

14-09-2020

The Dy. General Manager Dept. of Corporate Services BSE Limited 1 st Floor, P.J. Towers, Dalal Street, Fort, Mumbai - 400001	The Asst. Vice President Listing Department National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex, Bandra (East) Mumbai – 400051
Stock Code: 531746 ISIN No: INE505C01016	Stock Code: PRAENG ISIN No: INE505C01016

Dear Sir / Madam,

Sub: Submission of Un-Audited Financial Results (Standalone and Consolidated) for the 1st Quarter Ended 30-06-2020.

Ref: Reg. 33 of SEBI (LODR) Regulations, 2015-

With reference to the above cited subject, we would like to inform you that the Board of Directors of the Company in their meeting held on 14-09-2020, have inter-alia considered and approved Un-Audited Financial Results (Standalone and Consolidated) for the 1st Quarter Ended 30-06-2020.

Hence, please find the following documents that are required to be submitted under Regulation 33 of SEBI (LODR) Regulations, 2015:

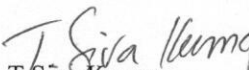
1. Un-audited standalone and consolidated Financial Results of the Company for the 1st Quarter Ended 30-06-2020.
2. A certified copy of Limited Review Report on standalone Financial Results for the 1st Quarter Ended 30-06-2020 by the Statutory Auditors.
3. A certified copy of Limited Review Report on consolidated Financial Results for 1st Quarter Ended 30-06-2020 by the Statutory Auditors.

The aforesaid results, duly reviewed by the Audit Committee, have been approved and taken on record by the Board of Directors at the just concluded Board Meeting held today i.e. on 14-09-2020.

This is for your information and records.

Thanking you,
Yours Faithfully,

For Prajay Engineers Syndicate Limited


T Siva Kumar
Company Secretary and Compliance Officer
Encl.: As above.



Prajay Engineers Syndicate Limited

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Chikoti Gardens, Hyderabad -500 016.
Tel : 91 - 40 6628 5566

▲ E-mail : Info@prajayengineers.com

www.prajayengineers.com

CIN : L45200TG1994PLC017384



Independent Auditor's Review Report on the Quarterly Unaudited Standalone Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015, as amended

**Review Report to
The Board of Directors
Prajay Engineers Syndicate Ltd**

1. We have reviewed the accompanying statement of unaudited standalone financial results of Prajay Engineers Syndicate Ltd (the "Company"), for the quarter ended June 30, 2020 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations"). Attention is drawn to the fact that the figures for net cash inflows for the corresponding period from April 01, 2019 to June 30, 2019, as reported in these unaudited standalone financial results have been approved by the Board of Directors of the Company, but have not been subjected to review.
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind As 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued there under and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement 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 the Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the statement is free of material misstatement. 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.



4. Based on our review conducted as above, 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 Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued there under and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

5. Emphasis of Matter

We draw attention to the Standalone financial results which describe the uncertainties and possible effects of Covid-19 on the operations of the Company. Our conclusion is not modified in respect of this matter.

We draw attention to below mentioned Note to Standalone financial results for the quarter ended June 30, 2020:

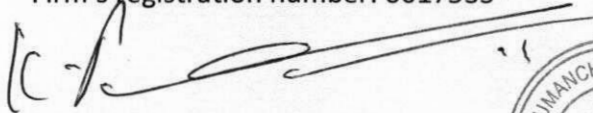
Note No. 5 relating to a demand notice received by the company.

Our opinion is not modified in respect of this matter.

FOR KARUMANCHI & ASSOCIATES

Chartered Accountants

Firm's registration number: 001753S



K. PEDDABBAI

Partner

M.No: 025036

UDIN No : 20025036AAAACE9657



Place : Hyderabad

Date : 14-09-2020



Independent Auditor's Review Report on the Quarterly Unaudited Consolidated Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

**Review Report to
The Board of Directors
Prajay Engineers Syndicate Limited**

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of Prajay Engineers Syndicate Limited which includes joint operations (the "Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group") and its associates for the quarter ended June 30, 2020 (the "Statement") attached herewith, being submitted by the Parent pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations"). Attention is drawn to the fact that the consolidated figures for the net cash inflows for the corresponding period from April 01, 2019 to June 30, 2019, as reported in these unaudited consolidated financial results have been approved by the Parent's Board of Directors, but have not been subjected to review.
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 Indian Accounting standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued there under and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement 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. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. 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 No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 issued by the Securities and Exchange Board of India under Regulation 33(8) of the Listing Regulations, to the extent applicable.



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

List of Subsidiaries

- a. Prajay Holdings Private Limited .
- b. Prajay Retail Properties Private Limited.
- c. Secunderabad Golf and Leisure Resorts Private Limited.

List of Associates

- a. Prajay Properties Private Limited .

5. Based on our review conducted and procedures performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

6. Emphasis of Matter

We draw attention to the Consolidated financial results which describe the uncertainties and possible effects of Covid-19 on the operations of the Company. Our conclusion is not modified in respect of this matter.

We draw attention to below mentioned Note to the Consolidated financial results for the quarter ended June 30, 2020:

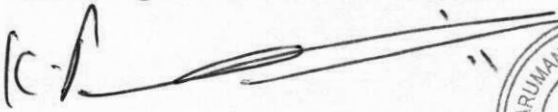
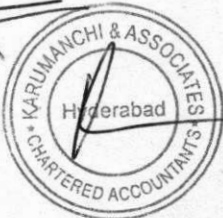
Note No. 5 relating to a demand notice received by the company.

Our opinion is not modified in respect of this matter.

For KARUMANCHI & ASSOCIATES

Chartered Accountants

Firm's registration number: 001753S

K.PEDDABAI

Partner

M.No: 025036

UDIN No : 20025036AAAACF4113

Place: Hyderabad

Date : 14-09-2020

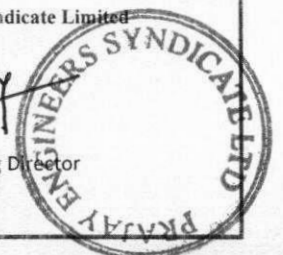
STATEMENT OF STANDALONE AND CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2020

(Rs. in Lakhs except share data)

Particulars	Standalone				Consolidated			
	3 months ended 30.06.2020	Preceding 3 months ended 31.03.2020	Corresponding 3 months ended 30.06.2019	For the year ended 31.03.2020	For the Quarter ended 30.06.2020	Preceding 3 months ended 31.03.2020	Corresponding 3 months ended 30.06.2019	For the year ended 31.03.2020
	(Un-audited)	(Audited)	(Un-audited)	(Audited)	(Un-audited)	(Audited)	(Un-audited)	(Audited)
Continuing operations								
Revenue from operations	348.43	2,283.23	1,179.86	4,931.03	348.43	2,319.65	1,179.86	5,004.56
Other income	21.98	40.33	32.07	336.33	22.03	40.36	32.07	336.66
Total income	370.41	2,323.56	1,211.93	5,267.36	370.46	2,360.01	1,211.93	5,341.22
Expenses								
Cost of land, Plots and Constructed Prop	221.82	2,266.96	569.61	3,329.24	221.82	2,325.73	569.61	3,428.99
Direct Cost Hotels & Resorts	7.08	126.25	119.01	477.71	7.08	126.25	119.01	477.71
Employee benefits expense	8.19	71.85	80.52	320.58	8.99	73.51	81.93	326.95
Depreciation and amortisation expense	96.76	101.40	104.32	407.44	97.68	102.84	105.75	413.16
Finance costs	140.62	131.47	122.76	511.53	140.62	131.50	122.81	512.01
Other expenses	28.22	142.91	159.18	593.94	28.42	148.04	159.80	600.38
Total expense	502.69	2,840.84	1,155.40	5,640.44	504.61	2,907.87	1,158.91	5,759.20
Profit before non-controlling interests/share in profit/(loss) of	(132.28)	(517.28)	56.53	(373.08)	(134.15)	(547.86)	53.02	(417.98)
Share of profit / (loss) of associate and jo	-	-	-	-	(0.30)	26.68	(3.65)	(26.35)
Profit before exceptional items and tax	(132.28)	(517.28)	56.53	(373.08)	(134.45)	(521.18)	49.37	(444.33)
Exceptional items(Prior period adjustmen	-	-	-	-	-	-	-	-
Profit before tax	(132.28)	(517.28)	56.53	(373.08)	(134.45)	(521.18)	49.37	(444.33)
Tax Expenses:								
Current tax expense	-	(24.07)	-	-	-	(24.07)	-	-
Prior Period Tax	-	-	(174.77)	-	-	-	(174.77)	-
Deferred tax	16.13	14.39	21.09	90.05	16.25	14.44	21.13	90.23
Profit for the year	(148.41)	(507.60)	210.21	(463.13)	(150.70)	(511.55)	203.01	(534.56)
Other Comprehensive income/(loss) for the year, net of tax								
Items that will not be reclassified to profit or loss:								
Net Loss/gain on Fair value through OCI (FVTOCI) equity securities	0.49	(0.40)	(0.22)	(0.70)	0.49	(0.40)	(0.22)	(0.70)
Remeasurement of the net defined benefit liability/asset	-	-	-	-	-	-	-	-
Income Tax Effect	(0.09)	0.06	0.04	0.12	(0.09)	0.06	0.04	0.12
Other comprehensive income/(loss) for the year, net of tax	0.40	(0.34)	(0.18)	(0.58)	0.40	(0.34)	(0.18)	(0.58)
Total comprehensive income for the year	(148.01)	(507.94)	210.03	(463.71)	(150.30)	(511.89)	202.83	(535.14)
Profit attributable to:								
Owners of the Company	(148.41)	(507.60)	210.21	(463.13)	(150.26)	(504.95)	203.73	(524.87)
Non Controlling Interest	-	-	-	-	(0.44)	(6.60)	(0.72)	(9.69)
Profit for the year	(148.41)	(507.60)	210.21	(463.13)	(150.70)	(511.55)	203.01	(534.56)
Total Comprehensive Income attributable to :								
Owners of the Company	(148.01)	(507.94)	210.03	(463.71)	(149.86)	(505.29)	203.55	(525.45)
Non Controlling Interest	-	-	-	-	(0.44)	(6.60)	(0.72)	(9.69)
Profit for the year	(148.01)	(507.94)	210.03	(463.71)	(150.30)	(511.89)	202.83	(535.14)
Earnings per share:								
Basic earnings per share of Rs.10/- each	(0.21)	(0.73)	0.30	(0.66)	(0.21)	(0.74)	0.29	(0.77)
Limited earnings per share of Rs.10/- each	(0.21)	(0.73)	0.30	(0.66)	(0.21)	(0.74)	0.29	(0.77)

For Prajay Engineers Syndicate Limited

D. Vijay Sen Reddy
 D. Vijay Sen Reddy
 Chairman and Managing Director
 DIN:00291185



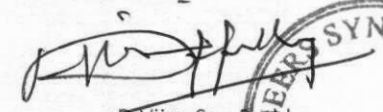
Place: Hyderabad
 Date: 14.09.2020

SEGMENT INFORMATION FOR THE QUARTER ENDED JUNE 30, 2020

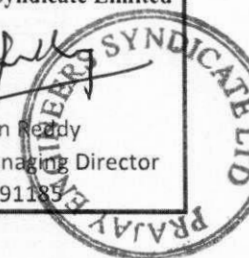
(Rs. in Lakhs)

Particulars	Standalone				Consolidated			
	3 months ended 30.06.2020	Preceding 3 months ended 31.03.2020	Corresponding 3 months ended 30.06.2019	For the year ended 31.03.2020	For the quarter ended 30.06.2020	Preceding 3 months ended 31.03.2020	Corresponding 3 months ended 30.06.2019	For the year ended 31.03.2020
	(Un-audited)	(Audited)	(Un-audited)	(Audited)	(Un-audited)	(Audited)	(Un-audited)	(Audited)
Segment Revenue								
Construction and Development	348.43	2,027.37	876.03	3,805.79	348.43	2,063.79	876.03	3,879.32
Hospitality - Hotels and Resorts	-	255.86	303.83	1,125.24	-	255.86	303.83	1,125.24
Unallocated Corporate Revenue	21.98	40.33	32.07	336.33	22.03	40.36	32.07	336.66
Total	370.41	2,323.56	1,211.93	5,267.36	370.46	2,360.01	1,211.93	5,341.22
Segment Results								
Construction and Development	14.30	(372.31)	116.99	(162.21)	12.43	(401.06)	113.53	(204.83)
Hospitality Services - Hotels and Resorts	(24.33)	(41.87)	42.03	9.41	(24.33)	(41.87)	42.03	9.41
Total	(10.03)	(414.18)	159.02	(152.80)	(11.90)	(442.93)	155.56	(195.42)
Unallocated Expenditure								
Interest and Finance Charges	140.62	131.47	122.76	511.53	140.62	131.50	122.81	512.01
Other unallocated expenditure (net of unallocated income)	(18.37)	(28.37)	(20.27)	(291.25)	(18.37)	(26.57)	(20.27)	(289.45)
Profit before Exceptional Items	(132.28)	(517.28)	56.53	(373.08)	(134.15)	(547.86)	53.02	(417.98)
Exceptional Items (Prior period adjustments)								-
Profit before Taxation	(132.28)	(517.28)	56.53	(373.08)	(134.15)	(547.86)	53.02	(417.98)
Segment Assets:								
- Construction and Development	69,578.10	69,525.82	69,934.20	69,525.82	87,167.13	87,119.80	87,888.56	87,119.80
- Hospitality - Hotels and Resorts	27,391.59	27,336.42	27,084.71	27,336.42	28,672.51	28,617.34	28,335.33	28,617.34
- Unallocated	13,570.68	13,600.40	13,594.48	13,600.40	7,023.50	7,053.21	7,047.30	7,053.21
Segment Liabilities								
- Construction and Development	44,742.23	44,612.74	44,743.42	44,612.74	47,072.97	46,948.54	47,179.28	46,948.54
- Hospitality - Hotels and Resorts	573.32	577.56	497.12	577.56	573.32	577.56	497.11	577.56
- Unallocated	1,501.21	1,485.08	1,416.12	1,485.08	1,495.83	1,479.59	1,410.51	1,479.59

For Prajay Engineers Syndicate Limited


 D. Vijay Sen Reddy
 Chairman and Managing Director
 DIN:00291185

Place: Hyderabad
Date: 14.09.2020



Notes:

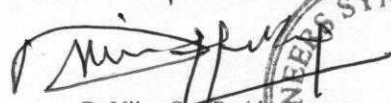
1. The above results, which have been reviewed by the Statutory Auditors of the company, are published in accordance with the Regulation 33 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, as amended, have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 14.09.2020.
2. The financial results are prepared in accordance with the Indian Accounting Standards (Ind-AS) as prescribed under Sections 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) (Amendment) Rules, 2016 and other accounting principles generally accepted in India.
3. The format for quarterly results as prescribed in SEBI's Circular dated Nov 30, 2015 has been modified to comply with the requirements of SEBI's Circular dated July 5, 2016, Ind-AS and Schedule III (Division II) of the Companies Act, 2013, which are applicable to Companies that are required to comply with Ind-AS.
4. Due to Covid-19 pandemic, the company could not start its Hospitality Division's operations after 24th March, 2020 and hence there was no revenue from the Hospitality Division during the quarter. The company's Construction division operations are also severely affected after 24th March, 2020.

The Lockdown imposed to contain the spread of Covid-19 impacted significantly the Company's operations and financial results for the quarter under review. The Company has been taking special measures required for containing the spread of Covid-19 and the operations have resumed gradually during the quarter. However, limited availability of work force continues to impact the progress. The results for the quarter are therefore not comparable with those for the previous quarters. The Company has taken necessary measures to control the costs and also to maintain the liquidity to ensure progress in the projects wherever possible. The Company continues to monitor the economic effects of the pandemic while taking necessary steps to improve operations.

5. A demand notice has been received by the company from M/s Prajay Properties Private Limited (an associate company) under the signature of Ms. Jamila Mohamed Hamed Al Jabri , Investor nominee director of M/s Prajay Properties Private Limited (PPPL), stating that in the year 2010 an amount of INR 120.60 Crores siphoned from PPPL in the name of Inter Corporate Deposits. The company is taking appropriate steps to address the matter.
6. Segments have been identified in accordance with Indian Accounting Standard 108 on Segment reporting, concerning the returns / risk profiles of the business and the company has two segments as follows:
 - (a). Construction and Development of Property
 - (b). Hospitality - Hotels and Resorts
7. Figures for the previous period/year have been regrouped, wherever considered necessary.
8. As a result of economic slowdown and continued recessionary tendencies in the realty sector, the realisations from customers are very slow.

Place: Hyderabad
Date: 14.09.2020

For Prajay Engineers Syndicate Limited


D. Vijay Sen Reddy
Chairman and Managing Director
DIN:00291185

