



29th October, 2018

The Secretary The National Stock Exchange of India Ltd. Exchange Plaza, 5 th Floor Plot No. C/1, G Block Bandra - Kurla Complex, Bandra (E) MUMBAI - 400 051	Department of Corporate Services BSE Limited 1 st Floor, New Trading Ring, Rotunda Building P J Towers, Dalal Street, Fort, MUMBAI – 400 001
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Sub: Unaudited Financial Results of the Company for the quarter and half year ended 30th September, 2018.

Dear Sir,

Pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors of the Company at its meeting held today have approved the Unaudited Financial Results (Standalone and Consolidated) of the Company for the quarter and half year ended 30th September, 2018. A copy of the said results is enclosed for your information.

The said results have been reviewed by the Statutory Auditors of the Company and Limited Review Report of Statutory Auditors on the said results is also enclosed herewith. The meeting of Board of Directors of the Company commenced at 2:30 p.m. and concluded at 5:30 p.m.

You are requested to take the information on record.

Thanking you,

Yours faithfully,
for **BALLARPUR INDUSTRIES LIMITED**

AKHIL MAHAJAN
CHIEF GENERAL MANAGER & COMPANY SECRETARY

Encl: as above



BALLARPUR INDUSTRIES LIMITED
STATEMENT OF CONSOLIDATED/STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER/HALF YEAR ENDED 30TH SEPTEMBER 2018

Part I

(Rs. in Lacs)

Sl. No.	Particulars	Consolidated						Standalone					
		Quarter ended			Half Year ended		Year Ended	Quarter ended			Half Year ended		Year Ended
		30.09.2018	30.06.2018	30.09.2017	30.09.2018	30.09.2017	31.03.2018	30.09.2018	30.06.2018	30.09.2017	30.09.2018	30.09.2017	31.03.2018
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
	Income												
1	Revenue from Operations	93,673	82,443	58,595	176,116	108,220	250,469	11,215	10,476	4,094	21,691	11,324	30,326
2	Other Income	2,389	1,948	1,077	4,337	2,122	6,745	4,587	1,197	1,354	5,784	2,145	5,483
3	Total income	96,062	84,391	59,672	180,453	110,342	257,214	15,802	11,673	5,448	27,475	13,469	35,809
4	Expenses												
	(a) Cost of Material Consumed	51,738	45,470	34,154	97,208	57,753	130,751	4,568	4,065	1,201	8,633	2,522	12,059
	(b) Purchases of stock-in-trade	138	132	402	270	1,938	2,162	-	-	(3)	-	10	427
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(1,444)	197	(625)	(1,247)	(6,482)	(4,126)	1,023	32	970	1,055	184	(1,689)
	(d) Excise Duty	-	-	-	-	2,744	2,744	-	-	-	-	437	437
	(e) Employee benefits expense	6,990	6,095	6,380	13,085	12,265	22,730	1,662	1,677	1,642	3,339	3,645	6,670
	(f) Finance costs	21,556	18,194	29,508	39,750	61,017	91,559	5,675	5,249	6,768	10,924	13,403	24,434
	(g) Depreciation and amortisation expense	6,520	7,079	6,762	13,599	13,444	27,667	1,604	1,586	1,542	3,190	2,854	5,971
	(h) Other Expenditure												
	(i) Power and Fuel	12,800	11,060	8,848	23,860	16,180	37,582	3,875	3,604	1,976	7,479	4,310	11,649
	(ii) Store and Spares	1,528	1,796	1,116	3,324	2,130	5,018	277	278	80	555	249	639
	(iii) Other Expenditure	7,886	6,482	4,710	14,368	10,517	25,169	1,281	792	1,140	2,073	2,372	4,014
	Total expenses	107,712	96,505	91,255	204,217	171,506	341,256	19,965	17,283	15,316	37,248	29,986	64,611
5	Profit/(loss) before Exceptional Items, tax and Discontinued Operations(3-4)	(11,650)	(12,114)	(31,583)	(23,764)	(61,164)	(84,042)	(4,163)	(5,610)	(9,868)	(9,773)	(16,517)	(28,802)

Sl. No.	Particulars	Quarter ended			Half Year ended		Year Ended	Quarter ended			Half Year ended		Year Ended
		30.09.2018	30.06.2018	30.09.2017	30.09.2018	30.09.2017	31.03.2018	30.09.2018	30.06.2018	30.09.2017	30.09.2018	30.09.2017	31.03.2018
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
6	Exceptional items	-	-	-	-	-	19,012	-	-	-	-	-	16,929
7	Profit/(loss) before tax (5-6)	(11,650)	(12,114)	(31,583)	(23,764)	(61,164)	(103,054)	(4,163)	(5,610)	(9,868)	(9,773)	(16,517)	(45,731)
8	Tax Expense	-	-	-	-	-	12	-	-	-	-	-	-
	Current Tax	-	-	-	-	-	-	-	-	-	-	-	-
	Deferred Tax	1,146	1,130	-	2,276	-	(16,655)	-	-	-	-	-	(14,622)
9	Profit/(loss) for the period from continuing operations (7-8)	(12,796)	(13,244)	(31,583)	(26,040)	(61,164)	(86,411)	(4,163)	(5,610)	(9,868)	(9,773)	(16,517)	(31,109)
10	Profit/ (loss) from discontinued operation before tax	(6,646)	(7,128)	(8,875)	(13,774)	(17,052)	(117,149)	-	-	-	-	-	-
11	Tax expense on discontinued operation	-	-	-	-	-	-	-	-	-	-	-	-
12	Profit/ (loss) from discontinued operation after tax (10-11)	(6,646)	(7,128)	(8,875)	(13,774)	(17,052)	(117,149)	-	-	-	-	-	-
13	Profit/(loss) for the period (9+12)	(19,442)	(20,372)	(40,458)	(39,814)	(78,216)	(203,560)	(4,163)	(5,610)	(9,868)	(9,773)	(16,517)	(31,109)
14	Other Comprehensive income	-	-	-	-	-	-	-	-	-	-	-	-
	(i) Items that will not be reclassified to profit or loss	29	325	46	354	105	(3,741)	4	35	19	39	31	(491)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-	-	-	-	-	-	-	-
	(iii) Items that will be reclassified to profit or loss	(11,123)	(13,002)	2,476	(24,125)	5,033	8,934	-	-	-	-	-	-
	(iv) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	-	-	-	-	-	-	-
	Other Comprehensive income	(11,094)	(12,677)	2,522	(23,771)	5,138	5,193	4	35	19	39	31	(491)
	Total Comprehensive income for the period (13+14)	(30,536)	(33,049)	(37,936)	(63,585)	(73,078)	(198,367)	(4,159)	(5,575)	(9,849)	(9,734)	(16,486)	(31,600)
15	Net Profit attributable to	-	-	-	-	-	-	-	-	-	-	-	-
	a) Owners of the Company	(14,264)	(15,020)	(29,367)	(29,284)	(56,299)	(139,495)	(4,163)	(5,610)	(9,868)	(9,773)	(16,517)	(31,109)
	b) Non - Controlling interest	(5,178)	(5,352)	(11,091)	(10,530)	(21,917)	(64,065)	-	-	-	-	-	-
16	Other Comprehensive income	-	-	-	-	-	-	-	-	-	-	-	-
	a) Owners of the Company	(9,340)	(9,932)	(241)	(19,272)	1,354	3,041	4	35	19	39	31	(491)
	b) Non - Controlling interest	(1,754)	(2,745)	2,763	(4,499)	3,784	2,152	-	-	-	-	-	-
17	Total Comprehensive income attributable to	-	-	-	-	-	-	-	-	-	-	-	-
	a) Owners of the Company	(23,604)	(24,952)	(29,608)	(48,556)	(54,945)	(136,454)	(4,159)	(5,575)	(9,849)	(9,734)	(16,486)	(31,600)
	b) Non - Controlling interest	(6,932)	(8,097)	(8,328)	(15,029)	(18,133)	(61,913)	-	-	-	-	-	-
18	Paid-Up Equity Share Capital (Face Value of Rs. 2 each)	-	-	-	-	-	25,871	-	-	-	-	-	25,871
19	Reserve excluding Revaluation Reserve	-	-	-	-	-	5,576	-	-	-	-	-	52,576
20	Earnings per equity share (for continuing operation):	-	-	-	-	-	-	-	-	-	-	-	-
	(a)Basic	(0.79)	(0.83)	(2.12)	(1.61)	(5.14)	(6.24)	(0.32)	(0.43)	(0.88)	(0.76)	(1.85)	(2.85)
	(b) Diluted	(0.79)	(0.83)	(2.12)	(1.61)	(5.14)	(6.24)	(0.32)	(0.43)	(0.88)	(0.76)	(1.85)	(2.85)
21	Earnings per equity share (for discontinuing operation):	-	-	-	-	-	-	-	-	-	-	-	-
	(a)Basic	(0.31)	(0.33)	(0.49)	(0.65)	(1.17)	(6.53)	-	-	-	-	-	-
	(b) Diluted	(0.31)	(0.33)	(0.49)	(0.65)	(1.17)	(6.53)	-	-	-	-	-	-
22	Earnings per equity share	-	-	-	-	-	-	-	-	-	-	-	-
	(a)Basic	(1.10)	(1.16)	(2.61)	(2.26)	(6.31)	(12.77)	(0.32)	(0.43)	(0.88)	(0.76)	(1.85)	(2.85)
	(b) Diluted	(1.10)	(1.16)	(2.61)	(2.26)	(6.31)	(12.77)	(0.32)	(0.43)	(0.88)	(0.76)	(1.85)	(2.85)

CONSOLIDATED/STANDALONE SEGMENT-WISE REVENUE, RESULTS, ASSETS AND LIABILITIES FOR THE QUARTER/ HALF YEAR ENDED 30TH SEPTEMBER , 2018

Sl. No.	Particulars	Consolidated						Standalone						Rs in Lacs
		Quarter ended			Half Year ended		Year Ended	Quarter ended			Half Year ended		Year Ended	
		30.09.2018	30.06.2018	30.09.2017	30.09.2018	30.09.2017	31.03.2018	30.09.2018	30.06.2018	30.09.2017	30.09.2018	30.09.2017	31.03.2018	
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited	
1	Segment Revenues													
	(a) Uncoated Paper	51,966	47,241	37,305	99,207	75,826	169,642	11,215	10,476	4,094	21,691	11,324	30,326	
	(b) Coated Paper	39,856	33,720	19,162	73,576	29,021	74,443	-	-	-	-	-	-	
	(c) Others	1,851	1,509	2,389	3,360	4,916	7,928	-	0	-	0	-	-	
	Total	93,673	82,470	58,856	176,143	109,763	252,013	11,215	10,476	4,094	21,691	11,324	30,326	
	Less: Inter Segment Revenue	-	27	261	27	1,543	1,544	-	-	-	-	-	-	
	Revenue from Operation	93,673	82,443	58,595	176,116	108,220	250,469	11,215	10,476	4,094	21,691	11,324	30,326	
2	Segment Results ((Profit)(+)/ Loss (-) before Tax and Interest)													
	(a) Uncoated Paper	6,334	6,097	(1,938)	12,431	1,989	11,038	2,379	469	(2,442)	2,848	(1,423)	(753)	
	(b) Coated Paper	4,514	873	611	5,387	(299)	183	-	-	-	-	-	-	
	(c) Others	(942)	(890)	(748)	(1,832)	(1,837)	(3,704)	(867)	(830)	(658)	(1,697)	(1,691)	(3,615)	
	Total	9,906	6,080	(2,075)	15,986	(147)	7,517	1,512	(361)	(3,100)	1,151	(3,114)	(4,368)	
	Less: i) Interest	21,556	18,194	29,508	39,750	61,017	91,559	5,675	5,249	6,768	10,924	13,403	24,434	
	ii) Other un-allocable expenditure net of un-allocable income	-	-	-	-	-	19,012	-	-	-	-	-	16,929	
	Total Profit Before Tax	(11,650)	(12,114)	(31,583)	(23,764)	(61,164)	(103,054)	(4,163)	(5,610)	(9,868)	(9,773)	(16,517)	(45,731)	
	(Based on reasonable estimates)													
3	Segment Assets	Consolidated						Standalone						
		As on	As on	As on	As on	As on	As on	As on	As on	As on	As on	As on	As on	
		30.09.2018	30.06.2018	30.09.2017*	30.09.2018	30.09.2017*	31.03.2018	30.09.2018	30.06.2018	30.09.2017*	30.09.2018	30.09.2017*	31.03.2018	
	(a) Uncoated Paper	846,774	845,017	1,017,403	846,774	1,017,403	835,418	264,622	263,237	281,939	264,622	281,939	262,474	
	(b) Coated Paper	229,374	228,084	231,405	229,374	231,405	235,493	-	-	-	-	-	-	
	(c) Others	40,877	41,665	41,526	40,877	41,526	44,745	28,752	29,348	30,585	28,752	30,585	29,542	
	(d) Un-allocable assets	59,740	36,135	35,940	59,740	35,940	36,060	118,596	118,180	106,853	118,596	106,853	118,710	
	Total Segment Assets	1,176,765	1,150,901	1,326,274	1,176,765	1,326,274	1,151,716	411,970	410,765	419,377	411,970	419,377	410,726	
4	Segment Liabilities													
	(a) Uncoated Paper	310,284	269,793	339,996	310,284	339,996	249,608	162,182	156,303	147,491	162,182	147,491	149,367	
	(b) Coated Paper	24,808	23,269	19,452	24,808	19,452	23,383	-	-	-	-	-	-	
	(c) Others	18,238	18,545	11,020	18,238	11,020	19,212	8,348	8,458	6,975	8,348	6,975	8,134	
	(d) Un-allocable liabilities	8,819	8,842	6,594	8,819	6,594	7,088	5,705	5,705	8,380	5,705	8,380	5,705	
	Total Segment Liabilities	362,149	320,449	377,062	362,149	377,062	299,291	176,235	170,466	162,846	176,235	162,846	163,206	

*Segment Assets and Segment Liabilities as at 30th September- 2017 have been restated in line with the prior period adjustment given in the financial statements for the year ended 31st March- 2018.

BALLARPUR INDUSTRIES LIMITED
STATEMENT OF ASSETS AND LIABILITIES

₹ in Lacs

	Particulars	Consolidated		Standalone	
		As at 30.09.2018	As at 31.03.2018	As at 30.09.2018	As at 31.03.2018
A	ASSETS	Unaudited	Audited	Unaudited	Audited
1	Non Current Assets				
(a)	Property ,Plant and equipment	747,372	750,426	255,540	258,693
(b)	Capital Work-in-Progress	402	830	66	65
(c)	Other Intangible assets	2,789	4,354	1,586	2,170
(d)	Biological Assets other than bearer plants	37	34	-	-
(e)	Financial assets				
i)	Investments	1,817	3	105,787	105,787
ii)	Loans	919	965	163	169
iii)	Others	4,214	4,074	-	-
(f)	Deferred Tax Assets (Net)	19,574	21,861	11,924	11,924
(g)	Other Non-Current Assets	9,920	8,911	68	15
	Total Non-Current Assets	787,044	791,458	375,134	378,823
2	Current Assets				
(a)	Inventories	37,937	35,052	4,605	5,371
(b)	Financial assets				
i)	Trade receivables	12,332	8,741	1,039	705
ii)	Cash and cash equivalents	37,369	12,970	805	930
iii)	Bank balances other than (ii) above	977	1,227	79	70
iv)	Loans	1,539	2,516	26,082	20,322
v)	Others	8,561	9,043	553	972
(c)	Current Tax Assets (Net)	3	-	1	-
(d)	Other Current Assets	46,531	54,492	3,672	3,533
	Total Current Assets	145,249	124,041	36,836	31,903
	Assets associated with group of assets classified as held for sale and discontinued operations	244,472	236,217	-	-
	TOTAL ASSETS	1,176,765	1,151,716	411,970	410,726
B	EQUITY AND LIABILITIES				
1	Equity				
(a)	Equity Share Capital	25,871	25,871	25,871	25,871
(b)	Other Equity	(34,836)	5,576	42,848	52,576
(c)	Non-Controlling Interest	(28,681)	(13,652)	-	-
	Total Equity	(37,646)	17,795	68,719	78,447
2	Non Current Liabilities				
(a)	Financial Liabilities				
i)	Borrowings	484,922	479,539	-	-
ii)	Other financial liabilities	3,784	4,126	97,489	98,079
(b)	Provisions	7,016	7,800	2,218	2,750
(c)	Deferred Tax Liabilities (Net)	449	460	-	-
(d)	Other Non-Current Liabilities	21	21	-	-
	Total Non Current Liabilities	496,192	491,946	99,707	100,829
3	Current Liabilities				
(a)	Financial Liabilities				
i)	Borrowings	114,817	120,307	96,101	98,158
ii)	Trade payables				
a)	Dues of micro and small enterprises	1,478	1,715	385	356
b)	Dues of other than micro and small enterprises	110,082	103,987	20,558	19,247
iii)	Other financial liabilities	431,699	378,075	111,138	99,423
(b)	Other Current Liabilities	28,927	8,107	7,897	7,203
(c)	Provisions	8,540	7,808	1,760	1,358
(d)	Current Tax Liabilities (Net)	8,370	6,628	5,705	5,705
	Total Current Liabilities	703,913	626,627	243,544	231,450
4	Liabilities associated with group of assets classified as held for sale and discontinued operations	14,306	15,348	-	-
	TOTAL EQUITY AND LIABILITIES	1,176,765	1,151,716	411,970	410,726

Notes for the Quarter and Half year ended 30th September-2018

1. The above results were reviewed by the Audit Committee and then approved by the Board of Directors in their meeting held on 29th October 2018. A Limited review of these financial results has been carried out by the Statutory auditors of the Company.
2. These financial results have been prepared in accordance with recognition and measurement principles laid down in the Indian Accounting Standards 34 'Interim Financial Reporting (Ind AS-34) prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India.
3. Effective 1st April 2018, Ind AS 115 "Revenue from contracts with customers" has been adopted using the cumulative effect method. Accordingly, the comparatives have not been retrospectively adjusted. The adoption of the standard did not have any material impact to the financial results of the Company.
4. During the quarter, the Company has entered into a Share Subscription Agreement for divestment of 50% shareholding in M/s. Premier Tissues India Limited ("PTIL"), a wholly owned subsidiary, which is pending execution. Further BILT continues to exercise control over PTIL and accordingly PTIL is considered as a subsidiary for the consolidated financial results for the quarter and six months ended 30th September-2018.
5. The Company has taken steps to reduce the financial burden by restructuring its financial liabilities during the previous financial year and is in the process of further negotiating the terms with the lenders for the second phase of restructuring as per its proposed revival plan. The Company has also improved its operational efficiency during the current period and is actively evaluating new initiatives to improve the contribution from operations. Further, during the quarter the Government of Telangana has sanctioned certain incentives for re-commencing the operations of its manufacturing Unit at Kamalapuram. 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 basis.
6. Under the Master Restructuring Agreement (MRA) signed by the step down subsidiary, BILT Graphic Paper Products Ltd (BGPPL), during the financial year 2017-18, as per which BGPPL is entitled to various reliefs / concessions granted by the majority lenders. However, IDBI bank, one of the non-assenting lenders had initiated CIRP against BGPPL under the provisions of the Insolvency and Bankruptcy Code, 2016, for which BGPPL had obtained an Order from Hon'ble High Court of Delhi to maintain status quo. Considering that BGPPL has complied with all necessary conditions precedent in accordance with MRA, based on opinion from legal counsel, BGPPL had given effect to the MRA in the financial statement for the year ended 31st March 2018 which consisted of debt restructuring including conversion of loan into equity, compulsory redeemable preference shares & issuance of fresh equity of Rs. 89,336 Lakhs, and other gains of Rs. 142,279 Lakhs.
During the quarter and half year ended 30th September-2018 the Company has continued to accrue interest as per the terms agreed in the MRA with its lenders and ceased to accrue interest on those amounts against which equity and preference shares has been agreed to be issued, this has resulted in savings of finance costs amounting to Rs.8,983 Lakhs and Rs. 18,044 Lakhs for the quarter and half year ended 30th September-2018 respectively. The equity and preference shares have not been issued since the case is pending at the Delhi Hight Court.
7. In view of the ongoing financial restructuring with lenders, the management is not in a position to quantify the potential liability arising from the put option issued by the Company.

8. With the applicability of Goods and Services Tax (GST) effective 1st July, 2017, revenue from operations is disclosed net of GST w.e.f. 1st July 1, 2017.
9. During April 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 million. In line with this, the Group has recorded an impairment loss of Rs. 69,077 Lakhs during the year ended 31st March 2018. The sale is in the advanced stage of completion and the final financial impact will be determined at the time of final settlement of the deal.
10. Exceptional items for the year ended 31st March 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.
11. The Company has revised the operating segments during the FY 2017-18 based on the manner in which the Chief Operating Decision Maker i.e. Chief operating officer, reviews the operations of the Company as follows
 - i) Coated Paper
 - ii) Uncoated Paper
 - iii) Others (comprising primarily of Tissues and Farm Forestry)The segment disclosure for the comparative quarter and half year ended 30th September-2017 has been restated to align with revised operating segments.
12. 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: 29th October, 2018



SHARP & TANNAN

Chartered Accountants

Firm's Registration No. 003792S

Independent auditor's review report on standalone financial results

To the Board of Directors of
Ballarpur Industries Limited

1. We have reviewed the accompanying statement of standalone unaudited financial results of **Ballarpur Industries Limited** (the "Company") for the quarter and six months ended 30 September 2018 (the "Statement"), attached herewith, being submitted by the Company pursuant to the requirement of regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 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 and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.
4. *We draw reference to Note 7 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. Based on our review conducted as stated above, *except to the effects / possible effects of matter described in paragraph (4) above*, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated 5 July 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

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

Our report on the Statement is not modified in respect of this matter.

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



V. Viswanathan
Partner

Membership No. 215565

Place: New Delhi

Date: 29 October 2018



SHARP & TANNAN

Chartered Accountants

Firm's Registration No. 003792S

Independent auditor's review report on consolidated financial results

To the Board of Directors of
Ballarpur Industries Limited

1. We have reviewed the accompanying statement of consolidated unaudited financial results of **Ballarpur Industries Limited** (the "Company" or the "Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as the 'Group') for the quarter and six months ended 30 September 2018 (the "Statement"), attached herewith, being submitted by the Parent pursuant to the requirement of regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated 5 July 2016.
2. This Statement, which is the responsibility of the Parent's management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Company's personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.
4. The Statement includes the results of the entities listed in Annexure A
5. *We draw reference to Note 7 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.*
6. a. *We draw reference to Note 6 to the Statement wherein one of the subsidiaries (BILT Graphic Paper Products Limited) consolidated in the accompanying Statement has entered into a Master Restructuring Agreement (MRA) with its lenders and the Corporate Insolvency and Resolution Process Notice (CIRP Notice) issued by one of the non-assenting lenders during the financial year 2017-18 is pending at Hon'ble High Court of Delhi as at 30 September 2018. We are not in a*

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position to comment on the appropriateness of giving effect to the MRA and accrual of interest based on MRA for the quarter and six months ended 30 September 2018 when the matter is sub judice.

- b. Further as stated in the note, the Company has not accrued interest for the quarter and six months ended 30 September 2018 on the amounts due to lenders towards which shares were agreed to be allotted under the MRA. However, the Company has not received a confirmation from the lenders on waiver of the interest. Had the Group accrued the said interest, the finance cost and loss would have been greater by Rs. 3,143 lakhs and Rs. 6,253 lakhs for the quarter and six months ended 30 September 2018 respectively.*

The accounting of finance cost as per the MRA and not accruing interest on amounts for which shares are yet to be allotted has resulted in lower finance cost and losses by Rs. 8,983 lakhs and Rs. 18,044 lakhs for the quarter and six months ended 30 September 2018 respectively.

7. Based on our review conducted as stated above and based on the consideration of the review reports of the other auditors referred to in paragraph (9) below, *except to the effects / possible effects of matter described in paragraph (5) & (6) above*, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated 5 July 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.
8. We draw attention to Note 5 to the Statement which contains conditions along with other matters that indicate existence of a material uncertainty that may cast significant doubt on the Holding Company's ability to continue as a going concern. The management is confident that the Holding Company will be able to continue as a going concern.

Our report on the Statement is not modified in respect of this matter.

9. The statement includes the interim financial information / results of six subsidiaries (including one subsidiary classified as discontinuing operations) which have not been reviewed by us, whose unaudited financial results reflect total assets of Rs. 1,014,319 lakhs as at 30 September 2018, total revenue from continuing operations of Rs. 209 lakhs and Rs. 243 lakhs and from discontinuing operations of Rs. 267 lakhs and Rs. 979 lakhs for the quarter and six months ended 30 September 2018 respectively and loss (after tax) from continuing operations of Rs. 1,765 lakhs and Rs. 1,294 lakhs and loss (after tax) from discontinuing operations of Rs. 6,299 lakhs and Rs. 12,770 lakhs for the quarter and six months ended 30 September 2018 respectively, as reported by the respective companies and which have been considered in the consolidated unaudited financial results. These interim financial information / results have been reviewed by another



auditor whose reports have been furnished to us by the management and our report on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the reports of another auditor.

Our report on the Statement is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditor.

10. The Statement includes the interim financial information / results of one subsidiary which have not been reviewed by its auditor, whose interim financial information reflect total asset of Rs. 295 lakhs as at 30 September 2018, total revenue of Rs. Nil and Rs. Nil for the quarter and six months ended 30 September 2018 respectively and profit of Rs. Nil and Rs. Nil for the quarter and six months ended 30 September 2018, as reported by the subsidiary and which have been considered in the Statement. This interim financial information has been furnished to us by the Management and our report on the Statement, in so far as it relates to the amounts and disclosures included in respect of the subsidiary is solely based on the interim financial information certified by the Management. According to the information and explanations given to us by the management, the interim financial information is not material to the Group.

Our report on the Statement is not modified in respect of our reliance on the interim financial information certified by the Management.

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



V. Viswanathan
Partner

Membership No. 215565

Place: New Delhi

Date: 29 October 2018

Annexure A to the independent auditor's review report on consolidated financial results of Ballarpur Industries Limited

The Statement includes the results of the entities listed below

Sl. No	Name of the subsidiary
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

