

*For immediate release*

***The Scheme of Arrangement involving demerger of the Steam turbine business to Triveni Turbine Limited (TTL) has become effective on 21.04.2011 from the appointed date on 01.10.2010. The financials of the quarter and half year ended 31.03.2011 do not include the financials of Steam Turbine Business and are not comparable with the previous period/s.***

**H1 FY 11 net sales at ₹ 912 crore  
EBITDA at ₹ 101 crore with margin of 11%  
PBT at ₹ 24.2 crore and  
PAT at ₹ 25.2 crore**

- ***Important Business Announcements:***
  - ***The Demerger Scheme approved and is being given effect to.***
  - ***Pursuant to the Scheme, equity shares have been issued and allotted by TTL to the shareholders of the Company***
  - ***Application to be shortly submitted for the listing of equity shares of TTL.***
  - ***Company to hold 22% equity stake in TTL***
  
- ***Business Performance in H1 FY 11:***
  - ***Sugar Business turnover higher by 3%***
  - ***Cane crush and recovery below earlier forecasts.***
  - ***Significant contribution by co-generation and distillery***
  - ***Gears business turnover & profitability growth of 20% with high PBIT margins***
  - ***Modest turnover growth in Water business. To scale up significantly in the next two quarters. Gears & Water order book increase of 96% to ₹ 560 crore year on year***

***Noida, May 10, 2011:*** Triveni Engineering & Industries Ltd. ('Triveni'), one of India's leading companies engaged in the manufacture of sugar together with value addition of its byproducts through co-generation of power and production of Ethanol and ENA and engineered-to-order mechanical equipments, such as high speed gears and water and

wastewater treatment equipment, today announced its performance for the quarter /half-year ended 31<sup>st</sup> March 2011 (Q2 / H1 FY 11).

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**PERFORMANCE OVERVIEW: Q2FY 11 V/S Q2FY 10**

*(Q2 FY 11 – January– March 2011); (Q2 FY 10 – January – March 2010)*

***(Quarterly results are not comparable as the current quarter does not include the financials of Steam Turbines business, which stands demerged from 01.10.2010 to TTL).***

- Net Sales at ₹ 455 crore
- EBITDA of ₹ 62 crore
- Profit before Interest & Tax (PBIT) at ₹ 41.9 crore
- Profit after tax (PAT) at ₹ 23.5 crore
- EPS for Q2 (not annualized) was ₹ 0.91.
- Engineering businesses (Gears & Water), despite lower turnover, achieved higher PBIT by 9%. Water business to show significant growth in the balance part of the year
- The sugar businesses (including co-generation & distillery) recorded a significantly better PBIT at ₹ 32.6 crore against a loss of ₹ 14.7 crore during the previous quarter. As per the accounting followed by the company, the cost of production is inclusive of all costs (including off-season expenses) and is thus final.

**PERFORMANCE OVERVIEW: H1FY 11 V/S H1FY 10**

*(H1 FY 2011 – October– March 2011); (H1 FY 10 – October – March 2010)*

***(Half yearly results are not comparable as the current half year does not include the financials of Steam Turbines business, which stands demerged from 01.10.2010 to TTL).***

- Net Sales increase at ₹ 912 crore
- EBITDA at ₹ 101 crore
- Profit before Interest & Tax (PBIT) at ₹ 60.7 crore
- Profit after tax (PAT) at ₹ 25.2 crore
- EPS for H1 (not annualized) was ₹ 0.98.
- 12% and 14% growth in Turnover and PBIT of the Engineering Businesses to further improve with expected better results of Water business in the coming quarters

- Sugar results marginally positive due to subdued sugar prices. Significant improvement in the operations of co-generation and distillery.

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

*"The statutory approvals relating to demerger of steam turbines business into a separate company have just been obtained and steps are being initiated to get the equity shares of the Resulting Company listed and traded at the earliest.*

*The performance of the business during the quarter and half year under review has been a mixed-bag. While the stock to consumption ratio remains favourable and warrants firming up of sugar prices, somehow it has not materialized; consequently, the sugar results are only marginally positive. However, significant contribution by allied businesses has spruced up the overall sugar business results. The results of Gear Business are in accordance with our expectations whereas the results of Water business, may continue to be lumpy till a strong and continuous pipeline is built up. We expect Water Business to achieve decent growth for the full year.*

*In the sugar season which has just ended, the cane crush has been lower than our forecasts, primarily due to much lower than anticipated yields especially in Western Uttar Pradesh. We believe that fundamentally, the sugar prices should improve going forward in view of production of the country to be much lower than initial forecasts and substantial exports through both Advance Licence and OGL routes. For securing adequate cane for the coming seasons, the company is undertaking cane development programme which is directed towards ensuring a better yield for farmers and in turn a better availability of cane for our mills.*

*In our gear business, as communicated in the previous quarter, we have expanded the product and geographic range for our products by extending the technology license agreement. Similarly, in the water business, we started getting into high value high technology products and projects, which we believe, in the long run will enable us to show consistent growth in turnover and profitability. Our joint venture with General Electric for meeting the global market in the above 30-100 MW range is also taking off as planned.*

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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 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 Narayanpur (all in central Uttar Pradesh) and Ramkola (eastern Uttar Pradesh). While the Company's Gears manufacturing facility is located at Mysore, 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.

The turbine business of the company, located at Bengaluru has been demerged through a scheme of arrangement into Triveni Turbine Limited (TTL) from the appointed date on 1<sup>st</sup> October 2010, and the same has become effective w.e.f. 21<sup>st</sup> April, 2011.

For further information on the Company, its products and services please visit [www.trivenigroup.com](http://www.trivenigroup.com)

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