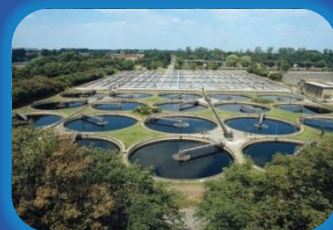


Pennar Industries Limited



Investor Presentation Q4FY15/FY15



PENNAR INDUSTRIES LIMITED

Disclaimer



This presentation contains statements that contain “forward looking statements” including, but without limitation, statements relating to the implementation of strategic initiatives, and other statements relating to Pennar Industries Limited and its subsidiary companies’ (“Pennar”) future business developments and economic performance.

While these forward looking statements indicate our assessment and future expectations concerning the development of our business, a number of risks, uncertainties and other unknown factors could cause actual developments and results to differ materially from our expectations.

These factors include, but are not limited to, general market, macro-economic, governmental and regulatory trends, movements in currency exchange and interest rates, competitive pressures, technological developments, changes in the financial conditions of third parties dealing with us, legislative developments, and other key factors that could affect our business and financial performance.

Pennar undertakes no obligation to periodically revise any forward looking statements to reflect future / likely events or circumstances.

1. Q4FY15 & FY15 Performance

- Financial Performance
- Segment Performance
- Segment Composition
- Segment Highlights

2. Pennar Group

- Business Segments, Subsidiaries
- Distributed Manufacturing
- Business Structure
- Leadership Team
- Share Price Performance

Q4FY15/FY15 Performance

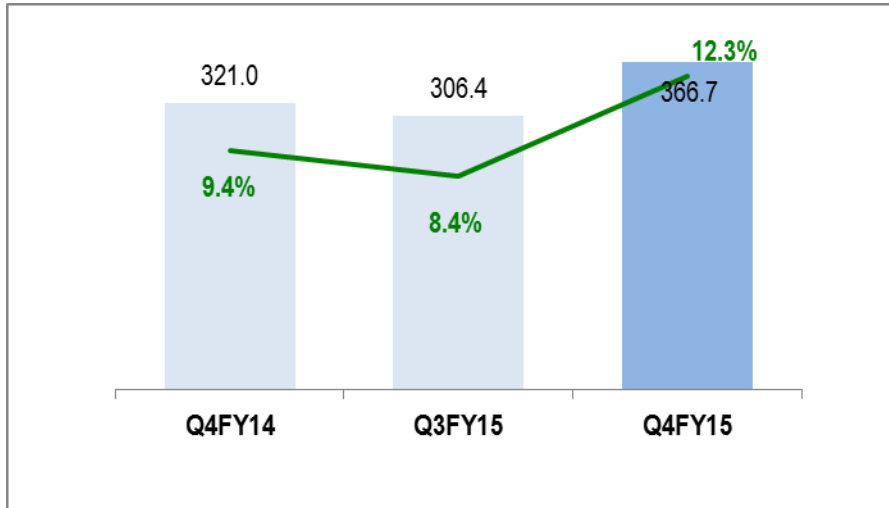


Financial Performance – Q4FY15

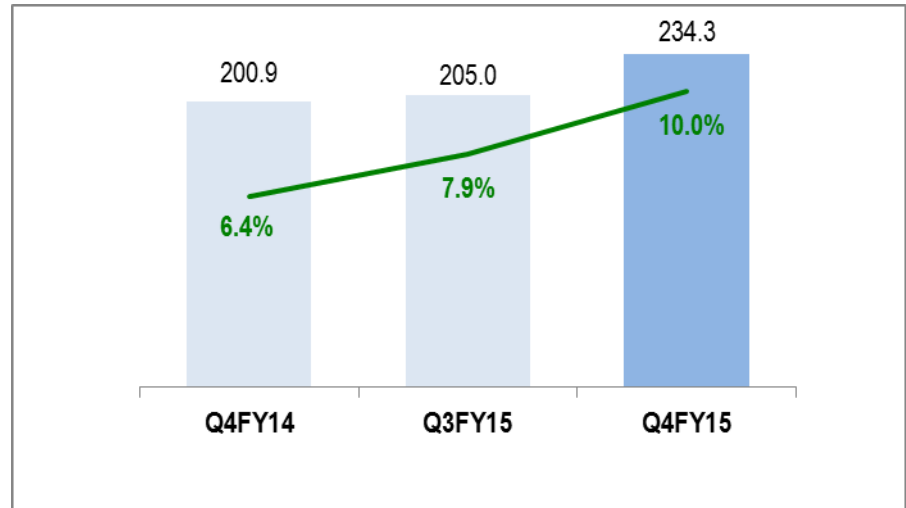


Net Revenues (Rs. Crores) and EBITDA margins (%)

Consolidated



Standalone

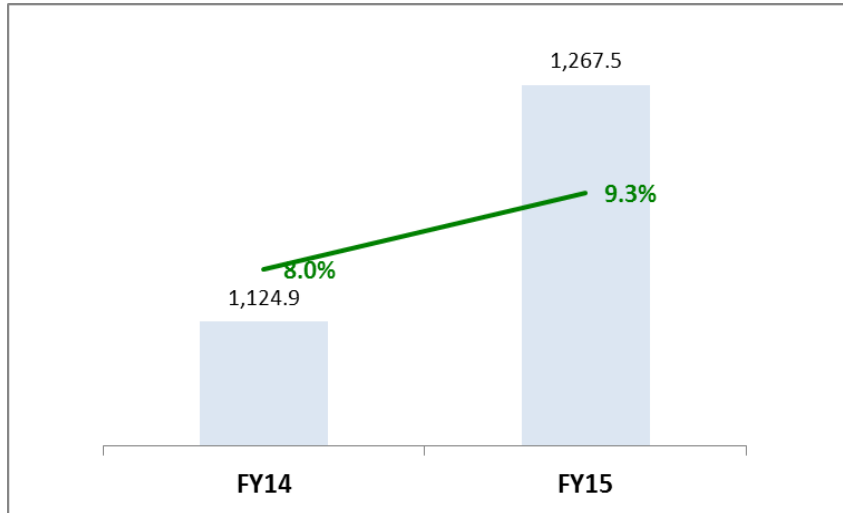


Financial Performance – FY15

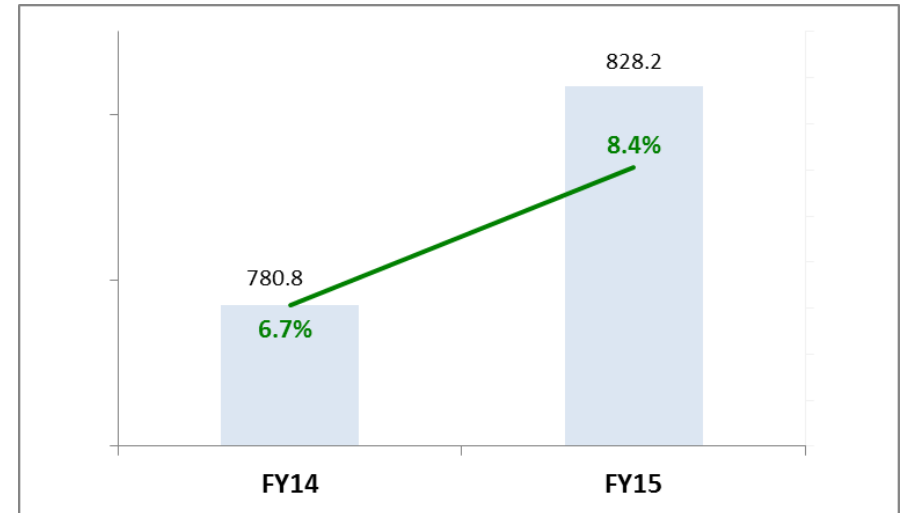


Net Revenues (Rs. Crores) and EBITDA margins (%)

Consolidated



Standalone



Highlights of FY15 performance



HIGHLIGHTS

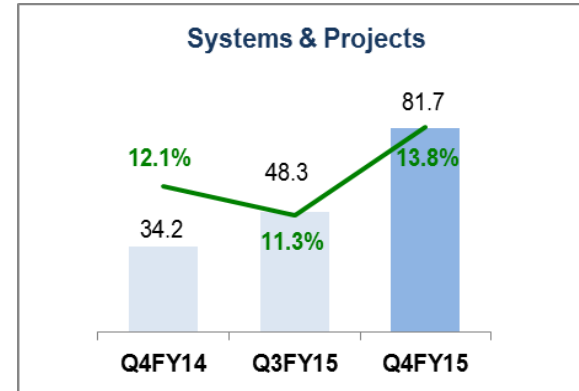
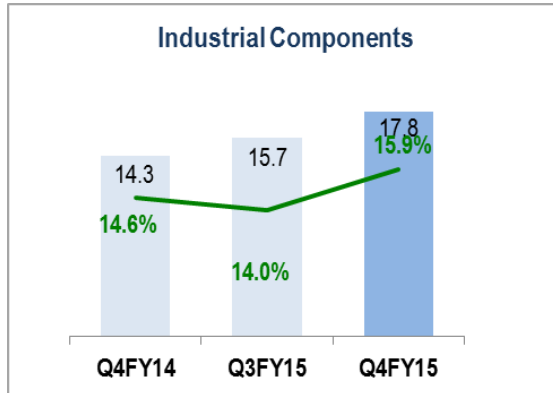
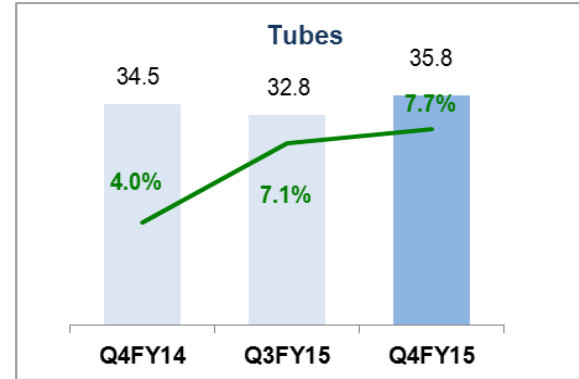
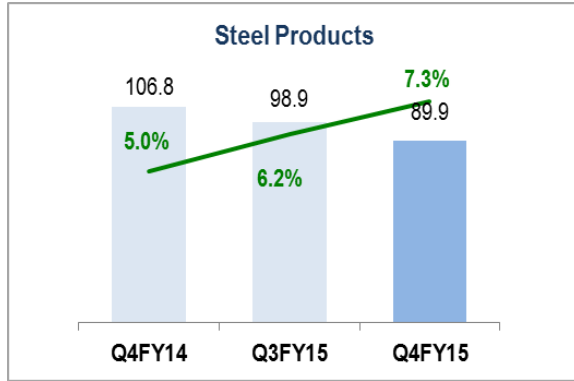
- Record-High Gross Revenues at Rs. 1446.5 Crores.
- EBITDA margin jumps 30% YoY.
- Capacity expansion of some manufacturing lines in record time.
- Improvement in productivity and margins across product categories.
- Expanding customer base into new geographies.

OTHER HIGHLIGHTS

- Strong Balance Sheet.
- CAPEX for new products/business lines entirely funded via internal accruals.

Segment performance

Net Revenues (Rs. Crores) and EBITDA margins (%)

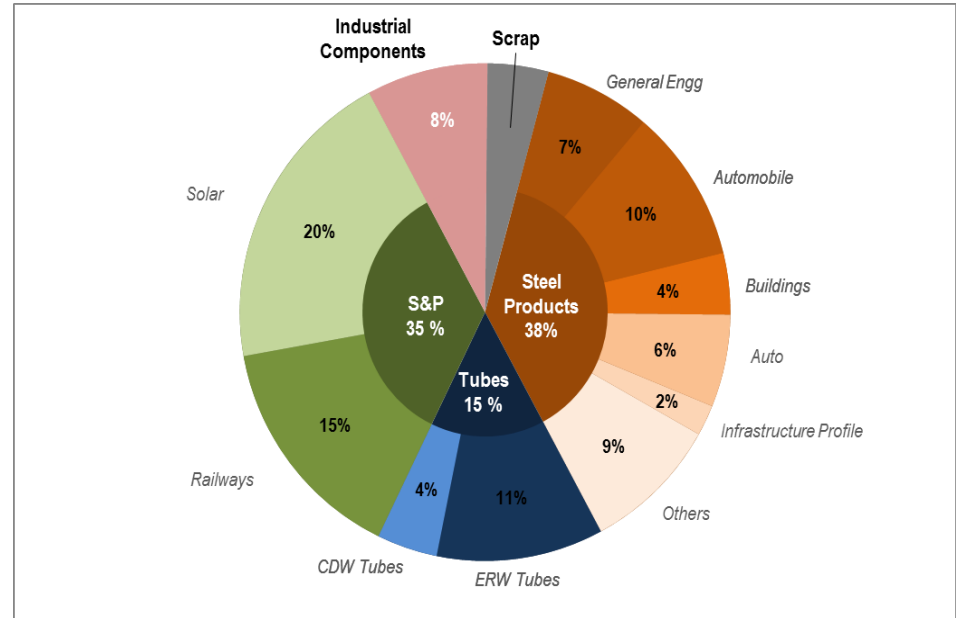


Segment Composition



Outlook

- Tubes will maintain its revenue share while improving margins.
- Steel products will decline in revenue share as lower margin segments stagnate.



Segment Highlights - Steel Products

Quarter performance

- Increased our focus on special grades.
- Special grades have yielded a higher margin.
- Received major repeat orders from Thermax limited, Cethar limited, Hamon Research Cottrell and others.

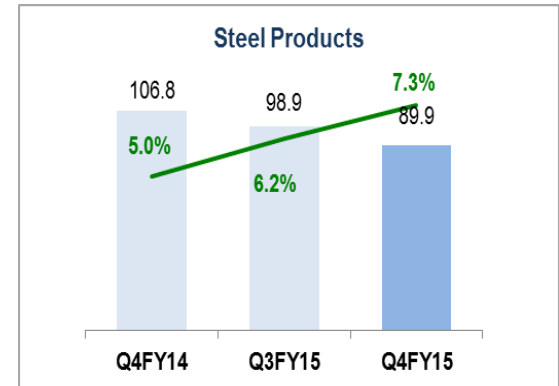
Outlook

- Additional capex planned for increasing production of special grade products.
- Ongoing efforts to reduce debtors in steel vertical.

Sales for Q4FY15 is at
Rs. 89.9 Crores

Special Grades
will continue to remain
focus area

Significant improvement
in **EBITDA Margin**



Segment Highlights - Tubes



Quarter performance

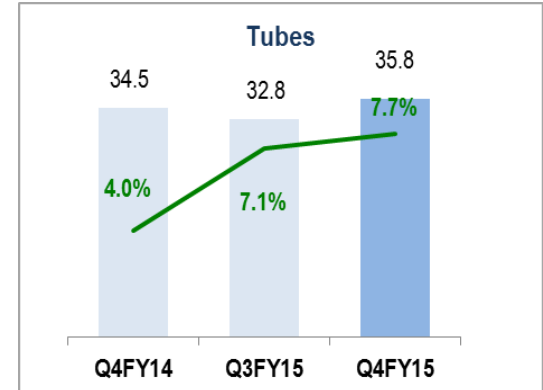
- Move to higher margin products like CDW.
- Capital Expenditure completed.
- Overall cost of manufacturing reduced by Rs. 460/MT.
- Several product developments for commercial vehicles ongoing.
- Trials for products like Front Fork, Shocker Tube Inner, Propeller shaft York Tube and Tie-rod have begun.

Market Share

ERW: 5%; CDW: 6%

9 new customers added

Plant Expansion completed in record time of three months



Segment Highlights - Industrial Components



Quarter performance

- Several new products added.
- Expanded business with existing customers.
- Bailey Sample Order executed. ECD business growth at Chennai. Revenue likely to double in current year.

Outlook

Automotive

- Identify global sourcing and deemed export opportunities.

White goods

- Overall sales growth of 5% over previous year.

General Engineering

- Identify sub assembly opportunities – leverage our capabilities of fabrication & pressed components.

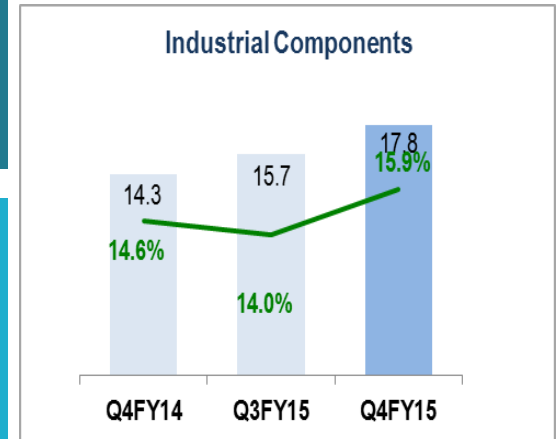
Hydraulics cylinders

- Several bulk orders received.

Sales for Q4FY15 is at
Rs. 17.8 Crores

White Goods
showing signs of
recovery

5 new customers added



Segment Highlights - Systems & Projects



Quarter Performance

Railways

- Q4 opened with an Order Book of 124 Cr and sales worth Rs 41 crores were concluded in Q4.
- Rs. 83 Cr of opening Order Book for FY 2015-16.
- Repeat orders received from ICF and Wagon Builders.
- New product - Modular Frames & Cross Members for LHB Coach Applications for ICF, Chennai.

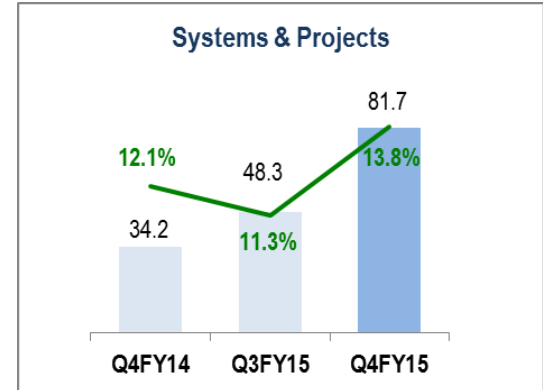
Outlook

- Though orders for Stainless Steel Sidewall and Roof Assemblies were at a record high, we couldn't meet ICF requirements during FY 2014-15. With new bay at Chennai plant, we expect to meet ICF's requirement going forward.
- Several tenders are in the pipeline.

Sales for Q4FY15 at
Rs. 81.7 crores

1% of Q4 revenues from
new products/customers

Railways is **15 %** and
Solar is **20%** of segment
standalone revenues



Subsidiary Highlights - PEBS



Pennar Engineered Building Systems Ltd (“PEBS”) has filed a Draft Red Herring Prospectus with SEBI on 27th March 2015. As per ICDR guidelines, nothing outside of the DRHP of PEBS may be mentioned in this presentation.



Subsidiary Highlights - Pennar Enviro



Quarter performance

- As of March 31, 2015, PEL's order book stood at Rs. 57.6 Crores with over 90% of this in the Projects segment.

New Large Customers

- Cairn India, HDO, Sogex Oman India Pvt Ltd.

Repeat Orders

- Hetero Drugs, L&T, SLN coffee, Lavgan, United Spirits

Outlook

- Going forward, we hope to double growth in FY16. We already have a sizeable order book in Projects. We will likely add more in O&M through our partners and other large EPC companies.
- In the Chemicals segment, we expect to get large orders.

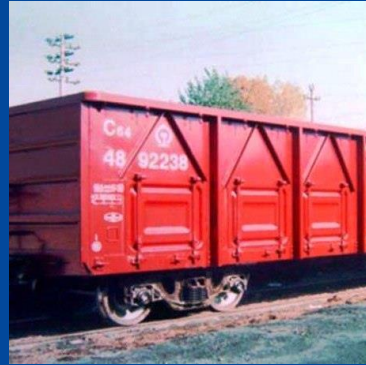
Order book at
Rs. 57.6 Crores

35% of revenue came
from new customers

14 New Customers
added



Pennar Group



Business Segments, Subsidiaries



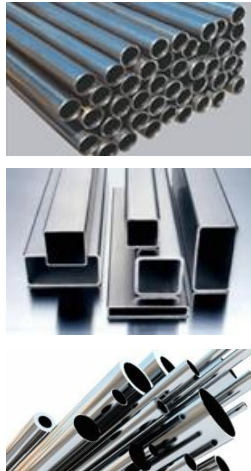
STEEL PRODUCTS

- Automobiles
- General Engineering
- Infrastructure
- White Goods



TUBES

- Automobiles
- Power



SYSTEMS & PROJECTS

- Railways: Coaches and Wagons
- Solar: Mounting Structures



INDUSTRIAL COMPONENTS

- Automobiles
- Industrial
- White Goods
- Hydraulics



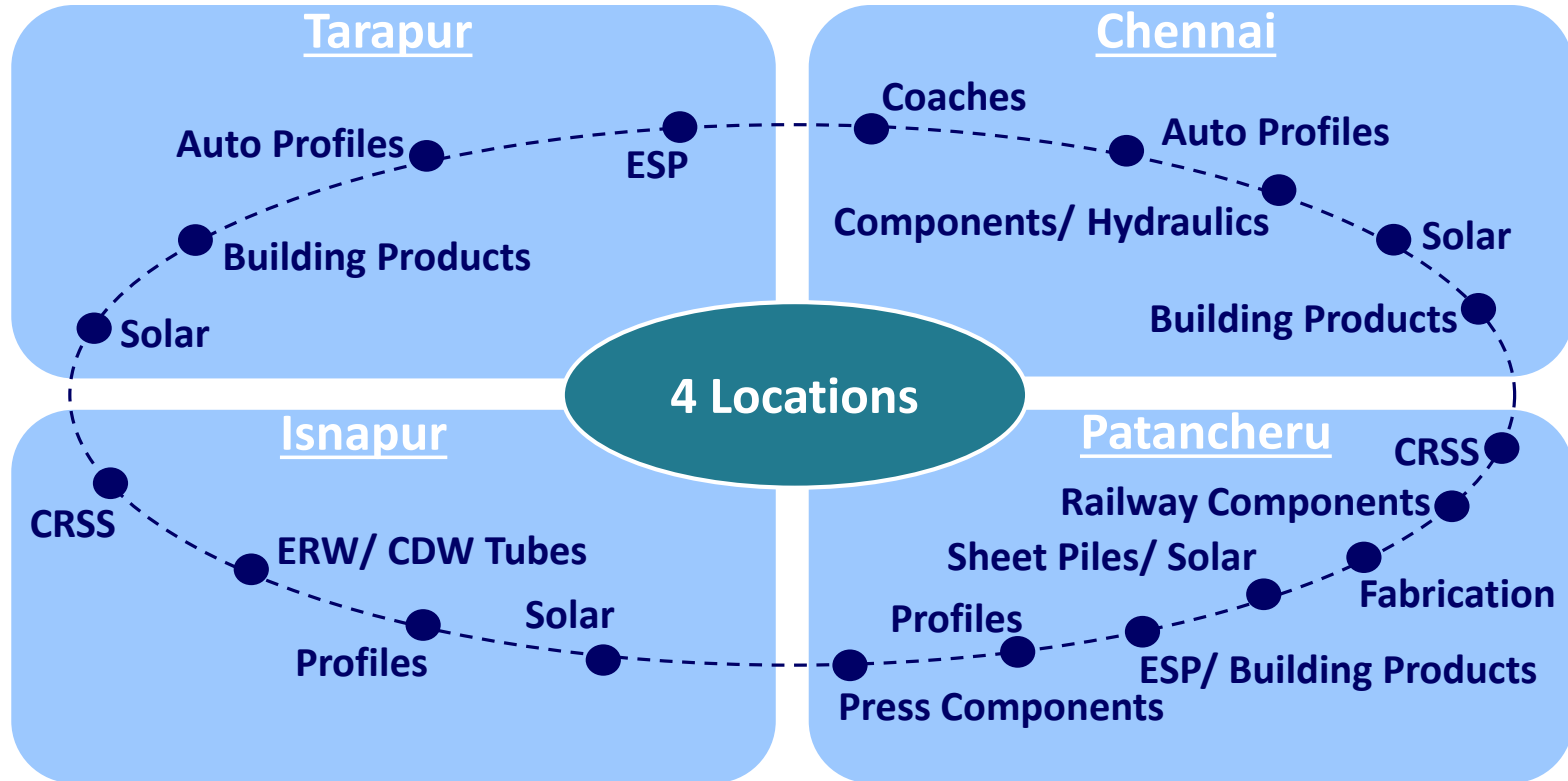
- Pre-engineered building structures
- Warehouses
- Airports and aircraft hangers
- Turnkey buildings
- Leak proof roofing sheets



- EPC turnkey solutions - water and waste water treatment viz. WTPs, STPs, ETPs, ERPs, ZLDPs
- Manufacture and supply of fuel additive and water treatment chemicals



Distributed Manufacturing



Business Structure



Market Cap as of March 31, 2015 (BSE):
~Rs.700 Crores

Pennar Industries Limited

Segments: Steel Products; Tubes;
Systems & Projects; Industrial
Components.



Pre-engineered building
systems (PEBS); Roof Top
Solar, Solar EPC.



Industrial water treatment
solutions, Water treatment
chemicals and Fuel additives.

Leadership Team



Leadership Team



Nrupender Rao
Executive Chairman
Pennar Group



Aditya N. Rao
Vice Chairman,
Managing Director,
Pennar Industries



P. V. Rao
Managing Director
PEBS Pennar



Shreepad Purkar
President and CEO
Pennar Enviro

Business Heads



Dayasagar Rao
Operations



Y Narasimha Rao
Steel Products

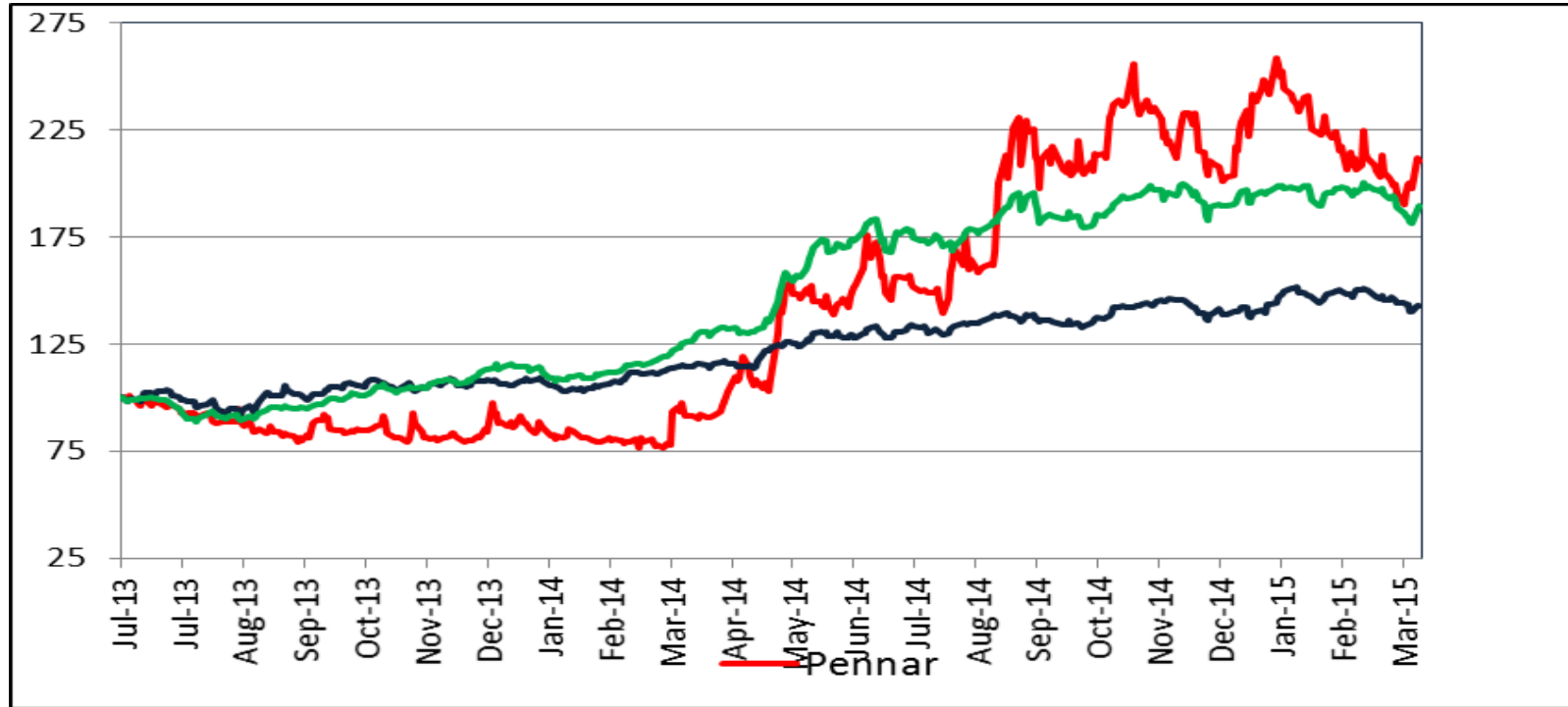


M. Bhoopal Reddy
Tubes



Shiva Kumar K
Industrial
Components

Share Price Performance





Investor Relations - investorrelations@pennarindia.com

Contact Details:

Pennar Industries Limited

Floor: 3, DHFLVC Silicon Towers

Kondapur, Hyderabad - 500 084, Telangana

CIN : L27109AP1975PLC 001919