



DATE: May 24, 2017
REF.: PIL/DVN/L-66/2017-18

Company Code - PRAJIND	Security Code No. : 522205
National Stock Exchange of India Ltd.	BSE Limited
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 Audited Financial Results for the financial year 2016-17.

Dear Sir / Madam,

Please find enclosed Audited Financial Results for the financial year 2016-17 alongwith Auditors' Report and Form A for your records. Further we state that the Statutory Auditors of the Company M/s P.G. Bhagwat, Chartered Accountants (Firm Registration No. 101118W), have issued an Audit Report with unmodified opinion on the aforesaid Financial Results of the Company.

Thanking you,

Yours faithfully,
FOR PRAJ INDUSTRIES LIMITED

DATTATRAYA NIMBOLKAR
CHIEF INTERNAL AUDITOR
& COMPANY SECRETARY

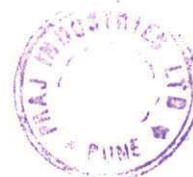
AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31 MARCH 2017, PREPARED IN COMPLIANCE WITH THE INDIAN ACCOUNTING STANDARDS (IND AS)

(Rupees in crores except per share data)

Sr. No.	Particulars	Quarter ended			Year to date		(Standalone) Year ended	
		31 March 2017	31 December 2016	31 March 2016	31 March 2017	31 March 2016	31 March 2017	31 March 2016
		(Audited)	(Unaudited) Restated Refer Note 5	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)
1	INCOME							
	Revenue from operations	311.70	232.74	345.90	955.16	1,063.82	759.22	857.98
	Other income	4.02	3.40	6.38	17.74	17.04	16.09	15.01
	Total income	315.72	236.14	352.28	972.90	1,080.86	775.31	872.99
2	EXPENSES							
	Cost of materials consumed	161.87	115.90	159.87	477.01	467.19	387.94	392.32
	Changes in inventories of finished goods and work-in-progress	1.33	(4.30)	1.63	(9.87)	(0.22)	(3.69)	(0.51)
	Employee benefits expense	33.28	34.98	37.48	148.04	154.37	121.31	130.33
	Finance costs	0.20	0.41	0.30	1.31	2.03	0.73	0.70
	Depreciation and amortisation expense	5.36	5.45	6.06	22.12	25.02	19.13	21.50
	Exchange (gain) / loss	0.03	(1.44)	1.39	(4.54)	(1.32)	(3.35)	(1.98)
	Excise duty expense	10.13	12.68	15.07	40.17	40.21	29.79	34.00
	Other expenses	66.77	52.88	84.66	231.14	288.16	156.02	219.17
	Total expenses	278.97	216.56	306.46	905.38	975.44	707.88	795.53
3	Profit before tax (1-2)	36.75	19.58	45.82	67.52	105.42	67.43	77.46
4	Tax expense							
	Current tax	7.27	4.83	9.81	18.08	26.58	13.57	18.28
	Deferred tax	6.30	0.09	(2.38)	4.75	(3.56)	6.60	(5.85)
	Adjustments of tax relating to earlier periods	0.40	-	(0.06)	0.09	(0.08)	0.40	(0.38)
	Total tax expense	13.97	4.92	7.37	22.92	22.94	20.57	12.05
5	Profit for the year (3-4)	22.78	14.66	38.45	44.60	82.48	46.86	65.41
6	Attributable to :							
	Non-controlling interest	(0.00)	(0.00)	0.00	(0.00)	0.01	-	-
	Equity holder's of parents	22.78	14.66	38.45	44.60	82.47	-	-
7	Other comprehensive income							
	Items that will not be reclassified to profit and loss:							
	Re-measurement of defined benefit plans	0.47	0.24	(0.04)	0.15	0.07	0.23	0.06
	Income tax effect	(0.16)	(0.08)	0.01	(0.05)	(0.02)	(0.08)	(0.02)
	Items that will be reclassified to profit and loss:							
	Exchange differences on translation of foreign operations	(0.25)	(0.18)	0.23	(0.73)	0.64	-	-
	Income tax effect	-	-	-	-	-	-	-
	Other comprehensive income	0.06	(0.02)	0.20	(0.63)	0.69	0.15	0.04
8	Total comprehensive income for the year (5+6)	22.84	14.64	38.65	43.97	83.17	47.01	65.45
9	Attributable to :							
	Non-controlling interest	(0.00)	(0.00)	0.00	(0.00)	0.01	-	-
	Equity holder's of parents	22.84	14.64	38.65	43.97	83.16	-	-
10	Earnings per equity share (Nominal value per share Rs. 2 each)							
	Basic	1.28	0.82	2.16	2.50	4.64	2.63	3.68
	Diluted	1.27	0.82	2.15	2.49	4.61	2.62	3.66

Notes:

- These financial results are prepared in accordance with Indian Accounting Standards (Ind AS) as notified under Companies' (Indian Accounting Standards) Rules, 2015. In preparing its corresponding quarter ended 31 March 2016 and year ended 31 March 2016, the company has adjusted amounts reported previously in results prepared in accordance with Indian Generally Accepted Accounting Principles (Indian GAAP). An explanation of how the transition from Indian GAAP to Ind AS has impacted the company's financial performance is set out in Annexure A.
- The figures for the quarter ended 31 March 2017 and 31 March 2016, as reported in the financial results, are the balancing figures between the audited figures in respect of the full financial year and published figures of nine months ended 31 December 2016 [as restated(refer note 5 below)] and 31 December 2015 respectively. The figures for the quarter ended 31 December 2016 have been subjected to limited review by the statutory auditors.
- The company operates only in one segment, i.e. "Process and Project Engineering".
- During the quarter ended 31 March 2017, Company allotted 626,752 equity shares to its employees under Employee Stock Option Plan.
- Restatement of comparative figures for quarter ended 31 December 2016
During the quarter ended 31 March 2017, Employee benefit expenses of Rs. 3.61 crores, recognised in the quarter ended 31 December 2016, pertaining to Integrated Bio-refinery 2nd Generation Demonstration Plant engineered, developed and constructed in house have been allocated to capital work in progress.
This restatement has resulted in increase in profit before tax and profit after tax for the quarter ended 31 December 2016 by Rs. 3.61 crores and Rs. 2.70 crores respectively. Consequently, Basic and Diluted EPS for the quarter ended 31 December 2016 has increased by Rs. 0.15 per share.
- The Board of Directors proposed a final dividend of Rs. 1.62 per equity share (81 % of the face value of Rs. 2 each) for the financial year ended 31 March 2017 which is subject to the approval of shareholders at the forthcoming Annual General Meeting.
- The above results were reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 24 May 2017.



STATEMENT OF ASSETS AND LIABILITIES

(Rupees in crores)

	31 March 2017	31 March 2016	1 April 2015
ASSETS			
Non-current assets			
Property, plant and equipment	191.53	206.96	224.21
Capital work-in-progress	31.46	0.76	1.39
Investment property	13.69	13.69	13.69
Goodwill	62.62	62.62	62.62
Intangible assets	2.02	2.76	2.45
Intangible assets under development	-	0.07	-
Financial assets			
Investments	0.01	10.01	10.01
Loans	6.15	6.11	6.85
Others	23.25	10.73	0.00
Deferred tax assets (net)	2.58	7.39	3.84
Other assets	18.93	16.52	8.88
	352.24	337.62	333.94
Current assets			
Inventories	104.53	100.81	97.61
Financial assets			
Investments	134.33	121.65	151.58
Trade receivables	294.88	367.10	280.48
Cash and cash equivalents	69.18	60.48	75.50
Other bank balances	4.38	21.37	24.45
Loans	0.02	1.06	0.99
Others	3.30	2.98	4.98
Current tax asset (net)	8.32	5.99	-
Other assets	216.24	137.70	171.07
	835.18	819.14	806.66
TOTAL ASSETS	1,187.42	1,156.76	1,140.60
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	35.89	35.59	35.49
Other equity	673.75	619.69	619.94
Non-controlling interests	0.28	0.29	14.84
TOTAL EQUITY	709.92	655.57	670.27
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Borrowings	0.08	0.12	0.20
Provisions	15.78	13.02	12.05
	15.86	13.14	12.25
Current liabilities			
Financial liabilities			
Borrowings	4.26	15.91	17.07
Trade payables	213.44	207.15	177.24
Other financial liabilities	6.45	7.44	7.76
Other current liabilities	219.63	241.31	241.21
Provisions	17.86	16.24	11.28
Current tax liabilities (net)	-	-	3.52
	461.64	488.05	458.08
TOTAL LIABILITIES	477.50	501.19	470.33
TOTAL EQUITY AND LIABILITIES	1,187.42	1,156.76	1,140.60

Place : Pune
Date : 24 May 2017


SACHIN RAOLE
CFO AND DIRECTOR- F&C
DIN: 00431438

ANNEXURE A
EXPLANATION (RECONCILIATION) OF TRANSITION TO INDIAN ACCOUNTING STANDARDS (IND AS)

Reconciliation of equity as previously reported under Indian GAAP to Ind AS

(Rupees in crores)

Sr. No.	Particulars	Note No.	Consolidated	
			As at	
			31 March 2016	1 April 2015
(A)	Equity as per Indian GAAP		661.39	637.00
	Ind AS adjustments:			
(B)	Impact on retained earnings			
	Proposed dividend	1	-	34.60
	Change in parent's ownership interest that does not result in change in control	2	(21.17)	-
	Amortisation of goodwill arising on consolidation	3	9.43	-
	Share based payment transactions - Employee Stock Option Plan	4	(5.98)	(2.36)
	Fair valuation of investment in mutual funds	5	5.70	3.65
	Contract revenue - combining of contracts	6	(0.97)	(8.54)
	Others	8	1.31	0.95
	Deferred tax impact on above Ind AS adjustments	9	(0.12)	2.61
	Total impact on retained earnings		(11.80)	30.91
(C)	Impact on other components of equity			
	Share option outstanding account	4	5.98	2.36
	Total impact on other components of equity		5.98	2.36
(D)	Impact on equity (B) + (C)		(5.82)	33.27
(E)	Equity as per Ind AS (A) + (D)		655.57	670.27

Reconciliation of profit as previously reported under Indian GAAP to Ind AS

(Rupees in crores)

Sr. No.	Particulars	Note No.		
			Quarter ended	Year ended
			31 March 2016	31 March 2016
(A)	Net profit as per Indian GAAP		34.00	69.45
(B)	Ind AS adjustments:			
	Amortisation of goodwill arising on consolidation	3	2.58	9.43
	Contract revenue - combining of contracts	6	1.16	7.56
	Share based payment transactions - Employee Stock Option Plan (ESOP)	4	(0.71)	(3.62)
	Fair valuation of investment in mutual funds	5	1.01	2.05
	Actuarial gains/ loss on post-employment defined benefit plans	7	0.04	(0.07)
	Others	8	1.21	0.36
	Deferred tax impact on above Ind AS adjustments	9	(0.84)	(2.69)
	Total Ind AS adjustments		4.45	13.03
(C)	Net profit for the period as per Ind AS (A+ B)		38.45	82.48
(D)	Other comprehensive income (net of deferred tax)	7, 10	0.20	0.69
(E)	Total comprehensive income as per Ind AS (C) + (D)		38.65	83.17

Notes:

- Under Indian GAAP, dividend proposed after the date of the financial statements but prior to the approval of financial statements is considered as an adjusting event, and a provision for dividend is recognised in the financial statements of the period to which the dividend relates. Under Ind AS, dividend declaration is considered as a non-adjusting event and provision for dividend is recognised only in the period when the dividend is approved by the shareholders in annual general meeting.



ANNEXURE A

EXPLANATION (RECONCILIATION) OF TRANSITION TO INDIAN ACCOUNTING STANDARDS (IND AS)

- 2 Under Indian GAAP, purchase consideration paid in excess of book value of net assets acquired for additional ownership interest in subsidiary is recognised as goodwill. Under Ind AS, changes in parent's ownership interest in a subsidiary that does not result in a change of control are accounted for as equity transactions (transactions between shareholders).
- 3 Under Indian GAAP the group has amortised goodwill arising on consolidation over the period of 10 years. Under Ind AS, goodwill is not amortised but tested for impairment.
- 4 Under Indian GAAP, the group uses intrinsic value approach to measure the cost of share based payments. Under this approach, if the exercise price for employee stock option is not less than the market price of the underlying shares on the date of the grant, no compensation cost is recorded. Under Ind AS, costs of share based payments are recorded based on the fair value of employee stock option. Under this approach, the instrument would have a value even if the exercise price is equal to the market price of the underlying shares on the date of grant.
- 5 Under Indian GAAP, current investments in mutual funds are measured at cost or net realisable value, whichever is lower. Under Ind AS, investments in mutual funds are classified as 'Fair value through profit or loss' and are measured at fair value at each reporting date. The subsequent changes in the fair value of such investments are recognised in statement of profit and loss.
- 6 Under Indian GAAP, there is no specific guidance with respect to combining of contracts for revenue recognition in consolidated financial statements. Ind AS requires combining of contracts, if the group of contracts are closely related and negotiated as a single package; the contracts are performed concurrently or in a continuous sequence. Accordingly, percentage of completion method is applied on combined contracts for determining consolidated revenue.
- 7 Under Indian GAAP, actuarial gains and losses and return on plan assets on post-employment defined benefit plans are recognised immediately in statement of profit and loss. Under Ind AS, remeasurements which comprise of actuarial gains and losses, return on plan assets and changes in the effect of asset ceiling, if any, with respect to post-employment defined benefit plans are recognised immediately in other comprehensive income (OCI). Further, remeasurements recognised in OCI are never reclassified to statement of profit and loss.
- 8
 - (a) Under Indian GAAP, the premium or the discount on foreign exchange forward derivative contracts related to underlying receivables and payables are amortised over the period of the contracts. In case of foreign exchange forward derivative contracts entered into at highly probable future transactions or firm commitments, mark to market losses (gains are ignored), if any, are recognised in the statement of profit and loss at the reporting date. Under Ind AS, all the foreign exchange forward derivative contracts are recorded at fair value with the subsequent changes in fair value recognised in the statement of profit and loss.
 - (b) Under Indian GAAP, interest-free lease security deposits paid are reported at their transaction values. Under Ind AS, interest-free security deposits are measured at fair value on initial recognition and at amortised cost on subsequent recognition. The difference between the transaction value and fair value of the lease deposit at initial recognition is treated as prepaid rentals. This amount is recognised in statement of profit and loss on a straight line basis over the lease term.
 - (c) Under Indian GAAP, there is no specific guidance for contracts that involve leases of land. Under Ind AS, lease of land is recognised as operating or finance lease as per definition and classification criteria stated in standard on leases. Accordingly, as on the date of transition the leases of land have been classified as operating / finance lease as the case may be.
- 9 Under Indian GAAP, deferred taxes are recognised using income statement approach i.e. reflecting the tax effects of timing differences between accounting income and taxable income for the period. Under Ind AS, deferred taxes are recognised using balance sheet approach i.e. reflecting the tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes using the income tax rates enacted or substantively enacted at reporting date. Also, deferred taxes are recognised on account of the above mentioned changes.
- 10 Under Indian GAAP, foreign exchange differences arising on translation of non-integral foreign operations are recognised directly in 'Foreign currency translation difference reserve'. Under Ind AS, foreign exchange differences arising on translation of foreign operations whose functional currency is different from that of a parent are recognised in 'Other comprehensive income' and are accumulated as part of 'Foreign currency translation difference reserve'. Such differences are reclassified from equity to statement of profit and loss on disposal of the net investment.



Auditor's Report on Consolidated Year to Date Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Board of Directors,
Praj Industries Limited.

We have audited the year to date consolidated financial results of Praj Industries Limited for the period 1st April 2016 to 31st March 2017, attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI circular CIR/CFD/FAC/62/2016 date July 5th 2016. These consolidated quarterly financial results are the balancing figures between audited figures for the year ended 31st March 2017 and Year to Date figures published up to 31st December 2016, after taking into consideration the restated figures for quarter ended 31st December 2016, and have been prepared from consolidated financial statements, which are the responsibility of the company's management. Our responsibility is to express an opinion on these consolidated financial results based on our audit of such consolidated financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard for Interim Financial Reporting (Ind AS 34), mandated under Section 133 of the Companies Act, 2013 read with relevant rules issued there under or by the Institute of Chartered Accountants of India, as applicable and other accounting principles generally accepted in India.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of 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 management. We believe that our audit provides a reasonable basis for our opinion.

We did not audit the financial statements of 4 subsidiaries included in the consolidated quarterly financial results and consolidated year to date results, whose consolidated financial statements reflect total assets of Rs. 13.62 Crores as at 31st March 2017 and Rs. 13.62 Crores as at the quarter ended 31st March 2017; as well as the total revenue of Rs. 10.06 Crores as at 31st March 2017 and Rs. 3.14 Crores as at the quarter ended 31st March 2017. These financial statements and other financial information have been audited by other auditors/ compiled by the management whose reports have been furnished to us, and our opinion on the quarterly financial results and the year to date results, to the extent they have been derived from such financial statements is based solely on the report of such other auditors/ management.

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

(i) include the year to date results of the following entities:

- a. Praj HiPurity Systems Limited
- b. Praj Engineering & Infra. Limited
- c. Praj Far East Philippines Ltd. Inc.
- d. Praj Industries (Africa) (Pty.) Limited
- e. Praj Americas, Inc.
- f. Praj Far East Co. Limited
- g. Praj Industries (Namibia) Pty. Limited



M/s P. G. BHAGWAT

CHARTERED ACCOUNTANTS

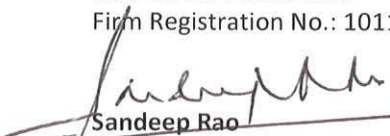
(ii) have been presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard; and

(iii) give a true and fair view of the consolidated net profit and other financial information of the consolidated year to date results for the period from 1st April 2016 to 31st March 2017

For **M/s P. G. Bhagwat**

Chartered Accountants

Firm Registration No.: 101118W


Sandeep Rao

Partner

Membership No.: 47235

Place: Pune

24th May 2017



DATE: 24.05.2017



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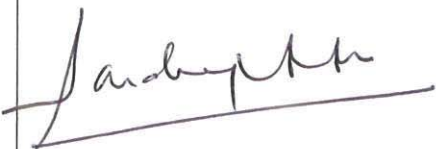
Dear Sir/Madam,

Sub.: Covering Letter to the Audit Report for the year 2016-17

Please find below the prescribed Form A (covering letter to the Audit Report for the year 2016-17) for your information and record.

FORM A

Format of covering letter of the annual audit report to be filed with the Stock Exchanges

1.	Name of the Company	PRAJ INDUSTRIES LIMITED
2.	Annual Consolidated financial statements for the year ended	31 st March, 2017
3.	Type of Audit observation	Un-qualified
4.	Frequency of observation	N.A.
5.	To be signed by-	
	PRAMOD CHAUDHARI EXECUTIVE CHAIRMAN	
	SACHIN RAOLE CFO & DIRECTOR- FINANCE & COMMERCIAL	
	SANDEEP RAO PARTNER, M/S PGBHAGWAT, CHARTERED ACCOUNTANTS, PUNE STATUTORY AUDITORS M.NO.:47235 F.R.N. : 101118W	
	BERJIS DESAI AUDIT COMMITTEE CHAIRMAN	

Praj Industries Limited

Regd. Office : "Praj Tower", S. No. 274 & 275/2, Bhumkar Chowk-Hinjewadi Road, Hinjewadi, Pune : 411057. Ph : +91 20 71802000 / 22941000
f : +91 20 22941299 e: info@praj.net w : www.praj.net
CIN : L27101PN1985PLC038031



AUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31 MARCH 2017, PREPARED IN COMPLIANCE WITH THE INDIAN ACCOUNTING STANDARDS (IND AS)

(Rupees in crores except per share data)

Sr. No.	Particulars	Quarter ended			Year ended	
		31 March 2017	31 December 2016	31 March 2016	31 March 2017	31 March 2016
		(Audited)	(Unaudited) Restated Refer Note 5	(Audited)	(Audited)	(Audited)
1	INCOME					
	Revenue from operations	246.69	179.90	300.00	759.22	857.98
	Other income	3.72	3.21	5.80	16.09	15.01
	Total income	250.41	183.11	305.80	775.31	872.99
2	EXPENSES					
	Cost of materials consumed	139.37	88.95	135.57	387.94	392.32
	Changes in inventories of finished goods and work-in-progress	(2.61)	0.88	2.56	(3.69)	(0.51)
	Employee benefits expense	26.22	27.80	31.02	121.31	130.33
	Finance costs	0.18	0.17	0.17	0.73	0.70
	Depreciation and amortisation expense	4.57	4.70	5.18	19.13	21.50
	Exchange (gain) / loss	0.89	(1.41)	1.03	(3.35)	(1.98)
	Excise duty expense	7.72	8.53	12.02	29.79	34.00
	Other expenses	45.10	38.23	71.73	156.02	219.17
	Total expenses	221.44	167.85	259.28	707.88	795.53
3	Profit before tax (1-2)	28.97	15.26	46.52	67.43	77.46
4	Tax expense					
	Current tax	3.94	3.81	10.65	13.57	18.28
	Deferred tax	7.06	0.06	(2.73)	6.60	(5.85)
	Adjustments of tax relating to earlier periods	0.40	-	-	0.40	(0.38)
	Total tax expense	11.40	3.87	7.92	20.57	12.05
5	Profit for the year (3-4)	17.57	11.39	38.60	46.86	65.41
6	Other comprehensive income					
	Items that will not be reclassified to profit and loss:					
	Re-measurement of defined benefit plans	0.56	0.23	(0.06)	0.23	0.06
	Income tax effect	(0.19)	(0.08)	0.02	(0.08)	(0.02)
	Other comprehensive income	0.37	0.15	(0.04)	0.15	0.04
7	Total comprehensive income for the year (5+6)	17.94	11.54	38.56	47.01	65.45
	Earnings per equity share (Nominal value per share Rs. 2 each)					
	Basic	0.98	0.64	2.17	2.63	3.68
	Diluted	0.98	0.63	2.16	2.62	3.66

Notes:

- These financial results are prepared in accordance with Indian Accounting Standards (Ind AS) as notified under Companies' (Indian Accounting Standards) Rules, 2015. In preparing its corresponding quarter ended 31 March 2016 and year ended 31 March 2016, the company has adjusted amounts reported previously in results prepared in accordance with Indian Generally Accepted Accounting Principles (Indian GAAP). An explanation of how the transition from Indian GAAP to Ind AS has impacted the company's financial performance is set out in Annexure A.
- The figures for the quarter ended 31 March 2017 and 31 March 2016, as reported in the financial results, are the balancing figures between the audited figures in respect of the full financial year and published figures of nine months ended 31 December 2016 [as restated (refer note 5 below)] and 31 December 2015 respectively. The figures for the quarter ended 31 December 2016 have been subjected to limited review by the statutory auditors.
- The company operates only in one segment, i.e. "Process and Project Engineering".
- During the quarter ended 31 March 2017, Company allotted 626,752 equity shares to its employees under Employee Stock Option Plan.
- Restatement of comparative figures for quarter ended 31 December 2016
During the quarter ended 31 March 2017, employee benefits expense of Rs. 3.61 crores, recognised in the quarter ended 31 December 2016, pertaining to Integrated Bio-refinery 2nd Generation Demonstration Plant engineered, developed and constructed in-house have been allocated to Capital work in progress.
This restatement has resulted in increase in Profit before tax and Profit after tax for the quarter ended 31 December 2016 by Rs. 3.61 crores and Rs. 2.70 crores respectively. Consequently, Basic and Diluted EPS for the quarter ended 31 December 2016 has increased by Rs. 0.15 per share.
- The Board of Directors proposed a final dividend of Rs. 1.62 per equity share (81% of the face value of Rs.2 each) for the financial year ended 31 March 2017 which is subject to the approval of shareholders at the forthcoming Annual General Meeting.
- The above results were reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 24 May 2017.



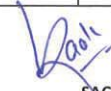
AUDITED STANDALONE FINANCIAL POSITION AS AT 31 MARCH 2017, PREPARED IN COMPLIANCE WITH THE INDIAN ACCOUNTING STANDARDS (IND AS)

STATEMENT OF ASSETS AND LIABILITIES

(Rupees in crores)

	31 March 2017	31 March 2016	1 April 2015
ASSETS			
Non-current assets			
Property, plant and equipment	172.11	185.72	199.97
Capital work-in-progress	31.46	0.74	1.39
Investment property	13.69	13.69	13.69
Intangible assets	1.82	2.71	2.43
Financial assets			
Investments	166.96	176.96	141.21
Loans	3.77	3.65	4.49
Others	10.00	0.002	0.002
Deferred tax assets (net)	-	4.69	-
Other assets	10.32	10.33	4.65
	410.13	398.49	367.83
Current assets			
Inventories	63.62	71.39	70.31
Financial assets			
Investments	134.33	121.65	151.58
Trade receivables	218.16	290.97	203.03
Cash and cash equivalents	56.89	43.77	61.90
Other bank balances	4.38	15.76	10.95
Loans	0.02	1.06	0.99
Others	4.54	2.96	5.45
Current tax asset (net)	7.31	5.65	-
Other assets	195.59	116.84	164.86
	684.84	670.05	669.07
TOTAL ASSETS	1,094.97	1,068.54	1,036.90
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	35.89	35.59	35.49
Other equity	678.99	621.89	618.67
TOTAL EQUITY	714.88	657.48	654.16
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Borrowings	0.08	0.12	0.20
Provisions	15.08	12.52	11.78
Deferred tax liabilities (net)	1.99	-	1.14
	17.15	12.64	13.12
Current liabilities			
Financial liabilities			
Trade payables	160.09	166.61	146.11
Other financial liabilities	5.32	6.33	6.61
Other current liabilities	180.35	209.72	202.68
Provisions	17.18	15.76	10.96
Current tax liabilities (net)	-	-	3.26
	362.94	398.42	369.62
TOTAL LIABILITIES	380.09	411.06	382.74
TOTAL EQUITY AND LIABILITIES	1,094.97	1,068.54	1,036.90

Place : Pune
Date : 24 May 2017


SACHIN RAOLE
CFO AND DIRECTOR- F&C
DIN: 00431438

ANNEXURE A

EXPLANATION (RECONCILIATION) OF TRANSITION TO INDIAN ACCOUNTING STANDARDS (IND AS)

Reconciliation of equity as previously reported under Indian GAAP to Ind AS

(Rupees in crores)

Sr. No.	Particulars	Note No.	Standalone	
			As at	
			31 March 2016	1 April 2015
(A)	Equity as per Indian GAAP		651.01	615.42
	Ind AS adjustments:			
(B)	Impact on retained earnings			
	Proposed dividend	1	-	34.60
	Share based payment transactions - Employee Stock Option Plan (ESOP)	2	(5.98)	(2.36)
	Fair valuation of investment in mutual funds	3	5.70	3.65
	Others	5	1.19	0.78
	Deferred tax impact on above Ind AS adjustments	6	(0.42)	(0.29)
	Total impact on retained earnings		0.49	36.38
(C)	Impact on other components of equity			
	Share option outstanding account	2	5.98	2.36
	Total impact on other components of equity		5.98	2.36
(D)	Impact on equity (B) + (C)		6.47	38.74
(E)	Equity as per Ind AS (A) + (D)		657.48	654.16

Reconciliation of profit as previously reported under Indian GAAP to Ind AS

(Rupees in crores)

Sr. No.	Particulars	Note No.	Standalone	
			Quarter ended	Year ended
			31 March 2016	31 March 2016
(A)	Net profit as per Indian GAAP		37.43	66.73
(B)	Ind AS adjustments:			
	Share based payment transactions - Employee Stock Option Plan (ESOP)	2	(0.71)	(3.62)
	Fair valuation of investment in mutual funds	3	1.01	2.05
	Actuarial loss/(gain) on post-employment defined benefit plans	4	0.06	(0.06)
	Others	5	1.28	0.41
	Deferred tax impact on above Ind AS adjustments	6	(0.47)	(0.10)
	Total Ind AS adjustments		1.17	(1.32)
(C)	Net profit for the period as per Ind AS (A+ B)		38.60	65.41
(D)	Other comprehensive income (net of deferred tax)	4	(0.04)	0.04
(E)	Total comprehensive income as per Ind AS (C) + (D)		38.56	65.45

Notes:

- Under Indian GAAP, dividend proposed after the date of the financial statements but prior to the approval of financial statements is considered as an adjusting event, and a provision for dividend is recognised in the financial statements of the period to which the dividend relates. Under Ind AS, dividend declaration is considered as a non-adjusting event and provision for dividend is recognised only in the period when the dividend is approved by the shareholders in annual general meeting.
- Under Indian GAAP, a company uses intrinsic value approach to measure the cost of share based payments. Under this approach, if the exercise price for employee stock option is not less than the market price of the underlying shares on the date of the grant, no compensation cost is recorded. Under Ind AS, costs of share based payments are recorded based on the fair value of employee stock option. Under this approach, the instrument would have a value even if the exercise price is equal to the market price of the underlying shares on the date of grant.
- Under Indian GAAP, current investments in mutual funds are measured at cost or net realisable value, whichever is lower. Under Ind AS, investments in mutual funds are classified as 'fair value through profit or loss' and are measured at fair value at each reporting date. The subsequent changes in the fair value of such investments are recognised in statement of profit and loss.
- Under Indian GAAP, actuarial gains and losses and return on plan assets on post-employment defined benefit plans are recognised immediately in statement of profit and loss. Under Ind AS, remeasurements which comprise of actuarial gains and losses, return on plan assets and changes in the effect of asset ceiling, if any, with respect to post-employment defined benefit plans are recognised immediately in other comprehensive income (OCI). Further, remeasurements recognised in OCI are never reclassified to statement of profit and loss.

ANNEXURE A

EXPLANATION (RECONCILIATION) OF TRANSITION TO INDIAN ACCOUNTING STANDARDS (IND AS)

5

- (a) Under Indian GAAP, the premium or the discount on foreign exchange forward derivative contracts related to underlying receivables and payables are amortised over the period of the contracts. In case of foreign exchange forward derivative contracts entered into at highly probable future transactions or firm commitments, mark to market losses (gains are ignored), if any, are recognised in the statement of profit and loss at the reporting date. Under Ind AS, all the foreign exchange forward derivative contracts are recorded at fair value with the subsequent changes in fair value recognised in the statement of profit and loss.
- (b) Under Indian GAAP, interest-free lease security deposits paid are reported at their transaction values. Under Ind AS, interest-free security deposits are measured at fair value on initial recognition and at amortised cost on subsequent recognition. The difference between the transaction value and fair value of the lease deposit at initial recognition is treated as prepaid rentals. This amount is recognised in statement of profit and loss on a straight line basis over the lease term.
- (c) Under Indian GAAP, there is no specific guidance for contracts that involve leases of land. Under Ind AS, lease of land is recognised as operating or finance lease as per definition and classification criteria stated in standard on leases. Accordingly, as on the date of transition the leases of land have been classified as operating / finance lease as the case may be.
- (d) Under Indian GAAP, financial guarantee given by the parent on behalf of its subsidiaries is recognised as 'contingent liability'. Under Ind AS, corporate / financial guarantee is treated as financial liability and recognised at fair value on initial and subsequent recognition. The fair value of the guarantee recoverable from the subsidiary is treated as receivable from subsidiary. The fair value of the guarantee not recoverable from the subsidiary is written off as expenditure. Finance income is recognised over the term of the guarantee using effective interest method.
- 6 Under Indian GAAP, deferred taxes are recognised using income statement approach i.e. reflecting the tax effects of timing differences between accounting income and taxable income for the period. Under Ind AS, deferred taxes are recognised using balance sheet approach i.e. reflecting the tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes using the income tax rates enacted or substantively enacted at reporting date. Also, deferred taxes are recognised on account of the above mentioned changes.



Auditor's Report on Year to Date Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Board of Directors,
Praj Industries Limited.

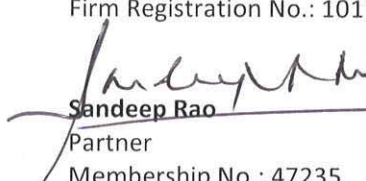
We have audited the year to date financial results of Praj Industries Limited for the period 1st April 2016 to 31st March 2017, attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI circular CIR/CFD/FAC/62/2016 date July 5th 2016. These quarterly financial results are the balancing figures between audited figures for the year ended 31st March 2017 and Year to Date figures published up to 31st December 2016, after taking into consideration the restated figures for quarter ended 31st December 2016, and have been prepared on the basis of the financial statements, which are the responsibility of the company's management. Our responsibility is to express an opinion on these financial results based on our audit of such financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard for Interim Financial Reporting (Ind AS 34), prescribed, under Section 133 of the Companies Act, 2013 read with relevant rules issued there under; or by the Institute of Chartered Accountants of India, as applicable and other accounting principles generally accepted in India.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of 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 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 these year to date financial results:

- (i) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard; and
- (ii) give a true and fair view of the net profit and other financial information of the year to date results for the period from 1st April 2016 to 31st March 2017.

For M/s P. G. Bhagwat
Chartered Accountants
Firm Registration No.: 101118W


Sandeep Rao
Partner
Membership No.: 47235
Place: Pune
24th May 2017



DATE: 24.05.2017



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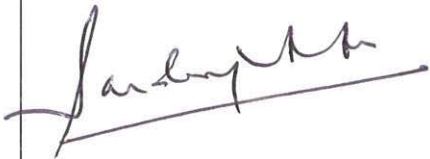
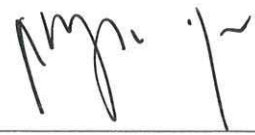
Dear Sir/Madam,

Sub.: Covering Letter to the Audit Report for the year 2016-17

Please find below the prescribed Form A (covering letter to the Audit Report for the year 2016-17) for your information and record.

FORM A

Format of covering letter of the annual audit report to be filed with the Stock Exchanges

1.	Name of the Company	PRAJ INDUSTRIES LIMITED
2.	Annual Standalone financial statements for the year ended	31 st March, 2017
3.	Type of Audit observation	Un-qualified
4.	Frequency of observation	N.A.
5.	To be signed by-	
	PRAMOD CHAUDHARI EXECUTIVE CHAIRMAN	
	SACHIN RAOLE CFO & DIRECTOR- FINANCE & COMMERCIAL	
	SANDEEP RAO PARTNER, M/S PGBHAGWAT, CHARTERED ACCOUNTANTS, PUNE STATUTORY AUDITORS M.NO.:47235 F.R.N. : 101118W	
	BERJIS DESAI AUDIT COMMITTEE CHAIRMAN	

Praj Industries Limited

Regd. Office : "Praj Tower", S. No. 274 & 275/2, Bhumkar Chowk-Hinjewadi Road, Hinjewadi, Pune : 411057. Ph : +91 20 71802000 / 22941000
f : +91 20 22941299 e: info@praj.net w : www.praj.net CIN : L27101PN1985PLC038031