

Pennar looks to ride solar rush

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Pennar Industries, specialised and engineered steel solutions company, is eyeing a pie of the increasing activity in the solar sector.

The South-based company is in talks with several engineering, procurement and construction (EPC) players, which are setting up solar power farms in the country, to supply steel frames and other structures to mount the solar panels.

“We are not going to make forays into solar PV modules or any related material. We are looking at the steel structures that are used for mounting the panels. We see that as a major opportunity and are all set to supply engineered structural framing systems to the EPC companies or any other firms that are into solar systems,” Nrupender Rao, Pennar’s chairman, said.

The company is said to be working on the opportunity for the last few months and is in touch with industry majors including Moser Baer, Tata BP Solar and Larsen & Toubro.

“We expect the solar sector to be a key contributor to the top and bottomlines in the months to come. We are expecting to accrue at least Rs50 crore from the sector in the next three months,” he said.

The company is also making forays into fabricating wind power towers. “We have made modest beginning in wind power sector. We have already bagged an order and we will find ways to expand in this,” Rao said.

“The margins have been under pressure due to rising interest and employee costs,” he said.

Pennar is also setting up facilities to manufacture seamless tubes and other components to cater to the automobile sector. The facilities are expected to start contributing in the next two to three months to the balance sheet.

Considering the opportunities in pre-engineered supplies through its subsidiary PEBS Pennar and the visibility of increasing order flow from the Railways, the company is targeting a turnover of over Rs1,500 crore in the current fiscal from the Rs1,250 crore in the last fiscal. “For fiscal 2013, we see the turnover going beyond Rs1,800 crore,” he said.