

*For immediate release*

## **H1 FY 13 (Consolidated)\* Results**

**Net sales at ₹ 1118 crore**

**PAT at ₹ (19.5) crore**

- **Engineering Businesses**
  - *Order book at ~ ₹ 462 crore*
  - *Steady order in-flow in Gears while significantly lower order inflow in Water during the current year*
- **Sugar Businesses**
  - *Sugar production for the company increased by 12 % during the season 2012-13*
  - *Estimated sugar output for India at ~ 25 million tonnes for 2012-13*
  - *Government announced de-control of sugar - abolition of levy and monthly sugar release mechanism*
  - *Expected dip in free prices as a result of decontrol. Prices may improve in Q3 and Q4*
  - *High cane prices to restrict profitability during the year*
  - *Good performance by Co-generation and Distillery*

**Noida, May 8, 2013:** 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 2013 (Q2 / H1 FY 13).

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### **PERFORMANCE OVERVIEW: H1 FY 13 V/S H1 FY 12 (Consolidated)\*** *(H1 FY 13 – Oct – Mar 2013);(H1 FY 12 – Oct – Mar 2012)*

- Net Sales at ₹ 1118 crore
- EBITDA at ₹ 52.10 crore (after considering sugar inventory write down of ₹ 57 crore)
- Profit before Interest & Tax (PBIT) at ₹ 12.3 crore
- PBT at ₹ (41.8) crore
- Profit after tax at ₹ (19.5) crore

*\* After considering Share of Profit of Associates*

**PERFORMANCE OVERVIEW: Q2 FY 13 V/S Q2 FY 12 (Consolidated)\***  
(Q2 FY 13 – Jan – Mar 2013);(Q2 FY 12 – Jan – Mar 2012)

- Net Sales at ₹ 584.5 crore
- EBITDA at ₹ 6.5 crore (after considering sugar inventory write down of ₹ 45 crore)
- Profit before Interest & Tax (PBIT) at ₹ (13.2) crore
- PBT during Q2 FY 13 at ₹ (41.7) crore
- Profit after tax at ₹ (24.7) crore

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

*"The operating performance of our sugar operations in the season 2012-13 has been satisfactory – Crush increased by 10%, recoveries by 18 basis points and sugar production increased by 12%. In view of cost of production being higher than the estimated realizable value, sugar inventories were written down by ₹ 57 crore. The increased cost of production was mainly due to unrealistically high cane prices.*

*The recent decision of the Government of India to abolish levy sugar as well as monthly sugar release mechanism was a much awaited and welcome move and it will greatly help the industry if a realistic mechanism is also put in place to determine cane pricing. As expected, the sugar decontrol has softened the sugar prices as the mills in U.P. have to sell stocks in order to pay the cane dues. It is expected that the market will stabilize after few months of actual selling activity. The abolition of levy has resulted in substantially reduced financial burden on the sugar companies but given the unrealistic cane prices, the sugar operations are still not profitable. Therefore, long term viability and sustainability of the industry also depends on the reforms to be implemented on the sugar cane side as suggested by Dr. Rangarajan Committee.*

*On account of the current economic and business environment, the performance of both our engineering businesses was affected. Lower order intake and slow execution of existing contracts resulted in lower sales and profitability for Water Business. The finalization of several orders could not be achieved. However, the Gears business has been successful in expanding its market and generate revenue through exports and retrofitting. This is a positive sign and we believe in the coming quarters, the expansion into overseas market, will mitigate its risk in slowdown of the domestic market to an extent. We also believe that both our engineering businesses are intrinsically geared up to take advantage of any upturn in the business cycle."*

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- ENDS -

\* After considering Share of Profit of Associates

## 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 three co-generation units located in two of its major facilities viz., Khatauli & Deoband and one of the largest single stream molasses based 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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