



Press release

For immediate release

Pennar Industries receives NCLT approval to merge PEBS Pennar and Pennar Enviro with itself

Hyderabad, May 16, 2019: Pennar Industries Limited (PIL), a leading value-added engineering products and solutions company announced that it has received approval from National Company Law Tribunal (NCLT) to merge its subsidiaries Pennar Engineered Building Systems Limited (PEBS Pennar) and Pennar Enviro Limited (PEL) with itself.

As per the approved scheme, shareholders of PEBS Pennar will get 23 shares of Pennar Industries for 13 shares held and shareholders of Pennar Enviro will get one share of Pennar Industries for every one share held. The NCLT approval has approved the appointed date of the scheme (effective date) to be April 1, 2018.

Commenting on the approval, Mr. K M Sunil, Vice President - Corporate Strategy said, "The merger is expected to create a leaner group structure, result in better synergies and optimisation of costs and improved fund utilisation. It will also result in PIL having a better capital structure, pooled resources and synchronised growth plans. This will eventually lead to focused growth, higher profitability and shareholder value creation."

The whole process after the approval from NCLT takes around two to three months to get the new shares (as per the swap ratio) traded on the Exchange Platform. Further trading in PEBS will be suspended after the Record Date to be fixed by the Board of Directors at their Board Meeting. The record date will be intimated in due course.

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 four business units Railways, Tubes, Industrial Components and Steel Products, and its subsidiary companies, Pennar Engineered Building Systems Limited, Pennar Enviro Limited and Pennar Global Inc. 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 seven 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

For further information, please contact:

<p>K M Sunil Vice President – Corporate Strategy Pennar Industries Limited +91 97044 44606 Sunil.kuram@pennarindia.com</p>	<p>Mehul Mehta President Dickenson Group +91 98202 80325 Mehul.mehta@dickensonir.com</p>
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