

News Release: For immediate publication

FY2011 Revenues up by 67%, PAT higher by 110%

Pune, 18 July, 2011: Innoventive Industries Limited (IIL) a multi-product engineering company which manufactures precision steel tubes, membrane panel strips, auto components, oil well drilling couplings, pup joints and other steel products catering to applications in diverse sectors such as transportation, boilers & heat exchangers, energy, oil & gas, farm equipment & general engineering has announced its financial results for the year ended March 31, 2011.

Consolidated Financial Highlights

FY2011

- For the year ended March 31, 2011 the Company has reported revenues of ` 703.58 crore resulting in growth of 67% in comparison to revenues of ` 421.48 crore in FY10
- EBITDA for FY11 of ` 172.89 crore was higher by 46% when compared to FY10 EBITDA of ` 118.37 crore
- PAT for FY11 of ` 62.42 crore was higher by 110% when compared to ` 29.46 crore in FY10
- EPS for FY11 stands at ` 17.20/- per share as against Rs. 9.13 per share for FY10
- The Board has recommended a final dividend of ` 2/- per share of ` 10/- each for the year ended March 31, 2011

Chairman's Message

Commenting on the results, **Mr. Chandu Chavan, Chairman** of Innoventive Industries said:

"We are delighted to announce our first annual results as a listed company. I am glad to state that the company has demonstrated a strong performance in FY 2011 with a 67% growth in revenues and 110% growth in PAT"

We are in the business of manufacturing and selling precision steel tubes, membrane panel strips, auto components, oil well drilling couplings, pup joints and other steel products. We cater to diverse sectors such as transportation, boilers & heat exchangers,

energy, oil & gas, farm equipment & general engineering both in India and overseas and have been able to develop a strong customer base.

We are a company led by innovation in manufacturing processes which enables us to deliver products of best-in-class quality while retaining cost competitiveness.

We have a robust product portfolio, strong pipeline of new products, an augmented balance sheet post IPO and a dedicated management team, all of which combined gives us confidence in delivering sustained growth going forward. Our demonstrated track record, ongoing initiatives and business momentum will lead to value creation for all our stakeholders.”

Operating Highlights

- The company had a successful listing in the month of May, 2011 and raised ` 217.41 crore through IPO. The proceeds will be utilized towards capacity expansions, debt repayment and general corporate purposes
- Post-IPO the company's debt:equity stands at 0.9x
- The company's Pimple Jagtap facility has been awarded the 'Mega Project Status' which makes Innoventive Industries eligible for Industrial Promotion Subsidy until FY2016
 - Pursuant to its eligibility for this scheme, IIL has already received two refunds till date - the most recent being ` 16.4 crore in May 2011

Outlook

The strong performance is likely to continue due to:

- Robust demand across end-user industries
- Increasing penetration in existing markets and customer base coupled with efforts on entering newer areas
- Impending introduction of new products and enhanced marketing efforts
- Continued cost effectiveness and shift towards greater mix of high value products
- Implementation of capacity expansion plans

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About Innoventive Industries Ltd (IIL)

Innoventive Industries Limited (BSE:INNOIND, NSE:INNOIND, Reuters: INNV.BO, Bloomberg: IIL :IN) is a multi-product engineering company which manufactures precision steel tubes, membrane panel strips, auto components, oil well drilling couplings, pup joints and other steel products catering to applications in diverse sectors such as automobiles, boilers & heat exchangers, energy, oil & gas, farm equipment & general engineering.

It specializes in processing various types of steel, has a capability to make tubular transformations, enjoys flexible production systems and is able to undertake faster development cycles and effective supply chain management for efficient delivery. IIL has a well developed in-house R&D setup which has led to innovation in the manufacturing process leading to significant savings in resources and heightened competitiveness. The company has patented one manufacturing process and is in the process of filing additional patents for some of its other innovative processes.

IIL has six manufacturing facilities spread across Pune and Silvassa. Its manufacturing facility at Pimple Jagtap was granted the 'Mega Project' status by the Govt. of Maharashtra under the 'Package Scheme of Incentives 2007' which entitles the company to relief from certain duties and benefit of Industrial Promotion Subsidy. IIL markets its products in the domestic as well as export markets and its customer list includes some of the leading names in their industries.

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Safe Harbour

Some of the statements in this press release that are not historical facts are forward-looking statements. These forward-looking statements include our financial and growth projections as well as statements concerning our plans, strategies, intentions and beliefs concerning our business and the markets in which we operate. These statements are based on information currently available to us, and we assume no obligation to update these statements as circumstances change. There are risks and uncertainties that could cause actual events to differ materially from these forward-looking statements. These risks include, but are not limited to, the level of market demand for our services, the highly-competitive market for the types of services that we offer, market conditions that could cause our customers to reduce their spending for our services, our ability to create, acquire and build new businesses and to grow our existing businesses, our ability to attract and retain qualified personnel, currency fluctuations and market conditions in India and elsewhere around the world, and other risks not specifically mentioned herein but those that are common to industry.