



PENNAR INDUSTRIES LIMITED

Dated: 16th August, 2016
Place: Hyderabad

BSE Limited Phiroze Jeejeebhoy Towers Dalal Street, Fort Mumbai-400 001 K.A.: Ms Ishwari Vaidya	The National Stock Exchange of India Limited Bandra Kurla Complex Bandra East Mumbai - 400 051 K.A.: Ms. Snehal	Metropolitan Stock Exchange Limited Exchange Square, CTS No.255 Suren Road, Andheri (East) Mumbai - 400 093 K.A.: Mr.Raviraj Nirbhawane
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Dear Sir/Madam,

Sub : Investor Presentation - Q1 FY 17 - reg.

Ref : Our letters dated: 01.08.2016; 10.08.2016 and 12.08.2016

BSE Scrip code: 513228 / NSE Symbol: PENIND / MCX Symbol: PENIND

Dear Sir/Madam,

With reference to our letter dated 10th August, 2016, we hereby submit the copy of Investor Presentation Q1 FY 17.

Kindly take the same on your records.

Thanking you

Yours faithfully,

for Pennar Industries Limited

Mirza Mohammed Ali Baig
Company Secretary & Compliance Officer



Pennar Industries Limited



Investor Presentation Q1FY17



PENNAR INDUSTRIES LIMITED

Disclaimer



This presentation contains “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. Q1FY17 Performance

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

2. Pennar Group

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

Q1FY17 Performance

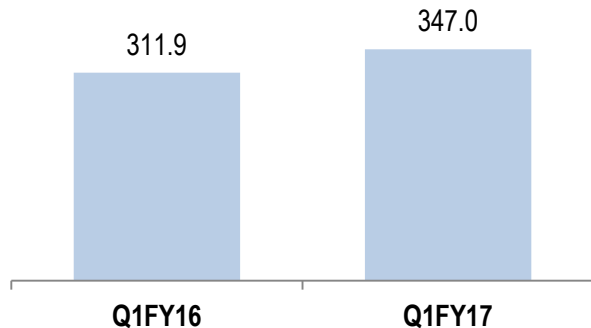


Financial Performance – Q1FY17

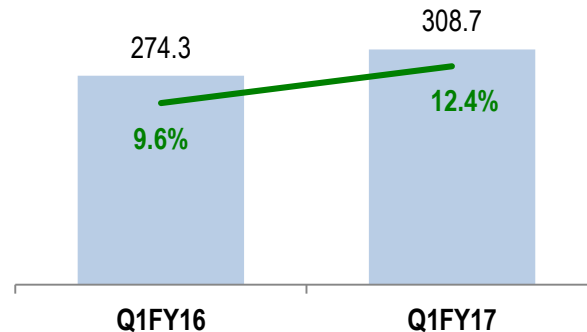


Consolidated

Gross Revenues (Rs Crs)

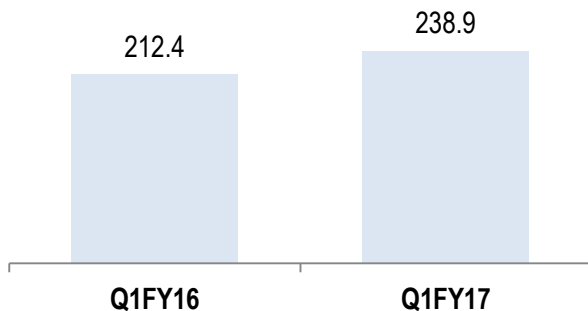


Net Revenues (Rs Crs) & EBITDA Margin

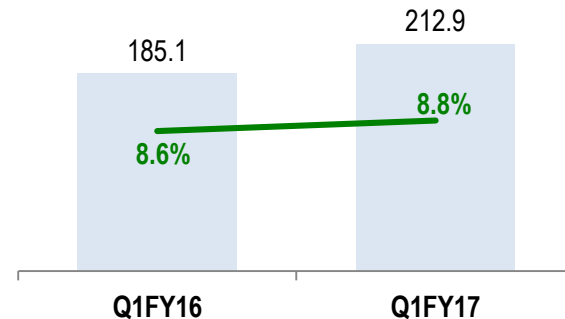


Standalone

Gross Revenues (Rs Crs)



Net Revenues (Rs Crs) & EBITDA Margin

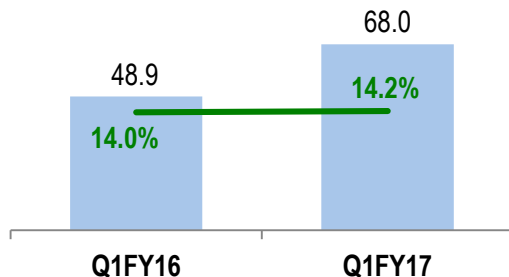


Segment performance - Q1FY17

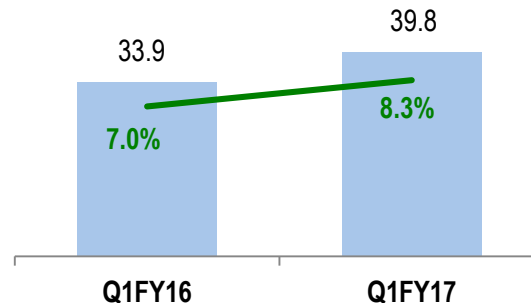


Net Revenues (Rs. Crores) and
EBITDA margins (%)

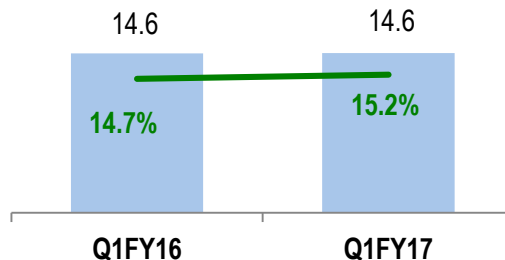
Systems & Projects



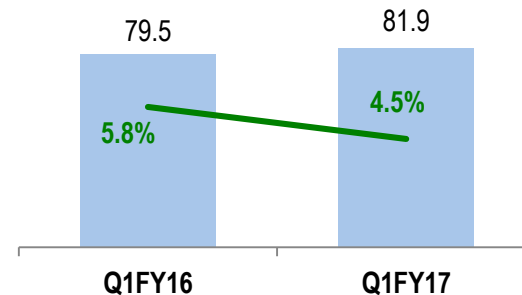
Tubes



Industrial Components



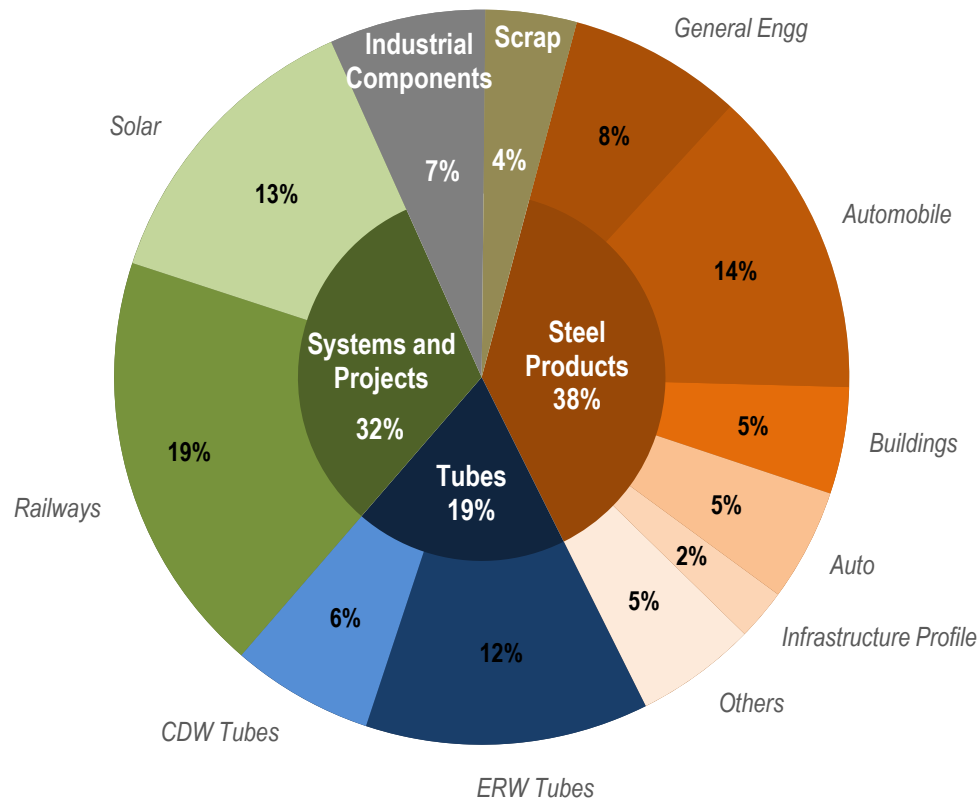
Steel Products



Segment Composition – Industry-wise breakup



Percentage of Standalone Revenues for Q1FY17



** Percentages Rounded off*

Segment Highlights - Systems & Projects



In Railways vertical, repeat orders were booked from Integral Coach Factory, Modern Coach Factory, Texmaco Rail & Engineering, Hindustan Engineering India, and BEML

New Products

- CRF sections to BOXNS Wagon

Major Solar Customers

- Sterling & Wilson, L & T, Mahindra Susten, Nuevosol, Sun Edison, Acme, Sterling & Wilson, Tata Power India

Received Solar orders from:

- Consol Energy
- Nexun Energy
- Traxun Energy
- Mahindra Susten
- Sterling & Wilson

New Solar Customers added

- Consol Energy, Nexun Energy, Traxun Energy, Bhoruka Power

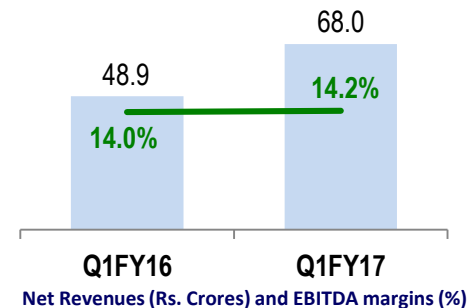
**Improving
EBITDA Margin at
14.2%**

**Order Book at
Rs. 300 Crores**

**4 new customers in
Solar**



Systems & Projects



Segment Highlights – Tubes

Major Customers

- Auto, Power, General Engineering, Textile, Earth Moving Equipment industries.
- VECV, Mahindra, Gabriel, Endurance, Royal Enfield, Magna Closures, Bajaj, Hyundai, TVS, Thermax, Reiter, LMW, ISGEC, Rajwest, Hindalco, Tata Vendors, among others.

New Customers added

- Andrew Race & Drive Lines (Australia), Royal Enfield, Rajshriya, Sourer (Germany), SPIC, Aditya Birla - Power division and KMA Seating – Ford Chennai, among others.

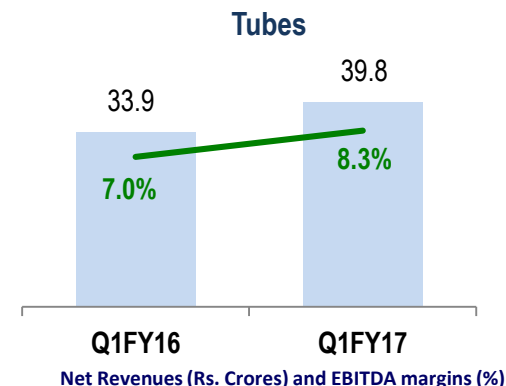
Expansion

- Targeting to get the approval of TFF from major OEAs in the next two quarters.
- The plant expansion, which will increase capacity by 25%, is expected to be operational by March 2017.
- Exports and new product development have been identified as priority areas.

**Sales for Q1FY17 is at
Rs. 39.8 cr**

**Auto sector
business share has gone
up and stabilised
volumes**

**10 new customers
added**



Segment Highlights - Industrial Components

Expansion in the business with existing customers like Yamaha, among others.

Major Customers

- Emerson Climate Technologies, Tecumseh, India Nippon Electricals, Endurance, Wabco, FSTVS, Xylem & Bailey.

Product/Market Expansion

- The order from the Cargotec - Kalmar group for the cylinder prototype was booked. This marks the foray of our cylinders into the global market.
- The Bailey business is expected to increase with new cylinder variants
- With the new addition of 260T Link Motion Press, we are exploring new business opportunities with several auto companies.

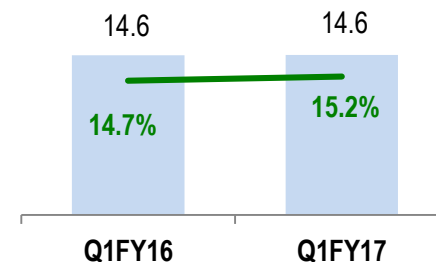
15.2 %
EBITDA Margin

Capacity Utilisation
Chennai - 90%
Patancheru - 65%

6 new projects active



Industrial Components



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

Segment Highlights - Steel Products

CRFS Orders:-

- Soma Enterprises, Thermax, Diamond Engineering.
- Repeat orders from IVRCL, Phoenix, Bhavani Erectors and Powermech Projects.

CRSS Orders:-

- Monthly schedule from regular customers.
- Also from IFB Industries, LGB and Luk India.

Major Customers

- Toshiba, IFB Industries, LGB, Luk India, Managal Precision, Bimetal, JM Frictech, RG Bronze and KM Seating, among others.



**Sales for Q1FY17 is at
Rs. 81.9 cr**

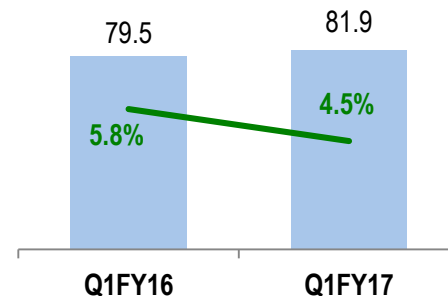
New Customers:

CRFS - 8, CRSS - 3

**Special Grade Steel
volume up over
40% QoQ**



Steel Products



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

Subsidiary Highlights – PEBS

- New orders from Shapoorji & Pallonji, JBF Industries, HIL Ltd., AGI Glaspac, Musaddilal Properties, Tewari Warehouse, Vee Rubber, among others.
- Multiple high-rise building orders were received from customers like Reliance and Phoenix.
- Repeat orders from Ultratech Cement, RCC Infraventures, Phoenix, Hetero, among others.
- Engineering Services
 - Added 2 new clients
 - Increased revenue by 15% vs. Q4FY16
 - Adding significant manpower
 - Exploring the acquisition of a US-based Engineering services company
- Baroda plant begins operations - scales up to 1000 MT/Month.
- New manufacturing plant in Gujarat in the works.
- Received first Solar Tracking orders and received our first order from Hero Future.
- 5-year Strategy Plan initiated.

**Order book at
Rs. 410 cr.**

**Expected revenue from
Engg. Division in FY17
~ Rs. 10 cr.**

**Solar order book at
Rs. 32 cr; Expect 100%
YoY revenue growth**



Subsidiary Highlights – Pennar Enviro

During the quarter, we bid for large ticket orders in Water EPC and General EPC.

Major Orders

- BHEL, Waterlife, Gamesa, HSIL Ltd. and Parry Sugar Refinery India Private Ltd.
- Repeat orders from United Spirits, I.G. Petrochemicals, United Breweries and Tube Products of India.

New Product

- Paper Chemical (Sizing Chemical)

**Order Book at
Rs. 300 Crores**

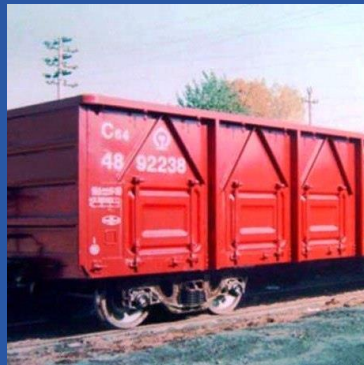
4 New customers

New Customers

**2 in Projects & 2 in
Chemicals**



Pennar Group



30

YEARS OF
EXPERIENCE

1,000

PRECISELY
ENGINEERED
PRODUCTS

500

CUSTOMERS

2,500

TOOLS &
DIES

2,000

EMPLOYEES AND
GROWING !



Business Segments, Subsidiaries



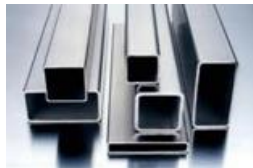
STEEL PRODUCTS

- 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





Business Structure



**Market Cap as of
June 30, 2016 (BSE):
~Rs. 546 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

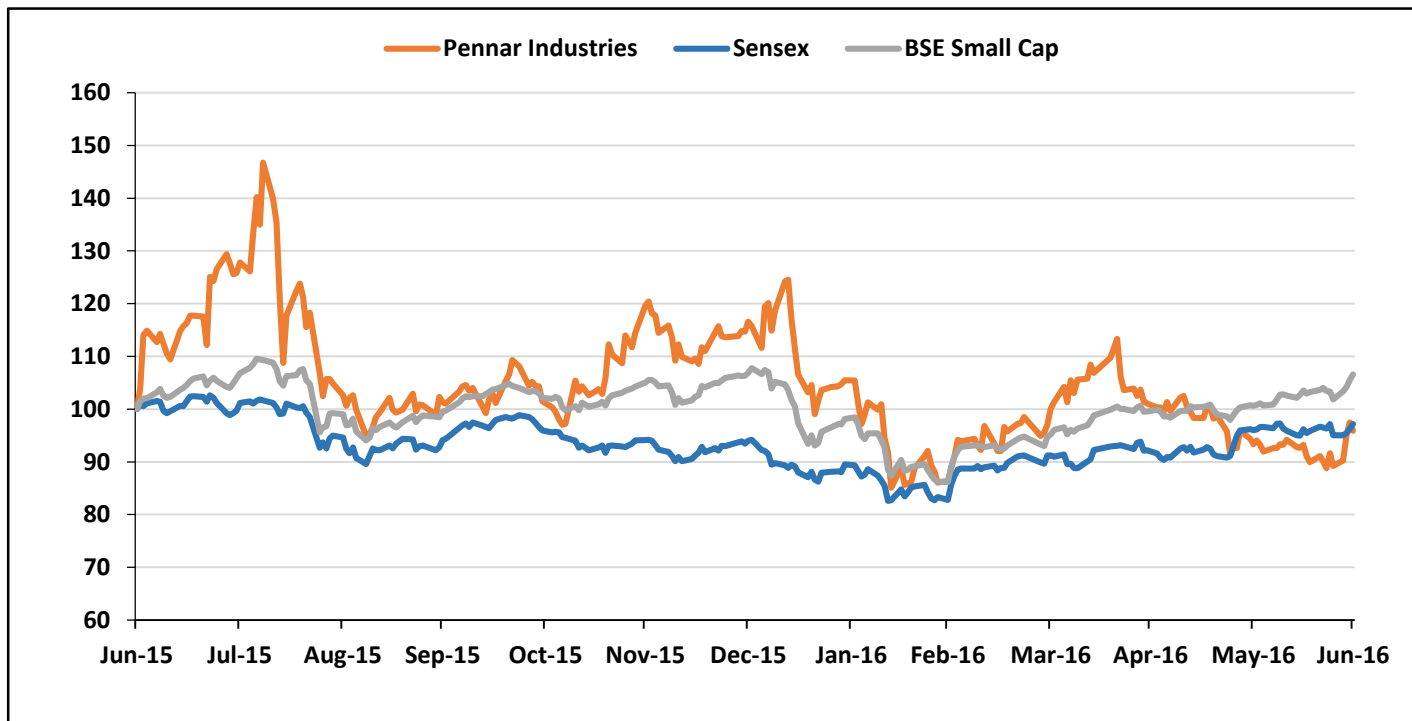


M. Bhoopal Reddy
Tubes



Shiva Kumar K
Industrial Components

Share Price Movement



*Rebased to 100



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