

Thejo Engineering Limited

41, Cathedral Road,
Chennai 600 086.
India

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November 14, 2018

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

Dear Sir/Madam,

Sub: Financial Results for the Half-year ended 30th September, 2018 – Reg
Our Scrip Code THEJO – EQ (SM)

Pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclosing herewith the Audited Financial Results and Unaudited Consolidated Financial Results for the half-year ended 30th September, 2018 as reviewed by the Audit Committee and approved by the Board of Directors of the Company in their respective meetings held today. The Auditor's Report for the Standalone Financial Results and the Limited Review Report for the Consolidated Financial Results for the half-year ended 30th September, 2018 are also enclosed.

The Board Meeting concluded at 01.35 PM.

A handwritten signature in black ink, appearing to be 'V.A. George'.

With thanks,
Yours truly,
For Thejo Engineering Limited,

A handwritten signature in black ink, appearing to be '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, 2018								
								Rs. In Lakhs
Particulars	Previous		Corresponding		Previous		Corresponding	
	Six Months ended	Six Months ended	Six Months in the	Previous year ended	Six Months ended	Six Months ended	Six Months in the	Previous year ended
	30-09-2018	31-03-2018	30-09-2017	31-03-2018	30-09-2018	31-03-2018	30-09-2017	31-03-2018
	Standalone Audited	Standalone Audited	Standalone Audited	Standalone Audited	Consolidated Unaudited	Consolidated Unaudited	Consolidated Unaudited	Consolidated Audited
I Revenue from Operations	9527.32	9524.75	7900.55	17425.30	11701.50	11878.81	10215.49	22094.30
II Other Income	184.57	57.54	82.07	139.61	157.12	24.69	52.97	77.66
III Total Revenue (I+II)	9711.89	9582.29	7982.62	17564.91	11858.62	11903.50	10268.46	22171.96
IV Expenses								
a. Cost of Materials consumed	2071.54	1789.49	1414.20	3203.69	2818.24	2634.41	1928.65	4563.05
b. Purchase of stock-in-trade	475.05	540.16	92.39	632.55	475.05	540.16	92.39	632.55
c. Changes in inventories of finished goods, work-in-progress and stock-in-trade	-351.85	-64.30	264.41	200.11	-568.72	-183.76	322.12	138.35
d. Employee benefits expense	3500.09	3203.93	2975.50	6179.43	4340.61	3989.58	3829.62	7819.21
e. Finance Cost	203.43	274.95	263.08	538.03	236.56	282.53	276.89	559.42
f. Depreciation and amortisation expense	204.66	203.15	172.14	375.29	313.42	294.80	246.97	541.77
g. Other expenses	2582.86	2817.99	2354.52	5172.51	3053.14	3431.80	2779.07	6210.88
Total Expenses	8685.78	8765.37	7536.24	16301.61	10668.30	10989.52	9475.71	20465.23
V. Profit/(Loss) before exceptional and extraordinary items and tax (III-IV)	1026.11	816.92	446.38	1263.30	1190.32	913.98	792.75	1706.73
VI Exceptional Items	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)	1026.11	816.92	446.38	1263.30	1190.32	913.98	792.75	1706.73
VIII Extraordinary Items	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
IX Profit before tax (VII-VIII)	1026.11	816.92	446.38	1263.30	1190.32	913.98	792.75	1706.73
X. Tax expenses	364.95	227.25	165.29	392.54	415.76	231.35	165.29	396.64
(a) Current Tax	366.58	218.56	196.19	414.75	417.41	220.93	196.19	417.12
(b) Deferred Tax	-1.63	8.69	-30.90	-22.21	-1.65	10.42	-30.90	-20.48
XI Profit (Loss) for the period from continuing operations (IX-X)	661.16	589.66	281.09	870.76	774.56	682.63	627.46	1310.09
XII Profit/(Loss) from discontinuing operations	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
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
XV Profit (Loss) for the period (XI+XIV)	661.16	589.66	281.09	870.76	774.56	682.63	627.46	1310.09
XVI Share of Profit/(Loss) of associates	NA	NA	NA	NA	NA	NA	NA	NA
XVII Transfer to Minority Interest	NA	NA	NA	NA	85.07	63.81	140.88	204.69
XVIII Consolidated Net Profit/(Loss) for the period (XV+XVI-XVII)	661.16	589.66	281.09	870.76	689.49	618.83	486.58	1105.40
XIX Paid-up equity share capital (Face Value of Rs.10/- each)	343.46	343.36	343.36	343.36	343.46	343.36	343.36	343.36
XX Reserves excluding Revaluation Reserve as per balance sheet of previous accounting year				7065.30				5249.88
XXI Earnings Per Equity Share (EPS) of face value of Rs. 10/- each fully paid (before and after extraordinary item) (not annualised):								
(a) Basic	19.26	17.17	8.19	25.36	20.08	18.02	14.17	32.19
(b) Diluted	19.26	17.17	8.19	25.36	20.08	18.02	14.17	32.19

Notes:

1. The consolidated financial statements for the half-year ended 30th September, 2018 have been prepared based on the Audited standalone financial results of the Company and the unaudited financial statements of the subsidiaries, Thejo Hatcon Industrial Services Company, Thejo Australia Pty Ltd, Thejo Brasil Comercio E Servicos Ltda and Thejo Engineering Latinoamerica SpA.

2. In line with the accounting policy, the Company has not considered Deferred Tax Asset in respect of its subsidiaries in the consolidated financial results.

3. The above financial results have been approved by the Board of Directors of the Company at their meeting held on 14th November, 2018, 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.

4. 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

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



6. Statement of Assets and Liabilities

	As at 30-09-2018	As at 30-09-2017	As at 31-03-2018	As at 30-09-2018	As at 30-09-2017	As at 31-03-2018
	Standalone Audited	Standalone Audited	Standalone Audited	Consolidated Unaudited	Consolidated Unaudited	Consolidated Audited
A. EQUITY AND LIABILITIES						
1 Shareholders' funds						
(a) Share capital	343.46	343.36	343.36	343.46	343.36	343.36
(b) Reserves and surplus	8317.83	7215.82	7813.88	6744.27	5598.09	6231.94
(c) Money received against share warrants	0.00	0.00	0.00	0.00	0.00	0.00
Sub-total - Shareholders' funds	8661.29	7559.18	8157.24	7087.73	5941.45	6575.30
2 Share application money pending allotment	0.00	0.00	0.00	0.00	0.00	0.00
3 Minority Interest	0.00	0.00	0.00	570.60	387.83	453.50
4 Non-current liabilities						
(a) Long-term borrowings	250.17	532.10	373.82	825.82	590.59	976.35
(b) Deferred tax liabilities (net)	0.00	0.00	0.00	0.00	0.00	0.00
(c) Other long-term liabilities	0.00	0.00	0.00	49.43	31.45	36.80
(d) Long-term provisions	0.00	0.00	0.00	0.00	0.00	0.00
Sub-total - Non-current liabilities	250.17	532.10	373.82	875.25	622.04	1013.15
5 Current liabilities						
(a) Short-term borrowings	2348.37	3366.19	1812.15	2348.37	3366.19	1812.15
(b) Trade payables						
(i) Total outstanding dues of micro enterprises and small enterprises	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	1336.97	1190.74	1697.91	1967.25	1755.28	2100.33
(c) Other current liabilities	2445.79	2121.02	2381.10	2842.07	2482.29	2892.41
(d) Short-term provisions	595.89	2203.52	345.98	646.60	2203.52	341.61
Sub-total - Current liabilities	6727.02	8881.47	6237.14	7804.29	9807.28	7146.50
TOTAL - EQUITY AND LIABILITIES	15638.48	16972.75	14768.20	16337.87	16758.60	15188.45
B. ASSETS						
1 Non-current assets						
(a) Property, Plant and Equipment						
(i) Tangible Assets	2355.04	1922.55	2284.05	3415.13	2872.56	3190.63
(ii) Intangible Assets	29.53	18.69	14.75	40.84	30.00	25.67
(iii) Capital Work in Progress	55.44	376.94	126.62	55.44	376.94	126.62
(iv) Intangible Assets under development	0.00	0.00	0.00	0.00	0.00	0.00
(b) Non-current investments	1954.07	1954.65	1954.57	0.00	0.57	0.50
(c) Deferred tax assets (net)	41.38	48.44	39.75	41.40	50.16	39.75
(d) Long-term loans and advances	616.90	1123.19	609.51	572.35	442.38	509.27
(e) Other non-current assets	0.00	0.00	0.00	88.60	126.99	100.31
Sub-total - Non-current assets	5052.36	5444.46	5029.25	4213.76	3899.60	3992.75
2 Current assets						
(a) Current investments	0.00	0.00	0.00	0.00	0.00	0.00
(b) Inventories	2049.18	1516.24	1665.03	3003.19	2133.93	2555.65
(c) Trade receivables	6216.17	6169.65	6247.98	6321.94	6488.55	6529.69
(d) Cash and cash equivalents	934.17	693.77	630.33	1205.34	1238.46	1013.88
(e) Short-term loans and advances	1386.60	1401.07	1195.61	1593.64	1250.50	1096.48
(f) Other current assets	0.00	1747.56	0.00	0.00	1747.56	0.00
Sub-total - Current assets	10586.12	11528.29	9738.95	12124.11	12859.00	11195.70
TOTAL - ASSETS	15638.48	16972.75	14768.20	16337.87	16758.60	15188.45



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7. Segment Results								
	Six Months ended	Six Months ended	Six Months in the	Previous year ended	Six Months ended	Six Months ended	Six Months in the	Previous year ended
	30-09-2018	31-03-2018	previous year ended	31-03-2018	30-09-2018	31-03-2018	previous year ended	31-03-2018
			30-09-2017				30-09-2017	
	Standalone	Standalone	Standalone	Standalone	Consolidated	Consolidated	Consolidated	Consolidated
	Audited	Audited	Audited	Audited	Unaudited	Unaudited	Unaudited	Audited
Segment Revenue								
a) Manufacturing Units	5111.61	4420.78	3810.60	8231.38	5111.61	4420.78	3810.60	8231.38
b) Service Units	5188.96	4811.15	4602.01	9413.16	7438.43	7278.15	6934.92	14213.07
c) Others	1005.26	1584.46	472.43	2056.89	1258.52	1892.80	745.48	2638.28
Total	11305.83	10816.39	8885.04	19701.43	13808.56	13591.73	11491.00	25082.73
Less: Inter-segment Revenue	1778.51	1291.64	984.49	2276.13	2107.06	1712.92	1275.51	2988.43
Net Sales/Income from Operations	9527.32	9524.75	7900.55	17425.30	11701.50	11878.81	10215.49	22094.30
Segment Results before interest and tax								
a) Manufacturing Units	1292.39	1007.60	703.28	1710.88	1292.39	1007.60	703.28	1710.88
b) Service Units	687.98	622.93	669.76	1292.69	996.60	816.88	1117.35	1934.23
c) Others	17.25	242.76	10.90	253.66	-85.95	188.70	-39.57	149.13
Total	1997.62	1873.29	1383.94	3257.23	2203.04	2013.18	1781.06	3794.24
Less:								
i) Interest	203.43	274.95	263.08	538.03	236.56	282.53	276.89	559.42
ii) Other unallocable expenses (net of unallocable income)	768.08	781.42	674.48	1455.90	776.16	816.67	711.42	1528.09
Total Profit before tax	1026.11	816.92	446.38	1263.30	1190.32	913.98	792.75	1706.73
Segment Assets								
a) Manufacturing Units	6553.84		5364.19	5919.77	6553.84		5364.19	5919.77
b) Service Units	5096.95		4134.25	4892.49	8342.14		7177.99	8042.00
c) Others	637.42		185.38	884.21	1114.39		389.86	1248.99
d) Unallocated	3350.27		7288.93	3071.73	327.50		3826.56	-22.31
Segment Liabilities								
a) Manufacturing Units	1435.19		756.73	1613.06	1435.19		756.73	1613.06
b) Service Units	1266.13		269.64	1220.49	3398.86		2437.29	3338.31
c) Others	255.32		13.75	257.23	1084.21		356.42	817.42
d) Unallocated	4020.55		8373.45	3520.18	3331.88		7266.71	2844.35
Capital Employed								
a) Manufacturing Units	5118.65		4607.46	4306.71	5118.65		4607.46	4306.71
b) Service Units	3830.82		3864.61	3672.00	4943.28		4740.70	4703.69
c) Others	382.10		171.63	626.98	30.18		33.44	431.57
d) Unallocated	-670.28		-1084.52	-448.45	-3004.38		-3440.15	-2866.67
Total	8661.29		7559.18	8157.24	7087.73		5941.45	6575.30

By order of the Board


V A George
Managing Director
DIN 01493737



Place: Chennai
Date: 14th November, 2018



AUDITORS REPORT ON HALF-YEARLY STANDALONE FINANCIAL RESULTS OF THEJO ENGINEERING LIMITED PURSUANT TO THE REGULATION 33 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATION, 2015

To
The Board of directors,
Thejo Engineering Limited,
Chennai

We have audited the accompanying Statement of Financial Results of Thejo Engineering Limited (“the Company”) for the half year ended September 30, 2018 (“the Statement”), being submitted by the Company pursuant to the requirement of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“the Listing Regulations, 2015”). This Statement, which is the responsibility of the Company’s Management and approved by the Board of Directors, has been prepared on the basis of the related financial statements which is in accordance with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013, as applicable and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Statement.

We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement.

An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by the company’s Management. We believe that our audit provides a reasonable basis for our opinion.

In our opinion and to the best of our information and according to the explanations given to us the statement:

- i. is presented in accordance with the requirement of the Listing Regulations, 2015; and
- ii. gives a true and fair view in conformity with the aforesaid Accounting Standards and other accounting principles generally accepted in India of the net profit and other financial information of the Company for the half year ended September 30, 2018.



The statement includes the results for the half year ended March 31, 2018 being the balancing figure between audited figures in respect of the full financial year ended 31st March, 2018 and the published year to date figures upto the half year ended September 30, 2017 which were audited by us.

Place: Chennai

Date: 14th November 2018.

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



P.Babu
Partner

Membership No.203358

LIMITED REVIEW REPORT ON HALF-YEARLY UNAUDITED CONSOLIDATED FINANCIAL RESULTS OF THEJO ENGINEERING LIMITED PURSUANT TO THE REGULATION 33 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATION, 2015

To

The Board of directors,
Thejo Engineering Limited,
Chennai

We have reviewed the accompanying Statement of unaudited Consolidated Financial Results of Thejo Engineering Limited (“the Company”) for the half year ended September 30, 2018 (“the Statement”), being submitted by the Company pursuant to the requirement of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“the Listing Regulations, 2015”). This Statement, which is the responsibility of the Company’s Management and approved by the Board of Directors, has been prepared on the basis of the related financial statements which is in accordance with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013, as applicable and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Statement.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, Review of Interim Financial information performed by Independent Auditor of the entity Statements 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(s). A review is limited primarily to inquiries of holding Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion on the consolidated final results for the half year ended 30th September 2018.

We did not review the financial statements of four subsidiaries, whose financial statements reflect total assets of Rs 4127.34 lakhs as at 30 September, 2018, total revenues of Rs.2500.17 lakhs for the half year ended on that date, as considered in the consolidated financial statements. The financial statement of the subsidiary companies are certified by the management and have been incorporated in the consolidated financial statements.



The unaudited Consolidated Financial Results include the financial results of the following entities:

HOLDING COMPANY
1. 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

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

The statement includes the results for the half year ended March 31, 2018 being the balancing figure between audited figures in respect of the full financial year ended 31st March, 2018 and the published year to date figures upto the half year ended September 30, 2017 which were reviewed by us.

Place: Chennai
Date: 14th November 2018.

For Brahmayya & Co.,
Chartered Accountants

Firm Regn.No.000511S



P. Babu

Partner

Membership No.203358