

For Immediate Release

July 23, 2012

Pennar Industries Limited

Wins Award for Excellence in All Round Performance from FAPCCI

Hyderabad, India, July 23, 2012 – Pennar Industries Ltd. (Pennar or the “Company”) has been chosen by the FAPCCI (The Federation of Andhra Pradesh Chambers of Commerce and Industry) for the award of “Excellence in All Round Performance”.

The Excellence Award consisting of a Trophy and Plaque was presented at the 94th Annual Function of FAPCCI on July 23, 2012 by the Honourable Chief Minister of Andhra Pradesh, Sri Kiran Kumar Reddy.

Commenting on this development, **Mr. Nrupender Rao, Chairman of Pennar Industries Ltd.** said:

“Pennar is pleased to receive the Excellence Award for All Round Performance from FAPCCI. The award recognizes our commitment to serve the interests of all our stakeholders including business associates, employees and the society at large. I would like to thank and congratulate the entire team at Pennar for their contribution and this achievement. The award will encourage and motivate us to enhance our performance and scale new heights in the future.”

Pennar is one of India’s leading industrial companies engaged in the production and marketing of specialized and engineered steel solutions with a pan India presence. The Company has successfully transformed from a commodity steel company to a manufacturer of specialized engineered products ranging from profiles, components and fabricated products. As a result, it has more than doubled its revenues in the last five years.

Pennar has six manufacturing facilities in southern and western India. The capacities in four of these plants have been doubled to manufacture value added engineering products. Pennar's Sadashivpet plant is the first factory in India to be given the Gold rating from the Indian Green Building Council.

Pennar’s subsidiary Pennar Engineered Building Systems (PEBS Pennar), is a leading pre-engineered buildings solution provider in India. In a short span of less than three years PEBS Pennar has developed over 100 projects with prestigious customers including L&T, Tata, Reliance Retail, ITC, Proctor and Gamble, Ashok Leyland, Schneider Electric, My Home and Ultratech Cements. PEBS Pennar is developing a coal handling shed for Ultratech Cements with a clear span of 97 metres and thus becoming India's first PEB company to build such large span building.

Today, the Company has a pan India presence with over 400 satisfied customers who have been giving repeat orders. The Company’s blue-chip customer base includes Ashok Leyland, Emerson, L&T, Moser Baer, Tata BP Solar, TVS, Tata Motors, Voltas and Wabco.

During the year 2011-12, the Company recorded a gross turnover of Rs. 1,438 Crore. The Company continues to maintain strict financial discipline and has not borrowed during the last five years either for its long term or for its short term requirements. CARE reaffirmed the rating of “CARE A” (Single A) assigned to the long-term and assigned an improved “CARE A1” (A One) to the short-term bank facilities of the Company.

Pennar believes in maintaining a strong and cordial working environment and is an employer of choice in the industry. It has excellent industrial relations and there has been no loss of time in 30 years due to industrial unrest or strife.

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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.