

Pennar arm to set up pre-fab unit in Rajasthan

To invest Rs 65 crore initially in new facility

Our Bureau

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Pennar Engineered Building Systems Ltd (PEBS), a subsidiary of the Rs 1,370-crore Pennar Industries Ltd, is planning to set up a manufacturing facility in Rajasthan to cater to the north Indian market, besides ramping up capacity at its Hyderabad unit.

The Pennar Group is betting big on this business, as the Rs 4,000-crore pre-engineered building market in India is growing at 15-20 per cent, since the logistics, warehousing and manufacturing sectors are increasingly shifting from concrete to the pre-engineered segment.

INVESTMENT

PEBS will be investing about Rs 65 crore initially on its proposed Rajasthan facility, which will have a capacity of 30,000 tonnes per annum to start with and will be later expanded to 60,000 TPA. "We are not very strong in the



Betting big: Mr Nrupender Rao (right), Chairman, Pennar Engineered Building Systems Limited, announcing the company's new project in Hyderabad on Tuesday. (From left) Mr J. V. Ramana Raju, Head-Marketing, and Mr P. V. Rao, Executive Director. — P.V. Sivakumar.

North, as we have to spend Rs 4,000 to Rs 5,000 per tonne on freight to reach those markets. We intend to have the new facility ready

by next fiscal," Mr Nrupender Rao, Chairman, Pennar Industries Ltd, told media-persons here.

Having recently doubled

the capacity of its Hyderabad unit to 60,000 TPA, the company is in the process of adding fresh capacity of 30,000 TPA at a

cost of about Rs 25 crore. This is expected to be wrapped up within the next six months.

NEW ORDER

It just bagged a Rs 23.5 crore order for constructing Reliance Retail's first of the proposed 15 distribution centres in Pune, with the project to be completed within five months. The Reliance project involves 40,000 sft of space.

"Last fiscal, we clocked sales worth Rs 165 crore and this year we are gearing up to reach Rs 250 crore. Our target is to cross Rs 500 crore in the next two years," Mr P.V. Rao, Executive Director, said.

The company, which exported products worth Rs 18 crore to Africa, is evaluating the option of setting up a facility there.

It also plans to launch a new product that will go into pre-engineered green buildings.