

Pennar Declares 20% Dividend For FY09

PAT for FY'09 - Rs. 38.09 Cr. - an increase of 23.63% over FY'08; PBT for FY'09 - Rs. 52.8 Cr. - an increase of 32% over FY'08; Cash EPS for FY'09 - Rs. 4.39 per share of Rs. 5 par value; Sales for FY'09 - Rs. 730 Cr. - an increase of 13.92% over FY'08.

Mumbai, Maharashtra, July 5, 2009 /[India PRwire](#)/ -- The Board of Directors of Pennar Industries, a leading engineering company, at its meeting held on 3rd July 2009 have recommended a dividend of 20% amounting to Rs. 1 per equity share of Rs. 5 each.

The company posted its best ever performance with a sales turnover of Rs. 730 Crore with gross profit (EBIDTA) of Rs. 76 Crore, cash profit of Rs. 55.5 Crores and Net Profit of Rs. 38.1 Crores. The annualized cash EPS for the quarter is Rs. 4.39 per equity share of Rs. 5 par value.

Pennar continued to grow quarter on quarter basis for the last twenty consecutive quarters, both in terms of volume and profits. The company has also strengthened its position and bettered its profit margins by diversifying its product range to become a leading engineering company. The company has moved into the heavy engineering sector with the manufacture of bodies, chassis and profiles for railway wagons and coaches. The company makes a host of products for diverse industries viz., railways, infrastructure, construction, engineering and automotive.

Pennar is planning to further increase its turnover and improve its EBIDTA margins and profits during the current financial year by increasing the share of value added engineering products and further diversifying the product base.

Notes to Editor

About Pennar Industries

Pennar Industries with FY09 revenues of Rs 730.7 crore and EBITDA of Rs 75.9 crore is the market leader in India for engineered metal products for customer sectors like railways, road construction, automotive, etc.

Cash EPS was Rs 4.52 and the basic EPS was Rs 3.11 for an equity share of Rs 5 face value for FY 09.

Pennar has a steady performance compared to the traditional steel sector companies (where global steel prices impact performance on a quarterly basis) by registering a growth in profits on Quarter-on-quarter basis for the last twenty consecutive quarters.

At the core of the turnaround and the success of the company is its strategy to diversify its product range by adding value added products like Rail Wagon and coach profiles and chassis, engineering components and road safety systems. The company is focusing on specialty profiles, sub-assemblies and fabricated components for transportation and infrastructure companies.

Pennar has recently set up a facility in Chennai to cater to Railways and automotive sectors.

Pennar is also launching a new subsidiary Pennar Engineered Building Systems (PEBSL) at a cost of Rs 1.05 billion. The 60,000 ton per annum capacity project, being set up in a 28-acre site at Sadishvpet in Medak district, about 45 km from Andhra, is expected to commence commercial production by October 2009.

PEBSL will be engaged in the design, manufacture, supply and erection of pre-engineered steel buildings and building components catering to the requirements of, among other things, industries, warehouses, commercial centres, multi-storied buildings, aircraft hangars and sports complexes.

Pennar currently has five plants located at Patancheru and Isnapur near Hyderabad, Chennai, Tarapur (Maharashtra) and Hosur (Tamil Nadu) with a total capacity of 184,000 TPA.

For more information, please contact:

Puja Gentle
consultant
(L) 022 67935969

© copyright 2012 **India PRwire** (<http://www.indiaprwire.com>)

India PRwire disclaims any content contained in press release. Use of our service is governed by our privacy policy and terms of service.