

*Press Release
For immediate publication*

**Triveni Q1FY2008 net sales up 13% at Rs 347 crore
EBITDA up 63% at Rs 71 crore
PAT increases 17% to Rs 25.7 crore**

- **Sugar**
***Sugar cane crushing currently on
Outlook appears positive with improved realization price, higher
recoveries and expected rational cane pricing***
- **Engineering Businesses**
***Order book position of over 600 crore – 11% growth over previous
quarter***

New Delhi, January 29, 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 quarter ended 31st December 2007 (Q1 FY2008).

PERFORMANCE OVERVIEW: Q1FY2008 V/S Q1FY2007

(Q1 FY 2008 – October – December 2007); (Q1 FY 2007 – October – December 2006)

Net sales increased 13% to Rs 347 crore in the quarter, while EBITDA was 63% higher at Rs 71.1 crore and PAT showed an increase of 17% to Rs 25.7 crore. EPS for the quarter was Rs 1.00 (not annualized).

The overall sugar businesses showed a growth of 1% while the engineering businesses' revenue increased by 12%. The sugar operations achieved net turnover of Rs 181 crore, 6% lower than the corresponding quarter last year on account of lower realization, while the cogeneration operations achieved a turnover of 28.4 crore, lower by 3% on account of late start of the crushing during this season. During this quarter, Distillery achieved a turnover of Rs. 15.5 crore. On the engineering business front, the overall sales turnover went up by 12% with Turbines showing a growth of 4% while Gears and Water Businesses showed a growth of 32% and 79% respectively.

The issue of sugar cane prices for 2006-07 and 2007-08 seasons is before Supreme Court and High Court respectively. The company had provided cane prices at State Advised Price (SAP) of Rs. 1250 per tonne in the accounts for FY 07 while for the current season, based on the Lucknow Bench's interim order, cane prices has been taken at Rs. 1100 per tonne.

Overall PBIT increased 52% to Rs 49.9 crore, with PBIT margin expanding to 14.4% from 10.7% last year. This was primarily driven by better margins in engineering businesses.

Depreciation & amortization, during this quarter, almost doubled to Rs. 21.2 crore as against Rs 10.8 crore during the corresponding quarter of previous year. This is on account of the capitalization of sugar manufacturing, cogeneration and distillery capacities. The total finance cost also went up from Rs. 4.4 crore to Rs. 19.1 crore, primarily on account of commissioning of all projects. Net profit before tax (PBT) increased 8% to Rs 30.8 crore while Profit after Tax (PAT) went up by 17% to Rs. 25.7 crore.

Commenting on the Company's financial performance, Mr Dhruv M. Sawhney, Chairman and Managing Director, Triveni Engineering & Industries Ltd, said, *"We are pleased to report a strong operating result for the quarter which is better than corresponding quarter of the previous year. The engineering businesses are performing in line with our expectation and are having an aggregate order book in excess of Rs. 600 crore. With foray into new product lines in water business (desalination) and gears business (hydel and niche low speed gears) and due to our continual efforts towards product improvement and range enhancement in our turbine business complimented by increased refurbishment business and collaborative tie-ups, we believe that the engineering business is poised for consistent growth in future as well"*.

"In sugar segment, after a gap of three quarters, the company has registered a profit before interest and tax. Sugar prices currently are ruling firm on the back of country's estimated lower production for current season. With consistent performance of our co-generation units coupled with carbon credits accruing, the co-generation operations should provide good support in the overall profitability of the company. We believe the issue of rational sugar cane pricing, which is currently before the Courts, will be resolved in the best interest of all stakeholders, thus bringing stability in sugar operations in the long run", added Mr. Sawhney.

About Triveni Engineering & Industries Limited

Triveni Engineering & Industries Ltd. ('Triveni') is 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. The company's core strength in the engineering business emerges from its focus on high quality, high technology and continuing focus on research & development strongly supported by after sales service network. The company has created a niche for itself in the engineered to order mechanical equipment space with market leadership in steam turbines and high-speed gears in its applicable market segments. In the sugar business, Triveni has a daily sugar cane crushing capacity of 61000 tonnes with 68 MW of co-generation capacity and 160,000 litres of distillery. For further information on the Company, its products and services please visit www.trivenigroup.com

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