

Press Release

For Immediate Publication

Triveni Engineering & Industries announces net profit of Rs 63.1 crore for the first half of FY 2006-07 led by robust growth in the engineering businesses

New Delhi, October 16, 2006 – Triveni Engineering & Industries Limited (TEIL), India's leading manufacturer of sugar and engineered-to-order mechanical equipment, such as steam turbines, high speed gears and water and wastewater treatment equipment has announced its financial results for the half year ended September 30, 2006. Triveni registered net sales of Rs 588 crore for the first half of the FY 07, an increase of 6% as compared to previous year. The EBIDTA for HIFY07 was at Rs 112.4 crore, while net profit for the HI FY07 was at Rs 63.1 crore. The earnings per share (face value Re 1/-) for the HIFY07 stood at Rs 2.45.

The board of directors also decided to approve an interim dividend at the rate of 35% on the equity shares of the company.

Commenting on the results, Mr. Dhruv M Sawhney, CMD, TEIL said, "The management expects the current fiscal to be robust on account of capacity enhancement in sugar production to 61,000 TCD. Additional capacity of 23 MW cogeneration at Khatauli would also add significant revenue from the cogeneration business."

The order book for the engineering division stood at Rs 568 crore, significantly higher than turnover of last fiscal. The profit before interest and tax for the engineering business in Q2FY07 was Rs 32.4 crore and for the HIFY07 was at Rs 56.8 crore. The steam turbine business recorded revenues of Rs 229.6 crore in HIFY07. The engineering business has increased its proportion in the company's turnover and profitability, with engineering business now accounting for almost 50% of the turnover as per HIFY07 figures. Triveni currently is a market leader in manufacturing of turbines with range of up to 18 MW and is venturing into manufacturing of turbines with range of up to 30 MW. The profitability from the turbines business group has been rising due to higher MW turbine sales, rationalization of technology which has improved costs and performance of turbine apart from higher export orders. Triveni aims to be a global leader in the industrial turbine market for which the company is currently in dialogue to acquire technology.

The sugar business recorded revenues of Rs 154 crore in Q2FY07 and Rs 337.6 crore for HIFY07. The factories are gearing up for the sugar season as crushing would start in the first week of November. The revenue from sugar business has witnessed a downward trend because of lower opening sugar inventory. Triveni dispatched about 31% lower quantity of sugar in Q2FY07 as compared with the corresponding quarter of

the last fiscal. On a half yearly basis, sugar dispatches were lower by about 24% compared with the corresponding period last year.

The capacity enhancements from existing 40,500 TCD to 61,000 TCD are on schedule and Triveni expects the volume of sugar crushed during this year to be higher by around 50%, which would be reflected in Q3/Q4 FY07.

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

About TEIL: Triveni Engineering & Industries Limited (BSE SCRIP ID: TEIL; NSE SYMBOL: TRIVENI) is amongst the 200 largest listed companies in India and has business operations in sugar, co-generation of power, turbines, gears and water treatment equipment. For more information about Triveni Engineering & Industries Limited, visit <http://www.trivenigroup.com>.

For further information contact:

C.N. Narayanan
Triveni Engineering & Industries Limited
Noida (U.P.) Phone:- 0120-4308000

Saurabh Saxena/Kunal Takalkar
Adfactors PR Pvt. Limited
New Delhi Phone:- 011-41345155