



**PENNAR INDUSTRIES LIMITED**  
(CIN: L27109AP1975PLC001919)

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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))
<b>1</b>	<b>Income</b>					
	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
	<b>Total income</b>	<b>34,592</b>	<b>30,087</b>	<b>30,327</b>	<b>1,25,462</b>	<b>1,07,441</b>
<b>2</b>	<b>Expenses</b>					
	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
	<b>Total expenses</b>	<b>32,652</b>	<b>28,848</b>	<b>28,479</b>	<b>1,19,437</b>	<b>1,02,895</b>
<b>3</b>	<b>Profit before exceptional item and tax (1-2)</b>	<b>1,940</b>	<b>1,239</b>	<b>1,848</b>	<b>6,025</b>	<b>4,546</b>
<b>4</b>	Exceptional item (Refer Note 3)	2,129	-	-	2,129	-
<b>5</b>	<b>Profit before tax (3+4)</b>	<b>4,069</b>	<b>1,239</b>	<b>1,848</b>	<b>8,154</b>	<b>4,546</b>
<b>6</b>	<b>Tax expense</b>					
	a) Current tax	1,170	300	711	2,171	1,586
	b) Deferred tax	(248)	82	(242)	554	105
	<b>Total Tax expense</b>	<b>922</b>	<b>382</b>	<b>469</b>	<b>2,725</b>	<b>1,691</b>
<b>7</b>	<b>Profit after tax (5-6)</b>	<b>3,147</b>	<b>857</b>	<b>1,379</b>	<b>5,429</b>	<b>2,855</b>
<b>8</b>	<b>Other comprehensive income (net of tax)</b>					
	(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
	<b>Total Other comprehensive income</b>	<b>20</b>	<b>(6)</b>	<b>(38)</b>	<b>(5)</b>	<b>(69)</b>
<b>9</b>	<b>Total comprehensive income (7+8)</b>	<b>3,167</b>	<b>851</b>	<b>1,341</b>	<b>5,424</b>	<b>2,786</b>
<b>10</b>	Paid up equity share capital (Face value of ₹ 5/- each)	6,017	6,017	6,017	6,017	6,017
<b>11</b>	Other equity				34,580	29,156
<b>12</b>	<b>Earnings per share</b>					
	Basic and Diluted Earnings per share (in ₹)	2.61	0.71	1.14	4.51	2.37
		<i>(not annualised)</i>	<i>(not annualised)</i>	<i>(not annualised)</i>		

See accompanying notes to the standalone financial results



## 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
	<b>ASSETS</b>			
1.	<b>Non-current assets</b>			
(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
	<b>Total Non-current assets</b>	<b>34,560</b>	<b>28,913</b>	<b>28,164</b>
2.	<b>Current assets</b>			
(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
	<b>Total Current assets</b>	<b>66,780</b>	<b>52,841</b>	<b>49,030</b>
	<b>Total Assets (1+2)</b>	<b>1,01,340</b>	<b>81,754</b>	<b>77,194</b>
	<b>EQUITY AND LIABILITIES</b>			
1.	<b>Equity</b>			
(a)	Equity share capital	6,017	6,017	6,017
(b)	Other equity	34,580	29,156	26,370
	<b>Total Equity</b>	<b>40,597</b>	<b>35,173</b>	<b>32,387</b>
	<b>Liabilities</b>			
2.	<b>Non-current liabilities</b>			
(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
	<b>Total Non-current liabilities</b>	<b>12,297</b>	<b>10,374</b>	<b>11,028</b>
3.	<b>Current liabilities</b>			
(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
	<b>Total Current liabilities</b>	<b>48,446</b>	<b>36,207</b>	<b>33,779</b>
	<b>Total Equity and Liabilities (1+2+3)</b>	<b>1,01,340</b>	<b>81,754</b>	<b>77,194</b>



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))
	<b>Profit after tax as reported under previous GAAP (published)</b>	<b>1,396</b>	<b>3,006</b>
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
	<b>Profit after tax as per Ind AS before OCI</b>	<b>1,379</b>	<b>2,855</b>
	Other Comprehensive Income (net of tax)	(38)	(69)
	<b>Total Comprehensive Income as per Ind AS</b>	<b>1,341</b>	<b>2,786</b>

Reconciliation of Equity:		₹ in Lakhs	
S.No.	Particulars	As at 31 March 2017	As at 1 April 2016
	<b>Equity under previous GAAP (published)</b>	<b>38,346</b>	<b>35,589</b>
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
	<b>Equity under Ind AS</b>	<b>35,173</b>	<b>32,387</b>

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.



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

