



# PENNAR INDUSTRIES LIMITED

Dated: 11<sup>th</sup> August, 2021

Place: Hyderabad



BSE Limited Phiroze Jeejeebhoy Towers Dalal Street, Fort, Mumbai-400 001	The National Stock Exchange of India Limited Bandra Kurla Complex Bandra East, Mumbai - 400 051
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Dear Sir/Madam,

Sub : Outcome of Board Meeting

Ref: SEBI (Listing Regulations and Disclosure Requirements) Regulations, 2015

We wish to inform you that at the meeting of the Board of Directors of the company commenced at 10:00 A.M. and concluded at 5:00 P.M. on Wednesday the 11<sup>th</sup> day of August, 2021, the following business were transacted:

- 1) Approved the Un-audited Financial Results (Standalone and Consolidated) for the quarter ended 30<sup>th</sup> June, 2021 as recommended by the Audit Committee at its meeting held on 9<sup>th</sup> August, 2021.
- 2) Approved the Limited Review Report (standalone and consolidated) issued by the Statutory Auditors of the Company for the Quarter ended 30<sup>th</sup> June, 2021.
- 3) Approved Notice for the 45<sup>th</sup> Annual General Meeting to be held on 30<sup>th</sup> September, 2021 by way of Video Conference (VC) or Other Audio Visual Means (OAVM).
- 4) Approved Directors report for the year ended 31<sup>st</sup> March, 2021.
- 5) The Board has taken on record the statement of investor complaint under regulation 13(3) and compliance report on corporate governance under regulation 27(2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the quarter ended 30<sup>th</sup> June, 2021.

The following are attached herewith for your information and record:

- a. The certified copy of Un-audited Financial Results of the Company for the Quarter ended 30<sup>th</sup> June, 2021.
- b. The Limited Review Report (Standalone and Consolidated) for the Quarter ended 30<sup>th</sup> June, 2021 issued by the Statutory Auditors of the Company.
- c. Press release on the audited financial results (standalone and consolidated) of the Company for the quarter ended 30<sup>th</sup> June, 2021
- d. Investor Presentation

Kindly take the same on your records. The same will be made available on the Company's website viz., [www.pennarindia.com](http://www.pennarindia.com).

Thanking you

Yours faithfully,

for Pennar Industries Limited



**Mirza Mohammed Ali Baig**  
**Company Secretary & Compliance Officer**  
**ACS 29058**

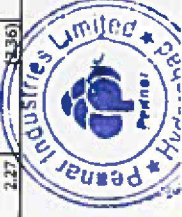
Manufacture of Cold Rolled Steel Strips & Formed Sections, Sheet Metal Pressed, Fabricated & Machined Components, Precision Electric Resistance Welder Tubes, Cold Drawn Electric Resistance Welded Tubes and Fabricated Components & Structures. Design, Development, Manufacture of Hydraulic Cylinders. Manufacture of Railway Coach Accessories Include under Frames using 1.1, 1.4, 7.1 and 8.1 group Materials by SMAW, GMAW & GTAW

**Corporate Office & Works :** IDA, Patancheru-502 319, Sangareddy District, Telangana State, INDIA  
**Tel:** +91 8455 242184 to 242193, **E-mail:** corporatecommunications@pennarindia.com, **Website:** www.pennarindia.com  
**Regd. Office:** 3rd Floor, DHFLVC Silicon Towers, Kondapur, Hyderabad - 500 084.  
**Tel:** +91 40 4006 1621 to 24, **Fax:** +91 40 4006 1618  
**CIN No:** L27109AP1975PLC001919

**PENMAR INDUSTRIES LIMITED**  
(CIN: L27109TG1975PL0001919)

Regd. Office: Floor No. 3, DHFLVC Silicon Towers, Kodadur, Hyderabad 500084, Telangana, India.  
Tel: +91 40 40061621; Fax: +91 40 40061618; E-mail: corporatecommunications@penmarindia.com; Website: www.penmarindia.com  
Statement of Consolidated and Standalone Financial Results for the Quarter Ended June 30, 2021

SL No	Particulars	Consolidated results				Standalone results			
		Quarter Ended		Year Ended		Quarter Ended		Year Ended	
		30-Jun-21	31-Mar-21	30-Jun-20	31-Mar-21	30-Jun-21	31-Mar-21	30-Jun-20	31-Mar-21
		Unaudited	(Refer Note 3)	Unaudited	Audited	Unaudited	(Refer Note 3)	Unaudited	Audited
1	Income								
	(a) Revenue from operations	48,831	55,679	16,619	1,52,535	45,805	54,986	16,243	1,51,654
	(b) Other income	253	899	276	1,866	299	867	258	1,781
	<b>Total Income</b>	<b>49,084</b>	<b>56,578</b>	<b>16,895</b>	<b>1,54,401</b>	<b>46,104</b>	<b>55,853</b>	<b>16,501</b>	<b>1,53,435</b>
2	Expenses								
	(a) Cost of materials consumed	29,410	34,961	8,757	92,754	29,211	34,336	8,722	90,928
	(b) Purchase of traded goods	3,522	1,167	257	3,669	787	1,167	257	3,669
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(2,751)	(2,057)	1,096	(4,432)	(2,304)	(2,141)	954	(2,775)
	(d) Employee benefits expense	4,040	3,341	3,114	13,638	3,525	3,191	2,929	13,050
	(e) Finance costs	1,829	1,810	1,977	7,967	1,826	1,807	1,968	7,946
	(f) Depreciation and amortisation expense	1,276	1,179	1,207	4,817	1,267	1,171	1,193	4,767
	(g) Other expenses	10,855	13,706	4,998	37,619	10,790	14,005	4,979	37,739
	<b>Total expenses</b>	<b>48,181</b>	<b>54,107</b>	<b>21,406</b>	<b>1,56,032</b>	<b>45,102</b>	<b>53,536</b>	<b>21,002</b>	<b>1,55,324</b>
3	Profit before exceptional item and tax (1-2)	903	2,471	(4,511)	(1,631)	1,002	2,317	(4,501)	(1,889)
4	Exceptional item (Refer note 8)	-	1,996	-	1,996	-	1,996	-	1,996
5	Profit before tax (3+4)	903	4,467	(4,511)	385	1,002	4,313	(4,501)	107
6	Tax expense								
	(a) Current tax	516	392	23	423	533	360	-	360
	(b) Deferred tax	(247)	717	(1,130)	(342)	(282)	717	(1,132)	(342)
	<b>Total tax expense</b>	<b>269</b>	<b>1,109</b>	<b>(1,107)</b>	<b>81</b>	<b>251</b>	<b>1,077</b>	<b>(1,132)</b>	<b>18</b>
7	<b>Net Profit / (loss) for the period (5-6)</b>	<b>634</b>	<b>3,358</b>	<b>(3,404)</b>	<b>284</b>	<b>751</b>	<b>3,236</b>	<b>(3,369)</b>	<b>89</b>
	Attributable to:								
	Shareholders of the Company	642	3,352	(3,411)	254	751	3,236	(3,369)	89
	Non-controlling interest	(8)	6	7	30	-	-	-	-
8	Other comprehensive income								
	Items that will not be reclassified subsequently to profit or loss								
	(a) Remeasurement of the net defined benefit liability	-	18	-	18	-	18	-	18
	(b) Income tax relating to above items	-	(4)	-	(4)	-	(4)	-	(4)
	Items that will be reclassified subsequently to profit or loss								
	(a) Exchange differences in translation of foreign operations	36	(34)	6	(41)	-	-	-	-
	(b) Income tax relating to above items	-	-	-	0	-	-	-	-
	<b>Total Other comprehensive Income / (loss), net of tax</b>	<b>36</b>	<b>(20)</b>	<b>6</b>	<b>(27)</b>	<b>-</b>	<b>14</b>	<b>-</b>	<b>14</b>
	Attributable to:								
	Shareholders of the Company	-	-	-	-	-	-	-	-
	Non-controlling interests	36	(20)	6	(27)	-	14	-	14
9	<b>Total comprehensive Income / (loss) (7+8)</b>	<b>670</b>	<b>3,338</b>	<b>(3,398)</b>	<b>257</b>	<b>751</b>	<b>3,250</b>	<b>(3,369)</b>	<b>103</b>
	Attributable to:								
	Shareholders of the Company	678	3,332	(3,405)	227	751	3,250	(3,369)	103
	Non-controlling interests	(8)	6	7	30	-	-	-	-
10	<b>Paid up equity share capital (Face Value of ₹ 5 per share)</b>	<b>7,108</b>	<b>7,108</b>	<b>7,108</b>	<b>7,108</b>	<b>7,108</b>	<b>7,108</b>	<b>7,108</b>	<b>7,108</b>
11	<b>Other equity</b>								
12	<b>Earnings Per Share (Face Value of ₹ 5 per share)</b>								
	(for the quarterly periods - not annualised)								
	Basic and Diluted Earnings per share (in ₹)	0.45	2.35	(2.38)	0.18	0.53	2.27	(3.36)	0.06



# NOTES:

1. The consolidated and standalone financial results of the Company have been prepared in accordance with the Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with relevant rules issued thereunder, other accounting principles generally accepted in India and guidelines issued by the Securities and Exchange Board of India ("SEBI") (also refer Note 6 below).

2. The above consolidated and standalone financial results were reviewed and recommended by the Audit Committee at their meeting held on August 09, 2021 and approved by the Board of Directors at their meeting held on August 11, 2021. The Statutory Auditors have issued an unmodified conclusion in respect of the limited review for the quarter ended June 30, 2021.

3. The figures for the quarter ended March 2021 are the balancing figures between the audited figures in respect of the full financial year ended March 2021 and year to date figures up to third quarter ended December 2020.

4. The consolidated financial results include the results of the following group companies:

Name of the Company	Country of Incorporation	Nature of relationship	% Holding
Enertech Pennar Defense and Engineering Systems Private Limited	India	Subsidiary	51%
Pennar GmbH	Germany	Subsidiary	100%
Oneworks BIM Technologies Private Limited	India	Subsidiary	100%
Pennar Global Inc.	USA	Subsidiary	100%
Pennar Global Metals, LLC (w.e.f August 12, 2020)	USA	Subsidiary	100%
Ascent Buildings, LLC (from September 4, 2020)	USA	Step-down Subsidiary	100%

5. During the quarter ended September 30, 2020, Pennar Global Inc (Subsidiary of the Company), has acquired Pennar Global Metals, LLC and incorporated Ascent Buildings, LLC as its subsidiaries. Accordingly the results for the corresponding periods are not comparable.

6. Due to outbreak of Corona virus Disease 2019 (COVID-19) which has been declared as a pandemic by the World Health Organization and subsequent lock down ordered by the Central and State Government(s) in India, the manufacturing facilities of the Company remained suspended from March 23 2020 till May 04 2020.

Further, the recent second wave of COVID-19 has resulted in partial lockdown restriction in various states affecting certain operations during the quarter. The Company/Group has considered internal and certain external sources of information up to the date of approval of the financial results in assessing the recoverability of property, plant and equipment, inventories, receivables and other assets. The impact of the global health pandemic may be different from those estimated as on the date of approval of these financial results and the Company/Group will continue to closely monitor any material changes to future economic conditions.

The results for the quarter ended June 30, 2021 are not comparable with previous periods for reasons stated above.

7. The details of funds raised through Initial Public Offer (IPO) by the erstwhile entity PEBS during the financial year 2015-2016, and utilisation of said funds as at June 30, 2021 are as follows:

Particulars	Objects of the issue as per prospectus	Utilisation upto June 30, 2021	₹ In Lakhs	
			Unutilised amount upto June 30, 2021	
A) Repayment/ prepayment in full or part, of certain working capital facilities availed by the Company	3,400	3,400	-	
B) Financing the procurement of infrastructure (including software and hardware) for the expansion of design and	800	371	429	
C) General corporate purposes	1,079	1,079	-	
D) Share issue expenses	521	517	4	
Total	5,800	5,367	433	

As on June 30, 2021, unutilised funds have been temporarily invested in in mutual funds and other bank balances.

8. Pursuant to the approval of the board at its meeting held on August 12, 2020, the Company has sold a portion of its land situated at Bandalguda Village, Ramachandrapuram Mandal, Sangareddy District, Hyderabad for a consideration of ₹ 2,800 lakhs during the previous quarter. Upon Sale, resultant profit of ₹ 1996 lakhs has been disclosed as exceptional item in the consolidated and standalone financial results for the quarter and year ended March 31, 2021.

9. The Board of Directors of the Company has approved to divest its stake in Oneworks BIM Technologies Private Limited. Accordingly, the investment has been considered as asset held for sale. There is no impact on the results for the quarter ended June 30, 2021.

10. The Code on Social Security, 2020 ("Code") relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Group will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.





11. SEGMENT REPORTING:

Particulars	(₹ in Lakhs)			
	Quarter Ended		Year Ended	
	30-Jun-21 Unaudited	31-Mar-21 (Refer Note 3)	30-Jun-20 Unaudited	31-Mar-21 Audited
<b>Segment revenue</b>				
Diversified engineering	27,300	36,670	9,297	92,351
Custom designed building solutions & auxiliaries	24,481	21,426	8,677	69,031
<b>Total</b>	<b>51,781</b>	<b>58,096</b>	<b>17,974</b>	<b>1,61,382</b>
Less : Inter segment revenue	2,950	2,417	1,355	8,847
<b>Revenue from operations</b>	<b>48,831</b>	<b>55,679</b>	<b>16,619</b>	<b>1,52,535</b>
<b>Segment results</b>				
Diversified engineering	2,684	3,494	(1,143)	6,777
Custom designed building solutions & auxiliaries	1,324	1,966	(184)	4,376
<b>Total</b>	<b>4,008</b>	<b>5,460</b>	<b>(1,327)</b>	<b>11,153</b>
<b>Add:</b>				
Exceptional item (Refer Note-8)	-	1,996	-	1,996
<b>Less:</b>				
Depreciation and amortisation expense	1,276	1,179	1,207	4,817
Finance costs	1,829	1,810	1,977	7,967
<b>Profit before tax</b>	<b>903</b>	<b>4,467</b>	<b>(4,511)</b>	<b>365</b>
<b>As at</b>				
	30-Jun-21 Unaudited	31-Mar-21 Audited	30-Jun-20 Unaudited	
<b>Capital employed (Segment assets - Segment liabilities) (See notes below)</b>				
<b>Segment assets</b>				
Diversified engineering	1,23,074	1,19,042	1,06,126	
Custom designed building solutions & auxiliaries	69,556	70,212	65,565	
<b>Total Segment Assets</b>	<b>1,92,630</b>	<b>1,89,254</b>	<b>1,71,691</b>	
<b>Segment liabilities</b>				
Diversified engineering	78,880	84,109	67,675	
Custom designed building solutions & auxiliaries	43,410	35,475	38,001	
<b>Total Segment Liabilities</b>	<b>1,22,290</b>	<b>1,19,584</b>	<b>1,05,676</b>	

**Notes:**

- Segment information is presented for the "consolidated financial results" as permitted under the Ind AS 108 - 'Operating Segments'.
- The Company is focused on two business segments: Diversified engineering and Custom designed building solutions & auxiliaries. Based on the "management approach" as defined in Ind AS 108 - 'Operating Segments', the Chief Operating Decision Maker evaluates the Company's performance and allocation resources based on an analysis of various performance indicators by business segments. Accordingly, information has been presented along these business segments. The accounting principles used in the preparation of the financial results are consistently applied to record revenue and expenditure in individual segments.

Place : Hyderabad

Date : August 11, 2021

By order of the Board  
for Pennar Industries Limited

*Aditya N. Rad*  
Aditya N. Rad  
Vice Chairman & Managing Director

*Aditya N. Rad*  
Aditya N. Rad  
Vice Chairman & Managing Director

Hyderabad (Page 3 of 3)

## INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM CONSOLIDATED FINANCIAL RESULTS

### TO THE BOARD OF DIRECTORS OF PENNAR INDUSTRIES LIMITED

1. We have reviewed the accompanying Consolidated Unaudited Financial Results of **PENNAR INDUSTRIES LIMITED** ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), for the quarter ended June 30, 2021 ("Consolidated Results") included in the accompanying Statement of Unaudited Consolidated and Standalone Financial Results for the quarter ended June 30, 2021 ("the Statement"), being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. The Consolidated Results included in the Statement, which are the responsibility of the Parent's Management and approved by the Parent's Board of Directors, have been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Consolidated Results included in the Statement based on our review.
3. We conducted our review of the Consolidated Results included in the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", Issued by the Institute of Chartered Accountants of India (ICAI). A review of Interim financial information consists of making inquiries, primarily of Parent's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.  
  
We also performed procedures in accordance with the circular Issued by the SEBI under Regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.
4. The Consolidated Results includes the results of the following entities:
  - i) Pennar Industries Limited, India (Parent Company)
  - ii) Pennar Global Inc., USA (Wholly-Owned Subsidiary)
  - iii) Enertech Pennar Defense and Engineering Systems Private Limited, India (Subsidiary)
  - iv) Pennar GmbH, Germany (Wholly-Owned Subsidiary)
  - v) Oneworks BIM Technologies Private Limited, India (Wholly-Owned Subsidiary)
  - vi) Pennar Global Metals Inc. USA (w.e.f. August 12, 2020) (Subsidiary of ii above)
  - vii) Ascent Buildings LLC., USA (w.e.f. September 4, 2020) (Subsidiary of ii above)
5. Based on our review conducted and procedures performed as stated in paragraph 3 above, and based on the consideration of the review reports of the other auditors referred to in paragraph 7 below, nothing has come to our attention that causes us to believe that the Consolidated Results included in the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. We draw your attention to Note 6 of the Statement, which describes that certain estimates and judgements were made related to COVID-19 pandemic, wherein, the eventual outcome of the impact of its global health pandemic may be different from those estimated by the management.

Our conclusion is not modified in respect of this matter.



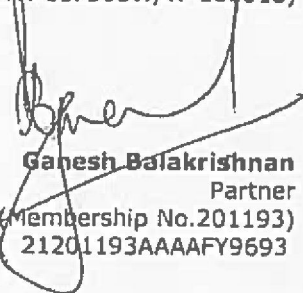
7. We did not review the interim financial information / financial results of three subsidiaries included in the Consolidated Results, whose interim financial information / financial results reflect total revenue of ₹ 5,542 lakhs, total net profit after tax of ₹ 68 lakhs and total comprehensive income of ₹ 68 lakhs for the quarter ended June 30, 2021, as considered in the Consolidated Results included in the Statement. These interim financial information / financial results have been reviewed by other auditors whose reports have been furnished to us by the Management and our conclusion on the Consolidated Results, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above.

Our conclusion on the Consolidated Results included in the Statement is not modified in respect of this matter.

8. The Consolidated Results includes the interim financial information / financial results of three subsidiaries which have not been reviewed by their auditors, whose interim financial information / financial results reflect total revenue of ₹ 367 lakhs, total loss after tax of ₹ 12 lakhs, and total comprehensive loss of ₹ 12 lakhs for the quarter ended June 30, 2021, as considered in the Consolidated Results included in the Statement. According to the information and explanations given to us by the Management, these interim financial information / financial results are not material to the Group.

Our conclusion on the Consolidated Results included in the Statement is not modified in respect of our reliance on the interim financial information / financial results certified by the Management.

For **DELOITTE HASKINS & SELLS LLP**  
Chartered Accountants  
(Firm Registration No. 117366W/W-100018)

  
**Ganesh Balakrishnan**  
Partner  
(Membership No. 201193)  
UDIN: 21201193AAAAFY9693

Hyderabad, August 11, 2021

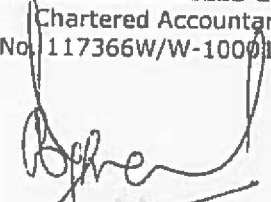
**INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF  
INTERIM STANDALONE FINANCIAL RESULTS**

**TO THE BOARD OF DIRECTORS OF  
PENNAR INDUSTRIES LIMITED**

1. We have reviewed the accompanying Standalone Unaudited Financial Results of **PENNAR INDUSTRIES LIMITED** ("the Company"), for the quarter ended June 30, 2021 ("Results") included in the accompanying Statement of Unaudited Standalone and Consolidated Financial Results for the quarter ended June 30, 2021 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. The Results included in the Statement, which are the responsibility of the Company's Management and approved by the Company's Board of Directors, have been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Results included in the Statement, based on our review.
3. We conducted our review of the Results included in the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India (ICAI). A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the Results included in the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. We draw your attention to Note 6 of the Statement, which describes that certain estimates and judgements were made related to COVID-19 pandemic, wherein, the eventual outcome of the impact of its global health pandemic may be different from those estimated by the management.

Our conclusion is not modified in respect of this matter.

For **DELOITTE HASKINS & SELLS LLP**  
Chartered Accountants  
(Firm Registration No. 117366W/W-100018)

  
**Ganesh Balakrishnan**  
Partner  
(Membership No. 201193)  
UDIN: 21201193AAAAFX2343

Hyderabad, August 11, 2021





**Press release**  
**For immediate release**

## **Pennar Industries' Q1 FY2022 Consolidated Net Revenue at INR 488.31 crore, EBITDA at INR 40.09 crores and PAT at INR 6.7 crores.**

**Hyderabad, August 11, 2021:** Pennar Industries Limited (PIL), a leading value-added engineering products and solutions company, today announced its financial results for the first quarter ended on June 30<sup>th</sup>, 2021.

### **Consolidated Financial Highlights – Q1 FY2022**

- Net revenue at INR 488.31 crore compared to Net revenue of INR 166.19 crore in Q1 FY21, up by 194%
- EBITDA at INR 40.09 crore compared to EBITDA of INR -13.27 crore in Q1 FY21, up by 402%
- PAT after minority interest at INR 6.70 crore compared to PAT after minority interest at INR -34.05 crore in Q1 FY21 up by 120%

### **Business Highlights:**

Pennar's Industries has healthy order-book positions through the quarter. Current Order book position for PEBS Rs 319 crore, Enviro Rs 51 crore, and Railways Division Rs 140 crore.

### **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 business units Railways, Tubes, Industrial Components, Steel Products, PEB, Enviro and its subsidiary companies, Pennar Global Inc. and Enertech Pennar Defense and Engineering Systems Pvt. Ltd. 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](http://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:**

K M Sunil

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PENNAR INDUSTRIES LIMITED  
Q1 FY22 RESULT PRESENTATION

August 2021



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# Discussion Summary

- ❖ **Results Update**
- ❖ Company Overview

## Q1 FY22: Consolidated Profit & Loss Statement



Particulars (Rs. in Mn)	Q1 FY22	Q1 FY21	YoY%	FY21	FY20	YoY%
Revenue From Operations (Net of Taxes)	4,883	1,662	193.8%	15,254	21,066	-27.6%
Other Income	25	28	-8.3%	187	203	-8.0%
<b>Total Income</b>	<b>4,908</b>	<b>1,690</b>	<b>190.5%</b>	<b>15,440</b>	<b>21,268</b>	<b>-27.4%</b>
COGS	3,018	1,011	198.5%	9,199	12,578	-26.9%
<b>Gross Profit</b>	<b>1,891</b>	<b>679</b>	<b>178.6%</b>	<b>6,241</b>	<b>8,690</b>	<b>-28.2%</b>
<b>Gross Margin %</b>	<b>38.5%</b>	<b>40.2%</b>	<b>-164 bps</b>	<b>40.4%</b>	<b>40.9%</b>	<b>-44 bps</b>
Employee Expenses	404	311	29.7%	1,364	1,618	-15.7%
Other Expenses	1,086	500	117.2%	3,762	5,178	-27.3%
<b>EBITDA</b>	<b>401</b>	<b>-133</b>	<b>-402.1%</b>	<b>1,115</b>	<b>1,894</b>	<b>-41.1%</b>
<b>EBITDA Margin %</b>	<b>8.2%</b>	<b>-7.85%</b>	<b>1602 bps</b>	<b>7.2%</b>	<b>8.9%</b>	<b>-168 bps</b>
Depreciation	128	121	5.7%	482	428	12.5%
Finance Cost	183	198	-7.5%	797	835	-4.5%
Exceptional item	-	-	0.0%	200	0	100.0%
<b>PBT</b>	<b>90</b>	<b>-451</b>	<b>-120.0%</b>	<b>36</b>	<b>631</b>	<b>-94.2%</b>
Tax expense	27	-111	-124.4%	8	97	-91.7%
<b>PAT Before MI</b>	<b>63</b>	<b>-340</b>	<b>-118.6%</b>	<b>28</b>	<b>534</b>	<b>-94.7%</b>
<b>PAT Margin %</b>	<b>1.3%</b>	<b>-20.1%</b>	<b>2144 bps</b>	<b>0.2%</b>	<b>2.5%</b>	<b>-233 bps</b>

## Key Business Updates



- **Current order book position:-**

- PEBS Division - Rs. 3,190Mn
- Enviro Division- Rs. 510Mn
- Railways division – Rs. 1,400Mn

- The Company sold a freehold land situated at Bandalguda, Hyderabad. Upon sale, resultant profit of ₹ 1,996 lakhs has been disclosed as an exceptional item for the quarter and year ended March 31, 2021.
- Ascent Buildings LLC wholly owned subsidiary of the Company Pennar Global INC, USA to invest additional 4.3 Million USD for setting up PEB plant in USA.



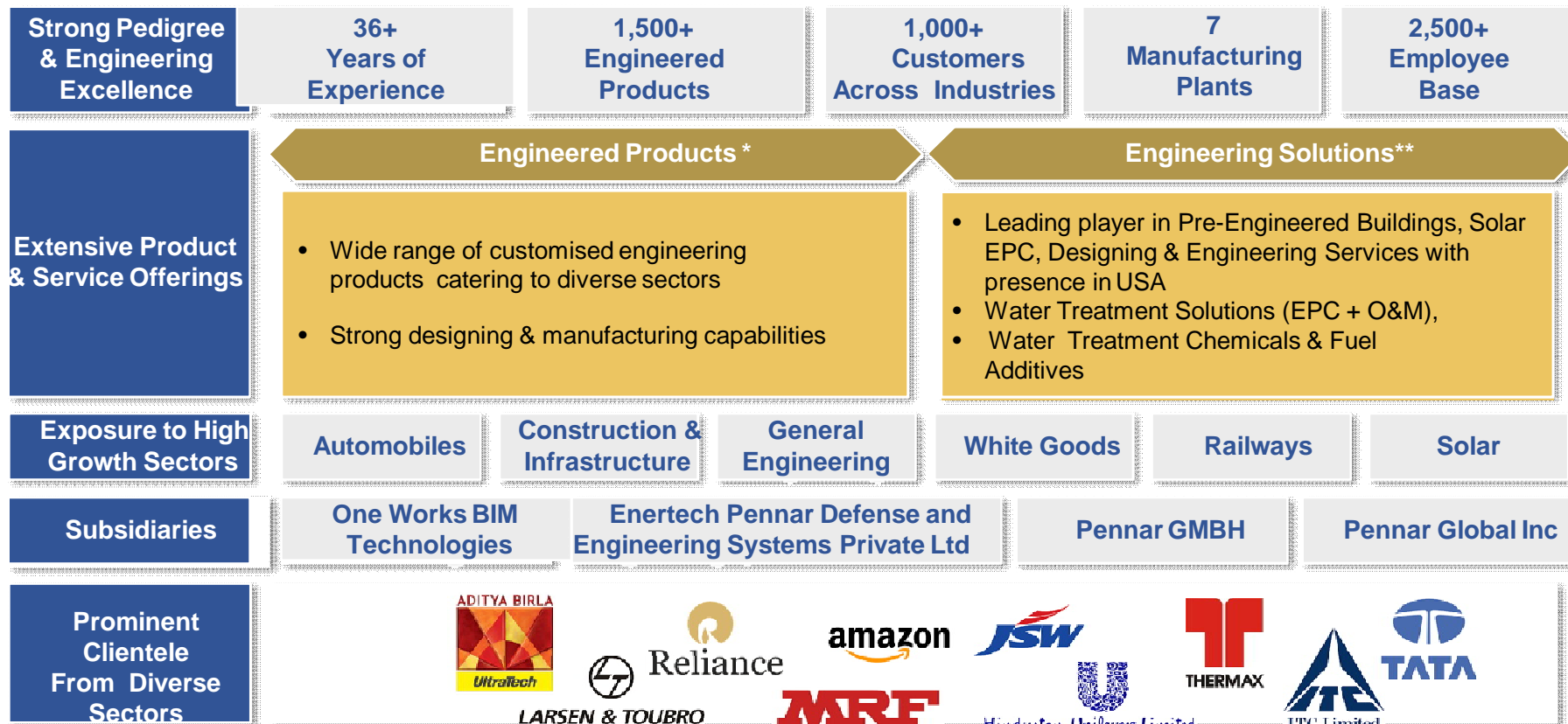
# Discussion Summary

- ❖ Results Update
- ❖ **Company Overview**

# Diversified Engineering Company With End-To-End Capabilities



## Wide Spectrum of Engineered Products & Customised Turnkey Engineering Solutions Across Diverse Industries



Note: \* includes Steel Products BU, Tubes BU, Industrial Components BU, Railways BU, \*\* includes PEBS Pennar, Pennar Enviro, Pennar Global subsidiaries

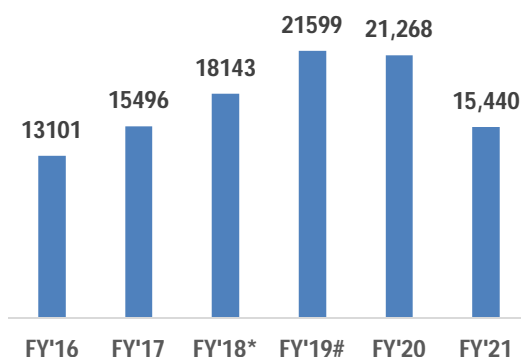
# Strong Track Record: Consistent Growth & Improving Profitability



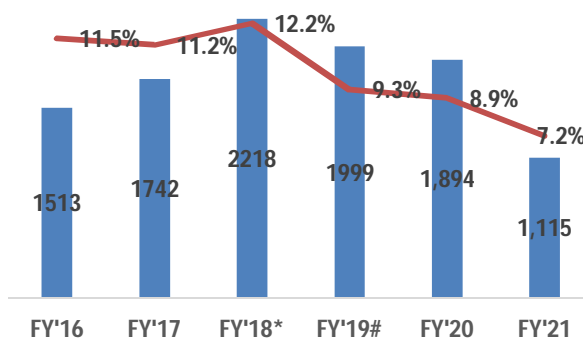
In Rs Mn

FY15-16 Figures are as per the I-GAAP, FY17-21 Figures are as per IND-AS

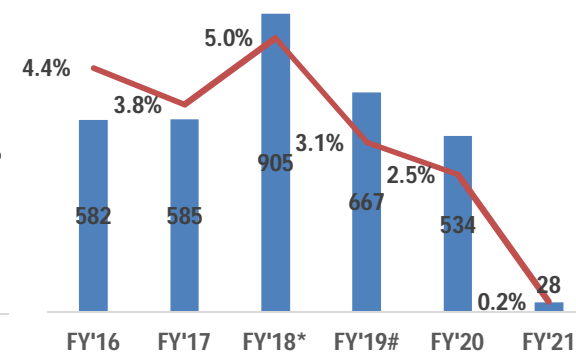
## Total Revenues



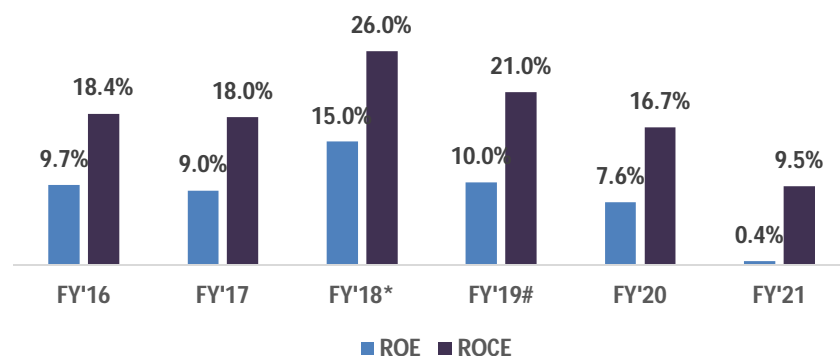
## EBITDA & EBITDA Margin



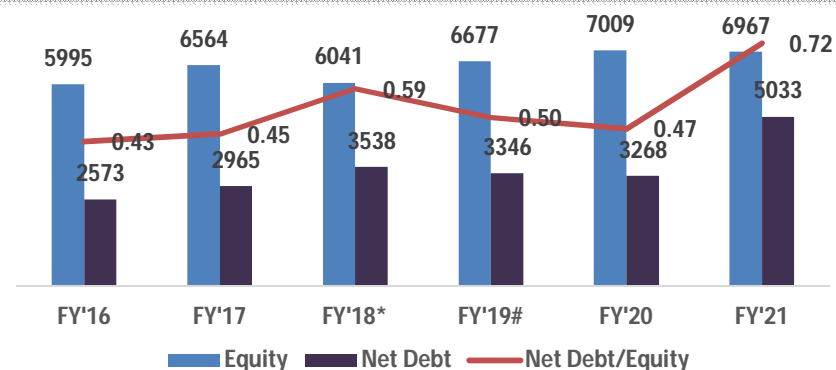
## PAT Before MI & PAT Margin



## Return Ratios



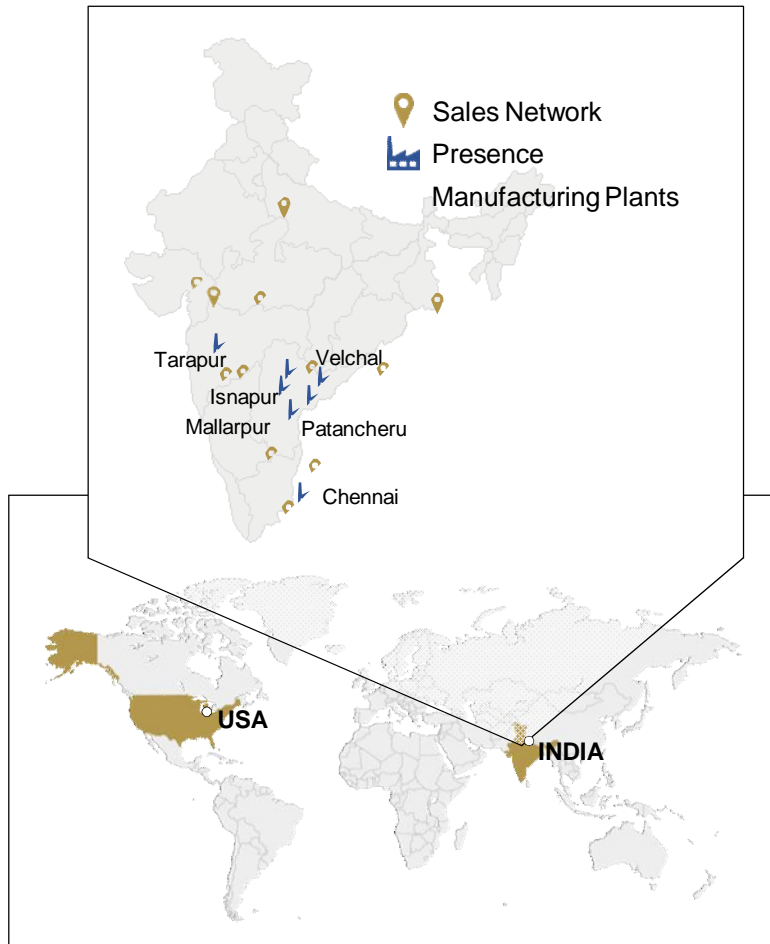
## Leverage Analysis



\* adjusted to exclude exceptional and non-recurring items # Post Merger ROE = PAT / Avg. (Equity + MI), ROCE = EBIT / Avg. Capital Employed (Total Debt + Equity + MI)



# Robust Manufacturing Facilities & Strong Sales Network



Location	Products
<b>Patancheru,</b> Andhra Pradesh	Press Components, Profiles, ESP / Building Products, Sheet Piles / Solar, Railway Components, CRSS, Fabrication
<b>Chennai,</b> Tamil Nadu	Coaches, Auto Profiles, Components / Hydraulics, Building Products, Body in white goods
<b>Isnapur,</b> Andhra Pradesh	CRSS, ERW / CDW Tubes, Profiles, Solar
<b>Velchal,</b> Telangana	Strip Galvanizing, Hot Dip Galvanizing, Pre engineered building systems
<b>Tarapur,</b> Maharashtra	Solar, Building Products, Auto Profiles, ESP
<b>Sadashivpet,</b> Telangana	Pre-Engineered Building Systems, Steel structures and Photo voltaic Module
<b>Mallapur,</b> Hyderabad	Fuel Additives, Water Treatment Chemicals & Solutions

# Board of Directors



Name	Designation
Nrupender Rao	Executive Chairman
Aditya N. Rao	Vice Chairman, Managing Director
K Lavanya Kumar	Executive Director

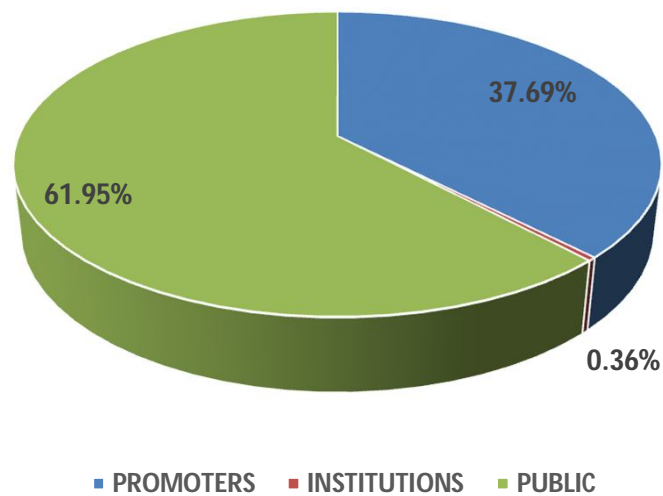
Name	Designation	Description
<b>P. V. Rao</b>	Non-Executive Director	<ul style="list-style-type: none"> <li>•Served as Ex Joint Managing Director of Pennar Industries Ltd.</li> </ul>
<b>Eric James Brown</b>	Non-Executive Director	<ul style="list-style-type: none"> <li>•President and CEO of Pennar Global, Inc.</li> <li>•30+ years of experience</li> </ul>
<b>Ravi Venkata Siva Ramakrishna</b>	Additional Non-Executive Independent Director	<ul style="list-style-type: none"> <li>•Appointed as the Managing Director of the Company in June 1999 and as Group President ( APAC &amp; MEA ) i.e. Signode India, China, MEA, Japan, Korea and ASEAN in 2011. He retired from service on December 31st 2020</li> <li>•Graduate in Engineering in Chemical Technology from Birla Institute of Technology and Science, Pilani</li> </ul>
<b>Chandrasekhar Sripada</b>	Non-Executive Independent Director	<ul style="list-style-type: none"> <li>•40+ years corporate career in HRM across Public, Private and Multi-National Companies</li> <li>•MBA, MA &amp; PhD</li> </ul>
<b>B Kamalaker Rao</b>	Non-Executive Independent Director	<ul style="list-style-type: none"> <li>•Serving as Director on Boards of several Government and Public Sector Undertakings</li> <li>•Distinguished member of the AP Legislative Council and a Senior Spokesperson for his political party</li> </ul>
<b>Manish Sabharwal</b>	Non-Executive Independent Director	<ul style="list-style-type: none"> <li>•Member of the Prime Ministers Council on Skill Development and has served on the Planning Commission steering committee on labour and employment for the Eleventh five year plan (2007-12)</li> <li>•He is a member of the CII core group on labour reforms</li> </ul>
<b>Varun Chawla</b>	Non-Executive Independent Director	<ul style="list-style-type: none"> <li>•9+ years of Investment Banking experience</li> <li>•He was one of the founders of myguesthouse.com, acquired by Make My Trip.</li> </ul>
<b>Bharati Jacob</b>	Non-Executive Independent Director	<ul style="list-style-type: none"> <li>•Extensive experience in venture investing, marketing and financial services.</li> <li>•Masters degrees from The Wharton School of University Pennsylvania and XLRI Jamshedpur</li> </ul>

**Independent Directors**

# Shareholding Structure



Shareholding Pattern – As on 30<sup>th</sup> June 2021



Source: BSE



Thanking You



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