


## 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 **30<sup>th</sup> September 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. Attention is drawn to the fact that the figures for the net cashflows for the corresponding period from 1<sup>st</sup> April, 2018 to 30<sup>th</sup> September, 2018 as reported in these unaudited standalone financial results have been approved by the Board of Directors, but have not been subjected to review.

We conducted our review of the statement 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: 19047235AAAACF9877

Place: Pune  
Date: 23<sup>rd</sup> October, 2019

**UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30 SEPTEMBER 2019, PREPARED IN COMPLIANCE WITH THE INDIAN ACCOUNTING STANDARDS (IND AS)**

(Rupees in crores except per share data)

Sr. No.	Particulars	Quarter ended			Year to date		Year ended
		30 September 2019	30 June 2019	30 September 2018	30 September 2019	30 September 2018	31 March 2019
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
<b>1</b>	<b>INCOME</b>						
	Revenue from operations	250.32	186.11	192.48	436.43	336.79	923.27
	Other income	6.61	7.78	5.03	14.39	8.06	21.92
	<b>Total income</b>	<b>256.93</b>	<b>193.89</b>	<b>197.51</b>	<b>450.82</b>	<b>344.85</b>	<b>945.19</b>
<b>2</b>	<b>EXPENSES</b>						
	Cost of materials consumed	139.63	87.77	106.44	227.40	172.94	505.88
	Changes in inventories of finished goods and work-in-progress	1.06	(2.40)	(5.90)	(1.34)	(5.31)	(2.66)
	Employee benefits expense	35.94	34.18	34.29	70.12	67.37	132.40
	Finance costs	0.59	0.63	0.16	1.22	0.34	0.68
	Depreciation and amortisation expense	4.70	4.72	5.19	9.42	10.51	19.99
	Exchange (gain) / loss	(0.75)	(1.44)	2.74	(2.19)	2.77	(6.46)
	Other expenses	58.14	55.25	46.59	113.39	84.29	214.43
	<b>Total expenses</b>	<b>239.31</b>	<b>178.71</b>	<b>189.51</b>	<b>418.02</b>	<b>332.91</b>	<b>864.26</b>
<b>3</b>	<b>Profit before tax (1-2)</b>	<b>17.62</b>	<b>15.18</b>	<b>8.00</b>	<b>32.80</b>	<b>11.94</b>	<b>80.93</b>
<b>4</b>	<b>Tax expense</b>						
	Current tax	2.81	3.62	0.48	6.44	1.51	15.85
	Deferred tax	(1.25)	(1.14)	2.07	(2.40)	1.82	2.67
	Adjustments of tax relating to earlier periods	-	-	-	-	-	-
	<b>Total tax expense</b>	<b>1.56</b>	<b>2.48</b>	<b>2.55</b>	<b>4.04</b>	<b>3.33</b>	<b>18.52</b>
<b>5</b>	<b>Profit for the period (3-4)</b>	<b>16.06</b>	<b>12.70</b>	<b>5.45</b>	<b>28.76</b>	<b>8.61</b>	<b>62.41</b>
<b>6</b>	<b>Other comprehensive income</b>						
	Items that will not be reclassified to profit and loss:						
	Re-measurement of defined benefit plans	0.10	(0.21)	(0.24)	(0.11)	0.71	0.68
	Income tax effect	(0.03)	0.07	0.08	0.04	(0.25)	(0.24)
	<b>Other comprehensive income</b>	<b>0.07</b>	<b>(0.14)</b>	<b>(0.16)</b>	<b>(0.07)</b>	<b>0.46</b>	<b>0.44</b>
<b>7</b>	<b>Total comprehensive income for the year (5+6)</b>	<b>16.13</b>	<b>12.56</b>	<b>5.29</b>	<b>28.69</b>	<b>9.07</b>	<b>62.85</b>
	<b>Earnings per equity share (Nominal value per share Rs. 2 each)</b>						
	Basic	0.88	0.69	0.30	1.57	0.47	3.43
	Diluted	0.88	0.69	0.30	1.57	0.47	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 October 2019.
- The Company operates only in one segment, i.e. "Process and Project Engineering".
- During the quarter ended 30 September 2019, Company allotted 55,980 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 and applied the Standard to its leases retrospectively and has recognised the effect of the cumulative adjustment in the opening balance of retained earnings, on date of initial application (1 April 2019). Accordingly, comparatives for the period prior to the current quarter / half year have not been restated.
- Prior year comparatives are regrouped / reclassified wherever necessary to conform to current period's presentation.



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UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30 SEPTEMBER 2019, PREPARED IN COMPLIANCE WITH THE INDIAN ACCOUNTING STANDARDS (IND AS)..... CONTD.

STATEMENT OF ASSETS AND LIABILITIES

Particulars	As at	
	30 September 2019	31 March 2019
	(Unaudited)	(Audited)
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	200.10	194.95
Capital work-in-progress	1.69	2.23
Investment property	13.69	13.69
Intangible assets	0.78	0.81
<b>Financial assets</b>		
Investments	212.38	212.13
Loans	4.42	4.05
Others	23.03	20.00
Deferred tax assets (net)	9.95	5.38
Other assets	1.86	3.64
	<b>467.90</b>	<b>456.88</b>
<b>Current assets</b>		
Inventories	94.55	104.19
<b>Financial assets</b>		
Investments	143.83	162.40
Trade receivables	225.96	227.76
Cash and cash equivalents	32.66	33.62
Other bank balances	21.09	21.15
Loans	0.01	0.16
Others	5.46	6.68
Current tax asset (net)	7.30	3.75
Other assets	143.42	150.07
	<b>674.28</b>	<b>709.78</b>
<b>TOTAL ASSETS</b>	<b>1,142.18</b>	<b>1,166.66</b>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
Equity share capital	36.57	36.53
Other equity	690.50	699.64
<b>TOTAL EQUITY</b>	<b>727.07</b>	<b>736.17</b>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
<b>Financial liabilities</b>		
Other financial liabilities	14.26	-
Provisions	14.46	15.03
	<b>28.72</b>	<b>15.03</b>
<b>Current liabilities</b>		
<b>Financial liabilities</b>		
Trade payables	138.73	189.02
Other financial liabilities	21.27	14.35
Other current liabilities	219.54	200.71
Provisions	6.85	11.38
	<b>386.39</b>	<b>415.46</b>
<b>TOTAL LIABILITIES</b>	<b>415.11</b>	<b>430.49</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1,142.18</b>	<b>1,166.66</b>



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UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30 SEPTEMBER 2019, PREPARED IN COMPLIANCE WITH THE INDIAN ACCOUNTING STANDARDS (IND AS)..... CONTD.

UNAUDITED STANDALONE CASH FLOW STATEMENT FOR THE HALF YEAR ENDED 30 SEPTEMBER 2019

Particulars	Half year ended	
	30 September 2019	30 September 2018
<b>A. Cash flow from operating activities</b>		
Net profit before tax	32.80	11.94
Adjustments for:		
Loss / (profit) on sale of property, plant and equipment	-	0.07
Gain on redemption of mutual fund investments	(3.95)	(4.83)
Bad debts / provision for doubtful debts and advances	2.36	3.53
Excess provision / creditors written back (including advances)	-	(0.22)
Unrealised foreign exchange (gain) / loss (net)	0.35	2.18
Depreciation and amortisation	9.42	10.51
Interest earned	(5.06)	(2.44)
Unrealised gain on mutual fund investments	(1.69)	0.75
Dividend from mutual fund investments	-	(0.01)
Interest expense	0.00	0.00
Equity-settled share-based payment transactions	0.77	2.31
<b>Operating profit before working capital changes</b>	<b>35.00</b>	<b>23.79</b>
Changes in working capital		
Decrease/ (increase) in trade receivables	(0.07)	6.21
(Increase)/decrease in inventories (including contracts in progress)	17.96	(58.75)
(Increase)/decrease in non-current loans	(0.37)	0.00
(Increase)/decrease in other non-current financial assets	(3.02)	-
Decrease/(increase) in other non-current assets	1.16	0.16
Decrease/(increase) in current loans	0.15	0.07
(Increase)/decrease in current financial assets-others	(0.00)	(7.27)
Decrease/(increase) in other current assets	(1.60)	(1.92)
(Decrease)/increase in trade payables	(51.26)	(7.41)
(Decrease) in other non-current financial liabilities	14.26	-
(Decrease) in other current financial liabilities	12.71	14.72
(Decrease)/increase in other current liabilities	18.81	78.55
(Decrease)/Increase in long term provisions	(0.68)	(0.85)
(Decrease)/Increase in short term provisions	(4.52)	0.61
<b>Cash generated from operations</b>	<b>38.53</b>	<b>47.91</b>
Direct taxes paid (including taxes deducted at source), net of refunds	(9.99)	(9.81)
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>28.54</b>	<b>38.10</b>
<b>B. Cash flow from investing activities</b>		
Purchase of property, plant and equipment and intangible assets	(25.48)	(5.17)
Investments:		
- in mutual funds	(15.00)	(74.98)
- in debentures & bonds	-	(29.81)
Sale of investments		
- in mutual funds	38.95	81.26
Proceeds from sale of property, plant and equipment	0.29	0.29
Interest received on investments	4.16	2.06
Dividend received on investments	-	0.01
Investment /(redemption) in fixed deposits	-	5.00
<b>NET CASH FROM / (USED) IN INVESTING ACTIVITIES</b>	<b>2.92</b>	<b>(21.34)</b>
<b>C. Cash flow from financing activities</b>		
Proceeds from exercise of employee stock options	1.13	5.58
(Decrease) in long term borrowings	(0.02)	-
Dividend paid including dividend distribution tax	(35.77)	(35.13)
(Decrease)/Increase in short term borrowings and bank overdraft	-	(0.02)
Interest paid	(0.00)	(0.00)
<b>NET CASH FROM / (USED) IN FINANCING ACTIVITIES</b>	<b>(34.66)</b>	<b>(29.57)</b>
<b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>	<b>(3.20)</b>	<b>(12.81)</b>
Cash and cash equivalents at the beginning of the year	33.62	67.69
Add: effect of exchange rate changes on cash and cash equivalents	2.24	2.76
<b>Cash and cash equivalents at the end of the year</b>	<b>32.66</b>	<b>57.64</b>

Place : Pune  
Date : 23 October 2019



*S. Jashipura*

SHISHIR JOSHIPURA  
CEO AND MANAGING DIRECTOR  
DIN: 00574970

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