August 12, 2019

To,

<table>
<thead>
<tr>
<th>National Stock Exchange Limited</th>
<th>Bombay Stock Exchange Limited</th>
</tr>
</thead>
<tbody>
<tr>
<td>Exchange Plaza, Plot No. C/1, G Block</td>
<td>25th Floor, Pheroze Jeejeebhoy Tower</td>
</tr>
<tr>
<td>Bandra Kurla Complex</td>
<td>Dalal Street, Fort</td>
</tr>
<tr>
<td>Bandra East</td>
<td>Mumbai – 400 023</td>
</tr>
<tr>
<td>Mumbai – 400 051</td>
<td>Ref:</td>
</tr>
</tbody>
</table>

Dear Sir / Madam,

SUB: PSL LIMITED – UNAUDITED FINANCIAL RESULTS FOR QUARTER ENDED 30TH JUNE, 2019

Please note that Corporate Insolvency Resolution Process ("CIRP") has been initiated in respect of PSL Limited ("Corporate Debtor" or "The Company") under the provisions of Insolvency and Bankruptcy Code 2016 (IBC) by an order of Hon'ble National Company Law Tribunal (NCLT) dated 15th February 2019.

As per section 17 of the IBC 2016, the powers of the Board of Directors stand suspended and such powers vest with me, Nilesh Sharma, Interim Resolution Professional (IBBI) having Registration No. IBBI/IPA-002/IP-N00104/2017-18/10232.

In pursuance of Regulation 33(3)(d) of the SEBI (LODR), 2015, the listed entity is submitting quarterly unaudited standalone and consolidated financial results for the quarter ended, 2018-19 along with the Limited Review Report from Auditors on Monday 12th August 2019. In this regard, I would like to bring the following to your kind notice and consideration:

1. That the audited financial results of the company for the quarter ended 30.06.2019 were placed at a meeting of the Directors of PSL on its Board (powers suspended), Auditor and Finance and accounts – Head and the Interim Resolution Professional (IRP) held on 12th August 2019. Accordingly, the said financial results of the company have been approved by the IRP in consultation with the Directors, Auditors and Finance and Accounts - Head of the Company at the said meeting.
II. The said results have been approved by the IRP solely on the basis of and relying on the information and representation given by the management of the Company. The IRP has approved the said financials only to the limited extent of discharging the powers of the board of directors of the Company which have been conferred upon him inter-alia in terms of provisions of Section 17 of the IBC, 2016 and do not make any representations or issue any statements stating that the financial statements are true, complete and accurate in all respects;

III. Further, as per Regulation 33(3) (d) of the SEBI (LODR), 2015, if the listed entity has subsidiaries, it shall, while submitting annual/quarterly audited standalone financial results also submit annual/quarterly audited consolidated financial results along with the audit report, it is to be noted that Interim Resolution Professional in his powers shall have control over management of the corporate debtor only and not on its subsidiary, associate or any other group company. In order to comply with the Regulations, I have obtained the financials from the subsidiary companies, which were made available to me. Hence standalone and consolidated audited financial results are being submitted with the stock exchange.

This is for your information and record.

Regards,

NILESH SHARMA
(Interim Resolution Professional)
PSL LIMITED
(A company under Corporate Insolvency Resolution Process by order of Hon’ble NCLT)
IBBI Reg.No.: IBBI/IPA-002/IP-200104/2017-18/10232
Address: C-124, Ground Floor, Lajpat Nagar – I, New Delhi - 110024
E-mail: ip.psllimited@gmail.com; nilesh.sharma@witworthipe.com

Enclosed:

1. Outcome of the meeting
2. Statement of standalone and consolidated audited financial results for the quarter ended on June 30, 2019
3. Limited Review Report on Quarterly Standalone and Consolidated financial result and year to date results of PSL Limited
## Statement of Standalone and Consolidated Financial Results for the Quarter Ended 30th June 2013

<table>
<thead>
<tr>
<th>S. No.</th>
<th>PARTICULARS</th>
<th>STANDALONE</th>
<th>CONSOLIDATED</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>QUARTER ENDED</td>
<td>YEAR ENDED</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Unaudited</td>
<td>Audited</td>
</tr>
<tr>
<td>1.</td>
<td>Income</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(a)</td>
<td>Revenue from Operations</td>
<td>34.79</td>
<td>18.08</td>
</tr>
<tr>
<td>(b)</td>
<td>Other Income</td>
<td>5.46</td>
<td>3.78</td>
</tr>
<tr>
<td></td>
<td>Total Income</td>
<td>39.25</td>
<td>18.86</td>
</tr>
<tr>
<td>2.</td>
<td>Expenses</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(a)</td>
<td>Cost of Materials consumed</td>
<td>6.57</td>
<td>9.79</td>
</tr>
<tr>
<td>(b)</td>
<td>Purchases of stock-in-trade</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(c)</td>
<td>Changes in inventories of finished goods, work-in-progress &amp; stock-in-trade</td>
<td>7.29</td>
<td>17.56</td>
</tr>
<tr>
<td>(d)</td>
<td>Employee Benefits Expense</td>
<td>5.06</td>
<td>12.71</td>
</tr>
<tr>
<td>(e)</td>
<td>Finance Costs</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(f)</td>
<td>Depreciation and amortisation expense</td>
<td>20.75</td>
<td>24.16</td>
</tr>
<tr>
<td>(g)</td>
<td>Other expenses</td>
<td>13.70</td>
<td>12.93</td>
</tr>
<tr>
<td></td>
<td>Total Expenses</td>
<td>52.47</td>
<td>56.16</td>
</tr>
<tr>
<td>3.</td>
<td>Profit/(Loss) before exceptional items</td>
<td>(14.42)</td>
<td>(23.80)</td>
</tr>
<tr>
<td>4.</td>
<td>Exceptional Items</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5.</td>
<td>Profit/(Loss) before Tax</td>
<td>(16.42)</td>
<td>(23.80)</td>
</tr>
<tr>
<td>6.</td>
<td>Tax Expenses (including deferred tax)</td>
<td>(10.14)</td>
<td>(18.81)</td>
</tr>
<tr>
<td>7.</td>
<td>Profit/(Loss) for the Period</td>
<td>(26.56)</td>
<td>(44.22)</td>
</tr>
<tr>
<td>8.</td>
<td>Other Comprehensive Income/(Loss)</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Items that will be reclassified to profit or loss</td>
<td></td>
<td></td>
</tr>
<tr>
<td>9.</td>
<td>Total Comprehensive Income/(Loss)</td>
<td>(26.56)</td>
<td>(44.22)</td>
</tr>
<tr>
<td>10.</td>
<td>Min Profit attributable to:</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Owners</td>
<td>(16.62)</td>
<td>(23.80)</td>
</tr>
<tr>
<td></td>
<td>Non-controlling Interests</td>
<td></td>
<td></td>
</tr>
<tr>
<td>11.</td>
<td>Other Comprehensive Income attributable to:</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Owners</td>
<td>(16.62)</td>
<td>(23.80)</td>
</tr>
<tr>
<td></td>
<td>Non-controlling Interests</td>
<td></td>
<td></td>
</tr>
<tr>
<td>12.</td>
<td>Total Comprehensive Income attributable to:</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Owners</td>
<td>(16.62)</td>
<td>(23.80)</td>
</tr>
<tr>
<td></td>
<td>Non-controlling Interests</td>
<td></td>
<td></td>
</tr>
<tr>
<td>14.</td>
<td>Reserve excluding Revaluation Reserve as per balance sheet of previous accounting year</td>
<td>(524.98)</td>
<td>(524.98)</td>
</tr>
<tr>
<td>15.</td>
<td>Earning Per Share</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Basic</td>
<td>(3.29)</td>
<td>(5.62)</td>
</tr>
<tr>
<td></td>
<td>Diluted</td>
<td>(3.29)</td>
<td>(5.62)</td>
</tr>
</tbody>
</table>
1. The above financial results were reviewed by the Audit Committee and approved by interim Resolution Professional at its meeting held on 12th August 2019.

2. An application was filed by PSL LIMITED under Section 10 of the 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. 37/2016/NCLT/AHM/2017, has been 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) has appointed Mr. Nilesh Sharmah, having IP Registration no. 660/PA-002/IP-09005/2016-17/19 as “Interim Insolvency Resolution Professional” to carry out the functions as mentioned under Insolvency and Bankruptcy Code, 2016. Under the IBC proceedings the power of the Board was 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 30, whichever is earlier. Currently, the CIRP Process in the respect of the company is in progress.

3. Adoption of Ind AS 116 - Lease: Effective April 1, 2019, the company has adopted Ind AS 116 “Leases” retrospectively, using the cumulative effect method and hence the comparative information is not restated. The adoption of the standard did not have any material impact on the financial results of the company.

4. Under the current CIRP process, the “Interim resolution professional” is in the process of inviting resolution plans, once plans are received they will be placed before CoC and thereafter before Hon’ble NCLT for approval. Currently, various initiatives have been taken to improve the operations of the company, increase its customer base, optimize plant utilizations, improving operational efficiencies, and other cost control measures to improve the company’s operating results and cash flows. Considering the same financial statements of the company are prepared on the going concern basis.

5. That the unaudited financial results of the company for the quarter ended 30.06.2019 were placed at the meeting of the Directors of PSL on its Board (Powers suspended), Auditors, Finance & Accounts-HQ and the IIP held on 12th August 2019. Accordingly, the said Financial Results of the company have been approved by the IIP in consultation with Directors, Auditors and Finance & Accounts-HQ of the company at the said meeting.

6. 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.

7. Since the lenders of the company have treated its outstanding dues from the company as NPAs, the company has not provided interest amounting to Rs. 108.34 crores during the quarter ended 30.06.2019 in its books of accounts during the quarter under review.

8. A closing inventory of Rs. 32.80 crores (valued at realisable value as on 30.06.2019) exists today (industrially under Arbitration process) amount of Rs. 15.90 crores on account of work in progress being an under construction building at compartment of the company’s doing construction work on this building for one of its clients.

9. The figures of quarter ended 31st March, 2019 are the balancing figures between the audited figures of the full financial year 31st March, 2019 and the published figures up to 31st December, 2018.

10. Since the company has subsidiaries and cap-down subsidiaries, in compliance with clause 32(2)(h) of SEBI (LODR) Regulations, 2015 as amended from time to time, all consolidated results for the quarter ended 30th June 2019 have been stated in the above statement.

11. As per the requirement of SEBI (LODR) Regulations, w.e.f 05th April 2019, the Consolidated Results are also required to be given. However, the comparative figures for the corresponding and previous Quarters are not available, hence not given.

12. The company has incurred net losses during the quarter 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.

13. The figures for the previous period/year have been rephrased wherever necessary to conform to the current year’s classification.

14. The Interim Resolution Professional, in exercise of responsibilities mentioned u/s 17(1)(a) of the Insolvency & Bankruptcy Code, 2016 signed these quarterly results based on the information provided by the Corporate Debtor, its directors, auditor, managerial staff etc.

For PSL LIMITED

Page No. 2

For PSL LIMITED

Place: Mumbai

Date: 12th August 2019

ASHOK PUNI Nilesh Sharmah
Managing Director Interim Resolution Professional

IBI Reg. No.: BIB/ PA-002/ IP-NOO104/2017-18/10232
To,
The interim Resolution Professional (IRP)
In the matter of PSL Limited,
IBBI Reg. No.: IBBI/IPA-002/IP-NDD-00104/2017-18/10232

LIMITED REVIEW REPORT

1. 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") 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.

2. We have reviewed the accompanying Statement of Unaudited Standalone Financial Results (the
"statements") of PSL LIMITED (the "Company") for the quarter ended 30th June, 2019 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 Regulations)
read with SEBI Circular No. CIRC/CFCD/CM1/04/2019 dated March 29,2019 (the Circular).

3. This Statement, which is the responsibility of the Company's Management and taken on record
at the meeting of PSL Limited on its Board (power suspended) and the interim resolution
professional held on 12th August, 2019, 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.

4. 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. However, in inquires of the Company personal
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.

Emphasis of matter
i. As a consequence, to aceru 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.

ii. The financial statement has been prepared on a going concern basis notwithstanding the fact...
that the Company’s act worth is eschewed. The financial performance of the Company had deteriorated substantially. The manufacturing cost has gone up. There is inadequacy of demand. The Company continues to deal with a range of uncertainties. The interest amount exceeded its operating income. The Company is not able to service its debts.

iii. 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.

iv. The company has not carried out detailed assessment of the useful life of Company’s assets 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.

v. 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. 1.84 Crs is the amount which yet to be deposited.

vi. The Company has reported a Net Loss of Rs. 16.62 Crores for the quarter ended on 30th June, 2019 as against the net loss of Rs. 29.17 Crores for the corresponding quarter ended on 30th June, 2018. During the quarter the loss is largely due to the depreciation.

vii. 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 loans 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. 106.34 Crores on such outstanding facilities for the quarter ended on 30th June, 2019 due to various banks. Had the said interest been provided in the books in the normal course, the current quarter losses of Rs. 16.62 Crores would have raised to Rs. 124.96 Crores.

viii. The agreement with Kandla Port Trust had not renewed w.e.f. 31.07.2007 onwards for different plate at Kandla leased to them by 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. PSU Limited has filed appeal before the District Court, Gandhidham for the same. The matter is pending at Gandhidham District Court.

ix. Inventory:

a. The closing inventory as on 30th June, 2019 of Rs. 22.80 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.

b. The Company has done physical inventories on 30th June, 2019 and they have certified the realizable value as on 30th June, 2019 on physical / saleable ground.

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

a. Although company’s three plants earlier handed over to Jindal Tubular (India) Limited (JTL) in mid 2015 were returned to the company during September to November, 2016. JTL 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.

As per the advice of Edelweiss, JTL 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.

b. 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.

c. The Excise Department has issued the 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(3A)(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 w/s 11AA and penalty w/s 11AC of the Central Excise Act, 1944 read with Rule 14 of the Cenvat Credit Rules, 2004

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Show Cause Notice</th>
<th>Amount in Rs Crores</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Varsa 1</td>
<td>0.72/-</td>
</tr>
<tr>
<td>2</td>
<td>Varsa 2 Coating</td>
<td>4.86/-</td>
</tr>
<tr>
<td>3</td>
<td>Varsa 2 Pipe Mill</td>
<td>5.52/-</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>11.10/-</td>
</tr>
</tbody>
</table>

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.

xi. 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.

xii. Lender Banks’ Balance Confirmation as on 30th June, 2019

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 June, 2019 but the same have not yet been received the said confirmations pending the receipt of balance confirmations, book balances as on 30th June, 2019 have been taken in the accounts of the Company.

xiii. 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 Howrah, 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 Additional sessions Court, Andheri, Mumbai and the next date of hearing are fixed.
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 (APIC) Having felt aggrieved by the decision of APIC to resume the possession of two plots earlier allotted by it to the company has filed with petitions in Hyderabad High Court challenging APIC’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 opinion is not modified in respect of these matters.

3. 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 recognised 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.
I LIMITED REVIEW REPORT

To,
The Interim Resolution Professional (IRP)
In the matter of PSL Limited,
IBBI Reg. No.: IBBI/IPA-002/IP-0001/04/2017-18/10232

1. 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") 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.

2. 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), 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) read with SEBI Circular No. CIR/CFD/CMD/1/4/2019 dated March 29, 2019 (the Circular).

3. This Statement, which is the responsibility of the Parent's Management and taken on record at the meeting of PSL Limited on its Board (power suspended) and the interim resolution professional held on 12th August, 2019, 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.

4. 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 32(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, to the extent applicable.

Emphasis of matter
LIMITED REVIEW REPORT

i. As a consequence, to acute financial stress being faced by the Parent Company 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 its net worth.

ii. The financial statement has been prepared on a going concern basis notwithstanding the fact that the group’s net worth is eroded. The financial performance of the group had deteriorated substantially. The manufacturing cost has gone up. There is inadequacy of demand. The group continues to deal with a range of uncertainties. The interest amount exceeded its operating income. The Parent Company is not able to service its debts.

iii. 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 services), rescheduling of debt/other liabilities and resuming normal operations.

iv. The group has not carried out detailed assessment of the useful life of the assets 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.

v. 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. 1.84 Crs is the amount which yet to be deposited.

vi. The Group has reported a Net Loss of Rs. 22.43 Crores for the quarter ended on 30th June, 2019. During the quarter the loss is largely due to the depreciation.

vii. 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. 108.34 Crores on such outstanding facilities for the quarter ended on 30th June, 2019 due to various banks. Had the said interest been provided in the books in the normal course, the current quarter losses of the group of Rs. 22.43 Crores would have raised to Rs. 130.77 Crores.

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

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

x. Although parent company’s three plants earlier handed over to Jindal Tubular (India) Limited (JTIL) in mid 2015 were returned to the parent company during September to November, 2016, JTIL has yet to return to the parent company one Pipe Mill having capacity of 75000MT, one IPC plant having capacity of 180000qtr Meister and other spares and consumable shifted by it contrary to the provisions of their agreement with the parent company.

[Signature]
A. B. Khandelwal
LIMITED REVIEW REPORT

As per the advice of Edelweiss, JTL is transferring Rs 0.098 Crores after deducting tax of Rs 0.002 Crores every month to parent company's bank account, though there was no agreement for the same.

b. Jindal Tubular (India) Limited has claimed non-legacy and legacy payments from parent company amounting to Rs 4.37 Crores. The parent company has not accepted their claim and the accounts are under reconciliations.

c. 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(5)(a), Rule 2 and Rule 4(3)(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:

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Show Cause Notice</th>
<th>Amount in Rs Crores</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Varsana I</td>
<td>0.72/-</td>
</tr>
<tr>
<td>2.</td>
<td>Varsana 2 Coating</td>
<td>4.86/-</td>
</tr>
<tr>
<td>3.</td>
<td>Varsana 3 Pipe Mill</td>
<td>5.52/-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>11.10/-</strong></td>
</tr>
</tbody>
</table>

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.

x. 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.

x. Lender Banks' Balance Confirmation as on 30th June, 2019
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 June, 2019 but the same have not yet been received the said confirmations. Pending the receipt of balance confirmations, book balances as on 30th June, 2019 have been taken in the accounts of the parent company.

xii. 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 Adhil 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 and the next date of hearing are fixed.


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
LIMITED REVIEW REPORT

located in East of NII 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 (APIC)

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

Our opinion is not modified in respect of these matters.

5. 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* - Subsidiary

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

6. The Statement includes the unaudited interim financial Information of 4 subsidiaries and 1 step down subsidiary, whose interim financial information reflect total revenue of Rs. 41.25 crores, total loss of Rs. 3.81 crores and total comprehensive income of Rs. 5.81 crores for the quarter ended 30 June 2019, as considered in the Statement. These interim financial information are unaudited and have been furnished to us by the Management and our opinion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on such unaudited financial information.

7. 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 auditing 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, except the corresponding and previous quarters figures which have not been presented.

FOR V. PAREKH & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REGN NO. 167411W

MUMBAI
DATED : 12TH AUGUST, 2019

V. PAREKH
MEMBERSHIP NO. 38615
INUK : 19038615AAAA1F7637