsequently declining by about 40% towards the end of the quarter. This coupled with the increased cost of production of sugar, resulted in the sugar business recording loss during the current quarter under review. The loss in sugar business was accentuated by the increased volume of levy quota from 10% - 20% with substantial gap between the levy sugar realization and the cost of production. A timely notification of the revised levy price would have been helpful to the industry. We believe that with the increased availability of sugar than the earlier estimates and sugar prices coming within tolerance range of the Government, going forward, the Government will initiate various policy measures to protect the industry, to retain its capacity, to continue to pay reasonable cane price to the farmers and to safeguard the interest of all its stakeholders."

- ENDS –

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 sugar manufacturers in India, and the market leader in its engineering businesses comprising steam turbines, 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, Raninagal and Milak Narayanpur (all in central Uttar Pradesh) and Ramkola (eastern Uttar Pradesh). The Company's turbine manufacturing and gear manufacturing facilities are located at Bangaluru and Mysore respectively while the Water & Waste water treatment business is located at Noida. Triveni's sugar crushing capacity is 61,000 TCD. The Company also has a total co-generation capacity of 68 MW located in two of its major facilities viz., Khatauli (46 MW) & Deoband (22 MW) and a 160,000 litre per day capacity distillery at Muzaffarnagar.

For further information on the Company, its products and services please visit **www.trivenigroup.com**

C N Narayanan
Triveni Engineering & Industries Ltd
Ph: +91 120 4308000
Fax: +91 120 4311010, 4311011
E-mail: cnnarayanan@trivenigroup.com

Gavin Desa/ Rishab Brar
Citigate Dewe Rogerson
Ph: +91 22 4007 5037
Fax: +91 22 22844561
E-mail: gavin@cdr-india.com

Note: *Certain statements in this document may be forward-looking statements. Such forward-looking statements are subject to certain risks and uncertainties like government actions, local political or economic developments, technological risks, and many other factors that could cause our actual results to differ materially from those contemplated by the relevant forward looking statements. Triveni Engineering & Industries Ltd. will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.*

DETAILS TO THE ANNOUNCEMENT

- Financial results review
- Business-wise performance review and outlook

H1 & Q2 FY2010 : FINANCIAL RESULTS REVIEW

(all figures in Rs. million, unless otherwise mentioned)

Net sales

	Q2 FY 10	Q2 FY 09	H1 FY 10	H1 FY 09
Net sales	5939	4576	10811	8230
Change	30%		31%	

During the quarter, both sugar and engineering businesses respectively recorded a growth of 22% and 41% in turnover. Similarly, during the half year under review also, the growth in turnover of these two businesses was 26% and 40% respectively. All the three engineering businesses showed significant increase in turnover over the corresponding quarter and half year, which reflects the overall distinct economic upturn.

EBITDA

	Q2 FY 10	Q2 FY 09	H1 FY 10	H1 FY 09
EBITDA	623	1105	1939	1952
Growth	(44%)		(1%)	
EBITDA Margin	10%	24%	18%	24%

The overall EBITDA in Q2 declined sharply on account of sugar business. Owing to volatile price movement in the quarter along with high cost of production and valuation of sugar inventories below cost (at net realizable value), the sugar operations resulted in a loss at EBITDA level, while Engineering businesses have shown an increase of EBITDA by 37% over the corresponding quarter of the previous year. Improved performance of the engineering businesses helped to maintain the overall EBITDA margin at 18% during the half year under review.

Finance cost & Depreciation

	Q2 FY 10	Q2 FY 09	H1 FY 10	H1 FY 09
Finance Cost	209	354	374	640
Depreciation & Amortisation	229	215	455	432

The finance cost for the quarter and half year under review has shown a decline of 41%. This has been due to reduction in cost of funds and decline in average utilization. The total borrowings as on 31st March 2010 was Rs. 13. 68 billion, which is higher than as on 30.09.2009 on account of higher utilisation of working capital funding, due to peak inventory holding at this point of time. This will reduce quarter over quarter once the inventory liquidation takes place. Depreciation and amortisation charges remained more or less at the same levels as the previous periods.

Profit before Tax and Profit after Tax

	Q2 FY 10	Q2 FY 09	H1 FY 10	H1 FY 09
Profit before Tax (PBT)	190.9	536.6	1283.0	879.2
Growth	(64%)		46%	
PBT Margin	3.2%	11.7%	11.9%	10.7%
Profit after Tax (PAT)	148.8	377.7	878.2	617.5
Growth	(61%)		42%	
PAT Margin	3%	8%	8%	8%

PBT and PAT for the quarter were impacted on account of sugar operations as aforesaid, while for the half year ended 31st March 2010, the growth in PBT and PAT has been over 40%.

H1/ Q2 FY 10: BUSINESS-WISE PERFORMANCE REVIEW
(all figures in Rs. million, unless otherwise mentioned)

Sugar business

Triveni is one of the largest players in the Indian sugar sector, with a cane crushing capacity of 61,000 TCD. Triveni's seven units put together manufactured approx. 4,17,823 tonnes of sugar from sugar cane and 86,695 tonnes of sugar from raw sugar processing, aggregating to a total sugar production of approximately 5,04,518 tonnes, which when compared with the previous season is higher by over 50%.

The sugar production for the current season (2009-10), both in the state of Uttar Pradesh and country as a whole has been higher by 20 - 25% compared to the initial estimates. At the beginning of the season, the country's production was estimated at 14.5 - 15 million tonnes while the latest estimates for the country upto Sept 2010 is approx. 18.5 million tonnes. This has been primarily due to lower diversion of cane for alternate sweetners in the second half of the crushing cycle particularly in the state of Uttar Pradesh and also on account of favourable climatic conditions which resulted in higher yields for the plant crop in the States of Maharastra and Karnataka. The State of UP produced approx. 5.2 million tonnes of sugar as against 4.1 million during the previous season, an increase of approx. 27%.

Performance

	2009-10 season	2008-09 season
Cane Crush (Million Tonnes)	4.59	3.73
% age change	23%	
Recovery (%)	9.10%	8.98%
Sugar Production (from Cane) (000 Tonnes)	417.8	335.3
% age change	25%	
Sugar Production (raw sugar) (000 Tonnes)	86.70	-

	Q2FY 10	Q2FY 09	H1 FY 10	H1 FY 09
Sugar despatches (000 MT)	94.78	124.15	186.87	250.49
Average Realisation price (Rs /MT)	31667	19596	31055	18474
Net sales	4019.6	3200.8	7205.1	5662.9
PBIT	(331.9)	503.7	357.4	811.8
PBIT Margin (%)	NM	15.7	5.0	14.3

Sugar business during the quarter has been volatile. There have been significant events unfolded during this quarter. Sugar prices touched an all time high at Rs. 44.20 /kg on 7th January 2010 (NCDEX spot price at Muzzafarnagar). The unprecedented sharp increase in sugar prices by over 20% in a fortnight resulted in Government announcing various measures to curtail the rise in sugar prices such as reducing the stock limits for bulk consumers from 15 days to 10 days, weekly release for sale of sugar by mills etc. This has brought down the sugar prices consistently since then and declined to Rs. 32/kg by end March 2010 thereby recording a spread of 28% between the high and low of sugar prices during the quarter. The slide in sugar prices continued unabated even during April, 2010 and affected the industry, particularly on account of higher levy obligations and delay on the part of the government to announce the revised levy price based on the Fair & Remunerative price (FRP) for the sugarcane announced earlier. However, over the last one week or so, with the government relaxing some of the policy measures, the sugar prices are gaining and are also relatively stable.

During the season, the industry was lumped with high cane price paid for the procurement of the sugarcane. With the rising sugar prices and high prices being paid by the producers of alternate sweetners, the industry was compelled to pay high cane price to ensure reasonable utilisation of the plant capacities. This has resulted in higher cost of production for sugar. The prevailing sugar prices in the light of 20% levy obligation are not financially viable. During the quarter, sugar inventories have been stated below cost at the net realizable value, impacting sugar segment profitability negatively by Rs 512 million. The impact is based on the provisional levy price and the differential price on the notification of the final levy price will be account for as and when declared.

It is hoped that GOI will understand the criticality of the position and announce revised levy prices based on FRP and remove other controls so that sugar prices are viable for the industry. The viability of sugar industry is extremely important as only then it would be in a position to pay remunerative cane prices to the farmers and ensure adequate supply of cane.

Outlook

India's sugar production for 2009-10 is estimated at approximately 18.5 million tonnes which is much higher than what was originally forecasted. This was on account of much lesser diversion of cane during the second half of the crushing season especially in Uttar Pradesh, while in the States like Maharashtra and Karnataka, the increased volume of cane crush was on account of improved yields for plant cane. Gur prices reduced substantially during the second half of the crushing, which resulted in closing down of most of the gur manufacturing units, which in turn resulted in more cane available to the sugar units. However, the sugar cane prices were set at a very high level from the beginning of the season on account of perceived cane shortage and competition from the alternate sweetner manufacturers. In spite of closure of alternate sweetners in Jan/Feb of the current year, the cane prices remained more or less at high levels throughout the season.

The Government enforced certain strict measures to arrest the rise in sugar prices since January 2010 and has impacted the industry adversely both in terms of volume off-takes and realization. The Government, instead of a weekly release mechanism has already made a monthly release mechanism and similar such moves from the Government is expected on the policy front to ease the sugar pricing/volume off take scenario. With the estimated higher domestic production for the current year and an enhanced sugar production for the coming season together with already available imported sugar, we believe that there will not be any need for further imports and therefore, we expect the Government to restore duty on imports for both raw and white sugar in order to facilitate the stability in domestic sugar prices. In the long run for the benefit of all stakeholders viz., the farmers, the mills and the consumers at large, a stable sugar price is essential and we believe that the Government will take necessary steps to meet the expectations of all stakeholders. With reported imported sugar of 3.5 million tonnes already landed (apart from approx. 1 million tonne of raw sugar inventory in the beginning of the season) and another 1 million (approx) of sugar contracted, even at the higher estimated production, the year end stock levels will only be equivalent to 1 - 1.5 months consumption.

With the increased cane pricing offered to farmers, it is estimated that there will be more planting and therefore, more sugar production in the coming season 2010-11. However, it is too early to forecast the quantum of increase both in terms of estimated area under cane and improvement in yield, recovery etc. However, based on the preliminary information available, it will be safe to forecast 20-30% higher production next year.

Global Sugar Scenario

The sugar market globally, after being in deficit for two consecutive years, is expected to have higher production during 2010-11 season. According to UNICA, projected total sugarcane harvest for Brazil should reach 596 million tonnes, compared with 541 million tonnes estimated for the 2009/10 harvest, which officially ended March 31st. Similarly, the recovery of sugar also expected to reach 138.6 kilograms, 6.3% higher than the 130.4 kilograms per tonne for 2009-10 sugar season.

Sugar production in Brazil for the new harvest is expected to total 34.1 million tonnes, a 19.1% increase over the 28.6 million tonnes to be produced in 2009/10 with the utilisation mix between sugar and ethanol remaining more or less at 43:57.

This is on account of the fact that motor vehicle sales remain strong, with Flex-Fuel vehicles accounting for more than 90% of light vehicle sales in Brazil. Projections indicate that by the end of the 2010/11 harvest, the Flex fleet, which today represents 40% of the total fleet, should reach 49%. Considering ethanol production and export estimates in the new harvest, the ethanol supply and demand scenario in the domestic market should remain balanced.

Co-generation business

Triveni's co-generation operation at Khatauli and Deoband supplies (exports) surplus power to the state grid after meeting its own captive requirements.

Performance

	Q2 FY 10	Q2 FY 09	H1 FY 10	H1 FY 09
Operational details				
Power Generated – 000 KWH	112634	113388	153547	168293
Power exported – '000 KWH	73790	72564	99816	108799
Financial details				
Net sales (Rs. million)	798.3	681.8	1071.5	917.3
PBIT (Rs. million)	163.4	128.7	219.1	194.1
PBIT margin (%)	20.5%	18.9%	20.4%	21.2%

Export of power during the quarter has been marginally higher while for the half year, the same was lower on account of late start of crushing in one of the units and also on account of lower volumes of crushing in the beginning.

During the quarter under review, there has been revenue from sale of carbon credit to the extent of Rs. 39 million. This is the carbon credit related to the co-generation facility at Phase 1 of Khatauli for 2007-08. It is expected that the income from carbon credit related to Deoband co-gen facility for 2007-08 at an estimated Rs 60 million may be booked in the coming quarters of the current financial year.

The Government of Uttar Pradesh announced the new Energy Policy 2009 wherein the co-generation facilities operating during the off-season using any form of fuel will be entitled to sell 50% of the production through open access subject to government approval. Triveni intends to take advantage of the above policy and start generation of power at one of its facilities during the current off-season.

Distillery Business

Triveni's 160 KLPD distillery is operating at very high capacity utilization and is currently producing rectified spirit, extra-neutral alcohol.

	Q2 FY 10	Q2 FY 09	H1 FY 10	H1 FY 09
Operational details				
Production (000 ltr)	8403	9990	15674	16031
Sales (000 ltr)	5120	7376	15869	12972
Avg. realization (Rs./ ltr)	27.82	25.66	28.24	28.20
Financial details				
Net sales (Rs. million)	146.0	192.6	454.8	370.7
PBIT (Rs. million)	21.8	40.4	67.3	99.3
PBIT margin (%)	14.9%	21.0%	14.8%	26.8%

The distillery operations for the quarter (both in terms of production & sales) were lower than the corresponding quarter of previous year. The production in this quarter is lower due to delayed start of distillery arising out of late start of crushing by sugar factories.

Engineering Business

Steam Turbines Business

Triveni is the domestic market leader, with a market share of over 75% for range upto 20 MW in FY 09, and is one of the largest manufacturers worldwide in high and low pressure turbines upto 20 MW. The unit presently produces turbines upto 30 MW and already achieved a market share of over 25%. The company continues to retain the market share during the current quarter as well. Company's ability to provide high-tech precision engineered-to-order solutions has made it one of the most trusted names within the sector.

Performance

	Q2 FY 10	Q2 FY 09	H1 FY 10	H1 FY 09
Net Sales (Rs. million)	1399.0	1173.4	2561.4	2045.2
-Increase/(decrease)	19%		25%	
PBIT (Rs Million)	310.1	263.7	566.8	474.9
-Increase/(decrease)	18%		19%	
PBIT margin (%)	22.2%	22.5%	22.1%	23.2%

The business continued its improved performance during the current quarter with an increase in sales by 19% over the corresponding quarter of the previous year and 21% improvement over Q1 of current financial year. Similarly on a half yearly basis also, the growth has been 25%, which is consistent with our outlook. The PBIT margins are also steady at 22%.

With the increased installation base of turbines and strong focus on the customer care business, the share of the after sales in the total sales has gone up from 15.7% to 17.3% during the half year on an increased turnover. This increased share of after sales component will enable the unit to sustain its profitability going forward.

The order in-take during the quarter has been healthy with an increase of 75% when compared with corresponding quarter of the previous financial year and over 20% when compared with the first quarter of the current financial year. The outstanding order book as on 31st March 2010 has been Rs. 5.65 billion (1003 MW) which is a growth of 7% over the previous quarter and 9% over the corresponding period of previous year after achieving an increased turnover by over 25% in half year.

Outlook

The demand for Triveni's turbines comes from a variety of sectors such as Sugar, Sponge Iron, Textiles, paper, Independent Power Producers, and Sugar Cogeneration plants. The order book composition from various sectors shows a healthy mix among all these sectors. Further, with the focused research & development, foray into higher MW, high-temperature, high-pressure turbines will add the market opportunities. Some of the orders currently under execution are for higher MW, high temperature and high pressure. Further, some of the orders which the business got during the current quarter are also for high temperature, high pressure turbines. The company is also in the process of expanding its overseas market in a big way.

With the increase in numbers of higher MW turbines installed, the business from spares & servicing should also go up considerably going forward. The impact of the same has already started reflecting in our current performance with servicing, spares & refurbishing share going up from 15.7% of the total turnover in H1 FY 09 to 17.3% in H1 FY 10. During the quarter, the unit undertook high speed balancing of 210 MW HP turbine rotor assembly and also undertook troubleshooting of 300MW LP steam turbine system. Similarly, a good number of refurbishment orders for drive and power turbines of different makes, have also been booked during the quarter. With the execution of such orders, the prospects for getting into larger size turbines for refurbishing and troubleshooting are quite good.

New Developments

(a) Demerger of Turbine Business

The Board of Directors of the Company at their meeting held in March 2010 approved the Scheme of Arrangement for demerger of the steam turbines business of Triveni Engineering & Industry Limited (TEIL) into its wholly owned subsidiary, Triveni Turbine Limited (TTL) (formerly known as Triveni Retail Ventures Ltd.) w.e.f. 1st October, 2010. TEIL holds beneficial interest over all the 100,000,000 Equity Shares of Re.1/- each issued by TTL. The Scheme is subject to and conditional upon the requisite approvals being received, including approvals of the stock exchanges, shareholders, creditors and sanction of the Hon'ble jurisdictional High Court pursuant to Sections 391 to 394 of the Companies Act, 1956.

The rationale for the demerger is to have a focused business of turbines which has the critical mass and potential to independently grow. The Scheme is in the interest of all concerned including the shareholders, creditors, employees and the general public as it would provide:

- Focused management orientation;
- Opportunities for strategic partnerships; and
- Flexibility for fund raising capability for future growth and expansion and create a structure geared to take advantage of growth opportunities.

The demerger would result in issuance of equity shares to the shareholders of TEIL by TTL, thereby, resulting in unlocking and maximizing shareholder value. In consideration of the transfer of assets and liabilities of the steam turbine business during demerger, TTL will issue and allot to the shareholders of TEIL, one Equity Share of Re.1/- each credited as fully paid up in TTL for every one Equity Share of Re.1/- each fully paid-up held by them in the capital of Triveni. Further, pursuant to the Scheme, shares of TTL will get listed on the Bombay Stock Exchange and the National Stock Exchange.

(b) Joint Venture with GE Oil & Gas

On 15th April, 2010, Triveni signed a joint venture agreement with GE Oil & Gas, through one if its affiliates, to design, manufacture, supply, sell and service advanced technology steam turbines in India in the above 30 to 100MW range for power generation applications in the Indian and worldwide markets.

The joint venture, intended to be incorporated as GE Triveni Limited with its headquarters in Bengaluru, will manufacture advance technology steam turbines in India for both domestic customers as well as export to global markets. The JV, which will benefit from a full and exclusive technology transfer and on-going R&D support from GE, will use Triveni's Bengaluru facility for turbine manufacturing. The transaction is expected to close in the next few months, subject to legal and regulatory approvals.

In the joint venture, Triveni will hold one extra share with both parties having equal representation on the Board. Upon demerger of turbines business, the joint venture will become a subsidiary of the Triveni Turbine Limited.

This venture with GE is the outcome of series of meetings and visits by both sides and after identifying each other's strength and in the words of GE team, the joint venture is a mutually beneficial partnership based on local 'know-how' and world-class engineering excellence. In fact, it's a great example of what GE call "reverse innovation' – a decentralized approach that enables GE to rapidly accelerate growth by driving best value innovation outwards from developing countries to global markets. Further, the GE team felt that there is a great fit between the two companies. Both companies have similar approach to delivering customer satisfaction, the common focus on technology, product development, and a commitment to quality. The highlight of this venture is the association of the GE brand with this venture.

With this joint venture, we believe that GE with its technology and global footprint and Triveni with its strong and cost effective supply chain and manufacturing capabilities apart from the strong presence in the Indian captive power industry segment will be able to take on competition both domestically and globally. We expect this venture to be a dominant player in the global market in the range in which it is focusing.

High speed Gears and Gearboxes Business

This business manufactures high-speed gears and gearboxes upto 70MW capacity and speeds of 70,000 rpm. Triveni is the country's largest one-stop solutions provider in this sector, with 50-55% overall market share and 78% market share in the below 25 MW Segment.

Performance

	Q2 FY 10	Q2 FY 09	H1 FY 10	H1 FY 09
Net Sales (Rs. million)	290.5	187.0	470.8	301.6
-Increase/(decrease)	55%		56%	
PBIT (Rs Million)	124.9	67.3	179.5	105.1
-Increase/(decrease)	86%		71%	
PBIT margin (%)	43%	36%	38%	35%

In line with Turbines business, this business also achieved an increase in turnover of 55% and 56% respectively over the corresponding quarter and half year. The profitability achieved by this business has been phenomenally high during the quarter and half year when compared with corresponding period. The increase in profitability has been on account of higher volume of spares and services, which had gone up by 66% during H1 FY 10 in comparison to H1 FY 09 apart from change in product mix, efficiency in material procurement and higher turnover etc.

The order book position of this business remains encouraging at Rs 621 million as on 31st March 2010. The unit's foray into high power hydel gear boxes, loose gearings etc., are gaining momentum.

Outlook

Unit's focus on high margin refurbishment, spares and services business apart from the new products for other than power application should enable the business to achieve higher turnover and consistently high and strong margins in the business going forward.

Water Business

This business is focused on providing world-class solutions in water and waste-water treatment to customers in the industry as well as the municipal segment. In line with growth in the Company's overall revenues, this business is gaining faster momentum and is getting recognition in a high potential market as a supplier of superior quality products and services at competitive costs.

Performance

	Q2 FY 10	Q2 FY 09	H1 FY 10	H1 FY 09
Net Sales (Rs. million)	534.5	221.7	763.9	368.3
-Increase/(decrease)	141%		107%	
PBIT (Rs Million)	58.6	30.4	87.3	47.6
-Increase/(decrease)	93%		83%	
PBIT margin (%)	11.0%	13.7%	11.4%	12.9%

The increase in turnover for the quarter and half year is in line with the order intake this business has been recording during the past couple of quarters. During the half year ending 31st March 2010, the business has already achieved more than 75% of its last year's turnover. The Company continued to successfully leverage its existing engineering relationships with industrial sector customers.

Booking of sales depends on the extent of completion of major high value projects which the company is currently undertaking along with the product business. Till a continuous pipeline is built up, the turnover on a quarter to quarter basis could be lumpy. Similar trends will be seen in the profitability of this business.

Order book has been growing consistently with a healthy outstanding order book of Rs. 2.27 billion as on 31st March 2010. There has been an increase of 21% in the order booking over the corresponding half year of last year. The unit continued its efforts of getting larger order and during the quarter, the unit bagged their first sea water travelling water screen order and is expected to bag more such orders as many of these are in various stages of finalisation. Similarly, the business unit secured entire water treatment package for a major gas based power plant in western India.

The business is currently having strong orders in various stages of finalisation which may get finalised during the remaining quarters of the current financial year. With such increased order intake, we believe that going forward the order book and turnover will grow significantly.

Treated water is increasingly becoming a critical resource in large-sized industries and stringent environmental regulations are also mandating industries to treat waste water. At the same time, rising health consciousness is creating a demand for water treatment equipment in housing complexes and municipalities. These developments offer an attractive opportunity for the Company's water business which already has the necessary technological capability and know-how. The Company has been working in association with Siemens Water Technologies. It has access to sophisticated technologies for high technology micro-filtration solutions and equipment for drinking water, process water and reuse applications.

The company's foray in desalination projects, initiation into product development for Tertiary Filtration in waste water recycling jobs etc., would further enable the unit to post order book and sales growth. The unit's latest successes of getting into large projects, once executed, will enable to get pre-qualified for even larger projects. This will help in increasing the volume of turnover and margins going forward. We believe, this business has already catapulted into high growth trajectory and will achieve the same levels of higher growth as we had experienced in our turbine business group in the past three-four years.

Note: *Certain statements in this document may be forward-looking statements. Such forward-looking statements are subject to certain risks and uncertainties like government actions, local political or economic developments, technological risks, and many other factors that could cause our actual results to differ materially from those contemplated by the relevant forward looking statements. Triveni Engineering & Industries Ltd. will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.*

TRIVENI ENGINEERING & INDUSTRIES LTD.
Regd. Office : Deoband,Distt.Saharanpur,Uttar Pardesh 247 554
Corp.Office :15-16 Express Trade Towers, 8th Floor, Sector-16A, Noida, U.P - 201 301

UNAUDITED FINANCIAL RESULTS
FOR THE SIX MONTHS ENDED 31ST MARCH 2010

Rs in lacs

1	2	3	4	5	6
Particulars	**Quarter Ended**		**6 Months Ended**		**Year Ended**
	31.03.10 Unaudited	**31.03.09 Unaudited**	**31.03.10 Unaudited**	**31.03.09 Unaudited**	**30.09.09 Audited**
1(a). Net Sales / Income from Operations	59385	45758	108109	82303	189481
(b). Other Operating Income	107	27	146	53	113
2. Expenditure					
a) (Increase)/Decrease in stock in trade and work in progress	(66413)	(19639)	(86090)	(34674)	21570
b) Consumption of raw materials	101507	38816	146798	72317	92775
c) Purchase of traded goods	34	34	69	92	160
d) Employees Cost	4462	3434	8203	6855	13496
e) Depreciation	2057	2018	4136	4069	7577
f) Other expenditure	8356	5720	13621	11132	19100
g) Off-Season expenses (Net)	6466	6752	7942	7705	(1176)
h) Total	**56469**	**37135**	**94679**	**67496**	**153502**
3. Profit from Operations before Other Income, Interest & Exceptional Items (1-2)	**3023**	**8650**	**13576**	**14860**	**36092**
4. Other Income	914	257	1263	336	1007
5. Profit before Interest & Exceptional Items (3+4)	**3937**	**8907**	**14839**	**15196**	**37099**
6. Interest Expense	2089	3541	3742	6404	11588
7. Profit after Interest but before Exceptional Items (5-6)	**1848**	**5366**	**11097**	**8792**	**25511**
8. Exceptional Items (Net) - Gain / (Loss)	61	-	1733	-	(1216)
9. Profit (+)/ Loss(-) from Ordinary Activities before Tax (7+8)	**1909**	**5366**	**12830**	**8792**	**24295**
10. Tax Expense (Net of MAT credit entitlement)	421	1589	4048	2617	7317
11. Net Profit(+)/ Loss (-) from Ordinary Activities after Tax (9-10)	**1488**	**3777**	**8782**	**6175**	**16978**
12. Paid up Equity Share Capital (Face Value Re.1/-)	2579	2579	2579	2579	2579
13. Paid up Debt Capital *			10000	10000	10000
14. Reserves excluding Revaluation Reserves					88066
15.Debenture Redemption Reserve			750	-	750
16. Earning per share-Basic/Diluted (not annualised) as per - Accounting Standard (AS) 20 - Rs.	0.58	1.46	3.41	2.39	6.58
17.Debt Equity Ratio **			1.38	1.75	0.92
18.Debt Service Coverage Ratio ***			1.19	1.03	1.34
19.Interest Service Coverage Ratio ****			3.97	2.37	3.20
20. Public Shareholding					
- Number of shares	82557617	82589194	82557617	82589194	82557617
- Percentage of shareholding	32.01	32.03	32.01	32.03	32.01
21. Promoters and promoter group Shareholding					
a) Pledged / Encumbered					
- Number of Shares	-	-	-	-	-
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-	-	-	-
- Percentage of shares (as a % of the total share capital of the company)	-	-	-	-	-
b) Non- encumbered					
- Number of Shares	175322533	175290956	175322533	175290956	175322533
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100.00	100.00	100.00	100.00	100.00
- Percentage of shares (as a % of the total share capital of the company)	67.99	67.97	67.99	67.97	67.99

SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED

Rs in lacs

Particulars	Quarter Ended		6 Months Ended		Year Ended
	31.03.10 Unaudited	**31.03.09 Unaudited**	**31.03.10 Unaudited**	**31.03.09 Unaudited**	**30.09.09 Audited**
1. Segment Revenue					
[Net Sale/Income from each segment]					
(a) Sugar					
Sugar	40196	32008	72051	56629	125291
Co-Generation	7983	6818	10715	9173	9483
Distillery	1460	1926	4548	3707	5391
	49639	40752	87314	69509	140165
(b) Engineering					
Steam Turbine	13990	11734	25614	20452	47520
Gears	2905	1870	4708	3016	7329
Water	5345	2217	7639	3683	9974
	22240	15821	37961	27151	64823
(c) Others	325	316	638	644	1322
Total	72204	56889	125913	97304	206310
Less : Inter segment revenue	12819	11131	17804	15001	16829
Net Sales	**59385**	**45758**	**108109**	**82303**	**189481**
2. Segment Results					
[Profit /(Loss) before tax and interest]					
(a) Sugar					
Sugar (Refer Note 2)	(3319)	5037	3574	8118	20229
Co-Generation	1634	1287	2191	1941	2014
Distillery	218	404	673	993	922
	(1467)	6728	6438	11052	23165
(b) Engineering					
Steam Turbine	3101	2637	5668	4749	11558
Gears	1249	673	1795	1051	2439
Water	586	304	873	476	1483
	4936	3614	8336	6276	15480
(c) Others	2	12	39	12	29
Total	3471	10354	14813	17340	38674
Less : i) Interest Expense	2089	3541	3742	6404	11588
ii) Exceptional Items	(61)	-	(1733)	-	1216
iii) Other Unallocable Expenditure	(466)	1447	(26)	2144	1575
[Net of Unallocable Income]					
Total Profit Before Tax	**1909**	**5366**	**12830**	**8792**	**24295**
3. Capital Employed					
[Segment Assets - Segment Liabilities]					
(a) Sugar					
Sugar	179000	163577	179000	163577	118590
Co-Generation	21342	20927	21342	20927	19744
Distillery	14773	13565	14773	13565	12821
	215115	198069	215115	198069	151155
(b) Engineering					
Steam Turbine	3402	7504	3402	7504	8005
Gears	5710	4891	5710	4891	4961
Water	5852	2777	5852	2777	4437
	14964	15172	14964	15172	17403
(c) Others	227	328	227	328	245
Capital Employed in Segments	230306	213569	230306	213569	168803
Add : Unallocable Assets less Liabilities	(129379)	(129215)	(129379)	(129215)	(76634)
[including investments]					
Total	**100927**	**84354**	**100927**	**84354**	**92169**

STATEMENT OF ASSETS AND LIABILITIES AS AT 31ST MARCH 2010

Rs in lacs

Particulars	AS AT		AS AT
	31.03.10 Unaudited	31.03.09 Unaudited	30.09.09 Audited
Shareholders' Funds :			
(a) Capital	2579	2579	2579
(b) Reserves and Surplus	98487	81951	89720
Loan Funds	136770	144440	83379
Deferred Tax Liability (Net)	10209	8568	9338
Total	**248045**	**237538**	**185016**
Fixed Assets (Net, including CWIP)	127047	129863	128390
Investments	1141	4161	2698
Current Assets, Loans and advances			
(a) Inventories	121244	89231	45814
(b) Sundry Debtors	19848	20567	24288
(c) Cash & Bank Balances	2254	5358	2732
(d) Other Current Assets	53	34	40
(e) Loans and Advances	34496	33093	41612
Less : Current Liabilities and Provisions			
(a) Liabilities	47708	36529	50961
(b) Provisions	10469	8416	9727
Miscellaneous Expenditure (Not Written Off or Adjusted)	139	176	130
Total	**248045**	**237538**	**185016**

* Paid up Debt Capital represents Non convertible privately placed listed Debentures

** Debt Equity Ratio: Total Loans funds/Net worth

*** Debt Service Coverage Ratio: Profit before interest, Exceptional items and tax /(Interest expenses + Amount of long term loans repaid during the year excluding towards prepayments/ Debt substitution)

**** Interest Service Coverage Ratio: Profit before interest, Exceptional items and tax /Interest expenses

Notes

1. In view of the seasonal nature of the Company's businesses, the performance results of the quarters may vary.

2. The sugar inventories have been stated at estimated net realisable value, it being lower than the cost by Rs.5120 lacs. This is mainly with respect to levy sugar as the provisional levy price for the season 2009-10 is substantially lower than the cost of production. Pending notification of the revised levy price for the season 2009-10, no effect has been considered in respect thereof and the differential levy price will be accounted for as and when notified by the Government.

3. Exceptional items include a profit of Rs. 61 lacs on sale of long term trade investments during the quarter.

4. During the quarter, GE Oil & Gas, through one of its affiliates, and our company have signed a joint venture (JV) agreement to design, manufacture, supply, sell and service advance technology steam turbines in India in the above 30 to 100MW-range for power generation applications in the Indian and worldwide markets. Triveni will hold one extra share with both parties having equal

representation on the Board. The new JV Company to be incorporated in India will benefit from a full and exclusive technology transfer and on-going R&D support from GE and will use Triveni's Bangalore facility for turbine manufacturing. The transaction is expected to close in the next few months, subject to legal and regulatory approvals.

5. The Board of Directors had approved the Scheme of Arrangement under the provisions of Section 391-394 of the Companies Act, 1956, for the demerger of its steam turbine business into its wholly owned subsidiary, Triveni Turbine Limited (TTL), formerly known as Triveni Retail Ventures Limited. TTL has ceased to operate the retail business as it was not synergistic to its core business and was not expected to meet company's viability norms.

6. The figures of previous periods under various heads have been regrouped to the extent necessary.
7. The Board has declared an interim dividend of Re.0.40 (40%) per equity share of Re.1/- each for the financial year 2009-10 ending September 30, 2010.

8. Subsequent to the quarter, the Compensation Committee has granted 200,000 Employee Stock Options to certain eligible employees, under Company's Stock Option Scheme (ESOP 2009).

9. The above results were reviewed and recommended for adoption by the Audit Committee and approved by the Board of Directors of the Company at their respective meetings held on May 08, 2010. The statutory auditors have carried out a limited review of the financial results.

10. There were no investor complaints pending at the beginning of the quarter. The Company received 38 investor complaints during the quarter and all the complaints were resolved.

Place : Noida

Date : May 8, 2010

for TRIVENI ENGINEERING & INDUSTRIES LTD

Dhruv M Sawhney
Chairman & Managing Director