

For immediate release

Triveni 9M FY 10 net sales up 25% at Rs 1672 crore PBT at Rs. 107.7 crore and PAT at Rs. 73.6 crore

- **Engineering Businesses:**
 - **Strong Order book of Rs. 927 crore - growth of 21% y-o-y**
 - **Significantly Improved Performance - Growth of 29% in turnover and 19% in PBIT over 9M FY 09**
 - **Expected to improve further in the subsequent quarters**

- **Sugar:**
 - **Substantial decline in sugar prices due to Government policies**
 - **Pressure on margins due to high cost of production and levy obligation - resulting in increased provisioning towards inventory write down**
 - **Sugar fundamentals still look promising subject to realistic sugarcane prices for the next season**

Noida, July 19, 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 / Nine month ended 30th June 2010 (Q3 / 9M FY 10).

PERFORMANCE OVERVIEW: 9MFY 10 V/S 9MFY 09

(9M FY 2010 – October– June 2010); (9M FY 09 – October – June 2009)

- Net Sales increase by 25% to Rs. 1672 crore
- EBITDA of Rs. 206 crore with a margin of 12%
- Profit before Interest & Tax (PBIT) at Rs. 137 crore
- Profit after tax (PAT) at Rs. 73.6 crore
- EPS for 9M (not annualized) at Rs. 2.85
- Engineering businesses achieved a growth of 29% in turnover with 19% growth in PBIT
- Even though the Sugar businesses achieved a growth of 24% in turnover on account of higher realisation over the corresponding period last year, the overall profitability was

severely impacted due to increased cost of production, mainly owing to higher cane prices paid and higher levy obligation.

- On account of lower sugar prices than the cost of production, the sugar inventories as on 30th June 2010 have been stated at estimated net realizable value, resulting in provisioning of Rs. 80.5 crore towards write down of the inventories. This provisioning has been made after considering the recently announced revised levy sugar prices.

PERFORMANCE OVERVIEW: Q3 FY 10 V/S Q3 FY 09
(Q3 FY 10 – April - June 2010); (Q3 FY 09 – April - June 2009)

- Net Sales increased by 14% to Rs. 591 crore
- EBITDA of Rs. 12.08 crore
- Profit before Interest & Tax (PBIT) at Rs. (-) 11.47 crore
- Profit after tax (PAT) at Rs. (-) 14.2 crore
- Engineering order book grew by 9% during the quarter
- Some re-schedulement of deliveries have resulted in spill over of the dispatches in our turbines business and water business to the next quarter and hence, the overall growth in engineering turnover was restricted to 12%. This will be corrected in the coming quarter.
- The reported loss in the sugar operations for the quarter was primarily on account of the additional provisioning for the quarter (including the sugar produced during the quarter) towards write-down of sugar inventory, apart from declining sugar realisation during the quarter.

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

"Our engineering businesses are showing steady growth in the order booking, which will ensure the desired growth rate in turnover. In all the three engineering businesses, the order intake during this quarter has been high and the company could achieve an all time high outstanding order book of Rs. 927 crore, which, based on the growth in the sectors catered by us, I believe will only increase in the coming quarters. In our turbine business, the company's thrust towards moving into higher MW and higher pressure range started yielding results. Similarly in our water business, we are focusing on higher order size, some of which are already in the advanced stages of finalisation. In our Gears business, the company is actively pursuing its plan to expand the product range. The overall outlook for all the three engineering businesses looks robust and we believe the company is in a position to capture the opportunities in the market place as a provider of competitive product and services both in terms of efficiency and cost.

In the sugar segment, it is ironical that though the fundamentals of sugar are still strong and the sugar prices are at reasonably healthy levels (though much lower than the peak levels touched in January' 2010), the industry is coping up with higher cost of production after having paid unrealistic cane prices in the previous season. Even with the current year's production estimates getting frozen at around 19 million tonnes and with an estimated higher production of approx. 24- 25 million tonnes in the next season, the sugar stocks at the end of the next sugar season will not be excessive. We hope that the changed sugar pricing scenario would result in swift governmental action towards easing and reversing measures initiated earlier, such as, stock holding limit, duty on imports, levy obligation etc. It is heartening to note that the Government is contemplating much needed reforms in the sugar sector, including cane pricing."

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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, Rani Nangal 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 Bengaluru 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

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