

**Press Release**

**For Immediate Publication**

## Triveni Engineering & Industries Limited announces higher first quarter earnings

**New Delhi, -- July 14, 2006** – Triveni Engineering & Industries Limited (TEIL) (BSE SCRIP ID: TEIL; NSE SYMBOL: TRIVENI), 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 Q1 ended June 30, 2006. Continuing the momentum achieved in the previous two years, Triveni registered net sales of Rs 299.98 crore, up 19% over the corresponding quarter of previous fiscal. The EBIDTA registered a growth of 34% at Rs 58.8 crore, against Rs 43.8 crore in the corresponding previous quarter. The net profit was at Rs 32.4 crore, an increase of 28% over Q1 FY 06. The earnings per share ( face value Re 1/-) for the Q1FY07 was Rs 1.26 as compared to Rs 1.22 in the corresponding previous quarter.

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 by 50% in sugar and cogeneration businesses. The engineering business has been extremely encouraging. We now have an order book of over Rs. 577 crore, which is 71% higher than the turnover for the entire last fiscal. We are confident of achieving significantly higher margins in this business in the current year. The profit before tax for the engineering business in Q1FY07 was Rs 22.5 crore as against Rs 45.8 crore for the entire FY 06.”

While the sugar business recorded revenues of Rs 183.55 crore in Q1FY07 as against Rs 181.37 crore in the corresponding previous quarter, the steam turbine business recorded revenues of Rs 93.44 crore as against Rs 51.25 crore in the corresponding previous quarter reflecting our increased past order bookings and capacity enhancement. The cogeneration business recorded revenues of Rs 17.29 crore as against Rs 6.69 crore in the corresponding previous quarter. The engineering business has increased its proportion in the company's turnover and profitability in the current quarter – in respect of turnover, the proportion of engineering business has increased to 36 % in Q1FY07 as compared to 28% in Q1FY06, whereas in respect of PBIT, its proportion has substantially increased to 47 % from 13%.

Triveni despatched 9.21 lakh quintals of sugar in Q1FY07. The average realization for the same was Rs. 1837 per quintal as against Rs. 1586 per quintal during the corresponding previous quarter. The capacity enhancements from existing 40,500 TCD

to 61,000 TCD are on schedule and we expect the volumes 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 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>.

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