



11th February, 2020

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 nine months ended 31st December, 2019.

Dear Sir,

Pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), the Interim Resolution Professional at the meeting of Board of Directors of the Company held today has taken on record the Unaudited Financial Results (Standalone and Consolidated) of the Company for the quarter and nine months ended 31st December, 2019.

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.

Further, M/s PDS & Co. has been appointed as Secretarial Auditor of the Company. Their particulars required in terms of Regulation 30 of Listing Regulations are as follows:

Date of Appointment:	11 th February, 2020
Term of appointment:	For the financial year 2019-2020
Brief profile:	M/s PDS & Co., New Delhi, a firm of Company Secretaries in practice. The firm has about 16 years of experience in providing professional services relating to Corporate and other laws to several companies, with a team of experienced Company Secretaries.

The meeting of Board of Directors of the Company commenced at 2:30 p.m. and concluded at 6.00 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:a/a

BALLARPUR INDUSTRIES LIMITED
STATEMENT OF CONSOLIDATED/STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER /NINE MONTH ENDED 31ST DECEMBER 2019

Part I

(Rs. in Lacs)

Sl. No.	Particulars	Consolidated						Standalone					
		Quarter ended			Nine Month ended		Year-Ended	Quarter ended			Nine Month ended		Year Ended
		31.12.2019	30.09.2019	31.12.2018	31.12.2019	31.12.2018	31.03.2019	31.12.2019	30.09.2019	31.12.2018	31.12.2019	31.12.2018	31.03.2019
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
	Income												
1	Revenue from Operations	81,681	82,639	95,513	251,559	271,629	359,575	5,909	10,781	12,008	28,009	33,697	44,958
2	Other Income	1,469	2,285	3,728	6,022	8,064	9,508	535	398	1,079	1,473	6,863	7,253
3	Total Income	83,150	84,924	99,241	257,581	279,693	369,083	6,444	11,179	13,087	29,482	40,560	52,211
4	Expenses												
	(a) Cost of Material Consumed	40,102	44,695	52,061	135,500	149,271	191,749	740	4,997	4,661	10,926	13,294	18,237
	(b) Purchases of stock-in-trade	2,403	-	37	2,435	307	363	2,401	-	-	2,417	-	44
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	3,609	(1,276)	(5,167)	(1,277)	(6,414)	(3,634)	2,323	(222)	(120)	1,520	934	233
	(d) Employee benefits expense	7,006	6,088	8,139	19,331	21,224	27,188	1,482	1,460	2,085	4,570	5,424	6,811
	(e) Finance costs	19,740	21,038	20,523	60,704	60,273	84,255	4,019	4,029	5,175	14,551	16,098	24,216
	(f) Depreciation and amortisation expense	6,305	6,281	6,569	18,794	20,168	26,555	1,592	1,592	1,592	4,763	4,781	6,348
	(g) Other Expenditure												
	(i) Power and Fuel	8,080	10,884	12,350	29,948	36,210	48,094	40	3,165	3,719	6,627	11,198	14,714
	(ii) Store and Spares	1,744	1,758	2,068	5,771	5,393	7,225	235	277	318	780	873	1,174
	(iii) Other Expenditure	6,215	7,769	8,654	20,361	23,022	30,599	916	874	2,855	2,865	4,928	6,278
	Total expenses	95,204	97,237	105,234	291,567	309,454	412,394	13,748	16,172	20,285	49,019	57,530	78,055
5	Profit/(loss) before Exceptional Items, tax and Discontinued Operations(3-4)	(12,054)	(12,313)	(5,993)	(33,986)	(29,761)	(43,311)	(7,304)	(4,993)	(7,198)	(19,537)	(16,970)	(25,844)
6	Share of Profit/(Loss) in Associate and Joint Venture	-	5	31	24	31	69	-	-	-	-	-	-
7	Exceptional Items	43,490	(9,940)	3,300	28,159	3,300	36,941	35,400	(32)	3,010	35,368	3,010	37,707
8	Profit/(loss) before tax (5+6-7)	(55,544)	(2,368)	(9,262)	(62,121)	(33,030)	(80,183)	(42,704)	(4,961)	(10,208)	(54,905)	(19,980)	(63,551)
9	Tax Expense												
	Current Tax	6	-	-	44	-	(1,586)	-	-	-	-	-	-
	Deferred Tax	-	-	1,045	1,429	3,320	4,938	-	-	-	-	-	-
10	Profit/(loss) for the period from continuing operations (8-9)	(55,550)	(2,368)	(10,307)	(63,594)	(36,350)	(83,535)	(42,704)	(4,961)	(10,208)	(54,905)	(19,980)	(63,551)

Sl. No.	Particulars	Consolidated						Standalone					
		Quarter ended			Nine Month ended		Year Ended	Quarter ended			Nine Month ended		Year Ended
		31.12.2019	30.09.2019	31.12.2018	31.12.2019	31.12.2018	31.03.2019	31.12.2019	30.09.2019	31.12.2018	31.12.2019	31.12.2018	31.03.2019
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
11	Profit/ (loss) from discontinued operation before tax	(21,062)	(5,180)	(4,916)	(30,872)	(18,690)	(23,635)	-	-	-	-	-	-
12	Tax expense on discontinued operation	-	-	-	-	-	-	-	-	-	-	-	-
13	Profit/ (loss) from discontinued operation after tax (11-12)	(21,062)	(5,180)	(4,916)	(30,872)	(18,690)	(23,635)	-	-	-	-	-	-
14	Profit/(loss) for the period (10+13)	(76,612)	(7,548)	(15,223)	(94,466)	(55,040)	(107,170)	(42,704)	(4,961)	(10,208)	(54,905)	(19,980)	(63,551)
15	Other Comprehensive income												
	(i) Items that will not be reclassified to profit or loss	(171)	(633)	76	(839)	430	(191)	(55)	(120)	(6)	(171)	34	17
	(ii) Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-	-	-	-	-	-	-	-
	(iii) Items that will be reclassified to profit or loss	1,385	(231)	8,944	1,580	(15,181)	(13,743)	-	-	-	-	-	(8,300)
	(iv) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	-	-	-	-	-	-	-
	Other Comprehensive income	1,214	(864)	9,020	741	(14,751)	(13,934)	(55)	(120)	(6)	(171)	34	(8,283)
16	Total Comprehensive income for the period (14+15)	(75,398)	(8,412)	(6,203)	(93,725)	(69,791)	(121,104)	(42,759)	(5,081)	(10,214)	(55,076)	(19,946)	(71,834)
17	Net Profit attributable to												
	a) Owners of the Company	(64,924)	(8,749)	(15,232)	(83,461)	(44,519)	(93,095)	(42,704)	(4,961)	(10,208)	(54,905)	(19,980)	(63,551)
	b) Non - Controlling interest	(11,688)	1,201	9	(11,005)	(10,521)	(14,075)	-	-	-	-	-	-
18	Other Comprehensive income												
	a) Owners of the Company	2,486	1,437	9,081	4,403	(10,191)	(9,185)	(55)	(120)	(6)	(171)	34	(8,283)
	b) Non - Controlling interest	(1,272)	(2,301)	(61)	(3,662)	(4,560)	(4,749)	-	-	-	-	-	-
19	Total Comprehensive income attributable to												
	a) Owners of the Company	(62,438)	(7,312)	(6,151)	(79,058)	(54,710)	(102,280)	(42,759)	(5,081)	(10,214)	(55,076)	(19,946)	(71,834)
	b) Non - Controlling interest	(12,960)	(1,100)	(52)	(14,667)	(15,081)	(18,824)	-	-	-	-	-	-
20	Paid-Up Equity Share Capital (Face Value of Rs. 2 each)						25,871						25,871
21	Reserve excluding Revaluation Reserve						(99,645)						(19,258)
22	Earnings per equity share (for continuing operation):												
	(a) Basic	(4.04)	(0.43)	(0.95)	(5.01)	(2.56)	(6.09)	(3.30)	(0.38)	(0.79)	(4.24)	(1.54)	(4.91)
	(b) Diluted	(4.04)	(0.43)	(0.95)	(5.01)	(2.56)	(6.09)	(3.30)	(0.38)	(0.79)	(4.24)	(1.54)	(4.91)
23	Earnings per equity share (for discontinuing operation):												
	(a) Basic	(0.98)	(0.24)	(0.23)	(1.44)	(0.88)	(1.11)	-	-	-	-	-	-
	(b) Diluted	(0.98)	(0.24)	(0.23)	(1.44)	(0.88)	(1.11)	-	-	-	-	-	-
24	Earnings per equity share												
	(a) Basic	(5.02)	(0.67)	(1.18)	(6.45)	(3.44)	(7.20)	(3.30)	(0.38)	(0.79)	(4.24)	(1.54)	(4.91)
	(b) Diluted	(5.02)	(0.67)	(1.18)	(6.45)	(3.44)	(7.20)	(3.30)	(0.38)	(0.79)	(4.24)	(1.54)	(4.91)

CONSOLIDATED/STANDALONE SEGMENT-WISE REVENUE, RESULTS, ASSETS AND LIABILITIES FOR THE QUARTER /NINE MONTHS ENDED 31ST DECEMBER 2019

Rs in Lacs

Sl. No.	Particulars	Consolidated						Standalone					
		Quarter ended			Nine Month ended		Year Ended	Quarter ended			Nine Month ended		Year Ended
		31.12.2019	30.09.2019	31.12.2018	31.12.2019	31.12.2018	31.03.2019	31.12.2019	30.09.2019	31.12.2018	31.12.2019	31.12.2018	31.03.2019
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Segment Revenues												
	(a) Uncoated Paper	43,698	47,103	54,502	142,302	153,709	207,155	5,909	10,781	12,008	28,009	33,697	44,958
	(b) Coated Paper	37,706	35,123	40,317	108,255	113,894	148,184	-	-	-	-	-	-
	(c) Others	294	623	694	1,229	4,053	4,263	-	-	-	-	-	-
	Total	81,698	82,849	95,513	251,786	271,656	359,602	5,909	10,781	12,008	28,009	33,697	44,958
	Less: Inter Segment Revenue	17	210	-	227	27	27	-	-	-	-	-	-
	Revenue from Operation	81,681	82,639	95,513	251,559	271,629	359,575	5,909	10,781	12,008	28,009	33,697	44,958
2	Segment Results ((Profit)(+)/ Loss (-) before Tax and Interest)												
	(a) Uncoated Paper	3,582	6,112	9,680	18,278	22,107	32,664	(2,495)	(94)	(1,187)	(2,546)	1,661	1,805
	(b) Coated Paper	4,906	3,509	5,714	10,930	11,101	11,884	-	-	-	-	-	-
	(c) Others	(802)	(896)	(864)	(2,490)	(2,696)	(3,604)	(790)	(870)	(836)	(2,440)	(2,533)	(3,433)
	Total	7,686	8,725	14,530	26,718	30,512	40,944	(3,285)	(964)	(2,023)	(4,986)	(872)	(1,628)
	Less: i) Interest	19,740	21,038	20,523	60,704	60,273	84,255	4,019	4,029	5,175	14,551	16,098	24,216
	ii) Other un-allocable expenditure net of un-allocable income	43,490	(9,945)	3,269	28,135	3,269	36,872	35,400	(32)	3,010	35,368	3,010	37,707
	Total Profit Before Tax	(55,544)	(2,368)	(9,262)	(62,121)	(33,030)	(80,183)	(42,704)	(4,961)	(10,208)	(54,905)	(19,980)	(63,551)
	(Based on reasonable estimates)												
		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
		31.12.2019	30.09.2019	31.12.2018	31.12.2019	31.12.2018	31.03.2019	31.12.2019	30.09.2019	31.12.2018	31.12.2019	31.12.2018	31.03.2019
3	Segment Assets												
	(a) Uncoated Paper	775,391	821,783	824,569	775,391	824,569	786,470	203,921	244,024	265,240	203,921	265,240	221,515
	(b) Coated Paper	219,267	223,345	234,303	219,267	234,303	230,554	-	-	-	-	-	-
	(c) Others	27,781	28,436	36,135	27,781	36,135	29,071	27,226	27,474	28,321	27,226	28,321	28,020
	(d) Un-allocable assets	38,816	49,360	60,878	38,816	60,878	54,549	105,070	105,610	115,944	105,070	115,944	107,414
	Total Segment Assets	1,061,255	1,122,924	1,155,885	1,061,255	1,155,885	1,100,644	336,217	377,108	409,505	336,217	409,505	356,949
4	Segment Liabilities												
	(a) Uncoated Paper	390,661	369,747	311,052	390,661	311,052	337,502	199,564	195,688	167,734	199,564	167,734	167,829
	(b) Coated Paper	26,877	34,097	28,636	26,877	28,636	28,719	-	-	-	-	-	-
	(c) Others	13,930	13,734	18,276	13,930	18,276	12,693	12,291	11,811	10,127	12,291	10,127	10,830
	(d) Un-allocable liabilities	7,899	7,920	8,801	7,899	8,801	7,166	6,103	6,105	6,147	6,103	6,147	6,105
	Total Segment Liabilities	439,367	425,498	366,765	439,367	366,765	386,080	217,958	213,604	184,008	217,958	184,008	184,764

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

Notes for the quarter and nine months ended 31st December 2019

Standalone

1. These financial results have been prepared in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued there under and other accounting principles generally accepted in India.
 2. Pursuant to an application filed by M/s. Finquest Financial Solutions Private Limited before the National Company Law Tribunal, Mumbai Bench ('NCLT') in terms of section 7 of Insolvency and Bankruptcy Code, 2016 read with rules and regulations framed thereunder ('Code'), the NCLT had vide its Order dated 17 January 2020 ordered commencement of corporate insolvency resolution process ('CIRP') of Ballarpur Industries Limited (the 'Company') and appointed Mr. Divyesh Desai as the Interim Resolution Professional ('IRP'). Mr. Divyesh Desai had in his capacity as IRP taken control and custody of the management and operations of the Company from 17 January 2020.
 3. As per Regulation 33(2)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the unaudited financial results of the Company submitted to the stock exchange shall be signed by the Chairperson or Managing Director or Whole Time Director or in the absence of all of them, it shall be signed by any Director of the Company who is duly authorized by the Board of Directors to sign the standalone unaudited financial results. In view of the ongoing CIRP proceedings, all the powers of the Board of Directors shall cease to have effect and shall be vested with IRP. Accordingly, the financial result of the Company for the quarter and ended 31 December 2019 were taken on record in the meeting held on 11th February 2020 which was chaired by the IRP and authorised for issue to concerned authorities by the IRP. Limited Review as required under Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 has been completed by the statutory auditors of the Company.
 4. In view of the continuing losses incurred by the Company during the current and previous quarters, net current liability position and erosion of net worth of the Company as at the quarter end and initiation of CIRP, as stated in note (2) above, material uncertainty exists which cast significant doubt on Company's ability to continue as a going concern entity. The ability of the Company to continue as a going concern is dependent on:
 - a. Completion of the corporate insolvency resolution process
 - b. extension for grant of subsidies / benefits by Government of Telangana in respect of the Kamalapuram unit and
 - c. re-commencement of the manufacturing unit at Kamalapuram as per timelines agreed with the Government of Telangana and
- Considering the developments as stated in paragraphs 2 and 3 above including, in particular, the IRP having taken over the management and control of the Company with the objective of running the entity as going concern and pending completion of the resolution process, these financial results have been prepared on a going concern basis.
5. During the quarter ended 31 December 2019, the Company has entered into a Job work agreement with 'M/s BSFC Distributor Private Limited' to manufacture paper and other paper products at Unit Shree Gopal on job work basis. In view of this change in the business strategy of the Company, the financial results for the current quarter are not comparable with previous quarter / reported periods.
 6. In view of the ongoing insolvency resolution process, the penal interest and other differences in interest of ₹ 4,065 Lakhs and ₹ 14,447 Lakhs have not been recognized in the financial results for the quarter and nine months period ended 31st December 2019 respectively.
 7. In view of the prevailing uncertainties arising from initiation of the insolvency resolution process, the potential liability arising from put option, cannot be determined with certainty and has accordingly not been recognized in these financial results.

8. During the quarter M/s. Suraksha Assets Reconstruction Limited ('SARL') had invoked its pledge on certain brands / trademarks, pledged by the Company, against the financial facilities provided by SARL. Subsequent to the invocation required documentation was effected on 15th November 2019 to transfer the said brands / trademarks to SARL for a consideration of ₹ 1,793 Lakhs. However, the transfer of the said brands / trademarks could not be completed before the commencement of CIRP and by virtue of moratorium issued by Hon'ble NCLT, Mumbai vide its Order dated 17 January 2020, no effect of the same has been recorded in the books of account and financial results for the period ended 31 December 2019.
9. The Company has during the quarter reversed the following transactions aggregating ₹ 83,193 Lakhs, which were given effect in the financial statements for the year 2018-19 and were subject to approvals from relevant authorities/ stakeholders.
- a) Tripartite agreement for settlement of amounts due from subsidiary against dues to step-down subsidiary amounting ₹ 17,393 Lakhs.
 - b) Assignment of its rights, title and interest in freehold land to the step-down subsidiary whose loans were secured against this land for a consideration of ₹ 39,400 Lakhs.
 - c) Renewal of the License agreement granting "Right to use" "BILT logo and other trademarks" to its step-down subsidiary amounting ₹ 26,400 Lakhs in respect of which lenders/ certain investors have initiated re-evaluation of the pricing.
10. The Company has received a demand notice for ₹ 6,850 lakhs from CG Power and Industrial Solutions Limited (CG Group) allegedly towards advances given by CG Group from time to time. The Company has disputed such claims and has responded to the notices received, as no such amounts are due. The Company has not received any further correspondence from CG Group in this regard.
11. Effective 1st April 2019, the Company had adopted Ind AS 116 "Leases", applied to all lease contracts existing as on 1st April 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application. Accordingly, comparatives for the year ended 31st March 2019 have not been retrospectively adjusted. The cumulative effect of applying the standard resulted in a charge of ₹ 12 Lakhs (net of tax) to retained earnings as at 1st April 2019 in the standalone financial results. The effect of this adoption is insignificant on the loss for the current period and earnings per share.
12. Exceptional items for the quarter ended 31 December 2019 represent impairment loss amounting ₹ 35,400 lakhs on tangible assets relating to Shreegopal unit which has been computed based on higher of the estimated recoverable value and value in use. The amount for the nine months period ended 31 December 2019 is net of gain of ₹ 32 lakhs arising from changes in fair value of investments held in Premier Tissues India Limited (PTIL), a joint venture company.
13. The Government of India introduced the Taxation Laws (Amendment) Ordinance 2019, announcing key changes to corporate tax rates in the Income-tax Act, 1961. Existing domestic companies have been provided an option to pay tax at a concessional rate of 22%. The management is evaluating the impact of concessional income tax rate. Pending such evaluation, the management has considered existing tax rates for the purpose of income tax provision and deferred tax.

Consolidated

In addition to the notes 1 to 13 above, the notes relevant for the consolidated financial results are as follows

14. The Master Restructuring Agreement (MRA) signed by Bilt Graphic Paper Products Ltd (BGPPL), step down subsidiary, with majority of its lenders during the financial year 2017-18, entitles the subsidiary to certain reliefs / concessions. The subsidiary has complied with all the necessary conditions precedent in the MRA and, as advised by its legal counsel, the Company had given effect to the MRA in the financial statements for the year ended 31 March 2018 which comprised of debt restructuring including conversion of loans into equity, compulsory redeemable preference shares and issuance of fresh equity of ₹ 89,336 Lakhs, and recognition other gains aggregating ₹ 142,279 Lakhs.

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

During the quarter and nine months ended 31st December, 2019, the subsidiary continues to accrue interest as per the terms agreed in the MRA with its lenders, as amended from time to time, and had ceased to accrue interest on those amounts against which equity and preference shares have been agreed to be issued, which has resulted in savings of finance costs amounting to ₹ 9,448 Lakhs and ₹ 26,771 Lakhs for the quarter and nine months ended 31st December, 2019 respectively. The equity and preference shares are yet to be issued.

Further the terms of the MRA provides for an annual reset of the interest rate and in the absence of confirmation from the lenders to the contrary, the subsidiary continues to accrue interest at the rates specified in the original MRA.

During the previous year, another non-assenting lender, Kotak Mahindra Bank, filed an application before the NCLT, Mumbai initiating CIRP proceedings, which is pending admission by the relevant authorities

During the nine months ended 31st December 2019, the step down subsidiary BGPPL has entered into settlement agreements with its lenders and settled the loans (including interest accrued) at a reduced value. Also refer note 18(i) below.

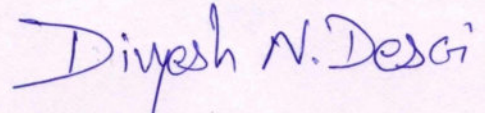
Further, the ability of BGPPL to continue as a going concern is dependent on the outcome of the legal proceedings arising on account of MRA as stated above.

15. The Receiver and Manager of Sabah Forest Industries Sdn. Bhd.(SFI), a step down subsidiary, had entered into a binding agreement with a bidder in financial year 2018-19 for sale of assets of SFI. In financial year 2019-20 the government of Malaysia has initiated rebidding on the assets of SFI which has been legally contested / disputed by the original bidder. Pending outcome of the legal dispute the Receiver and Manager of SFI has confirmed that the minimum rebid base price will not be lower than the original bid amount of MYR 1.20 billion which is more than the carrying value of the assets held for sale. Accordingly, assets held for sale pertaining to SFI is continued to be reported at carrying value.

16. An impairment loss of ₹ 16,776 Lakhs in the estimated realizable value based on evaluation of bids received, has been recognized during the quarter by its step down subsidiary in respect of its manufacturing facility at Sewa which was classified as discontinued operation in earlier periods and the amount is reported in these financial results as loss from discontinued operations.
17. During the period ended 31 December 2019 Bilt Graphic Paper Products Limited (BGPPL), a step down subsidiary, has received demand notice amounting to ₹ 55,232.67 lakhs from CG Power and Industrial Solutions Limited (CG Group) allegedly towards advances given by CG Group from time to time. BGPPL has disputed such claims and has responded to the notice received, as no such amounts are due. The subsidiary has not received any further correspondences from CG Group in this regard.
18. Exceptional loss / gain for the quarter and nine months period ended 31 December 2019 includes;
- i) Impairment on tangible assets of Shreegopal Unit amounting to ₹ 35,400 Lakhs (Also refer Note 12 in Standalone notes to results)
 - ii) Net Loss of ₹ 2,704 Lakhs arising from settlement and payment of outstanding prior to assignment with lenders by the step-down subsidiary.
 - iii) Provisions aggregating ₹ 10,000 Lakhs due from Mirabelle to the step-down subsidiary (BGPPL) which have now been reversed.
 - iv) Loss of ₹ 60 Lakhs arising from disposal of investments held in M/s. Premier Tissues (India) Limited, a joint venture company whose equity shares and current assets were pledged / charged with Finquest Financial Solutions Private Limited (FFSPL), against the credit facilities provided to the Company; and
 - v) Gain of ₹ 5 lakhs arising from sale of 'Agroforestry' business by Avantha Agritech Limited, a subsidiary of BILT on a slump sale basis; and
19. The Group has during the nine months period ended 31st December 2019 acquired shares of Mirabelle Trading Pte. Ltd., a related party, for an aggregate consideration of ₹ 1.59 Lakhs (\$ 2,305). The acquired assets and liabilities have been consolidated in these financial results based on the provisional amounts estimated by the management and fair valuation is in progress. Impact, if any, of changes in provisional amounts shall be given effect once the fair valuation of the net assets is completed.
20. Effective 1st April 2019, the Group has adopted Ind AS 116 "Leases", applied to all lease contracts existing as on 1st April 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application. Accordingly, comparatives for the year ended 31 March 2019 have not been retrospectively adjusted. The cumulative effect of applying the standard resulted in a charge of ₹ 73 Lakhs (net of tax) to retained earnings as at 1st April 2019 in the consolidated financial results. The effect of this adoption is insignificant on the loss for the current period and earnings per share.
21. The Government of India introduced the Taxation Laws (Amendment) Ordinance 2019, announcing key changes to corporate tax rates in the Income-tax Act, 1961. Existing domestic companies have been provided an option to pay tax at a concessional rate of 22%. The group is evaluating the impact of concessional income tax rate. Pending such evaluation, the management has considered existing tax rates for the purpose of income tax provision and deferred tax.

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

For Ballarpur Industries Limited

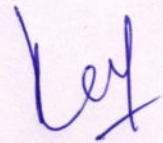


Divyesh Desai

Interim Resolution Professional

Place: Gurugram

Date: 11th February, 2020



R. Rajagopal

Deputy Chief Financial Officer



SHARP & TANNAN

Chartered Accountants

Firm's Registration No. 003792S

Independent auditor's review report on review of standalone unaudited quarterly financial results of Ballarpur Industries Limited pursuant to regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and as amended

Review report to

The Interim Resolution Professional of Ballarpur Industries Limited

Introduction

1. Pursuant to application filed by M/s. Finquest Financial Solutions Private Limited before the Hon'ble National Company Law Tribunal, Mumbai Bench ('NCLT') in terms of section 7 of the Insolvency and Bankruptcy Code, 2016 read together with the Rules and Regulations framed thereunder (the 'Code'), the NCLT had admitted the application and had ordered the commencement of Corporate Insolvency Resolution Process ('CIRP') of **Ballarpur Industries Limited** (the 'Company') vide its Order dated 17 January 2020. Further, NCLT has appointed Mr. Divyesh Desai as the Interim Resolution Professional (the 'IRP') vide its Order dated 17 January 2020.
2. As per regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended the standalone unaudited financial results of the Company submitted to the stock exchange shall be signed by the Chairperson or Managing Director or Whole Time Director or in the absence of all of them, it shall be signed by any Director of the Company who is duly authorized by the Board of Directors to sign the standalone unaudited financial results. In view of the ongoing CIRP, the powers of the Board of Directors stand suspended and are exercised by the IRP.
3. We have reviewed the accompanying statement of standalone unaudited financial results of **Ballarpur Industries Limited** (the "Company") for the quarter and nine months ended 31 December 2019 (the "Statement"), attached herewith, being submitted by the Company pursuant to the requirements of regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the 'Listing Regulations')
4. This Statement, which is the responsibility of the Company's management and taken on record by the IRP in the meeting held on 11 February 2020, 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, and other accounting principles generally accepted in India and in compliance with the Listing Regulations. Our responsibility is to issue a report on the standalone unaudited financial results based on our review.

Scope of review

5. 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.

Basis for qualified conclusion

6. *We draw reference to Note 7 to the Statement, wherein the Company has not accrued the liability towards outstanding Put Option. As stated in the note, the Company is unable to quantify the impact and accordingly, we are unable to quantify the impact. The Company has not estimated the liability that might arise due to outstanding Put Option.*
7. *The interest expense on borrowings recognised by the Company for the quarter and nine months ended 31 December 2019 as compared to the interest computed in terms of the loan agreement and considering the amount claimed by the lenders is lower by ₹ 4,065 Lakhs and ₹ 14,447 Lakhs respectively. Had the Company accrued the said interest, the finance cost and loss for the quarter and nine months ended 31 December 2019 would have increased by ₹ 4,065 Lakhs and ₹ 14,447 Lakhs respectively, and other equity would have decreased by ₹ 27,431 Lakhs (including ₹ 12,984 Lakhs towards interest expenses pertaining to previous years) and correspondingly the borrowing including interest accrued on such borrowings as at 31 December 2019 would have increased by ₹ 27,431 Lakhs (including ₹ 12,984 Lakhs towards interest expenses pertaining to previous years).*
8. *We have not received direct confirmation of balances from certain lenders for the balances outstanding in borrowings and interest accrued on borrowings as at 31 December 2019 aggregating to ₹ 214,015 Lakhs.*
9. *We draw reference to Note 12 of the Statement, wherein the Company has recognized impairment loss of ₹ 35,400 Lakhs. The Company has determined the impairment loss based on the value-in-use and has not carried out assessment of the fair value of the assets of Shreegopal Unit as required by Indian Accounting Standard (Ind AS) 36 'Impairment of Assets' in determining the amount of impairment loss to be recognized. The impact of the same in the consolidated financial results for the quarter and nine months ended 31 December 2019 cannot be determined.*

Qualified conclusion

10. *Based on our review conducted as stated above, except to the effects / possible effects of matter described in paragraph (6), (7), (8) and (9) 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 amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.*



Emphasis of matter

11. *We draw reference to Note 9 to the Statement, wherein the Company has reversed certain related party transactions executed in FY 2018-19 on account of the reason stated in the said note. Our conclusion is not modified in respect of this matter.*

Material uncertainty relating to going concern

12. *We draw attention to Note 4 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 ability of the Company to continue as a going concern depends on the completion of the Corporate Insolvency and Resolution Process (CIRP), extension of subsidies / benefits granted by the Government of Telangana and recommencement of Kamalapuram unit.*

Our conclusion is not modified in respect of this matter.

for **SHARP & TANNAN**

Chartered Accountants

Firm's Registration No. 003792S

V. Viswanathan

Partner

Membership No. 215565

UDIN: 20215565AAAAAF1469

Place: Gurugram

Date: 11 February 2020



SHARP & TANNAN

Chartered Accountants

Firm's Registration No. 003792S

Independent auditor's review report on review of consolidated unaudited quarterly financial results of Ballarpur Industries Limited pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and as amended

Review report to

The Interim Resolution Professional of Ballarpur Industries Limited

Introduction

1. Pursuant to application filed by M/s. Finquest Financial Solutions Private Limited before the National Company Law Tribunal, Mumbai Bench ('NCLT') in terms of section 7 of the Insolvency and Bankruptcy Code, 2016 read together with the Rules and Regulations framed thereunder (the 'Code'), the NCLT had admitted the application and had ordered the commencement of Corporate Insolvency Resolution Process ('CIRP') of **Ballarpur Industries Limited** (the 'Parent' or the 'Holding Company') vide its Order dated 17 January 2020. Further, NCLT has appointed Mr. Divyesh Desai as the Interim Resolution Professional (the 'IRP') vide its Order dated 17 January 2020.
2. As per regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and as amended the consolidated unaudited financial results of the Group submitted to the stock exchange shall be signed by the Chairperson or Managing Director or Whole Time Director or in the absence of all of them, it shall be signed by any Director of the Parent Company who is duly authorized by the Board of Directors to sign the consolidated unaudited financial results. In view of the ongoing CIRP, the powers of the Board of Directors stand suspended and are exercised by the IRP.
3. We have reviewed the accompanying statement of consolidated unaudited financial results of **Ballarpur Industries Limited** and its subsidiaries (the Parent and its subsidiaries together referred to as the "Group"), and its share of the net profit / (loss) after tax and total comprehensive income of its joint venture for the quarter and nine months ended 31 December 2019 (the "Statement"), being submitted by the Parent pursuant to the requirements of regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations") .
4. This Statement, which is the responsibility of the Parent's Management and taken on record by the IRP in the meeting held on 11 February 2020, 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 and other accounting principles generally accepted in India and in compliance with regulation 33 of the Listing Regulations. Our responsibility is to issue a report on the Statement based on our review.

Scope of review

5. 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. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit in accordance with the Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the Listing Regulation, to the extent applicable.

6. The Statement includes the results of the entities listed in Annexure A

Basis for qualified conclusion

7. *We draw reference to Note 7 to the Statement, wherein the Holding Company has not accrued the liability towards outstanding Put Option. As stated in the note, the Holding Company is unable to quantify the impact and accordingly, we are unable to quantify the impact. The Holding Company has not estimated the liability that might arise due to outstanding Put Option.*
8. *The interest expense on borrowings recognized by the Holding Company for the quarter and nine months ended 31 December 2019 as compared to the interest computed in terms of the loan agreement and considering the amount claimed by the lenders is lower by ₹ 4,065 Lakhs and ₹ 14,447 Lakhs respectively. Had the Holding Company accrued the said interest, the finance cost and loss for the quarter and nine months ended 31 December 2019 would have increased by ₹ 4,065 Lakhs and ₹ 14,447 Lakhs respectively, and other equity as at 31 December 2019 would have decreased by ₹ 27,431 Lakhs (including ₹ 12,984 Lakhs towards interest expenses pertaining to previous years) and correspondingly the borrowing including interest accrued on such borrowings as at 31 December 2019 would have increased by ₹ 27,431 Lakhs (including ₹ 12,984 Lakhs towards interest expenses pertaining to previous years).*
9. *With respect to the borrowings of the Holding Company, we have not received direct confirmation of balances from certain lenders for the balances outstanding in borrowings and interest accrued on borrowings as at 31 December 2019 aggregating to ₹ 214,015 Lakhs.*
10. *We draw reference to Note 12 of the Statement, wherein the Holding Company has recognized impairment loss of ₹ 35,400 Lakhs. The Holding Company has determined the impairment loss based on the value-in-use and has not carried out assessment of the fair value of the assets of Shreegopal Unit as required by Indian Accounting Standard (Ind AS) 36 'Impairment of Assets' in determining the amount of impairment loss to be recognized. The impact of the same in the consolidated financial results for the quarter and nine months ended 31 December 2019 cannot be determined.*

11. a. *We draw reference to Note 14 to the Statement wherein one of the subsidiaries (Bilt Graphic Paper Products Limited) consolidated in the accompanying Statement had entered into a Master Restructuring Agreement (MRA) with its lenders. During the year 2017-18, one of the non-assenting lenders had issued Corporate Insolvency and Resolution Process Notice against which the subsidiary had obtained stay Order from the Hon'ble High Court of Delhi. During the year 2018-19, the stay Order has been partially vacated by the Hon'ble High Court of Delhi. Subsequently, pursuant to a transfer petition filed by the Subsidiary, the case has been transferred to and is pending at the Hon'ble Supreme Court of India. We are not in a position to comment on the appropriateness of giving effect to the MRA and accrual of interest based on MRA for the quarter and nine months ended 31 December 2019 as the matter is sub judice. Further, the management has informed us that the Subsidiary has entered into amendments to the MRA, for which official documents have not been provided to us to verify the accounting implications, if any.*
- b. *As stated in the Note, the Subsidiary has not accrued interest for the quarter and nine months ended 31 December 2019 on the amounts due to lenders towards which shares were agreed to be allotted under the MRA. However, the Subsidiary has not received a confirmation from the lenders on waiver of the interest. Had the Subsidiary accrued the said interest, the finance cost and loss would have been greater by ₹ 2,808 lakhs and ₹ 8,395 lakhs for the quarter and nine months ended 31 December 2019.*
- c. *Further, as per the terms of the MRA, there is an annual reset of interest rate. The Subsidiary continues to accrue interest at the original rate as per MRA in the absence of confirmation from the lenders to the contrary.*
- d. *The balances of borrowings and interest accrued in the books are subject to confirmation from the lenders and/or reconciliations.*

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 ₹ 9,448 lakhs and ₹ 26,771 lakhs for the quarter and nine months ended 31 December 2019. The impact of accounting implications, if any, warranted by the amendments to the MRA cannot be quantified.

Qualified conclusion

12. Based on our review conducted as stated above in paragraph (5) above and based on the consideration of the review reports of the other auditors referred to in paragraph (14) below, *except to the effects / possible effects of matters described in paragraph (7), (8), (9), (10) and (11) above*, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of regulation 33 of the Listing Regulation, including the manner in which it is to be disclosed, or that it contains any material misstatement.



Emphasis of matter

13. *We draw reference to Note 9 to the Statement, wherein the Parent has reversed certain related parties' transactions executed in FY 2018-19 on account of the reason stated in the said note. Our conclusion is not modified in respect of this matter.*
14. *We draw reference to Note 19 to the Statement which states that the Group has accounted for the gain from the bargain purchase provisionally pending finalization of the fair value report of the net assets acquired on business combination. Our conclusion is not modified in respect of this matter.*

Material uncertainty relating to going concern

15. a. *We draw attention to Note 4 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 ability of the Holding Company to continue as a going concern depends on the successful outcome of the Corporate Insolvency and Resolution Process (CIRP), extension of subsidies / benefits granted by the Government of Telangana and recommencement of Kamalapuram unit.*
- b. *We also draw reference to Note 14 which indicate existence of a material uncertainty that may cast significant doubt on Bilt Graphic Paper Products Limited's (BGPPL, a material subsidiary of the Parent) ability to continue as a going concern. The ability of BGPPL to continue as a going concern depends on the outcome of the legal proceedings arising on account of MRA.*

Our conclusion on the Statement is not modified in respect of the above matters.

Other matters

16. The Statement includes the interim financial information / results of 5 subsidiaries (1 domestic and 4 foreign subsidiary) which have not been reviewed by us, whose unaudited financial results reflect total revenue of ₹ 73 Lakhs and ₹ 509 Lakhs for the quarter and nine months ended 31 December 2019, net loss (after tax) of ₹ 1,425 Lakhs and ₹ 4,165 Lakhs for the quarter and nine months ended 31 December 2019, and total comprehensive income (net gain) of ₹ 3,281 Lakhs for the quarter and total comprehensive income (net loss) ₹ 6,731 Lakhs for the nine months ended 31 December 2019, as reported by the respective companies and which have been considered in the Statement. These interim financial information / results have been reviewed by another auditor whose reports have been furnished to us by the Management of the Parent 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 conclusion on the Statement is not modified in respect of the above matter.

17. The consolidated unaudited financial results includes the interim financial information of three subsidiaries which have not been reviewed by its auditors, whose interim financial information reflect total revenues of ₹ Nil Lakhs and ₹ 56 Lakhs for the quarter and nine months ended 31 December 2019, net loss (after tax) of ₹ 2,974 Lakhs and ₹ 11,938 Lakhs for the quarter and nine months ended 31 December 2019 and total comprehensive income (net loss) of ₹ 2,800 Lakhs and ₹ 11,908 Lakhs for the quarter and nine months ended 31 December 2019, as considered in the consolidated unaudited financial results. According to the information and explanations given to us by the Management, the interim financial information is not material to the Group.

Our conclusion on the Statement is not modified in respect of the above matter.

for **SHARP & TANNAN**
Chartered Accountants
Firm's Registration No. 003792S



V. Viswanathan
Partner

Membership No. 215565

UDIN: 20215565AAAAAG3673

Place: Gurugram

Date: 11 February 2020

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 entity	Relationship
1	Bilt Graphic Paper Products Limited	Subsidiary
2	Avantha Agritech Limited	Subsidiary
3	Ballarpur Specialty Paper Holdings B V	Subsidiary
4	Bilt General Trading FZE	Subsidiary
5	Ballarpur International Holdings B V	Subsidiary
6	Bilt Paper B V	Subsidiary
7	Ballarpur Paper Holdings B V	Subsidiary
8	Sabah Forest Industries SDN BHD	Subsidiary
9	Mirabelle Trading Pte Ltd	Subsidiary (with effect from 07 July 2019)
10	Premier Tissues India Limited	Joint Venture (upto 16 September 2019)

