

Thejo Engineering Limited

41, Cathedral Road,
Chennai 600 086.
India

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14th November, 2019

The Manager,
Listing Department,
National Stock Exchange of India Limited
Exchange Plaza,
Bandra Kurla Complex, Bandra (E),
Mumbai 400051.

Dear Sir/Madam,

Sub: Outcome of Board meeting held on 14th November, 2019– Reg
Ref: Our Scrip Code THEJO – EQ (SM)

The Board of Directors at their meeting held today has, inter-alia, approved the financial results of the Company for the half-year ended 30th September, 2019.

The Meeting of the Board of Directors concluded at 5:15 PM. 

This is for your information and records.

With thanks,

Yours truly,

For Thejo Engineering Limited,

A handwritten signature in black ink, appearing to read 'V. A. GEORGE'.

V. A GEORGE

MANAGING DIRECTOR

DIN: 01493737



Thejo Engineering Limited										
Regd Off: No.41, Cathedral Road, Chennai 600 086										
CIN: L27209TN1986PLC012833 Ph:044-42221900 Fax:044-42221910 Email:investor@thejo-engg.com Website:www.thejo-engg.com										
Standalone and Consolidated Financial Results for the half-year ended 30 th September, 2019										
Particulars	Six Months ended 30-09-2019		Previous Six Months ended 31-03-2019		Corresponding Six Months in the previous year ended 30-09-2018		Previous Six Months ended 31-03-2019		Corresponding Six Months in the previous year ended 30-09-2018	
	Standalone Audited	Standalone Audited	Standalone Audited	Standalone Audited	Standalone Audited	Standalone Audited	Consolidated Unaudited	Consolidated Unaudited	Consolidated Unaudited	Consolidated Unaudited
I Revenue from Operations	9458.67	9505.52	9527.32	19032.84	14269.25	11245.39	11701.50	11245.39	11701.50	22946.89
II Other Income	25.61	-56.27	184.57	128.30	27.56	-44.82	157.12	-44.82	157.12	112.30
III Total Revenue (I+II)	9484.28	9449.25	9711.89	19161.14	14296.81	11200.57	11858.62	11200.57	11858.62	23059.19
IV Expenses										
a. Cost of Materials consumed	2001.16	1886.46	2071.54	3958.00	2767.52	2474.89	2818.24	2474.89	2818.24	5293.13
b. Purchase of stock-in-trade	44.37	158.79	475.05	633.84	44.37	158.79	475.05	158.79	475.05	633.84
c. Changes in inventories of finished goods, work-in-progress and stock-in-trade	-63.19	-62.31	-351.85	-414.16	490.51	-522.35	-568.72	-522.35	-568.72	-1091.07
d. Employee benefits expense	3522.68	3396.85	3500.09	6896.94	4707.72	4180.59	4340.61	4180.59	4340.61	8521.20
e. Finance Cost	171.32	193.37	203.43	386.80	217.82	216.03	236.56	216.03	236.56	452.59
f. Depreciation and amortisation expense	210.57	239.48	204.66	444.12	302.23	333.38	313.42	333.38	313.42	646.80
g. Other expenses	2734.98	2747.10	2582.86	5329.96	3651.92	3389.93	3053.14	3389.93	3053.14	6443.07
Total Expenses	8621.89	8559.72	8665.78	17245.50	12182.09	10231.26	10668.30	10231.26	10668.30	20899.56
V. Profit/(Loss) before exceptional and extraordinary items and tax (III-IV)	862.39	889.53	1026.11	1915.64	2114.72	969.31	1190.32	969.31	1190.32	2159.63
VI Exceptional Items	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
VII. Profit/(Loss) before extraordinary items and tax (V-VI)	862.39	889.53	1026.11	1915.64	2114.72	969.31	1190.32	969.31	1190.32	2159.63
VIII Extraordinary Items	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
IX Profit before tax (VII-VIII)	862.39	889.53	1026.11	1915.64	2114.72	969.31	1190.32	969.31	1190.32	2159.63
X. Tax expenses	254.26	193.55	364.95	558.50	314.38	261.14	415.76	261.14	415.76	676.90
(a) Current Tax	265.79	204.32	366.58	570.90	325.91	271.89	417.41	271.89	417.41	689.30
(b) Deferred Tax	-11.53	-10.77	-1.63	-12.40	-11.53	-10.75	-1.65	-10.75	-1.65	-12.40
XI Profit/(Loss) for the period from continuing operations (IX-X)	608.13	695.98	661.16	1357.14	1800.34	708.17	774.56	708.17	774.56	1482.73
XII Profit/(Loss) from discontinuing operations	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
XIII Tax expense on discontinuing operations	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
XIV Profit/(Loss) from Discontinuing operations (after tax) (XII-XIII)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
XV Profit/(Loss) for the period (XI+XIV)	608.13	695.98	661.16	1357.14	1800.34	708.17	774.56	708.17	774.56	1482.73
XVI Share of Profit/(Loss) of associates	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
XVII Transfer to Minority Interest	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
XVIII Consolidated Net Profit/(Loss) for the period (XV+XVI-XVII)	608.13	695.98	661.16	1357.14	1472.87	686.22	689.49	686.22	689.49	1335.71
XIX Paid-up equity share capital (Face Value of Rs.10/- each)	344.48	343.70	343.46	343.70	344.48	343.70	343.46	343.70	343.46	343.70
XX Reserves excluding Revaluation Reserve as per balance sheet of previous accounting year	9022.09			7813.88	7403.59					6231.94
XXI Earnings Per Equity Share (EPS) of face value of Rs. 10/- each fully paid (before and after extraordinary item) (not annualised):										
(a) Basic	17.67	20.25	19.26	39.51	42.80	18.81	20.08	18.81	20.08	38.89
(b) Diluted	17.51	20.25	19.26	39.51	42.41	18.81	20.08	18.81	20.08	38.89



Notes		As at 30-09-2019		As at 31-03-2019		As at 30-09-2019		As at 31-03-2019	
		Standalone Audited	Standalone Audited	Standalone Audited	Standalone Audited	Consolidated Unaudited	Consolidated Unaudited	Consolidated Audited	Consolidated Audited
1. Statement of Assets and Liabilities									
A. EQUITY AND LIABILITIES									
1 Shareholders' funds									
(a) Share capital									
		344.48	343.70	344.48	343.70	344.48	343.46	343.70	343.70
(b) Reserves and surplus									
		9456.55	9022.09	8697.44	8697.44	8697.44	8697.44	7403.59	7403.59
(c) Money received against share warrants									
		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<i>Sub-total - Shareholders' funds</i>									
		9801.03	9365.79	9047.92	9047.92	9047.92	9047.92	7747.29	7747.29
2 Share application money pending allotment									
		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3 Minority Interest									
		0.00	0.00	956.66	570.60	570.60	570.60	621.04	621.04
4 Non-current liabilities									
(a) Long-term borrowings									
		106.95	175.42	612.35	825.82	825.82	825.82	756.04	756.04
(b) Deferred tax liabilities (net)									
		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(c) Other long-term liabilities									
		0.00	0.00	61.89	49.43	49.43	49.43	49.82	49.82
(d) Long-term provisions									
		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<i>Sub-total - Non-current liabilities</i>									
		106.95	175.42	674.24	875.25	875.25	875.25	805.86	805.86
5 Current liabilities									
(a) Short-term borrowings									
		1816.80	1991.65	2414.23	2348.37	2348.37	2348.37	2070.58	2070.58
(b) Trade payables									
		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(i) Total outstanding dues of micro enterprises and small enterprises									
		1491.17	1878.79	2440.66	1967.25	1967.25	1967.25	2517.65	2517.65
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises									
		2326.33	1936.72	3143.02	2842.07	2842.07	2842.07	2419.99	2419.99
(c) Other current liabilities									
		589.53	450.45	692.19	646.60	646.60	646.60	497.59	497.59
(d) Short-term provisions									
		6193.83	6257.62	8690.70	7804.29	7804.29	7804.29	7505.81	7505.81
<i>Sub-total - Current liabilities</i>									
		16101.81	15798.82	19362.92	16337.87	16337.87	16337.87	16680.00	16680.00
TOTAL - EQUITY AND LIABILITIES									
B. ASSETS									
1 Non-current assets									
(a) Property, Plant and Equipment									
		2342.73	2355.04	3360.65	3415.13	3415.13	3415.13	3328.86	3328.86
(i) Tangible Assets									
		32.07	29.53	42.18	40.84	40.84	40.84	32.18	32.18
(ii) Intangible Assets									
		18.85	55.44	18.85	55.44	55.44	55.44	22.61	22.61
(iii) Capital Work in Progress									
		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(iv) Intangible Assets under development									
		2126.05	1954.07	2126.05	0.00	0.00	0.00	0.00	0.00
(b) Non-current investments									
		63.68	41.38	63.67	41.40	41.40	41.40	52.15	52.15
(c) Deferred tax assets (net)									
		476.74	616.90	521.54	572.35	572.35	572.35	480.41	480.41
(d) Long-term loans and advances									
		0.00	0.00	1792.80	88.60	88.60	88.60	0.00	0.00
(e) Other non-current assets									
		5060.12	5052.36	5799.69	4213.76	4213.76	4213.76	3916.21	3916.21
<i>Sub-total - Non-current assets</i>									
		16101.81	15798.82	19362.92	16337.87	16337.87	16337.87	16680.00	16680.00
2 Current assets									
(a) Current investments									
		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(b) Inventories									
		2331.21	2049.18	3191.56	3003.19	3003.19	3003.19	3624.43	3624.43
(c) Trade receivables									
		6326.49	6216.17	7357.95	6321.94	6321.94	6321.94	6389.92	6389.92
(d) Cash and cash equivalents									
		915.70	934.17	1125.89	1205.34	1205.34	1205.34	1506.28	1506.28
(e) Short-term loans and advances									
		1268.29	1386.60	1395.39	1593.64	1593.64	1593.64	1243.16	1243.16
(f) Other current assets									
		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<i>Sub-total - Current assets</i>									
		11041.69	10566.12	13563.23	12124.71	12124.71	12124.71	12763.79	12763.79
TOTAL - ASSETS									
		16101.81	15638.48	19362.92	16337.87	16337.87	16337.87	16680.00	16680.00



2. Cash Flow Statement	Six Months ended 30-09-2019		Corresponding Six Months in the previous year ended 30-09-2018		Previous year ended 31-03-2019		Corresponding Six Months in the previous year ended 30-09-2018		Previous year ended 31-03-2019	
	Standalone Audited	Standalone Audited	Standalone Audited	Standalone Audited	Standalone Audited	Standalone Audited	Standalone Unaudited	Standalone Unaudited	Standalone Audited	Consolidated Audited
Profit before tax as per Statement of Profit and Loss	862.39	1026.11	1915.64	2114.72						2159.03
Adjustment for:										
Depreciation	210.57	204.66	444.12	302.23						646.80
Pre-operative Expenses written off	0.00	0.00	0.00	0.00						100.31
Employee Stock Option Expense	22.75	6.94	11.75	22.74						11.75
Loss/(Profit) on sale of asset	-0.65	-3.74	-8.65	-0.65						-8.65
Interest Paid	171.32	203.43	396.80	217.82						452.59
Unrealized foreign exchange (gain)/loss (net)	28.08	-122.06	-8.14	8.19						17.14
Interest Received	-24.62	-23.86	-52.04	-21.60						-38.08
Operating Profit before working capital changes	1269.84	1291.48	2699.48	2643.45						3341.48
Adjustment for:										
Trade and Other Receivables	-508.23	-84.47	121.35	-2956.70						19.24
Inventories	-120.83	-384.15	-545.35	432.86						-1068.78
Trade Payables and Other Liabilities	149.06	-0.30	99.46	835.41						347.96
Cash Generated from Operations	789.84	822.56	2374.94	955.02						2639.93
Direct Taxes Paid	-298.74	-162.18	-530.88	-299.20						-644.96
Net Cash from Operating Activities (A)	491.10	660.38	1844.06	655.82						1994.97
Cash flow from Investing Activities										
Purchase of Fixed Assets	-204.06	-221.38	-431.61	-344.49						-677.28
Sale of assets	0.66	5.85	21.36	0.66						21.36
Investments disposed	0.00	0.50	0.50	0.00						0.00
Investments Made	0.00	-9.18	-171.98	0.00						0.50
Repayment of loans/advance by subsidiaries	89.93	51.66	81.69	0.00						0.00
Interest Received	31.65	23.86	45.16	27.14						25.16
Net cash used in Investing Activities (B)	-81.82	-148.69	-454.88	-316.69						-630.26
Cash Flow from Financing Activities										
Increase in Share Capital/Premium on account of issue of shares	11.99	1.54	5.23	11.99						5.23
Increase/(Decrease) in short-term credit facilities/borrowings	-174.85	536.22	179.50	343.65						288.43
Term Loan availed	9.00	60.56	60.56	9.00						181.18
Repayments of Term Loan	-80.42	-451.65	-560.33	-160.04						-682.76
Interest paid	-172.71	-203.43	-401.18	-219.22						-456.97
Dividend (including Dividend Distribution Tax) Paid	-207.64	-165.57	-165.57	-207.64						-165.57
Net Cash from/(used in) Financing Activities (C)	-614.63	-222.33	-881.79	-222.26						-860.48
Exchange Difference on translation of cash and cash equivalents (D)	-4.84	14.48	-11.83	-4.82						-11.83
Net Increase/(Decrease) in cash & cash equivalents (A)+(B)+(C)+(D)	-210.19	303.84	495.56	112.05						492.40
Opening Cash & Cash Equivalents	1125.89	630.33	630.33	1506.28						1013.88
Closing Cash & Cash Equivalents	915.70	934.17	1125.89	1618.33						1506.28



2

3. Segment Results	Six Months ended 30-09-2019		Previous Six Months ended 31-03-2019		Corresponding Six Months in the previous year ended 30-09-2018		Previous Six Months ended 31-03-2019		Corresponding Six Months in the previous year ended 30-09-2018		Previous year ended 31-03-2019		Corresponding year ended 31-03-2019		
	Standalone Audited	Standalone Audited	Standalone Audited	Standalone Audited	Standalone Audited	Standalone Audited	Standalone Audited	Standalone Audited	Standalone Audited	Standalone Audited	Standalone Audited	Consolidated Unaudited	Consolidated Unaudited	Consolidated Audited	Consolidated Audited
Segment Revenue															
a) Manufacturing Units	4641.39	5812.46	5111.61	10924.07	4641.39	5111.61	5812.46	10924.07	4641.39	5111.61	5812.46	10924.07	4641.39	5111.61	10924.07
b) Service Units	5656.68	5064.61	5188.98	10253.57	5656.68	5188.98	5064.61	10253.57	5656.68	5188.98	5064.61	10253.57	5656.68	5188.98	10253.57
c) Others	542.21	627.21	1005.26	1632.47	542.21	1005.26	627.21	1632.47	542.21	1005.26	627.21	1632.47	542.21	1005.26	1632.47
Total	10840.28	11504.28	11305.83	22810.11	10840.28	11305.83	11504.28	22810.11	10840.28	11305.83	11504.28	22810.11	10840.28	11305.83	22810.11
Less: Inter-segment Revenue	1381.61	1998.76	1778.51	3777.27	1381.61	1778.51	1998.76	3777.27	1381.61	1778.51	1998.76	3777.27	1381.61	1778.51	3777.27
Net Sales/Income from Operations	9458.67	9505.52	9527.32	19032.84	9458.67	9527.32	9505.52	19032.84	9458.67	9527.32	9505.52	19032.84	9458.67	9527.32	19032.84
Segment Results before interest and tax															
a) Manufacturing Units	773.04	1368.40	1292.39	2660.79	773.04	1292.39	1368.40	2660.79	773.04	1292.39	1368.40	2660.79	773.04	1292.39	2660.79
b) Service Units	1020.93	517.68	687.98	1205.66	1020.93	687.98	517.68	1205.66	1020.93	687.98	517.68	1205.66	1020.93	687.98	1205.66
c) Others	20.98	-106.06	17.25	-88.81	20.98	-106.06	17.25	-88.81	20.98	-106.06	17.25	-88.81	20.98	-106.06	-88.81
Total	1814.95	1780.02	1997.62	3777.64	1814.95	1997.62	1780.02	3777.64	1814.95	1997.62	1780.02	3777.64	1814.95	1997.62	3777.64
Less:															
i) Interest	171.32	193.37	203.43	396.80	171.32	203.43	193.37	396.80	171.32	203.43	193.37	396.80	171.32	203.43	396.80
ii) Other unallocable expenses (net of unallocable income)	781.24	697.12	768.08	1465.20	781.24	768.08	697.12	1465.20	781.24	768.08	697.12	1465.20	781.24	768.08	1465.20
Total Profit before tax	862.39	889.53	1026.11	1915.64	862.39	1026.11	889.53	1915.64	862.39	1026.11	889.53	1915.64	862.39	1026.11	1915.64
Segment Assets															
a) Manufacturing Units	6743.78	6446.69	6553.84	6446.69	6743.78	6553.84	6446.69	6446.69	6743.78	6553.84	6446.69	6446.69	6743.78	6553.84	6446.69
b) Service Units	5564.77	5374.84	5096.95	5374.84	5564.77	5096.95	5374.84	5374.84	5564.77	5096.95	5374.84	5374.84	5564.77	5096.95	5374.84
c) Others	527.41	443.55	637.42	443.55	527.41	637.42	443.55	443.55	527.41	637.42	443.55	443.55	527.41	637.42	443.55
d) Unallocated	3265.85	3353.75	3353.75	3533.75	3265.85	3353.75	3353.75	3533.75	3265.85	3353.75	3353.75	3533.75	3265.85	3353.75	3353.75
Segment Liabilities															
a) Manufacturing Units	1616.01	1623.37	1435.19	1623.37	1616.01	1435.19	1623.37	1623.37	1616.01	1435.19	1623.37	1623.37	1616.01	1435.19	1623.37
b) Service Units	1351.32	1316.81	1266.13	1316.81	1351.32	1266.13	1316.81	1316.81	1351.32	1266.13	1316.81	1316.81	1351.32	1266.13	1316.81
c) Others	94.14	61.54	255.32	61.54	94.14	255.32	61.54	61.54	94.14	255.32	61.54	61.54	94.14	255.32	61.54
d) Unallocated	3239.31	3431.32	4020.55	3431.32	3239.31	4020.55	3431.32	3431.32	3239.31	4020.55	3431.32	3431.32	3239.31	4020.55	3431.32
Capital Employed															
a) Manufacturing Units	5127.77	4823.32	5118.65	4823.32	5127.77	5118.65	4823.32	4823.32	5127.77	5118.65	4823.32	4823.32	5127.77	5118.65	4823.32
b) Service Units	4213.46	4058.03	3830.82	4058.03	4213.46	3830.82	4058.03	4058.03	4213.46	3830.82	4058.03	4058.03	4213.46	3830.82	4058.03
c) Others	433.27	382.01	382.10	382.01	433.27	382.10	382.01	382.01	433.27	382.10	382.01	382.01	433.27	382.10	382.01
d) Unallocated	26.54	102.43	-670.28	102.43	26.54	-670.28	102.43	102.43	26.54	-670.28	102.43	102.43	26.54	-670.28	102.43
Total	9801.03	9365.79	8681.29	9365.79	9801.03	8681.29	9365.79	9365.79	9801.03	8681.29	9365.79	9365.79	9801.03	8681.29	9365.79

4. The consolidated financial statements for the half-year ended 30th September, 2019 have been prepared based on the Audited standalone financial results of the Company and the unaudited financial statements of the subsidiaries, Thejo Halcon Industrial Services Company, Thejo Australia Pty Ltd., Thejo Brasil Comercio E Servicos Ltda. and Thejo Engineering Latinoamérica SpA.

5. The consolidated financial statements include the effect of initial supply of the products of the Company on deferred payment basis as part of a four year contract entered into by Thejo Australia Pty Ltd. for maintenance and inspection services for conveyor systems and supply of belt cleaning consumables.

6. The Company is evaluating the option of lower taxes as contained in the Taxation Laws (Amendment) Ordinance, 2019 under Section 115BAA of the Income-tax Act, 1961. The Company has considered tax rates existing prior to the Ordinance for the purpose of these results.

7. Cash and Cash Equivalents as on 30th September, 2019, include ₹ 422.60 lakhs (As on 31st March, 2019: ₹ 373.63 lakhs) in Fixed Deposits with Banks held as Margin Money for BG & LC/Security.

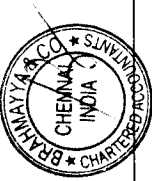
8. The above financial results have been approved by the Board of Directors of the Company at their meeting held on 14th November, 2019, after review by the Audit Committee. The standalone financial results have been audited and consolidated financial results have been subjected to a limited review by M/s. Brahmayya & Co. Chartered Accountants, the Statutory Auditors of the Company.

9. Investor Complaints:
 Nil
 Pending at the beginning of the half-year
 Received during the half-year
 Disposed during the half-year
 Remaining unresolved at the end of the half-year
 Nil

10. Figures for the previous periods have been regrouped/reclassified, where necessary, to conform to the classification of the current period.

By order of the Board

 V A George
 Managing Director
 DIN 01493737



Place: Chennai
 Date: 14th November, 2019

INDEPENDENT AUDITOR'S REPORT

TO THE BOARD OF DIRECTORS OF THEJO ENGINEERING LIMITED

Report on the Audit of the Standalone Financial Results Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015

Opinion

We have audited the accompanying standalone half-yearly financial results of THEJO ENGINEERING LIMITED (the company) for the half year ended 30th September, 2019 attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us these standalone financial results:

- i. is presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- ii. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards and other accounting principles generally accepted in India of the net profit and other financial information for the half year ended 30th September 2019.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 (the Act). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Standalone Financial Results* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial results under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's Responsibilities for the Standalone Financial Results

These half yearly standalone financial results have been prepared on the basis of the interim financial statements. The Company's Board of Directors are responsible for the preparation of these financial results that give a true and fair view of the net profit and other financial information in accordance with the recognition and measurement principles laid down in Accounting Standard 25, 'Interim Financial Reporting' prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with



the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial results, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

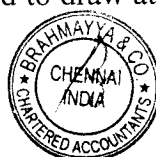
The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Results

Our objectives are to obtain reasonable assurance about whether the standalone financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related



disclosures in the financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial results, including the disclosures, and whether the financial results represent the underlying transactions and events in a manner that achieves fair presentation.
- We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Place: Chennai.

Date: 14th November 2019.



For Brahmayya & Co.,
Chartered Accountants
Firm Regn: 000511S

P. Babu
P. Babu
Partner
Membership No: 203358
UDIN: 19203358AAAAQY9614

To

**The Board of Directors,
Thejo Engineering Limited,
Chennai.**

1. We have reviewed the accompanying statement of Consolidated unaudited financial results of **Thejo Engineering Limited** and its subsidiaries (the Parent and its subsidiaries together referred to as “the Group”), for the six months period ended 30th September, 2019 (“the Statement”) being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. Attention is drawn to the fact that the consolidated cash flow figures for the corresponding six months period ended 30th September, 2018 as reported in these financial results have been approved by the Parent’s Board of Directors, but have not been subjected to review by us.
2. This Statement, which is the responsibility of the Parent’s Management and approved by the Parent’s Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard 25 “Interim Financial Reporting” (“AS 25”), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the statements based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

4. The Statement includes the results of the following entities:

HOLDING COMPANY
Thejo Engineering Limited,
SUBSIDIARY COMPANIES
1. Thejo Hatcon Industrial Services Company – Saudi Arabia
2. Thejo Australia Pty Ltd - Australia
3. Thejo Brasil Comercio E Servicos Ltda – Brazil
4. Thejo Engineering Latino America spA – Chile



5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of the other auditor referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Accounting Standard specified under section 133 of the Companies Act 2013, as amended read with relevant Rules there under and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. We did not review the interim financial results of a subsidiary company included in the consolidated unaudited financial results, whose interim financial results reflect total assets of Rs. 4783.58 Lakhs as at 30th September 2019, total revenues of Rs. 4513.78 Lakhs for the six months period ended 30th September 2019, total net profit after tax of Rs. 936.51 Lakhs for the six months period ended 30th September 2019 and cash flow (net) of Rs. 175.93 Lakhs for the period from 1st April 2019 to 30th September 2019 as considered in the consolidated unaudited financial results. These interim financial results have been reviewed by other auditor whose reports have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of the subsidiary, is based solely on the reports of the other auditor and the procedures performed by us as stated in paragraph 3 above.

Our conclusion on the Statement is not modified in respect of the above matter.

7. We did not review the interim financial results of the three subsidiary companies included in the consolidated unaudited financial results, whose interim financial results reflect total assets of Rs. 2598.53 Lakhs as at 30th September 2019, total revenues of Rs. 1234.29 Lakhs for the six months period ended 30th September 2019, total net profit after tax of Rs. 178.71 Lakhs for the six months period ended 30th September 2019 and cash flow (net) of Rs. 146.31 lakhs for the period 1st April 2019 to 30th September 2019, as considered in the consolidated unaudited financial results. These interim financial results have been certified by the management and the same have not been reviewed/audited. According to the explanations given to us by the management, these interim financial results are not material to the group.

Our conclusion on the Statement is not modified in respect of the above matter.

Place: Chennai.
Date: 14 November 2019



For BRAHMAYYA & CO.,
Chartered Accountants
Firm Regn. No. 000511S

P. Babu
Partner

Membership No. 203358
UDIN: 19203358AAAAQZ2306