

**DATE: January 28, 2019**  
**REF.: PIL/DVN/L311/2018-19**

|                                                                                                         |                                                                       |
|---------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------|
| <b>Company Code - PRAJIND</b>                                                                           | <b>Security Code No. : 522205</b>                                     |
| <b>National Stock Exchange of India Ltd.</b>                                                            | <b>Bombay Stock Exchange Limited</b>                                  |
| Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051 | Phiroze Jeejeebhoy Towers, 25th Floor, Dalal Street, Mumbai - 400 001 |
| Fax: 022 - 2659 8237 / 38                                                                               | Fax: 022-22723121/3719/2037/2039/2041/2061                            |

**Sub.: Submission of Un-audited Financial Results along with Limited Review Report for the third quarter and nine months ended 31<sup>st</sup> December, 2018.**

Dear Sir / Madam,

Please find enclosed Unaudited Financial Results along with Limited Review Report for the third quarter and nine months ended 31<sup>st</sup> December, 2018 for your records.

Thanking you,

Yours faithfully,  
**FOR PRAJ INDUSTRIES LIMITED**

  
**DATTATRAYA NIMBOLKAR**  
**CHIEF INTERNAL AUDITOR &**  
**COMPANY SECRETARY**



**Encl: As above**

**UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31 DECEMBER 2018, 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    |
|----------|-----------------------------------------------------------------------|------------------|-------------------|------------------|------------------|------------------|---------------|
|          |                                                                       | 31 December 2018 | 30 September 2018 | 31 December 2017 | 31 December 2018 | 31 December 2017 | 31 March 2018 |
|          |                                                                       | (Unaudited)      | (Unaudited)       | (Unaudited)      | (Unaudited)      | (Unaudited)      | (Audited)     |
| <b>1</b> | <b>INCOME</b>                                                         |                  |                   |                  |                  |                  |               |
|          | Revenue from operations                                               | 278.14           | 192.48            | 191.16           | 614.94           | 484.89           | 701.97        |
|          | Other income                                                          | 7.12             | 5.03              | 1.37             | 15.18            | 6.53             | 16.17         |
|          | <b>Total income</b>                                                   | <b>285.26</b>    | <b>197.51</b>     | <b>192.53</b>    | <b>630.12</b>    | <b>491.42</b>    | <b>718.14</b> |
| <b>2</b> | <b>EXPENSES</b>                                                       |                  |                   |                  |                  |                  |               |
|          | Cost of materials consumed                                            | 158.88           | 106.44            | 112.65           | 331.83           | 254.50           | 365.22        |
|          | Changes in inventories of finished goods and work-in-progress         | 1.43             | (5.90)            | (2.31)           | (3.88)           | (0.21)           | 1.05          |
|          | Employee benefits expense                                             | 32.79            | 34.40             | 28.83            | 100.38           | 90.40            | 121.73        |
|          | Finance costs                                                         | 0.18             | 0.16              | 0.25             | 0.52             | 0.65             | 0.86          |
|          | Depreciation and amortisation expense                                 | 4.87             | 5.19              | 5.42             | 15.39            | 15.94            | 21.26         |
|          | Exchange (gain) / loss                                                | (3.95)           | 2.74              | 0.10             | (1.18)           | (5.90)           | (10.15)       |
|          | Excise duty expense                                                   | -                | -                 | -                | -                | 5.00             | 5.00          |
|          | Other expenses                                                        | 61.78            | 46.48             | 39.33            | 145.85           | 121.02           | 173.32        |
|          | <b>Total expenses</b>                                                 | <b>255.98</b>    | <b>189.51</b>     | <b>184.27</b>    | <b>588.91</b>    | <b>481.40</b>    | <b>678.29</b> |
| <b>3</b> | <b>Profit before tax (1-2)</b>                                        | <b>29.28</b>     | <b>8.00</b>       | <b>8.26</b>      | <b>41.21</b>     | <b>10.02</b>     | <b>39.85</b>  |
| <b>4</b> | <b>Tax expense</b>                                                    |                  |                   |                  |                  |                  |               |
|          | Current tax                                                           | 4.28             | 0.48              | 1.99             | 5.79             | 2.39             | 10.62         |
|          | Deferred tax                                                          | 3.23             | 2.07              | (0.33)           | 5.06             | (0.92)           | (2.38)        |
|          | Adjustments of tax relating to earlier periods                        | -                | -                 | (0.14)           | -                | 0.01             | 0.13          |
|          | <b>Total tax expense</b>                                              | <b>7.51</b>      | <b>2.55</b>       | <b>1.52</b>      | <b>10.85</b>     | <b>1.48</b>      | <b>8.37</b>   |
| <b>5</b> | <b>Profit for the period (3-4)</b>                                    | <b>21.77</b>     | <b>5.45</b>       | <b>6.74</b>      | <b>30.36</b>     | <b>8.54</b>      | <b>31.48</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                               | (0.42)           | (0.24)            | 0.93             | 0.29             | 0.73             | 1.06          |
|          | Income tax effect                                                     | 0.15             | 0.08              | (0.32)           | (0.10)           | (0.25)           | (0.37)        |
|          | <b>Other comprehensive income</b>                                     | <b>(0.27)</b>    | <b>(0.16)</b>     | <b>0.61</b>      | <b>0.19</b>      | <b>0.48</b>      | <b>0.69</b>   |
| <b>7</b> | <b>Total comprehensive income for the year (5+6)</b>                  | <b>21.50</b>     | <b>5.29</b>       | <b>7.35</b>      | <b>30.55</b>     | <b>9.02</b>      | <b>32.17</b>  |
|          | <b>Earnings per equity share (Nominal value per share Rs. 2 each)</b> |                  |                   |                  |                  |                  |               |
|          | Basic                                                                 | 1.20             | 0.30              | 0.38             | 1.67             | 0.48             | 1.75          |
|          | Diluted                                                               | 1.20             | 0.30              | 0.37             | 1.67             | 0.47             | 1.74          |

**Notes:**

- The above results were reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 28 January 2019.
- The Company operates only in one segment, i.e. "Process and Project Engineering".
- To commemorate the Silver Jubilee of its IPO, the Company has declared a Special (interim) dividend of 25% on the face value of Rs. 2 per share.
- '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 December 2018, Company allotted 918,762 equity shares to its employees under Employee Stock Option Plan.
- In accordance with the requirements of Indian Accounting Standard, revenue for the quarter and nine months ended 31 December 2018 and quarter ended 30 September 2018 is net of Goods and Services Tax (GST). Revenue for the period upto 31 December 2017, however, is inclusive of excise duty. The figures of revenue for the period upto 31 December 2017 are not strictly comparable to those thereafter. The following additional information is being provided to make it comparable:

| Particulars                                         | Quarter ended    |                   |                  | Year to date     |                  | Year ended    |
|-----------------------------------------------------|------------------|-------------------|------------------|------------------|------------------|---------------|
|                                                     | 31 December 2018 | 30 September 2018 | 31 December 2017 | 31 December 2018 | 31 December 2017 | 31 March 2018 |
| Revenue from operations (A)                         | 278.14           | 192.48            | 191.16           | 614.94           | 484.89           | 701.97        |
| Excise duty (B)                                     | -                | -                 | -                | -                | 5.00             | 5.00          |
| Revenue from operations excluding excise duty (A-B) | 278.14           | 192.48            | 191.16           | 614.94           | 479.89           | 696.97        |

- Prior year comparatives are regrouped / reclassified wherever necessary to conform to current period's presentation.

Place : Pune  
Date : 28 January 2019



SHISHIR JOSHIPURA  
CEO AND MANAGING DIRECTOR  
DIN: 00574970



8

**M/s P. G. BHAGWAT**

CHARTERED ACCOUNTANTS

**HEAD OFFICE**

Suites 101 - 102, 'Orchard',  
Dr. Pai Marg, Baner,  
Pune - 411045.

Tel.: 020 - 27290771, 27291772, 27291773  
Email : pgb@pgbhagwatca.com  
Web : www.pgbhagwatca.com

**Limited Review Report**

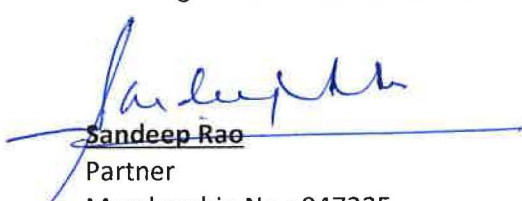
To the Board of Directors,  
Praj Industries Limited.

We have reviewed the accompanying statement of unaudited standalone financial results ("the Statement") of **Praj Industries Limited** for the period ended **31<sup>st</sup> December 2018**, 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 standalone financial results prepared in accordance with applicable accounting standards i.e. Ind AS prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder 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 and SEBI circular dated 5<sup>th</sup> July 2016 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  
Place: Pune  
Date: 28<sup>th</sup> January 2019



**UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31 DECEMBER 2018, 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    |
|---------|-----------------------------------------------------------------------|---------------------------------|----------------------------------|---------------------------------|---------------------------------|---------------------------------|---------------|
|         |                                                                       | 31 December 2018<br>(Unaudited) | 30 September 2018<br>(Unaudited) | 31 December 2017<br>(Unaudited) | 31 December 2018<br>(Unaudited) | 31 December 2017<br>(Unaudited) |               |
| 1       | <b>INCOME</b>                                                         |                                 |                                  |                                 |                                 |                                 |               |
|         | Revenue from operations                                               | 330.31                          | 251.03                           | 248.28                          | 772.94                          | 648.93                          | 923.46        |
|         | Other income                                                          | 7.41                            | 5.10                             | 1.55                            | 15.92                           | 7.12                            | 17.21         |
|         | <b>Total income</b>                                                   | <b>337.72</b>                   | <b>256.13</b>                    | <b>249.83</b>                   | <b>788.86</b>                   | <b>656.05</b>                   | <b>940.67</b> |
| 2       | <b>EXPENSES</b>                                                       |                                 |                                  |                                 |                                 |                                 |               |
|         | Cost of materials consumed                                            | 182.03                          | 136.62                           | 131.52                          | 403.04                          | 324.88                          | 471.20        |
|         | Changes in inventories of finished goods and work-in-progress         | 0.73                            | (4.13)                           | 3.80                            | 5.16                            | 7.23                            | (1.92)        |
|         | Employee benefits expense                                             | 40.17                           | 41.24                            | 35.37                           | 121.15                          | 110.24                          | 149.47        |
|         | Finance costs                                                         | 0.24                            | 0.12                             | 0.32                            | 0.58                            | 0.84                            | 1.14          |
|         | Depreciation and amortisation expense                                 | 5.64                            | 5.95                             | 6.13                            | 17.53                           | 18.04                           | 24.09         |
|         | Exchange (gain) / loss                                                | (3.98)                          | 3.11                             | 0.04                            | (3.83)                          | (5.48)                          | (9.51)        |
|         | Excise duty expense                                                   | -                               | -                                | -                               | -                               | 6.87                            | 6.87          |
|         | Other expenses                                                        | 83.49                           | 60.36                            | 60.80                           | 198.49                          | 175.23                          | 246.32        |
|         | <b>Total expenses</b>                                                 | <b>308.32</b>                   | <b>243.27</b>                    | <b>237.98</b>                   | <b>742.12</b>                   | <b>637.85</b>                   | <b>887.66</b> |
| 3       | <b>Profit before tax (1-2)</b>                                        | <b>29.40</b>                    | <b>12.86</b>                     | <b>11.85</b>                    | <b>46.74</b>                    | <b>18.20</b>                    | <b>53.01</b>  |
| 4       | <b>Tax expense</b>                                                    |                                 |                                  |                                 |                                 |                                 |               |
|         | Current tax                                                           | 4.37                            | 1.60                             | 4.56                            | 7.45                            | 6.16                            | 15.49         |
|         | Deferred tax                                                          | 2.64                            | 2.32                             | (0.10)                          | 4.47                            | (0.65)                          | (1.99)        |
|         | Adjustments of tax relating to earlier periods                        | (0.04)                          | -                                | (0.14)                          | (0.04)                          | 0.01                            | 0.02          |
|         | <b>Total tax expense</b>                                              | <b>6.97</b>                     | <b>3.92</b>                      | <b>4.32</b>                     | <b>11.88</b>                    | <b>5.52</b>                     | <b>13.52</b>  |
| 5       | <b>Profit for the year (3-4)</b>                                      | <b>22.43</b>                    | <b>8.94</b>                      | <b>7.53</b>                     | <b>34.86</b>                    | <b>12.68</b>                    | <b>39.49</b>  |
| 6       | <b>Attributable to:</b>                                               |                                 |                                  |                                 |                                 |                                 |               |
|         | Non-controlling interest                                              | -                               | -                                | -                               | -                               | -                               | -             |
|         | Equity holder's of parents                                            | 22.43                           | 8.94                             | 7.53                            | 34.86                           | 12.68                           | 39.49         |
| 7       | <b>Other comprehensive income</b>                                     |                                 |                                  |                                 |                                 |                                 |               |
|         | <b>Items that will not be reclassified to profit and loss:</b>        |                                 |                                  |                                 |                                 |                                 |               |
|         | Re-measurement of defined benefit plans                               | (0.53)                          | (0.27)                           | 0.94                            | 0.25                            | 0.66                            | 1.16          |
|         | Income tax effect                                                     | 0.14                            | 0.09                             | (0.33)                          | (0.13)                          | (0.23)                          | (0.40)        |
|         | <b>Items that will be reclassified to profit and loss:</b>            |                                 |                                  |                                 |                                 |                                 |               |
|         | Exchange differences on translation of foreign operations             | (0.14)                          | 0.49                             | (0.11)                          | 0.37                            | (0.10)                          | 0.04          |
|         | Income tax effect                                                     | -                               | -                                | -                               | -                               | -                               | -             |
|         | <b>Other comprehensive income</b>                                     | <b>(0.53)</b>                   | <b>0.31</b>                      | <b>0.50</b>                     | <b>0.49</b>                     | <b>0.33</b>                     | <b>0.80</b>   |
| 8       | <b>Total comprehensive income for the year (5+7)</b>                  | <b>21.90</b>                    | <b>9.25</b>                      | <b>8.03</b>                     | <b>35.35</b>                    | <b>13.01</b>                    | <b>40.29</b>  |
| 9       | <b>Attributable to:</b>                                               |                                 |                                  |                                 |                                 |                                 |               |
|         | Non-controlling interest                                              | -                               | -                                | -                               | -                               | -                               | -             |
|         | Equity holder's of parents                                            | 21.90                           | 9.25                             | 8.03                            | 35.35                           | 13.01                           | 40.29         |
| 10      | <b>Earnings per equity share (Nominal value per share Rs. 2 each)</b> |                                 |                                  |                                 |                                 |                                 |               |
|         | Basic                                                                 | 1.24                            | 0.49                             | 0.42                            | 1.92                            | 0.71                            | 2.19          |
|         | Diluted                                                               | 1.23                            | 0.49                             | 0.42                            | 1.91                            | 0.70                            | 2.18          |

**Notes:**

- The above results were reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 28 January 2019.
- The group operates only in one segment, i.e. "Process and Project Engineering".
- To commemorate the Silver Jubilee of its IPO, the Company has declared a Special (interim) dividend of 25% on the face value of Rs. 2 per share.
- '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 December 2018, Company allotted 918,762 equity shares to its employees under Employee Stock Option Plan.
- In accordance with the requirements of Indian Accounting Standard, revenue for the quarter and nine months ended 31 December 2018 and quarter ended 30 September 2018 is net of Goods and Services Tax (GST). Revenue for the period up to 31 December 2017, however, is inclusive of excise duty. The figures of revenue for the period upto 31 December 2017 are not strictly comparable to those thereafter. The following additional information is being provided to make it comparable:

| Particulars                                         | Quarter ended    |                   |                  | Year to date     |                  | Year ended |
|-----------------------------------------------------|------------------|-------------------|------------------|------------------|------------------|------------|
|                                                     | 31 December 2018 | 30 September 2018 | 31 December 2017 | 31 December 2018 | 31 December 2017 |            |
| Revenue from operations (A)                         | 330.31           | 251.03            | 248.28           | 772.94           | 648.93           | 923.46     |
| Excise duty (B)                                     | -                | -                 | -                | -                | 6.87             | 6.87       |
| Revenue from operations excluding excise duty (A-B) | 330.31           | 251.03            | 248.28           | 772.94           | 642.06           | 916.59     |

- Prior year comparatives are regrouped / reclassified wherever necessary to conform to current period's presentation.

Place : Pune  
Date : 28 January 2019

*S. Josphipura*

SHISHIR JOSHIPURA  
CEO AND MANAGING DIRECTOR  
DIN: 00574970



8

## Limited Review Report

To the Board of Directors,  
Praj Industries Limited.

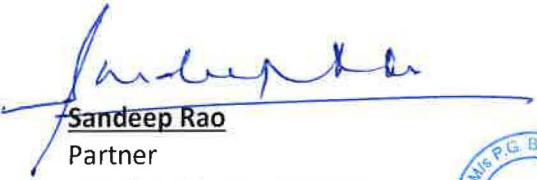
We have reviewed the accompanying statement of consolidated unaudited financial results ("the Statement") of **Praj Industries Limited** and its **Subsidiaries** (collectively known as the "Group") for the period ended **31<sup>st</sup> December 2018**, attached herewith. This statement is the responsibility 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.

We did not review the financial results of four subsidiaries which reflect total assets of Rs. 17.27 Crores as at 31<sup>st</sup> December 2018 and total revenues of Rs. 11.11 Crores for the quarter then ended, the company's share of such assets and revenues being Rs. 17.27 Crores and Rs. 11.11 Crores respectively. The results of these subsidiaries are based on the financial results of these entities as certified by the management which are neither audited nor have been subjected to a Limited Review.

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 i.e. Ind AS prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder 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 and SEBI circular dated 5<sup>th</sup> July 2016 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

Place: Pune

Date: 28<sup>th</sup> January 2019

