

Dated: 8th February, 2023

Place: Hyderabad

BSE Limited Phiroze Jeejeebhoy Towers Dalal Street, Fort, Mumbai-400 001 BSE Scrip code: 513228	The National Stock Exchange of India Limited Bandra Kurla Complex Bandra East, Mumbai - 400 051 NSE Symbol: PENIND
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Dear Sir/Madam,

Sub : Financial Results for the Quarter and Nine months ended 31st December, 2022

Ref: Regulations 30 and 33 of SEBI (Listing Regulations and Disclosure Requirements) Regulations, 2015

We wish to inform that at the meeting of the Board of Directors of the company commenced at 10:00 a.m. and concluded at 6.15 p.m. on Wednesday the 8th day of February, 2023, the following are attached herewith:

- 1) Un-audited Financial Results (Standalone and Consolidated) for the Quarter and Nine months ended 31st December, 2022.
- 2) Limited Review Report (standalone and consolidated) issued by the Statutory Auditors of the Company for the Quarter and Nine months ended 31st December, 2022.

Kindly take the same on your records.

The same will be made available on the Company's website viz., www.pennarindia.com.

Thanking you,

Yours faithfully,
for Pennar Industries Limited



Mirza Mohammed Ali Baig
Company Secretary & Compliance Officer
ACS 29058



PENNAR INDUSTRIES LIMITED

Corporate Office & Works : IDA, Patancheru - 502319, Sangareddy District, Telangana State, INDIA.

Tel : +91 8455 242184 to 242193, **Email :** corporatecommunications@pennarinda.com, **Website :** www.pennarindia.com

Regd. Office: 3rd Floor, DHFLVC Silicon Towers, Kondapur, Hyderabad - 500084, Telangana, INDIA.

Tel : +91 40 41923108

CIN No: L27109TG1975PLC001919

<p style="text-align: center;">Pennar Industries Limited (CIN: L27109TG1975PLC001919) Regd. Office: Floor No. 3, DHFLVC Silicon Towers, Kondapur, Hyderabad 500084, Telangana, India. Tel: +91 40 40061621; Fax: +91 40 40061618; E-mail: corporatecommunications@pennarindia.com; Website: www.pennarindia.com</p>													
Statement of Consolidated and Standalone Financial Results for the Quarter and Nine months ended December 31, 2022													
Sl. No	Particulars	Consolidated results						Standalone results					
		Quarter Ended		Nine months Ended		Year ended		Quarter Ended		Nine months Ended		Year Ended	
		31-Dec-22	30-Sep-22	31-Dec-21	31-Dec-22	31-Dec-21	31-Mar-22	31-Dec-22	30-Sep-22	31-Dec-21	31-Dec-22	31-Mar-22	31-Mar-22
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Income												
	(a) Revenue from operations	69,222	83,399	53,297	2,22,619	1,57,298	2,26,575	53,666	63,859	45,432	1,73,251	1,40,553	1,99,475
	(b) Other income	791	1,562	441	3,455	997	1,706	960	1,544	481	3,700	1,117	1,865
	Total income	70,013	84,961	53,738	2,26,074	1,58,295	2,28,281	54,626	65,403	45,913	1,76,951	1,41,670	2,01,340
2	Expenses												
	(a) Cost of materials consumed	38,721	46,472	31,948	1,35,359	94,573	1,29,762	33,181	40,686	31,690	1,16,254	93,662	1,28,438
	(b) Purchase of traded goods	2,613	5,219	6,171	9,042	15,623	20,832	437	320	581	948	1,896	2,352
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	439	1,568	(6,066)	(4,764)	(13,019)	(10,435)	87	489	(5,040)	(5,937)	(9,146)	(7,566)
	(d) Employee benefits expense	7,028	8,862	5,480	22,847	14,936	20,845	3,708	4,102	3,725	12,101	11,246	15,048
	(e) Finance costs	2,216	2,467	1,945	6,834	5,745	7,838	2,163	2,424	1,907	6,702	5,453	7,508
	(f) Depreciation and amortisation expense	1,630	1,561	1,336	4,771	3,888	5,413	1,412	1,352	1,239	4,140	3,732	5,034
	(g) Other expenses	14,612	16,659	11,511	45,204	33,131	48,435	12,106	14,581	10,702	38,523	31,756	45,961
	Total expenses	67,259	82,808	52,325	2,19,293	1,54,877	2,22,690	53,094	63,954	44,804	1,72,731	1,38,599	1,96,775
3	Profit before tax (1-2)	2,754	2,153	1,413	6,781	3,418	5,591	1,532	1,449	1,109	4,220	3,071	4,565
4	Tax expense												
	(a) Current tax	825	472	718	1,870	1,696	2,186	575	321	661	1,335	1,584	1,935
	(b) Deferred tax	(183)	43	(376)	(247)	(797)	(786)	(183)	43	(376)	(247)	(797)	(786)
	Total Tax expenses	642	515	342	1,623	899	1,400	392	364	285	1,088	787	1,149
5	Total Profit for the period (3-4)	2,112	1,638	1,071	5,158	2,519	4,191	1,140	1,085	824	3,132	2,284	3,416
	Attributable to:												
	Shareholders of the Company	2,133	1,667	1,071	5,208	2,529	4,183	1,140	1,085	824	3,132	2,284	3,416
	Non-Controlling interest	(21)	(29)	-	(50)	(10)	8	-	-	-	-	-	-
6	Other comprehensive income												
	Items that will not be reclassified subsequently to profit or loss												
	(a) Remeasurement of the net defined benefit liability	-	-	-	-	-	(176)	-	-	-	-	-	(176)
	(b) Income tax relating to above items	-	-	-	-	-	44	-	-	-	-	-	44
	Items that will be reclassified subsequently to profit or loss												
	(a) Exchange differences in translation of foreign operations	5	61	(12)	205	24	(121)	-	-	-	-	-	-
	(b) Income tax relating to above items	-	-	-	-	-	-	-	-	-	-	-	-
	Other comprehensive income/(loss) net of tax	5	61	(12)	205	24	(253)	-	-	-	-	-	(132)
7	Total comprehensive income/(loss) (5+6)	2,117	1,699	1,059	5,363	2,543	3,938	1,140	1,085	824	3,132	2,284	3,284
	Attributable to:												
	Shareholders of the Company	2,138	1,728	1,059	5,413	2,553	3,930	1,140	1,085	824	3,132	2,284	3,284
	Non-controlling interests	(21)	(29)	-	(50)	(10)	8	-	-	-	-	-	-
8	Paid up equity share capital [Face Value of ₹ 5 per share] (Refer note 9)												
9	Other equity												
10	Earnings Per Share [Face Value of ₹ 5 per share] (for the quarterly periods - not annualised)												
	Basic and Diluted Earnings per share (in ₹)	1.56	1.18	0.75	3.74	1.78	2.94	0.84	0.79	0.58	2.27	1.61	2.40



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").

2. The above consolidated and standalone financial results were reviewed and recommended by the Audit Committee at their meeting held on February 06, 2023 and approved by the Board of Directors at their meeting held on February 08, 2023. The Statutory Auditors have issued an unmodified conclusion in respect of the limited review for the quarter and Nine months ended December 31, 2022.

3. The Board of Directors, at its meeting held on March 09, 2022, approved Buyback of the Company's fully paid-up equity shares of face value of ₹ 5 each from the eligible equity shareholders of the Company other than promoters, promoter group and persons who are in control of the company, at a price not exceeding ₹ 50 per equity share (Maximum Buyback price), for an aggregate amount not exceeding ₹ 4,000 lakhs (Maximum Buyback size), payable in cash from the open market route through the stock exchange mechanism under the Buyback Regulations and the Companies Act. The Buyback shall not exceed ₹ 4,000 lakhs (Maximum Buyback size) excluding the transaction charges.

During the previous quarter, the scheme of Buyback was closed, the Company bought back 72,16,000 equity shares as of that date, resulting in total cash consideration of ₹ 3,755 lakhs (including ₹ 745 lakhs towards buyback related costs and tax on Buyback). Out of the 72,16,000 equity shares bought back, the Company extinguished 72,16,000 equity shares as at September 30, 2022 as per records of depositories. In line with the requirements of Companies Act, 2013, an amount of ₹ 3,394 lakhs has been utilized from securities premium account for the Buyback. Further, capital redemption reserve of ₹ 361 lakhs representing the nominal value of shares brought back, has been created in accordance with Section 69 of the Companies Act, 2013.

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%
Pennar Global Inc.	USA	Subsidiary	100%
Pennar Global Metals, LLC	USA	Step-down Subsidiary	100%
Ascent Buildings, LLC	USA	Step-down Subsidiary	100%
Cadnum SARL (With effect from September 08, 2022)	France	Step-down Subsidiary	100%

5. On November 10, 2021, the board had given in-principle approval to its wholly owned subsidiary Pennar GmbH to acquire 100% stake in Cadnum SARL (Cadnum) subject to regulatory approvals. Cadnum is an engineering & precision machining company based out of Villebret, France. On July 13, 2022, Pennar GmbH has entered into a share purchase agreement with Cadnum for the proposed investment for a consideration of 1,80,000 Euros.

During previous quarter, the Group has completed acquisition of 100% equity share capital of Cadnum SARL for total consideration of 1,80,000 Euros. The transaction was accounted in accordance with Ind AS 103 - Business combinations ("Ind AS 103") and the initial accounting was provisionally determined as at December 31, 2022

6. The details of funds raised through Initial Public Offer (IPO) by the erstwhile entity Pennar Engineered Building Systems Limited (PEBS) during the financial year 2015-2016, and utilisation of said funds as at December 31, 2022 are as follows:

Particulars	Objects of the issue as per prospectus	Unutilised amount up to	
		Utilisation up to Dec 31, 2022	Dec 31, 2022
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 engineering services	800	379	421
C) General corporate purposes	1,079	1,079	-
D) Share issue expenses	521	517	4
Total	5,800	5,375	425

As on December 31, 2022, unutilised funds have been temporarily invested in mutual funds and other bank balances.

7. Previous period/year figures have been regrouped/reclassified wherever necessary, to conform to the current period/year classification.



8 Segment reporting

Particulars	Quarter Ended				Nine months Ended		Year Ended	
	31-Dec-22	30-Sep-22	31-Dec-21	31-Dec-22	31-Dec-21	31-Mar-22		
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited		
Segment revenue								
Diversified engineering	34,012	43,117	32,521	1,12,926	90,942	1,35,521		
Custom designed building solutions & auxiliaries	38,013	41,974	23,654	1,17,934	75,667	1,04,462		
Total	72,025	85,091	56,175	2,30,860	1,66,609	2,39,983		
Less : Inter segment revenue	2,803	1,692	2,878	8,241	9,311	13,408		
Revenue from operations	69,222	83,399	53,297	2,22,619	1,57,298	2,26,575		
Segment results								
Diversified engineering	2,973	4,569	3,380	9,920	8,450	12,327		
Custom designed building solutions & auxiliaries	3,628	1,612	1,314	8,467	4,601	6,515		
Total	6,601	6,181	4,694	18,387	13,051	18,842		
Less : Depreciation and amortisation expense	1,630	1,561	1,336	4,771	3,888	5,413		
Finance costs	2,216	2,467	1,945	6,834	5,745	7,838		
Profit before tax	2,754	2,153	1,413	6,781	3,418	5,591		
As at								
Capital employed (Segment assets - Segment liabilities) (See notes below)								
Segment assets								
Diversified engineering								
Custom designed building solutions & auxiliaries	1,52,680	1,61,700	1,30,627	1,30,627	1,30,627	1,40,043		
Total Segment Assets	68,950	66,486	73,237	74,060	74,060	74,060		
Segment liabilities								
Diversified engineering								
Custom designed building solutions & auxiliaries	2,21,630	2,28,186	2,03,864	2,03,864	2,03,864	2,14,103		
Total Segment Liabilities	83,429	91,553	77,200	77,200	77,200	84,126		
	62,670	63,364	54,414	54,414	54,414	56,364		
	1,46,099	1,54,917	1,31,614	1,31,614	1,31,614	1,40,490		

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 : February 08, 2023

By order of the Board
for Pennar Industries Limited
Aditya N. Rao
Aditya N. Rao
Vice Chairman & Managing Director

Independent Auditor's Review Report on unaudited quarterly and year to date standalone financial results of Pennar Industries Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

To The Board of Directors of Pennar Industries Limited

1. We have reviewed the accompanying statement of unaudited standalone financial results of **Pennar Industries Limited** ('the Company') for the quarter ended December 31, 2022 and the year to-date results for the period from April 1, 2022 to December 31, 2022 ('the Statement') attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('the Regulations').
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in 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 recognized accounting principles generally accepted in India and in compliance with the Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review consists of making inquiries, primarily of persons 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 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 accompanying Statement prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognized accounting principles generally accepted in India has not disclosed the information required to be disclosed in terms of the Regulations including the manner in which it is to be disclosed, or that it contains any material misstatement.

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5. The comparative financial information of the company for the quarter and nine months ended December 31, 2021, and year ended March 31, 2022, included in this Statement have been reviewed / audited by predecessor auditors. The Report of the predecessor auditors on this comparative financial information dated February 09, 2022, and May 25, 2022, respectively expressed an unmodified opinion/conclusion.

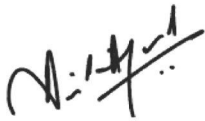
The year to-date results from April 1, 2022 to December 31, 2022 include results for the quarter ended June 30, 2022 have been reviewed by predecessor auditor and expressed an unmodified opinion in their report dated August 09, 2022.

Our conclusion is not modified in respect of the above matters.

For M S K A & Associates

Chartered Accountants

ICAI Firm Registration No.105047W



Amit Kumar Agarwal

Partner

Membership No.:214198

UDIN: 23214198BGXCOS2558



Place: Hyderabad

Date: February 8, 2023

Independent Auditor's Review Report on Consolidated Unaudited Quarterly and year to date financial results of Pennar Industries Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

To The Board of Directors Pennar Industries Limited

1. We have reviewed the accompanying statement of consolidated unaudited financial results of **Pennar Industries Limited** ('the Holding Company'), its subsidiaries, (the Holding Company and its subsidiaries together referred to as the 'Group') for the quarter ended December 31, 2022 and the year-to-date results for the period from April 1, 2022 to December 31, 2022 ('the statement'), being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('the Regulations').
2. This Statement, which is the responsibility of the Holding Company's Management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in 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 recognized accounting principles generally accepted in India and in compliance with the Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagement (SRE) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review consists of making inquiries, primarily of persons 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 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. This Statement includes the results of the Holding Company and the following entities:

Sr. No	Name of the Entity	Relationship with the Holding Company
I	Pennar Global Inc, USA (PGI)	Wholly Owned Subsidiary
II	Pennar GmbH, Germany (Pennar GmbH)	Wholly Owned Subsidiary
III	Enertech Pennar Defense and Engineering Systems Private Limited, India (Enertech)	Subsidiary
IV	Pennar Global Metals Inc., USA (PGM)	Step Subsidiary (Subsidiary of PGI)
V	Ascent Buildings LLC., USA (Ascent)	Step Subsidiary (Subsidiary of PGI)
VI	Cadnum SARL, France (w.e.f, September 8, 2022)	Step Subsidiary (Subsidiary of Pennar GmbH)

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 other auditors referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognized accounting principles generally accepted in India has not disclosed the information required to be disclosed in terms of the Regulations including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. We did not review the interim financial information of three subsidiaries included in the consolidated unaudited financial results of the company, whose financial information reflects total revenues of Rs. 35,403 lakhs and Rs.56,273 lakhs for the quarter and nine months ended December 31, 2022, respectively, total net profit after tax and total comprehensive income of Rs. 1,493 lakhs and Rs.2,085 lakhs for the quarter and nine months ended December 31, 2022 respectively, as considered in the respective standalone unaudited interim financial information of the Subsidiaries included in the Group. This interim financial information of a Subsidiaries has been reviewed by the other auditor whose reports have been furnished to us by the management, and our conclusion in so far as it relates to the amounts and disclosures included in respect of subsidiaries, are based solely on the reports of such other auditor and the procedures performed by us as stated in paragraph 3 above.
- Our conclusion is not modified in respect of the above matter.
7. The Statement includes the interim financial information of three subsidiaries which have not been reviewed by their auditors, whose interim financial statements/ financial information reflect total

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revenue of Rs. 693 lakhs and Rs.1587 lakhs for the quarter and nine months ended December 31, 2022 respectively, total net loss of Rs. 27 lakhs and Rs. 59 lakhs for the quarter and nine months ended December 31, 2022, respectively, as considered in the Consolidated Results included in the statement. According to the information and explanations given to us by the Management, this interim financial statements / financial information are not material to the Group.

Our conclusion on the statement is not modified in respect of our reliance on the interim financial statements/ financial information certified by the management.

8. The comparative financial information of the company for the quarter and nine months ended December 31, 2021, and year ended March 31, 2022, included in this Statement have been reviewed / audited by predecessor auditors. The Report of the predecessor auditors on this comparative financial information dated February 09, 2022, and May 25, 2022, respectively expressed an unmodified opinion/conclusion.

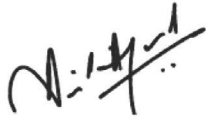
The year to-date results from April 1, 2022 to December 31, 2022 include results for the quarter ended June 30, 2022 have been reviewed by predecessor auditor and expressed an unmodified opinion in the report dated August 09, 2022.

Our conclusion is not modified in respect of the above matters.

For M S K A & Associates

Chartered Accountants

ICAI Firm Registration No.105047W



Amit Kumar Agarwal

Partner

Membership No.: 214198

UDIN: 23214198BGXCOT1836



Place: Hyderabad

Date: February 8, 2023