

To,  
The BSE Limited,  
25<sup>th</sup> Floor, Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai – 400 001

Date: 12-11-2021

Dear Sir/Madam,

**Sub: Outcome of the Board Meeting held on November 12, 2021**

**Ref: Scrip Code: 513629 – TULSYAN NEC LIMITED**

Pursuant to Regulations 30 and 33 of SEBI (Listing Obligation and Disclosure Requirements) 2015, we wish to inform you that the Board of Directors at its meeting held today i.e. November 12, 2021, has considered and approved the un-audited standalone and consolidated financial results of the Company for the second quarter and half year ended September 30, 2021, along with the limited review report as recommended by the Audit Committee as per the Indian Accounting Standards (IND-AS).

A copy of the un-audited financial results along with the Limited Review Report is enclosed herewith.

The above information will also be available on the website of the Company at [www.tulsyannec.in](http://www.tulsyannec.in)

Further, the Board Meeting commenced at 12.00 noon and concluded at 01.00 p.m.

This is for your information and necessary record.

Thanking you,

Yours faithfully,  
For **Tulsyannec Limited**



**Parvati Soni**  
**Company Secretary & Compliance officer**

*Encl: As above*

**TULSYAN NEC LTD**

**Registered Office :** Apex Plaza, 1st Floor, No.3, Nungambakkam High Road, Chennai - 600 034. Tamil Nadu  
Ph : +91 44 6199 1060 / 6199 1045, Fax : +91 44 6199 1066 | Email : [info@tulsyannec.in](mailto:info@tulsyannec.in) | [www.tulsyannec.in](http://www.tulsyannec.in)  
GSTIN 33AABCT3720E1ZW | CIN L28920TN1947PLC007437





## CNGSN & ASSOCIATES LLP

CHARTERED ACCOUNTANTS

Swathi Court, Flat No. C & D, No. 43  
Vijayaraghava Road, T.Nagar, Chennai - 600 017 India.  
Tel : +91-44-4554 1480 / 81; Fax : +91-44-4554 1482  
Web : www.cngsn.com; Email : info@cngsn.com

**Dr. C.N. GANGADARAN**  
B.Com., FCA, MBIM (Lond.), Ph.d.

**CHINNSAMY GANESAN**  
B.Com., FCA, DISA (ICAI)

**S. NEELAKANTAN**  
B.Com., FCA

**D. KALAIALAGAN**  
B.Com., FCA, DISA (ICAI)

**R. THIRUMALMARUGAN**  
M.Com., FCA

**K. PARTHASARATHY**  
B.Com., FCA

**B. RAMAKRISHNAN**  
B.Com., Grad., CWA., FCA

**NYAPATHY SRILATHA**  
M.Com., FCA, PGDFM

**V. VIVEK ANAND**  
B.Com., FCA

**E.K. SRIVATSAN**  
B.Com., FCA

**PRANAY.J.SHAH**  
B.Com., FCA

### Limited Review Report on Unaudited Quarterly Standalone Financial Results of TULSYAN NEC LIMITED Pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended

#### To Board of Directors of Tulsyan NEC Limited

We have reviewed the accompanying statement of unaudited standalone financial results of TULSYAN NEC LIMITED "the company") for the quarter ended 30th September 2021 and the year to date results for the period 1st April 2021 to 30th September 2021 ("the statement"), being submitted by the Company's Management pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, read with Circular No. CIR/CFD/CMD1/44/2019 dated 29th March 2019 and in accordance with the recognition and measurement, principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.

#### Basis of Qualified Opinion

##### 1. Going Concern

We draw attention to the fact that the Company was continuously incurring losses and its net worth was almost totally eroded as on 31.03.2021. The Corporate Debt Restructuring implemented in the year 2015-16 was a failure. After the failure of the same the company had been seeking restructuring of the debts and no such restructuring accepted by the lenders (banks) .

However during the current financial year the company's proposal was accepted by two Lenders (Banks) in which entire interest outstanding and a portion of principal outstanding has been waived. The settlement is subject to the condition that the waivers agreed are contingent to the company adhering to the payment schedule. Similar such proposal has been made to other lenders (banks) which are under



consideration. The company's ability to continue as a going concern will depend on the company's ability to adhere to the conditions.

## **2. Compromise Settlement**

We draw attention to Note No. 4 regarding the Compromise Settlement. The Company had submitted a Bilateral Compromise proposal for the consideration of the Consortium of lenders. During the quarter ending 30th September 2021, the Compromise Settlement proposal, made by the company has been accepted by two banks with certain conditions. The application with the other banks/ financial institutions are under negotiation and a decision is yet to be taken by the lenders. The Company is in the process of complying with the conditions of the Compromise Settlement proposal approved and is following up with the other lenders for approving the respective Compromise Settlement proposals submitted. We were informed that the Company's management is confident of complying with the conditions of the Compromise proposal approved and also getting approval for the other pending compromise proposals. Based on the above, the management believes that it will result in significant reduction in the outstanding dues to the lenders, including interest.

Considering the above, the Company has

- (a) given effect to the compromise settlement accepted by the bank
- (b) reversed the interest charged by the banks during the quarter wherever charged.
- (c) did not provide for interest where the banks have not charged interest.

In the opinion of the management, in view of the Compromise Settlement already approved by two Banks /under negotiation with the other bankers, there will be no further interest liability on the Company and the above accounting treatment considered will not significantly impact of the financial statements in the current and future periods.

In the absence any specific confirmation of balances received from the banks/financial institutions on the final dues of principal and interest, we are unable to comment on the appropriateness of the aforesaid reversal of interest charged during the year and the non-provision of interest in other cases. The impact of the above accounting treatment on the financial statements is not presently determinable.

## **Emphasis of Matter**

We draw your attention to Note No 3 to the Standalone Financial Statement which explains the management's assessment of the financial and operational impact on the business of the Company due to the lock-down and the conditions relevant to the COVID-19 and its consequential impact of the carrying values of the assets as at 30th September 2021.



Our opinion is not modified in respect of this matter.

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 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 provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, and subject to the matters stated in the basis of qualified opinion paragraph, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results, prepared in accordance with applicable Indian Accounting Standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, including the manner in which it is to be disclosed, or that it contains any material misstatement.

*For* **M/s CNGSN & Associates LLP**

Chartered Accountants

Firm's Registration No: 004915S/S200036

Place: Chennai

Date: 12<sup>th</sup> November 2021



**K PARTHASARATHY**

Partner

Membership No.: 018394

UDIN:21018394AAAAIV6708



# Tulsyan NEC Limited

Regd. Office: 1 Floor Apex Plaza, 3 Nungambakkam High Road, Chennai - 600034  
 Ph. 044-6199 1060 Fax: 044-6199 1066 Email id: investor@tulsyanec.in Website: www.tulsyanec.in  
 CIN : L28920TN1947PLC007437

## Unaudited Standalone Financial Results for the Quarter and six months ended September 30, 2021

Rs. In Lakhs

Sl No	Particulars	Quarter ended			Year to date figures for the six months ended		Previous Year ended
		September 30, 2021	June 30, 2021	September 30, 2020	September 30, 2021	September 30, 2020	March 31, 2021
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
<b>1</b>	<b>Income from Operations</b>						
	(a) Net Sales / Income from operations	18,973.96	16,223.61	13,222.58	35,197.57	22,776.49	56,651.20
	(b) Other Income (Net)	453.34	27.26	0.00	480.60	3.66	13.72
	<b>Total Income</b>	<b>19,427.30</b>	<b>16,250.87</b>	<b>13,222.58</b>	<b>35,678.17</b>	<b>22,780.15</b>	<b>56,664.92</b>
<b>2</b>	<b>Expenses</b>						
	(a) Cost of materials consumed	15,000.48	12,997.74	8,424.59	27,998.21	15,289.58	40,186.14
	(b) Purchase of stock-in-trade - Traded goods	241.66	-	219.47	241.66	219.47	225.12
	(c) Increase/Decrease in stock in trade	1,340.95	(1,236.41)	1,074.64	104.54	2,411.23	1,200.20
	(d) Employee benefit expenses	774.53	693.88	663.83	1,468.41	1,322.66	2,845.83
	(f) Power & Fuel	1,458.30	1,210.75	1,163.55	2,669.06	1,956.67	4,196.14
	(g) Finance costs	107.42	86.00	5,585.08	193.42	11,126.11	20,262.63
	(h) Depreciation and amortization expense	586.55	616.96	633.79	1,203.51	1,267.57	2,468.29
	(i) Other expenses	1,193.69	1,203.92	1,346.43	2,397.61	2,732.09	5,895.74
	<b>Total Expenses</b>	<b>20,703.58</b>	<b>15,572.83</b>	<b>19,111.38</b>	<b>36,276.43</b>	<b>36,325.38</b>	<b>77,280.09</b>
<b>3</b>	<b>Profit before exceptional items and tax (1-2)</b>	<b>(1,276.29)</b>	<b>678.03</b>	<b>(5,888.80)</b>	<b>(598.27)</b>	<b>(13,545.23)</b>	<b>(20,615.18)</b>
<b>4</b>	<b>Exceptional items</b>	<b>(16,986.08)</b>	<b>(27,205.33)</b>	<b>-</b>	<b>(44,191.42)</b>	<b>-</b>	<b>(19,693.13)</b>
<b>5</b>	<b>Profit before tax (3-4)</b>	<b>15,709.79</b>	<b>27,883.37</b>	<b>(5,888.80)</b>	<b>43,593.15</b>	<b>(13,545.23)</b>	<b>(922.05)</b>
	<b>Tax expense</b>						
	Current Tax	-	-	-	-	-	-
	Deferred Tax	-	-	-	-	-	-
<b>6</b>	<b>Total Tax Expenses</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>7</b>	<b>Net profit for the period (5-6)</b>	<b>15,709.79</b>	<b>27,883.37</b>	<b>(5,888.80)</b>	<b>43,593.15</b>	<b>(13,545.23)</b>	<b>(922.05)</b>
	Other comprehensive income , net of income tax	-20.44	(20.44)	(5.27)	(40.88)	(10.53)	(81.76)
<b>8</b>	<b>Total comprehensive income for the period (7+8)</b>	<b>15,689.35</b>	<b>27,862.93</b>	<b>(5,894.07)</b>	<b>43,552.27</b>	<b>(13,555.76)</b>	<b>(1,003.81)</b>
<b>9</b>							
<b>10</b>	Paid-up equity share capital	1,471.38	1,471.38	1,471.38	1,471.38	1,471.38	1,471.38
	Face value per share (Rs)	10.00	10.00	10.00	10.00	10.00	10.00
<b>11</b>	Earning per share (Rs) (not annualised)						
	- Basic	106.77	189.50	(40.02)	296.27	(92.06)	(6.27)
	- Diluted	106.77	189.50	(40.02)	296.27	(92.06)	(6.27)

**Notes:**

- 1 The above quarterly results for the period ended September 30, 2021 as reviewed and recommended by the Audit committee of the Board, has been approved by the Board of Directors at its meeting held on 12th November, 2021
- 2 The statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under section 133 of the companies Act, 2013 and other recognised accounting practices and policies to the extent applicable from beginning April 1, 2017.
- 3 **Effect of Covid-19 on the business of the Company:**

Post declaration of COVID-19 as a pandemic by the World Health Organization, the Government in India and across the world have taken significant measures to curtail the widespread of virus, including countrywide lockdown and restriction in economic activities. the second wave of Covid-19 towards the end of the FY 2020-21 and the reimposition of lockdown restrictions has impacted the operations of the company severely. The lockdown has adversely impacted the Company's sales volume, mix and realizations and the Company's operation remained adversely impacted. The management believes that the Covid-19 will impact the Company's business in the short term but does not anticipate material risk to its business prospects in the long term.

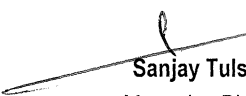
The Company continues to closely monitor the situation and take appropriate action, as necessary to scaleup operations, in due compliance with the applicable regulations. As per the Company's current assessment, no significant impact on carrying amounts of property, plant and equipment, right-of-use assets, inventories, intangible assets, trade receivables, investments and other financial assets is expected, and it continues to monitor changes in future economic conditions. The eventual outcome of the impact of the global health pandemic may be different from those estimated as on the date of approval of these financial results.
- 4 The company had sought compromise settlement with the Bankers which involved waiver of interest outstanding and a portion of principal. Two of the major lenders have accepted the offer of the company during the current financial year of FY 2021-22. The company has accordingly reversed the entire interest expenses incurred till date and a portion of the principal loan outstanding. The necessary accounting treatment for the same has been effected during this quarter which is captured under "Exceptional Item". One of the bank is yet to give effect to the above in their accounts to reflect the waiver.
- 5 Other lenders also are considering the company's offer which will involve waiver of unpaid interest and a portion of principal. Pending acceptance of our offer the banks have not debited interest. Since the settlement offer involves waiver of interest, no provision has been made in the books on accrual basis.
- 6 The Company has organised the business into three segments viz. Steel Division, Synthetic Division and Power. This reporting complies with the Ind AS segment reporting principles.
- 7 The previous year figures have been regrouped/re-classified wherever necessary

Particulars	Quarter ended			Year to date figures for the six months ended		Previous Year ended
	September 30, 2021	June 30, 2021	September 30, 2020	September 30, 2021	September 30, 2020	March 31, 2021
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
<b>Segment Revenue</b>						
Steel Division	14,287.53	10,950.94	7,709.46	25,238.47	14,776.43	36,854.20
Synthetic Divison	2,458.76	2,134.43	1,625.42	4,593.20	2,955.13	7,090.47
Power	2,227.66	3,138.23	3,887.70	5,365.90	5,044.92	12,706.53
<b>Revenue from operations (Net)</b>	<b>18,973.96</b>	<b>16,223.61</b>	<b>13,222.58</b>	<b>35,197.57</b>	<b>22,776.49</b>	<b>56,651.20</b>
<b>Segment Results</b>						
Profit (+) / Loss (-) before tax and finance cost						
Steel Division	10,811.89	918.32	-930.37	11,730.21	-2,018.24	3,736.69
Synthetic Divison	-21.57	27,375.84	-21.19	27,354.27	-82.14	8,964.36
Power	5,026.89	-324.80	647.84	4,702.09	-318.74	6,639.52
<b>Total</b>	<b>15,817.22</b>	<b>27,969.36</b>	<b>-303.71</b>	<b>43,786.57</b>	<b>-2,419.12</b>	<b>19,340.58</b>
Add/ Less : Finance Cost	107.42	86.00	5,585.08	193.42	11,126.11	20,262.63
<b>Profit/(Loss) from continuing operations</b>	<b>15,709.79</b>	<b>27,883.37</b>	<b>-5,888.80</b>	<b>43,593.15</b>	<b>-13,545.23</b>	<b>-922.05</b>
Profit/(Loss) from discontinuing operations		-				-
<b>Profit Before Tax</b>	<b>15,709.79</b>	<b>27,883.37</b>	<b>-5,888.80</b>	<b>43,593.15</b>	<b>-13,545.23</b>	<b>-922.05</b>
<b>Segment Assets</b>						
Steel Division	29,170.00	39,707.82	33,706.60	29,170.00	33,706.60	31,241.41
Synthetic Divison	10,292.23	9,805.27	8,585.76	10,292.23	8,585.76	9,363.70
Power	53,571.60	53,763.73	57,130.06	53,571.60	57,130.06	55,062.44
Other unallocable corporate assets	-	-	-	-	-	-
<b>Total assets</b>	<b>93,033.83</b>	<b>1,03,276.82</b>	<b>99,422.43</b>	<b>93,033.83</b>	<b>99,422.43</b>	<b>95,667.54</b>
<b>Segment Liabilities</b>						
Steel Division	90,455.64	1,13,403.29	1,24,358.10	90,455.64	1,24,358.10	1,12,490.72
Synthetic Divison	-43,618.61	-44,141.82	9,118.46	-43,618.61	9,118.46	9,569.01
Power	28,817.45	38,399.29	40,918.38	28,817.45	40,918.38	36,028.10
Other unallocable corporate assets	-	-	-	-	-	-
<b>Total liabilities</b>	<b>75,654.48</b>	<b>1,07,660.76</b>	<b>1,74,394.94</b>	<b>75,654.48</b>	<b>1,74,394.94</b>	<b>1,58,087.83</b>
<b>Capital Employed (Segment assets-Segment liabilities)</b>						
Steel Division	-61,285.64	-73,695.47	-90,651.50	-61,285.64	-90,651.50	-81,249.31
Synthetic Divison	53,910.84	53,947.09	-532.70	53,910.84	-532.70	-205.32
Power	24,754.15	15,364.44	16,211.69	24,754.15	16,211.69	19,034.34
<b>Total capital employed in segments</b>	<b>17,379.35</b>	<b>-4,383.94</b>	<b>-74,972.51</b>	<b>17,379.35</b>	<b>-74,972.51</b>	<b>-62,420.29</b>
Unallocable corporate assets less corporate liabilities	-	-	-	-	-	-
<b>Total Capital Employed</b>	<b>17,379.35</b>	<b>-4,383.94</b>	<b>-74,972.51</b>	<b>17,379.35</b>	<b>-74,972.51</b>	<b>-62,420.29</b>

## 1 Statement of Standalone assets and liabilities

Particulars	As at	As at
	September 30, 2021 (Unaudited)	March 31, 2021 (Audited)
<b>Assets</b>		
<b>Non-current assets</b>		
Property, plant and equipment	63,985.08	64,950.81
Capital work in progress	-	-
Investments	649.30	649.30
Other financial assets	12.10	15.27
Other non-current assets	541.09	519.42
	<b>65,187.57</b>	<b>66,134.80</b>
<b>Current assets</b>		
Inventories	6,709.88	9,047.53
Financial Assets		
Investments	0.50	0.50
Trade receivables	16,399.56	15,648.84
Cash and cash equivalents	162.51	602.03
Bank balances other than above	312.03	307.03
Other Financial Assets	1,226.87	1,198.74
Other current assets	3,034.90	2,728.07
	<b>27,846.26</b>	<b>29,532.74</b>
<b>Total - Assets</b>	<b>93,033.83</b>	<b>95,667.54</b>
<b>Equity and Liabilities</b>		
<b>Equity</b>		
Equity share capital	1,471.38	1,471.38
Other Equity	15,907.98	(63,891.67)
	<b>17,379.36</b>	<b>(62,420.29)</b>
<b>Non current liabilities</b>		
Financial Liabilities		
Borrowings	17,459.01	70,079.71
Other financial liabilities (other than those specified in (c) below)	1,426.85	1,323.03
Provisions	576.25	576.25
	<b>19,462.11</b>	<b>71,978.99</b>
<b>Current liabilities</b>		
Financial Liabilities		
Borrowings	16,821.95	54,526.05
Trade payables	2,631.81	1,339.65
Other financial liabilities (other than those specified in (c) below)	274.56	274.56
Other current liabilities	36,361.33	29,865.86
Provisions	102.72	102.72
	<b>56,192.37</b>	<b>86,108.84</b>
<b>Total - Equity and Liabilities</b>	<b>93,033.84</b>	<b>95,667.54</b>

for Tulsyan NEC Limited


  
Sanjay Tulsyan

Managing Director

DIN : 00632802

Place: Chennai

Date : 12th November, 2021



## Tulsyan NEC Limited

Regd. Office: 1 Floor Apex Plaza, 3 Nungambakkam High Road, Chennai - 600034  
 Ph. 044-6199 1060 Fax: 044-6199 1066 Email id: investor@tulsyanec.in Website: www.tulsyanec.in  
 CIN : L28920TN1947PLC007437

**Unaudited Standalone Cash Flow for the six months ended September 30, 2021**

Rs. In Lakhs

Particulars	For the year ended September 30, 2021	For the year ended March 31, 2021
<b>Cash Flow From Operating Activities</b>		
Profit before income tax	43,593.15	(922.05)
Adjustments for		
Depreciation and amortisation expense	1,203.51	2,468.29
(Profit)/ loss on sale of fixed assets	-	(0.47)
Profit on sale of Investments	-	-
Finance cost	193.42	20,262.63
Interest Income	-	(13.18)
Operating Profit before Working Capital Changes	44,990.08	21,795.22
Change in operating assets and liabilities		
(Increase) / Decrease in loans	-	-
(Increase) / Decrease in other financial assets	(28.13)	(39.09)
(Increase) / Decrease in inventories	2,337.66	896.35
(Increase) / Decrease in trade receivables	(750.73)	7,866.46
(Increase) / Decrease in other assets	(323.79)	(759.37)
Increase / (Decrease) in provisions, other financial liabilities and other liabilities	12.66	(67.37)
Increase / (Decrease) in trade payables	1,292.16	(6,488.55)
Cash generated from operations	47,529.91	23,203.65
Less : Income taxes paid (net of refunds)	(4.70)	(12.58)
<b>Net cash from/ (used in) operating activities (A)</b>	<b>47,525.21</b>	<b>23,191.08</b>
<b>Cash Flows From Investing Activities</b>		
Purchase of PPE (including changes in CWIP)	(237.77)	(87.91)
Sale proceeds of PPE	-	4.56
(Investments in)/ Maturity of fixed deposits with banks (net)	(5.00)	(200.00)
(Purchase)/ disposal proceeds of Investments (net)	-	-
Interest received	-	13.18
<b>Net cash from/ (used in) investing activities (B)</b>	<b>(242.77)</b>	<b>(270.17)</b>
<b>Cash Flows From Financing Activities</b>		
Proceeds from issue of equity share capital (net of share application money)	-	-
Proceeds from/ (repayment of) long term borrowings (net)	(16,373.31)	8,172.70
Proceeds from/ (repayment of) short term borrowings (net)	(37,704.09)	808.87
Finance cost	6,355.45	(31,590.51)
<b>Net cash from/ (used in) financing activities (C)</b>	<b>(47,721.95)</b>	<b>(22,608.94)</b>
<b>Net increase (decrease) in cash and cash equivalents (A+B+C)</b>	<b>(439.51)</b>	<b>311.96</b>
Cash and cash equivalents at the beginning of the financial year	602.02	290.06
<b>Cash and cash equivalents at end of the year</b>	<b>162.51</b>	<b>602.02</b>

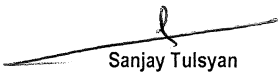
**Notes:**

1. The above cash flow statement has been prepared under indirect method prescribed in Ind AS 7 "Cash Flow Statements".

2. Components of cash and cash equivalents

Balances with banks		
- in current accounts	156.25	595.82
Cash on hand	6.26	6.21
	<b>162.51</b>	<b>602.03</b>

For Tulsyan NEC Limited

  
**Sanjay Tulsyan**  
 Managing Director  
 DIN : 00632802

Place: Chennai  
 Date : 12th November, 2021



# CNGSN & ASSOCIATES LLP

CHARTERED ACCOUNTANTS

Swathi Court, Flat No. C & D, No. 43  
Vijayaraghava Road, T.Nagar, Chennai - 600 017 India.  
Tel : +91-44-4554 1480 / 81; Fax : +91-44-4554 1482  
Web : www.cngsn.com; Email : info@cngsn.com

**Dr. C.N. GANGADARAN**  
B.Com., FCA, MBIM (Lond.), Ph.d.

**S. NEELAKANTAN**  
B.Com., FCA

**R. THIRUMALMARUGAN**  
M.Com., FCA

**B. RAMAKRISHNAN**  
B.Com., Grad., CWA., FCA

**V. VIVEK ANAND**  
B.Com., FCA

**CHINNSAMY GANESAN**  
B.Com., FCA, DISA (ICAI)

**D. KALAIALAGAN**  
B.Com., FCA, DISA (ICAI)

**K. PARTHASARATHY**  
B.Com., FCA

**NYAPATHY SRILATHA**  
M.Com., FCA, PGDFM

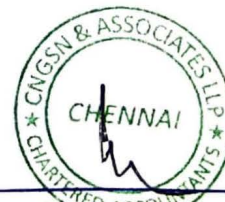
**E.K. SRIVATSAN**  
B.Com., FCA

**PRANAY.J.SHAH**  
B.Com., FCA

## Independent Auditors' Review Report on Consolidated Quarterly Unaudited Financial Results of the Company Pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended

To the Board of Directors of TULSYAN NEC LIMITED

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial results TULSYAN NEC LIMITED ("The Parent") and its Subsidiaries(The Parent and its subsidiaries together referred to as the "Group"), for the quarter ended 30<sup>th</sup> September 2021 and the consolidated year to date results for the period 1<sup>st</sup> April 2021 to 30<sup>th</sup> September 2021, being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, read with Circular No. CIR/CFD/CMD1/44/2019 dated 29th March 2019.
2. This statement which is the responsibility of the Parent's management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" (Ind AS 34), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued there under and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the statement based on our review.
3. We conducted our review of the statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India (ICAI). A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with standards on auditing and consequently does not



enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

4. We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing obligations and Disclosure Requirements) regulations, 2015 as amended, to the extent applicable.

5. The Statement includes the results of the following entities :

<b>Name of the entities</b>	<b>Relationship</b>
1. Tulsyan NEC Limited	Company
2. Chitrakoot Steel and Power Private Limited	Subsidiary
3. Colour Peppers Media Private Limited	Subsidiary

### **Basis of Qualified Opinion**

#### **1. Going Concern**

We draw attention to the fact that the Company was continuously incurring losses and and its net worth was almost totally eroded as on 31.03.2021. The Corporate Debt Restructuring implemented in the year 2015-16 was a failure. After the failure of the same the company had been seeking restructuring of the debts and no such restructuring accepted by the lenders (banks).

However during the current financial year the company's proposal was accepted by two Lenders (Banks) in which entire interest outstanding and a portion of principal outstanding has been waived. The settlement is subject to the condition that the waivers agreed are contingent to the company adhering to the payment schedule. Similar such proposal has been made to other lenders (banks) which are under consideration. The company's ability to continue as a going concern will depend on the company's ability to adhere to the conditions.

#### **2. Compromise Settlement**

We draw attention to Note No. 4 regarding the Compromise Settlement. The Company had submitted a Bilateral Compromise proposal for the consideration of the Consortium of lenders. During the quarter ending 30th September 2021, the Compromise Settlement proposal, made by the company has been accepted by two banks with certain conditions. The application with the other banks/ financial institutions are under negotiation and a decision is yet to be taken by the lenders. The Company is in the process of complying with the conditions of the Compromise Settlement proposal approved and is following up with the other lenders for approving the respective Compromise Settlement proposals submitted. We were informed that the Company's management is confident of complying with the conditions of the Compromise proposal approved and also getting approval for the other pending compromise proposals. Based on the above, the



management believes that it will result in significant reduction in the outstanding dues to the lenders, including interest.

Considering the above, the Company has

- (a) given effect to the compromise settlement accepted by the bank
- (b) reversed the interest charged by the banks during the quarter wherever charged.
- (c) did not provide for interest where the banks have not charged interest.

In the opinion of the management, in view of the Compromise Settlement already approved by two Banks /under negotiation with the other bankers, there will be no further interest liability on the Company and the above accounting treatment considered will not significantly impact of the financial statements in the current and future periods.

In the absence any specific confirmation of balances received from the banks/financial institutions on the final dues of principal and interest, we are unable to comment on the appropriateness of the aforesaid reversal of interest charged during the year and the non-provision of interest in other cases. The impact of the above accounting treatment on the financial statements is not presently determinable.

### **Emphasis of Matter**

We draw your attention to Note No 3 to the Consolidated Financial Statement which explains the management's assessment of the financial and operational impact on the business of the Group due to the lock-down and conditions relevant to the COVID-19 and its consequential impact of the carrying values of the assets as at 30th September 2021.

Our opinion is not modified in respect of this matter.

6. Based on our review conducted and procedures performed as stated in paragraph 3 above and subject to the matters stated in the basis of qualified opinion paragraph , nothing has, come to our attention that causes us to believe that the accompanying financial statements, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure requirements) regulations, 2015, as amended , including the manner in which it is to be disclosed, or that it contains any material misstatement.
7. We did not review the interim financial statements / financial information / financial results of all the subsidiaries included in the consolidated unaudited financial results, whose interim financial statements / financial information / financial results reflect total assets (before consolidation adjustments) of Rs.2240.39 Lakhs, total revenues (before consolidation adjustments) of Rs.1751.37 Lakhs, total net loss after tax (before consolidation adjustments) of Rs. 97.49 lakhs and total comprehensive loss (before consolidation adjustments) of Rs. 97.49 Lakhs for the quarter ended 30<sup>th</sup> September, 2021 and total revenues (before consolidation adjustments) of Rs.4632.92 Lakhs, total net profit after tax (before consolidation adjustments) of Rs.165.76 lakhs and total comprehensive profit (before consolidation adjustments) of Rs. 165.76 Lakhs for the

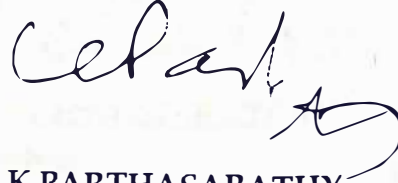


period from 1<sup>st</sup> April 2021 to 30<sup>th</sup> September 2021 as considered in the consolidated unaudited financial results. These interim financial statements / financial information / financial results have been approved and furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based on this unaudited financial results/information. Our conclusion on the Statement is not modified in respect of the above matters.

Place: Chennai

Date: 12<sup>th</sup> November 2021

For M/s CNGSN & Associates LLP  
Chartered Accountants  
Firm's Registration No: 004915S/S200036



**K PARTHASARATHY**

Partner

Membership No.: 018394

UDIN: 21018394AAAAIW9511



# Tulsyan NEC Limited

Regd. Office: 1 Floor Apex Plaza, 3 Nungambakkam High Road, Chennai - 600034  
 Ph. 044-6199 1060 Fax: 044-6199 1066 Email id: investor@tulsyanec.in Website: www.tulsyanec.in  
 CIN : L28920TN1947PLC007437

## Unaudited Consolidated Financial Results for the Quarter and six months ended September 30, 2021

Rs. In Lakhs

Sl No	Particulars	Quarter ended			Year to date figures for the six months ended		Previous Year ended
		September 30, 2021	June 30, 2021	September 30, 2020	September 30, 2021	September 30, 2020	March 31, 2021
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
<b>1</b>	<b>Income from Operations</b>						
	(a) Net Sales / Income from operations	22,059.97	17,665.65	13,877.19	39,725.62	23,573.46	62,230.99
	(b) Other Income (Net)	456.03	27.26	-	483.28	5.06	15.11
	<b>Total Income</b>	<b>22,516.00</b>	<b>17,692.90</b>	<b>13,877.19</b>	<b>40,208.90</b>	<b>23,578.52</b>	<b>62,246.11</b>
<b>2</b>	<b>Expenses</b>						
	(a) Cost of materials consumed	17,858.68	14,114.76	9,163.76	31,973.44	16,103.53	45,018.76
	(b) Purchase of stock-in-trade - Traded goods	241.66	-	219.47	241.66	219.47	225.12
	(c) Increase/Decrease in stock in trade	1,351.45	(1,213.22)	949.17	138.23	2,267.65	1,171.36
	(d) Employee benefit expenses	784.22	703.02	673.44	1,487.24	1,345.48	2,888.05
	(f) Power & Fuel	1,630.95	1,053.03	1,154.83	2,683.98	1,969.52	4,123.85
	(g) Finance costs	164.68	140.92	5,651.93	305.60	11,258.22	20,528.05
	(h) Depreciation and amortization expense	597.54	627.92	644.27	1,225.45	1,288.53	2,512.26
	(i) Other expenses	1,260.58	1,325.18	1,483.10	2,585.76	2,900.45	6,297.79
	<b>Total Expenses</b>	<b>23,889.76</b>	<b>16,751.60</b>	<b>19,939.96</b>	<b>40,641.36</b>	<b>37,352.85</b>	<b>82,765.24</b>
<b>3</b>	<b>Profit before exceptional items and tax (1-2)</b>	<b>(1,373.76)</b>	<b>941.30</b>	<b>(6,062.77)</b>	<b>(432.46)</b>	<b>(13,774.33)</b>	<b>(20,519.13)</b>
<b>4</b>	<b>Exceptional items</b>	<b>(16,986.08)</b>	<b>(27,205.33)</b>		<b>(44,191.42)</b>		<b>(19,693.13)</b>
<b>5</b>	<b>Profit before tax (3-4)</b>	<b>15,612.32</b>	<b>28,146.64</b>	<b>(6,062.77)</b>	<b>43,758.96</b>	<b>(13,774.33)</b>	<b>(826.00)</b>
	<b>Tax expense</b>						
	Current Tax	-	-	-	-	-	-
	Deferred Tax	-	-	-	-	-	330.36
<b>6</b>	<b>Total Tax Expenses</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>7</b>	<b>Net profit for the period (5-6)</b>	<b>15,612.32</b>	<b>28,146.64</b>	<b>(6,062.77)</b>	<b>43,758.96</b>	<b>(13,774.33)</b>	<b>(1,156.36)</b>
<b>8</b>	<b>Other comprehensive income , net of income tax</b>	<b>-20.44</b>	<b>(20.44)</b>	<b>(5.27)</b>	<b>(40.88)</b>	<b>(10.53)</b>	<b>(81.76)</b>
<b>9</b>	<b>Total comprehensive income for the period (7+8)</b>	<b>15,591.88</b>	<b>28,126.20</b>	<b>(6,068.04)</b>	<b>43,718.08</b>	<b>(13,784.86)</b>	<b>(1,238.12)</b>
<b>10</b>	<b>Paid-up equity share capital</b>	<b>1,471.38</b>	<b>1,471.38</b>	<b>1,471.38</b>	<b>1,471.38</b>	<b>1,471.38</b>	<b>1,471.38</b>
	Face value per share (Rs)	10.00	10.00	10.00	10.00	10.00	10.00
<b>11</b>	<b>Earning per share (Rs) (not annualised)</b>						
	- Basic	106.11	191.29	(41.20)	297.40	(93.62)	(7.86)
	- Diluted	106.11	191.29	(41.20)	297.40	(93.62)	(7.86)

**Notes:**

- 1 The above quarterly results for the period ended September 30, 2021 as reviewed and recommended by the Audit committee of the Board, has been approved by the Board of Directors at its meeting held on 12th November, 2021
- 2 The statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under section 133 of the companies Act, 2013 and other recognised accounting practices and policies to the extent applicable from beginning April 1, 2017.
- 3 **Effect of Covid-19 on the business of the Company:**

Post declaration of COVID-19 as a pandemic by the World Health Organization, the Government in India and across the world have taken significant measures to curtail the widespread of virus, including countrywide lockdown and restriction in economic activities. the second wave of Covid-19 towards the end of the FY 2020-21 and the reimposition of lockdown restrictions has impacted the operations of the company severely. The lockdown has adversely impacted the Company's sales volume, mix and realizations and the Company's operation remained adversely impacted. The management believes that the Covid-19 will impact the Company's business in the short term but does not anticipate material risk to its business prospects in the long term.

The Company continues to closely monitor the situation and take appropriate action, as necessary to scaleup operations, in due compliance with the applicable regulations. As per the Company's current assessment, no significant impact on carrying amounts of property, plant and equipment, right-of-use assets, inventories, intangible assets, trade receivables, investments and other financial assets is expected, and it continues to monitor changes in future economic conditions. The eventual outcome of the impact of the global health pandemic may be different from those estimated as on the date of approval of these financial results.
- 4 The company had sought compromise settlement with the Bankers which involved waiver of interest outstanding and a portion of principal. Two of the major lenders have accepted the offer of the company during the current financial year of FY 2021-22. The company has accordingly reversed the entire interest expenses incurred till date and a portion of the principal loan outstanding. The necessary accounting treatment for the same has been effected during this quarter which is captured under "Exceptional Item". One of the bank is yet to give effect to the above in their accounts to reflect the waiver.
- 5 Other lenders also are considering the company's offer which will involve waiver of unpaid interest and a portion of principal. Pending acceptance of our offer the banks have not debited interest. Since the settlement offer involves waiver of interest, no provision has been made in the books on accrual basis.
- 6 The Company has organised the business into three segments viz. Steel Division, Synthetic Division and Power. This reporting complies with the Ind AS segment reporting principles.
- 7 The previous year figures have been regrouped/re-classified wherever necessary

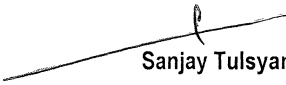
Particulars	Quarter ended			Year to date figures for the six months ended		Previous Year ended
	September 30, 2021	June 30, 2021	September 30, 2020	September 30, 2021	September 30, 2020	March 31, 2021
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
<b>Segment Revenue</b>						
Steel Division	17,373.55	12,392.98	8,364.07	29,766.53	15,573.41	42,433.99
Synthetic Division	2,458.76	2,134.43	1,625.42	4,593.20	2,955.13	7,090.47
Power	2,227.66	3,138.23	3,887.70	5,365.90	5,044.92	12,706.53
Media	-	-	-	-	-	-
<b>Revenue from operations (Net)</b>	<b>22,059.97</b>	<b>17,665.65</b>	<b>13,877.19</b>	<b>39,725.62</b>	<b>23,573.46</b>	<b>62,230.99</b>
<b>Segment Results</b>						
Profit (+) / Loss (-) before tax and finance cost						
Steel Division	10,771.68	1,236.51	-1,037.49	12,008.19	-2,115.23	4,106.07
Synthetic Division	-21.57	27,375.84	-21.19	27,354.27	-82.14	8,964.36
Power	5,026.89	-324.80	647.84	4,702.09	-318.74	6,639.52
Media	-	-	-	-	-	-7.90
<b>Total</b>	<b>15,777.00</b>	<b>28,287.55</b>	<b>-410.84</b>	<b>44,064.55</b>	<b>-2,516.11</b>	<b>19,702.05</b>
Add/ Less : Finance Cost	164.68	140.92	5,651.93	305.60	11,258.22	20,528.05
<b>Profit/(Loss) from continuing operations</b>	<b>15,612.32</b>	<b>28,146.64</b>	<b>-6,062.77</b>	<b>43,758.96</b>	<b>-13,774.33</b>	<b>-826.00</b>
Profit/(Loss) from discontinuing operations	-	-	-	-	-	-
<b>Profit Before Tax</b>	<b>15,612.32</b>	<b>28,146.64</b>	<b>-6,062.77</b>	<b>43,758.96</b>	<b>-13,774.33</b>	<b>-826.00</b>
<b>Segment Assets</b>						
Steel Division	30,710.48	41,457.04	34,602.74	30,710.48	34,602.74	32,874.58
Synthetic Division	10,292.23	9,805.27	8,585.76	10,292.23	8,585.76	9,363.70
Power	53,571.60	53,763.73	57,130.06	53,571.60	57,130.06	55,062.44
Media	51.01	51.01	51.01	51.01	51.01	51.01
Other unallocable corporate assets	-	-	-	-	-	-
<b>Total assets</b>	<b>94,625.32</b>	<b>1,05,077.05</b>	<b>1,00,369.57</b>	<b>94,625.32</b>	<b>1,00,369.57</b>	<b>97,351.73</b>
<b>Segment Liabilities</b>						
Steel Division	93,926.08	1,16,889.17	1,27,344.71	93,926.08	1,27,344.71	1,16,219.63
Synthetic Division	-43,618.61	-44,141.82	9,118.46	-43,618.61	9,118.46	9,569.01
Power	28,817.45	38,399.29	40,918.38	28,817.45	40,918.38	36,028.10
Media	190.28	190.28	190.28	190.28	190.28	190.28
Other unallocable corporate assets	-	-	-	-	-	-
<b>Total liabilities</b>	<b>79,315.20</b>	<b>1,11,336.92</b>	<b>1,77,571.83</b>	<b>79,315.20</b>	<b>1,77,571.83</b>	<b>1,62,007.03</b>
<b>Capital Employed (Segment assets-Segment liabilities)</b>						
Steel Division	-63,215.60	-75,432.12	-92,741.97	-63,215.60	-92,741.97	-83,345.06
Synthetic Division	53,910.84	53,947.09	-532.70	53,910.84	-532.70	-205.32
Power	24,754.15	15,364.44	16,211.69	24,754.15	16,211.69	19,034.34
Media	-139.27	-139.27	-139.27	-139.27	-139.27	-139.27
<b>Total capital employed in segments</b>	<b>15,310.12</b>	<b>-6,259.86</b>	<b>-77,202.26</b>	<b>15,310.12</b>	<b>-77,202.26</b>	<b>-64,655.30</b>
Unallocable corporate assets less corporate liabilities	-	-	-	-	-	-
<b>Total Capital Employed</b>	<b>15,310.12</b>	<b>-6,259.86</b>	<b>-77,202.26</b>	<b>15,310.12</b>	<b>-77,202.26</b>	<b>-64,655.30</b>



## 1 Statement of Consolidated Assets and Liabilities

Particulars	As at	As at
	September 30, 2021 (Unaudited)	March 31, 2021 (Audited)
<b>Assets</b>		
<b>Non-current assets</b>		
Property, plant and equipment	64,764.30	65,632.67
Capital work in progress	-	-
Investments	0.41	0.41
Other financial assets	12.10	15.27
Other non-current assets	679.16	655.17
	<b>65,455.97</b>	<b>66,303.52</b>
<b>Current assets</b>		
Inventories	6,965.22	9,358.53
<b>Financial Assets</b>		
Investments	0.50	0.50
Trade receivables	17,372.42	16,773.37
Cash and cash equivalents	163.25	603.16
Bank balances other than above	314.98	309.98
Other Financial Assets	1,228.87	1,201.04
Other current assets	3,124.12	2,801.63
	<b>29,169.35</b>	<b>31,048.21</b>
<b>Total - Assets</b>	<b>94,625.32</b>	<b>97,351.73</b>
<b>Equity and Liabilities</b>		
<b>Equity</b>		
Equity share capital	1,471.38	1,471.38
Other Equity	13,838.74	(66,126.68)
	<b>15,310.12</b>	<b>(64,655.30)</b>
<b>Non current liabilities</b>		
<b>Financial Liabilities</b>		
Borrowings	17,571.36	70,094.72
Other financial liabilities (other than those specified in (c) below)	1,426.85	1,323.03
Provisions	576.25	576.25
Deferred Tax Liabilities (net)	(823.31)	(823.31)
	<b>18,751.15</b>	<b>71,170.69</b>
<b>Current liabilities</b>		
<b>Financial Liabilities</b>		
Borrowings	18,856.89	56,561.46
Trade payables	4,742.08	3,756.10
Other financial liabilities (other than those specified in (c) below)	274.56	274.56
Other current liabilities	36,587.81	30,141.50
Provisions	102.72	102.72
	<b>60,564.05</b>	<b>90,836.34</b>
<b>Total - Equity and Liabilities</b>	<b>94,625.32</b>	<b>97,351.73</b>

for Tulsyan NEC Limited


 Sanjay Tulsyan

Managing Director

DIN : 00632802

Place: Chennai

Date : 12th November, 2021

# Tulsyan NEC Limited

Regd. Office: 1 Floor Apex Plaza, 3 Nungambakkam High Road, Chennai - 600034  
 Ph. 044-6199 1060 Fax: 044-6199 1066 Email id: investor@tulsyanec.in Website: www.tulsyanec.in  
 CIN : L28920TN1947PLC007437

**Unaudited Consolidated Cash Flow for the six months ended September 30, 2021**

Rs. in Lakhs

Particulars	For the year ended September 30, 2021	For the year ended March 31, 2021
<b>Cash Flow From Operating Activities</b>		
Profit before income tax	43,758.96	(826.00)
Adjustments for		
Depreciation and amortisation expense	1,225.45	2,512.26
(Profit)/ loss on sale of fixed assets	(1.64)	0.90
Profit on sale of Investments	-	-
Finance cost	305.60	20,528.05
Interest Income	(1.06)	(14.58)
Operating Profit before Working Capital Changes	45,287.30	22,200.63
Change in operating assets and liabilities		
(Increase) / Decrease in loans	-	-
(Increase) / Decrease in other financial assets	(27.83)	(39.09)
(Increase) / Decrease in inventories	2,393.32	753.34
(Increase) / Decrease in trade receivables	(599.05)	6,824.35
(Increase) / Decrease in other assets	(338.48)	(760.71)
Increase / (Decrease) in provisions, other financial liabilities and other liabilities	45.30	161.42
Increase / (Decrease) in trade payables	985.96	(5,669.06)
Cash generated from operations	47,746.52	23,470.88
Less : Income taxes paid (net of refunds)	(7.98)	20.18
<b>Net cash from/ (used in) operating activities (A)</b>	<b>47,738.54</b>	<b>23,491.06</b>
<b>Cash Flows From Investing Activities</b>		
Purchase of PPE (including changes in CWIP)	(357.44)	(105.93)
Sale proceeds of PPE	(1.27)	10.20
(Investments in)/ Maturity of fixed deposits with banks (net)	(5.00)	(200.93)
(Purchase)/ disposal proceeds of Investments (net)	-	-
Interest received	1.06	14.58
<b>Net cash from/ (used in) investing activities (B)</b>	<b>(362.65)</b>	<b>(282.06)</b>
<b>Cash Flows From Financing Activities</b>		
Proceeds from issue of equity share capital (net of share application money)	-	-
Proceeds from/ (repayment of) long term borrowings (net)	(16,275.98)	8,177.46
Proceeds from/ (repayment of) short term borrowings (net)	(37,704.57)	805.54
Finance cost	6,164.76	(31,879.81)
<b>Net cash from/ (used in) financing activities (C)</b>	<b>(47,815.79)</b>	<b>(22,896.81)</b>
<b>Net increase (decrease) in cash and cash equivalents (A+B+C)</b>	<b>(439.91)</b>	<b>312.19</b>
Cash and cash equivalents at the beginning of the financial year	603.16	290.97
<b>Cash and cash equivalents at end of the year</b>	<b>163.25</b>	<b>603.16</b>

**Notes:**

1. The above cash flow statement has been prepared under indirect method prescribed in Ind AS 7 "Cash Flow Statements".

2. Components of cash and cash equivalents

Balances with banks		
- in current accounts	156.65	596.22
Cash on hand	6.59	6.94
	<b>163.25</b>	<b>603.16</b>

For Tulsyan NEC Limited



Sanjay Tulsyan  
Managing Director

DIN : 00632802

Place: Chennai

Date : 12th November, 2021