Triveni ENGINEERING & INDUSTRIES LTD

Registered office: Deoband, District Saharanpur, Uttar Pradesh 247554.
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For immediate release

FY2008 Net sales up 21% at Rs 15.93 billion year on year
EBITDA up by 153% at Rs 3.17 billion year on year
PAT at Rs. 1.12 billion – an 8 fold increase year on year
EPS for 2007-08 at Rs. 4.32

- ***Engineering Businesses***
  - ***Y-o-Y Order book growth of 28% to Rs. 7.10 billion***
  - ***Major break-through orders for Water Business - Desalination & sewage treatment plants***
- ***Sugar***
  - ***Improved sugar realizations in Q4 –13% over Q3 FY 08***
  - ***Improved sugar fundamentals owing to lower production estimates. Current Sugar prices about 20% higher than average prices for FY 2007-08***
  - ***Substantial sugar inventory in hand - well positioned to take advantage of rising sugar prices.***

Noida, November 19, 2008: 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 financial year 2008 and fourth quarter ended 30th September 2008.

PERFORMANCE OVERVIEW: FY 2008 V/S FY 2007 (18 months)

- Net Sales increased by 25% to Rs. 15.93 billion on an annualized basis while on a 12 month to 12 month basis, net sales increased by 21%.
- EBITDA margin doubled during current 12 month when compared with previous twelve month period at 20% while absolute EBITDA during the same period has

grown 153% to Rs. 3.17 billion. On an annualized basis, the EBITDA growth has been 100% with margins showing a growth of over 800 basis points.

- Profit before Interest & Tax (PBIT) of Rs. 2.33 billion, reflects an increase of 296% during the current 12 month period corresponding to previous 12 months while on an annualized basis, the growth has been 131%.
- Sugar operations achieved a turnaround during the current financial year with positive EBITDA and PBIT of Rs. 904 million and Rs. 359 million respectively as against (-) Rs. 462 million and (-) Rs. 900 million respectively during the corresponding 12 months of the previous year. Sugar business (including cogeneration and distillery) achieved an EBITDA margin of 16% during the financial year as against 2% during the corresponding twelve months in the previous year.
- Engineering business continued its growth with overall sales increasing by 16% during FY 08 in comparison to corresponding 12 months of previous year while the growth in EBITDA, PBIT and PBT during the same period has been 28%, 27% and 26% respectively.
- PBT, which was negative during the corresponding 12 months, has improved to Rs. 1.35 billion during the 12 months under review. On an annualized basis, the increase in PBT has been 158%. PAT for FY 08 at Rs. 1.12 billion has shown an 8 fold increase when compared with corresponding 12 month period of previous financial year while on an annualized basis, the increase has been 122%.
- EPS for FY 08 has been Rs. 4.32 while for FY 07 (18 months) was Rs. 2.92
- Proposed dividend - 60% as against annualized 40% in FY 2006-07

Sugar operations have registered a turnaround in terms of its profitability with improvement in sugar realizations and lower cane price applicable. There has been an improvement of 13% in sugar realizations in the fourth quarter when compared with the previous quarter. The issue of cane pricing still remains unresolved and the decision of the Supreme Court is awaited in respect of three conflicting High Court Judgments – two relating to 2006-07 and 2007-08, in which State Advised Price (SAP) declared by UP government was quashed and another relating to 2007-08, in which SAP declared was upheld. For season 2008-09, UP Government announced a cane price of Rs. 1400 per tonne for normal variety at gate and Rs. 1450 for early maturing variety and against the same the Industry has filed a writ petition in the High Court.

The performance of the engineering businesses continues to be in line with expectations with year on year sales going up by 16%, growth in PBIT by 27 % and the PBIT margins showed an improvement of 220 basis points year on year. The order book for the engineering business grew by 28% year on year with Water Business achieving significant increase in order book.

PERFORMANCE OVERVIEW: Q4 FY 2008 V/S Q4 FY2007
(Q4 FY 2008 – July - September 2008); (Q4 FY 2007 – July – September 2007)

- Net Sales increase by 40% to Rs. 4.27 billion
- EBITDA of Rs. 814 million, increased by 73% with increase in margins by 370 basis points at 19.0%
- Profit before Interest & Tax (PBIT) has gone up by 136% during Q4 at Rs. 602 million
- Sugar operation achieved turnaround during the current quarter with a growth in sales by 56% and registering a strong EBITDA and PBIT of Rs. 390 million and Rs. 254 million respectively as against Rs. 119 million and (-) Rs. 22 million respectively during the corresponding quarter of the previous year.
- Engineering business continued its growth with overall sales going up by 30% during Q4 FY 08, while the growth in EBITDA and PBIT during the same period has been 22% and 22.5% respectively.
- PBT during Q4 increased by over 467% when compared with the corresponding quarter of last year at Rs. 319 million.
- PAT for the quarter was Rs. 270 million which is an increase of 439% when compared with the corresponding quarter of the previous year.
- EPS for Q4 (not annualized) was Rs. 1.05

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

"Triveni's performance during the current financial year has shown a marked improvement over the previous financial year of 18 months. The results reflect the improved outlook in the sugar business and continuing contribution from growing engineering businesses. Sugar prices, since July 08, have shown improvement on

account of the lower than expected production for 2007-08 season and estimated lower sugar cane production for 2008-09 and 2009-10 on account of lower area under cane cultivation. With an estimated sugar production of around 20 million for the current season, lower than the consumption, sugar prices, in accordance with our earlier forecast, continue to remain firm and is expected to rise further. With the intense cane development undertaken by us during the last few years, as we start the crushing in our units, we expect similar quantity of cane crush as last year, even though more visibility will come in the coming months. With the estimated lower sugar cane availability during the current season, the by-products generation will also be lower which will lead to improved realizations for by products and also the value added products manufactured out of such by products such as alcohol.

The engineering businesses' performance has been in line with our expectations and has an aggregate outstanding order book of Rs. 7.1 billion. While we have visibility in the near term through our order book, given the current financial & economic scenarios, the liquidity position and funding options for some customers may get impacted, which may lead to some postponement in finalization of orders or rescheduling of deliveries in respect of our turbine business. However, by widening our market reach by focusing on exports and also getting into higher MW & high pressure range which has a larger market, together with increased focus on servicing, spares and refurbishment businesses, we expect the turbine business to maintain its performance both in terms of revenue and profits. Expanding the product range of our gears division in the market together with an increased emphasis on refurbishment, will help our Gears Business operations to continue to grow. After winning a few prestigious high value orders in the last year for both industrial and municipal applications, gives us enough confidence in achieving excellent growth for this business in the coming year."

- 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 among the three 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 Narainpur (all in central Uttar Pradesh) and Ramkola (eastern Uttar Pradesh). The Company's turbine manufacturing and gear manufacturing facilities are located at Bangalore 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. Additionally, Triveni Khushali Bazaar, a rural and semi-urban retail store, is steadily expanding its reach with 42 stores currently in operation.

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

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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

FY 08 & Q4 FY 08: FINANCIAL RESULTS REVIEW

(all figures in Rs million, unless otherwise mentioned)

FY 07 represents a period of 18 months (April 06 – October 07) in orderto make a realistic and like to like comparison, the financial review has been carried out with corresponding 12 months of the FY 07 (Oct' 06-Sept' 07) figures. All increase/ change has been computed based on the 12 month period and not on an annualized basis.

Net sales

	Q4 FY 08	Q4 FY 07	Oct 07 – Sept 08	Oct 06– Sep 07	FY 07
Net Sales	4271	3042	15930	13197	19080
Change	40%		21%		

During the quarter, the overall sales went up by 40% with the turnover of the sugar and related businesses achieving a growth of 48% to Rs. 2.61 billion while engineering business achieved growth of 30% to Rs 1.78 billion. The increase in the turnover of the sugar and related businesses is due to higher volumes of sugar sold by 35% and higher sugar realization price by 21%. During FY 08, overall sales went by 21% while the turnover of the sugar businesses and engineering businesses registered an increase of 18% and 16% respectively.

EBITDA

	Q4 FY 08	Q4 FY 07	Oct 07 – Sept 08	Oct 06– Sep 07	FY 07
EBITDA	814	469	3167	1253	2376
Growth	73%		153%		
Margin	19.0%	15.4%	19.9%	9.5%	12.5%

Overall EBITDA rose by 73% and 153% during the fourth quarter and financial year respectively with substantial improvement in margins. EBITDA margin for the full year at 19.9% is higher by over 10% when compared with corresponding 12 months period. EBITDA from sugar and related businesses during the current financial year has shown a significant rise of 10 times, at 1.76 billion as against only Rs. 168 million during the corresponding 12 months period of last year while engineering businesses continued to perform well, growing 28% during the same period.

Finance cost & Depreciation

	Q4 FY 08	Q4 FY 07	Oct 07 – Sept 08	Oct 06– Sep 07	FY 07
Finance Cost	283	200	982	597	729
Dep & Amortisation	212	213	840	665	863

The increase in depreciation and finance costs during FY 08 are primarily on account of the capitalization and funding of new capacities in all the businesses during FY 07.

Profit before Tax and Profit after Tax

	Q4 FY 08	Q4 FY 07	Oct 07 – Sept 08	Oct 06– Sep 07	FY 07
PBT	319	56	1346	(-)9	785
PBT Margin	7.4%	1.9%	8.5%		4.1%
Growth ($)	467%				
PAT	270	50	1115	123	754
PAT Margin	6.3%	1.6%	7.0%	0.9%	3.9%
Growth ($)	439%		805%		

The PBT and PAT for the quarter has shown significant improvement of 467% and 439% respectively while for the 12 month period, the growth has been an eightfold increase. The margins have also shown significant improvement with PAT margins y-o-y higher by over 600 basis points.

FY 08 / Q4 FY 08: BUSINESS-WISE PERFORMANCE REVIEW

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

Sugar business

Triveni is among the three largest players in the Indian sugar sector, with a present capacity of 61,000 TCD. Triveni's seven units put together manufactured approx. 580,000 tonnes of sugar in the season 2007-08, a marginal decline of 2% from the production achieved in 2006-07 sugar season, as against a decline in sugar production of 12-14% across the state of UP. The sugar cane crushing was marginally lower by 4% compared to last season. Even though the lower crush and production during 2007-08 season was much better than the general trend in the State, a delayed start of the season, long spell of cold wave resulted in ground frost which in turn impacted yields substantially, particularly for plant cane. Triveni, on account of its extensive cane development programme and better cane payment track record ensured much lower decline than the industry average. However, the overall recoveries have shown improvement over previous season from 9.69% to 9.90%.

Performance

	Q4 FY 08	Q4 FY 07	Oct 07–Sep 08	Oct 06–Sep 07	FY 07
Sugar despatches (000 MT) % change	143.8 35%	106.1	508.2 16%	437.3	608.9
Realisation price (Rs /MT) Free Average (Free + Levy)	 16755 16245	 13480 13380	 15060 14835	 14770 14555	 15880 15565
Net sales	2418	1552	8868	7604	10963
% change	56%		17%		
PBIT	254	(22)	359	(900)	(518)

The improved sugar results are due to improved sugar realizations, higher sales volumes and due to lower cane price applicable in season 2007-08. The current free sugar realization is around Rs. 18000 per tonne which is expected to improve as the market start factoring in lower production in the season 2008-09. At the end of FY 2007-08, Triveni holds substantial stocks of 07-08 season production and this will help in ensuring better margins and profitability in the subsequent period/s.

Industry Scenario

For sugar year 2007-08, the UP sugar industry faced the uncertainty in the cane pricing in the beginning of the sugar season which resulted in late start of crushing. This coupled with adverse climatic conditions such as lack of winter rains, long spell of severe cold wave etc., resulted in lower cane availability & sugar production by ~ 14% when compared with the 2006-07 sugar season. As regards the overall sugar production for the country for 2007-08 season, it is estimated that sugar production is 26.3 million tonne, a decline of over 7%.

On account of uncertainty in cane pricing in UP and higher realization for competing crops such as Wheat, Paddy etc., the initial estimates of area under sugar cane across India, has reduced from 5.3 million hectare to 4.3 million hectare, a reduction of ~ 20%. As per the preliminary estimates, the overall sugar production in the country for 2008-09 season could come down to around 20 million tonne which may further go down in 2009-10 season. The decline in sugar production is expected to be across all the sugar producing states while the decline is expected to be steep in Maharashtra. With the steady increase in consumption, the inventory levels will substantially correct by the end of September 2009. The stock to consumption ratio, which is a strong indicator for the movement in market prices, is expected to be lower and hence the sugar prices are expected to rise in the future quarters.

The issue of cane pricing for the seasons 2006-07 and 2007-08 is presently sub-judice and before the Supreme Court. Triveni has made full payment of cane price at Rs. 1,250 per tonne for 2006-07 and Rs. 1,100 per tonne for 2007-08 in accordance with the court's order. We hope for a rational solution through the judiciary process in the long term interest of all stakeholders. For the current season, even though the SMP remained same as previous two seasons at Rs. 811 per tonne of cane at 9% recovery with additional Rs. 0.90 for every 0.1% increase in recovery, UP Government has increased the SAP to Rs. 1400 per tonne for normal variety and Rs. 1450 for early maturing variety. While, an increase of cane price was justified this year due to improved sugar prices, the quantum of increase has been excessive and more importantly, still the changes in the cane prices are not being made on rational and transparent basis. Industry in UP has filed writ petition against this order in the High Court and the hearing is in progress in Allahabad.

Once we have a system of government machinery deciding cane pricing on an equitable basis in the best interest of all the stakeholders, the industry can manage the business more effectively and bring in technology and productivity. With the growth of the industry and its strong financials, the growers will be the major beneficiaries. We all hope that the much needed structural reforms in the matter of cane pricing is brought about through the judicial process.

Global sugar scenario: Like all other major commodities, globally, sugar has been impacted severely on account of the current financial turmoil. With the involvement of financial investor in this market, the price movement has been significantly impacted irrespective of fundamentals. In 2008-09, after two years of surplus, the global sugar is expected to present a deficit scenario. The global sugar production is estimated to decline by 4%, primarily on account of decline in production from India, Pakistan, EU, USA etc., while the consumption is estimated to increase by 2%. Another significant factor which will impact the global sugar scenario is on account of decline in crude prices. Brazil, the largest producer of sugar cane, during the current season, used approx. 59-60% of its sugar cane for producing ethanol on account of higher prices for gasoline, increased volume of flexi-fuel cars etc. With the decline in crude prices, the parity pricing between ethanol and gasoline will be gradually reduced and this may necessitate the reduction in production of ethanol. It is estimated that the sugar production in Brazil will go up by about 9%. However, Brazilian production will also be impacted on account of delay in completion of capacity addition etc. on account of the financial/ liquidity constraints.

Global sugar prices have been under significant swings in the last couple of months due to the global financial crisis which led to unwinding of long position by many financial investors. Currently, the sugar prices for March 09 deliveries are 11.65 cents per pound for raw and USD 324 per tonne for whites. With the depreciating Brazilian Real and declining ocean freight, Brazilian exports may look attractive. However, during 2007-08

India was a major exporter with 2.7 million tonne of raw sugar and 2.2 million tonne of white sugar which will not be there during 2008-09 and may be replaced by Brazilian exports. Accordingly, it is expected that sugar prices should not decline and the overall scenario would be in deficit. Even Europe is also expected to be a significant importer in view of the reforms initiated few years back.

Outlook

Despite estimates of lower production in the country as well as in the state of UP, with the extensive cane development efforts and relationship with farmers, based on the current estimates of cane, we expect to crush similar quantity of cane as last year, even though a more clearer picture will emerge on the same in the coming months. We have started crushing in two of our mills and the remaining mills are expected to start in the next ten days.

The domestic market is largely insulated from the global prices and the sugar prices here are governed by its own fundamentals. With the increasing trend in consumption and estimated lower production during 2008-09 & 2009-10, the sugar price is expected to remain buoyant.

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

	Q4 FY 08	Q4 FY 07	Oct 07–Sep 08	Oct 06–Sep 07	FY 07
Generation ('000 units)	-	34460	268667	313451	376784
Export ('000 units)	-	28238	185820	215058	263025
Financial details					
Net sales (Rs. million)	(77)	99	1174	1339	1527
PBIT (Rs. million)	(86)	3	476	449	497
PBIT margin (%)	NM	3%	40.5%	33.5%	32.6%

On account of shorter 2007-08 sugar season, the total operational period of power plants were lower than the corresponding periods of previous year. During the current quarter under review, the power plants were not in operation. The company has changed the accounting policy of recognition of carbon credit income and accordingly income booked in Q3 FY 08 has been reversed. The impact of the same on the profitability of the quarter and financial year is a reduction of Rs. 90 million. The income from carbon credit accrued after 31st March 2007 will be accounted in accordance with the changed accounting policy as a conservative approach.

Outlook

The co-generation business provides a long term and sustainable source of incremental revenue while diversifying and de-risking the Company's operating profile. In addition, the Company will also derive financial benefits due to a tax holiday for a period of 10 years.

The regulatory and tariff environment is encouraging, in view of the National Electricity Policy, the Electricity Act 2003, and measures taken by the UP Electricity Regulatory Commission to mitigate commercial and regulatory uncertainties.

With our estimates for similar quantum of cane crush as last season, for 2008-09 sugar season, we expect the co-generation plants also to operate in line with the last year. Efforts are being made to reduce the steam consumption for saving more bagasse which in turn can enable the power plants to run for a longer period during the off-season.

Triveni's co-generation facilities are eligible for carbon credits under the Kyoto Protocol's Clean Development Mechanism (CDM) and are expected to generate approx. 200,000 carbon credits annually on an on-going basis.

Distillery Business

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

	Q4 FY 08	Oct-Sep 08	Oct –Sep 07
Operational details			
Production (000 ltr)	5068	35998	14279
Sales (000 ltr)	10505	35468	12211
Avg. realization (ltr)	25.54	20.59	14.91
Financial details			
Net sales (Rs. million)	271	737	182
PBIT (Rs. million)	71	177	21
PBIT margin (%)	26%	24%	11.7%

The distillery only became operational since April 07 and hence the results of Oct – Sept 07 is not comparable. The distillery has been operational for the entire year and achieved an average capacity utilization of 98%. The unit also achieved good operational efficiencies. In line with the lower crush and lower molasses available for alcohol production, realization from distillery has been showing consistent improvement. On account of reduced sugar cane crushing and molasses production during 2007-08 season and expected lower production for the next season, we believe the prices of molasses as well as alcohol prices should continue to rise in the coming quarters. Our product mix includes ENA, rectified spirit and industrial alcohol.

Steam turbines business

Triveni is the domestic market leader, with a market share of 78% for range upto 20 MW in FY 07, 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. The 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

	Q4 FY 08	Q4 FY 07	Oct 07–Sep 08	Oct 06–Sep 07	FY 07
Net sales (Rs. million)	1319	1094	5092	4639	6935
Change (%)	21%		9.9%		
PBIT (Rs. million)	330	275	1280	1070	1539
Change (%)	20%		20%		
PBIT margin (%)	24.8%	25.2%	25.1%	23.1%	22.2%

During the 4th quarter, the sales went up by 21% while for the full year, when compared with corresponding 12 months period of last financial year, the sales were higher by 10%. The turbine segment has been able to slightly improve its margins.

During the year under review, servicing, spares and refurbishing as a percentage of net sales went up by 3% to 11.9% while the exports as per % age of total sales doubled from 6% to 12% during the current 12 months when compared with previous 12 months period.

The outstanding order book as on 30st September 2008 has been Rs. 5.15 billion for 649 MW.

Outlook

The global financial crisis has resulted in slow-down in the economic activities. This may impact some of the existing orders as customers may face credit crunch which in turn will force them to reschedule their deliveries. The continuing uncertainties and lack of effective funding options, may force some customers to defer their growth plans, which in turn would mean slower order intake. We believe that we may not be impacted much as our turbines are used in power generation which is critical input in any manufacturing operations and such projects have shorter payback period given the cost of power. Further, demand for Triveni's turbines comes from a variety of sectors, slow-down in few sectors may not impact its operations significantly given our focus on expanding the market reach for our turbines on the higher MW / high pressure range of turbines, whose markets are significantly larger. The focus on exports will continue with expanding markets, as our value proposition is lower cost with highest quality and efficiency backed by service. The refurbishment of existing turbines, which are less capital intensive and at the same time meet the requirement of operations, will be a focus area for many industries where the fresh capital requirement is large and costly. With the installation of Vacuum Balancing Tunnel and other equipments, refurbishment business should attract new orders. Triveni's continued focus on research & development for improving its product as well as efficiency to match with the best and also technological upgradation of its manufacturing facility to increase productivity, maintain stringent quality standards etc., should enable us to reduce the cost of production which in turn will enable us to remain competitive both domestically and globally.

High speed gears and gearboxes business

This business manufactures high-speed gears and gearboxes upto 70MW capacity and speeds of 50,000 rpm. Triveni is the country's largest one-stop solutions provider in this sector, with about 60% overall market share and over 70% market share in the below 25 MW Segment.

Performance

	Q4 FY 08	Q4 FY 07	Oct 07–Sep 08	Oct 06–Sep 07	FY 07
Net sales (Rs. million)	243	169	769	605	941
-Change	44%		27%		
PBIT (Rs. million)	63.3	42.7	219.6	145.5	232.6
-Change	48%		51%		
PBIT margin (%)	26.0	25.2	28.6	24.0	24.7

The turnover for the full year increased by 27% when compared with the corresponding 12 months of the previous year while in the Q4 sales were up by 44% when compared with the corresponding quarter of previous year. There has been increase of margin by over 4.5% year on year while the quarter over quarter the improvement has been 0.9%. This is on account of change in product mix and execution of certain high margin retrofitting orders.

The order book position of this business as on 30th September 2008 has risen by 31% at Rs. 534 million when compared with the order position as on 30th September 2007. The unit's move into hydel gear boxes is gaining momentum. We also manufacture and supply high quality loose gears to large engineering multinational corporations which have significant growth prospects on account of the value proposition we offer to them in terms of cost, quality.

Water business

This business is focused on providing world-class solutions in water and waste-water treatment to customers in 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

	Q4 FY 08	Q4 FY 07	Oct 07–Sep 08	Oct 06–Sep 07	FY 07
Net sales (Rs. million)	219	106	668	400	511
-Change	107%		67%		
PBIT (Rs. million)	16.6	16.4	105.4	46.1	58.0
-Change	1.2%		129%		
PBIT margin (%)	7.6%	15.5%	15.8%	11.5%	11.3

The Company continued to successfully leverage its existing engineering relationships with industrial sector customers. Sales went up by 67% during the financial year when compared with the corresponding 12 months period of last financial year with PBIT margins improving by over 400 basis points during the same period. The company's quarterly performance may not be comparable as various components are billed and dispatched at various intervals and hence the margins may not be comparable on a quarterly basis.

Order book has been growing consistently. The outstanding order book as on 30th September 2008 was Rs. 1.42 billion as against Rs. 448 million during the same period last year which is a growth of over 217%. The unit continued its foray into high value orders for both municipal and industrial applications.

The unit's focus on upgrading the technology offering as well as participating with technology partners in getting into high technology jobs is continuing and the group is currently evaluating various opportunities. With these orders in hand, we believe the growth prospects for this business are very high and sustainable.

During the year, the water businesses' new manufacturing workshop cum office facility was complete and the operation of this business have been shifted to the new premises.

Outlook

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. The focus of Government of India, various state governments and local bodies in addressing the issue of providing water will be the key driver of demand generation in this business line. 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 enable the unit to post good order booking and sales growth. The Government's trust on various schemes under the Jawaharlal Nehru National Urban Renewal Mission (JNNURM) will also attract investment in this business.

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AUDITED FINANCIAL RESULTS
FOR THE YEAR ENDED 30TH SEPTEMBER 2008

Rs.in lacs

Particulars	Standalone					Consolidated	
	Quarter Ended		Year Ended		Previous Accounting Period Ended		
	30.09.08	30.09.07	30.09.08 12 months	30.09.07 12 months	30.09.07 18 months	30.09.08 12 months	30.09.07 18 months
	Unaudited	Unaudited	Audited	Unaudited	Audited	Audited	Audited
1. Net Sales / Income from Operations	42714	30418	159301	131966	190795	161870	192847
2. Other Operating Income	81	31	351	124	201	351	201
3.Share of Income/(Loss) of Associates	-	-	-	-	-	1893	(26)
4.Expenditure							
a) (Increase)/Decrease in stock in trade	21612	15610	(10211)	(21153)	1804	(10436)	1334
b) Consumption of raw materials	10270	7956	106435	114253	134018	106448	134027
c) Purchase of traded goods	77	87	458	241	694	3400	3632
d) Employees Cost	3029	2390	11935	9682	13392	12407	13714
e) Depreciation	1998	2001	7969	6317	8128	8002	8153
f) Other expenditure	4876	4284	21983	18142	24508	22092	24390
g) Off-Season expenses (Net)	(5030)	(4530)	(1818)	(1414)	(6565)	(1818)	(6565)
h) Total	**36832**	**27798**	**136751**	**126068**	**175979**	**140095**	**178685**
5.Profit from Operations (1+2+3-4)	**5963**	**2651**	**22901**	**6022**	**15017**	**24019**	**14337**
6.Other Income	57	26	371	66	334	375	327
7. Profit before Interest and Exceptional Items (5+6)	**6020**	**2677**	**23272**	**6088**	**15351**	**24394**	**14664**
8. Interest (Net)	2834	2003	9816	5966	7285	9896	7334
9. Profit after Interest but before Exceptional Items (7-8)	**3186**	**674**	**13456**	**122**	**8066**	**14498**	**7330**
10. Exceptional Items		112		214	214		214
11.Profit (+)/ Loss(-) before Tax (9-10)	**3186**	**562**	**13456**	**(92)**	**7852**	**14498**	**7116**
12.Tax Expenses (Net of MAT credit entitlement)	490	62	2304	(1324)	309	2300	307
13.Net Profit(+)/ Loss (-) after Taxation (11-12)	**2696**	**500**	**11152**	**1232**	**7543**	**12198**	**6809**
14.Paid up Equity Share Capital (face value Rs.1/-)	2579	2579	2579	2579	2579	2579	2579
15.Reserves excluding revaluation reserves			74106	64906	64906	76633	66387
16.Earning per share-Basic/Diluted (not annualised) as per Accounting Standard (AS) 20 - Rs.	1.05	0.19	4.32	0.48	2.92	4.73	2.64
17. Public Shareholding							
Number of shares	85255267	85255267	85255267	85255267	85255267	85255267	85255267
Percetage of shareholding	33.06	33.06	33.06	33.06	33.06	33.06	33.06

SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED

Rs.in lacs

Particulars	Standalone					Consolidated	
	Quarter Ended		Year Ended		Previous Accounting Period Ended		
	30.09.08 Unaudited	30.09.07 Unaudited	30.09.08 12 months Audited	30.09.07 12 months Unaudited	30.09.07 18 months Audited	30.09.08 12 months Audited	30.09.07 18 months Audited
1. Segment Revenue							
[Net Sale/Income from each segment]							
(a) Sugar							
Sugar	24183	15517	88680	76043	109632	88680	109632
Co-Generation (Note 5)	(772)	987	11736	13392	15273	11736	15273
Distillery	2705	1110	7371	1822	1822	7371	1822
	26116	17614	107787	91257	126727	107787	126727
(b) Engineering							
Steam Turbine	13192	10936	50916	46391	69347	50916	69347
Gears	2431	1692	7693	6047	9412	7693	9412
Water	2191	1060	6676	3995	5113	6676	5113
	17814	13688	65285	56433	83872	65285	83872
(c) Others	292	244	1260	1331	1944	4242	5750
Total	44222	31546	174332	149021	212543	177314	216349
Less : Inter segment revenue	1508	1128	15031	17055	21748	15444	23502
Net Sales	**42714**	**30418**	**159301**	**131966**	**190795**	**161870**	**192847**
2. Segment Results							
[Profit (+) / Loss (-) before tax and interest]							
(a) Sugar							
Sugar	2536	(218)	3588	(8998)	(5185)	3588	(5185)
Co-Generation (Note 5)	(860)	27	4757	4495	4974	4757	4974
Distillery	714	141	1769	214	214	1769	214
	2390	(50)	10114	(4289)	3	10114	3
(b) Engineering							
Steam Turbine	3298	2754	12801	10696	15388	12801	15388
Gears	634	427	2197	1455	2326	2197	2326
Water	166	164	1054	461	580	1054	580
	4098	3345	16052	12612	18294	16052	18294
(c) Others	(226)	(57)	(194)	(245)	(264)	(966)	(791)
Total	6262	3238	25972	8078	18033	25200	17506
Less : i) Interest (Net)	2834	1985	9816	5966	7285	9896	7334
ii) Other un-allocable expenditure [Net off un-allocable income]	242	691	2700	2204	2896	806	3056
Total Profit Before Tax	**3186**	**562**	**13456**	**(92)**	**7852**	**14498**	**7116**
3. Capital Employed							
[Segment Assets - Segment Liabilities]							
(a) Sugar							
Sugar	133863	110063	133863	110063	110063	133648	109848
Co-Generation	20797	23203	20797	23203	23203	20797	23203
Distillery	11242	10544	11242	10544	10544	11242	10544
	165902	143810	165902	143810	143810	165687	143595
(b) Engineering							
Steam Turbine	10440	5596	10440	5596	5596	10440	5596
Gears	3890	3757	3890	3757	3757	3890	3757
Water	2979	1323	2979	1323	1323	2979	1323
	17309	10676	17309	10676	10676	17309	10676
(c) Others	2224	2510	2224	2510	2510	3444	3413
Capital Employed in Segments	185435	156996	185435	156996	156996	186440	157684
Add : Unallocable Assets less Liabilities [including investments]	(107256)	(88016)	(107256)	(88016)	(88016)	(105734)	(87224)
Total	**78179**	**68980**	**78179**	**68980**	**68980**	**80706**	**70460**

Notes

1. In view of the seasonal nature of company's businesses including cyclicality in turbine despatches, the performance results of the quarter may vary.

2. The Board has, subject to the approval of the shareholders, recommended a final dividend of 60% (Rs.0.60 per equity share) for the accounting year 2007-08

3. The results for the accounting year consider cane price at Rs 1100 per tonne for the season 2007-08, which was paid based on the interim order of the Supreme Court pending final decision in the matter.

4. The following accounting policies were changed during the year:

   a) In accordance with the Accounting Standard (AS) 11 'The Effect of Changes in Foreign Exchange Rates', post capitalisation gains or losses arising from variation in foreign exchange rates relating to the fixed assets have been charged to the Profit & Loss account during the current accounting year and accordingly, profit before tax is lower by Rs 68.78 lacs.

   b) The company has made provision for the employee benefits under Accounting Standard (AS) 15 'Employee Benefits' which has become applicable to the company for the current accounting year. Consequently, the employee cost for the year is higher by Rs 76.11 lacs and provision of Rs 142.28 lacs (net of tax) accrued up to September 30, 2007 has been adjusted with the General Reserves as per the transitional provisions of the accounting standard.

5. The Company has changed its accounting policy of recognition of income from carbon credit and accordingly, income booked in Q3 FY 2008 has been reversed. Consequently, the profits of the quarter and the year ended September 30, 2008 are stated lower by Rs.902 lacs. The income from carbon credits accrued after March 31, 2007 for the eligible co-generation plants will now be accounted for in accordance with the changed accounting policy.

6. During the year, business segments have been re-categorised and accordingly corresponding figures of previous periods have been regrouped. Further, the figures of previous periods under various heads have been regrouped to the extent necessary.

7. Consolidated financial results include results of wholly owned subsidiaries and proportionate share of income/loss from associates. Abohar Power Generation Limited has ceased to be a subsidiary during the year and its results have been consolidated till the date of cessation.

8. 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 meetings held on November 18, 2008 and November 19, 2008 respectively.

9. There were no investor complaints pending at the beginning of the quarter. The Company received 22 investor complaints during the quarter ended September 30, 2008 and all the complaints were resolved.

Place : Noida
Date : November 19, 2008

for TRIVENI ENGINEERING & INDUSTRIES LTD

Dhruv M Sawhney
Chairman & Managing Director