



## **Pebs Pennar sees pre fab sales trebling by 2014**

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Pennar Engineered Building Systems (Pebs Pennar), a subsidiary of Pennar Industries, is targeting an annual turnover of Rs500 crore by 2014 from the Rs160 crore last year.

The company, which is into prefab building systems using sheet metal as raw material, is currently building an order pipeline.

“The orders on the book are at about Rs 500 crore. However, we have executed about Rs300 crore orders so far and another Rs200 crore is yet to be executed. The average time of execution is at about four-and-a-half to six months,” Nrupender Rao, Pennar group chairman, said.

The company for the year ended March 2011 recorded Rs160 crore in revenue and is expected to register about Rs250 crore in sales in the current financial year. According to Rao, the engineered building systems market has proved to extremely competitive with industry majors like Kirby dominating the sector.

“But in less than two years we were able to make a mark for ourselves and we are now hopeful of building a strong order book. Our teams are confident of taking the revenue to Rs650 crore by 2015,” Rao said.

Pebs Pennar currently has a manufacturing facility near Hyderabad with a capacity of about 60,000 tonne, which is being expanded to 90,000 tonne with an outlay of about Rs15 crore.

However, the company has not been able to tap much of the market in the northern parts of the country due to issues related to logistics.

“We will set up a plant in Rajasthan or Haryana. This would cost us about Rs60-65 crore. The second unit should come up in about a year. With this, the company will be able to tap the demand in the northern parts of the country as well,” he said. The second unit, too, would have an initial capacity of about 30,000 tonne with a provision to scale it up as per the order inflow.

In technical association with the US-based industry major NCI, the company is offering two variants of the pre-engineered buildings - Valuebuild and Primebuild.