

PENNNAR INDUSTRIES LIMITED
(CIN: L27109TG1975PLC001919)

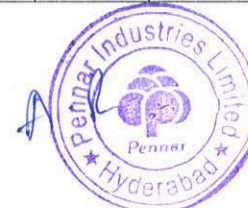
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Statement of Consolidated and Standalone Unaudited Financial Results for the Quarter and Half-year Ended September 30, 2020

(₹ in Lakhs)

Sl. No	Particulars	Consolidated results						Standalone results					
		Quarter Ended			Half-year Ended		Year Ended	Quarter Ended			Half-year Ended		Year Ended
		30-Sep-20 Unaudited	30-Jun-20 Unaudited	30-Sep-19 Unaudited	30-Sep-20 Unaudited	30-Sep-19 Unaudited	31-Mar-20 Audited	30-Sep-20 Unaudited	30-Jun-20 Unaudited	30-Sep-19 Unaudited	30-Sep-20 Unaudited	30-Sep-19 Unaudited	31-Mar-20 Audited
1	Income												
	(a) Revenue from operations	39,044	16,619	57,995	55,663	1,11,778	2,10,655	39,304	16,243	57,932	55,547	1,11,405	2,09,766
	(b) Other income	225	276	862	501	1,215	2,028	193	258	804	451	1,151	2,029
	Total income	39,269	16,895	58,857	56,164	1,12,993	2,12,683	39,497	16,501	58,736	55,998	1,12,556	2,11,795
2	Expenses												
	(a) Cost of materials consumed	24,434	8,757	35,264	33,191	67,593	1,18,460	24,231	8,722	35,354	32,953	67,551	1,18,255
	(b) Purchase of traded goods	1,697	257	1,862	1,954	3,053	8,463	1,342	257	1,862	1,599	3,053	8,463
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(3,088)	1,096	(1,768)	(1,992)	(3,645)	(1,143)	(2,162)	954	(1,768)	(1,208)	(3,645)	(1,161)
	(d) Employee benefits expense	3,423	3,114	4,295	6,537	8,515	16,184	3,262	2,929	4,208	6,191	8,326	15,687
	(e) Finance costs	1,982	1,977	2,267	3,959	4,259	8,345	1,979	1,968	2,261	3,947	4,253	8,340
	(f) Depreciation and amortisation expense	1,218	1,207	1,042	2,425	1,992	4,282	1,204	1,193	1,041	2,397	1,989	4,268
	(g) Other expenses	9,536	4,998	13,889	14,534	26,647	51,780	9,620	4,979	13,782	14,599	26,494	51,748
	Total expenses	39,202	21,406	56,851	60,608	1,08,414	2,06,371	39,476	21,002	56,740	60,478	1,08,021	2,05,600
3	Profit / (loss) before tax (1-2)	67	(4,511)	2,006	(4,444)	4,579	6,312	21	(4,501)	1,996	(4,480)	4,535	6,195
4	Tax expense (Refer note 9)												
	(a) Current tax	1	23	266	24	1,090	1,768	-	-	264	-	1,080	1,740
	(b) Deferred tax	9	(1,130)	(612)	(1,121)	(524)	(796)	11	(1,132)	(612)	(1,121)	(524)	(796)
	Total tax expense	10	(1,107)	(346)	(1,097)	566	972	11	(1,132)	(348)	(1,121)	556	944
5	Net Profit / (loss) for the period (3-4)	57	(3,404)	2,352	(3,347)	4,013	5,340	10	(3,369)	2,344	(3,359)	3,979	5,251
	Attributable to:												
	Shareholders of the Company	49	(3,411)	2,350	(3,362)	4,001	5,305	10	(3,369)	2,344	(3,359)	3,979	5,251
	Non-Controlling interest	8	7	2	15	12	35	-	-	-	-	-	-
6	Other comprehensive income												
	Items that will not be reclassified subsequently to profit or loss												
	(a) Remeasurement of the net defined benefit liability	-	-	-	-	-	(52)	-	-	-	-	-	(52)
	(b) Income tax relating to above items	-	-	-	-	-	13	-	-	-	-	-	13
	Items that will be reclassified subsequently to profit or loss												
	(a) Exchange differences in translation of foreign operations	(25)	6	-	(19)	1	67	-	-	-	-	-	-
	(b) Income tax relating to above items	-	-	-	-	-	-	-	-	-	-	-	-
	Total Other comprehensive income/(loss), net of tax	(25)	6	-	(19)	1	28	-	-	-	-	-	(39)
	Attributable to:												
	Shareholders of the Company	(25)	6	-	(19)	1	28	-	-	-	-	-	(39)
	Non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-
7	Total comprehensive income (5+6)	32	(3,398)	2,352	(3,366)	4,014	5,368	10	(3,369)	2,344	(3,359)	3,979	5,212
	Attributable to:												
	Shareholders of the Company	24	(3,405)	2,350	(3,381)	4,002	5,333	10	(3,369)	2,344	(3,359)	3,979	5,212
	Non-controlling interests	8	7	2	15	12	35	-	-	-	-	-	-
8	Paid up equity share capital [Face Value of ₹ 5 per share] (Refer note 3)	7,108	7,108	7,618	7,108	7,618	7,262	7,108	7,108	7,618	7,108	7,618	7,262
9	Other equity						62,771						62,401
10	Earnings Per Share [Face Value of ₹ 5 per share] (for the quarterly periods - not annualised)												
	Basic and Diluted Earnings per share (in ₹)	0.03	(2.38)	1.55	(2.35)	2.63	3.51	0.01	(2.36)	1.54	(2.35)	2.61	3.47



Particulars	Consolidated		Standalone	
	As at September 30, 2020	As at March 31, 2020	As at September 30, 2020	As at March 31, 2020
ASSETS				
Non-current assets				
Property, plant and equipment	55,872	57,286	55,743	57,137
Right-of-Use Assets	3,244	3,534	3,244	3,534
Capital work-in-progress	2,164	3,341	2,164	3,341
Goodwill	322	322	-	-
Other intangible assets	1,342	1,430	1,317	1,398
Financial assets				
(a) Investments	2	2	1,234	1,234
(b) Trade receivables	3,613	4,109	3,613	4,109
(c) Loans	529	-	529	-
(d) Other financial assets	1,329	1,034	1,183	1,001
Income tax assets (net)	2,961	2,815	2,948	2,806
Other non-current assets	2,816	1,482	2,816	1,363
Total Non-current assets (1)	74,194	75,355	74,791	75,923
Current assets				
Inventories	41,780	43,984	40,813	43,780
Financial assets				
(a) Investments	2,509	4,509	2,509	4,509
(b) Trade receivables	34,636	39,610	35,675	39,237
(c) Cash and cash equivalents	1,776	3,902	1,299	3,565
(d) Other bank balances	3,595	2,020	3,595	2,020
(e) Loans	584	2,164	824	2,394
(f) Other financial assets	5,531	4,837	4,638	4,727
Other current assets	8,363	8,957	8,275	8,205
Total Current assets (2)	98,774	1,09,983	97,628	1,08,437
Total assets (1+2)	1,72,968	1,85,338	1,72,419	1,84,360
EQUITY AND LIABILITIES				
EQUITY				
Equity share capital (Refer Note 3)	7,108	7,262	7,108	7,262
Other equity (Refer Note 3)	58,867	62,771	58,519	62,401
Equity attributable to Shareholders of the Company	65,975	70,033	65,627	69,663
Non-controlling interests	72	57	-	-
Total Equity (1)	66,047	70,090	65,627	69,663
LIABILITIES				
Non-current liabilities				
Financial liabilities				
(a) Borrowings	9,679	10,233	9,613	10,198
(b) Lease Liabilities	2,861	3,290	2,861	3,290
(c) Other financial liabilities	1,151	919	1,126	919
Provisions	1,314	1,064	1,314	1,064
Deferred tax liabilities (net)	756	1,871	756	1,871
Other non-current liabilities	204	282	204	282
Total Non-current liabilities (2)	15,965	17,659	15,874	17,624
Current liabilities				
Financial liabilities				
(a) Borrowings	36,725	29,755	36,594	29,596
(b) Trade payables				
(i) total outstanding dues of micro enterprises and small enterprises	325	258	325	258
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	33,684	47,636	33,790	47,484
(c) Lease Liabilities	614	387	614	387
(d) Other financial liabilities	6,179	7,637	6,020	7,350
Income tax liabilities (net)	3,356	3,282	3,340	3,278
Provisions	743	596	743	590
Other current liabilities	9,330	8,038	9,492	8,130
Total Current liabilities (3)	90,956	97,589	90,918	97,073
Total Liabilities (2+3)	1,06,921	1,15,248	1,06,792	1,14,697
Total Equity and Liabilities (1+2+3)	1,72,968	1,85,338	1,72,419	1,84,360

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PARTICULARS	Consolidated		Standalone	
	September 30, 2020	September 30, 2019	September 30, 2020	September 30, 2019
Cash flow from operating activities:				
Profit / (loss) before tax	(4,444)	4,579	(4,480)	4,535
Adjustments for:				
Depreciation and amortisation expense	2,425	1,992	2,397	1,989
(Profit)/Loss on sale/scrap of property, plant and equipments (net)	(5)	-	(5)	-
(Profit)/Loss on sale of investment	(26)	-	(26)	-
Exchange differences (net)	(72)	-	(72)	-
Trade and other receivables written off	632	-	632	-
Provision for doubtful trade and other receivables, loans and advances (net)	206	(367)	206	(367)
Finance costs	3,959	4,259	3,947	4,253
Interest income	(379)	(590)	(339)	(583)
Net gain arising from financial instruments designated as FVTPL	(4)	(23)	(4)	(22)
Operating profit before working capital changes:	2,292	9,850	2,256	9,805
<i>Changes in working capital:</i>				
Trade payables	(6,155)	7,799	(5,897)	7,901
Other liabilities	94	(1,095)	268	(1,001)
Provisions	397	234	403	303
Trade receivables	4,704	(4,583)	3,292	(4,344)
Inventories	2,204	(2,779)	2,967	(2,800)
Other assets	(264)	(2,394)	(152)	(2,152)
Cash generated from operations	3,272	7,032	3,137	7,712
Direct taxes paid (net of refunds)	(97)	(439)	(80)	(432)
Net cash flow from operating activities (A)	3,175	6,593	3,057	7,280
Cash flows from investing activities:				
Purchase of property, plant and equipments, including capital work-in-progress and capital advances	(909)	(5,297)	(912)	(5,641)
Proceeds from sale of current investments (net)	2,030	1,445	2,030	843
Inter-corporate deposits/ loans (net)	1,051	(1,282)	1,041	(1,382)
Movement in other bank balances	(1,575)	1,393	(1,575)	1,393
Interest received	370	525	330	520
Net cash used in investing activities (B)	967	(3,216)	914	(4,267)
Cash flow from financing activities:				
Proceeds from long term borrowings (net)	(763)	3,517	(585)	(2,832)
Movement in working capital loans (net)	(551)	(2,805)	(732)	3,731
Payment towards buyback of shares including transaction costs	(677)	-	(677)	-
Interest and other borrowing costs paid	(4,056)	(4,097)	(3,850)	(4,045)
Repayment of lease liability	(202)	(363)	(393)	(363)
Net cash used in financing activities (C)	(6,249)	(3,748)	(6,237)	(3,509)
Net (decrease)/increase in cash and cash equivalents (A + B + C)	(2,107)	(371)	(2,266)	(496)
Cash and cash equivalents at the beginning of the period	3,902	1,516	3,565	1,320
Effect of exchange differences on translation of foreign currency cash and cash equivalents	(19)	-	-	-
Cash and cash equivalents at the end of the period	1,776	1,145	1,299	824

Note: The above statement of cash flows has been prepared under the "Indirect Method" as set out in Ind AS 7 "Statement of Cash Flows"



NOTES :

- 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").
- The above consolidated and standalone financial results were reviewed and recommended by the Audit Committee at their meeting held on November 10, 2020 and approved by the Board of Directors at their meeting held on November 12, 2020. The Statutory Auditors have issued an unmodified conclusion in respect of the limited review for the quarter and Half-year ended September 30, 2020.
- The Board of Directors, at its meeting held on November 12, 2019, 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 ₹ 45 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.

On May 25, 2020, the scheme of Buyback was closed, the Company bought back 1,01,95,000 equity shares as of that date, resulting in total cash consideration of ₹ 2,725 lakhs (including ₹ 488 lakhs towards transaction cost and tax on Buyback). In line with the requirement of Companies Act, 2013, an amount of ₹ 2,215 lakhs has been utilized from securities premium account for the buyback. Further, capital redemption reserve of ₹ 510 lakhs representing the nominal value of shares brought back, has been created in accordance with Section 69 of the Companies Act, 2013.

- 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 (from December 04, 2019)	Germany	Subsidiary	100%
Oneworks BIM Technologies Private Limited (w.e.f February 14, 2020)	India	Subsidiary	100%
Pennar Global Inc.	USA	Subsidiary	100%
Pennar Global Metals, LLC (w.e.f August 12, 2020)	USA	Step-down Subsidiary	100%
Ascent Buildings, LLC (from September 4, 2020)	USA	Step-down Subsidiary	100%

- During the quarter ended December 31, 2019, the Company acquired 100% equity shares of Pennar GmbH,
 - During the quarter ended March 31, 2020, the Company acquired 100% equity shares of Oneworks BIM Technologies Private Limited and recognised goodwill amounting to ₹ 322 lakhs in consolidated financial results and
 - During the current quarter, Pennar Global Inc (Subsidiary of the Company), has acquired Pennar Global Metals, LLC and incorporated Ascent Buildings, LLC as its subsidiaries. Accordingly the results for the corresponding periods are not comparable.

- COVID-19 is an infectious disease caused by the most recently discovered coronavirus, SARS-CoV-2. In March 2020, the World Health Organisation declared COVID-19 a pandemic. The Government of India, declared a lockdown on March 23, 2020 in the light of the outbreak of COVID-19 due to which the Company suspended its operations from March 23, 2020. Operations have resumed from May 4, 2020 and the Company is taking various precautionary measures to protect its employees and their families from COVID-19 pandemic.

The Company has considered internal and certain external sources of information up to the date of approval of the financial results in assessing the recoverability of inventories, receivables and other current assets. The impact of the global health pandemic may be different from those estimated as on the date of approval of these financial results and the Company will continue to closely monitor any material changes to future economic conditions.

The results for the quarter and half-year ended September 30, 2020 are not comparable with previous periods for reasons stated above.

- The details of funds raised through Initial Public Offer (IPO) by the erstwhile entity PEBS during the financial year 2015-2016, and utilisation of said funds as at September 30, 2020 are as follows:

(₹ in Lakhs)

Particulars	Objects of the issue as per prospectus	Utilisation upto September 30, 2020	Unutilised amount upto September 30, 2020
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	369	431
C) General corporate purposes	1,079	1,079	-
D) Share issue expenses	521	517	4
Total	5,800	5,365	435

As on September 30, 2020, unutilised funds have been temporarily invested in mutual funds and other bank balances.

- The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Group will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.
- The Company elected to execute the option permitted under section 115 BAA of the Income tax Act, 1961 as introduced by the Taxation laws (Amendment) ordinance 2019 and the full impact of this change relating to deferred tax liability (net) as at March 31, 2019 was recognised in the statement of profit and loss and other comprehensive income, in the quarter ended September 30 2019.



10. SEGMENT REPORTING :

(₹ in Lakhs)

Particulars	Quarter Ended			Half-year Ended		Year Ended	
	30-Sep-20	30-Jun-20	30-Sep-19	30-Sep-20	30-Sep-19	31-Mar-20	
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited	
Segment revenue							
Diversified engineering	21,975	9,297	36,416	31,272	72,210	1,33,274	
Custom designed building solutions & auxiliaries	19,454	8,677	22,924	28,131	43,142	83,932	
Total	41,429	17,974	59,340	59,403	1,15,352	2,17,206	
Less : Inter segment revenue	2,385	1,355	1,345	3,740	3,574	6,551	
Revenue from operations	39,044	16,619	57,995	55,663	1,11,778	2,10,655	
Segment results							
Diversified engineering	2,165	(1,143)	3,598	1,022	8,132	13,943	
Custom designed building solutions & auxiliaries	1,102	(184)	1,717	918	2,698	4,996	
Total	3,267	(1,327)	5,315	1,940	10,830	18,939	
Less :							
Depreciation and amortisation expense	1,218	1,207	1,042	2,425	1,992	4,282	
Finance costs	1,982	1,977	2,267	3,959	4,259	8,345	
Profit before tax	67	(4,511)	2,006	(4,444)	4,579	6,312	
				As at			
				30-Sep-20	30-Jun-20	30-Sep-19	31-Mar-20
				Unaudited	Unaudited	Unaudited	Audited
Capital employed (Segment assets - Segment liabilities) (See notes below)							
Segment assets							
Diversified engineering				1,04,697	1,06,126	1,19,461	1,18,015
Custom designed building solutions & auxiliaries				68,271	65,565	72,313	67,323
Total Segment Assets				1,72,968	1,71,691	1,91,774	1,85,338
Segment liabilities							
Diversified engineering				74,074	67,675	78,156	72,190
Custom designed building solutions & auxiliaries				32,847	38,001	42,833	43,058
Total Segment Liabilities				1,06,921	1,05,676	1,20,989	1,15,248

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.

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Place : Hyderabad

Date : November 12, 2020

By order of the Board
for Pennar Industries Limited

Aditya N. Rao

Aditya N. Rao

Vice Chairman & Managing Director



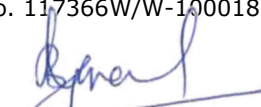
INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM STANDALONE FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF PENNAR INDUSTRIES LIMITED

1. We have reviewed the accompanying Standalone Unaudited Financial Results of **PENNAR INDUSTRIES LIMITED** ("the Company"), for the quarter and half-year ended September 30, 2020 ("Results") included in the accompanying Statement of Unaudited Consolidated and Standalone Financial Results for the quarter and half-year ended September 30, 2020 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. The Results included in the Statement, which 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 the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. 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 (ICAI). A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. We draw your attention to Note 6 of the statement, which describes that certain estimates and judgements were made related to the COVID-19 pandemic, wherein, the eventual outcome of the impact of this global health pandemic may be different from those estimated by the management.

Our conclusion is not modified in respect of this matter.

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


Ganesh Balakrishnan
Partner
(Membership No.201193)
UDIN: 20201193AAAAFW7688

Hyderabad, November 12, 2020

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

TO THE BOARD OF DIRECTORS OF PENNAR INDUSTRIES LIMITED

1. We have reviewed the accompanying Consolidated Unaudited Financial Results of **PENNAR INDUSTRIES LIMITED** ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), for the quarter and half-year ended September 30, 2020 ("Consolidated Results") included in the accompanying Statement of Unaudited Consolidated and Standalone Financial Results for the quarter and half-year ended September 30, 2020 ("the Statement"), being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. The Consolidated Results included in the Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Consolidated Results included in the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India (ICAI). A review of interim financial information consists of making inquiries, primarily of Parent's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

4. The Statement includes the results of the following entities:
 - i) Pennar Industries Limited, India (Parent Company)
 - ii) Pennar Global Inc., USA (Wholly-Owned Subsidiary)
 - iii) Eneritech Pennar Defense and Engineering Systems Private Limited, India (Subsidiary)
 - iv) Pennar GmbH, Germany (w.e.f. December 4, 2019) (Wholly-Owned Subsidiary)
 - v) Oneworks BIM Technologies Private Limited, India (w.e.f. February 14, 2020) (Wholly-Owned Subsidiary)
 - vi) Pennar Global Metals Inc., USA (w.e.f. August 12, 2020) (Subsidiary of (ii) above)
 - vii) Ascent Buildings LLC., USA (w.e.f. September 4, 2020) (Subsidiary of (ii) above)
5. Based on our review conducted and procedures performed as stated in paragraph 3 above, and based on the consideration of the review report of the other auditor referred to in paragraph 7 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 the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.



6. We draw your attention to Note 6 of the statement, which describes that certain estimates and judgements were made related to the COVID-19 pandemic, wherein, the eventual outcome of the impact of this global health pandemic may be different from those estimated by the management.

Our conclusion is not modified in respect of this matter.

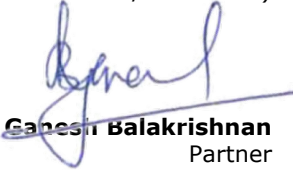
7. We did not review the interim financial statements / financial information of three subsidiaries included in the Consolidated results, whose interim financial statements / financial information reflect total assets of ₹ 4,312 lakhs as at September 30, 2020, total revenues of ₹ 1,476 lakhs and ₹ 2,897 lakhs for the quarter and half-year ended September 30, 2020, respectively, total net profit after tax and total comprehensive income of ₹ 63 lakhs and ₹ (42) lakhs for the quarter and half-year ended September 30, 2020, respectively and net cash inflows of ₹ 155 lakhs for the half-year ended September 30, 2020, as considered in the Consolidated Results included in the Statement. These interim financial statements / financial information have been reviewed by other auditors whose reports have been furnished to us by the Management and our conclusion on the Consolidated Results, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above.

Our conclusion on the Statement is not modified in respect of these matters.

8. The consolidated unaudited financial results includes the interim financial statements / financial information of three subsidiaries which have not been reviewed by their auditors, whose interim financial statements / financial information reflect total assets of ₹ 1,826 lakhs as at September 30, 2020, total revenues of ₹ 513 lakhs and ₹ 823 lakhs for the quarter and half-year ended September 30, 2020, respectively, total net profit after tax and total comprehensive income of ₹ (16) lakhs and ₹ 54 lakhs for the quarter and half-year ended September 30, 2020, respectively and net cash outflows of ₹ 15 lakhs for the half-year ended September 30, 2020, as considered in the Consolidated Results included in the Statement. According to the information and explanations given to us by the Management, these interim financial 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.

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


Ganesh Balakrishnan
Partner
(Membership No.201193)
UDIN: 20201193AAAAFX8664

Hyderabad, November 12, 2020