

PRESS RELEASE

AVTEC Announces exit by Actis and Private Equity Investment by Warburg Pincus

New Delhi, April 15, 2013: AVTEC, one of the largest independent manufacturers of powertrain and precision engineered products in India, today announced that an affiliate of Warburg Pincus, a leading global private equity firm focused on growth investing, has acquired a minority stake in the company. The investment will be used to provide an exit to current investor Actis and to fund future growth of the Company.

AVTEC is a part of the multi-billion dollar C. K. Birla Group, a conglomerate that has diversified business interests across cement, auto components, automotive, paper, building materials, ITeS, consumer electricals and construction equipments.

Commenting on the occasion, **Mr. C. K. Birla, Chairman, AVTEC** said, *"I am delighted to welcome Warburg Pincus as our partner in AVTEC. We look forward to working together and creating an even more valuable company. We greatly appreciate Actis' contribution to AVTEC's growth over the past few years."*

Mr. Prabhakar Kadapa, Managing Director and CEO, AVTEC said, *"We are excited to partner with an investor of international repute that will help us accelerate our growth plans. Actis has made a significant contribution towards the development of the business and we have valued their role, especially towards its globalisation. Warburg Pincus' investment in AVTEC is a testimony to our performance and company's success in the past few years."*

Mr. J. M. Trivedi, Actis's Head of South Asia said, *"Avtec is a highly progressive and innovative company. During our eight year partnership, AVTEC has grown through organic and inorganic initiatives to become a differentiated, intellectual property driven business with a high-quality leadership team. We wish AVTEC all future success and look forward to seeing new dimensions in the growth of the company."*

Mr. Niten Malhan, Managing Director, Warburg Pincus India Private Limited said, *"We are positive about the long-term prospects of the auto and off-highway industry in India and have been impressed by AVTEC's differentiated capabilities as an aggregates and component supplier. We are*

AVTEC

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excited to work alongside the C.K. Birla Group in supporting AVTEC and its strong management team in building a business of scale.”

Ernst & Young advised Avtec and Actis on the transaction.

ABOUT AVTEC LTD.

AVTEC Ltd, is one of the largest independent manufacturers of powertrains and precision engineered products in India. It is part of multi-billion dollar C. K. Birla Group, a conglomerate that has diversified business interests across cement, auto components, automotive, paper, building materials, ITeS, consumer electricals and construction equipments.

Spearheading technological innovation since its inception, AVTEC has earned a formidable reputation in domestic and international markets for manufacturing products such as engines, transmissions and intricate components such as cylinder head, cylinder block, crank shaft, cam shaft, cam rod and high precision transmission gears for the automotive and off-highway segments.

AVTEC has a strength of 1,600 employees at its four world class eco-friendly manufacturing facilities in India, located at Hosur and Chennai in Tamil Nadu, Pithampur in Madhya Pradesh and Kharagpur in West Bengal, and a design, patenting and batch production facility in Switzerland via its strategic partnership with ASSAG, a pioneer in face gear technology.

AVTEC has, as its customers, several marquee global players such as General Motors, Ford, Caterpillar, Eaton, ALLISON, Daimler and Renault Nissan, and domestic majors such as BEML, TATA and M&M. www.avtec.in

ABOUT ACTIS

Actis invests exclusively in the emerging markets with a growing portfolio of investments in Asia, Africa and Latin America and US\$5.2 billion of funds under management. Combining the expertise of over 100 investment professionals on the ground in nine countries, Actis identifies investment opportunities in three areas: private equity, energy and real estate. Actis currently has US\$1.2 billion invested in 16 companies in South Asia. Actis is proud to actively and positively grow the value of those companies in which it invests and in so doing contribute to broader society. It calls this ethos the positive power of capital. www.act.is

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Facilities : Pithampur | Hosur | Chennai | Kharagpur **Overseas Operations :** ASSAG, Switzerland

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ABOUT WARBURG PINCUS

Warburg Pincus is a leading global private equity firm focused on growth investing. The firm has more than US\$30 billion in assets under management. Its active portfolio of more than 125 companies is highly diversified by stage, sector and geography. Warburg Pincus is an experienced partner to management teams seeking to build durable companies with sustainable value. Founded in 1966, Warburg Pincus has raised 13 private equity funds which have invested more than US\$40 billion in over 650 companies in more than 30 countries.

Over the past decade, affiliates of private equity funds raised by Warburg Pincus have invested about US\$3 billion in Indian companies. The firm's past and current investments in India include Alliance Tire Group, Ambuja Cements, Au Financiers, Bharti Airtel, DB Corp, Diligent Power, Capital First, Gangavaram Port, Havells, HDFC, IMC, Kotak Mahindra Bank, Lemontree Hotels, NDR Group, Max India, Metropolis Healthcare, Piramal Healthcare, Quest Global, Quikr, Punj Lloyd, Sintex and WNS Global Services.

The firm is headquartered in New York with offices in Amsterdam, Beijing, Frankfurt, Hong Kong, London, Luxembourg, Mumbai, Port Louis, San Francisco, São Paulo and Shanghai.
www.warburgpincus.com

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