16th May, 2019

The Secretary The National Stock Exchange of India Ltd. Exchange Plaza, 5th Floor Plot No. C/1, G Block Bandra - Kurla Complex, Bandra (E) MUMBAI - 400 051	Department of Corporate Services BSE Limited 1st Floor, New Trading Ring, Rotunda Building P J Towers, Dalal Street, Fort, MUMBAI - 400 001

Sub: Outcome of Board Meeting.

Dear Sir,

1. The Board of Directors of the Company at its meeting held today has approved the Audited Financial Results (Standalone and Consolidated) of the Company for the quarter and year ended 31st March, 2019, which is enclosed for your information.

2. Mr. A.S. Dulat vide his letter dated 16th May, 2019 has resigned as Independent Director of the Company on account of health issues.

3. Mr. Sudhir Mathur vide his letter dated 16th May, 2019 resigned as Independent Director of the Company due to personal and other preoccupations.

   Mr. Dulat and Mr. Mathur vide their respective letter have confirmed that there is no other material reason for their resignation other than that provided above.

4. Mr. Krishan Varma has been appointed as an Additional Director (Independent) w.e.f. 16th May, 2019.

   His brief profile is as follows:

   Mr. Varma, aged 66, a former civil servant, superannuated from the post of Special Secretary, Cabinet Secretariat, Government of India in 2012. During an illustrious career spanning 35 years, he held several key appointments within the country and abroad. His diplomatic assignments include postings to countries in South Asia, East Asia and the USA.

   He is the recipient of awards for Distinguished and Meritorious Service from the Prime Minister of India and several Commendation Letters for outstanding performance during his career.

Mr. Varma, an alumnus of St. Columba's School, New Delhi, holds a Bachelor's Degree in Arts (Honours) in Economics from Hindu College, Delhi University and Law from Faculty of Law, Delhi University.

Further, Mr. Varma is not related to any Director of the Company.

The meeting of Board of Directors of the Company commenced at 2:30 p.m. and concluded at 10:45 p.m.

We request you to kindly take the information on record.

Thanking you,

Yours faithfully,
for **BALLARPUR INDUSTRIES LIMITED**

AKHIL MAHAJAN
CHIEF GENERAL MANAGER & COMPANY SECRETARY
Encl: a/a.

BALLARPUR INDUSTRIES LIMITED

STATEMENT OF CONSOLIDATED/STANDALONE AUDITED FINANCIAL RESULTS FOR THE QUARTER/YEAR ENDED 31ST MARCH 2019

Part I

(Rs. in Lacs)

Sl. No.	Particulars	Consolidated					Standalone				
		Quarter ended			Year ended		Quarter ended			Year ended	
		31.03.2019	31.12.2018	31.03.2018	31.03.2019	31.03.2018	31.03.2019	31.12.2018	31.03.2018	31.03.2019	31.03.2018
		Audited	Unaudited	Audited	Audited	Audited	Audited	Unaudited	Audited	Audited	Audited
	Income										
1	Revenue from Operations	87,946	95,513	72,823	359,575	250,469	11,261	12,008	10,840	44,958	30,326
2	Other Income	1,444	3,728	3,563	9,508	6,745	390	1,079	2,183	7,253	5,483
3	**Total income**	**89,390**	**99,241**	**76,386**	**369,083**	**257,214**	**11,651**	**13,087**	**13,023**	**52,211**	**35,809**
4	**Expenses**										
	(a) Cost of Material Consumed	42,478	52,061	38,297	191,749	130,751	4,943	4,661	4,060	18,237	12,059
	(b) Purchases of stock-in-trade	56	37	109	363	2,162	44	-	411	44	427
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	2,780	(5,167)	(1,270)	(3,634)	(4,126)	(701)	(120)	579	233	(1,689)
	(d) Excise Duty	-	-	-	-	2,744	-	-	-	-	437
	(e) Employee benefits expense	5,964	8,139	5,612	27,188	22,730	1,387	2,085	1,247	6,811	6,670
	(f) Finance costs	23,982	20,523	(888)	84,255	91,559	8,118	5,175	4,855	24,216	24,434
	(g) Depreciation and amortisation expense	6,387	6,569	6,922	26,555	27,667	1,567	1,592	1,305	6,348	5,971
	(h) Other Expenditure										
	(i) Power and Fuel	11,884	12,350	10,946	48,094	37,582	3,516	3,719	3,698	14,714	11,649
	(ii) Store and Spares	1,832	2,068	1,523	7,225	5,018	301	318	195	1,174	639
	(iii) Other Expenditure	7,577	8,654	8,225	30,599	25,169	1,350	2,855	956	6,278	4,014
	Total expenses	**102,940**	**105,234**	**69,476**	**412,394**	**341,256**	**20,525**	**20,285**	**17,306**	**78,055**	**64,611**
5	**Profit/(loss) before Exceptional Items, tax and Discontinued Operations(3-4)**	**(13,550)**	**(5,993)**	**6,910**	**(43,311)**	**(84,042)**	**(8,874)**	**(7,198)**	**(4,283)**	**(25,844)**	**(28,802)**

Sl. No.	Particulars	Consolidated					Standalone				
		Quarter ended			Year ended		Quarter ended			Year ended	
		31.03.2019	31.12.2018	31.03.2018	31.03.2019	31.03.2018	31.03.2019	31.12.2018	31.03.2018	31.03.2019	31.03.2018
		Audited	Unaudited	Audited	Audited	Audited	Audited	Unaudited	Audited	Audited	Audited
6	Share of Profit/(Loss) in Associate and Joint Venture	38	31	-	69	-	-	-	-	-	-
7	Exceptional items	33,641	3,300	19,012	36,941	19,012	34,697	3,010	16,929	37,707	16,929
8	**Profit/(loss) before tax (5+6-7)**	(47,153)	(9,262)	(12,102)	(80,183)	(103,054)	(43,571)	(10,208)	(21,212)	(63,551)	(45,731)
9	Tax Expense										
	Current Tax	(1,586)	-	-	(1,586)	12	-	-	-	-	-
	Deferred Tax	1,618	1,045	(16,657)	4,938	(16,655)	-	-	(14,622)	-	(14,622)
10	**Profit/(loss) for the period from continuing operations (8-9)**	(47,185)	(10,307)	4,555	(83,535)	(86,411)	(43,571)	(10,208)	(6,590)	(63,551)	(31,109)
11	Profit/ (loss) from discontinued operation before tax	(4,945)	(4,916)	(93,505)	(23,635)	(117,149)	-	-	-	-	-
12	Tax expense on discontinued operation	-	-	-	-	-	-	-	-	-	-
13	**Profit/ (loss) from discontinued operation after tax (11-12)**	(4,945)	(4,916)	(93,505)	(23,635)	(117,149)	-	-	-	-	-
14	**Profit/(loss) for the period (10+13)**	(52,130)	(15,223)	(88,950)	(107,170)	(203,560)	(43,571)	(10,208)	(6,590)	(63,551)	(31,109)
15	Other Comprehensive income										
	(i) Items that will not be reclassified to profit or loss	(621)	76	(3,850)	(191)	(3,741)	(8,317)	(6)	(527)	(8,283)	(491)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-	-	-	-	-	-
	(iii) Items that will be reclassified to profit or loss	1,438	8,944	2,083	(13,743)	8,934	-	-	-	-	-
	(iv) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	-	-	-	-	-
	Other Comprehensive income	817	9,020	(1,767)	(13,934)	5,193	(8,317)	(6)	(527)	(8,283)	(491)
16	**Total Comprehensive income for the period (13+14)**	(51,313)	(6,203)	(90,717)	(121,104)	(198,367)	(51,888)	(10,214)	(7,117)	(71,834)	(31,600)
17	Net Profit attributable to										
	a) Owners of the Company	(48,576)	(15,232)	(56,899)	(93,095)	(139,495)	(43,571)	(10,208)	(6,590)	(63,551)	(31,109)
	b) Non - Controlling interest	(3,554)	9	(32,051)	(14,075)	(64,065)					
18	Other Comprehensive income										
	a) Owners of the Company	1,006	9,081	(847)	(9,185)	3,041	(8,317)	(6)	(527)	(8,283)	(491)
	b) Non - Controlling interest	(189)	(61)	(920)	(4,749)	2,152					
19	Total Comprehensive income attributable to										
	a) Owners of the Company	(47,570)	(6,151)	(57,746)	(102,280)	(136,454)	(51,888)	(10,214)	(7,117)	(71,834)	(31,600)
	b) Non - Controlling interest	(3,743)	(52)	(32,971)	(18,824)	(61,913)					
20	Paid-Up Equity Share Capital (Face Value of Rs. 2 each)				25,871	25,871				25,871	25,871
21	Reserve excluding Revaluation Reserve				(99,645)	5,576				(19,259)	52,576
22	Earnings per equity share (for continuing operation):										
	(a)Basic	(3.52)	(0.95)	(0.00)	(6.09)	(6.24)	(3.37)	(0.79)	(0.51)	(4.91)	(2.85)
	(b) Diluted	(3.52)	(0.95)	(0.00)	(6.09)	(6.24)	(3.37)	(0.79)	(0.51)	(4.91)	(2.85)
23	Earnings per equity share (for discontinuing operation):										
	(a)Basic	(0.23)	(0.23)	(4.40)	(1.11)	(6.53)	-	-	-	-	-
	(b) Diluted	(0.23)	(0.23)	(4.40)	(1.11)	(6.53)	-	-	-	-	-
24	Earnings per equity share										
	(a)Basic	(3.75)	(1.18)	(4.40)	(7.20)	(12.77)	(3.37)	(0.79)	(0.51)	(4.91)	(2.85)
	(b) Diluted	(3.75)	(1.18)	(4.40)	(7.20)	(12.77)	(3.37)	(0.79)	(0.51)	(4.91)	(2.85)

CONSOLIDATED/STANDALONE SEGMENT-WISE REVENUE, RESULTS, ASSETS AND LIABILITIES FOR THE QUARTER/ YEAR ENDED 31ST MARCH , 2019

Rs in Lacs

Sl. No.	Particulars	Consolidated					Standalone				
		Quarter ended			Year ended		Quarter ended			Year ended	
		31.03.2019	31.12.2018	31.03.2018	31.03.2019	31.03.2018	31.03.2019	31.12.2018	31.03.2018	31.03.2019	31.03.2018
		Audited	Unaudited	Audited	Audited	Audited	Audited	Unaudited	Audited	Audited	Audited
1	**Segment Revenues**										
	(a) Uncoated Paper	53,445	54,502	47,815	207,155	169,642	11,261	12,008	10,840	44,958	30,326
	(b) Coated Paper	34,291	40,317	23,591	148,184	74,443	-	-	-	-	-
	(c) Others	210	694	1,417	4,263	7,928	-	-	-	-	-
	Total	87,946	95,513	72,823	359,602	252,013	11,261	12,008	10,840	44,958	30,326
	Less: Inter Segment Revenue	-	-	0	27	1,544	-	-	-	-	-
	Revenue from Operation	87,946	95,513	72,823	359,575	250,469	11,261	12,008	10,840	44,958	30,326
2	**Segment Results ((Profit)(+)/ Loss (-) before Tax and Interest)**										
	(a) Uncoated Paper	10,557	9,680	7,283	32,664	11,038	144	(1,187)	1,524	1,805	(753)
	(b) Coated Paper	783	5,714	(253)	11,884	183	-	-	-	-	-
	(c) Others	(908)	(864)	(1,008)	(3,604)	(3,704)	(900)	(836)	(952)	(3,433)	(3,615)
	Total	10,432	14,530	6,022	40,944	7,517	(756)	(2,023)	572	(1,628)	(4,368)
	Less: i) Interest	23,982	20,523	(888)	84,255	91,559	8,118	5,175	4,855	24,216	24,434
	ii) Other un-allocable expenditure net of un-allocable income	33,603	3,269	19,012	36,872	19,012	34,697	3,010	16,929	37,707	16,929
	Total Profit Before Tax	(47,153)	(9,262)	(12,102)	(80,183)	(103,054)	(43,571)	(10,208)	(21,212)	(63,551)	(45,731)
	(Based on reasonable estimates)										
		Consolidated					Standalone				
		As on 31.03.2019	As on 31.12.2018	As on 31.03.2018	As on 31.03.2019	As on 31.03.2018	As on 31.03.2019	As on 31.12.2018	As on 31.03.2018	As on 31.03.2019	As on 31.03.2018
3	**Segment Assets**										
	(a) Uncoated Paper	786,470	824,569	835,418	786,470	835,418	221,515	265,240	262,474	221,515	262,474
	(b) Coated Paper	230,554	234,303	235,493	230,554	235,493	-	-	-	-	-
	(c) Others	29,071	36,135	44,745	29,071	44,745	28,020	28,321	29,542	28,020	29,542
	(d) Un-allocable assets	54,549	60,878	36,060	54,549	36,060	107,414	115,944	118,710	107,414	118,710
	Total Segment Assets	1,100,644	1,155,885	1,151,716	1,100,644	1,151,716	356,949	409,505	410,726	356,949	410,726
4	**Segment Liabilities**										
	(a) Uncoated Paper	337,502	311,052	249,608	337,502	249,608	167,829	167,734	149,367	167,829	149,367
	(b) Coated Paper	28,719	28,636	23,383	28,719	23,383	-	-	-	-	-
	(c) Others	12,693	18,276	19,212	12,693	19,212	10,830	10,127	8,134	10,830	8,134
	(d) Un-allocable liabilities	7,166	8,801	7,088	7,166	7,088	6,105	6,147	5,705	6,105	5,705
	Total Segment Liabilities	386,080	366,765	299,291	386,080	299,291	184,764	184,008	163,206	184,764	163,206

Note: Segment assets and liabilities above includes assets and liabilities associated with group of assets and liabilities classified as held for sale and discontinued operations.
Segment liabilities above also includes interest accrued on borrowings.

BALLARPUR INDUSTRIES LIMITED
STATEMENT OF ASSETS AND LIABILITIES

₹ in Lacs

	Particulars	Consolidated		Standalone	
		As at 31.03.2019	As at 31.03.2018	As at 31.03.2019	As at 31.03.2018
A	**ASSETS**	Audited	Audited	Audited	Audited
1	**Non Current Assets**				
(a)	Property ,Plant and equipment	651,234	750,426	177,245	258,693
(b)	Capital Work-in-Progress	632	830	270	65
(c)	Other Intangible assets	1,886	4,354	1,003	2,170
(d)	Biological Assets other than bearer plants	39	34	-	-
(e)	Financial assets				
	i) Investments	8,921	3	94,553	105,787
	ii) Loans	1,027	965	352	169
	iii) Others	4,301	4,074	48	-
(f)	Deferred Tax Assets (Net)	16,814	21,861	11,924	11,924
(g)	Other Non-Current Assets	9,663	8,911	3	15
	Total Non-Current Assets	694,517	791,458	285,398	378,823
2	**Current Assets**				
(a)	Inventories	44,687	35,052	5,307	5,371
(b)	Financial assets		-		
	i) Trade receivables	15,831	8,741	1,126	705
	ii) Cash and cash equivalents	26,984	12,970	419	930
	iii) Bank balances other than (ii) above	1,829	1,227	519	70
	iv) Loans	4,521	2,516	20,252	20,322
	v) Others	521	9,043	301	972
(c)	Current Tax Assets (Net)	1	-	-	-
(d)	Other Current Assets	33,056	54,492	3,649	3,533
	Total Current Assets	127,430	124,041	31,573	31,903
	Assets associated with group of assets classified as held for sale and discontinued operations	278,697	236,217	39,978	-
	TOTAL ASSETS	**1,100,644**	**1,151,716**	**356,949**	**410,726**
B	**EQUITY AND LIABILITIES**				
1	**Equity**				
(a)	Equity Share Capital	25,871	25,871	25,871	25,871
(b)	Other Equity	(99,645)	5,576	(19,259)	52,576
(c)	Non-Controlling Interest	(37,919)	(13,652)	-	-
	Total Equity	(111,693)	17,795	6,612	78,447
2	**Non Current Liabilities**				
(a)	Financial Liabilities				
	i) Borrowings	427,133	479,539	-	-
	ii) Other financial liabilities	4,145	4,126	13,902	98,079
(b)	Provisions	8,992	7,800	2,415	2,750
(c)	Deferred Tax Liabilities (Net)	-	460	-	-
(d)	Other Non-Current Liabilities	20	21	25,350	-
	Total Non Current Liabilities	440,290	491,946	41,667	100,829
3	**Current Liabilities**				
(a)	Financial Liabilities				
	i) Borrowings	122,523	120,307	94,348	98,158
	ii) Trade payables				
	a) Dues of micro and small enterprises	3,732	1,715	1,944	356
	b) Dues of other than micro and small enterprises	92,074	104,381	20,247	19,641
	iii) Other financial liabilities	491,978	377,545	133,720	99,645
(b)	Other Current Liabilities	32,881	10,988	50,217	6,587
(c)	Provisions	7,069	5,063	2,089	1,358
(d)	Current Tax Liabilities (Net)	7,166	6,628	6,105	5,705
	Total Current Liabilities	757,423	626,627	308,670	231,450
4	Liabilities associated with group of assets classified as held for sale and discontinued operations	14,624	15,348	-	-
	TOTAL EQUITY AND LIABILITIES	**1,100,644**	**1,151,716**	**356,949**	**410,726**

Notes for the quarter and year ended 31st March-2019

1. The above results were reviewed by the Audit Committee and then approved by the Board of Directors in their meeting held on 16th May 2019 & have been audited by the Statutory auditors of the Company.

2. These financial results have been prepared in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India.

3. Effective 1st April 2018, Ind AS 115 "Revenue from contracts with customers" has been adopted using cumulative effect method. Accordingly, the comparatives have not been retrospectively adjusted. The adoption of the standard did not have any material impact to the financial results of the Company.

4. During the year, the Company executed the Share Subscription Agreement (SSA) for dilution of shareholding in M/s. Premier Tissues India Limited (PTIL). Post execution of the SSA, the Group retained 50% of the shareholding in PTIL and is classified as a Joint Venture w.e.f 8 November 2018. The loss on dilution of shareholding / loss of control and the loss on fair valuation of the retained investment is recognized in profit or loss under exceptional items.

5. The Company has taken steps to reduce the financial burden by restructuring its financial liabilities during the previous financial year and is in the process of further negotiating the terms with the lenders for the second phase of restructuring as per its proposed revival plan. The Company has also improved its operational efficiency during the current period and is actively evaluating new initiatives to improve the contribution from operations. Pursuant to the Government order dated 05 September 2018 regarding grant of incentives for revival of the Kamalapuram unit, the Company decided to hive off the unit into a separate subsidiary and constituted a committee of directors to explore the possible options for re-commencement of production at the unit. Considering the above, management is confident of the positive outcome of the above assumptions and developments and has accordingly prepared the financial results on a going concern basis.

6. Under the Master Restructuring Agreement (MRA) signed by the step down subsidiary, BILT Graphic Paper Products Ltd (BGPPL), during the financial year 2017-18, as per which BGPPL is entitled to various reliefs / concessions granted by the majority lenders. Considering that BGPPL has complied with all necessary conditions precedent in accordance with MRA, based on opinion from legal counsel, BGPPL had given effect to the MRA in the financial statements for the year ended 31st March 2018 which consisted

of debt restructuring including conversion of loan into equity, compulsory redeemable preference shares & issuance of fresh equity of Rs. 89,336 Lakhs, and other gains of Rs. 142,279 Lakhs.

However, IDBI bank, one of the non-assenting lenders had initiated CIRP against BGPPL under the provisions of the Insolvency and Bankruptcy Code, 2016, for which BGPPL had obtained an Order from Hon'ble High Court of Delhi to maintain status quo. During the year, the Hon'ble High Court of Delhi has partially vacated its stay Order and thereafter a transfer application has been filed by BGPPL before the Hon'ble Supreme Court, which has stayed the proceedings and the matter is sub judice.

During the quarter and year ended 31st March-2019 the Company continues to accrue interest as per the terms agreed in the MRA with its lenders, as amended from time to time, and has ceased to accrue interest on those amounts against which equity and preference shares have been agreed to be issued, which has resulted in savings of finance costs aggregating Rs. 7,221 Lakhs and Rs. 34,237 Lakhs for the quarter and year ended 31st March-2019 respectively. The equity and preference shares have not been issued since the case is pending at Hon'ble Supreme Court.

Further the MRA provides for an annual reset of the interest rate and in the absence of confirmation from the lenders, the Company continues to accrue interest at the rate as per the original MRA.

Meanwhile, during the quarter ended 31st March-2019, Kotak Mahindra Bank has initiated CIRP application before the NCLT, Mumbai, against BGPPL which is listed for hearing on 17th June2019.

7. During the quarter, loans aggregating Rs. 20,086 lacs were assigned to Finquest Financial Solutions Pvt Ltd by the original lenders and loans aggregating Rs 5,412 lacs were settled as One Time Settlement Agreement (OTS) and a gain of Rs. 14,674 lacs has been recognized in the consolidated financial results for the quarter / year ended 31st March 2019.

8. In view of the prevailing uncertainties arising from ongoing financial restructuring and pending litigations, the potential liability arising from put option cannot be determined with certainty and has accordingly not been recognized in these financial results.

9. With the applicability of Goods and Services Tax (GST) effective 1st July, 2017, revenue from operations is disclosed net of GST w.e.f. 1st July , 2017.

10. In respect of Sabah Forest Industries sdn. bhd., a step down subsidiary of the Company, as per the advise of the receiver and manager in the re-bidding process there will be no reduction expected in the bid value.

11. Exceptional items for the for the year ended 31st March 2019 includes loss on dilution of shareholding in Premier Tissues India Limited, impairment of assets, loss on sale of land and net of gain due to One Time settlement agreement with lender. Exceptional items for the year ended 31st March 2018 included provisions made in relation to Inventories, write off of Loans & Advances, Other receivables & impairment of assets pertaining to Sabah Forest Industries Sdn. Bhd., Malaysia net of gain on implementation of MRA.

12. Figures for the quarter ended 31st March 2019 & 31st March 2018 represents the difference between audited figures for the financial year and the limited reviewed figures for the nine month ended 31 December 2018 & 31 December 2017 respectively.

13. Previous period figures have been regrouped/reclassified wherever necessary, to conform to this period's classification.

For and on behalf of Board of Directors
For Ballarpur Industries Limited

B. HARIHARAN
Chairman & Executive Director

Place: Gurugram

Date: 16th May, 2019

Independent Auditor's report on the audit of standalone financial results

To
The Board of Directors
Ballarpur Industries Limited

1. We have audited the accompanying statement of standalone financial results of **Ballarpur Industries Limited** ('the Company'), for the quarter and year ended 31 March 2019 ('the Statement'), being submitted by the Company pursuant to the requirements of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as modified by SEBI circular no. CIR/CFD/FAC/62/2016 dated 05 July 2016.

2. This Statement is the responsibility of the Company's Management and is approved by the Board of Directors. The Statement, as it relates to the quarter ended 31 March 2019, has been compiled from the related condensed interim standalone financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 'Interim Financial Reporting' ('Ind AS 34') and as it relates to the year ended 31 March 2019, has been compiled from the related annual standalone financial statements prepared in accordance with the Indian Accounting Standards, prescribed under Section 133 of the Companies Act, 2013 ('the Act') read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Statement based on our audits of such interim standalone financial statements and annual standalone financial statements.

3. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. 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 financial control relevant to the Company's preparation and fair presentation of the Statement 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 financial controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the Statement.

Parsn Manere, A-Wing, 602, Anna Salai, Chennai 600 006, India.
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We believe that the audit evidence obtained by us, is sufficient and appropriate to provide a basis for our qualified audit opinion on the Statement.

4. *We draw reference to Note 8 to the Statement, which the management is unable to quantify, regarding liability with respect to the outstanding Put Options, which forms basis for our qualified opinion. Accordingly, we are unable to quantify the impact.*

5 *(a) As at the year end, the Company while comparing the balances of borrowings with the confirmations received from the lenders has identified differences in interest accrued amounting to ₹ 583 lakhs. The interest accrued in the books of account were lower than the interest confirmed by the lenders.*

(b) In respect of borrowings not confirmed by banks, the interest accrued by the Company in the books of accounts as compared to the interest payable by the Company in terms of the loan agreement with the lenders is lower by ₹ 12,401 Lakhs which includes penal interest of ₹ 6,270 Lakhs.

(c) We have not received direct confirmation from certain lenders for the balance outstanding in borrowings.

Particulars	*Carrying amount of borrowings in the books of account as at 31 March 2019*
Direct confirmation received by us from the lenders	*₹ 83,542 Lakhs*
Direct confirmation of balances not received	*₹ 82,031 Lakhs*
Total	*₹ 1,65,573 Lakhs*

These form the basis for our qualified opinion. Had the Company accrued the difference in the books of account, the finance cost would have increased by ₹ 12,984 lakhs, profit for the year, total comprehensive income and shareholders' fund would have reduced by ₹ 12,984 lakhs. The impact on borrowings and finance cost, if any, on account of non-receipt of direct confirmation from lenders cannot be quantified.

6. In our opinion and to the best of our information and according to the explanations given to us, *except for the effects of matter described in the Basis for Qualified Opinion paragraph above (Paragraph 4 and 5 above)*, the Statement:

a) 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 05 July 2016; and

b) gives 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 including other comprehensive income and other financial information of the Company for the quarter and year ended 31 March 2019.

7. We draw attention to Note 5 of the Statement which contains conditions along with other matters that indicate existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. The management is confident that the Company will be able to continue as a going concern.

Our opinion is not modified in respect of this matter.

For **Sharp & Tannan**
Chartered Accountants
Firm's Registration No. 003792S

V. Viswanathan
Partner
Membership No. 215565

Place: Gurugram
Date : 16 May 2019

Independent Auditor's Report on the consolidated financial results

To
The Board of Directors
Ballarpur Industries Limited

1. We have audited the accompanying statement of consolidated financial results of **Ballarpur Industries Limited** ('the Company' or 'the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), and its share of profit / (loss) of its joint venture for the quarter and year ended 31 March 2019 ('the Statement'), being submitted by the Company pursuant to the requirements of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 as modified by SEBI circular no. CIR/CFD/FAC/62/2016 dated 5 July 2016.

2. This statement is the responsibility of the Holding Company's Management and is approved by the Board of Directors. The Statement as it relates to the quarter ended 31 March 2019, has been compiled from the related interim consolidated financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 'Interim Financial Reporting' ('Ind AS 34') and as it relates to the year ended 31 March 2019, has been compiled from the related annual consolidated financial statements prepared in accordance with Indian Accounting Standards, prescribed under Section 133 of the Companies Act, 2013 ('the Act') read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Statement based on our audits of such interim consolidated financial statements and annual consolidated financial statements.

3. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. 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 financial control relevant to the Company's preparation and fair presentation of the Statement 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 financial controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the Statement.

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We believe that the audit evidence obtained by us, is sufficient and appropriate to provide a basis for our qualified audit opinion on the Statement.

4. *We draw reference to Note 8 to the Statement, which the management is unable to quantify, regarding liability with respect to the outstanding Put Options, which forms basis for our qualified opinion. Accordingly, we are unable to quantify the impact.*

5. a. *As at the year end, the Holding Company while comparing the balances of borrowings with the confirmations received from the lenders has identified differences in interest accrued amounting to ₹ 583 lakhs. The interest accrued in the books of account were lower than the interest confirmed by the lenders.*

   b. *In respect of borrowings not confirmed by banks, the interest accrued by the Holding Company in the books of account as compared to the interest payable by the Company in terms of the loan agreement with the lenders is lower by ₹ 12,401 Lakhs which includes penal interest of ₹ 6,270 Lakhs.*

   c. *We have not received direct confirmation from certain lenders for the balance outstanding in borrowings.*

Particulars	*Carrying amount of borrowings in the books of account of the Holding Company as at 31 March 2019*
Direct confirmation received by us from the lenders	*₹ 83,542 Lakhs*
Direct confirmation of balances not received	*₹ 82,031 Lakhs*
Total	*₹ 1,65,573 Lakhs*

These form the basis for our qualified opinion. Had the Holding Company accrued the difference in the books of account, the finance cost would have increased by ₹ 12,984 lakhs, profit for the year, total comprehensive income and shareholders' fund would have reduced by ₹ 12,984 lakhs. The impact on borrowings and finance cost, if any, on account of non-receipt of direct confirmation from lenders cannot be quantified.

6. a. *We draw attention to Note 6 of the Statement wherein one of the subsidiaries (BILT Graphic Paper Products Limited) consolidated in the accompanying Statement has entered into a Master Restructuring Arrangement (MRA) with its lenders. During the year 2017-18, one of the non-assenting lenders had issued Corporate Insolvency and Resolution Process Notice against which the subsidiary has obtained stay order from the Hon'ble High Court of Delhi. During the current year, the stay order has been partially vacated by the Hon'ble High Court of Delhi. Subsequently, pursuant to a transfer petition filed by the*

Subsidiary, the case has been transferred to and is pending at the Hon'ble Supreme Court of India. We are not in a position to comment on the appropriateness of giving effect to the MRA and accrual of interest based on MRA for the quarter and year ended 31 March 2019 when the matter is sub judice. Further, the management has informed us that the Subsidiary has entered into two amendments (2nd Amendment & 3rd Amendment) to the MRA with the lenders during the financial year 2018-19. We have not been provided with copy of the same duly signed by the lenders to verify the accounting implications if any.

b. *As stated in the Note, the Subsidiary has not accrued interest for the quarter and year ended 31 March 2019 on the amounts due to lenders towards which shares were agreed to be allotted under the MRA. However, the Subsidiary has not received a confirmation from the lenders on waiver of the interest. Had the Subsidiary accrued the said interest, the finance cost and loss would have been greater by ₹ 11,569 lakhs for the year ended 31 March 2019 respectively.*

c. *Further, as per the terms of the MRA, there is an annual reset of interest rate, the Subsidiary continues to accrue interest at the original rate as per MRA in the absence of confirmation from the lenders to the contrary.*

d. *The balances of borrowings and interest accrued in the books are subject to confirmation from the lenders and/or reconciliation.*

The accounting of finance cost as per the MRA and not accruing interest on amounts for which shares are yet to be allotted has resulted in lower finance cost and losses by ₹ 34,237 lakhs for the year ended 31 March 2019. The impact of accounting implications, if any, warranted by the amendments to the MRA cannot be quantified.

7. In our opinion and to the best of our information and according to the explanations given to us, *except for the effects of matter described in the Basis for Qualified Opinion paragraph above (Paragraphs 4, 5, and 6 above),* the Statement:

a) includes the results of the subsidiaries as given in the annexure to this report;

b) 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 05 July 2016; and

c) gives 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 including other comprehensive income and other financial information of the Group for the quarter and year ended 31 March 2019.

8. *We draw attention to Note 5 of the Statement which contains conditions along with other matters that indicate existence of a material uncertainty that may cast significant doubt on the Holding Company's ability to continue as a going concern. The management is confident that the Holding Company will be able to continue as a going concern.*

   Our report is not modified in respect of this matter

9. *We did not audit the financial statements of 5 subsidiaries (1 domestic subsidiary and 4 foreign subsidiary), included in the consolidated Ind AS financial statements, whose financial statements reflect total assets of ₹ 961,711 lakhs as at 31 March 2019; total revenues of ₹ 2,851 lakhs and ₹ 12,352 lakhs for the quarter and year ended 31 March 2019 respectively, as considered in the Statement. For the above-mentioned foreign subsidiaries, the financial statements and other financial information have been prepared by the Holding Company's Management in accordance with the accounting policies followed by the Holding Company. These financial statements have been audited by other auditor whose audit reports have been furnished to us by the Holding Company's Management, and our opinion on the accompanying Statement, to the extent they have been derived from such financial statements is based solely on the reports of the other auditor.*

10. *We did not audit the financial statements of one foreign subsidiary, whose financial statement reflect total assets of ₹ 283 Lakhs as at 31 March 2019, total revenues of ₹ Nil and ₹ Nil for the quarter and year ended 31 March 2019 respectively, as considered in the Statement. The financial statement is certified by the Management and have been furnished to us by the Holding Company's Management and our opinion on the consolidated financial results, in so far as it relates to the amounts included in respect of this subsidiary, is based solely on such financial statement certified by the Management. In our opinion and according to the information and explanations given to us by the Management, the financial statement is not material to the Group.*

    Our opinion on the above Statement is not modified in respect of the above matters (referred in paragraph 9 and 10 above) with respect to our reliance on the work done and the reports of the other auditor and the financial statement certified by the Management.

For **Sharp & Tannan**
Chartered Accountants
Firm's Registration No. 003792S

V. Viswanathan
Partner
Membership No. 215565

Place: Gurugram
Date : 16 May 2019

Annexure A to the Independent Auditor's Report on Consolidated Financial Results of Ballarpur Industries Limited for the quarter and year ended 31 March 2019

The Statement includes results of the entities listed below:

Sr.No.	Name of the subsidiaries	Relationship
1	Bilt Graphic Paper Products Limited	Subsidiary
2	Premier Tissues India Limited	Subsidiary upto 7 November 2018 and Joint Venture thereafter
3	Avantha Agritech Limited	Subsidiary
4	Ballarpur Speciality Paper Holdings B.V.	Subsidiary
5	Bilt General Trading (FZE)	Subsidiary
6	Ballarpur International Holdings B.V.	Subsidiary
7	Bilt Paper B.V.	Subsidiary
8	Ballarpur Paper Holdings B.V.	Subsidiary
9	Sabah Forest Industries SDN. BHD	Subsidiary

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

Statement on Impact of Audit Qualifications for the Financial Year ended 31 March 2019

[See Regulation 32 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]

I	Sl. No	Particulars	Audited figures (as reported before adjusting for qualifications) (Rs. in lakhs)	Adjusted figures (audited figures after adjusting for qualifications) (Rs. in lakhs)
	1	Turnover/ Total income	52,211	52,211
	2	Total Expenditure (including exceptional items)	1,15,762	1,28,746
	3	Net profit/(loss)	(63,551)	(76,535)
	4	Earnings per share	(4.91)	(5.92)
	5	Total Assets	3,56,949	3,56,949
	6	Total Liabilities	3,50,337	3,63,321
	7	Net worth	6,612	(6,372)
	8	Any other financial item(s) (as felt appropriate by the management)	-	-

II Audit Qualification (each audit qualification separately):

Qualification 1

a. **Details of Audit Qualification**

We draw reference to Note 3 to the Statement, which the management is unable to quantify, regarding liability with respect to the outstanding Put Options which forms basis for our qualified opinion. Accordingly, we are unable to quantify the impact.

b. **Type of Audit Qualification:** Qualified Opinion

c. **Frequency of Qualification:** Since FY 2016-17

d. **For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:** N.A.

e.	**For Audit Qualification(s) where the impact is not quantified by the auditor:**
(i)	Management's estimation on the impact of audit qualification: N.A.
(ii)	If management is unable to estimate the impact, reasons for the same: The impact of qualification in the Auditor's Report on the financial statements of the Company is at present not ascertainable in view of on-going discussions with lenders.
(iii)	Auditor's Comment on (i) or (ii) above: **Quantification is not possible at present, based on the information and explanation provided by the management.**
Qualification 2	
a.	**Details of Audit Qualification:**
i	As at the year end, the Company while comparing the balances of borrowings with the confirmations received from the lenders has identified differences in interest accrued to the tune of Rs. 583 lakhs. The interest accrued in the books of accounts were lower than the interest confirmed by the lenders (wherever identified).
ii	In respect of borrowings not confirmed by banks, the interest accrued by the Company in the books as compared to the interest payable by the Company in terms of the loan agreement with the lenders is lower by Rs. 12,401 Lakhs which includes penal interest of Rs. 6,270 Lakhs. Had the Company accrued the difference in the books of account, the finance cost would have increased by Rs. 12,984 lakhs, profit for the year, total comprehensive income and shareholders' fund would have reduced by Rs. 12,984 lakhs. The impact on borrowings and finance cost, if any, on account of non-receipt of direct confirmation from lenders cannot be quantified.
b.	**Type of Audit Qualification:** Qualified opinion
c.	**Frequency of Qualification:** First time during the financial year under report
d.	**For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:** In view of the ongoing negotiations with the lenders for assignment / settlement of loans, no provision is being made in the financial statements of the Company towards penal interest on borrowings outstanding at the year end. Considering the liquidity position of the Company and discussions with lenders the Company does not expect any material variance upon settlement.
e.	**For Audit Qualification(s) where the impact is not quantified by the auditor:** We have not received direct confirmation from certain lenders for the balance outstanding in borrowings. The impact on borrowings and finance cost, if any, on account of non-receipt of direct confirmation from lenders cannot be quantified.

III	Signatories:	
	A.S. Dulat Audit Committee Chairman	
	B. Hariharan Chairman & Exectuive Director	
	Neehar Aggarwal Chief Executive Officer	
	For Sharp & Tannan Chartered Accountants (Firm's Registration No. 003792S) V. Viswanathan Partner Membership No. 215565	SHARP & TANNAN CHARTERED ACCOUNTANTS ANNA SALAI, CHENNAI-600 002
	Place: Gurugram	
	Date: 16 May 2019	

Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results - Consolidated

Statement on Impact of Audit Qualifications for the Financial Year ended 31 March 2019

[See Regulation 32 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]

I	Sl. No	Particulars	Audited figures (as reported before adjusting for qualifications)	Adjusted figures (audited figures after adjusting for qualifications)
	1	Turnover/ Total income	3,69,083	3,69,083
	2	Total Expenditure (including exceptional items)	4,49,335	4,96,556
	3	Net profit/(loss)	(1,07,170)	(1,54,391)
	4	Earnings per share	(7.20)	(11.94)
	5	Total Assets	11,00,644	11,00,644
	6	Total Liabilities	12,12,338	12,59,558
	7	Net worth	(1,11,694)	(1,58,914)
	8	Any other financial item(s) (as felt appropriate by the management)	-	-

II **Audit Qualification (each audit qualification separately):**

Qualification 1

a. **Details of Audit Qualification**

We draw reference to Note 8 to the Statement, which the management is unable to quantify, regarding liability with respect to the outstanding Put Options which forms basis for our qualified opinion. Accordingly, we are unable to quantify the impact.

b. **Type of Audit Qualification:** Qualified Opinion

c. **Frequency of Qualification:** Since 2016-17

d. **For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:** N.A.

e. **For Audit Qualification(s) where the impact is not quantified by the auditor:**

(i) Management's estimation on the impact of audit qualification: N.A.

(ii) If management is unable to estimate the impact, reasons for the same:

In view of the prevailing uncertainties arising from ongoing financial restructuring and pending litigations, the potential liability arising from put option cannot be determined with certainty and has accordingly not been recognized in these financial results.

(iii) Auditor's Comment on (i) or (ii) above:

Quantification is not possible at present, based on the information and explanation provided by the management .

Qualification 2

a. **Details of Audit Qualification**

(i) We draw attention to Note 6 of the Statement wherein one of the subsidiaries (BILT Graphic Paper Products Limited) consolidated in the accompanying Statement has entered into a Master Restructuring Arrangement (MRA) with its lenders. During the year 2017-18, one of the non-assenting lenders had issued Corporate Insolvency and Resolution Process Notice against which the subsidiary has obtained stay order from the Hon'ble High Court of Delhi. During the current year, the stay order has been partially vacated by the Hon'ble High Court of Delhi. Subsequently, pursuant to a transfer petition filed by the Subsidiary, the case has been transferred to and is pending at the Hon'ble Supreme Court of India. We are not in a position to comment on the appropriateness of giving effect to the MRA and accrual of interest based on MRA for the quarter and year ended 31 March 2019 when the matter is sub judice. Further, the management has informed us that the Subsidiary has entered into two amendments (2nd Amendment & 3rd Amendment) to the MRA with the lenders during the financial year 2018-19. We have not been provided with copy of the same duly signed by the lenders to verify the accounting implications if any.

(ii) As stated in the Note, the Subsidiary has not accrued interest for the quarter and year ended 31 March 2019 on the amounts due to lenders towards which shares were agreed to be allotted under the MRA. However, the Subsidiary has not received a confirmation from the lenders on waiver of the interest. Had the Subsidiary accrued the said interest, the finance cost and loss would have been greater by Rs 11,569 lakhs for the year ended 31 March 2019 respectively.

(iii) Further, as per the terms of the MRA, there is an annual reset of interest rate, the Subsidiary continues to accrue interest at the original rate as per MRA in the absence of confirmation from the lenders to the contrary.

(iv) The balances of borrowings and interest accrued in the books are subject to confirmation from the lenders and/or reconciliation.

The accounting of finance cost as per the MRA and not accruing interest on amounts for which shares are yet to be allotted has resulted in lower finance cost and losses by Rs 34,237 lakhs for the year ended 31 March 2019. The impact of accounting implications, if any, warranted by the amendments to the MRA cannot be quantified.

b. **Type of Audit Qualification:** Qualified opinion

c. **Frequency of Qualification:** Since FY 2017-18

d. **For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:**

Under the Master Restructuring Agreement (MRA) signed by the step down subsidiary, BILT Graphic Paper Products Ltd (BGPPL), during the financial year 2017-18, as per which BGPPL is entitled to various reliefs / concessions granted by the majority lenders. However, IDBI bank, one of the non-assenting lenders had initiated CIRP against BGPPL under the provisions of the Insolvency and Bankruptcy Code, 2016, for which BGPPL had obtained an Order from Hon'ble High Court of Delhi to maintain status quo. Considering that BGPPL has complied with all necessary conditions precedent in accordance with MRA, based on opinion from legal counsel, BGPPL had given effect to the MRA in the financial statements for the year ended 31st March 2018 which consisted of debt restructuring including conversion of loan into equity, compulsory redeemable preference shares & issuance of fresh equity of Rs. 89,336 Lakhs, and other gains of Rs. 142,279 Lakhs.

During the year, the Hon'ble High Court of Delhi has partially vacated its stay Order and thereafter a transfer application has been filed by BGPPL before the Hon'ble Supreme Court, which has stayed the proceeding pending before the Hon'ble Delhi High Court and the matter is sub judice.

	During the quarter and year ended 31st March-2019 the Company continues to accrue interest as per the terms agreed in the MRA with its lenders, as amended from time to time, and has ceased to accrue interest on those amounts against which equity and preference shares have been agreed to be issued, which has resulted in savings of finance costs aggregating Rs. 8,972 Lakhs and Rs. 27,016 Lakhs for the quarter and year ended 31st March-2019 respectively. The equity and preference shares have not been issued since the case is pending at Hon'ble Supreme Court. Further the MRA provides for an annual reset of the interest rate and in the absence of confirmation from the lenders, the Company continues to accrue interest at the rate as per the original MRA. Meanwhile, during the quarter ended 31st March-2019, Kotak Mahindra Bank has initiated CIRP application before the NCLT, Mumbai, against BGPPL which is listed for hearing on 17th June 2019.
e.	**For Audit Qualification(s) where the impact is not quantified by the auditor:**
(i)	Management's estimation on the impact of audit qualification: N.A.
(ii)	If management is unable to estimate the impact, reasons for the same: N.A.
(iii)	Auditor's Comment on (i) or (ii) above: N.A.
Qualification 3	
a.	**Details of Audit Qualification:**
i	As at the year end, the Ballarpur Industries Limited ("Holding Company") while comparing the balances of borrowings with the confirmations received from the lenders has identified differences in interest accrued amounting to Rs 583 lakhs. The interest accrued in the books of account were lower than the interest confirmed by the lenders.
ii	In respect of borrowings not confirmed by banks, the interest accrued by the Holding Company in the books of account as compared to the interest payable by the Company in terms of the loan agreement with the lenders is lower by Rs. 12,401 Lakhs which includes penal interest of Rs. 6,270 Lakhs. Had the Holding Company accrued the difference in the books of account, the finance cost would have increased by Rs. 12,984 lakhs, profit for the year, total comprehensive income and shareholders' fund would have reduced by Rs. 12,984 lakhs. The impact on borrowings and finance cost, if any, on account of non-receipt of direct confirmation from lenders cannot be quantified.
b.	**Type of Audit Qualification:** Qualified opinion
c.	**Frequency of Qualification:** First time during the financial year under report
d.	**For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:** In view of the ongoing negotiations with the lenders for assignment / settlement of loans, no provision is being made in the financial statements of the Holding Company towards penal interest on borrowings outstanding at the year end. Considering the liquidity position of the Company and discussions with lenders the Company does not expect any material variance upon settlement.
e.	**For Audit Qualification(s) where the impact is not quantified by the auditor:** We have not received direct confirmation from certain lenders for the balance outstanding in borrowings. The impact on borrowings and finance cost, if any, on account of non-receipt of direct confirmation from lenders cannot be quantified.

III	**Signatories:**	
	A.S. Dulat Audit Committee Chairman	
	B. Hariharan Chairman & Exectuive Director	
	Neehar Aggarwal Chief Executive Officer	
	For Sharp & Tannan Chartered Accountants (Firm's Registration No. 003792S) V. Viswanathan Partner Membership No. 215565	SHARP & TANNAN CHARTERED ACCOUNTANTS ANNA SALAI, CHENNAI-600 002
	Place: Gurugram	
	Date: 16 May 2019	