



Press release
For immediate release

Pennar Industries to double its CDW tubes capacity

Hyderabad, September 24, 2019: Pennar Industries Limited, a leading value-added engineering products and solutions company today announced that it is doubling its Cold Drawn Welded (CDW) tubes manufacturing capacity. Pennar Industries is one of the leading suppliers of CDW tubes to India's automotive and construction equipment sectors.

Pennar Industries will set up a greenfield plant at Hyderabad for the additional CDW manufacturing capacity. Currently, Pennar Industries has an installed capacity to manufacture 1500 MT per month of CDW tubes. The new facility will produce CDW tubes of up to 150 mm diameter and the thickness of 10 mm. The company will incur a capex of INR 65 crore to take its CDW capacity to 3000 MT per month. The new facility is expected to be operational in June 2020.

Commenting on this new expansion, Mr. K M Sunil, Vice President - Corporate Strategy said, "The new CDW facility will cater to Hydraulic cylinder tube requirement of consistently growing construction & earth moving equipment sector, including propeller shafts for high pay load heavy vehicles. The precision ERW Tubes from the same plant will be supplied to Structural for Airport, Stadia, Idlers for Conveyors, Axles for LCV and HCV."

With its backward integration of Steel Strips, Pennar would be producing high strength tubing up to UTS of 900 N/mm². With adverse Diameter to thickness Ratio, coupled with bright annealing facility will give added advantage and offer customers value added services. With its Global presence of sales and marketing offices in US and Europe, Pennar will be exporting approximately 30% of its CDW business volumes.

Pennar Industries is an approved and the preferred tube supplier in Domestic Auto sector for many of OEM's in propeller shaft, shocker tube, Chassis Ladder Frame, starter motor casing, seating solutions and the textile equipment manufacturing Industry.

About Pennar Industries Limited:

Pennar Industries (**NSE: PENIND, BSE: 513228**) is India's leading value-added engineering products and solutions company. The Company has a strong presence across growth sectors in India through business units Railways, Tubes, Industrial Components, Steel Products, PEB, Enviro and its subsidiary companies, Pennar Global Inc. and Enertech Pennar Defense and Engineering Systems Pvt. Ltd. Pennar's all the manufacturing units are ISO 9001:2008-certified and the Company has presence across 10 industry verticals. Pennar has over 30 years of rich experience and more than 1,000 precision engineered products, 2,500 tools and dies, over 600 customers and Eight manufacturing plants located at Patancheru, Sadashivpet, Isnapur, Velchal, and Mallapur near Hyderabad, Chennai in Tamil Nadu and Tarapur in Maharashtra. For more information, please visit www.pennarindia.com.

DISCLAIMER:

This release 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’s 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, macroeconomic, 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 publicly revise any forward-looking statements to reflect future / likely events or circumstances

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