

For Immediate Release

ZEPHYR PEACOCK INVESTS RS. 50 CRORE IN PEBS PENNAR

COMPANY TARGETS RS. 1000 CRORE IN SALES BY 2016

Hyderabad, April 2, 2013: Zephyr Peacock, the India focused private equity firm, has acquired a significant minority stake in Pennar Engineered Building Systems (PEBS) with an investment of Rs. 50 crore. PEBS is a subsidiary of Hyderabad based Pennar Industries Ltd.

Zephyr's investment will help PEBS target INR 1000 crores in sales in the next three years, a CAGR of over 40%. PEBS proposes to achieve this through its aggressive growth plans in international emerging markets, solar infrastructure, high rise commercial buildings and cold form building systems. The Company expects to achieve revenues of Rs 325 crore for the financial year 2013, a CAGR of 112% over the last three years.

Mr. Nrupender Rao, Chairman, Pennar Industries, said *"Within a short span of three years, PEBS Pennar has managed to evolve into a premier provider of custom-designed building solutions to major industrial and corporate houses in India and Africa. It is our goal to achieve Rs. 10 Billion in sales within the next three years and we are pleased to have Zephyr Peacock with us as our partners in this endeavour. We are encouraged by their insightful and rigorous validation of our business and their track record of helping businesses achieve sustained high growth."*

Mukul Gulati and Vishal Dixit from Zephyr Peacock will join the PEBS board. ***Vishal Dixit, Director, Zephyr Peacock commented, "By replacing traditional construction with pre-engineered steel systems, PEBS is helping the infrastructure sector address the three challenges that matter the most today - capital, labour and time. PEBS is an excellent addition to our portfolio of fast growing businesses that leverage knowledge to positively impact important segments of the economy and society. We look forward to supporting PEBS in accessing our network of relationships in the global markets, developing innovative solutions for the infrastructure sector, and strengthening the organization to meet our plans for sustained, high growth."***

Commenting on the development, Mr. P V Rao, Managing Director, PEBS Pennar added, ***"Our current order book stands at INR 230 Crores. Our reputation of coupling reliability with innovation has helped satisfy demanding clients such as L&T, UltraTech, ACC, ABB, Schneider Electric, Ambuja Cements, Dr. Reddy's, P&G, Bosch, Toyota, JSW, Volvo, Schindler and HCC. "***

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About PEBS:

Pennar Engineered Building Systems Limited (PEBS), delivers end-to-end engineered steel building solutions for commercial, industrial, logistics, aviation, agriculture, sports stadia and other sectors. The company is a one-stop provider of planning, design, manufacture, supply and installation of custom designed steel building systems and building components. The company was formed to leverage opportunities in India's growing construction and infrastructure sectors, with a vision of being one of the most preferred producers of high quality custom designed building systems in the country. For more information, please visit www.pebspennar.in

About Zephyr Peacock:

Zephyr Management, L.P. is a global private equity and marketable securities firm. Founded in 1994, the firm specializes in the creation and management of highly focused and value added investment funds. Since its founding, Zephyr has sponsored twenty two investment funds across the developed and developing world with about US\$1.3 billion in commitments.

Zephyr Peacock India provides growth capital and management expertise to fast growing, young businesses in India. The fund has invested across a wide range of knowledge driven, capital efficient industries including life sciences, financial services, information technology, and infrastructure ancillaries and services. For more information please visit www.zephyrpeacock.com

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Safe Harbour:

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.