



PENNAR INDUSTRIES LIMITED

Dated: 14th August, 2018
Place: Hyderabad



BSE Limited Phiroze Jeejeebhoy Towers Dalal Street, Fort, Mumbai-400 001 K.A.: Ms Ishwari Vaidya	The National Stock Exchange of India Limited Bandra Kurla Complex Bandra East, Mumbai - 400 051 K.A.: Ms. Snehal
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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 2:00 P.M. and concluded at 5:15 P.M. on Tuesday the 14th day of August, 2018, the following business were transacted:

- 1) Approval of the Un-audited Financial Results for the quarter ended 30th June, 2018.
 - a. Standalone Financial Results of M/s. Pennar Industries Limited.
 - b. Consolidated Financial Results of M/s. Pennar Industries Limited.
- 2) Approval of the Limited Review Report (standalone and consolidated) issued by the Statutory Auditors of the Company for the Quarter ended 30th June, 2018.
- 3) The Nomination and Remuneration Committee at its meeting held on 13th August, 2018 recommended to reappoint Mr. Nrupender Rao as Executive Chairman of the Company. The Board subject to the approval of the shareholders at the ensuing Annual General Meeting considered and appointed Mr. Nrupender Rao as Executive Chairman for a period of two years with effect from 14th August, 2018.
- 4) Approval of Notice and Directors report for the 42nd Annual General Meeting of the Company.
- 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, 201 for the quarter ended 30th June, 2018.

The following are attached herewith for your information and record:

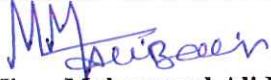
- a. The certified copy of Un-audited Financial Results of the Company for the Quarter ended 30th June, 2018.
- b. The Limited Review Report (Standalone and Consolidated) for the Quarter ended 30th June, 2018 issued by the Statutory Auditors of the Company.
- c. Press Release for the Quarter ended 30th June, 2018.

Kindly take the same on your records.

Thanking you

Yours faithfully,

for Pennar Industries Limited


Mirza Mohammed Ali Baig
Company Secretary & Compliance Officer
ACS No. 29058



Manufacturers of Cold Roll Formed Sections, Sheet Metal Pressed, Fabricated & Machined Components, Precision Electric Resistance Welded Tubes, Cold Drawn electric resistance Welded Tubes, and Fabricated Components & Structures. Design Development, Manufacture of Hydraulic Cylinders

Corp.Office & Works: IDA, Patancheru – 502 319, Sanga Reddy District, Telangana, INDIA.

Tel: +91 8455 242184 to 242193, Fax: +91 8455 242424 / 242161, E-mail: pilhyd@bsnl.in, Website: www.pennarindia.com

Regd.Office: 9th Floor, DHFLVC Silicon Towers, Kondapur, Hyderabad – 500 084.

Tel: +91 40 4006 1621 to 24, Fax: +91 40 4006 1618

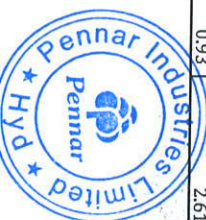
CIN No: L27109AP1975PLC001919

PENMAR INDUSTRIES LIMITED
(CIN: L27109AP1975PLC001919)

Regd. Office: Floor No. 3, DHFLVC Silicon Towers, Kondapur, 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 Unaudited Financial Results for the Quarter Ended June 30, 2018

Sl. No	Particulars	Consolidated results					Standalone results								
		Quarter Ended		Year Ended		30-Jun-18	Quarter Ended		Year Ended						
		30-Jun-18	31-Mar-18	30-Jun-17	31-Mar-18		30-Jun-18	31-Mar-18	30-Jun-17	31-Mar-18					
1	Income														
	(a) Revenue from operations	46,224	50,308	45,792	1,79,841	34,022	34,309	32,061	1,24,864						
	(b) Other income	426	795	212	1,589	191	283	57	598						
	Total income	46,650	51,103	46,004	1,81,430	34,213	34,592	32,118	1,25,462						
2	Expenses														
	(a) Cost of materials consumed	30,997	33,688	30,556	1,08,931	24,276	22,789	21,211	79,005						
	(b) Purchase of traded goods	427	720	897	3,095	427	720	897	3,095						
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(3,964)	(4,878)	(4,904)	(4,265)	(3,178)	(1,911)	(1,055)	949						
	(d) Excise duty (Refer note 9)	-	-	3,035	3,035	-	-	2,117	2,121						
	(e) Employee benefits expense	3,854	3,383	2,954	12,276	2,344	1,980	1,690	7,105						
	(f) Finance costs	1,588	1,968	1,561	6,740	1,188	1,434	894	4,342						
	(g) Depreciation and amortisation expense	634	805	632	2,926	477	632	292	1,675						
	(h) Other expenses	10,778	9,670	8,840	36,179	6,773	7,008	4,560	21,145						
	Total expenses	44,314	45,356	43,571	1,68,917	32,307	32,652	30,606	1,19,437						
3	Profit before exceptional item and tax (1-2)	2,336	5,747	2,433	12,513	1,906	1,940	1,512	6,025						
4	Exceptional item (refer note 4)	-	1,295	-	1,295	-	2,129	-	2,129						
5	Profit before tax (3+4)	2,336	7,042	2,433	13,808	1,906	4,069	1,512	8,154						
6	Tax expense														
	(a) Current tax	759	2,227	726	4,016	635	1,170	514	2,171						
	(b) Deferred tax	138	63	403	743	150	(248)	345	554						
	Total tax expense	897	2,290	1,129	4,759	785	922	859	2,725						
7	Net Profit for the period (5-6)	1,439	4,752	1,304	9,049	1,121	3,147	653	5,429						
	Attributable to:														
	Shareholders of the Company	1,313	3,590	1,069	7,032	1,121	3,147	653	5,429						
	Non-controlling interests	126	1,162	235	2,017	-	-	-	-						
8	Other comprehensive income														
	Items that will not be reclassified subsequently to profit or loss														
	(a) Remeasurements of the net defined benefit liability	-	(25)	-	(67)	-	30	-	(8)						
	(b) Income tax relating to items that will not be reclassified to profit or loss	-	9	-	23	-	(10)	-	3						
	Attributable to:														
	Shareholders of the Company	-	(16)	-	(44)	-	20	-	(5)						
	Non-controlling interests	-	-	-	(28)	-	20	-	(5)						
9	Total comprehensive income (7+8)	1,439	4,736	1,304	9,005	1,121	3,167	653	5,424						
	Attributable to:														
	Shareholders of the Company	1,313	3,590	1,069	7,004	1,121	3,167	653	5,424						
	Non-controlling interests	126	1,146	235	2,001	-	-	-	-						
10	Paid up equity share capital [Face Value of ₹ 5 per share]	6,017	6,017	6,017	45,267	6,017	6,017	6,017	34,580						
11	Other equity														
	Earnings Per Share [Face Value of ₹ 5 per share]*														
12	Basic and Diluted Earnings per share (in ₹)	1.20	3.95	0.89	7.52	0.93	2.61	0.54	4.51						

* EPS for the quarterly periods is not annualised.



NOTES :

1. The above consolidated and standalone unaudited financial results were reviewed and recommended by the Audit Committee at their meeting held on August 13, 2018 and approved by the Board of Directors at their meeting held on August 14, 2018. The Statutory Auditors have carried out a limited review on the consolidated and standalone financial results.
2. 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").
3. The consolidated financial results for the quarter ended June 30, 2018 include the results of the following group companies:

Name of the Company	Country of Incorporation	Nature of relationship	% Holding
Pennar Engineered Building Systems Limited	India	Subsidiary	53.98%
Pennar Enviro Limited	India	Subsidiary	51.03%
Pennar Global Inc. (From June 05, 2017)	USA	Subsidiary	70.00%
4. During the previous year, the Company divested its entire shareholding in its subsidiary, Pennar Renewables Private Limited (PRPL). Upon divestment, the resultant gain of ₹ 1,295 Lakhs in the consolidated financial results and gain of ₹ 2,129 Lakhs in the standalone financial results are disclosed as 'exceptional item'.
5. During the previous year, the Company incorporated a subsidiary Pennar Global Inc, United State of America, which commenced commercial operations during the quarter ended March 31, 2018. Hence, the results for the quarter ended June 30, 2018 and quarter ended June 30, 2017 are not comparable.
6. The Board of Directors of the Parent Company have approved a Scheme of Arrangement ("the Scheme") for amalgamation of its subsidiaries, Pennar Engineering Building Systems Limited and Pennar Enviro Limited with the Company, effective April 01, 2018, subject to necessary statutory and regulatory approvals. The Company has received clearance from the stock exchanges. The Scheme remains subject to the receipt of no objections from secured creditors, necessary approvals from National Company Law Tribunal and the respective shareholders of the Company.
7. Effective April 01, 2018, the Company has adopted Ind AS 115 "Revenue from Contracts with Customers". The application of Ind AS 115 did not have any material impact on the financial results of the Company.
8. The Company formed a Special Purpose Vehicle (SPV) by the name "Enertech Pennar Defense and Engineering Systems Private Limited" on April 10, 2018 with Enertech Engineering Private Limited. The SPV is yet to commence its commercial operations.
9. The Government of India introduced the Goods & Services Tax (GST) with effect from July 1, 2017. Accordingly, in compliance with Indian Accounting Standards (Ind AS), Revenue from operations for the quarter ended June 30, 2018, quarter ended March 31, 2018 and year ended March 31, 2018 (from July 1, 2017) is net of GST. For the quarter ended June 30, 2017, Revenue from operations includes excise duty which is now subsumed in GST.



Particulars	Quarter Ended		Year Ended	
	30-Jun-18	31-Mar-18	30-Jun-17	31-Mar-18
	Unaudited	Audited (Refer note 11)	Unaudited	Audited
Segment revenue				
Diversified engineering	34,022	34,309	32,061	1,24,864
Custom designed building solutions & auxiliaries	14,179	18,098	15,936	65,136
Total	48,201	52,407	47,997	1,90,000
Less : Inter segment revenue	1,977	2,099	2,205	10,159
Revenue from operations	46,224	50,308	45,792	1,79,841
Segment results				
Diversified engineering	3,571	6,135	2,698	14,171
Custom designed building solutions & auxiliaries	987	3,680	1,928	9,303
Total	4,558	9,815	4,626	23,474
Less:				
Depreciation and amortisation expense	634	805	632	2,926
Finance costs	1,588	1,968	1,561	6,740
Profit before tax	2,336	7,042	2,433	13,808
			As at	
Capital employed (Segment assets - Segment liabilities) (See notes below)			30-Jun-18	30-Jun-17
Segment assets			Unaudited	Unaudited
Diversified engineering		1,08,302		87,583
Custom designed building solutions & auxiliaries		52,491		71,170
Total Segment Assets		1,60,793		1,58,753
Segment liabilities				
Diversified Engineering		66,584		48,584
Custom designed building solutions & auxiliaries		32,363		43,752
Total Segment Liabilities		98,947		92,336

Notes:

- i. Segment information is presented for the "consolidated financial results" as permitted under the Ind AS 108 - 'Operating Segments'.
- ii) 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.
- 11 The figures of the quarter ended March 31, 2018 are the balancing figures between the audited figures in respect of the full financial year ended March 31, 2018 and published year to date figures up to third quarter of the financial year ended March 31, 2018.
- 12 Corresponding previous period's figures have been regrouped/reclassified wherever necessary.

Place : Hyderabad
Date : August 14, 2018



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 REVIEW OF INTERIM FINANCIAL RESULTS

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

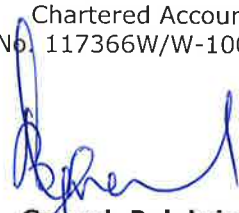
1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **PENNAR INDUSTRIES LIMITED** ("the Company"), for the quarter ended June 30, 2018 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.

This Statement, which is the responsibility of the Company's Management and approved by the 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 accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.

2. We conducted our review of 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. 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 is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.
3. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the aforesaid Indian Accounting Standards 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 modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.
4. The comparative financial information of the company for the quarter ended June 30, 2017 prepared in accordance with Indian Accounting Standards ("Ind AS") included in this Statement has been reviewed by the predecessor auditor. The report of the predecessor auditor on these comparative financial information dated August 14, 2017 expressed an unmodified conclusion.

Our report is not qualified in respect of this matter.

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


Ganesh Balakrishnan
Partner
(Membership No. 201193)

Hyderabad, August 14, 2018

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 Statement of 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, 2018 ("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 modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.

This Statement which is the responsibility of the Parent's Management and approved by the 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 accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.

2. We conducted our review of 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. 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 is limited primarily to inquiries of Parent's personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.
3. The Statement includes the results of the following entities:

Parent Company:

Pennar Industries Limited

Subsidiaries

- a. Pennar Engineered Building Systems Limited, India
 - b. Pennar Enviro Limited, India
 - c. Pennar Global Inc., United States of America
4. Based on our review conducted as stated above and based on the consideration of the reports of the other auditors referred to in paragraph 5 below, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with the aforesaid Indian Accounting Standards 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 modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

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5. We did not review the interim financial information of three subsidiaries included in the consolidated unaudited financial results, whose interim financial information reflect total revenues of ₹ 14,179 lakhs for the quarter ended June 30, 2018, total profit after tax of ₹ 320 lakhs and total comprehensive income of ₹ 320 lakhs for the quarter ended June 30, 2018, as considered in the consolidated unaudited financial results. These interim financial information have been reviewed by other auditors whose reports have been furnished to us by the Management and our report on the Statement, 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.

Our report on the Statement is not modified in respect of this matter.

6. The comparative financial information of the Group for the quarter ended June 30, 2017 prepared in accordance with Indian Accounting Standards ("Ind AS") included in this Statement has been reviewed by the predecessor auditor. The report of the predecessor auditor on the comparative financial information dated August 14, 2017 expressed an unmodified opinion conclusion.

Our report is not qualified in respect of this matter.

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


Ganesh Balakrishnan
Partner
(Membership No. 201193)

Hyderabad, August 14, 2018



Press release

For immediate release

Pennar Industries' Consolidated Q1FY19 Net revenue at Rs. 466.5 Crores; up 8.6 % YoY
Q1FY19 PAT up 22.8% YoY at Rs. 13.1 Crores

Hyderabad, August 14, 2018: Pennar Industries Limited, one of India's leading industrial organizations offering specialized, engineered steel solutions, announced today their unaudited financial results for the quarter ended 30th June 2018.

STANDALONE FINANCIAL PERFORMANCE:

(Rs. Crore)	Standalone		
	Q1		y-o-y
	FY2019	FY2018	Growth (%)
Net Revenue	342.1	300.0	14.0%
EBITDA	35.7	27.0	32.4%
<i>EBITDA Margin (%)</i>	10.4%	9.0%	
Net Profit	11.2	6.5	71.7%
<i>Net Profit Margin (%)</i>	3.3%	2.2%	

CONSOLIDATED FINANCIAL PERFORMANCE:

(Rs. Crore)	Consolidated		
	Q1		y-o-y
	FY2019	FY2018	Growth (%)
Net Revenue	466.5	429.7	8.6%
EBITDA	45.6	46.3	(1.5)%
<i>EBITDA Margin (%)</i>	9.8%	10.8%	
Net Profit	13.1	10.7	22.8%
<i>Net Profit Margin (%)</i>	2.8%	2.5%	

SEGMENT FINANCIAL PERFORMANCE (STANDALONE):

Particulars	(Rs. Crore)		
	Net Revenue		
	Q1		y-o-y
	FY19	FY18	Growth (%)
Steel Products	157.7	179.1	(11.9)%
Tubes	62.5	54.9	14.0%
Industrial Components	22.4	17.2	30.4%
Railways	81.3	41.1	98.0%
Scrap	18.2	7.8	
Total Standalone	342.1	300.0	14.0%
Total Consolidated	466.5	429.7	8.6%

ABOUT PENNAR INDUSTRIES LIMITED:

Pennar Industries (NSE: PENIND, BSE: 513228) is one of India's leading industrial organizations offering specialized, engineered steel solutions. The Company has a strong presence across growth sectors in India through four business units Railways, Tubes, Industrial Components and Steel Products, and its subsidiary companies, Pennar Engineered Building Systems Limited, Pennar Enviro Limited and Pennar Global Inc. All of Pennar's 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

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.

Q1FY19 EARNINGS CONFERENCE CALL DETAILS:

Universal Access:	+91 22 6280 1148/ +91 22 7115 8049
Local Access Number: Available in - Ahmedabad, Bangalore, Chandigarh, Chennai, Gurgaon (NCR), Hyderabad, Kochi/Cochin, Kolkata, Lucknow, Pune. (Accessible from all carriers)	+91-7045671221
International Toll- Free Numbers:	USA : 1 866 746 2133 UK : 0 808 101 1573 Singapore : 800 101 2045 Hong Kong : 800 964 448
Date:	Thursday, August 16, 2018
Time:	11:45 AM IST

For further enquiries, please contact:

Pennar Industries Ltd.

3rd Floor, DHFLVC Silicon Towers,

Kondapur, Hyderabad - 500 084.

Telangana, India.

Tel: +91 40 4006 1621 to 24

Fax: +91 40 4006 1618

Email: corporatecommunications@pennarindia.com

CIN: L27109AP1975PLC001919