





**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 February 06, 2023 and approved by the Board of Directors at their meeting held on February 08, 2023. The Statutory Auditors have issued an unmodified conclusion in respect of the limited review for the quarter and Nine months ended December 31, 2022.

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

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

- The consolidated financial results include the results of the following Group companies:

Name of the Company	Country of Incorporation	Nature of relationship	% Holding
Enertech Pennar Defense and Engineering Systems Private Limited	India	Subsidiary	51%
Pennar GmbH	Germany	Subsidiary	100%
Pennar Global Inc.	USA	Subsidiary	100%
Pennar Global Metals, LLC	USA	Step-down Subsidiary	100%
Ascent Buildings, LLC	USA	Step-down Subsidiary	100%
Cadnum SARL (With effect from September 08, 2022)	France	Step-down Subsidiary	100%

- On November 10, 2021, the board had given in-principle approval to its wholly owned subsidiary Pennar GmbH to acquire 100% stake in Cadnum SARL (Cadnum) subject to regulatory approvals. Cadnum is an engineering & precision machining company based out of Villebret, France. On July 13, 2022, Pennar GmbH has entered into a share purchase agreement with Cadnum for the proposed investment for a consideration of 1,80,000 Euros.
- During previous quarter, the Group has completed acquisition of 100% equity share capital of Cadnum SARL for total consideration of 1,80,000 Euros. The transaction was accounted in accordance with Ind AS 103 - Business combinations ("Ind AS 103") and the initial accounting was provisionally determined as at December 31, 2022

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

Particulars	Objects of the issue as per prospectus	Utilisation up to		Unutilised amount up to	
		Dec 31, 2022	Dec 31, 2022	Dec 31, 2022	Dec 31, 2022
A) Repayment/ prepayment, in full or part, of certain working capital facilities availed by the Company	3,400	3,400	3,400	-	-
B) Financing the procurement of infrastructure (including software and hardware) for the expansion of design and engineering services	800	800	379	421	421
C) General corporate purposes	1,079	1,079	1,079	-	-
D) Share issue expenses	521	521	517	4	4
<b>Total</b>	<b>5,800</b>	<b>5,800</b>	<b>5,375</b>		<b>425</b>

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

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



8 Segment reporting

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

**Notes:**

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



Place : Hyderabad  
Date : February 08, 2023



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



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

**To The Board of Directors of Pennar Industries Limited**

1. We have reviewed the accompanying statement of unaudited standalone financial results of **Pennar Industries Limited** ('the Company') for the quarter ended December 31, 2022 and the year to-date results for the period from April 1, 2022 to December 31, 2022 ('the Statement') attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('the Regulations').
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 'Interim Financial Reporting' ('Ind AS 34'), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognized accounting principles generally accepted in India and in compliance with the Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognized accounting principles generally accepted in India has not disclosed the information required to be disclosed in terms of the Regulations including the manner in which it is to be disclosed, or that it contains any material misstatement.

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

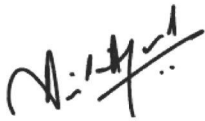
The year to-date results from April 1, 2022 to December 31, 2022 include results for the quarter ended June 30, 2022 have been reviewed by predecessor auditor and expressed an unmodified opinion in their report dated August 09, 2022.

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

**For M S K A & Associates**

Chartered Accountants

ICAI Firm Registration No.105047W



Amit Kumar Agarwal

Partner

Membership No.:214198

UDIN: 23214198BGXCOS2558



Place: Hyderabad

Date: February 8, 2023

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

**To The Board of Directors Pennar Industries Limited**

1. We have reviewed the accompanying statement of consolidated unaudited financial results of **Pennar Industries Limited** ('the Holding Company'), its subsidiaries, (the Holding Company and its subsidiaries together referred to as the 'Group') for the quarter ended December 31, 2022 and the year-to-date results for the period from April 1, 2022 to December 31, 2022 ('the statement'), being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('the Regulations').
2. This Statement, which is the responsibility of the Holding Company's Management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 'Interim Financial Reporting' ('Ind AS 34'), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognized accounting principles generally accepted in India and in compliance with the Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagement (SRE) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

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

4. This Statement includes the results of the Holding Company and the following entities:

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

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



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

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

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

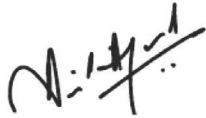
The year to-date results from April 1, 2022 to December 31, 2022 include results for the quarter ended June 30,2022 have been reviewed by predecessor auditor and expressed an unmodified opinion in the report dated August 09,2022.

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

**For M S K A & Associates**

Chartered Accountants

ICAI Firm Registration No.105047W



Amit Kumar Agarwal

Partner

Membership No.: 214198

UDIN: 23214198BGXCOT1836



Place: Hyderabad

Date: February 8, 2023