

AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31 MARCH 2019, PREPARED IN COMPLIANCE WITH THE INDIAN ACCOUNTING STANDARDS (IND AS)

(Rupees in crores except per share data)

| Sr. No. | Particulars | Quarter ended | | | Year ended | | (Standalone) Year ended | |
|-----------|---|---------------|------------------|---------------|-----------------|---------------|-------------------------|---------------|
| | | 31 March 2019 | 31 December 2018 | 31 March 2018 | 31 March 2019 | 31 March 2018 | 31 March 2019 | 31 March 2018 |
| | | (Audited) | (Unaudited) | (Audited) | (Audited) | (Audited) | (Audited) | (Audited) |
| 1 | INCOME | | | | | | | |
| | Revenue from operations | 368.17 | 330.31 | 274.53 | 1,141.11 | 923.46 | 923.27 | 701.97 |
| | Other income | 7.39 | 7.41 | 10.09 | 23.31 | 17.21 | 21.92 | 16.17 |
| | Total income | 375.56 | 337.72 | 284.62 | 1,164.42 | 940.67 | 945.19 | 718.14 |
| 2 | EXPENSES | | | | | | | |
| | Cost of materials consumed | 198.29 | 182.03 | 146.32 | 601.33 | 471.20 | 505.88 | 365.22 |
| | Changes in inventories of finished goods and work-in-progress | 3.04 | 0.73 | (9.15) | 8.20 | (1.92) | (2.66) | 1.05 |
| | Employee benefits expense | 39.75 | 40.06 | 39.25 | 160.57 | 149.02 | 132.40 | 121.28 |
| | Finance costs | 0.18 | 0.24 | 0.30 | 0.76 | 1.14 | 0.68 | 0.86 |
| | Depreciation and amortisation expense | 5.42 | 5.64 | 6.05 | 22.95 | 24.09 | 19.99 | 21.26 |
| | Exchange (gain) / loss | (5.16) | (3.98) | (4.03) | (8.99) | (9.51) | (6.46) | (10.15) |
| | Excise duty expense | - | - | - | - | 6.87 | - | 5.00 |
| | Other expenses | 92.84 | 83.60 | 71.06 | 291.66 | 246.77 | 214.43 | 173.77 |
| | Total expenses | 334.36 | 308.32 | 249.80 | 1,076.48 | 887.66 | 864.26 | 678.29 |
| 3 | Profit before tax (1-2) | 41.20 | 29.40 | 34.82 | 87.94 | 53.01 | 80.93 | 39.85 |
| 4 | Tax expense | | | | | | | |
| | Current tax | 9.49 | 4.37 | 9.33 | 16.94 | 15.49 | 15.85 | 10.62 |
| | Deferred tax | (1.65) | 2.64 | (1.34) | 2.82 | (1.99) | 2.67 | (2.38) |
| | Adjustments of tax relating to earlier periods | - | (0.04) | 0.02 | (0.04) | 0.02 | - | 0.13 |
| | Total tax expense | 7.84 | 6.97 | 8.01 | 19.72 | 13.52 | 18.52 | 8.37 |
| 5 | Profit for the year (3-4) | 33.36 | 22.43 | 26.81 | 68.22 | 39.49 | 62.41 | 31.48 |
| 6 | Attributable to : | | | | | | | |
| | Non-controlling interest | - | - | - | - | - | - | - |
| | Equity holder's of parents | 33.36 | 22.43 | 26.81 | 68.22 | 39.49 | - | - |
| 7 | Other comprehensive income | | | | | | | |
| | Items that will not be reclassified to profit and loss: | | | | | | | |
| | Re-measurement of defined benefit plans | 0.41 | (0.53) | 0.50 | 0.66 | 1.16 | 0.68 | 1.06 |
| | Income tax effect | (0.11) | 0.14 | (0.17) | (0.24) | (0.40) | (0.24) | (0.37) |
| | Items that will be reclassified to profit and loss: | | | | | | | |
| | Exchange differences on translation of foreign operations | (0.17) | (0.14) | 0.14 | 0.20 | 0.04 | - | - |
| | Income tax effect | - | - | - | - | - | - | - |
| | Other comprehensive income | 0.13 | (0.53) | 0.47 | 0.62 | 0.80 | 0.44 | 0.69 |
| 8 | Total comprehensive income for the year (5+7) | 33.49 | 21.90 | 27.28 | 68.84 | 40.29 | 62.85 | 32.17 |
| 9 | Attributable to : | | | | | | | |
| | Non-controlling interest | - | - | - | - | - | - | - |
| | Equity holder's of parents | 33.49 | 21.90 | 27.28 | 68.84 | 40.29 | - | - |
| 10 | Earnings per equity share (Nominal value per share Rs. 2 each) | | | | | | | |
| | Basic | 1.83 | 1.24 | 1.49 | 3.75 | 2.19 | 3.43 | 1.75 |
| | Diluted | 1.83 | 1.23 | 1.48 | 3.74 | 2.18 | 3.42 | 1.74 |

Notes:

- The above results were reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 16 May 2019.
- The figures for the quarter ended 31 March 2019, as reported in the financial results, are the balancing figures between the audited figures in respect of the full financial year and published figures of nine months ended 31 December 2018. The figures for the nine months ended 31 December 2018 have been subjected to limited review by the statutory auditors.
- The group operates only in one segment, i.e. "Process and Project Engineering".
- 'Ind AS 115 - Revenue from Contracts with Customers' is a new accounting standard effective from 1 April, 2018 which replaces earlier revenue recognition requirements. With effect from 1 April, 2018 the Company has adopted Ind AS 115 using cumulative effect method i.e. the new standard is applied retrospectively to the contracts that are not completed as at the date of initial application. The Company has recognised the cumulative effect of Rs.15.39 crores (net of tax effect of Rs. 8.27 crores) as an adjustment to the opening balance of retained earnings as at 1 April 2018. The comparative information for the previous periods is not restated in the results.
- During the quarter ended 31 March 2019, Company allotted 251,840 equity shares to its employees under Employee Stock Option Plan.
- In accordance with the requirements of Indian Accounting Standard, revenue for the quarter and year ended 31 March 2019 and quarter ended 31 December 2018 is net of Goods and Services Tax (GST). Revenue for the year ended 31 March 2018, is inclusive of excise duty which was applicable upto 30 June 2017. Therefore figures of revenue for the year ended 31 March 2018 are not strictly comparable with revenue for the year ended 31 March 2019. The following additional information is being provided to make it comparable:

| Particulars | Quarter ended | | | Year ended | |
|---|---------------|------------------|---------------|---------------|---------------|
| | 31 March 2019 | 31 December 2018 | 31 March 2018 | 31 March 2019 | 31 March 2018 |
| Revenue from operations (A) | 368.17 | 330.31 | 274.53 | 1,141.11 | 923.46 |
| Excise duty (B) | - | - | - | - | 6.87 |
| Revenue from operations excluding excise duty (A-B) | 368.17 | 330.31 | 274.53 | 1,141.11 | 916.59 |

- Prior year comparatives are regrouped / reclassified wherever necessary to conform to current period's presentation.
- The Board of Directors proposed a final dividend of Rs. 1.62 per equity share (81% of the face value of Rs.2 each) for the financial year ended 31 March 2019 which is subject to the approval of shareholders at the forthcoming Annual General Meeting. With this, total dividend for financial year ended 31 March 2019 will be Rs 2.12 per share (106% of the face value of Rs 2 each).




STATEMENT OF ASSETS AND LIABILITIES

(Rupees in crores)

| Particulars | 31 March 2019 | 31 March 2018 |
|--------------------------------------|-----------------|-----------------|
| | (Audited) | (Audited) |
| ASSETS | | |
| Non-current assets | | |
| Property, plant and equipment | 212.77 | 219.77 |
| Capital work-in-progress | 2.23 | 4.17 |
| Investment property | 13.69 | 13.69 |
| Goodwill | 62.62 | 62.62 |
| Intangible assets | 0.94 | 1.05 |
| Financial assets | | |
| Investments | 44.82 | 10.01 |
| Loans | 5.01 | 7.21 |
| Others | 23.15 | 7.02 |
| Deferred tax assets (net) | 9.34 | 4.18 |
| Other assets | 11.69 | 13.55 |
| Total non-current assets | 386.26 | 343.27 |
| Current assets | | |
| Inventories | 126.38 | 80.79 |
| Financial assets | | |
| Investments | 165.70 | 190.86 |
| Trade receivables | 305.29 | 262.50 |
| Cash and cash equivalents | 63.56 | 77.22 |
| Other bank balances | 24.40 | 3.03 |
| Loans | 0.16 | 0.07 |
| Others | 6.18 | 1.59 |
| Current tax asset (net) | 9.22 | 5.42 |
| Other assets | 159.82 | 168.61 |
| Total current assets | 860.71 | 790.09 |
| TOTAL ASSETS | 1,246.97 | 1,133.36 |
| EQUITY AND LIABILITIES | | |
| EQUITY | | |
| Equity share capital | 36.53 | 36.19 |
| Other equity | 708.49 | 689.95 |
| Non-controlling interests | 0.66 | 0.66 |
| TOTAL EQUITY | 745.68 | 726.80 |
| LIABILITIES | | |
| Non-current liabilities | | |
| Borrowings | - | 0.04 |
| Provisions | 15.88 | 15.92 |
| Total non-current liabilities | 15.88 | 15.96 |
| Current liabilities | | |
| Financial liabilities | | |
| Borrowings | - | 5.94 |
| Trade payables | 234.54 | 176.45 |
| Other financial liabilities | 16.47 | 12.55 |
| Other current liabilities | 221.88 | 187.15 |
| Provisions | 12.52 | 8.51 |
| Total current liabilities | 485.41 | 390.60 |
| TOTAL LIABILITIES | 501.29 | 406.56 |
| TOTAL EQUITY AND LIABILITIES | 1,246.97 | 1,133.36 |

Place : Pune
Date : 16 May 2019


SHISHIR JOSHIPURA
CEO AND MANAGING DIRECTOR
DIN: 00574970



M/s P. G. BHAGWAT

CHARTERED ACCOUNTANTS

HEAD OFFICE

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Auditor's Report on Quarterly Consolidated Financial Results and Year to Date Financial Results of the Company

Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To,
Board of Directors,
Praj Industries Limited

We have audited the accompanying statement of quarterly and year to date consolidated financial results of **Praj Industries Limited** ("the holding company") and its subsidiaries, the Holding Company and its subsidiary together referred to as "the Group"), for the quarter and year ended 31st March 2019 ("the statement"), being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI circular No CIR/CFD/FAC/62/2016 dated July 5, 2016.

This statement, which is the responsibility of holding company's management and approved by board of directors, has been compiled from the related consolidated financial statements which has been prepared in accordance with Indian Accounting Standard ("IND-AS") prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the statement based on our audit of such consolidated financial statements.

We conducted our audit in accordance with Standards on Auditing issued by Institute of Chartered Accountant of India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

We did not audit the financial statement of four subsidiaries whose financial statements reflect total assets of Rs. 17.89 Crores as at 31st March, 2019, total revenues of Rs. 40.34 Crores for the year ended 31st March 2019 and Rs. 6.09 Crores for the quarter ended 31st March 2019, which are considered in the consolidated financial statements. These financial statements and other financial information have been audited by other auditors/ compiled by the management



M/s P. G. BHAGWAT

CHARTERED ACCOUNTANTS

whose reports have been furnished to us, and our opinion on the quarterly financial results and the year to date results, to the extent they have been derived from such financial statements is based solely on the report of such other auditors/ management.

In our opinion and to the best of our information and according to the explanations given to us these consolidated quarterly and year to date financial results:

(i) include the quarterly and year to date results of the following entities:

- a. Praj HiPurity Systems Limited
- b. Praj Engineering & Infra. Limited
- c. Praj Far East Philippines Ltd. Inc.
- d. Praj Industries (Africa) (Pty.) Limited
- e. Praj Americas, Inc.
- f. Praj Far East Co. Limited
- g. Praj Industries (Namibia) Pty. Limited

(ii) have been presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, in this regard; and


(iii) give a true and fair view in conformity with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India of the consolidated net profit, other comprehensive income and other financial information of the consolidated quarterly and year to date results for the period ended 31st March 2019

The quarterly consolidated financial results for the period ended March 31, 2019 are the derived figures between the audited figures in respect of the year ended March 31, 2019 and the published year-to-date figures up to December 31, 2018, being the date of the end of the third quarter of the current financial year, which were subjected to limited review as required under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI circular No CIR/CFD/FAC/62/2016 dated July 5, 2016 or as compiled by the management.

FOR M/S P. G. BHAGWAT

Chartered Accountants

Firm Registration Number 101118W


Sandeep Rao

Partner

Membership No.: 47235

Pune

Date: 16th May, 2019

