

REF: BIL/ST.EX/BM/2018-19/01

May 30, 2018

The Secretary
The Calcutta Stock Exchange Limited,
7, Lyons Range,
Kolkata – 700 001.

General Manager - DCS
Bombay Stock Exchange Limited
Corporate Relationship Department
1st Floor, New Trading Ring,
Rotunda Building, P. J. Towers,
Dalal Street, Fort,
Mumbai – 400 001
Code : 500059

Asst. Vice President
National Stock Exchange of India Limited
Exchange Plaza, 5th Floor,
Plot No. C/1, G Block
Bandra Kurla Complex,
Bandra (East)
Mumbai – 400 051
Code: BINANIIND

REG: Outcome of Board Meeting pursuant to Regulation 30 under SEBI (Listing Obligation and Disclosure Requirements), Regulations, 2015

We refer to our letter dated 15th May, 2018 intimating you about a meeting of the Board of Directors of the Company ("the Board") to be held on Wednesday, 30th May, 2018.

We inform you that the Board, at its meeting held today:

1. approved the Standalone Audited Financial Results of the Company for the year ended 31st March, 2018.

The Results (Standalone) along with the Audit Report, declaration on modified opinion on Auditors' Report is attached for your records.

2. Binani Cement Limited our material subsidiary was admitted under the Corporate Insolvency Resolution Process under Insolvency and Bankruptcy Code 2016 effective 25th July 2017.

Consequently the Board has been suspended and the company does not have control on Binani Cement Limited effective 25th July, 2017. For the period when Binani Cement Limited was under control of Binani Industries Limited i.e from April 01 2017 till July 24, 2017 we do not have either Management accounts or Audited accounts. The entire Management of the affairs of Binani Cement Limited now vests with the Resolution Professional. The last date for completion of the Corporate Insolvency Resolution Process is June 23, 2018 or such other date as may be extended by the adjudicating authority.

Under these circumstances we have requested SEBI to give us time till end of August 2018 to declare consolidated financial statements for the year ended March 31, 2018.

Binani Industries Limited

CIN: L24117WB1962PLC025584

Corporate Office: Mercantile Chambers, Ground Floor, 12, J. N. Heredia Marg, Ballard, Estate, Mumbai - 400 001, India.

Tel: +91 22 3026 3000 / 01 / 02 | Fax: +91 22 2263 4960 | Email: mumbai@binani.net | www.binaniindustries.com

Registered Office: 37/2, Chinar Park, New Town, Rajarhat Main Road, P.O. Hatiana, Kolkata - 700 157, India

Tel: 08100326795 / 08100126796 | Fax: +91 33 4008 8802



: 2 :

The Meeting commenced at 12.30 p.m. and concluded at 17:00 p.m. The date of the AGM will be intimated separately.

This is for your information and records.

Thanking you,

Yours faithfully,
For Binani Industries Limited



Visalakshi Sridhar
CFO, Manager & Company Secretary



Encl: As above

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Auditor's Report On Quarterly Standalone Financial Results and Year to Date Financial Results of the Binani Industries Limited Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

**To the Board of Directors of
Binani Industries Limited**

1. We have audited the accompanying Statement of Standalone Financial Results of Binani Industries Limited ('the Company') for the year ended March 31, 2018 ('the Statement'), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.
2. The statement, as it relates to the quarter ended March 31, 2018, are the balancing figures between audited standalone figures in respect of the full financial year and the published reviewed standalone year to date figures up to the end of the third quarter of the financial year, prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ('Ind AS 34'). The Statements also relates to the year ended March 31, 2018, has been prepared on the basis of the related standalone financial statements for the year ended March 31, 2018, prepared in accordance with the Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013, ('the Act') read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India. This Statement is the responsibility of the Company's Management and is approved by the Board of Directors. Our responsibility is to express an opinion on the Statement based on our audit of standalone financial statements for the year ended March 31, 2018 and our review of standalone financial results for the nine months' period ended December 31, 2017.
3. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of the Statement that give a fair presentation view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Statement.

We believe that the audit evidence we have obtained is not sufficient and appropriate to provide a basis for our audit opinion on the Statement and hence we have issued this disclaimer of opinion.



4. Basis for Disclaimer of Opinion:

- a. The Company has not adjusted its Foreign Currency (FC) loan payable for matters communicated to it by its lenders which includes designation of FC loan to INR denominated loan along with a higher coupon rate. Further, the lender has demanded repayment of all outstanding loan amount including interest and penalty interest immediately and has also invoked the Corporate Guarantee issued by the company's subsidiary i.e. Binani Cement Limited (BCL). However, the Company has continued accounting of the said loan as FC loan with the then coupon rate and recognized exchange fluctuation gain / loss in Statement of Profit and Loss which is ultimately offset with transfer from / to Business Re-organisation Reserve (BRR). The said accounting treatment by the Company is not in accordance with the revised loan terms and also not in compliance with Ind AS 37 - *Provision, Contingent Liability and Contingent Assets* and Ind AS 1 - *Presentation of Financial Statement*. Had the Company followed the provisions of Ind AS 37 and Ind AS 1, Current liability, Business Reorganisation Reserve and Foreign Currency Monetary Item Translation (FCMIT) would have been higher/ (lower) by Rs. 7,636.56 lakhs Rs. (9,715.06) lakhs and Rs. 2,078.50 lakhs, as on March 31, 2018 respectively. Further, 'other expenses (exchange gain/loss)', 'finance cost' and 'Transfer from Business Reorganisation Reserve' would have been higher/(lower) by Rs. (635.30) lakhs, Rs. 10,350.36 lakhs and Rs. 9,715.06 lakhs respectively for the year ended March 31, 2018 and Rs. (444.80) lakhs, Rs. 597.58 lakhs and Rs. 152.78 lakhs respectively for the quarter ended March 31, 2018. (Refer Note 6 to the Statement).
- b. The Company has not determined fair value of its investments in Binani Cement Limited (BCL) and impairment of loans and advances, security deposits and trade receivable due from BCL and Edayar Zinc Limited (EZL) as required by Ind AS 109 - *Financial Instruments* on account of ongoing corporate insolvency resolution process at BCL and pending outcome thereof and financial instability of EZL. In this regard, we are unable to comment on the carrying value of these investments amounting to Rs. 341,360 lakhs (PY: Rs. 3,41,240 lakhs), recoverability of loans and advances of Rs. 1,252.41 lakhs (PY: Rs 1,073.60), Security Deposits of Rs.100 lakhs (PY: Rs 100 lakhs) and trade receivable of Rs. 1,362.10 lakhs (PY: Rs 2,962.71 lakhs) as at March 31, 2018 and its consequential impact, if any, on the financial results of the Company (Refer Note 3b and 9 to the Statement)
- c. The Company has given corporate guarantees aggregating to Rs. 590,247 lakhs, to banks and financial institutions on behalf of various subsidiaries. This includes corporate guarantee of Rs. 379,792 lakhs on behalf of Binani Cements Ltd which is undergoing corporate insolvency resolution process under Insolvency and Bankruptcy Code, 2016. The Company has not determined the loss allowances in respect of corporate guarantee issued by it as required by Ind AS 109 - *Financial Instruments* on account of ongoing corporate insolvency resolution process at BCL and pending outcome thereof. In this regard, we are unable to comment on the consequential impact, if any, on the financial results of the Company (Refer note 5 to the statement)
- d. The Company has not prepared and presented the Consolidated Ind AS financial statements and financial results for the year ended March 31, 2018 as required under section 129 (3) of the Companies Act, 2013 and in accordance with the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the reasons as stated in note 3a to the statement. In this regard, we are unable to comment on the consequential impact, if any of the non-compliance, on the financial results of the Company. (Refer note 3a to the statement)
- e. The management has represented to us that they are unaware of any matter, investigation or allegation, open or close, involving the Company, management of the Company, promoters or other group companies which requires adjustment/disclosure in the financial results of the Company. We are unable to comment on the completeness/correctness of the above referred details in the absence of all the required information. (Refer note 3c to the statement).



f. We draw attention to the following matters:

1. Note 4 of the Statement which states that, pursuant to a separate Scheme of Amalgamation approved by the Hon'ble High Court at Calcutta between Wada Industrial Estate Limited (WIEL) and a step down wholly owned subsidiary of the Company, being the Company as a successor to WIEL, the Company has applied AS 30, the Accounting Standard on Financial Instruments: Recognition and Measurement, issued by the Institute of Chartered Accountants of India (ICAI). All equity investment including investment in Subsidiaries are categorized as available for sale and measured at fair value and corresponding increase on account of fair valuation was credited to Business Reorganization Reserve ("BRR") since March 31, 2014. During the year, ICAI has withdrawn AS 30. Consequent to this, the Company, backed by legal opinion, has applied principles of notified Ind AS related to Financial Instruments being new accounting standards applicable instead of AS 30. All equity investment including investment in Subsidiaries except Investment in Binani Cements Limited are designated as fair value through profit & loss. However, to give effect to the accounting policies applicable to WIEL and to the Company as a successor to WIEL being accounting policies adopted as per the Scheme of Amalgamation approved by the Hon'ble High Court at Calcutta the said treatment has been given BRR. The net increase in restated fair value credited to BRR of Rs 7,847.49 lakhs (previous year decrease Rs 678.07 lakhs). Further, in accordance with the said scheme, the Company has offset certain expenses (net) amounting to Rs. 1,666.41 lakhs and 5,353.17 Lakhs against BRR during the quarter and year ended March 31, 2018.
2. Note 7 of the Statement which states that, one of the creditors of the Company had filed a winding up petition on November 19, 2016 against the Company with the Hon'ble High Court of Calcutta which has been admitted by the court on September 20, 2017. The Company is seeking recall of the order. The Company has entered into a settlement with such creditor by agreeing to pay its entire dues along with interest.
3. Note 8 of the Statement, where in the management has explained the reason for reduction in the operations of the Company with Binani Cement Limited (one of the subsidiary of the Company).

Our limited review report on the unaudited financial results for the quarter and nine months ended December 31, 2017 was qualified in respect of the matters stated in para (a) and (b) above and an Emphasis of Matter was inserted in respect of para (c) and (f) above.

5. **Disclaimer of Opinion**

- a) In our opinion and to the best of our information and according to the explanations given to us, in view of the effect of matter described in para (a) and possible effects of the matters described in para (b), (c), (d), (e) and (f) in the 'Basis for Disclaimer opinion' paragraph above, we are unable to comment whether the aforesaid standalone financial statements give a true and fair view in conformity with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India of the net loss, total comprehensive income and other financial information of the Company for the year ended March 31, 2018.
- b) The enclosed statement of financial results however is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016;



MSKA

& Associates

Chartered Accountants

6. Material uncertainty related to Going Concern

Management has prepared the Standalone Financial Results on going concern basis in spite of the following facts and circumstances:

- 1) The Company has reported losses of Rs. 499 lakhs and Rs. 375 lakhs for the year and quarter ended March 31, 2018 respectively.
- 2) the guarantees issued by the company on behalf of subsidiaries are significant in relation to the net worth of the Company as at March 31, 2018.
- 3) The constant decrease in the operations of the Company.

The management is working towards finding a workable solution to resolve the financial position by discussion with the lenders and others and to continue its business as going concern. Accordingly, the management considers it appropriate to prepare these financial statements on a going concern basis. (Refer note 11 to the statement)

This situation indicates the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern and therefore the Company may be unable to realise its assets and discharge its liabilities in the normal course of business.

For MSKA & Associates (Formerly known as MZSK & Associates)
Chartered Accountants
ICAI Firm Registration No.105047W

Anita Somani

Partner: Anita Somani
Membership No.: 124118

Place: Mumbai
Date: May 30, 2018



BINANI INDUSTRIES LIMITED

Registered Office: 37/2, Chinar Park, New Town Rajarhat Main Road, PO Hatiara, Kolkata - 700 157, India

Corporate Office: Mercantile Chambers, 12 J.N.heredia Marg, Ballard Estate, Mumbai 400 001.

CIN No. L24117WB1962PLC025584

Statement of Standalone audited Financial Results for the Quarter and Year ended 31st March, 2018

(in lakhs)

Particulars	Standalone				
	Quarter ended			Year ended	
	31.03.2018 (Unaudited)	31.03.2017 (Unaudited)	31.12.2017 (Unaudited)	31.03.2018 (Audited)	31.03.2017 (Audited)
1 Income from Operations					
(a) Sales / Income from Operations	63	978	345	3,697	15,897
(b) Other Income	93	1,959	145	608	2,491
(c) Transfer to Business Reorganisation Reserve (Refer Note 4)	(101)	(189)	(101)	(404)	(375)
Total Income from Operations	55	2,748	389	3,901	18,013
2 Expenses					
(a) Purchase of Traded Goods	-	-	-	1,507	1,082
(b) Direct Expenses	10	786	31	1,033	12,912
(c) Employee Benefits Expenses	143	256	158	676	910
(d) Finance Costs	1,308	1,268	1,262	5,073	5,249
(e) Transfer from Business Reorganisation Reserve (Refer Note 4)	(1,308)	(1,268)	(1,262)	(5,073)	(5,249)
(f) Depreciation and Amortisation Expenses	21	46	21	85	170
(g) Other Expenses	710	405	236	1,763	2,490
(h) Transfer from Business Reorganisation Reserve (Refer Note 4)	(460)	16	65	(684)	(980)
Total Expenses	424	1,489	511	4,380	16,584
3 Profit/(Loss) from operations before exceptional Items (1-2)	(369)	1,259	(122)	(479)	1,429
4 Exceptional Items	-	-	-	-	-
5 Profit from ordinary activities before tax (3-4)	(369)	1,259	(122)	(479)	1,429
6 Tax Expenses	26	383	-	26	363
7 Net Profit from ordinary activities after tax (5-6)	(395)	896	(122)	(505)	1,066
8 Extraordinary Items (net of tax expenses)	-	-	-	-	-
9 Net Profit for the period (7-8)	(395)	896	(122)	(505)	1,066
10 Other Comprehensive Income, net of Income Tax	20	(19)	(5)	6	(19)
11 Total Comprehensive Income for the period (9+10)	(375)	877	(127)	(499)	1,047
12 Paid-up Equity Share Capital (Rs.10 each)	3,138	3,138	3,138	3,138	3,138
13 Other Equity	-	-	-	222,895	219,522
14 Earnings Per Share (EPS) (of Rs. 10/- each) (not annualised)					
(a) Basic	(1.26)	2.86	(0.39)	(1.61)	3.40
(b) Diluted	(1.26)	2.86	(0.39)	(1.61)	3.40

(1)



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Particulars	Standalone				
	Quarter ended			Year ended	
	31.03.2018 (Unaudited)	31.03.2017 (Unaudited)	31.12.2017 (Unaudited)	31.03.2018 (Audited)	31.03.2017 (Audited)
A PARTICULARS OF SHAREHOLDING					
1 Public Shareholding					
- Number of Shares	14,862,521	14,862,521	14,862,521	14,862,521	14,862,521
- Percentage of Shareholding	47.38	47.38	47.38	47.38	47.38
2 Promoters and Promoter Group Shareholding					
a. Pledged/Encumbered					
- Number of Shares	-	-	-	-	-
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-	-	-	-
- Percentage of shares (as a % of the total share capital of the company)	-	-	-	-	-
b. Non-encumbered					
- Number of Shares	16,503,654	16,503,654	16,503,654	16,503,654	16,503,654
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100	100	100	100	100
- Percentage of shares (as a % of the total share capital of the company)	52.62	52.62	52.62	52.62	52.62
B INVESTOR COMPLAINTS					
Pending at the beginning of the quarter	0				
Received during the quarter	6				
Disposed of during the quarter	6				
Remaining unresolved at the end of the quarter	0				

Segment wise Revenue, Results and Assets and Liabilities

(in lakhs)

Particulars	Standalone				
	Quarter ended			Year ended	
	31.03.2018 (Unaudited)	31.03.2017 (Unaudited)	31.12.2017 (Unaudited)	31.03.2018 (Audited)	31.03.2017 (Audited)
1) Segment Revenue					
a) Media	23	32	45	154	900
b) Logistic	-	806	98	1,067	12,399
c) Unallocated	40	140	202	2,476	2,598
Total	63	978	345	3,697	15,897
Less : Inter Segment Revenue	-	-	-	-	-
Net Segment Revenue	63	978	345	3,697	15,897
2) Segment Results					
a) Media	(5)	35	-	10	111
b) Logistic	(22)	(35)	97	73	3
Elimination Adjustments	(27)	-	97	83	114
Total	(27)	-	97	83	114
Less : Interest expenses	1,308	1,268	1,262	5,073	5,249
Less : Other Unallocable Expenditure net off Unallocable income	(988)	(2,527)	(1,043)	(4,511)	(6,564)
Total Profit from ordinary activities before tax	(389)	1,259	(122)	(479)	1,429
3) Segment Assets and Segment Liabilities (Refer Note below *)					

* Segment wise assets and liabilities are not provided due to resources used are common for all segments and not allocable to any segment given in the result.

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STATEMENT OF ASSETS AND LIABILITIES

(Rs. In Lakhs)

Particulars	Standalone	
	As at 31.03.2018 (audited)	As at 31.03.2017 (audited)
A ASSETS		
1 Non-current assets		
(a) Property Plant and Equipment	4,113	4,165
(b) Other Intangibles	18	39
(c) Goodwill	364	354
(d) Intangible assets under development	47	47
(e) Financial Assets		
(i) Investments	430,269	422,040
(ii) Loans	4,618	4,615
(iii) Other Financial Assets	222	334
(f) Income Tax Assets (Net)	4,982	4,884
(g) Other non-current assets	21	21
Sub-total	444,644	436,479
2 Current assets		
(a) Financial Assets		
(i) Investments	8	146
(ii) Trade Receivables	2,831	3,574
(iii) Cash and Cash Equivalents	22	164
(iv) Bank Balances other than Cash and Cash Equivalents	147	178
(v) Loans	842	2,272
(vi) Other Financial Assets	2,099	1,829
(b) Other current assets	112	149
Sub-total	6,061	8,312
TOTAL - ASSETS	450,705	444,791
B EQUITY AND LIABILITIES		
1 Equity		
(a) Equity Share Capital	3,138	3,138
(b) Other Equity	222,895	219,522
Sub-total	226,033	222,660
Liabilities		
2 Non-Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	41,771	46,247
(b) Provisions	48	47
(c) Deferred tax liabilities (net)	21,777	22,557
Sub-total	63,596	68,851
3 Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	118,262	118,204
(i) Trade payables	9,942	10,796
(ii) Other Financial Liabilities	32,850	24,233
(b) Provisions	22	47
Sub-total	161,076	153,280
TOTAL - EQUITY & LIABILITIES	450,705	444,791

(3)



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Notes:

- 1 The Standalone Audited Financial Results of the Company for the quarter ended March 31, 2018 and the year ended March 31, 2018 have been reviewed by the Audit Committee and approved by Board of Directors at their meeting held on May 30, 2018.
- 2 This 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 the other recognised accounting practices and principles to the extent applicable.
- 3 Binani Cement Limited (BCL), a major subsidiary was admitted under the Corporate Insolvency and Resolution Process (CIRP) in accordance with the Insolvency and Bankruptcy Code, 2016 (IBC) dated July 25, 2017 and a Resolution Professional was appointed. Effective from July 25, 2017 the Board of Directors of BCL were suspended and effectively Binani Industries Limited (BIL) lost control over BCL with regards to operational and financial decision-making powers and derive economic benefits from its activities. This has resulted in the following:
 - a. The Company has not received the consolidated management or audited accounts duly signed by the Resolution Professional (new management) for the period April 01, 2017 till July 24, 2017 (date upto which the company had control). The last date for completion of the CIRP is June 23, 2018 or such date as may be extended by adjudicating authority, hence the Company has made application to SEBI requesting time till end of August 2018 to declare consolidated financials results for the year ended March 31, 2018.
 - b. The Company has investment in equity shares of Binani Cements Ltd (BCL) having a carrying amount of Rs. 3,39,739 lakhs as on March 31, 2018 and March 31, 2017 and in non-cumulative redeemable preference shares of BCL amounting to Rs. 1,621 lakhs as at March 31, 2018 and Rs. 1501 lakhs as on March 31, 2017 (Cost : Rs 6,002 lakhs). In July 25, 2017, pending the final outcome of the CIRP, the management of the Company has continued to the value of these Investments in BCL at the fair value arrived as on March 31, 2017. Also the Company has loans and advances Rs. 700 lakhs (March 31, 2017 : Rs 700 lakhs), security deposits of Rs. 100 lakhs (March 31, 2017 : Rs 100 lakhs) and trade receivables of Rs. 1362.10 lakhs (March 31, 2017 : Rs 2,962.71 lakhs) as at March 31, 2018 due from BCL and the ultimate recoverable amount of these dues is not known and uncertain.
 - c. Having regard to the ongoing Corporate Insolvency and Resolution Process in respect of BCL there are various news being reported / appear in public domain involving/ mentioning about the Company, BCL, Promoters and other group companies however the management of the Company is unaware of any matter, investigation or allegation, open or close, involving the Company, management of the Company, promoters or other group companies which requires adjustment/disclosure in the financial results of the Company.
- 4 Pursuant to a separate Scheme of Amalgamation approved by the Hon'ble High Court at Kolkata between Wada Industrial Estate Limited (WIEL) and a step down wholly owned subsidiary of the Company on March 18, 2014, being the Company as a successor to WIEL (the scheme), the Company had applied AS 30, Accounting Standard on Financial Instruments: Recognition and Measurement (AS 30), issued by the Institute of Chartered Accountants of India (ICAI), and pursuant thereto has as on March 31, 2014, being the date of conclusion of the first Accounting Year post the provisions of AS 30 becoming applicable to the Company, classified the investments as "available for sale financial assets" and has accordingly, measured such investments at fair value as on that date. All amount required to be taken as per AS 30 to revenue reserve or to an appropriate equity account shall be aggregated and such aggregate shall be taken to the Business Reorganisation Reserves (BRR). As mentioned in the scheme, In the event of any conflict between the provision of AS 30 and any other Accounting Standards, the provision of AS 30 will be applied in preference to any other Accounting Standard. BRR shall constitute a reserve arising as per this Scheme and shall not for any purpose be considered to be a Reserve created by the Company.
During the year 2016, the Institute of Chartered Accountants of India (ICAI) has withdrawn AS 30. Consequent to this, the Company has applied principles of notified Ind AS 109 related to Financial Instruments being new accounting standards applicable instead of AS 30. All equity investment including Investment in Subsidiaries are fair valued. Accordingly, all amounts required to be taken as per the Financial Instruments Standards under Ind AS to revenue reserve or to an appropriate equity account / Other Comprehensive Income are aggregated and such aggregated amount is taken to Business Reorganisation Reserves (BRR). Hence, in accordance with the scheme, the Company has offset certain expenses (net) amounting to Rs. 1,666.41 lakhs against BRR during the quarter ended March 31, 2018 and Rs. 5,353.17 lakhs during the financial year ended March 31, 2018.
- 5 The Company had given guarantees to banks and financial institutions in the earlier years on behalf of various subsidiaries, for the purpose of expansion projects and working capital requirements. The outstanding aggregate balance of these guarantees is Rs. 5,90,247 Lakhs as on March 31, 2018 [Including Corporate Guarantee issued on behalf of BCL of Rs. 3,79,792 Lakhs as on March 31, 2018]. BCL has also jointly and severally Guaranteed the loans alongwith the Company on behalf of 3B Binani Glass Fibre Sarl, Luxembourg aggregating to Rs. 1,63,061 lakhs as on March 31, 2018 (included in the abovementioned amounts). The Lender of 3B Binani Glass Fibre Sarl, Luxembourg has submitted its claim to BCL resolution professionals. Basis the ongoing CIRP the Company is confident that the BCL will generate sufficient cash/value to repay their borrowings. Further the Company has not received any claims from the lenders of 3B Binani Glass Fibre Sarl, Luxembourg. Accordingly, in the opinion of the management, these corporate guarantees are not expected to result into any financial liability on the Company. The Company has short term loan payable to BCL amounting to Rs. 114,857 lakhs as at March 31, 2018 and interest payable outstanding on the said loan is Rs. 9,298 lakhs as at March 31, 2018. BCL has decided not to charge interest on these payable since April 01, 2015 onwards, accordingly no interest has been recorded in books of the company since then.

(4)



- 6 The Company was in the process of restructuring its bank borrowings with the lender. However, in the interim, the said lender has communicated to the Company that it is recalling its borrowings and has also designated the foreign currency debt into INR denominated debt with higher coupon rate and has demanded repayment of all outstanding debt balance alongwith corresponding interest and penal interest, immediately. The Company has requested the lender to defer the recall and has in the interim provided alternative mechanism for repayment of its loans in due course. The lender had filed its claim to BCL (subsidiary till July/25/2017) which is under the IBC process and has also invoked the Corporate Guarantee issued by BCL. The Resolution Professional (RP) has verified the dues at Rs. 61,990 lakhs as at July 25, 2017. Hopeful of a favourable consideration by the lender of its alternative mechanism, the Company continues to denominate such loans in foreign currency and has not classified the outstanding Loan as Current Liabilities. Further, it has also not accounted for differential liability and penal interest amounting to Rs.7,636.56 Lakhs (Net of FCMIT) as on March 31, 2018.
- 7 One of a creditor had filed a winding up petition on November 19, 2016 against the Company with the Hon'ble High Court of Calcutta and has been admitted by the Court on September 20, 2017. The Company has already arrived at a settlement agreement with the Creditor and is seeking recall of the order. The Company has entered into a settlement with such creditor by agreeing to pay its entire dues along with interest as mutually agreed.
- 8 The Company was providing Logistics Services to one of its subsidiary i.e. BCL (subsidiary till July 24, 2017). The said subsidiary is now taking logistics services from other vendors. The Company is in process of finding alternate business opportunities.
- 9 As per the Debts Recovery Tribunal (DRT) order on the Securitization Application, Edayar Zinc Limited (EZL), a subsidiary company, were to pay Punjab National Bank (lender to subsidiary) Rs. 25,000 per day till the order being finalised by the DRT on behalf of the Consortium of Banks. Owing to the paucity of funds of the subsidiary, the company is paying this amount on behalf of the subsidiary. The amounts paid till March 31, 2018 is Rs. 247.50 lakhs (March 31, 2017 : Rs. 156 lakhs) and other expenses paid on behalf of EZL to be recoverable at Rs. 304.74 lakhs (March 31, 2017 : Rs 217.60 lakhs). The Consortium of Banks led by Punjab National Bank (PNB) have taken symbolic possession of the assets situated at Binanipuram, Kerala under SARFESI Act, 2002.
- 10 The statutory auditors have disclaimed their opinion in respect of matters stated in point (3) to (9) above.
- 11 The management is working towards finding a workable solution to resolve the financial position by discussion with the lenders and others and to continue its business as going concern. Accordingly, the management considers it appropriate to prepare these financial statements on a going concern basis.
- 12 The standalone figures for the three month ended March 31, 2018 and its corresponding period are balancing figures between Audited figures in respect of the full financial year and the published year to date figures upto nine months of the relevant financial year.
- 13 Investors can view the Financial Results of the Company at the Company's website www.binaniindustries.com or at the websites of BSE (www.bseindia.com) or NSE (www.nseindia.com) or CSE (www.cse-india.com)
- 14 The figures for the previous periods / year have been regrouped / recasted wherever considered necessary.

For BINANI INDUSTRIES LIMITED


Nilesh R Doshi

Director

Place : Mumbai

Date : 30th May, 2018

(5)



Statement on impact of Audit Qualifications (for audit report with modified opinion) submitted along with Annual Audited Financial Results - BRAJ BINANI GROUP Standalone

I Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2018
[See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]

Sr. No.	Particulars	(Rs. In Lakhs)	
		Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications) - Refer Note II (e) below
1	Turnover/ Total Income		
2	Total Expenditure	4,305.24	4,305.24
3	Net Loss	4,784.40	4,784.40
4	Earnings per share	(499.24)	(499.24)
5	Total Assets	(1.61)	(1.61)
6	Total Liabilities	4,50,704.87	4,50,704.87
7	Net worth	2,24,671.80	2,32,308.36
8	Any other Financial Item(s) (as felt appropriate by the management)	2,26,033.07	2,18,396.51

II Audit Qualification (each audit qualification separately)

Details of Audit Qualification : Disclaimer of Opinion - refer Paragraph 4 "Basis for Disclaimer of Opinion" in the Audit Report On Quarterly Standalone Financial Results and Year to Date Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing

a. Obligations and Disclosure Requirements) Regulations, 2015, dated May 30, 2018.

b. Types of Audit Qualification : ~~Qualified Opinion~~ / Disclaimer of Opinion / Adverse Opinion

Frequency of Qualification : First time except for matters stated in Paragraph 4 (a) & (b) of the Audit report referred in point (a) above were qualified in Limited review report for the c. quarter and nine months ended December 2017.

d. For Audit qualification (s) where impact is qualified by the Auditor, Management Views In respect of Paragraph 4 (a) of the Audit report referred in point (a) above we are hopeful of a favorable consideration by the lenders for alternative mechanism.

e. For Audit qualification(s) where impact is not qualified by the Auditor

(i) Management estimation on impact of audit qualification

Based on the management analysis and assumptions the financial impact of the matters stated in Paragraph 4 (b) to (f) of the Audit report referred in point (a) above on the financial results of the Company for the quarter and year ended March 31, 2018 is not material.

(ii) If management is unable to estimate the impact, reasons for the same
Not Applicable

(iii) Auditors comments on (i) or (ii) above
Refer to point (a) above.

III Signatories:

1 CEO / Managing Director / Manager

2 Chief Financial Officer

3 Audit Committee Chairman

4 Statutory Auditor



Place : Mumbai
Date : May 30, 2018



Binani Industries Limited

CIN: L24117WB1962PLC025584

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