

December, 01, 2016

The Secretary
The Calcutta Stock Exchange Limited,
7, Lyons Range,
Kolkata – 700001.

General Manager - DCS
BSE 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 – 400051
Code: BINANIIND

Dear Sir,

Sub: Intimation in pursuance of Regulation 30 of SEBI (LODR) Regulation, 2015

We wish to inform you that Credit Analysis & Research Ltd. (CARE) has revised its rating of the Company from CARE B+ (Single B plus) to CARE D (Single D).

We request you to take the above on record.

Thanking you,

Yours faithfully,
For Binani Industries Limited



Visalakshi Sridhar
Manager, CFO & Company Secretary

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, Chinara Park, New Town, Rajarhat Main Road. P. O. Hatiara, Kolkata - 700 157. India

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

CARE/HO/RL/2016-17/2925

Ms. Visalakshi Sridhar
Chief Financial Officer
Binani Industries Limited
Mercantile Chambers,
12, J.N. Heredia Marg, Ballard Estate,
Mumbai – 400 001

November 23, 2016

Confidential

Dear Madam,

Credit rating for bank facilities

On a review of recent developments including operational and financial performance of your company for FY16 (Audited), our Rating Committee has reviewed the following ratings:

Facilities	Amount (Rs. crore)	Rating*	Remarks
Long term Bank Facilities	474.93	CARE D (Single D)	Revised from CARE B+ (Single B Plus)
Total Facilities	474.93 (Rupees Four Hundred Seventy-Four crore and Ninety-Three lakhs only)		

@Foreign currency loans amounting USD 69.75 mn converted into INR at the rate of Rs. 68.09/USD as on November 18, 2016.

Refer **Annexure 1** for details of rated facilities.

- The rationale for this rating will be communicated to you separately.
- CARE reserves the right to undertake a surveillance/review of the rating from time to time, based on circumstances warranting such review, subject to at least one such review/surveillance every year.

**Complete definitions of the ratings assigned are available at www.careratings.com and in other CARE publications.*

5. CARE reserves the right to suspend/withdraw/revise the rating assigned on the basis of new information or in the event of failure on the part of the company to furnish such information, material or clarifications as may be required by CARE. CARE shall also be entitled to publicize/disseminate such suspension / withdrawal / revision in the assigned rating in any manner considered appropriate by it, without reference to you.
6. CARE ratings do not take into account the sovereign risk, if any, attached to the foreign currency loans, and the ratings are applicable only to the rupee equivalent of these loans.
7. Users of this rating may kindly refer our website www.careratings.com for latest update on the outstanding rating.
8. CARE ratings are **not** recommendations to sanction, renew, disburse or recall the concerned bank facilities.

If you need any clarification, you are welcome to approach us in this regard.

Thanking you,

Yours faithfully,



Purva Paranjpe
Deputy Manager

purva.paranjpe@careratings.com



Pawan Matkari
Senior Manager

pawan.matkari@careratings.com

Encl.: As above

Disclaimer

CARE's ratings are opinions on credit quality and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. CARE has based its ratings on information obtained from sources believed by it to be accurate and reliable. CARE does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE have paid a credit rating fee, based on the amount and type of bank facilities/instruments.

In case of partnership/proprietary concerns, the rating assigned by CARE is based on the capital deployed by the partners/proprietor and the financial strength of the firm at present. The rating may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors.

Annexure 1
Details of Rated Facilities

1. Long-term facilities

1.A. Rupee term loans

(Rs. Crore)

Sr. No.	Lender	Rated Amount	Debt Repayment Terms
1.	Export Import Bank of India	274.03 (USD 40.245 million)	In structured installment from February 01, 2017 to November 01, 2024
2.	Export Import Bank of India	200.91 (USD 29.506 million)	In structured installment from February 01, 2017 to November 01, 2024
	Total@	474.93	

@Foreign currency loans amounting USD 69.75 mn converted into INR at the rate of Rs.68.09/USD as on November 18, 2016.



sudha shekatkar

From: uttam verma
Sent: Friday, December 02, 2016 12:45 PM
To: sudha shekatkar
Subject: FW: Binani Industries - Rationale
Attachments: 1615_001.pdf

Importance: High

From: Pawan Matkari [<mailto:pawan.matkari@careratings.com>]
Sent: Friday, December 02, 2016 12:44 PM
To: uttam verma
Cc: saurabh.adhia@careratings.com; purva.paranjpe
Subject: Binani Industries - Rationale
Importance: High

Dear Uttam,

PFA the Rationale as required.

Best Regards,
Pawan

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Ms. Visalakshi Sridhar
Binani Industries Limited
Mercantile Chambers,
12, J.N. Heredia Marg,
Ballard Estate, Mumbai – 400 001

December 2, 2016

Dear Ma'am,

Credit rating for long-term bank facilities of USD 69.75 million
(Equivalent to Rs. 474.93 crore)

1. Please refer to our letter dated November 23, 2016 on the above subject.
2. The rationale for the rating is attached as an **Annexure - I**. Kindly note that the rationale would be published in the forthcoming issue of our monthly journal, 'CAREVIEW'.

If you have any further clarifications, you are welcome to approach us.

Thanking you,

Yours faithfully,



Pawan Matkari
[Senior Manager]

Encl: As above

Annexure I
Rating Rationale
Binani Industries Ltd (BIL)

Ratings

Facilities	Amount (Rs. crore)	Rating ¹	Remarks
Long Term Bank Facilities (Term Loan)	474.93	CARE D [Single D]	Revised from CARE B+ [Single B plus]

@Foreign currency loans amounting USD 69.75 mn converted into INR at the rate of Rs. 68.09/USD as on November 18, 2016

Rating Rationale

CARE has revised the ratings assigned to the various bank facilities of Binani Industries Limited (BIL) to 'CARE D' as a result of ongoing delays in debt servicing of the company. The company is facing severe liquidity issues as a result of continuing losses.

Background

Binani Industries Limited (BIL) was incorporated on August 02, 1962, and is the holding company of the manufacturing businesses of the Braj Binani Group. The group is actively working in the cement, zinc, glass fibre and downstream composite products sectors. BIL earns revenue by way of royalty income from its subsidiaries for usage of its brand name and also earns revenue for management services that it provides to its subsidiaries/group companies. The major operating companies of BIL are Binani Cement Limited, 3B Fibreglass SPRL (3B) and Goa Glass Fibre Limited.

On consolidated basis, the company reported net losses of Rs. 468.94 crore on total operating income of Rs. 4055.74 crore in FY16 (refers to the period April 01 to March 31), as against net loss of Rs. 649.18 crore on total operating income of Rs. 4338.87 crore in FY15.

¹Complete definitions of the ratings assigned are available at www.careratings.com and in other CARE publications.



Details of Bank Facilities

Long Term Loans

Banker / lender	Amount (Rs. Crore)@	Remarks
Export Import Bank of India	274.03 (USD 40.245 million)	In structured installment from February 01, 2017 to November 01, 2024
Export Import Bank of India	200.91 (USD 29.506 million)	In structured installment from February 01, 2017 to November 01, 2024
Grand Total	474.93	

@Foreign currency loans amounting USD 69.75 mn converted into INR at the rate of Rs. 68.09/USD as on November 18, 2016

Disclaimer

CARE's ratings are opinions on credit quality and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. CARE has based its ratings on information obtained from sources believed by it to be accurate and reliable. CARE does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE have paid a credit rating fee, based on the amount and type of bank facilities/instruments.

In case of partnership/proprietary concerns, the rating assigned by CARE is based on the capital deployed by the partners/proprietor and the financial strength of the firm at present. The rating may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors.

sudha shekatkar

Subject: FW: Communication of Rating - Binani Industries Ltd

From: Pawan Matkari [<mailto:pawan.matkari@careratings.com>]

Sent: Friday, December 02, 2016 11:06 AM

To: uttam verma

Cc: saurabh.adhia@careratings.com

Subject: Communication of Rating - Binani Industries Ltd

Dear Sir,

As discussed with you, we clarify that we have communicated the Rating of Binani Industries Ltd to you through email (from Mr Saurabh Adhia) on 30th November 2016 at 5.52 PM.

Best Regards,

Pawan

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