

**Punj Lloyd Ltd**

Corporate Office I, 78 Institutional Area, Sector 32, Gurugram 122 001, India  
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info@punjlloyd.com  
www.punjlloyd.com



Dated: October 27, 2018

**BSE Limited**

Department of Corporate Services  
25<sup>th</sup> Floor, P J Towers  
Dalal Street  
Mumbai – 400001

Scrip Code: 532693 / Scrip ID: PUNJLLOYD

Dear Sir/ Madam

**Re: Information as required under Regulation 52 (4) of the SEBI (listing obligations and Disclosure Requirements) Regulations, 2015**

Pursuant to our obligations under Regulation 52 (4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in addition to the financial results for the half year ended on 30<sup>th</sup> September, 2018, please find enclosed herewith the details under Schedule A as required under the said regulation with respect to following debentures of the Company:

- a. 1500 Secured Redeemable Non Convertible Debentures of Rs. 10,00,000 each aggregating to Rs. 150 Crores: INE701B07010;
- b. 3000 Secured Redeemable Non Convertible Debentures of Rs. 10,00,000 each aggregating to Rs. 300 Crores: INE701B07077

The Certificate from debenture trustee pursuant to Regulation 52(5) of the Listing Regulation will be sent separately.

Further, in terms of Regulation 57 (2), the Company hereby confirms that, the Company has submitted all documents and intimations required to be submitted by the Company to Debenture Trustees in terms of Trust Deed and Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008.

Thanking you,

Yours faithfully,

for PUNJ LLOYD LTD.

A handwritten signature in blue ink, appearing to read 'Dinesh Thairani', written over a horizontal line.

**DINESH THAIRANI**  
Group President – Legal & Company Secretary

Encl a/a

**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)
<b>Income from operations</b>						
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
<b>Total income from operations</b>	<b>76,689</b>	<b>112,344</b>	<b>108,600</b>	<b>189,033</b>	<b>216,921</b>	<b>441,290</b>
<b>Expenses</b>						
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
<b>Total expenses</b>	<b>223,246</b>	<b>133,908</b>	<b>133,477</b>	<b>357,153</b>	<b>261,230</b>	<b>529,461</b>
<b>Loss from ordinary activities before exceptional items</b>	<b>(146,557)</b>	<b>(21,564)</b>	<b>(24,877)</b>	<b>(168,120)</b>	<b>(44,309)</b>	<b>(88,171)</b>
Exceptional items	-	-	-	-	-	-
<b>Loss from ordinary activities before tax</b>	<b>(146,557)</b>	<b>(21,564)</b>	<b>(24,877)</b>	<b>(168,120)</b>	<b>(44,309)</b>	<b>(88,171)</b>
Income Tax expense	-	-	(35)	-	(35)	(119,908)
<b>Profit / (Loss) for the period</b>	<b>(146,557)</b>	<b>(21,564)</b>	<b>(24,842)</b>	<b>(168,120)</b>	<b>(44,274)</b>	<b>31,737</b>
<b>Other comprehensive income (OCI)</b>						
<b>A. OCI to be reclassified to profit or loss in subsequent years:</b>						
Exchange differences on translation of foreign operations	(3,719)	278	(2,610)	(3,997)	(2,974)	(5,480)
<b>B. OCI not to be reclassified to profit or loss in subsequent years:</b>						
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)
<b>Other comprehensive income for the period, net of tax</b>	<b>(37,873)</b>	<b>(5,525)</b>	<b>(2,610)</b>	<b>(43,954)</b>	<b>(2,443)</b>	<b>(35,827)</b>
<b>Total comprehensive income</b>	<b>(184,430)</b>	<b>(27,089)</b>	<b>(27,452)</b>	<b>(212,074)</b>	<b>(46,717)</b>	<b>(4,090)</b>
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
<b>Earnings per share</b>						
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)
<b>ASSETS</b>		
<b>Non-current assets</b>		
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
<b>Current assets</b>		
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
<b>TOTAL - ASSETS</b>	<b>904,024</b>	<b>1,103,092</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Equity share capital	6,712	6,712
Other equity	(202,480)	9,541
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
Financial liabilities		
Borrowings	25,787	48,214
Provisions	284	549
<b>Current liabilities</b>		
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
<b>TOTAL - EQUITY AND LIABILITIES</b>	<b>904,024</b>	<b>1,103,092</b>





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.

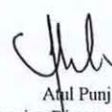
7. The Company's current assets include receivables/claims of Rs. 154,101 lacs under receivables/ unbilled revenue (work in progress) which are subject matter of arbitration and the ultimate outcome of the matter is presently unascertainable. As the Company is confident of a satisfactory settlement of 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

**Punj Lloyd Ltd**

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

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Dated: October 27, 2018

**SCHEDULE A****BSE Limited**

Department of Corporate Services

25<sup>th</sup> Floor, P J Towers

Dalal Street

Mumbai – 400001

**Sub: Disclosure as per Regulation 52(4) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 for the half year ended September 30, 2018**

Pursuant to the captioned, please find below the requisite disclosures:

S.No.	Particulars	Disclosure
1	Credit rating and change in credit rating (if any)	The credit ratings issued by CARE for the Non-convertible Debentures (NCD's) are 'D'.
2	Asset cover available, in case of non-convertible debt securities	10.50% debentures (ISIN : INE701B07077) are secured by first charge on flat no. 201, Satyam Apartment, saru section road, Jamnagar, Gujarat and subservient charge on the movable tangible and current assets of the Company. 12.00% (ISIN : INE701B07010) debentures are secured by first pari passu charge on the movable tangible assets of the project division of the Company and further secured by exclusive charge on the flat No. 202, satyam apartment, saru section road, Jamnagar, Gujarat.
3	Debt-equity ratio	(1.02)
4	Previous due date for the payment of interest/ dividend for non-convertible redeemable preference shares/ repayment of principal of non-convertible preference shares/ non-convertible debt securities and whether the same has been paid or not	<b><u>Interest and Principal for INR 150 crs</u></b> October 02, 2018: Unpaid
5	Next due date for the payment of interest/ dividend of non-convertible	<b><u>Interest and Principal for INR 150 crs</u></b> Interest: January, 02, 2019

**Registered Office**

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

CIN: L74899DL1988PLC033314



	preference shares/ principal along with the amount of interest/ dividend of non-convertible preference shares payable and the redemption amount	INR 4.08 Cr. Principal and interest: January 02, 2019; INR 19.08 Cr.  <u>Interest and Principal for INR 300 crs</u> Not Applicable
6	Debt service coverage ratio	(0.54)
7	Interest service coverage ratio	(2.52)
8	Outstanding redeemable preference shares (quantity and value)	Not applicable
9	Capital redemption reserve/ debenture redemption reserve	Rs. 11,287 lacs
10	Net worth	Rs. (195,768) lacs
11	Net Profit / (loss) after tax	Rs. (168,120) lacs
11(a)	Total Comprehensive Income	Rs. (212,074) lacs
12	Earnings per share	Rs. (50.10) (Basic and diluted)

Ratios have been computed as follows:

- Interest Service Coverage Ratio = Profit before Interest, Depreciation and Tax / Interest
- Debt Service Coverage Ratio = Profit before Interest, Depreciation and Tax / (Interest on 'Debt' + Principal repayment of Debt during the period)
- Debt = Long term borrowings, including their current maturities and excluding working capital loans
- Equity = Issued, Subscribed and Paid-Up Share Capital plus Reserves and Surplus (mentioned below)
- Reserves and Surplus = General Reserve, Capital Reserve, Debenture Redemption Reserve, Securities Premium Account, Foreign Currency Translation Reserve and Surplus Closing Balance in the Statement of Profit and Loss.
- Net Worth = Equity + Reserves and Surplus – (Miscellaneous Expenditure to the extent not written off + Reserves not available to Equity Shareholders)

For Punj Lloyd Limited

  
**Atul Punj**  
 Chairman & Managing Director

