



PSL LIMITED

PSL Towers, 615 Makwana Road, Marol, Andheri (East), Mumbai-400 059
Telephone: 022-66447777 / 66447788 / 66447799, Fax: 022-66447700
CIN: L67120DD1987PLC002395

Ref: PSL/2020-21/ 832

Nov 13, 2020

To,

National Stock Exchange of India Limited

Listing Department

Exchange Plaza,

5th Floor, Plot No C/1, G Block,

Bandra Kurla Complex,

Bandra East, Mumbai-400 051

Tel: 022-26598235/36

Fax: 022-26598237/38

NSE Scrip Symbol: PSL

BSE Limited

Corporate Service Department

Phiroze Jeejeebhoy Towers,

Dalal Street, Fort,

Mumbai-400 001

Tel: 022-22728398

Fax: 022-22722037/39

BSE Scrip Code: 526801

Dear Sir/Madam,

Sub: Outcome of Board Meeting held today i.e. November 13, 2020

Pursuant to the Regulation 33 of SEBI (LODR) Regulations, 2015, we are enclosing herewith a summarized copy of Financial Results along with Limited Review Report issued by the Statutory Auditors of the Company.

Kindly take the same on your records and oblige.

Thanking You
Yours Faithfully
For PSL LIMITED

Nitin Jain
Liquidator in the matter of PSL Limited

Encl.: As above



Reg. Office: Kachigam, P.B. No. 25, Daman (UT)-396 210, India

Tel: (0260) 2242989, 2244496, 2244497, Fax: (0260) 2241932

Website: www.psllimited.com

PSL LIMITED

Undergoing Liquidation Process

Regd. Office: Kachigam, Daman & Diu - 396 210

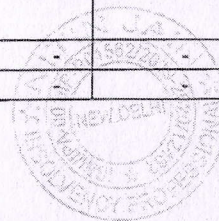
Tel No. (0260) 2242989 FAX No. (0260) 2241932

(Website : psllimited.com, Email: pslltdlegal@gmail.com) CIN : L67120DD1987PLC002395

STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30th SEPTEMBER, 2020

(RS. IN CRORE)

S.No.	PARTICULARS	STANDALONE					
		QUARTER ENDED			HALF YEAR ENDED		YEAR ENDED
		30.09.2020	30.06.2020	30.09.2019	30.09.2020	30.09.2019	31.03.2020
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Income						
	(a) Revenue from Operations	4.48	5.10	13.06	9.58	47.85	69.93
	(b) Other Income	0.91	1.07	1.78	1.98	3.23	7.72
	Total income	5.39	6.17	14.84	11.56	51.08	77.65
2	Expenses						
	(a) Cost of materials consumed	0.36	0.19	2.74	0.55	9.71	12.68
	(b) Purchases of stock-in-trade	-	-	-	-	-	-
	(c) Changes in inventories of finished goods, work-in-progress & stock in trade	(0.85)	0.77	3.26	(0.08)	5.64	8.08
	(d) Employee benefits expense	6.72	7.62	8.67	14.34	18.23	36.03
	(e) Finance Costs						
	(f) Depreciation and amortisation expense	15.08	20.69	20.64	35.77	41.39	82.78
	(g) Other expenses	3.30	3.62	8.53	6.92	21.74	34.90
	Total expenses	24.61	32.89	43.84	57.50	96.71	174.47
3	Profit/(Loss) Before exceptional items(1-2)	(19.22)	(26.72)	(29.00)	(45.94)	(45.63)	(96.82)
4	Exceptional Items	-	-	-	-	-	-
5	Profit/(Loss) before tax (3-4)	(19.22)	(26.72)	(29.00)	(45.94)	(45.63)	(96.82)
6	Tax Expenses (including deferred tax)						
7	Profit/ (Loss) for the period from Continuing operations (5-6)	(19.22)	(26.72)	(29.00)	(45.94)	(45.63)	(96.82)
8	Profit/ (Loss) from discontinuing operations	-	-	-	-	-	-
9	Tax Expense of discontinuing operations	-	-	-	-	-	-
10	Profit/ (Loss) for the period from discontinuing operations after tax (8-9)	-	-	-	-	-	-
11	Profit/ (Loss) for the period (7+10)	(19.22)	(26.72)	(29.00)	(45.94)	(45.63)	(96.82)
12	Other Comprehensive Income net of taxes						
	a) Items that will not be reclassified to profit or loss	-	-	-	-	-	-
	b) Items that will be reclassified to profit or loss	-	-	-	-	-	-
13	Total Comprehensive Income for the period (11-12) (Comprising Profit (loss) and Other Comprehensive Income for the Period)	(19.22)	(26.72)	(29.00)	(45.94)	(45.63)	(96.82)
14	Paid-up Equity Share Capital (Face Value of Rs. 10/- each)	124.93	124.93	124.93	124.93	124.93	124.93
	Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year			-			(2,626.06)
15	(i) Earning Per Share (For Continuing Operations) (Face Value INR 10/- each)						
	- Basic	(1.54)	(2.14)	(2.32)	(3.68)	(3.65)	(7.75)
	- Diluted	(1.54)	(2.14)	(2.32)	(3.68)	(3.65)	(7.75)
	Earnings Per Equity Share (For Discontinued Operations) (Face Value INR 10/- each)						
	- Basic	-	-	-	-	-	-
	- Diluted	-	-	-	-	-	-



PSL LIMITED

Undergoing Corporate Insolvency Resolution Process

Regd. Office: Kachigam, Daman & Diu - 396 210

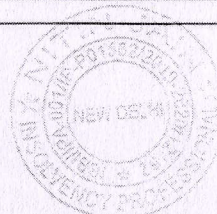
Tel No. (0260) 2242989 FAX No. (0260) 2241932

(Website : psllimited.com, Email: pslltdlegal@gmail.com) CIN : L67120DD1987PLC002395

STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2020

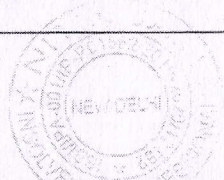
(RS. IN CRORE)

S.No.	PARTICULARS	CONSOLIDATED					
		QUARTER ENDED			HALF YEAR ENDED		YEAR ENDED
		30.09.2020	30.06.2020	30.09.2019	30.09.2020	30.09.2019	31.03.2020
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited	
1	Income						
	(a) Revenue from Operations	34.79	19.30	42.43	54.09	121.47	215.93
	(b) Other Income	1.02	1.19	1.58	2.21	3.42	12.76
	Total income	35.81	20.49	44.01	56.30	124.89	228.69
2	Expenses						
	(a) Cost of materials consumed	7.83	8.10	12.39	15.93	32.14	65.49
	(b) Purchases of stock-in-trade	-	-	-	-	-	-
	(c) Changes in inventories of finished goods, work-in-progress & stock in trade	1.13	1.12	-0.42	2.25	4.80	(7.11)
	(d) Employee benefits expense	11.50	11.59	13.22	23.09	27.33	57.56
	(e) Finance Costs	6.79	9.46	6.81	16.25	13.18	59.05
	(f) Depreciation and amortisation expense	20.46	25.31	26.32	45.77	52.43	121.66
	(g) Other expenses	17.72	12.64	21.92	30.36	53.67	101.52
	Total expenses	65.43	68.22	80.24	133.65	183.55	398.17
3	Profit/(Loss) Before exceptional items(1-2)	(29.62)	(47.73)	(36.23)	(77.35)	(58.66)	(169.48)
4	Exceptional Items						
5	Profit/(Loss) before tax (3-4)	(29.62)	(47.73)	(36.23)	(77.35)	(58.66)	(169.48)
6	Tax Expenses (including deferred tax)			2.11		2.11	2.09
7	Profit/ (Loss) for the period from Continuing operations (5-6)	(29.62)	(47.73)	(38.34)	(77.35)	(60.77)	(171.57)
8	Profit/ (Loss) from discontinuing operations	-	-	-	-	-	-
9	Tax Expense of discontinuing operations	-	-	-	-	-	-
10	Profit/ (Loss) for the period from discontinuing operations after tax (8-9)	-	-	-	-	-	-
11	Profit/ (Loss) for the period (7+10)	(29.62)	(47.73)	(38.34)	(77.35)	(60.77)	(171.57)
12	Other Comprehensive Income net of taxes						
	a) Items that will not be reclassified to profit or loss						-
	b) Items that will be reclassified to profit or loss						-
13	Total Comprehensive Income	(29.62)	(47.73)	(38.34)	(77.35)	(60.77)	(171.57)
	Net Profit attributable to :						
	- Owners of the Parent	(29.62)	(47.73)	(38.34)	(77.35)	(60.77)	(171.57)
	- Non-controlling interests	(29.62)	(47.73)	(38.34)	(77.35)	(60.77)	(171.57)
	Other Comprehensive Income attributable to :						
	- Owners						-
	- Non-controlling interests						-
	Total Comprehensive Income attributable to :						
	- Owners	(29.62)	(47.73)	(38.34)	(77.35)	(60.77)	(171.57)
	- Non-controlling interests						-
14	Paid-up Equity Share Capital (Face Value of Rs. 10/- each)	124.93	124.93	124.93	124.93	124.93	124.93
	Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year	-	-	-	-	-	(2,866.08)
15	(i) Earning Per Share (For Continuing Operations) (Face Value INR 10/- each)						
	- Basic	(2.37)	(3.82)	(3.07)	(6.19)	(4.86)	(13.73)
	- Diluted	(2.37)	(3.82)	(3.07)	(6.19)	(4.86)	(13.73)
	Earnings Per Equity Share (For Discontinued Operations) (Face Value INR 10/- each)						
	- Basic	-	-	-	-	-	-
	- Diluted	-	-	-	-	-	-



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NOTES:

1	The above un-audited financial results for the Quarter and half year ended 30th September 2020 have been reviewed by the Audit Committee and taken on record by Liquidator Professional of PSL Limited ('the PSL or 'the Company' or Holding Company') at their respective meeting held on 13 Nov-2020. The Statutory Auditors of the Company have reviewed these financial results pursuant to regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended. The unaudited Financial Accounts have been prepared by the Auditor and reviewed by the Key Management Person (KMPs) and ex-directors of PSL Limited. The Liquidator is signing these Financial Results to comply with Regulations of Companies Act, 2013 and SEBI Regulations only.
2	An application was filed by PSL LIMITED under Section 10 of Insolvency and Bankruptcy Code, 2016 read with Rule 7 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016 before the Hon'ble NCLT Ahmedabad with a prayer to commence the Corporate Insolvency Resolution Process (CIRP) in respect of itself. The said application for initiation of Corporate Insolvency Resolution Process (CIRP), which was registered as C.P. (IB) No. 37/10/NCLT/AHM/2017, was admitted by Hon'ble National Company Law Tribunal (NCLT), Ahmedabad Bench, Ahmedabad (Hon'ble NCLT/Hon'ble Adjudicating Authority) vide its order dated. 15.02.2019. The Adjudicating Authority (NCLT) had at that time appointed Mr. Nilesh Sharma, having IP Registration no. IBBI/IPA-002/IP-00006/2016-17/4 as "Interim Insolvency Resolution Professional", however on 29.08.2019 NCLT appointed Mr. Nitin Jain, having Registration No.: IBBI/IPA-001/IP-P-01562/2019-2020/12462 as Resolution Profession to carry out the functions as mentioned under Insolvency and Bankruptcy Code, 2016. Under the IBC proceedings the power of the Board were suspended with effect from 15.02.2019. The NCLT order also provided for a moratorium with effect from Feb 15.02.2019, till the completion of the Corporate Insolvency Resolution process (CIRP) or until it approves the resolution plan under section 31(1) or passes an order for liquidation of the company under section 33, whichever is earlier. Recently Committee of Creditors took a decision to file an application for initiation of Liquidation Process and Liquidation Order is passed by NCLT on 11.09.2020. Mr. Nitin Jain is appointed as Liquidator.
3	This un-audited Standalone and Consolidated financial results for the Quarter and half year ended 30th September 2020 were placed at the meeting of the Directors of PSL on its Board (Powers suspended), Auditors, Finance & Accounts -Head and the Liquidator Professional held on 13.11.2020. Accordingly, the said un-audited financial results of the company have been approved by the Liquidator Professional In consultation with Directors, Auditors and Finance & Accounts- Head of the company at the said meeting.
4	The Company's main business is to manufacture steel pipes. Accordingly, the Company does not have more than one segment eligible for reporting in terms of relevant in accordance with IND AS 108 "Segment Reporting" issued by the Institute of Chartered Accountants of India.
5	Since the lenders of the company have treated their outstanding dues from Company to them as NPAs, the Company has not provided interest amounting to Rs. 217.36 Crores during the half year ended 30.09.2020 in its books of accounts during the quarter under review.
6	A closing Inventory of Rs . 16.38 Crores (valued at realisable value as on 30.09.2020) excludes disputed (currently under Arbitration process) amount of Rs. 17.07 Crores on account of work in process being an under construction building at coimbatore(the company was doing construction work on this building for one of its client)
7	Since the company has subsidiaries and step down subsidiaries, in compliance of clause 33(3)(b) of SEBI (LODR) standalone as well as consolidated results for the Half Year ended 30th September 2020 have been stated in the above statement.
8	The Company has incurred net losses during the half year ended as well as in the previous year and its net worth is fully eroded. However, the financial statements of the Company have been prepared on a going concern basis.
9	The figures for the previous period / year have been regrouped wherever necessary to conform to the current year's classification.
10	The World Health Organization announced a global health emergency because of a new strain of Coronavirus (COVID-19) and classified its outbreak as a pandemic on 11th March 2020. On 24th March 2020.. The Indian Government announced a strict 21-day lockdown across the country to contain the spread of the virus, which was further extended till 3rd May 2020. This pandemic and government response are creating disruption in the global supply chain and adversely impacting most of the industries which has resulted in global shutdown. The Company has taken into account the possible impact of COVID-19 in preparation of the unaudited standalone financial results, including its assessment of recoverable value of its assets based on internal and external information and has concluded no material adjustments are required therein as on 11th September 2020. The Company will continue to closely monitor any material changes to future economic conditions. The results for the quarter are therefore not comparable with those for the previous quarter. The actual impact of COVID-19 in coming quarters may be different from that of this quarter, depending on how the situation evolves globally.
Place: Mumbai Date: 13.11.2020	<div style="text-align: center;">  <p>For PSL LIMITED (In Liquidation)</p> <p>NITIN JAIN Liquidator Professional (PSL Limited in Liquidation) (Registration No.: IBBI/IPA-001/IP-P-01562/2019-2020/12462)</p> </div>

PSL LIMITED
STATEMENT OF STANDALONE AND CONSOLIDATED ASSETS AND LIABILITIES AS ON 30TH SEPTEMBER, 2020

(RS. IN CRORE)

Particulars	STANDALONE		CONSOLIDATED	
	AS AT 30-09-2020	AS AT 30-09-2019	AS AT 30-09-2020	AS AT 30-09-2019
Assets				
(1) Non Current Assets				
(a) Property, Plant and Equipment	1,108.29	1,185.45	1,244.80	1,336.28
(b) Capital Work-in-progress	-	-	68.90	70.65
(c) Other Intangible assets	0.00	0.00	0.00	0.00
(e) Financial Assets	-	-	-	-
(i) Investments	174.27	174.27	2.99	2.99
(ii) Loans	13.41	20.25	25.70	26.58
(f) Deferred Tax Assets (Net)	-	-	0.05	0.04
(g) Other Non-Current Assets	-	-	-	-
	1,295.98	1,379.96	1,342.45	1,436.54
(2) Current Assets				
(a) Inventories	16.38	20.36	46.23	56.16
(b) Financial Assets	-	-	-	-
(i) Investment	-	-	0.29	0.29
(ii) Trade Receivables	3.54	5.28	49.18	46.98
(iii) Cash and Cash Equivalents	3.78	6.92	17.97	23.20
(iv) Bank Balances other than (iii) above	-	-	-	-
(v) Loans	0.05	0.01	74.28	76.80
(vi) Others	-	-	-	-
(c) Current Tax Asset (Net)	402.29	405.11	389.21	390.35
(d) Other Current Assets	-	-	-	-
	426.04	437.68	577.16	593.78
Total Assets	1,722.02	1,817.64	1,919.61	2,030.32
EQUITY AND LIABILITIES				
(1) Equity				
(a) Equity Share Capital	124.93	124.93	124.93	124.93
(b) Other Equity	(2,672.01)	(2,574.87)	(3096.00)	(2,928.35)
Total Equity	(2547.07)	(2449.94)	(2971.06)	(2803.42)
Liabilities				
(2) Non Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	3,859.58	3,859.98	3,859.58	3,859.98
(ii) Trade Payables	263.56	263.56	263.56	263.56
(b) Provisions	13.87	13.87	13.87	13.87
(c) Other Non Current Liabilities	-	-	-	-
	4,137.01	4,137.40	4,137.01	4,137.40
(3) Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	-	-	622.62	558.21
(ii) Trade Payables (Current)	10.27	10.02	51.97	56.29
(iii) Other Financial Liabilities	0.29	0.29	0.29	0.29
(b) Other Current Liabilities	121.52	119.88	64.18	67.76
(c) Provisions	-	-	14.60	13.79
(d) Current Tax Liabilities (Net)	-	-	-	-
	132.08	130.18	753.66	696.34
Total Equity and Liabilities	1,722.02	1,817.64	1,919.61	2,030.32



(Annexures-2)

Un-audited Cash Flow Statement for the half year ended 30th September, 2020

(Rs, in Crore)

Particulars	Standalone		Consolidated	
	Half Year Ended	Half Year Ended	Half Year Ended	Half Year Ended
	30th Sep, 2020	30th Sep, 2019	30th Sep, 2020	30th Sep, 2019
A) CASH FLOW FROM OPERATING ACTIVITIES				
Profit before tax for the year	(45.94)	(45.63)	(77.35)	(58.67)
<u>Adjusted to Reconcile Profit before tax to net cash flows</u>			0.00	
Depreciation	35.77	41.40	45.77	52.43
Other Borrowing Cost	0.08	0.00	16.33	13.18
Interest Income (net)	(0.11)	0.00	(0.30)	0.00
Non Operating Income	(0.06)	0.00	(0.10)	0.00
Other adjustments for non-cash items			11.05	6.08
Movements in working capital:				
Decrease/(increase) in Inventories	(0.07)	5.84	4.96	4.92
Decrease/(Increase) in Trade Receivables	0.27	4.25	(1.25)	12.29
Decrease/(Increase) in Short Term Loans & Advances	3.94	3.02	6.24	(2.92)
Increase/Decrease in Other Current Liabilities	2.82	(7.73)	1.30	(12.93)
	-			
NET CASH FROM OPERATING ACTIVITIES [A]	(3.30)	1.15	6.66	14.38
B) CASH FLOW FROM INVESTING ACTIVITIES				
(Purchase)/Sale of property, plant and equipment	-	-	0.00	(5.45)
Decrease/(Increase) in Capital WIP			0.00	2.35
Interest Received	0.11	-	0.30	0.00
Other Non Operating Income	0.06	-	0.10	0.00
NET CASH USED IN INVESTING ACTIVITIES	0.16	0.00	0.40	(3.10)
C) CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds From Long Term Loans And Advances	-	(0.42)	-	(0.34)
Repayment Of Short Term Borrowings	0.00	0.00	0.00	(1.51)
Other Borrowing Cost	(0.08)	0.00	(7.77)	(1.58)
NET CASH USED IN FINANCING ACTIVITIES	(0.08)	(0.42)	(7.77)	(3.43)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENT [A+B+C]	(3.21)	0.73	(0.72)	7.85
CASH AND CASH EQUIVALENT - OPENING [A]	6.99	6.19	18.68	15.35
CASH AND CASH EQUIVALENT - CLOSING [B]	3.78	6.92	17.97	23.20
[B-A]	(3.21)	0.73	(0.72)	7.85

Note :

The above cashflow statement has been prepared under the indirect method set out in IND AS - 7 'Statement of Cash Flows'



LIMITED REVIEW REPORT ON UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER 2020 OF PSL LIMITED PURSUANT TO THE REGULATION 33 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To,

The Resolution Professional (RP)

In the matter of PSL Limited,

IBBI Reg. No.: IBBI/IPA-001/IP-P-01562/2020-2020/12462

Corporate insolvency Resolution Process (“CIRP”)

The Hon’ble National Company Law Tribunal, Ahmedabad (“NCLT”) by an order dated 15th February, 2019 admitted the Corporate insolvency Resolution Process (“CIRP”) consequent upon an application filed by PSL Limited u/s 10 of IBC Code and appointed Mr. Nilesh Sharma as the Interim Resolution Professional (“IRP”) and subsequently by virtue of NCLT order dated 29th August, 2019, Mr. Nitin Jain as Resolution Professional (“RP”) in term of the Insolvency and Bankruptcy Code, 2016 (“Code”) to manage the affairs of the Company as per the provisions of the Code. The CIRP is ongoing.

The NCLT order also provided for a moratorium with effect from Feb 15.02.2019, till the completion of the Corporate Insolvency Resolution process (CIRP) or until it approves the resolution plan under section 31(1) or passes an order for liquidation of the company under section 33, whichever is earlier. Recently Committee of Creditors took a decision to file an application for initiation of Liquidation Process of the Company in CIRP.

Recently Committee of Creditors took a decision to file an application for initiation of Liquidation Process and Liquidation Order is passed by NCLT on 11.09.2020. Mr. Nitin Jain is appointed as Liquidator.

1. We have reviewed the accompanying Statement of Unaudited **Standalone** Financial Results (the “statements”) of PSL LIMITED (the “Company”) for the quarter and half year ended 30th September, 2020 being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (‘the Regulation’).

2. This Statement, which is the responsibility of the Company’s Management and approved at the meeting of PSL Limited of its Board (power suspended) and the resolution professional held on 13th November, 2020, has been prepared in accordance with the recognition and measurement principal laid down in the Indian Accounting Standard 34 “Interim Financial Report” (Ind AS 34), prescribed under section 133 of the Companies Act, 2013 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 in accordance with the Standard on Review Engagement (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 standalone financial statements are free of material misstatement. A review is limited primarily to inquiries of Company personnel

and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

4. Material Uncertainty Related to Going Concern:

In spite of negative net worth of the Company, standalone financial statements are prepared on “going concern” basis for the reasons stated in Note No. 2 and 8 of the accompanied financial results.

5. Emphasis of Matter:

- i. It is noticed that currently the Company is only doing job work at Vizag, Varsana, Jaipur and Chennai plants for its clients and during the period under report the turnover of the Company has decreased as compared to previous quarters and year.
- ii. As a consequence, to acute financial stress being faced by the Company in recent years, the Company’s net worth has been eroded due to accumulated losses. Keeping in view the current status of company’s operations it is likely that the accumulated losses are further enhanced creating a further adverse impact on it’s net worth.
- iii. The financial statements have been prepared on a going concern basis although consequent upon severe financial crises faced by the company its net worth is eroded. Moreover, due to the said reason, Company is unable to procure adequate fresh orders which inturn has resulted into reduced income and profitability. Servicing of companies’ debts has also accordingly been adversely affected.
- iv. The Company is undergoing Corporate Insolvency Resolution Process (CIRP) under the provisions of Insolvency & bankruptcy Code, 2016 (Insolvency Code) in terms of Order dated. 15th February 2019 passed by Hon'ble NCLT, Ahmedabad Bench. In terms of Section 20 of Insolvency code, the management and operations of the Company are being managed by Resolution Professional (RP).
- v. These events cast significant doubt on the ability of the Company to continue as a going concern under the present circumstances. The appropriateness of the said basis is inter-alia dependent on the Company’s ability to infuse requisite funds for meeting its obligations (including statutory liabilities and those in respect of contracts entered into for purchase of goods and assets), rescheduling of debt/other liabilities and resuming normal operations.
- vi. Attention is invited to Note No. 10 to the accompanied financial results, which describes the uncertainties and potential impact of the Covid-19 pandemic on the Company’s operations and results as assessed by the management. The actual results may differ from such estimates depending on future developments.
- vii. The company has not carried out detailed assessment of the useful life of Company’s property plant and equipment and hence depreciation has not been adjusted, as per the notification to Schedule II of the Companies Act, 2013. We are therefore unable to comment on the impact on statement of Profit & Loss Account.
- viii. It has been observed that the Company is unable to deposit the provident fund amount with PF authorities in time, as a result of which Rs. 1.37 Crores is the amount which yet to be deposited.
- ix. The Company has reported a Net Loss of Rs. 19.22 Crores for the quarter ended on 30th September, 2020 as against the net loss of Rs. 29.00 Crores for the corresponding quarter ended on 30th September, 2019. The loss is largely due to the depreciation.
- x. Since most of the banks which had extended financial facilities to the company have already

treated the outstanding from the company as “Non-Performing Assets”, they as a usual practice have discontinued making provisions of interest on such loss as accrued income in their books. In order to achieve the desired congruency on this issue the Company has also not provided for any interest amounting to Rs. 109.52 Crores on such outstanding facilities for the quarter ended 30th September, 2020 due to various banks. Had the said interest been provided in the books in the normal course, the current quarter losses of Rs. 19.22 Crores would have raised to Rs. 128.74 Crores.

xi. The agreement with Kandla Port Trust had not renewed w.e.f. 31.07.2007 onwards for different plots at Kandla leased by them to the company due to non-payment of their heavy invoices for bills for compensation and, possession of the same was taken over by Kandla Port Trust on 31st March, 2015. PSL Limited has filed appeal before the District Court, Gandhidham for the same. The matter is pending at Gandhidham District Court.

xii. **Inventory:**

The closing inventory as on 30th September, 2020 of Rs. 16.38 Crores (valued at realizable value) excludes disputed Working in Progress of a Building at Coimbatore for Rs.17.07 Crores which is currently in arbitration stage.

xiii. **Operations Maintenance and Management Agreement with Jindal Tubular (India) Limited.**

- a. Although company’s three plants earlier handed over to Jindal Tubular (India) Limited (JTIL) in mid 2015 were returned to the company during September to November, 2016, JTIL has yet to return to the company one Pipe Mill having capacity of 75000MT, one IPC plant having capacity of 18000Sqr Meter and other spares and consumable shifted by it contrary to the provisions of their agreement with the company.
- b. As per the advice of Edelweiss, JTIL is transferring Rs 0.098 Crores after deducting tax of Rs 0.002 Crores every month to Company’s bank account, though there was no agreement for the same.
- c. Jindal Tubular (India) Limited has claimed Non legacy and legacy payment from PSL amounting to Rs. 4.37 Crores. The Company has not accepted their claim and the accounts are under reconciliations.
- d. The Excise Department has issued following notices to the company directing to show cause as to why the Cenvat credit taken on the capital goods and machineries removed from the factory premises of notices under the provisions of Rule 3(5A)(a), Rule 2 and Rule 4(5)(a)(ii) of Cenvat Credit Rules, 2004, should not be demanded and recovered under Section 11A with interest u/s 11AA and penalty u/s 11AC of the Central Excise Act, 1944 read with Rule 14 of the Cenvat Credit Rules, 2004

Sl. No.	Show Cause Notice	Amount in Rs Crores
1.	Varsana 1	0.72/-
2.	Varsana 2 Coating	4.86/-
3.	Varsana 2 Pipe Mill	5.52/-
	Total	11.10/-

The Company has submitted that the allegations made in the show cause notices are not correct in law as well on facts. The matter is pending before the appellate authority.

xiv. **Settlement with JSW**

The Company has created pari passu charge with respect to some of the immovable and

movable properties of the Company in favour of JSW and CDR lenders by way of mortgage by deposit of title deeds in favour of IDBI Trusteeship Services Limited, in pursuance of the Bombay High Court Order.

xv. **Lender Banks' Balance Confirmation as on 30th September, 2020**

We have been informed by the officials of the company that although the company has requested its various bankers to issue their confirmation letters confirming the balances with respect to various Bank Accounts/Bank Guarantee/Letter of Credit/Corporate Guarantee given by company for its subsidiaries company as on 30th September, 2020 but the same have not yet been received the said confirmations. Pending the receipt of balance confirmations, book balances as on 30th September, 2020 have been taken in the accounts of the Company.

xvi. **Major Legal Matters:**

a. Initially five complaints were filed by two banks Syndicate Bank and Kotak Mahindra Bank Ltd. under the relevant provisions of Negotiable Instruments Act but after the order of Addl. Sessions Court of Bombay, one complaint has been scrapped with respect to some of the Directors and matters are now pending for disposal. These matters are still pending in 16th/63rd MM Court, Andheri, Mumbai.

b. Petitions have been filed before the High Court of Gujarat at Ahmedabad challenging the order issued by Kandla Port Trust (KPT) in respect of evacuation of five plots of land of PCD-I unit located in East of NH No. 08A, Kandla Road, Gandhidham and two plots of land of PCD-II in Plot No. 5&6 in Block D, Sector 12, Gandhidham. The matters are pending at High Court.

c. **Company's petition against Andhra Pradesh Industrial Infrastructure Corporation (APIIC)**

Having felt aggrieved by the decision of APIIC to resume the possession of two plots earlier allotted by it to the company has filed writ petitions in Hyderabad High Court challenging APIIC's decision. While the Hon'ble High Court having examined the company's grievance has granted a stay in company's favour, the matter is still pending for final adjudication.

Our conclusion is not modified in respect of above matters.

6. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement of Un-Audited Standalone Financial Results prepared in accordance with applicable Indian Accounting Standards and other recognized accounting practices and policies, has not disclosed the information required to be disclosed in terms of the Regulation, read with the Circular, including the manner in which it is to be disclosed, or that it contains any material misstatement.

**PLACE : MUMBAI,
DATED : 13TH NOVEMBER, 2020**

**FOR V. PAREKH & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REGN. NO. 107488W**

**RASESH
VINAYKANT
PAREKH**

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VINAYKANT PAREKH
Date: 2020.11.13 11:52:05
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**RASESH V. PAREKH - PARTNER
MEMBERSHIP NO. 38615
UDIN: - 20038615AAAANZ8768**

LIMITED REVIEW REPORT ON UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER 2020 OF PSL LIMITED PURSUANT TO THE REGULATION 33 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To,

The Resolution Professional (RP)

In the matter of PSL Limited,

IBBI Reg. No.: IBBI/IPA-001/IP-P-01562/2020-2020/12462

Corporate insolvency Resolution Process (“CIRP”)

The Hon’ble National Company Law Tribunal, Ahmedabad (“NCLT”) by an order dated 15th February, 2019 admitted the Corporate insolvency Resolution Process (“CIRP”) consequent upon an application filed by PSL Limited u/s 10 of IBC Code and appointed Mr. Nilesh Sharma as the Interim Resolution Professional (“IRP”) and subsequently by virtue of NCLT order dated 29th August, 2019, Mr. Nitin Jain as Resolution Professional (“RP”) in term of the Insolvency and Bankruptcy Code, 2016 (“Code”) to manage the affairs of the Company as per the provisions of the Code. The CIRP is ongoing.

The NCLT order also provided for a moratorium with effect from Feb 15.02.2019, till the completion of the Corporate Insolvency Resolution process (CIRP) or until it approves the resolution plan under section 31(1) or passes an order for liquidation of the company under section 33, whichever is earlier. Recently Committee of Creditors took a decision to file an application for initiation of Liquidation Process of the Company in CIRP.

Recently Committee of Creditors took a decision to file an application for initiation of Liquidation Process and Liquidation Order is passed by NCLT on 11.09.2020. Mr. Nitin Jain is appointed as Liquidator.

1. We have reviewed the accompanying Statement of Unaudited **Consolidated** Financial Results (the “statements”) of **PSL LIMITED** (“the Parent”), which includes its subsidiaries (the Parent and its subsidiaries together referred to as 'the Group'), for the quarter and half year ended 30th September, 2020 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 Regulation').

2. This Statement, which is the responsibility of the Parent’s Management and approved at the meeting of PSL Limited of its Board (power suspended) and the Resolution Professional held on 13th September, 2020, has been prepared in accordance with the recognition and measurement principal laid down in the Indian Accounting Standard 34 “Interim Financial Report” (Ind AS 34), prescribed under section 133 of the Companies Act, 2013 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 in accordance with the Standard on Review Engagement (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 standalone financial statements are free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

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

4. Material Uncertainty Related to Going Concern:

In spite of negative net worth of the Group, consolidated financial statements are prepared on “going concern” basis for the reasons stated in Note No. 2 and 8 of the accompanied consolidated financial results.

5. Emphasis of Matter:

- i. As a consequence, to acute financial stress being faced by the group in recent years, the Group’s net worth has been eroded due to accumulated losses. Keeping in view the current status of group’s operations it is likely that the accumulated losses are further enhanced creating a further adverse impact on it’s net worth.
- ii. The consolidated financial statements have been prepared on a going concern basis although consequent upon severe financials crises faced by the group its net worth is eroded. Moreover, due to the said reason, the parent Company is unable to procure adequate fresh orders which inturn has resulted into reduced income and profitability. Servicing of companies’ debts has also accordingly been adversely affected.
- iii. The parent Company is undergoing Corporate Insolvency Resolution Process (CIRP) under the provisions of Insolvency & bankruptcy Code, 2016 (Insolvency Code) in terms of Order dated. 15th February 2019 passed by Hon'ble NCLT, Ahmedabad Bench. In terms of Section 20 of Insolvency code, the management and operations of the Company are being managed by Resolution Professional (RP).
- iv. These events cast significant doubt on the ability of the group to continue as a going concern under the present circumstances. The appropriateness of the said basis is inter-alia dependent on the group’s ability to infuse requisite funds for meeting its obligations (including statutory liabilities and those in respect of contracts entered into for purchase of goods and assets), rescheduling of debt/other liabilities and resuming normal operations.
- v. Attention is invited to Note No. 10 to the accompanied financial results, which describes the uncertainties and potential impact of the Covid-19 pandemic on the Company’s operations and results as assessed by the management. The actual results may differ from such estimates depending on future developments.
- vi. The parent company has not carried out detailed assessment of the useful life of Company’s property plant and equipment and hence depreciation has not been adjusted, as per the notification to Schedule II of the Companies Act, 2013. We are therefore unable to comment on the impact on statement of Profit & Loss Account.
- vii. It has been observed that the parent Company is unable to deposit the provident fund amount with PF authorities in time, as a result of which Rs. 1.37 Crores is the amount which yet to be deposited.

- viii. The Group has reported a Net Loss of Rs. 29.62 Crores for the quarter ended on 30th September, 2020 as against the net loss of Rs. 38.34 Crores for the corresponding quarter ended on 30th September, 2019. During the year the loss is largely due to the depreciation.
- ix. Since most of the banks which had extended financial facilities to the parent company have already treated the outstanding from the parent company as “Non-Performing Assets”, they as a usual practice have discontinued making provisions of interest on such loss as accrued income in their books. In order to achieve the desired congruency on this issue the parent Company has also not provided for any interest amounting to Rs. 109.52 Crores on such outstanding facilities for the quarter ended 30th September, 2020 due to various banks. Had the said interest been provided in the books in the normal course, the current quarter losses of Rs. 29.62 Crores would have raised to Rs. 139.14 Crores.
- x. The agreement with Kandla Port Trust had not renewed w.e.f. 31.07.2007 onwards for different plots at Kandla leased by them to the company due to non-payment of their heavy invoices for bills for compensation and, possession of the same was taken over by Kandla Port Trust on 31st March, 2015. PSL Limited has filed appeal before the District Court, Gandhidham for the same. The matter is pending at Gandhidham District Court.
- xi. **Operations Maintenance and Management Agreement with Jindal Tubular (India) Limited.**
- a. Although parent company’s three plants earlier handed over to Jindal Tubular (India) Limited (JTIL) in mid 2015 were returned to the company during September to November, 2016, JTIL has yet to return to the company one Pipe Mill having capacity of 75000MT, one IPC plant having capacity of 18000Sqr Meter and other spares and consumable shifted by it contrary to the provisions of their agreement with the company.
- b. As per the advice of Edelweiss, JTIL is transferring Rs 0.098 Crores after deducting tax of Rs 0.002 Crores every month to Company’s bank account, though there was no agreement for the same.
- c. Jindal Tubular (India) Limited has claimed Non legacy and legacy payment from PSL amounting to Rs. 4.37 Crores. The Company has not accepted their claim and the accounts are under reconciliations.
- d. The Excise Department has issued following notices to the parent company directing to show cause as to why the Cenvat credit taken on the capital goods and machineries removed from the factory premises of notices under the provisions of Rule 3(5A)(a), Rule 2 and Rule 4(5)(a)(ii) of Cenvat Credit Rules, 2004, should not be demanded and recovered under Section 11A with interest u/s 11AA and penalty u/s 11AC of the Central Excise Act, 1944 read with Rule 14 of the Cenvat Credit Rules, 2004

Sl. No.	Show Cause Notice	Amount in Rs Crores
1.	Varsana 1	0.72/-
2.	Varsana 2 Coating	4.86/-
3.	Varsana 2 Pipe Mill	5.52/-
	Total	11.10/-

The parent Company has submitted that the allegations made in the show cause notices are not correct in law as well on facts. The matter is pending before the appellate authority.

xii. **Settlement with JSW**

The parent Company has created pari passu charge with respect to some of the immovable and movable properties of the parent Company in favour of JSW and CDR lenders by way of mortgage by deposit of title deeds in favour of IDBI Trusteeship Services Limited, in pursuance of the Bombay High Court Order.

xiii. **Lender Banks' Balance Confirmation as on 30th September, 2020**

We have been informed by the officials of the parent company that although the parent company has requested its various bankers to issue their confirmation letters confirming the balances with respect to various Bank Accounts/Bank Guarantee/Letter of Credit/Corporate Guarantee given by parent company for its subsidiaries company as on 30th September, 2020 but the same have not yet been received the said confirmations. Pending the receipt of balance confirmations, book balances as on 30th September, 2020 have been taken in the accounts of the Company.

xiv. **Major Legal Matters:**

- a. Initially five complaints were filed by two banks Syndicate Bank and Kotak Mahindra Bank Ltd. under the relevant provisions of Negotiable Instruments Act but after the order of Addl. Sessions Court of Bombay, one complaint has been scrapped with respect to some of the Directors and matters are now pending for disposal. These matters are still pending in 16th/63rd MM Court, Andheri, Mumbai.
- b. Petitions have been filed before the High Court of Gujarat at Ahmedabad challenging the order issued by Kandla Port Trust (KPT) in respect of evacuation of five plots of land of PCD-I unit located in East of NH No. 08A, Kandla Road, Gandhidham and two plots of land of PCD-II in Plot No. 5&6 in Block D, Sector 12, Gandhidham. The matters are pending at High Court.
- c. **Company's petition against Andhra Pradesh Industrial Infrastructure Corporation (APIIC)**
Having felt aggrieved by the decision of APIIC to resume the possession of two plots earlier allotted by it to the company has filed writ petitions in Hyderabad High Court challenging APIIC's decision. While the Hon'ble High Court having examined the company's grievance has granted a stay in company's favour, the matter is still pending for final adjudication.

Our conclusion is not modified in respect of above matters.

6. The Statement includes the results of the following entities: -

- i. PSL Limited- the Parent Company
- ii. PSL Corrosion Control Services Limited- Subsidiary
- iii. PSL Gas Distribution Private Limited- Subsidiary
- iv. PSL Infrastructure and Ports Private Limited- Subsidiary
- v. Pipeline Systems Limited* - foreign Subsidiary

*Amount includes results of its subsidiary namely PSL FZE Sharjah incorporated under the laws of UAE.

7. Other Matters

The Statement includes the interim financial results of a foreign subsidiary which have not been reviewed, whose interim financial results reflect total revenue of Rs 8.66 Crores, total net loss of Rs. 11.21 Crores and total comprehensive income of Rs. -11.21 Crores for the quarter ended on that date and total assets of Rs 272.21 Crores as at 30.09.2020, as considered in the consolidated financial results. According to the information and explanations given to us, these unaudited interim financial statements / information / results, which have been approved and furnished to us by the management.

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

8. Based on our review conducted as stated 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 Standard 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 the Regulation, read with the Circular, including the manner in which it is to be disclosed, or that it contains any material misstatement.

**PLACE : MUMBAI,
DATED : 13TH NOVEMBER, 2020**

**FOR V. PAREKH & ASSOCIATES
CHARTERED ACCOUNTANTS**

FIRM REGN. NO. 107488W

RASESH

VINAYKANT

PAREKH

RASESH V. PAREKH - PARTNER

MEMBERSHIP NO. 38615

UDIN: - 20038615AAAAOA4990

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VINAYKANT PAREKH
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