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*For immediate release*

## **H1 FY 12 (Consolidated)\* Results**

**Net sales at ₹ 930 crore**

**PBT (before exceptional items) at ₹ (51.3) crore**

- **Engineering Businesses**
  - *Order book at ~ ₹ 504 crore*
  - *Good order in-flow in both Gears and Water during the quarter, in comparison to Q1 FY 12*
  - *Performance to improve in coming quarters*
- **Sugar Businesses**
  - *Estimated sugar output for India at 26 million tonnes for 2011-12*
  - *Higher cane price and low recoveries - adverse impact on the profitability*
  - *Free sugar exports under Open General License (OGL) scheme*
  - *Sugar prices remained subdued during the quarter. Some improvements thereafter*
  - *With more exports in the offing, the sugar prices expected to improve in the coming quarters*
  - *Good performance by Co-generation and Distillery*

**Noida, May 9, 2012:** Triveni Engineering & Industries Ltd. ('Triveni'), one of the largest integrated sugar producers in the country with seven sugar manufacturing facilities, three co-generation units and one distillery; a market leader of engineered-to-order high speed gears & gearboxes and a leading player in water and wastewater management business, today announced its performance for the quarter and half year ended 31<sup>st</sup> March 2012 (Q2 / H1 FY 12).

### **PERFORMANCE OVERVIEW: H1 FY 12 V/S H1 FY 11 (Consolidated)\*** *(H1 FY 12 – Oct – Mar 2012);(H1 FY 11 – Oct – Mar 2011)*

- Net Sales at ₹ 930 crore
- EBITDA (before exceptional items) at ₹ 42 crore
- Profit before Interest & Tax (PBIT) before exceptional items at ₹ 1.4 crore (after considering sugar inventory write down of ₹ 66.5 crore)
- Engineering business revenue ₹ 146 crore, up by 5.5% compared with corresponding period of last year

*\* After considering Share of Profit of Associates*

- PBT (before exceptional items) at ₹ (51.34) crore
- Profit after tax (after exceptional items) at ₹ (96.19) crore

**PERFORMANCE OVERVIEW: Q2 FY 12 V/S Q2 FY 11 (Consolidated)\***  
(Q2 FY 12 – Jan – Mar 2012);(Q2 FY 11 – Jan – Mar 2011)

- Net Sales at ₹ 510 crore
- EBITDA at ₹ 12.1 crore
- Profit before Interest & Tax (PBIT) at ₹ (8.2) crore (after considering sugar inventory write down of ₹ 41.5 crore)
- Engineering business revenue ₹ 85.3 crore, an increase of 10% over corresponding period of previous year
- PBT during Q2 FY 12 at ₹ (40.1) crore
- Profit after tax at ₹ (28.2) crore

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

*"In spite of improved availability of cane and higher sugar production in the State of Uttar Pradesh, owing to high sugar cane cost and low recoveries (especially in West U.P.), the industry in the State is reeling under cost pressure, which cannot be met from the prevailing sugar prices. Sugar inventories were accordingly written down to the estimated realization prices. However, if the sugar realization improves, the same will be reversed resulting in better profitability in the coming quarters. After adverse directions in respect of 2007-08 cane price, which has been fully paid by our company, in another case, the Supreme Court has directed the U.P. based sugar mills to pay the cane price for the season 2011-12 in three installments, commencing from May'2012. It will impose enormous burden on the sugar mills, especially in the regions which experienced low recoveries. The industry would look forward to financial assistance from the State / Central Government to tide over the challenging times. While the government's recent action to announce quarterly release quota (instead of monthly earlier) for free sugar is a step in the right direction, there is need to address other contentious issues as well, most notable being doing away with levy obligations. There is enormous financial burden being imposed on the sugar industry by subsidizing PDS on behalf of the Government in the form of levy sugar, the impact of which on our sugar operations is around ₹ 55.5 crore. The government's policy on export, though delayed, is pragmatic as it aims to avoid inventory build-up in the country more than the consumption. The planned*

*\* After considering Share of Profit of Associates*

*exports to liquidate surplus production in the country and the government's attempts to stringently control selling of free sugar beyond the announced release orders will help in the improvement of the free sugar prices. Our Co-generation and Distillery operations had performed better offsetting a part of losses incurred by the Sugar Operations.*

*In our engineering businesses, the outstanding order book is over ₹ 500 crore, with water business and gears business getting good orders in the current quarter in comparison to the previous quarter. During the quarter under review, sequentially both the businesses achieved better turnover and profitability. We believe, both the engineering businesses are geared to take advantage of the improvement in the business sentiments that may take place during the balance part of the year.”*

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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, Rani Nangal 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. 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. Triveni Engineering & Industries Limited holds 21.8% equity capital of Triveni Turbine Limited.

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

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