

Punj Lloyd Ltd

Corporate Office I, 78 Institutional Area, Sector 32, Gurugram 122 001, India

T +91 124 262 0123 F +91 124 262 0111

info@punjlloyd.com

www.punjlloyd.com



October 27, 2018

BSE Limited

Department of Corporate Services

25th Floor, P J Towers

Dalal Street

Mumbai – 400001

National Stock Exchange of India Limited

Exchange Plaza

Bandra Kurla Complex

Bandra (East)

Mumbai – 400051

Scrip Code: **532693** / Scrip ID: **PUNJLLOYD** Symbol: **PUNJLLOYD**

Sub: Un-audited Financial Results for quarter and half year ended 30th September, 2018

Ref: Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015,

Dear Sir/Madam,

In terms of captioned regulation read with corresponding circulars and notifications issued thereunder by SEBI from time to time, we are enclosing herewith the Stand Alone Unaudited Financial Results of the Company for the quarter and half year ended September 30, 2018 in the prescribed format, as approved and taken on record by the Board of Directors in their adjourned meeting held today i.e. October 27, 2018.

We are enclosing herewith the Limited Review Report of the Statutory Auditors of the Company on the Stand Alone Unaudited Financial Results of the Company for the quarter and half year ended September 30, 2018.

A copy of the Investor Presentation on the above results is also enclosed herewith.

The above is for your information and record.

Thanking You,

Yours Faithfully,

For Punj Lloyd Limited

Dinesh Thairani
Group President – Legal & Company Secretary

Encl.: As above

Registered Office

Punj Lloyd House, 17-18 Nehru Place, New Delhi 110 019, India

T +91 11 2646 6105 F +91 11 2642 7812

CIN: L74899DL1988PLC033314

Punj Lloyd Limited
 Regd. Office: Punj Lloyd House, 17-18 Nehru Place, New Delhi 110 019
 CIN: L74899DL1988PLC033314
Statement of unaudited financial results for the quarter and six month ended September 30, 2018
 (All amounts are in Lacs of INR, unless otherwise stated)

Particulars	Quarter ended			Six months ended		Year ended
	September 30, 2018	June 30, 2018	September 30, 2017	September 30, 2018	September 30, 2017	March 31, 2018
	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(audited)
Income from operations						
Net sales/income from operations	61,630	102,928	100,258	164,558	197,992	405,949
Other income	15,059	9,416	8,342	24,475	18,929	35,341
Total income from operations	76,689	112,344	108,600	189,033	216,921	441,290
Expenses						
Cost of material consumed	10,198	37,593	64,387	47,791	119,193	205,635
Contractor charges	8,537	14,616	10,676	23,154	34,605	91,892
Employee benefits expense	11,219	11,777	8,284	22,995	16,470	36,664
Finance cost	24,583	23,272	27,073	47,854	48,741	97,638
Depreciation and amortisation expense	2,498	2,591	3,075	5,089	5,828	12,070
Irrecoverable balances written Off	153,356	27,023	11,172	180,379	13,764	32,846
Other expenses	12,855	17,036	8,809	29,891	22,629	52,715
Total expenses	223,246	133,908	133,477	357,153	261,230	529,461
Loss from ordinary activities before exceptional items	(146,557)	(21,564)	(24,877)	(168,120)	(44,309)	(88,171)
Exceptional items	-	-	-	-	-	-
Loss from ordinary activities before tax	(146,557)	(21,564)	(24,877)	(168,120)	(44,309)	(88,171)
Income Tax expense	-	-	(35)	-	(35)	(119,908)
Profit / (Loss) for the period	(146,557)	(21,564)	(24,842)	(168,120)	(44,274)	31,737
Other comprehensive income (OCI)						
A. OCI to be reclassified to profit or loss in subsequent years:						
Exchange differences on translation of foreign operations	(3,719)	278	(2,610)	(3,997)	(2,974)	(5,480)
B. OCI not to be reclassified to profit or loss in subsequent years:						
Re-measurement gains/(losses) on defined benefit plans	-	-	-	-	-	532
Net gain/ (loss) on fair value of equity securities through OCI	(34,154)	(5,803)	-	(39,957)	531	(30,879)
Other comprehensive income for the period, net of tax	(37,873)	(5,525)	(2,610)	(43,954)	(2,443)	(35,827)
Total comprehensive income	(184,430)	(27,089)	(27,452)	(212,074)	(46,717)	(4,090)
Paid-up equity share capital (face value of Rs. 2 each)	6,712	6,712	6,709	6,712	6,709	6,712
Reserves excluding revaluation reserves						9,540
Earnings per share						
Basic (in Rs.)	(43.67)	(6.43)	(7.41)	(50.10)	(13.21)	9.46
Diluted (in Rs.)	(43.67)	(6.43)	(7.41)	(50.10)	(13.21)	9.45
	(Not annualised)	(Not annualised)	(Not annualised)	(Not annualised)	(Not annualised)	(Annualised)



Notes

1. The above unaudited financial results for the quarter and six month ended September 30, 2018 have been reviewed and recommended by the Audit Committee and approved by the Board of Directors at their respective meetings held on October 27, 2018.

2. Statement of Assets and Liabilities :

Particulars	As at September 30, 2018 (unaudited)	As at March 31, 2018 (audited)
ASSETS		
Non-current assets		
Property, plant and equipment	55,861	59,916
Investment property	8,937	9,020
Intangible assets	323	363
Financial assets		
Investments	6,437	46,394
Loans	572	572
Deferred tax assets (net)	119,900	119,900
Other non-current assets	17,314	19,140
Current assets		
Inventories	12,174	11,705
Unbilled revenue (work-in-progress)	386,162	431,914
Financial assets		
Trade receivables	178,896	230,399
Cash and cash equivalents	9,850	22,028
Other bank balances	22,240	17,788
Loans	29,490	29,545
Others	4,327	45,389
Current tax assets (net)	7,556	6,926
Other current assets	43,985	52,093
TOTAL - ASSETS	904,024	1,103,092
EQUITY AND LIABILITIES		
Equity		
Equity share capital	6,712	6,712
Other equity	(202,480)	9,541
Liabilities		
Non-current liabilities		
Financial liabilities		
Borrowings	25,787	48,214
Provisions	284	549
Current liabilities		
Financial liabilities		
Borrowings	508,185	463,816
Trade payables	180,418	244,379
Other financial liabilities	277,057	227,535
Other current liabilities	96,085	90,804
Provisions	6,148	6,094
Current tax liabilities (net)	5,828	5,448
TOTAL - EQUITY AND LIABILITIES	904,024	1,103,092



3. There are delays/ defaults in repayments of substantial dues to lenders, Company's current liabilities exceeded its current assets and net worth of the Company has also been eroded as at September 30, 2018. Majority of the Indian lenders have categorized the Company as Non-Performing Asset (NPA) under RBI regulations. Some of the lenders have given their dissent for the proposed "Scheme of restructuring" and few lenders have filed application for recovery of its dues before the National Company Law Tribunal (NCLT) and Debt Recovery Tribunal (DRT). The Company had submitted a proposal to its lenders for restructuring of its debt. Restructuring is essential for the company's ability to continue as a going concern and ability to realize its assets and discharge the liabilities in the normal course of business. The restructuring proposal is under consideration by the lenders. As per Reserve Bank of India (RBI) guidelines, the restructuring should have been concluded by August 27, 2018 by the lenders. However, the Company has challenged the vires of the RBI Circular dated February 12, 2018 before Honorable Delhi High Court. Various other Companies have also challenged the vires of the RBI Circular dated February 12, 2018 before the Honorable Supreme Court of India. The Honorable Supreme Court of India vide order dated September 11, 2018 has directed status quo be maintained by the parties of the petition. In view of the aforesaid order of the Honorable Supreme Court of India, the Honorable Delhi High Court has directed status quo to be maintained till November 19, 2018 against writ petition by the Company challenging the vires of the RBI circular dated February 12, 2018. The management is confident and hopeful that restructuring proposal of the company shall be approved. During the quarter ended September 30, 2018, the Company has obtained mandatory approvals from the shareholders of the Company for the same. Additionally, to improve operational efficiencies, the Company is taking various measures, including monetizing its identified assets as avenues of raising funds. The present conditions indicate that a material uncertainty exists that cast significant doubt on the Company's ability to continue as a going concern, however the management is confident that with the above measures, the Company would be able to generate sustainable cash flow, discharge its short term and long-term liabilities and improve its net worth through profitable operations and continue as a going concern. Hence, financial results have been prepared on a going concern basis.

4. Based on the guiding principles given in Ind AS 108 on 'Operating Segments', the Company's business activity falls within a single operating segment viz. Engineering, procurement and construction services. Accordingly the segment disclosure requirements of Ind AS 108 are not applicable.

5. Ind AS 115 "Revenue from Contracts with Customers", mandatory for reporting periods beginning on or after April 1, 2018, replaces existing revenue recognition requirements. The Company has elected the option of using the cumulative catch-up transition method which is applied to contracts that were not completed as of April 01, 2018. Accordingly, comparatives have not been retrospectively adjusted. Further, the applicability of Ind AS 115 did not have any material impact on recognition and measurement of revenue and related items in these financial results.

6(a). Tax expenses are net of deferred tax effects, minimum alternative tax credit and earlier year taxes.

(b). The Company has business losses and unabsorbed depreciation which are allowed to be carried forward and set off against future taxable income under Income Tax Act, 1961. However, the Company has undertaken several measures to improve operational efficiency which have resulted in increased revenues and higher margins. Further, as stated in Note 3, the management is confident of a favorable outcome of its restructuring proposal submitted with its lenders. Accordingly, based on projected future taxable income and results of operations, the management believes that the Company will more likely than not have sufficient taxable income in future allowing it to realize the carried forward losses and unabsorbed depreciation. In view of the above, the Company has recognised deferred tax asset aggregating to Rs. 119,900 lacs, on conservative basis and is confident that such asset carried as at September 30, 2018 is fully recoverable.

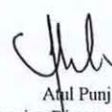
7. The Company's current assets include receivables/claims of Rs. 154,101 lacs under receivables/ unbilled revenue (work in progress) which are subject matter of arbitration and the ultimate outcome of the matter is presently unascertainable. As the Company is confident of a satisfactory settlement of the arbitration and recovery of the said amount, no adjustment have been considered necessary in the financial results.

8(a). Previous quarters/ year's amounts have been regrouped / re-arranged wherever necessary to conform to the current quarter's presentation.

(b). Exchange differences are clubbed under 'Other income' or 'Other expenses' based on the resultant net amount.

For and on behalf of the Board of Directors of Punj Lloyd Limited

Place: New Delhi
Date: October 27, 2018


Anil Punj
Chairman and Managing Director
DIN: 00005612



Review Report to

The Board of Directors of Punj Lloyd Limited

1. We have reviewed the accompanying statement of unaudited financial results ("the Statement") of Punj Lloyd Limited ("the Company") for the quarter and six months ended September 30, 2018, being submitted by the Company pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulation, 2015"), as amended. This Statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. 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 Statement is 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.
3. Based on our review conducted as above and upon consideration of the review reports of other auditors, referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying Statement has not been prepared, in all material respect, in accordance with applicable Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other recognized accounting practices and policies, or has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.
4. **Material Uncertainty Related to Going Concern**

We draw attention to Note 3 to the Statement which indicates that the Company's current liabilities exceeded its current assets, net worth has got eroded as of September 30, 2018 and the restructuring proposal has not yet been approved by the lenders. These conditions, along with other matters as stated in said note, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our report is not qualified in respect of this matter.



5. Emphasis of Matter

We draw attention to

- (a) Note 6 (b) to the Statement which indicates that the Company has recognized deferred tax assets on carried forward losses and unabsorbed depreciation as in the opinion of the management it is reasonably certain that such deferred tax assets are fully realizable.
- (b) Note 7 to the Statement regarding receivables/ unbilled revenue (work-in-progress) aggregating to Rs. 154,101 lacs as at September 30, 2018, representing claims made by the Company which are subject matter of arbitration. Pending ultimate outcome of the matter which is presently unascertainable, no adjustments have been made in the financial results.

Our report is not qualified in respect of these matters.

- 6. We did not review the interim financial results of certain branches and an unincorporated joint venture, included in the Statement, whose interim financial results reflect total revenue (net of elimination) of Rs. 14,181 lacs and Rs. 47,448 lacs for the quarter and six months ended September 30, 2018 respectively and total assets of Rs. 287,000 lacs (net of elimination) as at September 30, 2018. The interim financial results have been reviewed by other auditors whose review reports have been furnished to us by the management and our report in respect thereof is based solely on the review reports of such other auditors. Our review report is not qualified in respect of this matter.

For **BGJC & Associates LLP**

Chartered Accountants

Firm Registration Number: 003304N



Darshan Chhajjer

Partner

Membership Number: 088308



Place: New Delhi

Date: October 27, 2018



Investor Communication

Performance overview: Q2 & H1FY19

October 27, 2018

Disclaimer

This presentation is for information purpose only and does not constitute an offer, solicitation or advertisement with respect to the purchase or sale of any security of Punj Lloyd (the “Company”) and no part of it shall form the basis of or be relied upon in connection with any contract or commitment whatsoever.

This presentation is not a complete description of the Company. Certain statements in the presentation and, if applicable, the subsequent question and answer session and discussions concerning the Company’s future growth prospects contain words or phrases that are forward looking statements. All forward looking statements are subject to risks, uncertainties and assumptions that could cause actual results to differ materially from those contemplated by the relevant forward looking statement. Any opinion, estimate or projection herein constitutes a judgment as of the date of this presentation, and there can be no assurance that future results or events will be consistent with any such opinion, estimate or projection. The information in this presentation is subject to change without notice, its accuracy is not guaranteed, it may be incomplete or condensed and it may not contain all material information concerning the Company. We do not have any obligation to, and do not intend to, update or otherwise revise any statements reflecting circumstances arising after the date of this presentation or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition.

All information contained in this presentation has been prepared solely by the Company. No information contained herein has been independently verified by anyone else. No representation or warranty (express or implied) of any nature is made nor is any responsibility or liability of any kind accepted with respect to the truthfulness, completeness or accuracy of any information, projection, representation or warranty (expressed or implied) or omissions in this presentation. Neither the Company nor anyone else accepts any liability whatsoever for any loss, howsoever, arising from any use or reliance on this presentation or its contents or otherwise arising in connection therewith. This presentation may not be used, reproduced, copied, distributed, shared, or disseminated in any other manner.

Punj Lloyd - The Group

Punj Lloyd Limited (A Diversified Global EPC Conglomerate)

• Energy

- Oil & Gas – Offshore Platform, Onshore Field Development, Pipelines, Tankage and Terminals, Process Plants,
- Power : Thermal, Nuclear
- Renewables : Non-conventional Power, Bio Fuels, Green Buildings & Infrastructure and Water

• Infrastructure

- Transport : Subways & Metro Systems, Airports, Highways & Expressways, Tunnels & Caverns, Seaports & Terminals, Bridges, Flyovers & Interchanges
- Utilities : Reservoirs & Treatment Plants
- Building : Hospitality & Leisure, Commercial, Industrial, Institutional, Residential Complexes, Healthcare & Townships & Industrial Parks

• Defence

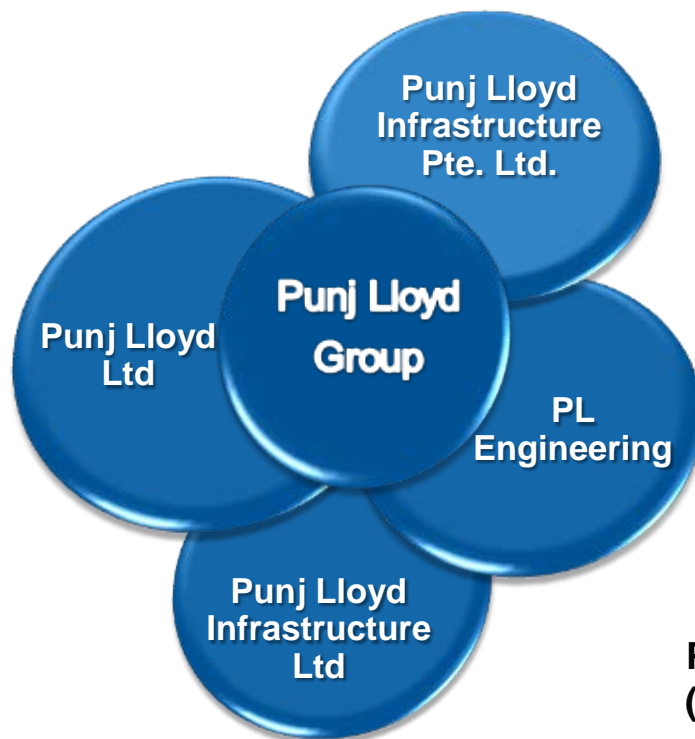
- Land Systems, Aviation and Defence Electronics

• Onshore Drilling

• Polymers, Petrochemicals & Chemicals

Punj Lloyd Infrastructure Pte Limited

- Primarily a holding and investment Company
- Operates in South East Asia in buildings, transportation, civil construction for various utilities, oil and gas pipelines, refineries and tankage
- Major subsidiaries
 - *Punj Lloyd Oil & Gas Sdn Bhd
 - *Punj Lloyd Sdn Bhd



Punj Lloyd Infrastructure Ltd (A Project Development Company)

- Transportation, Energy & Urban Infrastructure
- Focused on Public Private Partnership

PL Engineering Limited (An Engineering Services Co.)

- Oil & Gas
- Petrochemicals, Chemicals & Fertilizers
- Power : Nuclear & Thermal
- Automotive & Aerospace

Business Structure & Solutions

Oil & Gas	Onshore & Offshore Pipelines, Onshore & Offshore field Development, Gas Processing, Tankage and Terminals
Process	Refineries, Polymers & Petrochemicals, Chemicals
Power	Thermal, Nuclear
Utilities	Water & Sewage Treatment Facilities, Reservoirs, Centralized Utilized
Infrastructure	Subway & Metro Systems, Airports, Highways & Expressways, Bridges, Flyovers & Interchanges, Tunnels & Caverns, Seaports & Terminals
Buildings	Hospitality & Leisure, Commercial, Industrial, Institutional & Residential Complexes, Healthcare, Townships & Industrial Parks
Asset Management	Asset Preservation & Maintenance
Defence	Land systems, Aviation, Electronics



Financial restructuring

The Company, as part of its financial restructuring to pare debt and strengthen balance sheet to better equipped for bidding new projects, had submitted a 'Scheme of Restructuring' with its lenders. During the quarter ended September 30, 2018, the Company also obtained mandatory approvals from the shareholders of the Company for the same. As per the Reserve Bank of India Circular dated February 12, 2018 (the RBI Circular), the restructuring was to be completed by August 27, 2018.

Some of the lenders have given their dissent for the proposed Scheme of Restructuring and few lenders have filed application for recovery of its dues before the National Company Law Tribunal and Debt Recovery Tribunal. However, the Company has challenged the vires of the RBI Circular before the Honorable Delhi High Court, in addition to various other companies challenging the same before the Honorable Supreme Court of India.

The Honorable Supreme Court of India, vide its order dated September 11, 2018, has directed status quo be maintained by the parties of the petition, basis which the Honorable Delhi High Court also directed status quo to be maintained till November 19, 2018 against writ petition by the Company challenging the RBI Circular.

The management is confident and hopeful that restructuring proposal of the company shall be approved. Additionally, to improve operational efficiencies, the Company is taking various measures, including monetizing its identified assets as avenues of raising funds.

Non-recurring adjustments

On conservative basis, the company has made non-recurring adjustments of Rs. 1,534 crores for some its receivables and claims during the current quarter. Additionally, certain investments have also been pared down by Rs. 342 crores during the quarter.



Financial Results & Operating Highlights

Q2 & H1FY19



Q2 & H1FY19: FINANCIAL OVERVIEW

Amount in INR Crores

	Q2FY19	Q1FY19	Q2FY18	H1FY19	H1FY18
Revenue	616	1,029	1,003	1,645	1,980
Other Incomes	151	94	83	245	189
Total Income	767	1,123	1,086	1,890	2,169
Cost of Sales	(1,962)	(1,080)	(1,033)	(3,042)	(2,067)
EBITDA	(1,195)	43	53	(1,152)	103
EBITDA %	-156%	4%	5%	-61%	5%
Finance cost	(246)	(233)	(271)	(479)	(488)
Depreciation	(25)	(26)	(31)	(51)	(58)
Loss Before Tax	(1,466)	(216)	(249)	(1,682)	(443)
Tax	-	-	-	-	-
Loss After Tax	(1,466)	(216)	(249)	(1,682)	(443)
Other Comprehensive income	(384)	(55)	(26)	(439)	(24)
Total Comprehensive Income	(1,850)	(271)	(275)	(2,121)	(467)

Borrowings (Consolidated) - as at September 30, 2018

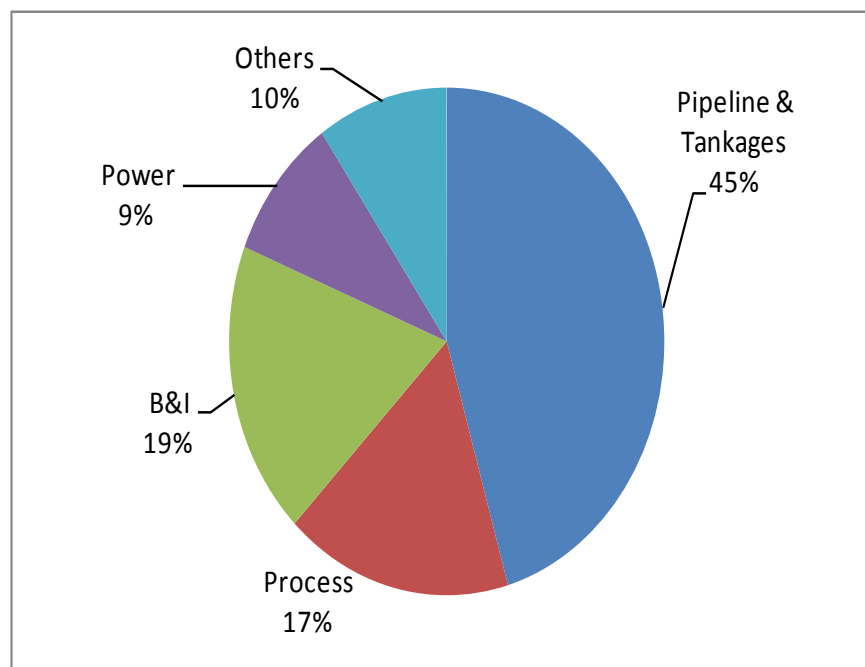
Amount in INR Crores

E&C Activities (A)	7,578
Development Activities (B)	529
Gross Borrowing (C=A+B)	8,107
Less: Cash & Bank Balance (D)	435
Net Borrowing (E=C-D)	7,672

Segment Revenue – H1FY19

Amount in INR Crores

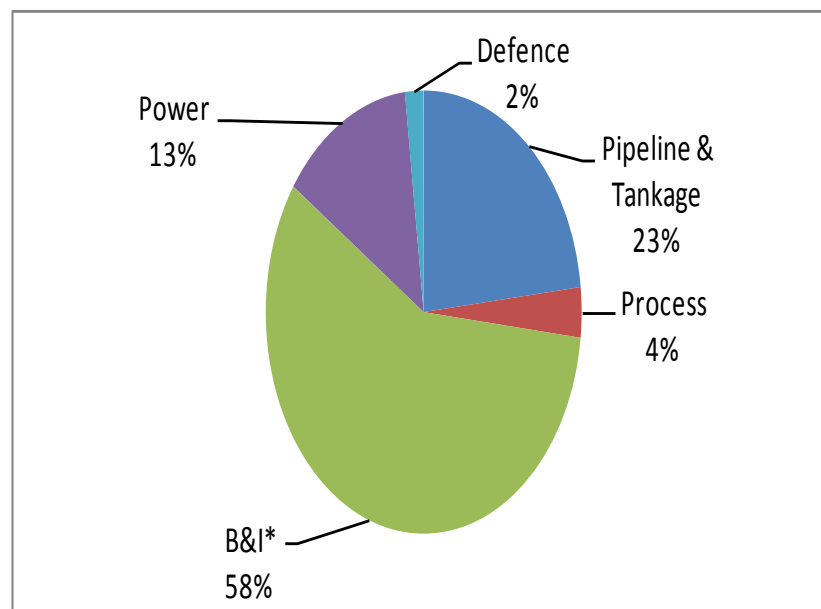
Segment	H1FY19
Pipeline & Tankages	748
Process	276
B&I	310
Power	152
Others	159
Total	1,645



ORDER BACKLOG (Consolidated)

Amount in INR Crores

Segment	Amount
Pipeline & Tankages	1,629
Process	258
B&I*	4,055
Power	950
Defence	134
Total	7,026



Order Backlog comprises of unexecuted orders as on September 30, 2018 plus new orders received after that date

* Excluding orders of Libya Rs. 6,845 crores which are not seeing traction.

About us

Punj Lloyd (BSE SCRIP ID: PUNJLLOYD, NSE SYMBOL: PUNJLLOYD) The Punj Lloyd Group is a diversified international conglomerate offering EPC services in Energy and Infrastructure along with engineering and manufacturing capabilities in the Defence sector. Known for its capabilities in delivering mega projects “on time,” thereby ensuring repeat customers, the Group possesses a rich experience of successfully delivered projects across the globe, while maintaining the highest standards of health, safety, environment and quality (HSEQ). Further information about the Group is available at www.punjllloydgroup.com.

For further information please contact:

Surender Bhardwaj

Punj Lloyd Ltd.

Tel: 0124 2620630

Fax: 0124 2620111

Email: surenderbhardwaj@punjllloyd.com**Gavin Desa / Rishab Barar**

CDR India

Tel: 022 6645 1237 / 1235

Fax: 022 6645 1200

Email: gavin@cdr-india.com
rishab@cdr-india.com



Punj Lloyd

Thank You