

Thejo Engineering Limited

41 Cathedral Road,
Chennai - 600 086.
India

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11th November, 2020

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 11th November, 2020— Reg
Ref: Reg. 30 & 33 of SEBI (LODR) Regulations, 2015
Our Scrip Code THEJO – EQ (SM)

The Board of Directors at their Meeting held on 11th November, 2020 (today) has, inter-alia, approved the Audited Standalone and Un-audited Consolidated Financial Results of the Company for the half-year ended 30th September, 2020.

We are attaching herewith the Standalone and Consolidated Financial Results for the half-year ended 30th September, 2020 along with Audit Report on Standalone Financial Results and Limited Review Report on Consolidated Financial Results for the half-year ended 30th September, 2020.

The Meeting of the Board of Directors commenced at 11:50 AM and concluded at 2:40 PM. 

This is for your information and records.

With thanks,

Yours truly,

For Thejo Engineering Limited,



V. A GEORGE

MANAGING DIRECTOR

DIN: 01493737

Corporate Identification Number : L27209TN1986PLC012833
Reg. Office : 41 Cathedral Road, Chennai - 600 086, India. Tel : +91 44 42221900 Fax : +91 44 42221910
Works : Irulipattu Village, Allinjivakkam Post, Ponneri Taluk, Chennai - 600 067. Tel: +91 44 27964342

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, 2020										
Particulars	Previous		Corresponding		Previous		Corresponding		Rs. in Lakhs	
	Six Months ended 30-09-2020	Six Months ended 31-03-2020	Six Months ended previous year ended 30-09-2019	Six Months ended 31-03-2020	Six Months ended 30-09-2020	Six Months ended 31-03-2020	Six Months ended previous year ended 30-09-2019	Six Months ended 31-03-2020	Previous year ended 31-03-2020	Consolidated Audited
	Standalone Audited	Standalone Audited	Standalone Audited	Standalone Audited	Consolidated Unaudited	Consolidated Unaudited	Consolidated Unaudited	Consolidated Unaudited	Consolidated Unaudited	Consolidated Audited
I Revenue from Operations	8998.22	10710.49	9458.67	20169.16	14139.45	16120.51	14289.25	14289.25	30389.76	
II Other Income	175.40	67.53	25.61	93.14	213.86	31.72	27.56	27.56	59.28	
III Total Revenue (I+II)	9173.62	10778.02	9484.28	20262.30	14353.31	16152.23	14296.81	14296.81	30449.04	
IV Expenses										
a. Cost of Materials consumed	1561.16	2196.52	2001.16	4197.68	2763.81	3214.58	2767.52	2767.52	5982.10	
b. Purchase of stock-in-trade	53.45	48.65	44.37	93.02	53.45	48.65	44.37	44.37	93.02	
c. Changes in inventories of finished goods, work-in-progress and stock-in-trade	47.47	-129.10	-63.19	-192.29	-248.47	-122.54	490.51	490.51	367.97	
d. Employee benefits expense	3580.91	3922.34	3522.68	7445.02	5766.96	5783.63	4707.72	4707.72	10491.35	
e. Finance Cost	86.62	167.81	171.32	339.13	132.85	217.82	217.82	217.82	459.29	
f. Depreciation and amortisation expense	206.84	245.91	210.57	456.48	337.32	330.96	302.23	302.23	633.19	
g. Other expenses	2649.06	3312.46	2734.98	6047.44	4006.13	4928.18	3651.92	3651.92	8560.10	
Total Expenses	8185.51	9764.59	8621.89	18386.48	12812.05	14424.93	12182.09	12182.09	26607.02	
V Profit/(Loss) before exceptional and extraordinary items and tax (III-IV)	988.11	1013.43	862.39	1875.82	1541.26	1727.30	2114.72	2114.72	3842.02	
VI Exceptional items	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)	988.11	1013.43	862.39	1875.82	1541.26	1727.30	2114.72	2114.72	3842.02	
VIII Extraordinary items	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
IX Profit before tax (VII-VIII)	988.11	1013.43	862.39	1875.82	1541.26	1727.30	2114.72	2114.72	3842.02	
X Tax expenses	258.45	247.27	254.26	501.53	408.58	491.32	314.38	314.38	805.70	
(a) Current Tax	288.15	273.70	265.79	539.49	438.28	517.75	325.91	325.91	843.66	
(b) Deferred Tax	-29.70	-26.43	-11.53	-37.96	-29.70	-26.43	-11.53	-11.53	-37.96	
XI Profit/(Loss) for the period from continuing operations (IX-X)	729.66	766.16	608.13	1374.29	1132.68	1235.98	1800.34	1800.34	3036.32	
XII Profit/(Loss) from discontinuing operations	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	
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	
XV Profit/(Loss) for the period (XI+XIV)	729.66	766.16	608.13	1374.29	1132.68	1235.98	1800.34	1800.34	3036.32	
XVI Share of Profit/(Loss) of associates	NA	NA	NA	NA	NA	NA	NA	NA	NA	
XVII Transfer to Minority Interest	NA	NA	NA	NA	NA	NA	NA	NA	NA	
XVIII Consolidated Net Profit/(Loss) for the period (XV+XVI+XVII)	729.66	766.16	608.13	1374.29	1132.68	1235.98	1800.34	1800.34	3036.32	
XIX Paid-up equity share capital (Face Value of Rs.10/- each)	348.09	346.04	344.48	346.04	348.09	346.04	344.48	344.48	346.04	
XX Reserves excluding Revaluation Reserve as per balance sheet of previous accounting year	10275.29			9022.09	9778.44				7403.59	
XXI Earnings Per Equity Share (EPS) of face value of Rs. 10/- each fully paid (before and after extraordinary item) (not annualised):										
(a) Basic	21.05	22.19	17.67	39.86	28.74	30.11	42.80	42.80	72.91	
(b) Diluted	20.86	21.97	17.51	39.48	28.47	29.79	42.41	42.41	72.20	



Notes									
1. Statement of Assets and Liabilities									
	As at 30-09-2020	As at 30-09-2019	As at 31-03-2020	As at 30-09-2020	As at 30-09-2019	As at 31-03-2020	As at 30-09-2020	As at 30-09-2019	As at 31-03-2020
	Standalone Audited	Standalone Audited	Standalone Audited	Consolidated Unaudited	Standalone Audited	Consolidated Unaudited	Consolidated Unaudited	Consolidated Unaudited	Consolidated Audited
A. EQUITY AND LIABILITIES									
1 Shareholders' funds									
(a) Share capital	348.09	344.48	346.04	348.09	344.48	346.04	348.09	344.48	346.04
(b) Reserves and surplus	10881.62	9456.55	10275.29	10792.95	8697.44	9778.44	10792.95	8697.44	9778.44
(c) Money received against share warrants	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Sub-total - Shareholders' funds	11229.71	9801.03	10621.33	11141.04	9041.92	10124.48	11141.04	9041.92	10124.48
2 Share application money pending allotment	10.76	0.00	0.00	10.76	0.00	0.00	10.76	0.00	0.00
3 Minority Interest	0.00	0.00	0.00	1353.16	956.66	1180.42	1353.16	956.66	1180.42
4 Non-current liabilities									
(a) Long-term borrowings	16.32	106.95	53.24	1320.85	612.35	1147.86	1320.85	612.35	1147.86
(b) Deferred tax liabilities (net)	0.00	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	0.00	97.58	61.89	78.27	97.58	61.89	78.27
(d) Long-term provisions	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Sub-total - Non-current liabilities	16.32	106.95	53.24	1418.43	674.24	1226.13	1418.43	674.24	1226.13
5 Current liabilities									
(a) Short-term borrowings	324.58	1816.80	1458.97	718.57	2414.23	1803.82	718.57	2414.23	1803.82
(b) Trade payables	0.00	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	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	1456.46	1491.17	2027.47	2387.47	2440.66	2770.46	2387.47	2440.66	2770.46
(c) Other current liabilities	2832.37	2326.33	2599.07	3803.94	3143.02	3511.40	3803.94	3143.02	3511.40
(d) Short-term provisions	565.24	558.53	471.13	1034.57	692.19	857.25	1034.57	692.19	857.25
Sub-total - Current liabilities	5178.65	6193.83	6556.64	7944.55	8690.10	8942.93	7944.55	8690.10	8942.93
TOTAL - EQUITY AND LIABILITIES	16435.44	16101.81	17231.21	21867.94	19362.92	21473.96	21867.94	19362.92	21473.96
B. ASSETS									
1 Non-current assets									
(a) Property, Plant and Equipment									
(i) Tangible Assets	2190.76	2342.73	2296.79	3108.58	3360.65	3154.40	3108.58	3360.65	3154.40
(ii) Intangible Assets	17.65	32.07	22.90	17.67	42.18	22.92	17.67	42.18	22.92
(iii) Capital Work in Progress	59.21	18.85	14.26	59.21	18.85	14.26	59.21	18.85	14.26
(iv) Intangible Assets under development	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(b) Non-current investments	2330.18	2126.05	2126.05	0.00	0.00	0.00	0.00	0.00	0.00
(c) Deferred tax assets (net)	119.81	63.68	90.11	119.81	63.67	90.11	119.81	63.67	90.11
(d) Long-term loans and advances	461.51	476.74	451.78	509.64	521.54	491.72	509.64	521.54	491.72
(e) Other non-current assets	0.00	0.00	0.00	0.00	1792.80	0.00	0.00	1792.80	0.00
Sub-total - Non-current assets	5179.12	5060.12	5001.89	3814.91	5799.69	3773.41	3814.91	5799.69	3773.41
2 Current assets									
(a) Current investments	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(b) Inventories	2559.33	2331.21	2540.85	3706.47	3191.56	3394.64	3706.47	3191.56	3394.64
(c) Trade receivables	6154.01	6526.49	7256.30	10292.29	7357.95	10117.59	10292.29	7357.95	10117.59
(d) Cash and cash equivalents	1427.06	915.70	1274.20	2497.84	1618.33	2823.16	2497.84	1618.33	2823.16
(e) Short-term loans and advances	1115.92	1268.29	1157.97	1556.33	1395.39	1365.16	1556.33	1395.39	1365.16
(f) Other current assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Sub-total - Current assets	11256.32	11041.69	12229.32	19053.03	13563.23	17700.55	19053.03	13563.23	17700.55
TOTAL - ASSETS	16435.44	16101.81	17231.21	21867.94	19362.92	21473.96	21867.94	19362.92	21473.96



2. Cash Flow Statement									
	Six Months ended 30-09-2020	Corresponding Six Months in the previous year ended 30-09-2019	Previous year ended 31-03-2020	Six Months ended 30-09-2020	Corresponding Six Months in the previous year ended 30-09-2019	Previous year ended 31-03-2020	Corresponding Six Months in the previous year ended 30-09-2019	Previous year ended 31-03-2020	Corresponding Six Months in the previous year ended 30-09-2019
	Standalone Audited	Standalone Audited	Standalone Audited	Standalone Unaudited	Standalone Audited	Standalone Audited	Standalone Unaudited	Standalone Audited	Standalone Unaudited
Profit before tax as per Statement of Profit and Loss	988.11	862.39	1875.82	1541.26	862.39	1875.82	2114.72	3842.02	3842.02
Adjustment for:									
Depreciation	206.84	210.57	456.48	337.32	210.57	456.48	302.23	633.19	633.19
Pre-operative Expenses written off	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Employee Stock Option Expense	20.58	22.75	52.90	20.58	22.75	52.90	22.74	52.90	52.90
Loss/(Profit) on sale of asset	-0.02	-0.65	-3.16	-0.02	-0.65	-3.16	-0.65	50.30	50.30
Interest Paid	86.62	171.32	339.13	132.85	171.32	339.13	217.82	459.29	459.29
Unrealized foreign exchange (gain)/loss (net)	45.77	28.08	16.84	79.90	28.08	16.84	8.19	34.48	34.48
Interest Received	-23.38	-24.62	-47.10	-23.38	-24.62	-47.10	-21.60	-43.83	-43.83
Operating Profit before working capital changes	1324.52	1269.84	2690.91	2086.51	1269.84	2690.91	2643.45	5028.35	5028.35
Adjustment for:									
Trade and Other Receivables	1013.38	-508.23	-1124.48	-367.08	-508.23	-1124.48	-2956.70	-3861.03	-3861.03
Inventories	-18.49	-120.83	-330.47	-311.85	-120.83	-330.47	432.86	229.78	229.78
Trade Payables and Other Liabilities	-265.45	149.06	945.26	258.03	149.06	945.26	835.41	1167.75	1167.75
Cash Generated from Operations	2053.96	789.84	2181.22	1667.61	789.84	2181.22	955.02	2564.85	2564.85
Direct Taxes Paid	-247.39	-298.74	-619.52	-370.62	-298.74	-619.52	-299.20	-622.02	-622.02
Net Cash from Operating Activities (A)	1806.57	491.10	1561.70	1296.99	491.10	1561.70	655.82	1942.83	1942.83
Cash flow from Investing Activities									
Purchase of Fixed Assets	-140.52	-204.06	-391.04	-276.48	-204.06	-391.04	-344.49	-485.25	-485.25
Sale of assets	0.05	0.66	3.96	0.00	0.66	3.96	0.66	3.96	3.96
Investments disposed	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Investments Made	-204.13	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Repayment of loans/advance by subsidiaries	49.20	89.93	148.47	0.00	89.93	148.47	0.00	0.00	0.00
Interest Received	23.06	31.65	49.89	23.06	31.65	49.89	27.14	44.02	44.02
Net cash used in Investing Activities (B)	-272.34	-81.82	-188.72	-253.42	-81.82	-188.72	-316.69	-437.27	-437.27
Cash Flow from Financing Activities									
Increase in Share Capital/Premium/Share Application Money	42.28	11.99	35.98	42.28	11.99	35.98	11.99	35.98	35.98
Increase/(Decrease) in short-term credit facilities/borrowings	-1134.40	-174.85	-532.67	-1085.26	-174.85	-532.67	343.65	-266.76	-266.76
Term Loan availed	0.00	9.00	9.00	70.54	9.00	9.00	9.00	1270.93	1270.93
Repayments of Term Loan	-73.31	-80.42	-162.81	-134.18	-80.42	-162.81	-160.04	-534.50	-534.50
Interest paid	-87.06	-172.71	-340.83	-219.22	-172.71	-340.83	-219.22	-460.99	-460.99
Dividend (including Dividend Distribution Tax) Paid	-173.40	-207.64	-207.64	-173.40	-207.64	-207.64	-207.64	-207.64	-207.64
Net Cash from/(used in) Financing Activities (C)	-1425.89	-614.63	-1198.97	-1413.31	-614.63	-1198.97	-222.26	-162.89	-162.89
Exchange Difference on translation of cash and cash equivalents (D)	44.52	-4.84	-25.70	44.52	-4.84	-25.70	-4.82	-25.70	-25.70
Net Increase/(Decrease) in cash & cash equivalents (A)+(B)+(C)+(D)	152.86	-210.19	148.31	-325.22	-210.19	148.31	112.05	1316.88	1316.88
Opening Cash & Cash Equivalents	1274.20	1125.89	1125.89	2823.16	1125.89	1125.89	1506.28	1506.28	1506.28
Closing Cash & Cash Equivalents	1427.06	915.70	1274.20	2497.94	915.70	1274.20	1618.33	2823.16	2823.16





3. Segment Results									
	Six Months ended 30-09-2020	Previous Six Months ended 31-03-2020	Corresponding Six Months in the previous year ended 30-09-2019	Six Months ended 30-09-2020	Previous Six Months ended 31-03-2020	Corresponding Six Months in the previous year ended 30-09-2019	Consolidated Unaudited	Consolidated Unaudited	Consolidated Audited
	Standalone Audited	Standalone Audited	Standalone Audited	Standalone Audited	Standalone Audited	Standalone Audited	Standalone Audited	Standalone Audited	Standalone Audited
Segment Revenue									
a) Manufacturing Units	4109.11	5662.75	4641.39	10304.14	4109.11	5662.75	4641.39	10304.14	
b) Service Units	5699.36	5745.95	5656.68	11402.63	10941.94	11066.72	10890.08	21956.80	
c) Others	535.66	986.56	542.21	1528.77	1012.15	1483.59	1041.88	2525.47	
Total	10342.13	12395.26	10840.28	23235.54	16063.20	18213.06	16573.35	34786.41	
Less: Inter-segment Revenue	1343.91	1684.77	1381.61	3066.38	1923.75	2092.55	2304.10	4396.65	
Net Sales/Income from Operations	8998.22	10710.49	9458.67	20169.16	14139.45	16120.51	14269.25	30389.76	
Segment Results before interest and tax									
a) Manufacturing Units	664.46	1184.93	773.04	1957.97	664.46	1184.93	773.04	1957.97	
b) Service Units	942.31	738.71	1020.93	1759.64	1597.59	1528.84	2304.06	3832.90	
c) Others	157.95	124.13	20.98	145.11	124.39	121.92	39.74	161.66	
Total	1764.72	2047.77	1814.95	3862.72	2866.44	2835.69	3116.84	5952.53	
Less:									
i) Interest	86.62	167.81	171.32	339.13	132.85	241.47	217.82	459.29	
ii) Other unallocable expenses (net of unallocable income)	689.99	866.53	781.24	1647.77	712.33	866.92	784.30	1651.22	
Total Profit before tax	988.11	1013.43	862.39	1875.82	1541.26	1727.30	2114.72	3842.02	
Segment Assets									
a) Manufacturing Units	6377.01		6743.78	6983.12	6377.01		6743.78	6983.12	
b) Service Units	6163.31		5564.77	6399.37	13644.59		13112.94	13112.94	
c) Others	680.86		527.41	844.91	1671.41		1171.19	1636.70	
d) Unallocated	3214.26		3265.85	3003.81	174.93		1121.41	-258.80	
Segment Liabilities									
a) Manufacturing Units	1657.87		1616.01	1809.37	1657.87		1616.01	1809.37	
b) Service Units	1633.60		1351.32	1699.2	5348.71		5467.35	5467.35	
c) Others	56.95		94.14	217.85	1103.83		925.82	1230.71	
d) Unallocated	1857.31		3239.31	2883.46	2513.43		2430.46	2842.05	
Capital Employed									
a) Manufacturing Units	4719.14		5127.77	5173.75	4719.14		5127.77	5173.75	
b) Service Units	4529.71		4213.45	4700.17	8192.82		4977.83	7645.59	
c) Others	623.91		433.27	627.06	567.58		245.37	405.99	
d) Unallocated	1356.95		26.54	120.35	-2338.50		-1309.05	-3100.85	
Total	11229.71		9801.03	10621.33	11141.04		9041.92	10124.48	
4. Other income for the half-year ended 30th September, 2020 includes an amount of Rs. 94.80 lakhs (AUD 184,000/-) received by Perth Branch as Jobkeeper Subsidy and ATO (Australian Tax Office) Cash Booster as part of the stimulus/relief package extended by the Australian Government to support the business entities to overcome the adverse impact of COVID-19. In respect of the consolidated financial results, other income also includes ATO Cash Booster of Rs. 49.25 lakhs (AUD 100,000/-) received by Thejo Australia Pty Ltd.									
5. The spread of COVID-19 and safety measures implemented to tackle the pandemic has impacted business and economic activities across the globe. In India, lockdowns and restrictions of varying degrees were in place during the half-year ended 30th September, 2020. The manufacturing operations of the Company, which were closed in the last week of March 2020 on account of lockdown, resumed in a phased manner from the second week of April 2020, following all regulatory and safety requirements. As most of the customers of the services and O&M division were falling under essential services/continuous process plants, they continued to serve the customers based on their requirements. The business activities of the Company have gradually started to gather momentum during the latter part of the half-year.									
6. The Code on Social Security, 2020 ("the Code"), which has been passed by the Parliament, is yet to be notified by the Government. Upon notification of the Rules/Schemes under the Code, the Company will assess the impact and give effect to the same in the financial results.									
7. The consolidated financial statements for the half-year ended 30th September, 2020 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 Latinoamerica SpA.									
8. Cash and Cash Equivalents as on 30th September, 2020, include ₹ 469.75 lakhs (as on 31st March, 2020: ₹ 508.14 lakhs) in Fixed Deposits with Banks held as Margin Money for BG & LC/Security.									
9. The above financial results have been approved by the Board of Directors of the Company at their meeting held on 11th November, 2020, 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.									
10. Investor Complaints:									
Pending at the beginning of the half-year									Nil
Received during the half-year									Nil
Disposed during the half-year									Nil
Remaining unresolved at the end of the half-year									Nil
11. 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: 11th November, 2020									



To

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

We have audited the accompanying standalone half-yearly financial results of Thejo Engineering Limited ("the Company") for the half-year ended September 30, 2020 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of 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. are 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 September 30, 2020.

Basis of 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.

Emphasis of Matter

We draw attention to Note No.5 of the Financial results, wherein the Company has disclosed its assessment of the Covid-19 pandemic. The assessment of the Management is dependent on the circumstances as they evolve considering the uncertainties prevailing in the economic situation.

Our opinion is not modified in respect of this matter.

Management's Responsibilities for the Standalone Financial Results

These half-yearly standalone financial results have been prepared on the basis of 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.

For Brahmayya & Co.,
Chartered Accountants
Firm Regn. No. 000511S



P. Babu

P. Babu
Partner
Membership No. 203358
UDIN:20203358AAAASX6724

Place: Chennai
Date: 11th November, 2020

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 ("Holding Company") and its subsidiaries (holding Company and its subsidiaries together referred to as "the Group"), for the six months period September 30 2020 ("the Statement"), being submitted by the Holding Company pursuant to the requirement of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").
2. This Statement, which is the responsibility of the Holding Company's Management and approved by the Holding Company's Board of Directors, has been prepared in accordance with recognition and measurement principles laid down in Accounting Standard 25, "Interim Financial Reporting" ("AS 25") prescribed under Section 133 of 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 the 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 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 financial results of the following entities:

HOLDING COMPANY
Thejo Engineering Limited
SUBSIDIARY COMPANIES
Thejo Hatcon Industrial Services Company, Saudi Arabia
Thejo Australia Pty Ltd, Australia
Thejo Brasil Comercio E Servicos Ltda, Brasil
Thejo Engineering LatinoAmerica 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 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 two subsidiary companies included in the consolidated unaudited financial results, whose interim financial results reflect total assets of Rs. 6699.69 Lakhs as at September 30, 2020, total revenues of Rs.5031.22 Lakhs for the six months period ended September 30, 2020, total net profit after tax of Rs.383.78 Lakhs for the six months period ended September 30, 2020, and cash outflow (net) of Rs.530.26 Lakhs for the period from April 1, 2020 to September 30, 2020 as considered in the consolidated unaudited financial results. These interim financial results have been reviewed by other auditors 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 subsidiaries is based solely on the reports of the other auditors and 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 two subsidiary companies included in the consolidated unaudited financial results, whose interim financial results reflect total assets of Rs. 2134.80 Lakhs as at September 30, 2020, total revenues of Rs. 769.70 Lakhs for the six months period ended September 30, 2020, total net profit after tax of Rs. 71.75 Lakhs for the six months period ended September 30, 2020 and cash flow (net) of Rs. 52.18 for the period April 1, 2020 to September 30, 2020, 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.

8. We draw attention to Note No.5 of the Financial results, wherein the Company has disclosed its assessment of the Covid-19 pandemic. The assessment of the Management is dependent on the circumstances as they evolve considering the uncertainties prevailing in the economic situation.

Our opinion is not modified in respect of this matter.

Place: Chennai
Date: 11th November, 2020

For Brahmayya & Co.,
Chartered Accountants
Firm Regn. No. 000511S

P. Babu
Partner
Membership No. 203358
UDIN:20203358AAAASY2825