



30<sup>th</sup> May, 2016

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

**Sub: Approval of Audited Financial Results (Standalone and Consolidated) of the Company for the quarter and year ended 31<sup>st</sup> March, 2016 pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

Dear Sir,

This is to inform you that the Board of Directors of the Company in its meeting held today i.e. 30<sup>th</sup> May, 2016, has:

1. Approved the Audited Financial Results (Standalone and Consolidated) of the Company for the quarter and year ended 31<sup>st</sup> March, 2016, which is enclosed for your information.
2. Not declared any dividend for the financial year 2015-16.

The meeting of Board of Directors of the Company commenced at 11:30 a.m. and concluded at 7:25 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.



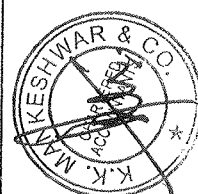
**BALLARPUR INDUSTRIES LIMITED**  
**AUDITED FINANCIAL RESULTS FOR THE QUARTER/YEAR ENDED 31ST MARCH 2016**

Part I

| Sl. No. | Particulars                                                                                     | Consolidated       |                          |                              |                    | Standalone            |                    |                          |                              | (Rs. In Lacs)      |                       |
|---------|-------------------------------------------------------------------------------------------------|--------------------|--------------------------|------------------------------|--------------------|-----------------------|--------------------|--------------------------|------------------------------|--------------------|-----------------------|
|         |                                                                                                 | 3 Months ended     | Preceding 3 Months ended | Corresponding 3 Months ended | Current year ended | Previous Period ended | 3 Months ended     | Preceding 3 Months ended | Corresponding 3 Months ended | Current year ended | Previous Period ended |
|         |                                                                                                 | 31.03.16 (Audited) | 31.12.15 (Unaudited)     | 31.03.15 Audited             | 31.03.16 (Audited) | 31.03.15 (Audited)    | 31.03.16 (Audited) | 31.12.15 (Unaudited)     | 31.03.15 Audited             | 31.03.16 (Audited) | 31.03.15 (Audited)    |
| 1       | Income from operations                                                                          |                    |                          |                              |                    |                       |                    |                          |                              |                    |                       |
|         | (a) Net sales/Income from operations (Net of excise duty)                                       | 108,675            | 100,624                  | 123,131                      | 410,398            | 362,592               | 18,687             | 13,429                   | 16,825                       | 58,053             | 44,627                |
|         | (b) Other Operating Income                                                                      | 2,430              | 1,615                    | 4,782                        | 7,705              | 6,086                 | 1,073              | 1,845                    | 227                          | 3,830              | 599                   |
|         | Total Income from operations (net)                                                              | 111,105            | 102,239                  | 127,913                      | 418,103            | 368,678               | 19,760             | 15,274                   | 17,052                       | 61,883             | 45,226                |
| 2       | Expenses                                                                                        |                    |                          |                              |                    |                       |                    |                          |                              |                    |                       |
|         | (a) Cost of Material Consumed                                                                   | 56,183             | 53,552                   | 54,268                       | 216,548            | 175,276               | 3,736              | 3,657                    | 3,371                        | 14,665             | 10,902                |
|         | (b) Purchases of stock-in-trade                                                                 | 5,715              | 1,654                    | 3,421                        | 10,751             | 10,917                | 731                | 693                      | 3,896                        | 2,753              | 6,876                 |
|         | (c) Changes in inventories of finished goods, work-in-progress and stock-in-trade               | 7,429              | 209                      | 1,856                        | 8,431              | (4,251)               | 5,946              | 625                      | 960                          | 7,145              | (161)                 |
|         | (d) Employee benefits expense                                                                   | 7,784              | 7,701                    | 11,078                       | 30,810             | 30,680                | 2,045              | 1,785                    | 1,835                        | 7,330              | 5,730                 |
|         | (e) Depreciation and amortisation expense                                                       | 6,451              | 6,802                    | 10,436                       | 26,456             | 33,809                | 1,313              | 1,597                    | 1,076                        | 5,810              | 4,435                 |
|         | (f) Other Expenditure                                                                           |                    |                          |                              |                    |                       |                    |                          |                              |                    |                       |
|         | Power and Fuel                                                                                  | 10,761             | 12,400                   | 18,232                       | 48,454             | 56,530                | 2,519              | 2,886                    | 2,765                        | 11,624             | 8,653                 |
|         | Store and Spares                                                                                | 1,216              | 1,791                    | 2,649                        | 6,611              | 7,508                 | 136                | 189                      | 128                          | 584                | 405                   |
|         | Other Expenditure                                                                               | 4,076              | 6,723                    | 11,440                       | 23,271             | 32,988                | 1,816              | 1,715                    | 2,469                        | 7,052              | 5,891                 |
|         | Total expenses                                                                                  | 99,615             | 90,832                   | 113,380                      | 371,332            | 343,457               | 18,212             | 13,447                   | 16,200                       | 56,963             | 42,731                |
|         | Profit/(Loss) from operations before other income, finance costs and exceptional items (1-2)    | 11,490             | 11,407                   | 11,533                       | 46,771             | 25,221                | 1,548              | 2,427                    | 852                          | 4,920              | 2,495                 |
| 4       | Other Income                                                                                    |                    |                          |                              | 2,308              | -                     |                    |                          |                              | 2,308              | -                     |
| 5       | Profit/(Loss) from ordinary activities before finance costs and exceptional items (3 + 4)       | 11,490             | 11,408                   | 11,533                       | 49,079             | 25,221                | 1,548              | 2,427                    | 852                          | 7,228              | 2,495                 |
| 6       | Finance cost                                                                                    |                    |                          |                              |                    |                       |                    |                          |                              |                    |                       |
| 7       | Profit/(Loss) from ordinary activities after finance costs but before exceptional items (5 - 6) | 11,926 (436)       | 11,619 (211)             | 8,870 2,663                  | 46,316 2,763       | 31,205 (5,984)        | 1,542 6            | 1,485 642                | 1,216 (364)                  | 5,626 1,602        | 3,599 (1,104)         |
| 8       | Exceptional items                                                                               |                    |                          | 255                          |                    | 255                   |                    |                          |                              |                    |                       |
| 9       | Profit/(Loss) from ordinary activities before tax (7 + 8)                                       | (436)              | (211)                    | 2,408                        | 2,763              | (6,239)               | 6                  | 642                      | (364)                        | 1,602              | (1,104)               |
| 10      | Tax Expense (Net of MAT entitlement credit)                                                     | (61)               | (85)                     | (237)                        | (893)              | (1,549)               |                    | 218                      | (700)                        | (175)              | (1,998)               |
| 11      | Net Profit/(Loss) from Ordinary Activities after tax (9 - 10)                                   | (375)              | (126)                    | 2,645                        | 3,656              | (4,690)               | 6                  | 424                      | 336                          | 1,777              | 894                   |

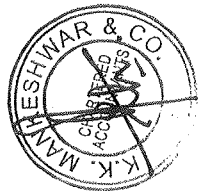


| Sl. No. | Particulars                                                                                              | 3 Months ended<br>31.03.16<br>(Audited) | 3 Months ended<br>31.12.15<br>(Unaudited) | 3 Months ended<br>31.03.15<br>Audited | Current year ended<br>31.03.16<br>(Audited) | Previous Period ended<br>31.03.15<br>(Audited) | 3 Months ended<br>31.03.16<br>(Audited) | 3 Months ended<br>31.12.15<br>(Unaudited) | 3 Months ended<br>31.03.15<br>Audited | Current year ended<br>31.03.16<br>(Audited) | Previous Period ended<br>31.03.15<br>(Audited) |
|---------|----------------------------------------------------------------------------------------------------------|-----------------------------------------|-------------------------------------------|---------------------------------------|---------------------------------------------|------------------------------------------------|-----------------------------------------|-------------------------------------------|---------------------------------------|---------------------------------------------|------------------------------------------------|
| 12      | Extraordinary items (net of tax expense)                                                                 |                                         |                                           |                                       |                                             |                                                |                                         |                                           |                                       |                                             |                                                |
| 13      | Net Profit / (Loss) for the period (11 - 12)                                                             | (375)                                   | (126)                                     | 2,645                                 | 3,656                                       | (4,690)                                        | 6                                       | 424                                       | 336                                   | 1,777                                       | 894                                            |
| 14      | Profit/ (loss) from discontinued operation before tax                                                    | (11,044)                                | (8,182)                                   |                                       | (26,503)                                    | -                                              | -                                       | -                                         | -                                     | -                                           | -                                              |
| 15      | Tax expense on discontinued operation                                                                    | 94                                      | -                                         | -                                     | 94                                          | -                                              | -                                       | -                                         | -                                     | -                                           | -                                              |
| 16      | Net profit/ (loss) from discontinued operations after tax                                                | (11,138)                                | (8,182)                                   | -                                     | (26,597)                                    | -                                              | -                                       | -                                         | -                                     | -                                           | -                                              |
| 17      | Net profit/ (loss) for the period/year                                                                   | (11,513)                                | (8,509)                                   | 2,645                                 | (22,941)                                    | (4,690)                                        | 6                                       | 424                                       | 336                                   | 1,777                                       | 894                                            |
| 18      | Share of profit / (loss) of associates                                                                   | (3,567)                                 | (2,315)                                   | (111)                                 | (6,926)                                     | (2,555)                                        | -                                       | -                                         | -                                     | -                                           | -                                              |
| 19      | Minority Interest                                                                                        |                                         |                                           |                                       |                                             |                                                |                                         |                                           |                                       |                                             |                                                |
| 20      | Net Profit / (Loss) after taxes, minority interest and share of profit / (loss) of associates (13+14-15) | (7,946)                                 | (5,994)                                   | 2,755                                 | (16,014)                                    | (2,135)                                        | 6                                       | 424                                       | 336                                   | 1,777                                       | 894                                            |
| 21      | Paid up Equity Share Capital<br>(Face Value of Rs 2/- per share)                                         |                                         |                                           |                                       | 13,112                                      | 13,112                                         |                                         |                                           |                                       | 13,112                                      | 13,112                                         |
| 22      | Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year                 |                                         |                                           |                                       | 131,011                                     | 181,727                                        |                                         |                                           |                                       | 149,714                                     | 147,937                                        |
| 23(a)   | Earnings per share before Extraordinary items<br>(a) Basic                                               | (1.21)                                  | (0.91)                                    | 0.46                                  | (2.44)                                      | (0.29)                                         | 0.00                                    | 0.06                                      | 0.05                                  | 0.27                                        | 0.14                                           |
|         | (b) Diluted                                                                                              | (1.21)                                  | (0.91)                                    | 0.46                                  | (2.44)                                      | (0.29)                                         | 0.00                                    | 0.06                                      | 0.05                                  | 0.27                                        | 0.14                                           |
| 23(b)   | Earnings per share after Extraordinary items<br>(a) Basic                                                | (1.21)                                  | (0.91)                                    | 0.42                                  | (2.44)                                      | (0.33)                                         | 0.00                                    | 0.06                                      | 0.05                                  | 0.27                                        | 0.14                                           |
|         | (b) Diluted                                                                                              | (1.21)                                  | (0.91)                                    | 0.42                                  | (2.44)                                      | (0.33)                                         | 0.00                                    | 0.06                                      | 0.05                                  | 0.27                                        | 0.14                                           |



QUARTERLY REPORTING ON SEGMENT WISE REVENUES, RESULTS AND CAPITAL EMPLOYED UNDER CLAUSE 41 OF THE LISTING AGREEMENT

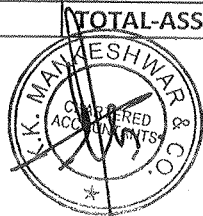
| Sl. No. | Particulars                                                                                     | Consolidated       |                          |                              |                    |                       | Standalone         |                          |                              |                    |                       | (Rs. in Lacs) |          |
|---------|-------------------------------------------------------------------------------------------------|--------------------|--------------------------|------------------------------|--------------------|-----------------------|--------------------|--------------------------|------------------------------|--------------------|-----------------------|---------------|----------|
|         |                                                                                                 | 3 Months ended     | Preceding 3 Months ended | Corresponding 3 Months ended | Current year ended | Previous Period ended | 3 Months ended     | Preceding 3 Months ended | Corresponding 3 Months ended | Current year ended | Previous Period ended | 31.03.15      | 31.03.16 |
|         |                                                                                                 | 31.03.16 (Audited) | 31.12.15 (Unaudited)     | 31.03.15 Audited             | 31.03.16 (Audited) | 31.03.15 (Audited)    | 31.03.16 (Audited) | 31.12.15 (Unaudited)     | 31.03.15 Audited             | 31.03.16 (Audited) | 31.03.15 (Audited)    |               |          |
| 1       | <b>Segment Revenues</b>                                                                         |                    |                          |                              |                    |                       |                    |                          |                              |                    |                       |               |          |
|         | (a) Paper                                                                                       | 94,933             | 85,713                   | 110,118                      | 354,263            | 319,199               | 14,502             | 9,915                    | 12,538                       | 40,774             | 33,005                |               |          |
|         | (b) Paper Products & Office Supplies                                                            | 11,848             | 12,997                   | 12,589                       | 47,715             | 37,798                | 3,905              | 3,123                    | 4,159                        | 15,915             | 11,384                |               |          |
|         | (c) Pulp Rayon Grade                                                                            | 280                | 391                      | 128                          | 1,364              | 238                   | 280                | 391                      | 128                          | 1,364              | 238                   |               |          |
|         | (d) Pulp Paper Grade                                                                            | -                  | -                        | 10,100                       | -                  | 21,606                | -                  | -                        | -                            | -                  | -                     |               |          |
|         | (e) Unallocated                                                                                 | 3,513              | 3,416                    | 3,807                        | 13,865             | 13,267                | -                  | -                        | -                            | -                  | -                     |               |          |
|         | <b>Total</b>                                                                                    | <b>110,574</b>     | <b>102,517</b>           | <b>136,741</b>               | <b>417,207</b>     | <b>392,108</b>        | <b>18,687</b>      | <b>13,429</b>            | <b>16,825</b>                | <b>58,053</b>      | <b>44,627</b>         |               |          |
|         | Less: Inter Segment Revenue                                                                     | 1,899              | 1,893                    | 13,610                       | 6,810              | 29,516                | -                  | -                        | -                            | -                  | -                     |               |          |
|         | <b>Net Sales/ Income from operation</b>                                                         | <b>108,675</b>     | <b>100,624</b>           | <b>123,131</b>               | <b>410,398</b>     | <b>362,592</b>        | <b>18,687</b>      | <b>13,429</b>            | <b>16,825</b>                | <b>58,053</b>      | <b>44,627</b>         |               |          |
| 2       | <b>Segment Results (Profit)(+/-) Loss (-) before Tax and Interest</b>                           |                    |                          |                              |                    |                       |                    |                          |                              |                    |                       |               |          |
|         | (a) Paper                                                                                       | 12,994             | 12,866                   | 12,970                       | 54,659             | 29,716                | 3,000              | 3,587                    | 2,199                        | 12,902             | 7,218                 |               |          |
|         | (b) Paper Products & Office Supplies                                                            | 124                | 170                      | 104                          | 829                | 841                   | 39                 | 31                       | 42                           | 159                | 181                   |               |          |
|         | (c) Pulp Rayon Grade                                                                            | (4,388)            | (1,288)                  | (1,288)                      | (5,525)            | (4,604)               | (1,388)            | (4,388)                  | (1,288)                      | (5,525)            | (4,603)               |               |          |
|         | (d) Unallocated                                                                                 | (136)              | (137)                    | (152)                        | (555)              | (431)                 | -                  | -                        | -                            | -                  | -                     |               |          |
|         | <b>Total</b>                                                                                    | <b>11,593</b>      | <b>11,511</b>            | <b>11,634</b>                | <b>49,388</b>      | <b>25,522</b>         | <b>1,651</b>       | <b>2,230</b>             | <b>953</b>                   | <b>7,536</b>       | <b>2,796</b>          |               |          |
|         | Less: i) Interest                                                                               | 11,926             | 11,619                   | 8,870                        | 46,316             | 31,205                | 1,542              | 1,485                    | 1,216                        | 5,626              | 3,599                 |               |          |
|         | ii) Other un-allocable expenditure net of un-allocable Income                                   | 103                | 103                      | 101                          | 309                | 301                   | 103                | 103                      | 101                          | 308                | 301                   |               |          |
|         | <b>Total Profit Before Tax</b>                                                                  | <b>(436)</b>       | <b>(211)</b>             | <b>2,563</b>                 | <b>2,763</b>       | <b>(5,984)</b>        | <b>6</b>           | <b>642</b>               | <b>(364)</b>                 | <b>1,602</b>       | <b>(1,104)</b>        |               |          |
| 3       | <b>Capital Employed (Segment Assets - Segment Liabilities) (Based on reasonable estimates )</b> |                    |                          |                              |                    |                       |                    |                          |                              |                    |                       |               |          |
|         | (a) Paper                                                                                       | 735,967            | 644,241                  | 889,469                      | 735,967            | 889,469               | 174,348            | 144,419                  | 120,091                      | 174,348            | 120,091               |               |          |
|         | (b) Paper Products & Office Supplies                                                            | 41,084             | 40,960                   | 44,463                       | 41,084             | 44,463                | 6,341              | 13,908                   | 12,784                       | 6,341              | 12,784                |               |          |
|         | (c) Pulp Rayon Grade                                                                            | 50,389             | 57,131                   | 61,335                       | 50,389             | 61,335                | 50,389             | 57,131                   | 61,335                       | 50,389             | 61,335                |               |          |
|         | (d) Unallocated                                                                                 | 62,047             | 44,160                   | 39,723                       | 62,047             | 39,723                | 105,771            | 100,951                  | 75,513                       | 105,771            | 75,513                |               |          |
|         | <b>Total capital employed in continuing operations</b>                                          | <b>889,487</b>     | <b>786,492</b>           | <b>1,034,990</b>             | <b>889,487</b>     | <b>1,034,990</b>      | <b>336,850</b>     | <b>316,409</b>           | <b>269,723</b>               | <b>336,850</b>     | <b>269,723</b>        |               |          |
|         | <b>capital employed in discontinued operation</b>                                               | <b>210,535</b>     | <b>205,579</b>           | -                            | <b>210,535</b>     | -                     | -                  | -                        | -                            | -                  | -                     |               |          |
|         | <b>Total capital employed in continuing and discontinued operations</b>                         | <b>1,100,022</b>   | <b>992,071</b>           | <b>1,034,990</b>             | <b>1,100,022</b>   | <b>1,034,990</b>      | <b>336,850</b>     | <b>316,409</b>           | <b>269,723</b>               | <b>336,850</b>     | <b>269,723</b>        |               |          |



**BALLARPUR INDUSTRIES LIMITED**  
**Standalone / Consolidated Statement of Assets and Liabilities**

Rs. In Lacs

| SR<br>No | Particulars                                      | Consolidated        |                     | Standalone          |                     |
|----------|--------------------------------------------------|---------------------|---------------------|---------------------|---------------------|
|          |                                                  | As at<br>31.03.2016 | As at<br>31.03.2015 | As at<br>31.03.2016 | As at<br>31.03.2015 |
| <b>A</b> | <b>EQUITY AND LIABILITIES</b>                    |                     |                     |                     |                     |
| <b>1</b> | <b>Shareholders funds</b>                        |                     |                     |                     |                     |
| (a)      | Share Capital                                    | 13,112              | 13,112              | 13,112              | 13,112              |
| (b)      | Subordinated Perpetual Capital Securities        | 132,512             | 125,358             | -                   | -                   |
| (c)      | Reserves and surplus                             | 131,011             | 181,727             | 149,713             | 147,937             |
|          | <b>Sub-total-Shareholders funds</b>              | <b>276,635</b>      | <b>320,197</b>      | <b>162,825</b>      | <b>161,049</b>      |
| <b>2</b> | <b>Share application money pending allotment</b> |                     |                     |                     |                     |
| <b>3</b> | <b>Minority Interest</b>                         | <b>98,256</b>       | <b>109,482</b>      | -                   | -                   |
| <b>4</b> | <b>Non Current liabilities</b>                   |                     |                     |                     |                     |
| (a)      | Long -Term Borrowings                            | 425,161             | 335,436             | 91,192              | 42,627              |
| (b)      | Deffered Tax Liabilities (Net)                   | 8,323               | 9,489               | 5,240               | 5,633               |
| (c)      | Other long-term liabilities                      | 5,480               | 5,316               | 466                 | 491                 |
| (d)      | Long -Term Provisions                            | 7,911               | 7,215               | 3,107               | 3,030               |
|          | <b>Sub-total-Non-Current Liabilities</b>         | <b>446,875</b>      | <b>357,456</b>      | <b>100,005</b>      | <b>51,781</b>       |
| <b>5</b> | <b>Current liabilities</b>                       |                     |                     |                     |                     |
| (a)      | Short -Term Borrowings                           | 205,800             | 186,119             | 71,423              | 51,344              |
| (b)      | Trade Payables                                   | 121,564             | 111,432             | 12,526              | 11,909              |
| (c)      | Other Current liabilities                        | 124,835             | 116,458             | 15,842              | 16,345              |
| (d)      | Short -Term Provisions                           | 4,803               | 6,134               | 1,948               | 3,357               |
|          | <b>Sub-total-Current Liabilities</b>             | <b>457,002</b>      | <b>420,143</b>      | <b>101,739</b>      | <b>82,955</b>       |
|          | <b>TOTAL-EQUITY AND LIABILITIES</b>              | <b>1,278,768</b>    | <b>1,207,278</b>    | <b>364,569</b>      | <b>295,785</b>      |
| <b>B</b> | <b>ASSETS</b>                                    |                     |                     |                     |                     |
| <b>1</b> | <b>Non Current Assets</b>                        |                     |                     |                     |                     |
| (a)      | Fixed Assets                                     | 825,041             | 819,119             | 149,909             | 142,023             |
| (b)      | Goodwill on Consolidation                        | -                   | -                   | -                   | -                   |
| (c)      | Non-Current Investments                          | 5,016               | 4,056               | 106,535             | 81,378              |
| (d)      | Deffered Tax Assets (Net)                        | -                   | -                   | -                   | -                   |
| (e)      | Long-term Loans and Advances                     | 64,239              | 43,254              | 243                 | 381                 |
| (f)      | Other Non-Current Assets                         | 71,623              | 57,327              | -                   | -                   |
|          | <b>Sub-total-Non Current Assets</b>              | <b>965,919</b>      | <b>923,756</b>      | <b>256,687</b>      | <b>223,782</b>      |
| <b>2</b> | <b>Current Assets</b>                            |                     |                     |                     |                     |
| (a)      | Current Investments                              |                     |                     |                     |                     |
| (b)      | Inventories                                      | 153,991             | 143,245             | 28,477              | 29,363              |
| (c)      | Trade Receivables                                | 51,338              | 51,245              | 17,555              | 21,661              |
| (d)      | Cash and Cash Equivalents                        | 25,222              | 24,072              | 5,888               | 1,016               |
| (e)      | Short-term Loans and Advances                    | 77,419              | 61,616              | 55,952              | 19,935              |
| (f)      | Other Current Assets                             | 4,879               | 3,344               | 10                  | 28                  |
|          | <b>Sub-total-Current Assets</b>                  | <b>312,849</b>      | <b>283,522</b>      | <b>107,882</b>      | <b>72,003</b>       |
|          | <b>TOTAL-ASSETS</b>                              | <b>1,278,768</b>    | <b>1,207,278</b>    | <b>364,569</b>      | <b>295,785</b>      |



Notes to accounts for the quarter/year ended March 2016.

1. Provision for taxation is net of MAT entitlement credit of the Company's step down subsidiary Bilt Graphic Paper Products Limited (BGPPL) amounting to Rs. 50 Lacs & Rs. 342 Lacs for the quarter & period ended 31<sup>st</sup> March '16 respectively. (Corresponding quarter ended March '15 Rs. 149 Lacs & Rs. 770 Lacs ). The Company has recognised deferred tax assets during the quarter/Period ended March '16 Rs. Nil & Rs. 787 Lacs respectively. (Corresponding quarter ended March '15 Rs. 700 Lacs & Rs. 1,998 Lacs ).
2. Rayon grade pulp manufacturing unit located at Kamalapuram continues to remain shut due to adverse Indian & global market conditions of Rayon grade Pulp/Viscose staple fibre & has impacted the results. The Company has given representation to the State Government for certain subsidies on inputs & power for restarting the manufacturing activity, which is under active consideration of the Government. In continuation to the representation given to the Government of Telangana, they have agreed to extend the following Incentive for restarting the manufacturing at Unit Kamalapuram of the Company.  
Subsidy of up to Rs. 9.00 Crores p.a. on supply of Power; and  
Subsidy of up to Rs. 21.00 Crores p.a. on supply of Pulp Wood

The aforesaid subsidies are subject to completion of certain formalities and condition and shall be available to the company for a period of 7 Years.

The company is expecting similar incentives from the Government of Andhra Pradesh.

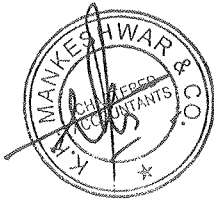
3. In continuation to the binding offer received for disinvestment of entire equity stake of 98.08% in its step down subsidiary, Sabah Forest Industries Sdn. Bhd. (SFI), Malaysia, we wish to further update in continuation to earlier updates, that at the request of M/s Pandawa Sakti (Sabah) Sdn. Bhd., Malaysia (Buyer), the following has been agreed
  - The Buyer will pay BPH USD 50.0 Million as an advance by June 2016 and pay the balance to acquire 50% equity of SFI by June 30, 2016.
  - The Buyer is in the process of furnishing us a Guarantee for USD 17.5 Million as an additional security by May 31, 2016, in addition to existing Guarantees for USD 32.5 Million (which continues to be valid) making the total Guarantees amount to USD 50.0 Million.

Based on the above and other formalities to be completed by the Buyer for acquisition of 50% equity of SFI, the Long Stop Date (LSD) for sale of SFI equity stake has been extended upto June 30, 2016.

4. Formulae for Computation of Ratios are as follows:
  - Debt Service Coverage Ratio = (Earnings before Depreciation, Amortisation, Interest and Tax – Current Cash Taxes) / (Interest Expense + Principal Repayments made during the period for long term loans).
  - Interest Service Coverage Ratio = Earnings before Depreciation, Amortisation, Interest and Tax / Interest Expense.



5. The current financial year commencing from 1st April '15 is for a period of 12 months i.e 1st April ,15 to 31st March'16 ,where as previous year commencing from 1st July '14 is for a period of 9 months i.e 1st July'14 to 31st March'15 , Hence both are not comparable.
6. These results have been reviewed by the Audit Committee, approved by the Board of Directors its meeting held on 30th May 2016 and have been audited by the Statutory Auditors of the company.
7. The figures of last quarter are the balancing figures between audited figures in respect of the full financial year and the published year-to-date figures upto the third quarter of the current financial year.
8. Previous year figures have been regrouped/ rearranged wherever necessary.



Place: New Delhi.  
Date: 30<sup>th</sup> May-2016

For and on behalf of Board of Directors  
For Ballarpur Industries Ltd.

  
B. Hariharan  
Group Director (Finance)

**Auditor's Report on Quarterly Financial Results and Year to Date Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.**

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

1. We have audited the quarterly financial results of **M/s. Ballarpur Industries Limited (the "Company")** for the quarter ended March 31, 2016 and the year to date financial results ("the Statements") for the period from April 01, 2015 to March 31, 2016, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015. These Statements have been prepared on the basis of interim financial statements, which are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial results based on our audit of such interim financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standards for Interim Financial Reporting (AS) 25, prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India.
2. We conducted our audit in accordance with the Auditing Standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.



**OFFICES AT :**

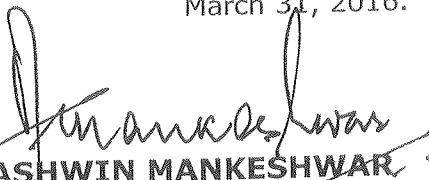
- 243, "SHRIKA RESIDENCY" CANAL ROAD, DHARAMPETH, NAGPUR- 440010.
- BLOCK-E, NEW R D A BUILDING, BOMBAY MARKET, G.E. ROAD, RAIPUR- 492001
- A- 425, SARITA VIHAR, NEW DELHI-110076.
- 331, KALIANDAS UDYOG BHAWAN, CENTURY BAZAR LANE, PRABHADEVI, MUMBAI- 400025.
- PRABHATARAPTS, 3rd FLOOR, WR, PARANJAPE LANE, NEAR HOTEL VAISHALI, SHIVAJINAGAR PUNE- 411004
- COSMOS REGENCY, JUPITER II, 102 WAGHBILL NARA GHODBUNDER ROAD. THANE-(W)- 400607

3. *Attention is drawn to Note No. 2, as reported by the auditor of Unit Kamalapuram, the financial statements of Unit Kamalapuram have been prepared on a going concern basis for the reasons stated in the said note. The Financial Statements do not include any adjustments relating to the recoverability and classification of the recorded asset amounts and classification of liabilities that may be necessary if the Unit is unable to continue as a going concern.*

4. We did not audit the financial statements of one Unit of the Company, whose financial statements reflects total assets of ₹ 54,556 Lacs as at March 31, 2016; as well as total revenue of ₹ 396 Lacs and ₹ 1,541 Lacs for the quarter and year ended March 31, 2016 respectively, as considered in the preparation of the consolidated financial results. The financial statements and other financial information has been audited by other auditors whose report has been furnished to us, and our opinion on the Statements, to the extent it has been derived from such financial statements is based solely on the report of such other auditor.

5. In our opinion and to the best of our information and according to the explanations given to us, the Statements:

- (i) have been presented in accordance with the requirements of Regulation 33 of the SEBI(Listing Obligation and Disclosure Requirements) Regulations, 2015 in this regard; and
- (ii) give a true and fair view of the net profit and other financial information for the quarter and the year to date results for the period from April 01, 2015 to March 31, 2016.

  
**ASHWIN MANKESHWAR**  
Partner

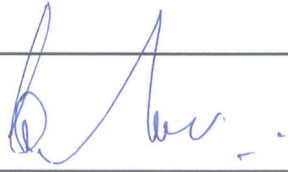
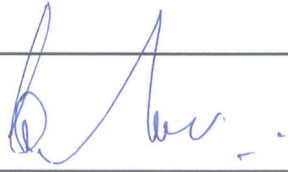
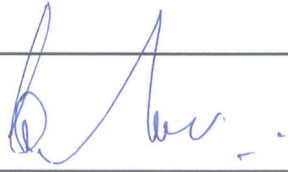
Membership No. 046219  
For and on Behalf of  
**K. K. Mankeshwar & Co.**  
Chartered Accountants  
FRN: 106009W  
New Delhi, dated the



30<sup>th</sup> May, 2016

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

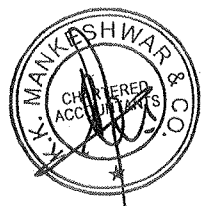
| Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2016 |                                                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                                   |                                                                       |
|-----------------------------------------------------------------------------------------|-------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------|-----------------------------------------------------------------------|
| [See Regulation 33 / 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                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | -                                                                 | -                                                                     |
|                                                                                         | 2.                                                                      | Total Expenditure                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | -                                                                 | -                                                                     |
|                                                                                         | 3.                                                                      | Net Profit/(Loss)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | -                                                                 | -                                                                     |
|                                                                                         | 4.                                                                      | Earnings Per Share                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | -                                                                 | -                                                                     |
|                                                                                         | 5.                                                                      | Total Assets                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | -                                                                 | -                                                                     |
|                                                                                         | 6.                                                                      | Total Liabilities                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | -                                                                 | -                                                                     |
|                                                                                         | 7.                                                                      | Net Worth                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | -                                                                 | -                                                                     |
|                                                                                         | 8.                                                                      | Any other financial item(s) (as felt appropriate by the management)                                                                                                                                                                                                                                                                                                                                                                                                                                                           | -                                                                 |                                                                       |
| II.                                                                                     | <u>Audit Qualification (each audit qualification separately):</u>       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                                   |                                                                       |
|                                                                                         | a.                                                                      | <b>Details of Audit Qualification:</b><br><br>Attention is drawn to the Note No. 2, as reported by the auditor of unit Kamalapuram, the financial statements of Unit Kamalapuram have been prepared on a going concern basis for the reasons stated in the said note. The Financial Statements do not include any adjustments relating to the recoverability and classification of the recorded asset accounts and classification of liabilities that may be necessary if the Units is unable to continue as a going concern. |                                                                   |                                                                       |
|                                                                                         | b.                                                                      | <b>Type of Audit Qualification :</b> Qualified Opinion                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                                   |                                                                       |
|                                                                                         | c.                                                                      | <b>Frequency of qualification:</b> Repetitive since previous financial year.                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                                                                   |                                                                       |
|                                                                                         | d.                                                                      | <b>For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:</b> N.A.                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                   |                                                                       |
|                                                                                         | e.                                                                      | <b>For Audit Qualification(s) where the impact is not quantified by the auditor:</b>                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                                   |                                                                       |
|                                                                                         | (i) Management's estimation on the impact of audit qualification: N. A. |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                                   |                                                                       |

|                                                                                                                                                                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                |                                                                                    |                                                |                                                                                    |                                                    |                                                                                     |                                                                                                                                                                                        |                                                                                                                                                                              |                         |  |                             |  |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------|------------------------------------------------------------------------------------|------------------------------------------------|------------------------------------------------------------------------------------|----------------------------------------------------|-------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|--|-----------------------------|--|
|                                                                                                                                                                                        | <p><b>(ii) If management is unable to estimate the impact, reasons for the same:</b></p> <p>The impact of qualification in the Auditors' Report on the financial statements of the Company is at present not ascertainable as the company has represented to and accordingly has received concession in electricity duty and VAT from Telangana Government as incentive to restart the operations at the Unit Kamalapuram. The Company has now represented to Andhra Pradesh Government to give concessions on similar lines so that the manufacturing activity can be recommenced at the said Unit.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                                |                                                                                    |                                                |                                                                                    |                                                    |                                                                                     |                                                                                                                                                                                        |                                                                                                                                                                              |                         |  |                             |  |
|                                                                                                                                                                                        | <p><b>(iii) Auditors' Comments on (i) or (ii) above:</b></p> <p>Above comment is self-explanatory and also suitably explained in Note no. 2 of financial result and <del>does not</del> does not require additional comments.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                |                                                                                    |                                                |                                                                                    |                                                    |                                                                                     |                                                                                                                                                                                        |                                                                                                                                                                              |                         |  |                             |  |
| <p><b>III.</b></p>                                                                                                                                                                     | <p><b><u>Signatories:</u></b></p> <table border="1"> <tr> <td data-bbox="368 786 788 904"> <p>A.S. Dulat<br/>Audit Committee Chairman</p> </td> <td data-bbox="788 786 1583 904">  </td> </tr> <tr> <td data-bbox="368 904 788 999"> <p>B. Hariharan<br/>Group Director Finance</p> </td> <td data-bbox="788 904 1583 999">  </td> </tr> <tr> <td data-bbox="368 999 788 1093"> <p>Neehar Aggarwal<br/>Chief Executive Officer</p> </td> <td data-bbox="788 999 1583 1093">  </td> </tr> <tr> <td data-bbox="368 1093 788 1368"> <p>Ashwin Mankeshwar<br/>Partner (Membership No.046219)<br/>For and on behalf of<br/>K. K. Mankeswar &amp; Co.<br/>Chartered Accountants<br/>FRN- 106009W<br/>(Statutory Auditors)</p> </td> <td data-bbox="788 1093 1583 1368"> <br/>  </td> </tr> <tr> <td data-bbox="368 1368 788 1440"> <p>Place: New Delhi</p> </td> <td data-bbox="788 1368 1583 1440"></td> </tr> <tr> <td data-bbox="368 1440 788 1525"> <p>Date: 30th May, 2016</p> </td> <td data-bbox="788 1440 1583 1525"></td> </tr> </table> | <p>A.S. Dulat<br/>Audit Committee Chairman</p> |  | <p>B. Hariharan<br/>Group Director Finance</p> |  | <p>Neehar Aggarwal<br/>Chief Executive Officer</p> |  | <p>Ashwin Mankeshwar<br/>Partner (Membership No.046219)<br/>For and on behalf of<br/>K. K. Mankeswar &amp; Co.<br/>Chartered Accountants<br/>FRN- 106009W<br/>(Statutory Auditors)</p> | <br> | <p>Place: New Delhi</p> |  | <p>Date: 30th May, 2016</p> |  |
| <p>A.S. Dulat<br/>Audit Committee Chairman</p>                                                                                                                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                |                                                                                    |                                                |                                                                                    |                                                    |                                                                                     |                                                                                                                                                                                        |                                                                                                                                                                              |                         |  |                             |  |
| <p>B. Hariharan<br/>Group Director Finance</p>                                                                                                                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                |                                                                                    |                                                |                                                                                    |                                                    |                                                                                     |                                                                                                                                                                                        |                                                                                                                                                                              |                         |  |                             |  |
| <p>Neehar Aggarwal<br/>Chief Executive Officer</p>                                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                |                                                                                    |                                                |                                                                                    |                                                    |                                                                                     |                                                                                                                                                                                        |                                                                                                                                                                              |                         |  |                             |  |
| <p>Ashwin Mankeshwar<br/>Partner (Membership No.046219)<br/>For and on behalf of<br/>K. K. Mankeswar &amp; Co.<br/>Chartered Accountants<br/>FRN- 106009W<br/>(Statutory Auditors)</p> | <br>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                |                                                                                    |                                                |                                                                                    |                                                    |                                                                                     |                                                                                                                                                                                        |                                                                                                                                                                              |                         |  |                             |  |
| <p>Place: New Delhi</p>                                                                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                |                                                                                    |                                                |                                                                                    |                                                    |                                                                                     |                                                                                                                                                                                        |                                                                                                                                                                              |                         |  |                             |  |
| <p>Date: 30th May, 2016</p>                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                |                                                                                    |                                                |                                                                                    |                                                    |                                                                                     |                                                                                                                                                                                        |                                                                                                                                                                              |                         |  |                             |  |

**Auditor's Report on Quarterly Consolidated Financial Results and Consolidated Year to Date Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.**

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

1. We have audited the quarterly consolidated financial results of **M/s. Ballarpur Industries Limited (the "Company")** for the quarter ended March 31, 2016 and the consolidated year to date financial results ("the Statements") for the period from April 01, 2015 to March 31, 2016, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015. These Statements have been prepared from consolidated financial statements, which are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial results based on our audit of such consolidated interim financial statements, which have been prepared in accordance with the recognition and measurement laid down in Accounting Standards for Interim Financial Reporting (AS) 25 prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India.
2. We conducted our audit in accordance with the Auditing Standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by the management. We believe that our audit provides a reasonable basis for our opinion.



**OFFICES AT :**

- 243, "SHRIKA RESIDENCY" CANAL ROAD, DHARAMPETH, NAGPUR- 440010.
- BLOCK-E, NEW R D A BUILDING, BOMBAY MARKET, G.E. ROAD, RAIPUR- 492001
- A- 425, SARITA VIHAR, NEW DELHI-110076.
- 331, KALIANDAS UDYOG BHAWAN, CENTURY BAZAR LANE, PRABHADEVI, MUMBAI- 400025.
- PRABHATARAPTS, 3rd FLOOR, WR, PARANJAPE LANE, NEAR HOTEL VAISHALI, SHIVAJINAGAR PUNE- 411004
- COSMOS REGENCY, JUPITER II, 102 WAGHBILL NAKA GHODBUNDER ROAD. THANE-(W)- 400607

3. *Attention is drawn to Note No. 2, as reported by the auditor of Unit Kamalapuram, the financial statements of Unit Kamalapuram have been prepared on a going concern basis for the reasons stated in the said note. The Financial Statements do not include any adjustments relating to the recoverability and classification of the recorded asset amounts and classification of liabilities that may be necessary if the Unit is unable to continue as a going concern.*
4. We did not audit the financial statements of one Unit of the Company, whose financial statements reflects total assets of ₹ 54,556 Lacs as at March 31, 2016; as well as total revenue of ₹ 396 Lacs and ₹ 1,541 Lacs for the quarter and year ended March 31, 2016 respectively, as considered in the preparation of the consolidated financial results. The financial statements and other financial information has been audited by other auditor whose report has been furnished to us, and our opinion on the Statements, to the extent it has been derived from such financial statements is based solely on the report of such other auditor.
5. In our opinion and to the best of our information and according to the explanations given to us, the Statements:
- (i) Include the Statements of the following entities:
    - a. Subsidiaries
      - i. Bilt Tree Tech Limited
      - ii. Ballarpur International Holdings B.V.
      - iii. Ballarpur Speciality Paper Holdings B.V.
      - iv. Premier Tissues India Limited
    - b. Step down Subsidiaries
      - i. Bilt Paper B.V.(Formerly known as Ballarpur International Graphic Paper Holdings B.V.)
      - ii. Ballarpur Paper Holdings B.V.
      - iii. Bilt Graphic Paper Products Limited
      - iv. Sabah Forest Industries Sdn. Bhd.
  - (ii) have been presented in accordance with the requirements of Regulation 33 of the SEBI(Listing Obligation and Disclosure Requirements) Regulations, 2015 in this regard; and



- (iii) give a true and fair view of the consolidated net Loss and other financial information for the quarter and the consolidated year to date results for the period from April 01, 2015 to March 31, 2016.

  
**ASHWIN MANKESHWAR**

*Partner*

Membership No. 046219

For and on Behalf of

**K. K. Mankeshwar & Co.**

*Chartered Accountants*

FRN: 106009W

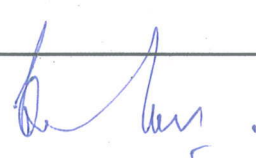
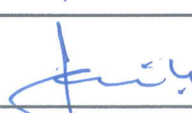
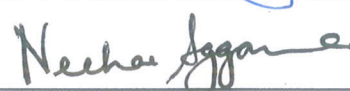
New Delhi, dated the



30<sup>th</sup> May, 2016

**Statement on Impact of Audit Qualification (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 March 31, 2016 |                                                                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                                            |                                                                                      |
|-----------------------------------------------------------------------------------------|--------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------|--------------------------------------------------------------------------------------|
| [See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]               |                                                                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                                            |                                                                                      |
| I.                                                                                      | Sl. No.                                                                  | Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Audited Figures<br>(as reported<br>before adjusting<br>for qualifications) | Adjusted<br>Figures<br>(audited figures<br>after<br>adjusting for<br>qualifications) |
|                                                                                         | 1.                                                                       | Turnover / Total income                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | -                                                                          | -                                                                                    |
|                                                                                         | 2.                                                                       | Total Expenditure                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | -                                                                          | -                                                                                    |
|                                                                                         | 3.                                                                       | Net Profit/(Loss)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | -                                                                          | -                                                                                    |
|                                                                                         | 4.                                                                       | Earnings Per Share                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | -                                                                          | -                                                                                    |
|                                                                                         | 5.                                                                       | Total Assets                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | -                                                                          | -                                                                                    |
|                                                                                         | 6.                                                                       | Total Liabilities                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | -                                                                          | -                                                                                    |
|                                                                                         | 7.                                                                       | Net Worth                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | -                                                                          | -                                                                                    |
|                                                                                         | 8.                                                                       | Any other financial item(s) (as felt appropriate by the management)                                                                                                                                                                                                                                                                                                                                                                                                                                                           | -                                                                          |                                                                                      |
| II.                                                                                     | <b><u>Audit Qualification (each audit qualification separately):</u></b> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                                            |                                                                                      |
|                                                                                         | a.                                                                       | <b>Details of Audit Qualification:</b><br><br>Attention is drawn to the Note No. 2, as reported by the auditor of unit Kamalapuram, the financial statements of Unit Kamalapuram have been prepared on a going concern basis for the reasons stated in the said note. The Financial Statements do not include any adjustments relating to the recoverability and classification of the recorded asset accounts and classification of liabilities that may be necessary if the Units is unable to continue as a going concern. |                                                                            |                                                                                      |
|                                                                                         | b.                                                                       | <b>Type of Audit Qualification :</b> Qualified Opinion                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                                            |                                                                                      |
|                                                                                         | c.                                                                       | <b>Frequency of qualification:</b> Repetitive since previous financial year.                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                                                                            |                                                                                      |
|                                                                                         | d.                                                                       | <b>For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:</b> N.A.                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                            |                                                                                      |
|                                                                                         | e.                                                                       | <b>For Audit Qualification(s) where the impact is not quantified by the auditor:</b>                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                                            |                                                                                      |
|                                                                                         | (i) Management's estimation on the impact of audit qualification: N. A.  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                                            |                                                                                      |

|      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|      | <p><b>(ii) If management is unable to estimate the impact, reasons for the same:</b></p> <p>The impact of qualification in the Auditors' Report on the financial statements of the Company is at present not ascertainable as the company has represented to and accordingly has received concession in electricity duty and VAT from Telangana Government as incentive to restart the operations at the Unit Kamalapuram. The Company has now represented to Andhra Pradesh Government to give concessions on similar lines so that the manufacturing activity can be recommenced at the said Unit.</p> |
|      | <p><b>(iii) Auditors' Comments on (i) or (ii) above:</b></p> <p>Above comment is self-explanatory and also suitably explained in Note no. 2 of financial result and does not require additional comments.</p>                                                                                                                                                                                                                                                                                                                                                                                            |
| III. | <p><b><u>Signatories:</u></b></p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|      | <p>A.S. Dulat<br/>Audit Committee Chairman</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|      | <p>B. Hariharan<br/>Group Director Finance</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|      | <p>Neehar Aggarwal<br/>Chief Executive Officer</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|      | <p>Ashwin Mankeshwar<br/>Partner (Membership No.046219)<br/>For and on behalf of<br/>K. K. Mankeswar &amp; Co.<br/>Chartered Accountants<br/>FRN- 106009W<br/>(Statutory Auditors)</p>                                                                                                                                                                                                                                           |
|      | <p>Place: New Delhi</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|      | <p>Date: 30th May, 2016</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |