



PSL LIMITED

PSL Towers, 615 Makwana Road, Marol, Andheri (East), Mumbai - 400 059.
Telephone : 66447777 / 66447788 / 66447799 • Fax : 022-66447700 / 66447711

Ref: PSL/2017-18/678

November 10, 2017

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 10, 2017

With reference to the captioned subject, this is to inform you that the Board of Directors in its meeting held today i.e. November 10, 2017 has approved and taken on record the un-audited financial results for the Quarter & half year ended on September 30, 2017 under regulation 33 of SEBI (LODR) Regulations, 2015. In the view of same, we are enclosing herewith a summarized copy of un-audited 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


Ashok Punj
(Managing Director)

Encl.: As above



STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED ON 30TH SEPTEMBER, 2017						
Sr.No.	PARTICULARS	Quarter Ended			Half Year Ended	
		30.09.2017	30.06.2017	30.09.2016	30.09.2017	30.09.2016
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
(2)						
I	Income					
	(a) Revenue from Operations	8.51	9.02	8.36	17.53	11.91
	(b) Other Income	0.98	3.46	-	4.44	-
	Total Income	9.49	12.48	8.36	21.97	11.91
II	Expenses					
	(a) Cost of materials consumed	7.64	2.00	2.57	9.64	4.24
	(b) Purchases of stock-in-trade	-	-	-	-	-
	(c) Changes in inventories of finished goods, work-in-progress & stock in trade	(3.68)	0.15	4.47	(3.53)	5.94
	(d) Excise duty	-	-	-	-	-
	(e) Employee benefits expense	5.72	5.16	4.61	10.88	6.69
	(f) Finance Costs	-	-	-	-	-
	(g) Depreciation and amortisation expense	28.01	27.98	32.41	55.99	64.83
	(h) Other expenses	12.39	9.90	5.91	22.29	10.48
	Total expenses	50.08	45.19	49.97	95.27	92.18
III	Profit(Loss) Before exceptional and extraordinary items and tax (III - IV)	(40.59)	(32.71)	(41.61)	(73.30)	(80.27)
VI	Exceptional Items	-	-	-	-	-
VII	Profit (+)/Loss(-) before extraordinary items and tax (V - VI)	(40.59)	(32.71)	(41.61)	(73.30)	(80.27)
VIII	Extraordinary Items	-	-	-	-	130.34
IX	Profit/(Loss) before tax (VII- VIII)	(40.59)	(32.71)	(41.61)	(73.30)	(80.27)
X	Tax Expenses	-	-	-	-	-
	(I) Current Tax	-	-	-	-	0
	(II) Deferred Tax	-	-	-	-	0
XI	Profit (Loss) for the period from continuing Operations (IX - X)	(40.59)	(32.71)	(41.61)	(73.30)	(80.27)
XII	Profit/(Loss) from Discontinuing Operation	-	-	-	-	-
XIII	Tax Expenses of Discontinuing Operation	-	-	-	-	-
XIV	Profit/(Loss) from Discontinuing Operations (after tax)(XI-XII)	-	-	-	-	-
XV	Profit/(Loss) for the period (X+XIII)	(40.59)	(32.71)	(41.61)	(73.30)	(80.27)
XVI	Other Comprehensive Income net of taxes	-	-	-	-	-
XVII	Total Comprehensive Income for the period (XIV+XV)	-	-	-	-	-
XVIII	Paid-up Equity Share Capital (Face Value of Rs. 10/- each)	124.93	124.93	124.93	124.93	124.93
XIX	Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year	-	-	-	-	(2278.40)
XX	(I) Earning Per Share (before and after Extra Ordinary Items)					
	- Basic	(3.25)	(2.62)	(3.33)	(5.87)	(6.43)
	- Diluted	(3.25)	(2.62)	(3.33)	(5.87)	(6.43)
NOTES:						
1	The above results have been reviewed by the Audit Committee and approved by the Board of Directors of the Company at their respective meetings held on 10 November, 2017 and have been subjected to limited review by the statutory auditors of the Company. The Ind AS compliant corresponding figures for the quarter and six months ended 30 September 2016 have not been subjected to limited review. However, the Company's Management has exercised necessary due diligence to ensure that such financial results provide a true and fair view of its affairs.					
2	The Company has adopted Indian Accounting Standard ("Ind AS") notified by the Ministry of Corporate Affairs with effect from April 1, 2017 (being transition date of 1st April, 2016). Accordingly, the above financial results have been prepared in accordance with the Companies (Indian Accounting Standards) Rules 2015 (amended) as prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and the other accounting principles generally accepted in India.					
3	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.					
4	Reconciliation between Standalone Financial Results as reported under erstwhile Indian GAAP (referred as Previous GAPP) and Ind AS summarised as below:					
	Particulars	Quarter Ended on 30.09.2016		Half Year Ended 30.09.2016		
	Net Profit/(Loss) as reported under previous GAAP	(41.61)		(80.27)		
	Add/(Less) adjustments for Ind AS:					
	Actuarial loss on defined benefit plans recognised in Other Comprehensive Income					
	Net Profit/(Loss) as per Ind AS.					
	Other Comprehensive Income (net of tax):					
	Actuarial loss on defined benefit plans					
	Total Comprehensive Income based on Ind AS	(41.61)		(80.27)		

Ashish Kumar

5	The format for unaudited financial results as prescribed in SEBI's circular CIR/CFD/CMD/15/2015 dated 30 November 2015 has been modified to comply with the requirements of SEBI's circular dated 5 July 2016, IndAS and Schedule III (Division II) to the Companies Act, 2013, which are applicable to companies that are required to comply with IndAS. These financial results do not include Ind AS compliant results for the previous year ended 31 March 2017 and the balance sheet as at that date, as the same are not mandatory as per the said circulars.
6	Consequent upon enactment of Insolvency & Bankruptcy Code ('IBC') resulting into abatement of The Sick Industrial Companies (Special Provisions) Act, 1985, the Company's reference pending before The Board for Industrial and Financial Reconstruction ('BIFR') became infructuous. Hence, the Company has filed application on May 29, 2017 with Hon'ble National Company Law Tribunal ('NCLT') Ahmedabad under section 10 of the said code read with rule 7 of the Insolvency & Bankruptcy (Application to Adjudicating Authority) Rules, 2016 for initiation of Corporate Insolvency Resolution Process ('CIRP').
7	Since various creditors of the company have treated their outstanding dues from Company to them as NPA and have not demanded any interest from the Company, the Company has not provided interest amounting to Rs. 108.33 crores in its books of accounts during the quarter under review.
8	A closing Inventory of Rs. 24.18 Crores (valued at realisable value as on 30.09.2017 excludes disputed (currently under Arbitration process) amount of Rs. 17.07 crores as WIP Building of Coimbatore.
9	The figures for the previous period / year have been regrouped wherever necessary to confirm to the current year's classification.
Place:	Mumbai
Date:	November 10, 2017
	For PSL LIMITED  Ashok Punj (Managing Director)



V. PAREKH & ASSOCIATES
CHARTERED ACCOUNTANTS

37, HAMAM STREET, 2nd FLOOR, FORT, MUMBAI - 400 001. TEL 22650264, 22653555, 22666219 FAX: 22654370 E-mail: mail@vparekh.com

LIMITED REVIEW REPORT

The Board of Directors,
PSL Limited,
PSL Towers,
615, Makwana Road,
Marol, Andheri (East)
Mumbai. 400 059.

We have reviewed the accompanying Statement of Unaudited Standalone Financial Results of PSL LIMITED ("the Company") for the quarter and half year ended 30th September, 2017 being submitted by the Company pursuant to the requirement of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Circular No.CIR/CFD /CMD/15/2015 dated November 30,2015 & SEBI Circular No.CIR/CFD/FAC/62/2016 dated July 05, 2016. This statement which is the responsibility of the Company's Management and has been approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" (Ind AS-34) prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on these standalone financial Statement based on our review.

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 statement 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.

Emphasis of Matter:

- i. It is noticed that the business of the Company is negligible and not much production activity is carried out except negligible production has been carried out in Vizag, Varsana induction Bend Division and Chennai factories. Hence the turnover is also very low.
- ii. As a consequence to acute financial stress being faced by the Company in recent years, the Company's networth has been eroded due to accumulated losses. Keeping in view the current status of company's operations it is likely that the accumulated losses is further enhanced creating a further adverse impact on the networth. Although, as a result of erosion of said net worth the company had made reference to BIFR under the



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provisions of Sick Industrial Companies Act, however, consequent upon recent development of coming into force of a new legislation namely Insolvency and Bankruptcy Code the said reference was abated

- iii. The Company has filed application of Insolvency and Bankruptcy Code: 2016 read with Rule 10 of Insolvency and Bankruptcy before the National Company Law Tribunal (NCLT), Ahmedabad on 29th May, 2017.
- iv. On the request of one of the creditors of the company namely M/s. Jotun India Pvt. Ltd. (JIPL), which had already filed a winding up petition in Bombay High Court, the Bombay High Court has issued a stay order dated 19.07.2017 restraining NCLT, Ahmedabad for proceeding further in on-going Insolvency Resolution Process consideration.
- v. JIPL filed an application before NCLT, Ahmedabad for intervention but since NCLT has for the time being stayed the proceedings due to Bombay High Court stay order intervention.

In the meantime, the Company has filed an appeal before the Division Bench of the Bombay High Court challenging the order dated 19.07.2017 of the Single Judge. The matter is listed for hearing on 15.11.2017.

- vi. The fate of company's application filed before the NCLT is still hanging pending outcome of orders of Bombay High Court related to winding up petition against company filed by JIPL.
- vii. 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 unable to comment on the impact on statement of Profit & Loss Account.
- viii. The Company has reported a Net Loss of Rs.73.30 Crores for the half year ended on 30th September, 2017 as against the net loss of Rs.80.27 Crores for the corresponding period ended on 30th September, 2016.
- ix. 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.217.87 Crores on such outstanding facilities for the period ended 30th September, 2017 due to various banks.
- x. Sometime back Kandla Port Trust had cancelled the lease of different plots at Kandla leased by them to the company due to non-payment of their heavy invoices for bills for compensation and had also taken physical possession of the land. However, on the company approaching Gujarat High Court and Hon'ble High Court having granted stay of Kandla Port Trust orders the Company has not provided for any liability that may arise on this account.



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

- a. Although company's three plants 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 part of the plant and machinery shifted by it contrary to the provisions of their agreement with the company.

As per the advice of Edelweiss, JTIL is transferring Rs 9.80 Lakhs after deducting tax of Rs 0.20 Lakhs every month to Company's bank account, hought there was no agreement for the same.

- b. 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 (Rs.)
1.	Varsana 1	71,70,823/-
2.	Varsana 2 Coating	4,86,28,617/-
3.	Varsana 2 Pipe Mill	5,52,20,906/-
	Total Rs.	11,10,20,346/-

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 appellant authority.

- c. Jindal Tubular (India) Limited has claimed Non legacy and legacy payment from PSL amounting to Rs.4.37 Crores. However the PSL Statements are showing outstanding of Rs.2.91 Crores including Rs.1.55 Crores on account of legacy dues. The Company has not accepted their claim and the accounts are under reconciliations.

Settlement with JSW

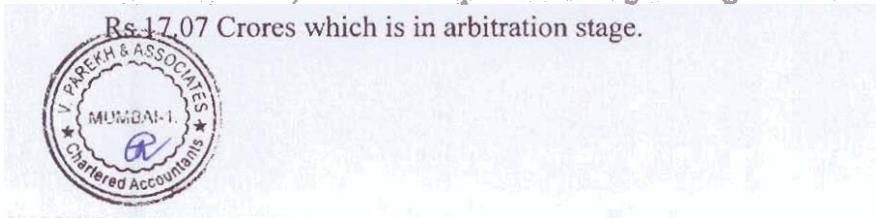
The Company has created pari passu charge with respect to immovable property at Jaipur in favour of JSW and CDR lenders by way of mortgage by deposit of title deeds in favour of IDBI Trusteeship Services Limited.

The Company is in process of Closure of PSL Jaipur Unit.

The Company has done closure of Jaipur facilities due to lack of orders & financial facilities / crises of the fund and the Company has also done settlement for dues payable to employees and accordingly paid compensations, except Rs 89.00 lakhs which is still payable.

Inventory:

- a. The closing inventory as on 30th September, 2017 of Rs.24.18 Crores (valued at realizable value) excludes disputed Working In Progress of a Building at Coimbatore for Rs.17.07 Crores which is in arbitration stage.



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- b. The Company has done physical inventories on 30th September, 2017 and they have certified the realizable value as on 30th September, 2017 on physical / saleable ground.

Lender Banks' Balance Confirmation as on 30th September, 2017

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, 2017 but the same have not yet been issued. Pending balance confirmation, book balances as on 30th September, 2017 have been taken in the accounts of the Company.

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 and the next date of hearing are fixed as 16.11.2017 and 29.11.2017 respectively.
- b. Five Petitions have been filed before the High Court of Gujarat at Ahmedabad challenging compensation Bill raised by Kandla Port Trust (KPT) in respect of five plots of land of PCD-I unit located in East of NH No. 08A, Kandla Road, Gandhidham and two petitions w.r.t. two plots of land of PCD-II in Plot No. 5&6 in Block D, Sector 12, Gandhidham. Stay has been granted in favour of Company with regard to 5 of the 7 plots. Interim orders earlier passed by the court restraining KPT from implement in the compensation bills continue to operate. The matters are still sub-judice. Next day of hearing are fixed as 27.11.2017 and 01.12.2017 respectively.
- c. On the basis of a complaint filed to them by Aditya Birla Finance Ltd. – an unsecured creditor of the company Economic Offences Wing (EOW) of Delhi Police had registered a FIR against the Company, its Managing Director, its Whole Time Directors and another official. The company has moved Delhi High Court under section 482 of IPC whereas the other accused including Managing Director and Whole Time Directors have filed writ petitions with Delhi High Court praying for quashing of the said FIR on the ground that no criminality has been committed by them and that the complaint of ABFL against the Company is purely of civil nature. The next date of hearing of the case is 16.11.2017

All the three petitions are under active consideration by Delhi High Court

- d. **The Economic Offence Wing of Crime Branch of Delhi Police on complaint of Aditya Birla Finance Limited (ABFL) – lender of the Company.**

The action taken by EOW, Delhi Police consequent to which some of the Company's Bank Accounts at various locations were freezed. The Court of ACMM on 1/7/2016 had allowed the defreezing of five bank accounts which can now be operated by the company. However, the money freezed earlier shall remain freezed and cannot be utilized by the company till investigation is complete and / or till further orders in this regard. However, recently Edelweiss Assets Reconstructions Co. Ltd. (EARC) which has acquired the debts of three lenders of the



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company has filed an application before the court of ACMM with a prayer that the amount of Rs.11.68 Crores FD lying to the credit of three freezed Bank accounts be allowed to be appropriated by all the CDR Lenders on pro-rata basis. The proceedings are in progress.

e. Winding up Petition filed by Jotun India Private Limited

Jotun India Private Limited, a supplier of Company had on 10-03-2015 filed a company petition No. 434 of 2015 for winding up of the Company under Section 433(e) & (f) read with Section 434 and 439 of Companies Act, 1956 before the Bombay High Court.

f. Action taken by the Kotak Mahindra Bank Limited under the provisions of SARFAESI Act, 2002

Kotak Mahindra Bank Limited - one of the lenders of the company had a mortgage in their favour with respect to some parcels of company's land at Nanicherai at District Kutch, Gujarat. Since the company could not pay its debt to the said bank, the latter initiated action under the provisions of SARFAESI Act to secure the physical possession of the said parcels of land. Although District Magistrate, Kutch had vide his order permitted the handing over of the physical possession of the land in question, the company could successfully challenge the same in Gujarat High Court which recommended the case to the District Magistrate to consider company's pleas afresh. While after considering the matter afresh, District Magistrate has passed fresh order against the company. The District Magistrate has directed the Mamlatdar Anjar & Bachau to take the possession of Mortgaged land by giving 15 days' notice to the company. The Company has now filed a special Leave Application before the Gujarat High Court against the Order of the District Magistrate, next hearing of which is on 08.12.2017

g. Indian Bank, Nariman Point, Mumbai

Issued Notice to the Company and Directors to pay Rs.64,57,90,389/- and Bank Guarantee Rs.3,21,90,190/- due to them and threatened to initiate legal proceedings. However no legal action has been initiated by the said Bank.

h. Federal Bank

The Federal Bank has given a show cause notice in pursuance of the proceedings for declaring the Company as Willful defaulter. This is objected by the Company as unwarranted and untenable. The matter is under dispute.

i. Standard Chartered Bank

Given Notice u/s 433 and 434 of the Companies Act to pay outstanding dues and to initiate winding up proceedings against the Company. However no action has been taken by the said Bank.

j. M/s. Harjivandas Hathi Patel, Partnership concern has filed a Suit No. 4460 of 2016 against the company small causes at Ahmedabad against their dues. The matter is sub-judice.

k. 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.



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

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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 Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Circular no. CIR/CFD/CMD/15/2015 dated November 30, 2015 and SEBI Circular no. CIR/CFD/FAC/62/2016 dated 5th July, 2016 including the manner in which it is to be disclosed, or that it contains any material misstatement.

**FOR AND ON BEHALF OF
V. PAREKH & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REGN. NO. 107488W**



Rasesh V Parekh

**MUMBAI,
DATED: 10TH NOVEMBER, 2017**

**RASESH V. PAREKH - PARTNER
MEMBERSHIP NO. 38615**