Corp. Secretarial Deptt.

ISO 9001 BUREAU VERITAS Certification

22nd May, 2018

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

Sub: Outcome of Board Meeting.

Dear Sir,

This is to inform you that the Board of Directors of the Company in its meeting held today has approved the Audited Financial Results (Standalone and Consolidated) of the Company for the quarter and year ended 31st March, 2018, which is enclosed for your information.

The meeting of Board of Directors of the Company commenced at 2:30 p.m. and concluded at 10:40 p.m.

We request you to kindly take the information on record.

Thanking you,

Yours faithfully,
for **BALLARPUR INDUSTRIES LIMITED**

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

BALLARPUR INDUSTRIES LIMITED

STATEMENT OF CONSOLIDATED/STANDALONE AUDITED FINANCIAL RESULTS FOR THE QUARTER/YEAR ENDED 31ST MARCH 2018

Part I

(Rs. in Lacs)

Sl. No.	Particulars	Consolidated					Standalone				
		Quarter ended			Year ended		Quarter ended			Year ended	
		31.03.2018	31.12.2017	31.03.2017 *	31.03.2018	31.03.2017 *	31.03.2018	31.12.2017	31.03.2017 *	31.03.2018	31.03.2017 *
		Audited	Unaudited	Audited	Audited	Audited	Audited	Unaudited	Audited	Audited	Audited
	Income										
1	Revenue from Operations	72,823	69,932	37,926	250,469	212,560	10,840	8,231	8,249	30,326	22,386
2	Other Income	3,563	1,060	3,473	6,745	11,079	2,183	1,155	712	5,483	7,050
3	**Total income**	**76,386**	**70,992**	**41,399**	**257,214**	**223,639**	**13,023**	**9,386**	**8,961**	**35,809**	**29,436**
4	**Expenses**										
	(a) Cost of Material Consumed	38,297	37,589	22,705	130,751	107,198	4,060	3,248	1,516	12,059	6,829
	(b) Purchases of stock-in-trade	109	114	3,383	2,162	5,655	411	6	446	427	2,007
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-	(1,270)	737	(1,215)	(4,126)	20,820	579	(223)	(957)	(1,689)	2,638
	(d) Excise Duty	-	-	1,971	2,744	11,262	-	-	531	437	1,124
	(e) Employee benefits expense	5,612	5,734	6,602	22,730	26,315	1,247	1,779	1,300	6,670	7,502
	(f) Finance costs	(888)	31,430	29,017	91,559	89,924	4,855	6,177	4,868	24,434	15,319
	(g) Depreciation and amortisation expense	6,922	7,303	6,004	27,667	26,447	1,305	1,812	943	5,971	5,269
	(h) Other Expenditure										
	(i) Power and Fuel	10,946	10,456	6,238	37,582	24,705	3,698	3,642	2,700	11,649	6,343
	(ii) Store and Spares	1,523	1,365	524	5,018	3,350	195	195	198	639	418
	(iii) Other Expenditure	8,225	6,053	10,400	25,169	49,012	956	754	6,524	4,014	27,364
	Total expenses	**69,476**	**100,781**	**85,629**	**341,256**	**364,688**	**17,306**	**17,390**	**18,069**	**64,611**	**74,813**
5	**Profit/(loss) before Exceptional Items, tax (3-4)**	**6,910**	**(29,789)**	**(44,230)**	**(84,042)**	**(141,049)**	**(4,283)**	**(8,004)**	**(9,108)**	**(28,802)**	**(45,377)**

Sl. No.	Particulars	Quarter ended			Year ended		Quarter ended			Year ended	
		31.03.2018	31.12.2017	31.03.2017 *	31.03.2018	31.03.2017 *	31.03.2018	31.12.2017	31.03.2017 *	31.03.2018	31.03.2017 *
		Audited	Unaudited	Audited	Audited	Audited	Audited	Unaudited	Audited	Audited	Audited
6	Exceptional items	19,012	-	10,530	19,012	30,630	16,929	-	5,049	16,929	25,149
7	**Profit/(loss) before tax (5-6)**	**(12,102)**	**(29,789)**	**(54,760)**	**(103,054)**	**(171,679)**	**(21,212)**	**(8,004)**	**(14,157)**	**(45,731)**	**(70,526)**
8	Tax Expense										
	Current Tax	-	13	-	12	-	-	-	-	-	-
	Deferred Tax	(16,657)	2	(1,489)	(16,655)	(13,541)	(14,622)	-	-	(14,622)	(2,542)
9	**Profit/(loss) for the period from**	**4,555**	**(29,804)**	**(53,271)**	**(86,411)**	**(158,138)**	**(6,590)**	**(8,004)**	**(14,157)**	**(31,109)**	**(67,984)**
10	Profit/ (loss) from discontinued	(93,505)	(6,592)	(1,413)	(117,149)	(31,687)	-	-	-	-	-
11	Tax expense on discontinued operation	-	-	17,287	-	17,287	-	-	-	-	-
12	**Profit/ (loss) from discontinued operation after tax (10-11)**	**(93,505)**	**(6,592)**	**(18,700)**	**(117,149)**	**(48,974)**	**-**	**-**	**-**	**-**	**-**
13	**Profit/(loss) for the period (9+12)**	**(88,950)**	**(36,396)**	**(71,971)**	**(203,560)**	**(207,112)**	**(6,590)**	**(8,004)**	**(14,157)**	**(31,109)**	**(67,984)**
14	Other Comprehensive income										
	(i) Items that will not be reclassified to profit or loss	(3,850)	5	30	(3,741)	137	(527)	5	1	(491)	4
	(ii) Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-	-	-	-	-	-
	(iii) Items that will be reclassified to profit or loss	2,083	1,817	-	8,934	-	-	-	-	-	-
	(iv) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	-	-	-	-	-
	Other Comprehensive income	**(1,767)**	**1,822**	**30**	**5,193**	**137**	**(527)**	**5**	**1**	**(491)**	**4**
	Total Comprehensive income for the period (13+14)	**(90,717)**	**(34,574)**	**(71,941)**	**(198,367)**	**(206,975)**	**(7,117)**	**(7,999)**	**(14,156)**	**(31,600)**	**(67,980)**
15	Net Profit attributable to										
	a) Owners of the Company	**(56,899)**	**(26,299)**	**(51,045)**	**(139,495)**	**(157,109)**	**(6,590)**	**(8,004)**	**(14,157)**	**(31,109)**	**(67,984)**
	b) Non - Controlling interest	(32,051)	(10,097)	(20,926)	(64,065)	(50,003)	-	-	-	-	-
16	Other Comprehensive income										
	a) Owners of the Company	**(847)**	**2,534**	**30**	**3,041**	**137**	**(527)**	**5**	**1**	**(491)**	**4**
	b) Non - Controlling interest	(920)	(712)	-	2,152	-	-	-	-	-	-
17	Total Comprehensive income attributable to										
	a) Owners of the Company	**(57,746)**	**(23,765)**	**(51,015)**	**(136,454)**	**(156,972)**	**(7,117)**	**(7,999)**	**(14,156)**	**(31,600)**	**(67,980)**
	b) Non - Controlling interest	**(32,971)**	**(10,809)**	**(20,926)**	**(61,913)**	**(50,003)**	-	-	-	-	-
18	Paid-Up Equity Share Capital (Face Value of Rs. 2 each)				**25,871**	13,112				**25,871**	13,112
19	Reserve excluding Revaluation Reserve				**5,576**	(20,602)				**52,576**	(4,050)
20	Earnings per equity share (for continuing operation):										
	(a)Basic	**(0.00)**	**(1.72)**	**(6.05)**	**(6.24)**	**(19.41)**	**(0.51)**	**(0.62)**	**(2.16)**	**(2.85)**	**(10.37)**
	(b) Diluted	**(0.00)**	**(1.72)**	**(6.05)**	**(6.24)**	**(19.41)**	**(0.51)**	**(0.62)**	**(2.16)**	**(2.85)**	**(10.37)**
21	Earnings per equity share (for discontinuing operation):										
	(a)Basic	**(4.40)**	**(0.31)**	**(1.74)**	**(6.53)**	**(4.56)**					
	(b) Diluted	**(4.40)**	**(0.31)**	**(1.74)**	**(6.53)**	**(4.56)**					
22	Earnings per equity share										
	(a)Basic	**(4.40)**	**(2.03)**	**(7.79)**	**(12.77)**	**(23.97)**	**(0.51)**	**(0.62)**	**(2.16)**	**(2.85)**	**(10.37)**
	(b) Diluted	**(4.40)**	**(2.03)**	**(7.79)**	**(12.77)**	**(23.97)**	**(0.51)**	**(0.62)**	**(2.16)**	**(2.85)**	**(10.37)**

* Restated

CONSOLIDATED/STANDALONE SEGEMENT-WISE REVENUE, RESULTS, ASSETS AND LIABILITIES FOR THE QUARTER/YEAR ENDED 31ST MARCH, 2018

Rs in Lacs

Sl. No.	Particulars	Consolidated					Standalone				
		Quarter ended			Year ended		Quarter ended			Year ended	
		31.03.2018	31.12.2017	31.03.2017	31.03.2018	31.03.2017	31.03.2018	31.12.2017	31.03.2017	31.03.2018	31.03.2017
		Audited	Unaudited	Audited	Audited	Audited	Audited	Unaudited	Audited	Audited	Audited
1	**Segment Revenues**										
	(a) Uncoated Paper	**47,815**	**46,507**	**33,369**	**169,642**	**120,941**	**10,840**	**8,231**	**8,249**	**30,326**	**22,271**
	(b) Coated Paper	23,591	21,830	2,884	74,443	83,848	-	-	-	-	-
	(c) Others	1,417	1,595	3,451	7,928	13,567	-	-	-	-	115
	Total	**72,823**	**69,932**	**39,704**	**252,013**	**218,356**	**10,840**	**8,231**	**8,249**	**30,326**	**22,386**
	Less: Inter Segment Revenue	**0**	-	**1,778**	**1,544**	**5,796**	-	-	-	-	-
	Revenue from Operation	**72,823**	**69,932**	**37,926**	**250,469**	**212,560**	**10,840**	**8,231**	**8,249**	**30,326**	**22,386**
2	**Segment Results ((Profit)(+)/ Loss (-) before Tax and Interest)**										
	(a) Uncoated Paper	**(11,729)**	**1,942**	**(17,381)**	**(7,797)**	**(51,700)**	**(15,405)**	**(855)**	**(4,850)**	**(17,682)**	**(24,889)**
	(b) Coated Paper	(253)	735	(3,785)	183	801	-	-	-	-	-
	(c) Others	(1,008)	(1,036)	(4,577)	(3,881)	(30,547)	(952)	(972)	(4,439)	(3,615)	(30,009)
	Total	(12,990)	1,641	(25,743)	(11,495)	(81,446)	(16,357)	(1,827)	(9,289)	(21,297)	(54,898)
	Less: i) Interest	**(888)**	**31,430**	**29,017**	**91,559**	**89,924**	**4,855**	**6,177**	**4,868**	**24,434**	**15,319**
	ii) Other un-allocable expenditure net of un-allocable income	-	-	-	-	309	-	-	-	-	309
	Total Profit Before Tax	**(12,102)**	**(29,789)**	**(54,760)**	**(103,054)**	**(171,679)**	**(21,212)**	**(8,004)**	**(14,157)**	**(45,731)**	**(70,526)**
	(Based on reasonable estimates)										
		Consolidated					Standalone				
		As on 31.03.2018	As on 31.12.2017	As on 31.03.2017	As on 31.03.2018	As on 31.03.2017	As on 31.03.2018	As on 31.12.2017	As on 31.03.2017	As on 31.03.2018	As on 31.03.2017
3	**Segment Assets**										
	(a) Uncoated Paper	800,365	1,002,307	972,788	800,365	972,788	262,474	296,647	330,244	262,474	330,244
	(b) Coated Paper	274,844	274,697	267,824	274,844	267,824	-	-	-	-	-
	(c) Others	76,507	71,781	66,771	76,507	66,771	148,252	137,409	135,379	148,252	135,379
	Total Segment Assets	**1,151,716**	**1,348,785**	**1,307,383**	**1,151,716**	**1,307,383**	**410,726**	**434,056**	**465,623**	**410,726**	**465,623**
4	**Segment Liabilities**										
	(a) Uncoated Paper	251,236	284,798	298,217	251,236	298,217	155,072	45,100	192,553	155,072	192,553
	(b) Coated Paper	23,383	20,685	24,251	23,383	24,251	-	-	-	-	-
	(c) Others	24,672	10,756	8,102	24,672	8,102	8,134	16,353	12,671	8,134	12,671
	Total Segment Liabilities	**299,291**	**316,239**	**330,570**	**299,291**	**330,570**	**163,206**	**61,453**	**205,224**	**163,206**	**205,224**

BALLARPUR INDUSTRIES LIMITED

STATEMENT OF ASSETS AND LIABILITIES

₹ in Lacs

	Particulars	Consolidated			Standalone		
		As at 31.03.2018	As at 31.03.2017 *	As at 31.03.2016 *	As at 31.03.2018	As at 31.03.2017 *	As at 31.03.2016 *
A	**ASSETS**	Audited	Audited	Audited	Audited	Audited	Audited
1	**Non Current Assets**						
(a)	Property ,Plant and equipment	750,426	779,320	1,026,266	258,693	233,538	258,319
(b)	Capital Work-in-Progress	830	35,655	35,259	65	28,112	26,711
(c)	Other Intangible assets	4,354	6,581	7,854	2,170	3,351	4,978
(d)	Intangible assets under development	-	3,144	4,300	-	3,144	3,144
(e)	Biological Assets other than bearer plants	34	7	70,472	-	-	-
(f)	Financial assets						
	i) Investments	3	4,083	5,016	105,787	106,535	106,535
	ii) Loans	965	1,228	1,464	169	171	223
	iii) Others	4,074	3,816	3,839	-	-	-
(g)	Deferred Tax Asset (Net)	21,861	5,235	9,181	11,924	(2,698)	(5,240)
(h)	Other Non-Current Assets	8,911	16,030	21,803	15	28	29
	Total Non-Current Assests	791,458	855,099	1,185,454	378,823	372,181	394,699
2	**Current Assets**						
(a)	Inventories	35,052	54,910	153,952	5,371	32,468	28,478
(b)	Financial assets						
	i) Trade receivables	8,741	7,015	36,588	705	537	1,555
	ii) Cash and cash equivalents	12,970	10,917	24,242	930	253	5,627
	iii) Bank balances other than (ii) above	1,227	1,284	979	70	246	260
	iv) Loans	2,516	60,475	44,181	20,322	53,614	49,512
	v) Others	9,043	218	824	972	25	31
(c)	Current Tax Assets (Net)	-	806	9,964	-	-	-
(d)	Other Current Assets	54,492	57,100	43,761	3,533	6,299	6,359
	Total Current Assests	124,041	192,725	314,491	31,903	93,442	91,822
3	Assets associated with group of assets classified as held for sale and discontinued operations	236,217	259,559	-	-	-	-
	TOTAL ASSETS	**1,151,716**	**1,307,383**	**1,499,945**	**410,726**	**465,623**	**486,521**
B	**EQUITY AND LIABILITIES**						
1	**Equity**						
(a)	Equity Share Capital	25,871	13,112	13,112	25,871	13,112	13,112
(b)	Other Equity	5,576	(20,602)	166,211	52,576	(4,050)	62,053
(c)	Non-Controlling Interest	(13,652)	48,262	98,256	-	-	-
	Total Equity	17,795	40,772	277,579	78,447	9,062	75,165
2	**Non Current Liabilities**						
(a)	Financial Liabilities						
	i) Borrowings	479,539	351,076	413,724	-	75,209	90,774
	ii) Other financial liabilities	4,126	117,186	97,162	98,079	165,595	185,611
(b)	Provisions	7,800	9,025	8,925	2,750	1,701	1,963
(c)	Deferred Tax Liabilities (Net)	460	523	-	-	-	-
(d)	Other Non-Current Liabilities	21	22	23	-	-	-
	Total Non Current Liabilities	491,946	477,832	519,834	100,829	242,505	278,348
3	**Current Liabilities**						
(a)	Financial Liabilities						
	i) Borrowings	120,307	380,593	305,974	98,158	158,893	100,477
	i) Trade payables	105,702	79,005	250,383	19,603	13,437	12,526
	ii) Other financial liabilities	378,075	219,295	127,566	99,423	35,794	15,545
(b)	Other Current Liabilities	8,107	9,965	11,934	7,203	1,740	844
(c)	Provisions	7,808	4,335	5,264	1,358	773	2,206
(d)	Current Tax Liabilities (Net)	6,628	3,420	1,411	5,705	3,419	1,410
	Total Current Liabilities	626,627	696,613	702,532	231,450	214,056	133,008
4	Liabilities associated with group of assets classified as held for sale and discontinued operations	15,348	92,166	-	-	-	-
	TOTAL EQUITY AND LIABILITIES	**1,151,716**	**1,307,383**	**1,499,945**	**410,726**	**465,623**	**486,521**

* Restated

Notes for the Quarter/Year ended 31st March-2018

1. The above results have been reviewed by the Audit Committee in their meeting and approved by the Board of Directors in their meeting held on 22th May-2018 & have been audited by the Statutory auditors of the Company.
2. These results have been prepared in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other recognized accounting practices and policies to the extent applicable.
3. The management is not in a position to quantify the liability towards the put options due to the ongoing financial restructuring with lenders.
4. Exceptional items for the year ended March 31, 2018 include provisions made in relation to Inventories, write off of Loans & Advances, Other receivables & impairment of assets pertaining to Sabah Forest Industries Sdn. Bhd.,Malaysia and gain on implementation of MRA .(Previous year includes Impairment of assets).
5. During the year the BGPPL management had entered into an operation maintenance and management agreement to outsource the operations of the plant with an option to sell to the operator. The management is also considering the sale of the plant to a third party if they get a suitable buyer. This plan is also included in the the MRA with lenders. Accordingly, the results of the plant have been disclosed as discontinuing operations and the net assets are classified as assets held for sale.
6. During the year on completion of phase -1 of Strategic Debt Restructuring Scheme of the Reserve Bank of India by the Lenders, the Company had on 25th July 2017 allotted 63,79,31,917 Equity Shares of Rs.2/- each at Rs. 15.83 per equity share to its Lenders (consequent upon conversion of debt of Rs. 1,009.85 Crores into equity) ranking pari pasu in all respects with existing fully paid up equity of the Company, as approved by Members of the Company on 14th July 2017.
7. The Company has the following prior year adjustments which has been given effect to in the prior periods as per Ind AS
    a. The Company has evaluated the financial assets as per their Expected Credit Loss (ECL) policy under Ind AS 109 and identified certain financial assets on which the ECL provisioning were not made during transition to Ind AS. The impact of the same has been given to the comparative periods by restating the balances of the opening reserves i.e 1 April 2016 (Rs.924 crores). In 2016-17 Statement of Profit & Loss (Rs.209 crores) the adjustment has been given in Other Expenses, assets and Reserves have been adjusted to give effect to this restatement.
    b. The management has reviewed and recomputed the interest and borrowings cost using the effective interest rate method in accordance with Ind AS in the earlier periods. The effect of the same amounting to Rs.134.40 crores has been given in the opening reserves as on 1 April 2016 and in the corresponding liabilities.
8. Under the Master Restructuring Agreement (MRA) signed by the step down subsidiary, BILT Graphic Paper Products Ltd (BGPPL), BGPPL is entitled to the reliefs / Concessions granted by the majority lenders and has complied with all necessary conditions precedent in accordance with MRA. The quantum of impact on account of debt restructuring including conversion of loan into equity, compulsory redeemable preference shares & issuance of fresh equity is Rs 893 crores, and other gains is Rs 1,423 crores. However, IDBI bank, one of the non-assenting lenders have initiated CIRP against BGPPL under the provisions of the Insolvency and Bankruptcy Code, 2016. The Company have appealed to the Hon'ble High Court of Delhi and obtained an order to maintain status quo. Based on an opinion from the legal counsel and as assessed by the management, BGPPL has given effect to the MRA in financial statements for the year ended 31st March 2018 relating to reclassification of Debt, Interest Calculations, Concessions, relief, exceptional gains etc.
9. The Company has taken steps to reduce the financial burden by restructuring its financial liabilities as mentioned above and is in the process of further negotiating with the lenders for the second phase of restructuring as per its revival plan. The Company has also improved its operational efficiency during the current financial year and is actively considering new initiatives to improve the contribution from operations. The management also expects the improving market conditions to sustain in the near future. Considering the above, management is confident of the positive outcome of the above assumptions and developments and has accordingly prepared the financial results on a going concern.
10. Subsequent to the year end (31 March 2018) the Company has entered into a sale and purchase agreement for the sale of entire assets of SFI Malaysia for a purchase consideration of $310 mn, accordingly the net assets of SFI have been disclosed as assets held for sale at Net Realizable Value as on the reporting date and accordingly recorded an impairment loss of Rs. 690 crores.

11. During the year the Management has decided to change the Segmental disclosure based on the way management reviews the operating results of the Company. This is consequent to discontinuation of the Paper & Paper Products segment.

12. Revenue from operations for the quarter ended 31 March 2018 is net of Goods and Service Tax (GST). However sales included in revenue from operations till period ended 30 June 2017 and comparative periods is gross of excise duty.

13. The figures for the quarter ended 31st March, 2018 & March'2017 are the balancing figures in respect of full financial year and the published year to date figures up to third quarter of the respective financial year. Previous period figures have been regrouped/reclassified wherever necessary, to conform to this period's classification.

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

B. HARIHARAN
Group Director (Finance)

Place: New Delhi
Date: 22nd May, 2018

Independent Auditor's Report on Standalone Financial Results for the quarter and year ended 31 March 2018

To the Board of Directors of Ballarpur Industries Limited

1. We have audited the accompanying statement of standalone financial results of **Ballarpur Industries Limited** ('the Company'), for the quarter and year ended 31 March 2018 ('the Statement'), being submitted by the Company pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation, 2015 (referred to as 'SEBI Regulation 2015') as modified by circular no. CIR/CFD/FAC/62/2016 dated 5 July 2016.

2. This Statement, which is the responsibility of the Company's management has been approved by the Board of Directors on 22 May 2018. The Statement has been prepared on the basis of related standalone Ind AS financial statements which is in accordance with the recognition and measurement principles laid down in Indian Accounting Standards ('Ind AS') prescribed under section 133 of the Companies Act, 2013 ('the Act') read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Statement based on our audit of such standalone Ind AS financial statements.

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement.

   An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation and presentation of the Statement in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the Statement.

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

Parsn Manere, A-Wing, 602, Anna Salai, Chennai 600 006, India.
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Email : chennai@sharpandtannan.com

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

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

   a) is presented in accordance with the requirements of the Regulation 33 of SEBI Regulation, 2015; and

   b) gives true and fair view of the financial performance including other comprehensive income and other financial information of the Company for the quarter and year ended 31 March 2018.

6. We draw attention to Note 9 of the Statement which contains conditions along with other matters that indicate existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. The management is confident that the Company will be able to continue as a going concern.

7. The comparative standalone information of the Company for the quarter and year ended 31 March 2017, included in the Statement, were audited by the predecessor auditor and they have expressed a modified opinion on the same.

8. We have audited the adjustments as described in Note no. 7(a) to restate the financial information as of 1 April 2016 and 2016-17. In our opinion, such adjustments are appropriate and have been properly applied. We further state that we were not engaged to audit or apply any procedures to the standalone financial statements of the Company for the year ended 31 March 2017 and periods prior to that date other than with respect to the aforesaid adjustments and, accordingly, we do not express an opinion or any other form of assurance on the aforementioned financial statements.

9. The figures in the statement for the quarter ended 31 March 2018 represents the derived figures between the audited figures in respect of the financial year ended 31 March 2018 and the year-to-date figures up to 31 December 2017, which were subjected to a limited review by us.

Our opinion is not modified in respect of the matters described in Para 7 to 9 above.

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

V. Viswanathan
Partner
Membership No. 215565

Place: New Delhi
Date : 22 May 2018

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, 2018 [*See* Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]				
I.	Si. 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.	Audit Qualification (each audit qualification separately):			
	a.	**Details of Audit Qualification:** We draw reference to Note 3 to the Statement, which the management is unable to quantify, regarding liability with respect to the outstanding Put Option which forms basis for our qualified opinion. Accordingly, we are unable to quantify the impact.		
	b.	**Type of Audit qualification:** Qualified Opinion		
	c.	**Frequency of qualification:** Since 2016-17		
	d.	**For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:** N.A.		
	e.	**For Audit Qualification(s) where the impact is not quantified by the auditor:**		
		(i) Management's estimation on the impact of audit qualification: N. A.		
		(ii) If management is unable to estimate the impact, reasons for the same: The impact of qualification in the Auditors' Report on the financial statements of the Company is at present not ascertainable in view of on-going discussions with lenders.		
		(ii) Auditors' Comments on (i) or (ii) above: **Quantification is not possible at present, based on the information and explanation provided by the management.**		

III.	**Signatories:**	
	A.S. Dulat Audit Committee Chairman	
	B. Hariharan Group Director (Finance)	
	Neehar Aggarwal Chief Executive Officer	
	for **SHARP & TANNAN** Chartered Accountants (Firm's Registration No. 003792S) V. Viswanathan Partner Membership No. 215565	SHARP & TANNAN ★ CHARTERED ACCOUNTANTS ★ 602, ANNA SALAI, CHENNAI-600 002
	Place: New Delhi	
	Date: 22nd May 2018	

Independent Auditor's Report on Consolidated Financial Results for the quarter and year ended 31 March 2018

To the Board of Directors of Ballarpur Industries Limited

1. We have audited the accompanying statement of consolidated financial results of **Ballarpur Industries Limited** ('the Company' or 'the Holding Company') and its subsidiaries as mentioned in Annexure A (the Holding Company and its subsidiaries together referred to as 'the Group'), for the quarter and year ended 31 March 2018 ('the Statement'), being submitted by the Company pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation, 2015 (referred to as 'SEBI Regulation 2015') as modified by circular no. CIR/CFD/FAC/62/2016 dated 5 July 2016.

2. This Statement, which is the responsibility of the Company's management has been approved by the board of directors on 22 May 2018. The Statement has been prepared on the basis of related consolidated Ind AS financial statements which is in accordance with the recognition and measurement principles laid down in Indian Accounting Standards ('Ind AS') prescribed under section 133 of the Companies Act, 2013 ('the Act') read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Statement based on our audit of such consolidated Ind AS financial statements.

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement.

   An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation and presentation of the Statement in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the management, as well as evaluating the overall presentation of the Statement.

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

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Tel. : +91-44-2827 4368, 2822 8386, 2822 9534 • Fax : +91-44-2826 6858
Email : chennai@sharpandtannan.com

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

5. *We draw attention to Note 8 of the Statement wherein one of the subsidiaries (BILT Graphic Paper Products Limited) consolidated in the accompanying Statement has entered into a Master Restructuring Arrangement (MRA) with its lenders. One of the non-assenting lenders have issued a Corporate Insolvency and Resolution Process Notice (CIRP notice) under Insolvency and Bankruptcy Code, 2016 and matter is pending at Hon'ble High Court of Delhi. We are not in a position to comment on the appropriateness of giving effect to the MRA when the matter is subjudice. The impact of accounting the MRA has been stated in the aforementioned note.*

6. In our opinion and to the best of our information and according to the explanations given to us, *except for the effects / possible effects of matter described in the Basis for qualified opinion paragraph (Paragraph 4 and 5 above)*, the Statement:
   a) is presented in accordance with the requirements of the Regulation 33 of SEBI Regulation, 2015; and
   b) gives true and fair view of the financial performance including other comprehensive income and other financial information of the Group for the quarter and year ended 31 March 2018.

7. We draw attention to
   a) Note 9 of the Statement which contains conditions along with other matters that indicate existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. The management is confident that the Company will be able to continue as a going concern.
   b) Auditors of seven subsidiaries have also included emphasis of matter with respect to going concern of respective subsidiaries in their audit reports for the year ended 31 March 2018.

   Our opinion is not modified in respect of this matter.

8.
   a) We did not audit the financial statements of six subsidiaries (one domestic subsidiary and five foreign subsidiaries), included in the consolidated Ind AS financial results, whose financial statements reflect total assets of Rs. 1,103,381 lakhs and net assets of Rs. 602,213 lakhs as at 31 March 2018; as well as total revenue of Rs. 22,550 lakhs for the year ended 31 March 2018 respectively and net cashflow of Rs. 1,994 lakhs for the year ended 31 March 2018 respectively, as considered in the consolidated financial results. These amounts include total net assets of Rs. 32,311 lakhs; as well as results of discontinuing operations of Rs. 93,819 lakhs for the year ended 31 March 2018,

pertaining to one foreign subsidiary reported as discontinuing operations in the consolidated Ind AS financial statements. For the abovementioned foreign subsidiaries, the financial statements and other financial information have been prepared by the Holding Company's management in accordance with accounting policies followed by the Holding Company. These financial statements have been audited by other auditor whose reports have been furnished to us by the Holding Company's management, and our opinion on the accompanying Statement, to the extent they have been derived from such financial statements is based solely on the report of the other auditor.

b) We did not audit the financial statements of one foreign subsidiary, whose financial statements reflect total assets of Rs. 265 lakhs and net assets of Rs. 141 lakhs as at 31 March 2018, as well as total revenues of Rs. Nil and Rs. Nil for the quarter and year ended 31 March 2018 respectively and net cash flow of Rs.4 lakhs for the year ended on that date, as considered in the consolidated financial results. These financial statements are certified by the management and have been furnished to us by the Holding Company's management and our opinion on the consolidated financial results, in so far as it relates to the amounts included in respect of this subsidiary, is based solely on such financial statements certified by the management. In our opinion and according to the information and explanations given to us by management, these financial statements are not material to the Group.

Our opinion above on the Statement is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by management.

9. We have audited the adjustments as described in Note no. 7 to restate the financial information as of 1 April 2016 and 2016-17. In our opinion, such adjustments are appropriate and have been properly applied. We further state that we were not engaged to audit or apply any procedures to the consolidated financial statements of the Company for the year ended 31 March 2017 and periods prior to that date other than with respect to the aforesaid adjustments and, accordingly, we do not express an opinion or any other form of assurance on the aforementioned financial statements.

10. The comparative consolidated information of the Group for the quarter and year ended 31 March 2017, included in the Statement, were audited by the predecessor auditor, and they have expressed a modified opinion on the same.

11. The figures in the statement for the quarter ended 31 March 2018 represents the derived figures between the audited figures in respect of the financial year ended 31 March 2018 and the year-to-date figures up to 31 December 2017, which were subjected to a limited review by us.

Our opinion is not modified in respect of the matters described in Para 9 to 11 above.

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

V. Viswanathan
Partner
Membership No. 215565

Place: New Delhi
Date : 22 May 2018

Annexure A to the Independent Auditor's Report on Consolidated Financial Results of Ballarpur Industries Limited for the quarter and year ended 31 March 2018

The Statement includes results of the entities listed below:

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

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, 2018

[*See* Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]

I.	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications) (Rs. Lakhs)	Adjusted Figures (audited figures after adjusting for qualifications) (Rs. Lakhs)
	1.	Turnover / Total income	257,469	257,469
	2.	Total Expenditure (including exceptional item)	360,268	502,568
	3.	Net Profit/(Loss)	(203,560)	(345,860)
	4.	Earnings Per Share	(12.77)	(25.79)
	5.	Total Assets	1,151,716	1,151,716
	6.	Total Liabilities	1,133,921	1,223,221
	7.	Net Worth	17,795	(71,505)
	8.	Any other financial item(s) (as felt appropriate by the management)	-	-

II. Audit Qualification (each audit qualification separately):

Qualification 1

a. Details of Audit Qualification:

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

b. Type of Audit qualification: Qualified Opinion

c. Frequency of qualification: Since 2016-17.

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

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

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

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

The impact of qualification in the Auditors' Report on the financial statements of the Company is at present not ascertainable in view of on-going discussions with

	(ii) Auditors' Comments on (i) or (ii) above: **Quantification is not possible at present, based on the information and explanation provided by the management.**
	Qualification 2
	a. **Details of Audit Qualification:** We draw attention to Note 8 of the Statement wherein one of the subsidiaries (BILT Graphic Paper Products Limited) consolidated in the accompanying Statement has entered into a Master Restructuring Arrangement (MRA) with its lenders. One of the non-assenting lenders have issued a Corporate Insolvency and Resolution Process Notice (CIRP notice) under Insolvency and Bankruptcy Code, 2016 and matter is pending at Hon'ble High Court of Delhi. We are not in a position to comment on the appropriateness of giving effect to the MRA when the matter is subjudice. The impact of accounting the MRA has been stated in the aforementioned note.
	b. **Type of Audit qualification:** Qualified Opinion
	c. **Frequency of qualification:** First time during the financial year under report.
	d. **For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:** Under the Master Restructuring Agreement (MRA) signed by the step down subsidiary, BILT Graphic Paper Products Ltd (BGPPL), BGPPL is entitled to the reliefs / Concessions granted by the majority lenders and has complied with all necessary conditions precedent in accordance with MRA. The quantum of impact on account of debt restructuring including conversion of loan into equity, compulsory redeemable preference shares & issuance of fresh equity is Rs 893 crores, and other gains is Rs 1,423 crores. However, IDBI bank, one of the non-assenting lenders have initiated CIRP against BGPPL under the provisions of the Insolvency and Bankruptcy Code, 2016. The Company have appealed to the Hon'ble High Court of Delhi and obtained an order to maintain status quo. Based on an opinion from the legal counsel and as assessed by the management, BGPPL has given effect to the MRA in financial statements for the year ended 31st March 2018 relating to reclassification of Debt, Interest Calculations, Concessions, relief, exceptional gains etc.
	f. **For Audit Qualification(s) where the impact is not quantified by the auditor:**
	(iii) Management's estimation on the impact of audit qualification: N. A.
	(ii) If management is unable to estimate the impact, reasons for the same: N.A.
	(iv) Auditors' Comments on (i) or (ii) above: N.A.

III.	**Signatories:**	
	A.S. Dulat Audit Committee Chairman	
	B. Hariharan Group Director (Finance)	
	Neehar Aggarwal Chief Executive Officer	
	for **SHARP & TANNAN** Chartered Accountants (Firm's Registration No. 003792S) V. Viswanathan Partner Membership No. 215565	SHARP & TANNAN CHARTERED ACCOUNTANTS 602, ANNA SALAI, CHENNAI-600 002
	Place: New Delhi	
	Date: 22nd May 2018	