

M/s P. G. BHAGWAT

CHARTERED ACCOUNTANTS

HEAD OFFICE

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Limited Review Report


The Board of Directors,
Praj Industries Limited.
Praj Tower, S.No. 274 & 275/2, Bhumkar Chowk – Hinjewadi Road
Hinjewadi, Pune 411057, Maharashtra, India

We have reviewed the accompanying statement of unaudited standalone financial results (“the Statement”) of **Praj Industries Limited** for the period ended **30th June 2019**, attached herewith. This statement is the responsibility of the Company’s Management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, Review of Interim Financial information performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.



For M/s P. G. Bhagwat
Chartered Accountants
Firm Registration No.: 101118W

Sandeep Rao
Partner
Membership No.: 047235
UDIN: 19047235AAAAAI2762

Place: Pune
Date: 23rd July, 2019

UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED 30 JUNE 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	
		30 June 2019	31 March 2019	30 June 2018	31 March 2019	
		(Unaudited)	(Audited)	(Unaudited)	(Audited)	
1	INCOME					
	Revenue from operations	186.11	308.33	144.31	923.27	
	Other income	7.78	6.74	3.03	21.92	
	Total income	193.89	315.07	147.34	945.19	
2	EXPENSES					
	Cost of materials consumed	87.77	174.06	66.50	505.88	
	Changes in inventories of finished goods and work-in-progress	(2.40)	1.23	0.59	(2.66)	
	Employee benefits expense	34.18	32.35	33.08	132.40	
	Finance costs	0.63	0.16	0.18	0.68	
	Depreciation and amortisation expense	4.72	4.60	5.32	19.99	
	Exchange (gain) / loss	(1.44)	(5.28)	0.03	(6.46)	
	Other expenses	55.25	68.24	37.70	214.43	
	Total expenses	178.71	275.36	143.40	864.26	
3	Profit before tax (1-2)	15.18	39.71	3.94	80.93	
4	Tax expense					
	Current tax	3.62	10.06	1.03	15.85	
	Deferred tax	(1.14)	(2.39)	(0.25)	2.67	
	Adjustments of tax relating to earlier periods	-	-	-	-	
	Total tax expense	2.48	7.67	0.78	18.52	
5	Profit for the period (3-4)	12.70	32.04	3.16	62.41	
6	Other comprehensive income					
	Items that will not be reclassified to profit and loss:					
	Re-measurement of defined benefit plans	(0.21)	0.39	0.95	0.68	
	Income tax effect	0.07	(0.14)	(0.33)	(0.24)	
	Other comprehensive income	(0.14)	0.25	0.62	0.44	
7	Total comprehensive income for the year (5+6)	12.56	32.29	3.78	62.85	
	Earnings per equity share (Nominal value per share Rs. 2 each)					
	Basic	0.69	1.76	0.17	3.43	
	Diluted	0.69	1.76	0.17	3.42	

Notes:

- The above results were reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 23 July 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 Company operates only in one segment, i.e. "Process and Project Engineering".
- During the quarter ended 30 June 2019, Company allotted 170,755 equity shares to its employees under Employee Stock Option Plan.
- Effective 1 April 2019, the Company has adopted Ind AS 116 "Leases" using modified retrospective approach. Consequently, the Company has recorded lease liability of Rs. 17.36 crores calculated as the present value of the remaining lease payments discounted at the incremental borrowing rate. Right of use asset has been recognised at Rs. 11.27 crores determined at net of the amount calculated by applying the standard since the date of the commencement of lease and the resulting depreciation upto the date of adoption. The net effect of Rs 3.97 crores, net of deferred tax, on initial application of Ind AS 116 has been adjusted to retained earnings as on 1 April 2019. Due to transition, the nature of expenses in respect of operating leases has changed from "lease rent" to "depreciation cost" and "finance cost" for the right-to-use assets and for interest accrued on lease liability respectively, and therefore these expenses for the current period are not comparable to the previous periods disclosed. The adoption of the standard did not have any material impact on the profit for the period as compared to previous periods.
- Prior year comparatives are regrouped / reclassified wherever necessary to conform to current period's presentation.




SHISHIR JOSHIPURA

CEO AND MANAGING DIRECTOR

DIN: 00574970

Place : Pune

Date : 23 July 2019