PENNAR INDUSTRIES LIMITED

Pennar

DNV·GL Certified for ISO 9001, ISO 14001 & OHSAS 18001 Management Systems

TUV NORD ISO / TS 16949

Dated: 18th May, 2018
Place: Hyderabad

BSE Limited	The National Stock Exchange of India Limited
Phiroze Jeejeebhoy Towers	Bandra Kurla Complex
Dalal Street, Fort	Bandra East
Mumbai-400 001	Mumbai-400 051
K.A.: Ms Ishwari Vaidya	K.A.: Ms. Snehal

Dear Sir/Madam,
Sub : Outcome of Board Meeting
Ref: Regulations 30 and 33 of SEBI (Listing Regulations and Disclosure Requirements) Regulations, 2015
BSE Scrip code: 513228 / NSE Symbol: PENIND

We wish to inform you that the meeting of the Board of Directors of the company commenced at 9 p.m. on 18th May, 2018 and concluded at 12:20 a.m. on 19th day of May, 2018, the following business were transacted:

1) Approved audited Financial Results (Standalone and Consolidated) for the quarter and year ended 31.03.2018 and noted Auditors' reports with unmodified opinion.

2) The Board of Directors considered and approved to designate Mr. K Lavanya Kumar as Executive Director of the Company w.e.f 18th May, 2018

3) 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 31st March, 2018.

The following are attached herewith for your information and record:

a. Certified copy of the audited financial results (standalone and consolidated) of the Company for the year ended 31st March, 2018.
b. Auditor's Report (standalone and consolidated) for the year ended 31st March, 2018 issued by M/s. Deloitte Haskins & Sells LLP, Statutory Auditors of the Company.
c. A declaration pursuant to Regulation 33(3)(d) of SEBI (LODR) Regulations, 2015 regarding unmodified opinion of the Statutory Auditors on the annual financial results for the financial year ended 31st March, 2018
d. Press release on the audited financial results (standalone and consolidated) of the Company for the year ended 31st March, 2018.

Kindly take the same on your records.

Thanking you
Yours faithfully,

for Pennar Industries Limited

Pennar Industries Ltd. Pennar Hyderabad

Mirza Mohammed Ali Baig
Company Secretary & Compliance Officer
ACS 29058

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Regd.Office: 3rd Floor, DHFLVC Silicon Towers, Kondapur, Hyderabad – 500 084.
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CIN No: L27109AP1975PLC001919

PENNAR INDUSTRIES LIMITED
(CIN: L27109AP1975PLC001919)
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Tel: +91 40 40061621; Fax : +91 40 40061618 ; E-mail:corporatecommunications@pennarindia.com; Website:www.pennarindia.com
Statement of Audited Standalone Financial Results for the Quarter and Year ended 31 March 2018

₹ in Lakhs

S.No.	Particulars	Quarter ended			Year ended	
		31 March 2018 (Refer Note 7)	31 December 2017 (Unaudited)	31 March 2017 Refer Note 2(b) & 7	31 March 2018	31 March 2017 (Refer Note 2(b))
1	**Income**					
	a) Revenue from operations (Refer Note 5)	34,309	29,940	30,202	1,24,864	1,06,950
	b) Other income	283	147	125	598	491
	Total income	**34,592**	**30,087**	**30,327**	**1,25,462**	**1,07,441**
2	**Expenses**					
	a) Cost of materials consumed	22,789	17,859	20,708	79,005	65,803
	b) Purchase of traded goods	720	957	1,428	3,095	5,708
	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(1,911)	1,607	(2,813)	949	(3,617)
	d) Excise duty (Refer Note 5)	-	-	2,118	2,121	8,180
	e) Employee benefits expense	1,980	1,770	1,688	7,105	6,193
	f) Finance costs	1,434	1,001	1,060	4,342	3,503
	g) Depreciation and amortisation expense	632	403	104	1,675	1,175
	h) Other expenses	7,008	5,251	4,186	21,145	15,950
	Total expenses	**32,652**	**28,848**	**28,479**	**1,19,437**	**1,02,895**
3	**Profit before exceptional item and tax (1-2)**	**1,940**	**1,239**	**1,848**	**6,025**	**4,546**
4	Exceptional item (Refer Note 3)	2,129	-	-	2,129	-
5	**Profit before tax (3+4)**	**4,069**	**1,239**	**1,848**	**8,154**	**4,546**
6	**Tax expense**					
	a) Current tax	1,170	300	711	2,171	1,586
	b) Deferred tax	(248)	82	(242)	554	105
	Total Tax expense	**922**	**382**	**469**	**2,725**	**1,691**
7	**Profit after tax (5-6)**	**3,147**	**857**	**1,379**	**5,429**	**2,855**
8	**Other comprehensive income (net of tax)**					
	(i) Items that will not be reclassified to profit or loss in subsequent periods - remeasurement gains/(losses) on employee defined benefit plans	30	(13)	(59)	(8)	(105)
	(ii) Income tax relating to the above	(10)	7	21	3	36
	Total Other comprehensive income	**20**	**(6)**	**(38)**	**(5)**	**(69)**
9	**Total comprehensive income (7+8)**	**3,167**	**851**	**1,341**	**5,424**	**2,786**
10	Paid up equity share capital (Face value of ₹ 5/- each)	6,017	6,017	6,017	6,017	6,017
11	Other equity				34,580	29,156
12	**Earnings per share**					
	Basic and Diluted Earnings per share (in ₹)	2.61 *(not annualised)*	0.71 *(not annualised)*	1.14 *(not annualised)*	4.51	2.37

See accompanying notes to the standalone financial results

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Pennar Industries Limited Pennar Hyd.

Balance Sheet (Refer Note 2(a))

₹ in Lakhs

S.No.	Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
	ASSETS			
1.	**Non-current assets**			
(a)	Property, plant and equipment	26,698	18,546	18,474
(b)	Capital work-in-progress	1,945	818	20
(c)	Other intangible assets	1,070	1,114	1,177
(d)	Financial assets			
	(i) Investments	2,460	6,290	7,231
	(ii) Other financial assets	488	506	499
(e)	Income tax assets (net)	513	425	285
(f)	Other non-current assets	1,386	1,214	478
	Total Non-current assets	**34,560**	**28,913**	**28,164**
2.	**Current assets**			
(a)	Inventories	21,509	18,878	16,475
(b)	Financial assets			
	(i) Investments	2,292	-	-
	(ii) Trade receivables	31,298	22,734	21,849
	(iii) Cash and cash equivalents	2,624	4,326	5,199
	(iv) Other balances with banks	1,144	478	440
	(v) Other financial assets	1,036	143	96
(c)	Other current assets	6,877	6,282	4,971
	Total Current assets	**66,780**	**52,841**	**49,030**
	Total Assets (1+2)	**1,01,340**	**81,754**	**77,194**
	EQUITY AND LIABILITIES			
1.	**Equity**			
(a)	Equity share capital	6,017	6,017	6,017
(b)	Other equity	34,580	29,156	26,370
	Total Equity	**40,597**	**35,173**	**32,387**
	Liabilities			
2.	**Non-current liabilities**			
(a)	Financial liabilities			
	- Borrowings	8,326	6,861	7,466
(b)	Provisions	218	149	121
(c)	Deferred tax liabilities (net)	2,967	2,416	2,347
(d)	Other non-current liabilities	786	948	1,094
	Total Non-current liabilities	**12,297**	**10,374**	**11,028**
3.	**Current liabilities**			
(a)	Financial liabilities			
	(i) Borrowings	15,223	6,500	9,651
	(ii) Trade payables	27,214	27,244	21,007
	(iii) Other financial liabilities	2,006	416	1,406
(b)	Income tax liabilities (net)	1,600	1,189	692
(c)	Provisions	104	70	62
(d)	Other current liabilities	2,299	788	961
	Total Current liabilities	**48,446**	**36,207**	**33,779**
	Total Equity and Liabilities (1+2+3)	**1,01,340**	**81,754**	**77,194**

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Pennar Industries Limited Pennar Hyd.

Notes:

1. The above standalone financial results were reviewed and recommended by the Audit Committee at their meeting held on 18 May 2018 and approved by the Board of Directors at their meeting held on 18 May 2018. These results are as per Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as modified by Circular No.CIR/CFD/FAC/62/2016 dated July 05, 2016.

2(a). The standalone financial results of the Company have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016. The Company adopted Indian Accounting Standards ("Ind AS") from 1 April 2017 with transition date of 1 April 2016 and accordingly these financial results have been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard as prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and other accounting principles generally accepted in India, as applicable.

2(b). The results for the quarter and year ended 31 March 2017 are in accordance with Ind AS.

2(c). On account of transition from the previous Generally Accepted Accounting Principles (GAAP) to Ind AS, the reconciliations of Equity, Statement of Profit and Loss and Other Comprehensive Income (OCI) are as under:

Reconciliation of Statement of Profit and Loss and Other Comprehensive Income — ₹ in Lakhs

S.No.	Particulars	Quarter Ended 31 March 2017 (Refer Note 2(b) & 7)	Year Ended 31 March 2017 (Refer Note 2(b))
	Profit after tax as reported under previous GAAP (published)	**1,396**	**3,006**
i.	Recognition of financial instruments using effective interest rate	56	16
ii.	Allowance for doubtful debts under expected credit loss model	(361)	(361)
iii.	Reversal of amount charged to Statement of Profit and Loss from Revaluation Reserve	187	-
iv.	Re-measurements of employee defined benefit obligations	59	105
v.	Tax adjustments	42	89
	Profit after tax as per Ind AS before OCI	**1,379**	**2,855**
	Other Comprehensive Income (net of tax)	(38)	(69)
	Total Comprehensive Income as per Ind AS	**1,341**	**2,786**

Reconciliation of Equity: — ₹ in Lakhs

S.No.	Particulars	As at 31 March 2017	As at 1 April 2016
	Equity under previous GAAP (published)	**38,346**	**35,589**
i.	Effect of previous GAAP revaluation as deemed cost for 'Property, plant and equipment' (Refer Note below)	(1,759)	(2,008)
ii.	Effect of fair valuation on trade receivables	(1,637)	(1,276)
iii.	Effect of financial instruments using effective interest rate	-	(16)
iv.	Deferred tax adjustments on above, including adjustments on estimates	223	98
	Equity under Ind AS	**35,173**	**32,387**

Note: In accordance with Ind AS 101 - "First-time adoption of Ind AS", the Company has elected to treat previous GAAP revaluation of certain Property, plant and equipment as deemed cost on date of transition.

3. During the year, the Company entered into a definitive agreement with a third party for transfer of the entire shareholding it held in the subsidiary, Pennar Renewables Private Limited (PRPL). The closing conditions contained in the agreement were completed on 1 January 2018 and the accounting for divestment of stake in PRPL has been given effect as of that date. The sale of investment resulted in net gain of ₹ 2,129 lakhs which is presented as an exceptional item.

4. The Board of Directors of the 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 1 April 2018, subject to necessary statutory and regulatory approvals. The Company has received clearance from the stock exchanges on 26 April 2018. The Company is in the process of filing the necessary application with the National Company Law Tribunal.

5. The Government of India introduced the Goods & Services Tax (GST) with effect from 1 July 2017. Accordingly, in compliance with Indian Accounting Standards (Ind AS) 18 - 'Revenue', Revenue from operations for the quarter ended 31 March 2018, quarter ended 31 December 2017 and year ended 31 March 2018 (from 1 July 2017) is net of GST. For the quarter ended and year ended 31 March 2017, Revenue from operations includes excise duty which is now subsumed in GST.

6. In accordance with Indian Accounting Standard (Ind AS) 108 on 'Operating segments', segment information has been given in the consolidated financial results of the Company, and therefore no separate disclosure on segment information is given in these standalone financial results.

7. The figures of the last quarter are the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to third quarter of the financial year.

8. Comparative figures have been regrouped or reclassified, wherever necessary.

Pennar Industries Limited Pennar Hyd.

By order of the Board
For Pennar Industries Limited

Aditya N Rao

Aditya N. Rao
Vice-Chairman & Managing Director

Place : Hyderabad
Date : May 18, 2018

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

PENNAR 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@pennarindia.com; Website:www.pennarindia.com
Statement of Audited Consolidated Financial Results for the Quarter and Year ended 31 March 2018

₹ in Lakhs

S.No.	Particulars	Quarter ended			Year ended	
		31 March 2018 (Refer Note 10)	31 December 2017 (Unaudited)	31 March 2017 (Refer Note 2(b) & 10)	31 March 2018	31 March 2017 (Refer Note 2(b))
1	**Income**					
	a) Revenue from operations (Refer Note 5)	50,308	41,491	54,184	1,79,841	1,71,132
	b) Other income	795	196	43	1,589	837
	Total income	**51,103**	**41,687**	**54,227**	**1,81,430**	**1,71,969**
2	**Expenses**					
	a) Cost of materials consumed	33,688	22,466	32,537	1,08,931	97,511
	b) Purchase of traded goods	720	957	1,428	3,095	5,708
	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(4,878)	1,511	(5,299)	(4,265)	(10,783)
	d) Excise duty (Refer Note 5)	-	-	7,793	3,035	17,012
	e) Employee benefits expense	3,383	3,067	2,848	12,276	10,666
	f) Finance costs	1,968	1,472	1,861	6,740	6,226
	g) Depreciation and amortisation expense	805	768	385	2,926	2,539
	h) Other expenses	9,670	9,136	11,269	36,179	35,606
	Total expenses	**45,356**	**39,377**	**52,822**	**1,68,917**	**1,64,485**
3	**Profit before exceptional item and tax (1-2)**	**5,747**	**2,310**	**1,405**	**12,513**	**7,484**
4	Exceptional item (Refer Note 3)	1,295	-	-	1,295	-
5	**Profit before tax (3+4)**	**7,042**	**2,310**	**1,405**	**13,808**	**7,484**
6	**Tax expense**					
	a) Current tax	2,227	637	716	4,016	2,644
	b) Deferred tax	63	(71)	(650)	743	(138)
	Total Tax expense	**2,290**	**566**	**66**	**4,759**	**2,506**
7	**Profit after tax (5-6)**	**4,752**	**1,744**	**1,339**	**9,049**	**4,978**
	Attributable to:					
	Shareholders of the company	3,590	1,325	724	7,032	3,456
	Non-controlling interest	1,162	419	615	2,017	1,522
8	**Other comprehensive income (net of tax)**					
	(i) Items that will not be reclassified to profit or loss in subsequent periods - remeasurement gains/(losses) on employee defined benefit plans	(25)	(17)	(51)	(67)	(98)
	(ii) Income tax relating to the above	9	8	19	23	34
	Total other comprehensive income	**(16)**	**(9)**	**(32)**	**(44)**	**(64)**
	Attributable to:					
	Shareholders of the Company	**-**	**(9)**	**(32)**	**(28)**	**(62)**
	Non-controlling interest	**(16)**	-	-	**(16)**	**(2)**
9	**Total comprehensive income**	**4,736**	**1,735**	**1,307**	**9,005**	**4,914**
	Attributable to:					
	Shareholders of the Company	**3,590**	**1,316**	**692**	**7,004**	**3,394**
	Non-controlling interest	**1,146**	**419**	**615**	**2,001**	**1,520**
10	Paid up equity share capital (Face value of ₹ 5/- each)	6,017	6,017	6,017	6,017	6,017
11	Other equity				45,267	41,593
12	**Earnings per share**					
	Basic and Diluted Earnings per share (in ₹)	3.95 *(not annualised)*	1.45 *(not annualised)*	1.11 *(not annualised)*	7.52	4.14

See accompanying notes to the consolidated financial results

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Pennar Industries Limited Pennar Hyd.

Balance Sheet (Refer Note 2(a))

₹ in Lakhs

S.No.	Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
	ASSETS			
1.	**Non-current assets**			
(a)	Property, plant and equipment	32,751	39,062	38,575
(b)	Capital work-in-progress	2,726	1,176	266
(c)	Goodwill	-	3,499	4,345
(d)	Other intangible assets	1,434	1,524	1,561
(e)	Financial assets			
	(i) Investments	2	2	2
	(ii) Trade receivables	258	-	-
	(iii) Other financial assets	711	896	831
(f)	Deferred tax assets (net)	650	840	460
(g)	Income tax assets (net)	845	135	18
(h)	Other non-current assets	1,552	3,191	1,642
	Total Non-current assets	**40,929**	**50,325**	**47,700**
2.	**Current assets**			
(a)	Inventories	43,263	39,867	25,629
(b)	Financial assets			
	(i) Investments	6,933	3,529	3,318
	(ii) Trade receivables	40,200	34,720	35,148
	(iii) Cash and cash equivalents	3,287	5,844	5,733
	(iv) Other balances with banks	1,706	1,984	11,358
	(v) Other financial assets	5,217	2,399	1,415
(c)	Other current assets	10,265	10,540	7,465
	Total Current assets	**1,10,871**	**98,883**	**90,066**
	Total Assets (1+2)	**1,51,800**	**1,49,208**	**1,37,766**
	EQUITY AND LIABILITIES			
1.	**Equity**			
(a)	Equity share capital	6,017	6,017	6,017
(b)	Other equity	45,267	41,593	39,049
(c)	Non-controlling interest	9,121	8,279	5,822
	Total equity	**60,405**	**55,889**	**50,888**
2.	**Liabilities**			
	Non-current liabilities			
(a)	Financial liabilities			
	(i) Borrowings	10,083	10,737	7,503
	(ii) Other financial liabilities	467	487	337
(b)	Provisions	541	370	294
(c)	Deferred tax liabilities (net)	3,026	2,690	2,482
(d)	Other Non-current liabilities	786	1,028	1,174
	Total Non-current liabilities	**14,903**	**15,312**	**11,790**
3.	**Current liabilities**			
(a)	Financial liabilities			
	(i) Borrowings	23,556	17,963	17,132
	(ii) Trade payables	37,004	43,886	43,299
	(iii) Other financial liabilities	2,252	3,332	3,656
(b)	Income tax liabilities (net)	2,486	957	2,010
(c)	Provisions	1,000	1,103	687
(d)	Other current liabilities	10,194	10,766	8,304
	Total Current liabilities	**76,492**	**78,007**	**75,088**
	Total Equity and Liabilities (1+2+3)	**1,51,800**	**1,49,208**	**1,37,766**

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Penmar Industries Limited Penmar Hyd.

Notes

1. The above consolidated financial results were reviewed and recommended by the Audit Committee at their meeting held on 18 May 2018 and approved by the Board of Directors at their meeting held on 18 May 2018. These results are as per Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 as modified by Circular No.CIR/CFD/FAC/62/2016 dated July 05, 2016.

2(a). The consolidated financial results of the Company have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016. The Company adopted Indian Accounting Standards ("Ind AS") from 1 April 2017 with transition date of 1 April 2016 and accordingly these consolidated financial results have been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard as prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and other accounting principles generally accepted in India, as applicable.

2(b). The results for the quarter and year ended 31 March 2017 are in accordance with Ind AS.

2(c). On account of transition from the previous Generally Accepted Accounting Principles (GAAP) to Ind AS, the reconciliations of Equity, Statement of Profit and Loss and Other Comprehensive Income (OCI) are as under:

Reconciliation of Statement of Profit and Loss and Other Comprehensive Income ₹ in Lakhs

S.No.	Particulars	Quarter Ended 31 March 2017 (Refer Note 2(b))	Year Ended 31 March 2017 (Refer Note 2(b))
	Profit after tax as reported under previous GAAP (published)	**2,084**	**5,854**
i.	Recognition of financial instruments using effective interest rate	56	16
ii.	Allowance for doubtful debts under expected credit loss model	(947)	(947)
iii.	Reversal of amount charged to statement of profit and loss from Revaluation Reserve	187	-
iv.	Re-measurements of employee defined benefit obligations	51	98
v.	Decrease in revenues on account of change in accounting policy in a subsidiary (Refer Note 7 below)	(473)	(469)
vi.	Tax adjustments	381	426
	Profit after tax as per Ind AS before OCI	**1,339**	**4,978**
	Other Comprehensive Income (net of tax)	(32)	(64)
	Total Comprehensive Income as per Ind AS	**1,307**	**4,914**

Reconciliation of Equity: ₹ in Lakhs

S.No.	Particulars	As at 31 March 2017	As at 1 April 2016
	Equity under previous GAAP (published)	**54,998**	**51,425**
i.	Effect of previous GAAP revaluation as deemed cost for 'Property, plant and equipment' (Refer Note below)	(1,759)	(2,008)
ii.	Effect of fair valuation on trade receivables	(4,121)	(3,175)
iii.	Decrease in revenues on account of change in accounting policy in a subsidiary	(5,228)	(4,757)
iv.	Effect of financial instruments using effective interest rate	-	(16)
v.	Other adjustments	(50)	(42)
vi.	Deferred tax adjustments on above, including adjustments on estimates	1,403	941
vii.	Adjustment attributable to Non-controlling interest	2,367	2,698
	Equity under Ind AS	**47,610**	**45,066**

Note: In accordance with Ind AS 101 - "First-time adoption of Ind AS", the Company has elected to treat previous GAAP revaluation of certain Property, plant and equipment as deemed cost on date of transition.

3. During the year, the Parent Company entered into a definitive agreement with a third party for transfer of the entire shareholding it held in the subsidiary, Pennar Renewables Private Limited (PRPL). The closing conditions contained in the agreement were completed on 1 January 2018 and the accounting for divestment of stake in PRPL has been given effect as of that date. The sale of investment resulted in net gain of ₹ 2,129 lakhs. The gain, net of adjustment of deconsolidation of ₹ 834 lakhs is presented as an exceptional item.

4. 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 1 April 2018, subject to necessary statutory and regulatory approvals. The Company has received clearance from the stock exchanges on 26 April 2018. The Scheme remains subject to the receipt of necessary aprovals from National Company Law Tribunal, and the respective shareholders and creditors of the Company.

5. The Government of India introduced the Goods & Services Tax (GST) with effect from 1 July 2017. Accordingly, in compliance with Indian Accounting Standards (Ind AS) 18 - 'Revenue', Revenue from operations for the quarter ended 31 March 2018, quarter ended 31 December 2017 and year ended 31 March 2018 (from 1 July 2017) is net of GST. For the quarter ended and year ended 31 March 2017, Revenue from operations includes excise duty which is now subsumed in GST.

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

S.No.	Name of the Company	Country of Incorporation	Nature of relationship	% Holding
1	Pennar Engineered Building Systems Limited	India	Subsidiary	53.98%
2	Pennar Enviro Limited	India	Subsidiary	51.03%
3	Pennar Renewables Private Limited (Till 31 December 2017) (Refer Note 3 above)	India	Subsidiary	80.69%
4	Pennar Global Inc. (From 5 June 2017)	USA	Subsidiary	70.00%

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Pennar Industries Limited Pennar Hyd.

7. During the year, the Subsidiary Company (Pennar Engineered Building Systems Limited) has changed its accounting policy for recognition of revenue in case of construction contract to percentage of completion method as this would result in more appropriate representation of contract revenue, whereas the revenue was recognised on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers. The stage of completion of the project is determined by the proportion that contract costs incurred for shipments made upto the balance sheet date bear to the estimated contract costs for total shipments for the contracts. Had the Company continued to use the earlier policy, the revenue for the year would have been higher by ₹ 271 lakhs, the charge for provision for future loss would have been lower by ₹ 449 lakhs and profit before tax for the current year would have been lower by ₹ 178 lakhs. The impact on account of change in accounting policy is recognised in the opening reserves on the date of transition and consequential impact is recognised in the Statement of Profit and Loss.

8. Segment reporting

₹ in Lakhs

Particulars	Quarter ended			Year ended	
	31 March 2018 (Refer Note 10)	31 December 2017 (Unaudited)	31 March 2017 (Refer Note 2(b) & 10)	31 March 2018	31 March 2017 (Refer Note 2(b))
Segment revenue					
Diversified Engineering	34,309	29,940	30,202	1,24,864	1,06,950
Custom designed building solutions & auxiliaries	18,098	13,894	27,226	65,136	74,688
Total	**52,407**	**43,834**	**57,428**	**1,90,000**	**1,81,638**
Less : Inter segment revenue	2,099	2,343	3,244	10,159	10,506
Revenue from operations	**50,308**	**41,491**	**54,184**	**1,79,841**	**1,71,132**
Segment results					
Segment profit before finance costs and tax					
Diversified Engineering	6,135	2,643	3,012	14,171	9,224
Custom designed building solutions & auxiliaries	3,680	1,907	639	9,303	7,025
Total	**9,815**	**4,550**	**3,651**	**23,474**	**16,249**
Less:					
Depreciation and amortisation expense	805	768	385	2,926	2,539
Finance costs	1,968	1,472	1,861	6,740	6,226
Profit before tax	**7,042**	**2,310**	**1,405**	**13,808**	**7,484**

Capital employed (segment assets - segment liabilities) (See Notes below)

Segment assets	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Diversified Engineering	52,894	45,547	43415
Custom designed building solutions & auxiliaries	98,906	1,03,661	94351
Total segment assets	**1,51,800**	**1,49,208**	**1,37,766**
Segment liabilities			
Diversified Engineering	60,743	46,581	44807
Custom designed building solutions & auxiliaries	30,652	46,738	42071
Total segment liabilities	**91,395**	**93,319**	**86,878**

Notes

i) Segment information is presented for the "consolidated audited financial results" as permitted under the Ind AS 108 - 'Operating segments'.

ii) The Company is focused on three business segments: Steel and Engineering Business, Engineering Buildings systems and STP & ETP business. 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.

9. During the year, the Company incorporated a subsidiary Pennar Global Inc., United State of America, which commenced commercial operations during the quarter.

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Pennar Industries Limited Pennar Hyd.

10. The figures of the last quarter are the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to third quarter of the financial year.

11. Comparative figures have been regrouped or reclassified, wherever necessary.

By order of the Board
For Pennar Industries Limited

Aditya N. Rao
Vice Chairman & Managing Director

Place : Hyderabad
Date : May 18, 2018

DELOITTE HASKINS & SELLS LLP
CHARTERED ACCOUNTANTS

Deloitte
Haskins & Sells LLP

Chartered Accountants
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1st, 2nd & 3rd Floor
Jubilee Enclave, Madhapur
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Telangana, India

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Fax: +91 40 7125 3601

INDEPENDENT AUDITOR'S REPORT
TO THE BOARD OF DIRECTORS OF
PENNAR INDUSTRIES LIMITED

1. We have audited the accompanying Statement of Audited Standalone Financial Results of **PENNAR INDUSTRIES LIMITED** ("the Company"), for the year ended March 31, 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.

2. This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been compiled from the related standalone Ind AS financial statements which has been prepared in accordance with the Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder ('Ind AS') and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Statement based on our audit of such standalone financial statements.

3. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement.

   An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the Statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the Statement.

   We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

Deloitte
Haskins & Sells LLP

4. In our opinion and to the best of our information and according to the explanations given to us, the Statement:

   (i) is presented in accordance with the requirements 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; and

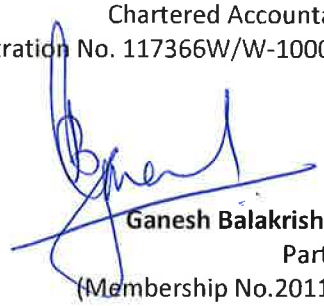
   (ii) gives a true and fair view in conformity with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India of the net profit and Total comprehensive income and other financial information of the Company for the year ended March 31, 2018.

5. The Statement includes the results for the Quarter ended March 31, 2018 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year, which were subject to limited review, by us.

6. The previously issued comparative financial information of the Company for the quarter and year ended March 31, 2017 included in this Statement has been prepared after adjusting the previously issued financial information prepared in accordance with the Companies (Accounting Standards) Rules, 2006 to comply with Ind AS. The previously issued comparative financial information were audited by the predecessor auditor whose report for the year ended March 31, 2017 dated May 18, 2017 expressed an unmodified opinion on those comparative financial information. Adjustments made to the previously issued said comparative financial information to comply with Ind AS have been audited by us.

   Our report is not modified 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, May 18, 2018

Deloitte
Haskins & Sells LLP

INDEPENDENT AUDITORS' REPORT
TO THE BOARD OF DIRECTORS OF
PENNAR INDUSTRIES LIMITED

1. We have audited the accompanying Statement of Audited Consolidated Financial Results of **PENNAR INDUSTRIES LIMITED** ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group") for the year ended March 31, 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.

2. This Statement, which is the responsibility of the Parent's Management and approved by the Board of Directors, has been compiled from the related consolidated financial statements which has been prepared in accordance with the Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder ("Ind AS") and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Statement based on our audit of such consolidated financial statements.

3. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement.

   An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Parent's preparation and fair presentation of the Statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Parent's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the Statement.

   We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph 6 below, is sufficient and appropriate to provide a basis for our audit opinion.

4. In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the reports of the other auditors on separate financial statements and the other financial information of subsidiaries referred to in paragraph 5 below, the Statement:

   a. includes the results of the following entities:
   Parent
   - Pennar Industries Limited

   Subsidiary Companies:
   - Pennar Engineered Building Systems Limited
   - Pennar Enviro Limited
   - Pennar Renewables Private Limited (Till December 31, 2017)
   - Pennar Global Inc. (Incorporated on June 5, 2017)

   b. is presented in accordance with the requirements 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; and

   c. gives a true and fair view in conformity with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India of the net profit, Total comprehensive income and other financial information of the Group for the year ended March 31, 2018.

5. We did not audit the financial statements of four subsidiaries included in the consolidated financial results, whose financial statements reflect total assets of ₹ 63,181 lakhs as at March 31, 2018, total revenues of ₹ 66,192 lakhs, total net profit after tax of ₹ 4,453 lakhs and total comprehensive income of ₹ 4,414 lakhs for the year ended on that date, as considered in the consolidated financial results. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial 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.

   Our opinion on the Statement is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors.

6. The Statement includes the results for the Quarter ended March 31, 2018 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year which were subject to limited review, by us.

Deloitte
Haskins & Sells LLP

7. The comparative financial information for the quarter and year ended March 31, 2017 in respect of four subsidiaries prepared in accordance with the Ind AS and included in this Statement have been audited by other auditors whose reports have been furnished to us by the Management and in so far as it relates to the comparative amounts and disclosures included in respect of these subsidiaries made in this Statement, is based solely on the reports of the other auditors.

   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, May 18, 2018

PENNAR INDUSTRIES LIMITED

Pennar

DNV·GL
Certified for ISO 9001, ISO 14001 & OHSAS 18001 Management Systems

TUV NORD ISO / TS 16949

Declaration under Regulation 33(3)(d) of the Listing Regulations (as amended)

I, J S Krishna Prasad, Chief Financial Officer, hereby declare that the statutory auditors of the Company, Deloitte Haskins & Sells LLP (Firm's Registration No. 117366W/W-100018) have issued unmodified opinion on Standalone and Consolidated Annual Audited Financial Results of the Company for the Financial Year ended 31st March, 2018.

for Pennar Industries Limited

J S Krishna Prasad
Chief Financial Officer

Place: Hyderabad
Date: 18th May, 2018

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

Press release

For immediate release

Pennar Industries' Consolidated FY18 Gross Revenue at Rs. 2,103 Crores; up 23 % YoY
Pennar Industries' Stanalone FY18 Gross Revenue at Rs. 1,407 Crores; up 32 % YoY
FY18 PAT up 103.5% YoY at Rs. 70.3 Crores; Cash PAT up 82.7% at Rs. 107 Crores

Hyderabad, May 18, 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 and year ended 31st March 2018.

CONSOLIDATED FINANCIAL PERFORMANCE:

	Consolidated							
	Q4		*y-o-y*	Q3	*q-o-q*	Year		*y-o-y*
(Rs. Crore)	FY2018	FY2017	*Growth (%)*	FY2018	*Growth (%)*	FY2018	FY2017	*Growth (%)*
Net Revenue	511.0	464.3	*10.1%*	416.9	*22.6%*	1,784.0	1,549.6	*15.1%*
EBITDA	85.2	36.5	*133.4%*	45.5	*87.3%*	221.8	162.5	*36.5%*
EBITDA Margin (%)	*16.7%*	*7.9%*		*10.9%*		*12.4%*	*10.5%*	
Cash Profit	44.6	4.6	*871.2%*	20.2	*120.5%*	107.0	58.6	*82.7%*
Cash Profit Margin (%)	*8.7%*	*1.0%*		*4.9%*		*6.0%*	*3.8%*	
Net Profit	35.9	7.2	*395.9%*	13.3	*170.9%*	70.3	34.6	*103.5%*
Net Profit Margin (%)	*7.03%*	*1.56%*		*3.18%*		*3.94%*	*2.23%*	
Basic EPS (Rs)	3.95	1.11	*255.9%*	1.45	*172.4%*	7.52	4.14	*81.6%*

STANDALONE FINANCIAL PERFORMANCE:

	Standalone							
	Q4		*y-o-y*	Q3	*q-o-q*	Year		*y-o-y*
(Rs. Crore)	FY2018	FY2017	*Growth (%)*	FY2018	*Growth (%)*	FY2018	FY2017	*Growth (%)*
Net Revenue	345.9	282.1	*22.6%*	300.9	*15.0%*	1,233.4	992.6	*24.3%*
EBITDA	40.1	30.1	*33.0%*	26.4	*51.6%*	120.4	92.2	*30.6%*
EBITDA Margin (%)	*11.6%*	*10.7%*		*8.8%*		*9.8%*	*9.3%*	
Cash Profit	35.3	12.4	*184.5%*	13.4	*163.1%*	76.6	41.4	*85.2%*
Cash Profit Margin (%)	*10.2%*	*4.4%*		*4.5%*		*6.2%*	*4.2%*	
Net Profit	31.5	13.8	*128.2%*	8.6	*267.2%*	54.3	28.6	*90.2%*
Net Profit Margin (%)	*9.1%*	*4.9%*		*2.8%*		*4.4%*	*2.9%*	
Basic EPS (Rs)	2.61	1.14	*130.2%*	0.71	*267.2%*	4.51	2.37	*90.2%*

SEGMENT FINANCIAL PERFORMANCE (STANDALONE):

Solar included in Steel Products **(Rs. Crore)**

Particulars	Net Revenue		
	Q4		*y-o-y*
	FY18	FY17	*Growth (%)*
Steel Products	174.2	174.8	*(0.4)%*
Tubes	57.7	36.3	*58.8%*
Industrial Components	19.6	15.5	*26.1%*
Railways	78.9	45.1	*74.8%*
Scrap	15.6	10.0	
Total Standalone	**345.9**	**281.8**	*22.8%*
Total Consolidated	**511.0**	**464.3**	*10.1%*

BUSINESS HIGHLIGHTS FOR Q4FY18 AND OUTLOOK FOR FY19:

RAILWAYS: Repeat orders were received for Stainless Steel Sidewall and Roof Assemblies, for CRF and Fabrication items of Mild Steel and Stainless Steel and for CRF sections for Metro Coaches. Currently we serve 27 customers. Some of our major customers are Integral Coach Factory- Chennai, Modern Coach Factory - Rae Bareli, Texmaco Rail & Engineering Ltd. – Kolkata, Hindustan Engineering India Ltd. - Kolkata, Cimmco Ltd. – Kolkata, BEML Ltd – Bangalore.

TUBES: This division has more than 350 customers in domestic and exports, covering the following industries - Auto, Power, Gen Engineering, Textile and, Earth-moving equipment. Major customers in this vertical include VECV, Mahindra, Gabriel, Yamaha, Bridgestone, Endurance, Royal Enfield, Magna closures, Bajaj, Hyundai, TVS, Thermax, Reiter, LMW, Isgec, Rajwest, Hindalco, Tata Vendors among others. In the exports segment, Pennar is in the process of adding a new customer from USA. Received export orders for CDW tubes from USA, Europe, and South Africa. 70% of the orders are from regular major OEA's in the form of monthly schedule only and balance 30% are project based orders. The division will focus on further expanding the CDW business as it has potential to deliver robust growth. CDW capacity expansion from existing 1,000T to 1,500T is expected by end of May '18. 5th tube mill is expected to be ready in FY19 and project will kick off in June '18.

INDUSTRIAL COMPONENTS: The division received new orders for hydraulic cylinders and tie rod cylinders. Commercial vehicles in the automotive segment have seen excellent traction and demand for white goods continues to remain upbeat. Added 5 new customers in the Hydraulics segment, which has been resilient.

STEEL PRODUCTS: CRFS orders came in Buildings and ESP. Repeat Orders came from regular schedules of Auto & ESP for various projects. Also, received orders in Solar and CRSS in addition to monthly schedule from regular customers.

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, Steel Products, Tubes, Industrial Components and Systems & Projects, and its subsidiary companies, Pennar Engineered Building Systems Limited and Pennar Enviro Limited. 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 six 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.

Q4FY18 EARNINGS CONFERENCE CALL DETAILS:

Universal Access:	+ 91 22 6280 1116 / +91 22 7115 8017
Local Access Number: Available in - Ahmedabad, Bangalore, Chandigarh, Chennai, Gurgaon (NCR), Hyderabad, Kochi/Cochin, Kolkata, Lucknow, Pune. (Accessible from all carriers)	+91- 70456 71221
International Toll- Free Numbers:	USA : 1 866 746 2133 UK : 0 808 101 1573 Singapore : 800 101 2045 Hong Kong : 800 964 448
Date:	Monday, May 21, 2018
Time:	10:45 AM IST

For further enquiries, please contact:

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Email: corporatecommunications@pennarindia.com

CIN: L27109AP1975PLC001919