

REF: BIL/ST.EX/BM/2020-21/UFR  
March 19, 2021

The Secretary  
**The Calcutta Stock Exchange Limited,**  
7, Lyons Range,  
Kolkata - 700 001.

General Manager - DCS  
**Bombay Stock Exchange Limited**  
Corporate Relationship Department  
1<sup>st</sup> Floor, New Trading Ring,  
Rotunda Building, P. J. Towers,  
Dalal Street, Fort,  
Mumbai - 400 001  
Code : 500059

Asst. Vice President  
**National Stock Exchange of India Limited**  
Exchange Plaza, 5<sup>th</sup> Floor,  
Plot No. C/1, G Block  
Bandra Kurla Complex,  
Bandra (East)  
Mumbai - 400 051  
Code: BINANIIND

**REG: Outcome of Board Meeting pursuant to Regulation 30 under SEBI (Listing  
Obligation and Disclosure Requirements), Regulations, 2015**

Dear Madam / Sirs,

This has reference to our letter dated March 12, 2021.

The Board of Directors of Binani Industries Limited ('the Company') at its meeting held today, i.e. March 19, 2021, inter alia, transacted the following business:

1. Approved the Unaudited Financial Results (Standalone & Consolidated) of the Company for the quarter and nine months ended 31<sup>st</sup> December, 2020.

The Results (Standalone & Consolidated) along with the Limited Review Report, declaration on modified on Auditors' Report is attached for your records.

The Board meeting commenced at 4.30 p.m. (IST) and concluded at 5.40 PM (IST).

The above announcements are also being made available on the website of the Company [www.binaniindustries.com](http://www.binaniindustries.com)

This disclosure is being submitted pursuant to Regulations 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

This is for your information and records.

Thanking you,

Yours faithfully,  
For **Binani Industries Limited**



**Visalakshi Sridhar**  
Managing Director, CFO & Company Secretary  
DIN:07325198

Encl: As above

## **Binani Industries Limited**

CIN: L24117WB1962PLC025584

Corporate Office: Mercantile Chambers, Ground Floor, 12, J. N. Heredia Marg, Ballard, Estate, Mumbai - 400 001, India.

Tel: +91 22 3026 3000 / 01 / 02 | Fax: +91 22 2263 4960 | Email: [mumbai@binani.net](mailto:mumbai@binani.net) | [www.binaniindustries.com](http://www.binaniindustries.com)

Registered Office: 37/2, Chinar Park, New Town, Rajarhat Main Road, P.O. Hatiara, Kolkata - 700 157, India

Tel: 08100326795 / 08100126796 | Fax: +91 33 4008 8802

**Statement of Standalone & Consolidated Unaudited Results for the Quarter and Nine Months Ended 31st December, 2020**

(Rs. in Lakhs)

Particulars	Standalone				Consolidated			
	Quarter Ended		Nine Month Ended		Quarter Ended		Nine Month Ended	
	31.12.2020 (Unaudited)	30.09.2020 (Unaudited)	31.12.2019 (Unaudited)	31.12.2019 (Unaudited)	31.12.2020 (Unaudited)	30.09.2020 (Unaudited)	31.12.2019 (Unaudited)	31.12.2019 (Unaudited)
<b>1 Income from Operations</b>								
Sales / Income from Operations	21	16	18	47	21	34,205	43,503	1,21,373
Other Income	95	90	117	275	95	13,400	711	6,039
Transfer from/to Business Reorganisation Reserve	(90)	(90)	(83)	(269)	(332)	-	-	9,444
<b>Total Income from Operations</b>	<b>26</b>	<b>16</b>	<b>52</b>	<b>53</b>	<b>116</b>	<b>47,605</b>	<b>44,214</b>	<b>1,27,412</b>
<b>2 Expenses</b>								
(a) Cost of materials consumed	6	1	5	7	14	6,769	10,274	33,006
(b) Purchase of Traded Goods	-	-	-	-	-	-	-	-
(c) Changes in Inventories of finished goods	-	-	-	-	-	6,665	1,505	(1,013)
(d) Employee Benefits Expenses	39	50	56	131	48	10,205	12,136	34,132
(e) Finance Costs	77	78	72	233	78	4,861	5,617	15,739
Transfer from/to Business Reorganisation Reserve	(77)	(77)	(71)	(215)	(286)	-	-	-
(f) Depreciation and Amortisation Expenses	9	9	10	26	11	3,797	4,198	11,790
(g) Other Expenses	126	92	127	263	132	2,808	8,775	45,232
Transfer from/to Business Reorganisation Reserve	(4)	(9)	3	(11)	8	(228)	-	-
<b>Total Expenses</b>	<b>176</b>	<b>144</b>	<b>202</b>	<b>438</b>	<b>275</b>	<b>35,105</b>	<b>42,705</b>	<b>1,38,886</b>
<b>3 Profit / (Loss) from operations before exceptional items (1-2)</b>	<b>(150)</b>	<b>(128)</b>	<b>(150)</b>	<b>(385)</b>	<b>(159)</b>	<b>12,500</b>	<b>1,509</b>	<b>(11,474)</b>
<b>4 Exceptional Items</b>								
Transfer from/to Business Reorganisation Reserve	(7,777)	-	30	(11,020)	(7,777)	-	29	(20,834)
<b>5 Profit / (Loss) from ordinary activities before tax (3-4)</b>	<b>(150)</b>	<b>(128)</b>	<b>(150)</b>	<b>(385)</b>	<b>(186)</b>	<b>12,500</b>	<b>1,538</b>	<b>(12,007)</b>
<b>6 Tax Expenses</b>								
Transfer from/to Business Reorganisation Reserve	-	-	-	-	-	7	171	10,911
<b>7 Net Profit / (Loss) from ordinary activities after tax (5-6)</b>	<b>(150)</b>	<b>(128)</b>	<b>(150)</b>	<b>(385)</b>	<b>(186)</b>	<b>12,493</b>	<b>1,367</b>	<b>(12,007)</b>
- Attributable to non-controlling interest	NA	NA	NA	NA	NA	(9)	(10)	(6)
- Attributable to the owners of the Parent	NA	NA	NA	NA	NA	12,498	1,377	(1,290)
<b>8 Other Comprehensive Income</b>								
Items that will not be reclassified to profit or loss	-	-	-	-	7	-	-	-
- Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-	-	-	-
- Items that will be reclassified to profit or loss	-	-	-	-	-	-	-	-
- Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	-	-	-
<b>9 Other Comprehensive Income / (Loss) for the period</b>								
Other Comprehensive Income / (Loss) attributable to Non-controlling interest	-	-	-	-	7	-	-	-
Other Comprehensive Income / (Loss) attributable to Owners of the Parent	NA	NA	NA	NA	NA	-	-	-
<b>10 Total Comprehensive Income / (Loss) for the period (7+9)</b>	<b>(150)</b>	<b>(128)</b>	<b>(150)</b>	<b>(385)</b>	<b>(179)</b>	<b>12,493</b>	<b>1,367</b>	<b>(12,007)</b>
- Attributable to non-controlling interest	NA	NA	NA	NA	NA	(5)	(10)	(6)
- Attributable to the owners of the Parent	NA	NA	NA	NA	NA	12,498	1,377	(1,290)
<b>11 Paid-up Equity Share Capital / Face Value per share (Rs.10 each)</b>	<b>3,138</b>	<b>3,138</b>	<b>3,138</b>	<b>3,138</b>	<b>3,138</b>	<b>3,138</b>	<b>3,138</b>	<b>3,138</b>
<b>12 Other Equity (Excluding Revaluation Reserve/ Business Reorganization Reserve)</b>								
- Attributable to non-controlling interest	-	-	-	-	-	(84,490)	-	-
<b>13 Earnings Per Share (EPS)</b>								
(of Rs. 10/- each) (not annualised)								
(a) Basic	(0.48)	(0.41)	(0.48)	(1.23)	(25.30)	39.84	4.39	(133.67)
(b) Diluted	(0.48)	(0.41)	(0.48)	(1.23)	(25.30)	39.84	4.39	(133.67)

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(Rs. In Lakhs)

Unaudited Segment wise Revenue, Results, Assets and Liabilities for the Quarter and Nine Months Ended 31st December, 2020 Standalone



Table with 14 columns: Particulars, Quarter Ended (Unaudited), 30.09.2020, 31.12.2019 (Unaudited), Nine Month Ended (Unaudited), 31.12.2020, Year Ended (Audited), 31.03.2020, Quarter Ended (Unaudited), 30.09.2020, 31.12.2019 (Unaudited), Nine Month Ended (Unaudited), 31.12.2020, Year Ended (Audited), 31.03.2020. Rows include Segment Revenue, Net Segment Revenue, Segment Assets, and Segment Liabilities.

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Notes to the above financial results:							
1	The Standalone unaudited Financial Results of the Company for the Quarter and Nine Months ended December 31, 2020 and the Consolidated Unaudited Financial Results of the Company for the Quarter and Nine Months ended December 31, 2020 have been reviewed by the Audit Committee and approved by Board of Directors at their meeting held on March 19, 2021.						
2	This statement has been prepared in accordance with the accounting principles generally accepted in India including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder except where disclosed.						
3	The Company had given Corporate guarantees to banks in the earlier years on behalf of various subsidiaries viz Goa Glass Fibre Limited, Edayar Zinc Limited and BIL Infratech Limited for the purpose of working capital requirements. The aggregate outstanding balance of these as at the Nine months ended December 31, 2020 is Rs.16,330.38 lakhs (March 31 2020: Rs.22,525 lakhs). Edayar Zinc Limited (EZL) has entered into One Time Settlement (OTS) with bank. The Company has made the provision for loss allowance of Rs.2,149.1 lakhs in respect of such corporate guarantees given.						
4	In case of Edayar Zinc Limited (EZL)-						
a)	EZL has entered into a One Time Settlement (OTS) with the consortium of banks for a total payment of Rs. 17,500 lakhs and is making payment under the Settlement. The payment towards the OTS is made out of the sale proceeds of the assets mortgaged with the Banks. The payment is being made in instalments as per schedule. Punjab National Bank (PNB) in its capacity as a lead bank has taken physical possession of assets of EZL under section 13(4) of SARFAESI Act.  Pursuant to the OTS, vide order dated December 04, 2019, NCLT Kolkata has permitted the withdrawal of the application filed by PNB under Section 7 of the IBC against the Company and Edayar Zinc Limited.  EZL has formed an Limited Liability Partnership named Green Panel Investment LLP to facilitate inter alia the sale of assets and settlement of liabilities.  Pursuant to the amendment to Section 26E of the SARFAESI Act, the DRT has vide order dated February 13, 2020 has a) permitted the sale of assets either by the Banks or the Company with the permission of the Banks under the provisions of the SARFAESI Act and that the Banks be directed to issue a Certificate of Sale thereof and b) permitted to appropriate the sale proceeds of the said secured assets on first priority basis in terms of Section 26E of the SARFAESI Act and the notification dated December 24, 2019 issued in respect thereof by the Ministry of Finance (Department of Financial Services) whereby the debts of the Secured Lenders are to be paid on priority to other debts, all revenues, taxes, cesses and other rates payable to the Central Government / State Government authority. Based on an application filed by Fine Fab Engineering & Construction in the High Court of Kerala, the Kerala High Court has issued an interim order permitting the removal of the goods by M/S Fine Fab subject to continuation of charge of the revenue authorities over the property.  The Holding Company has given Rs. 435.45 lakhs to EZL as on December 31, 2020						
b)	In lieu of ongoing correspondence with KSEB and considering our contention, KSEB demand vide letter dated 28/10/2020 for payment of Rs. 4,662 lakhs including interest of Rs. 1831 lakhs being arrears of electricity charges. The Company is in the process of responding to the same as as the revised demand does not consider bills to be revised as committed by KSEB vide letter 05/04/2016. Meanwhile the company has obtained an interim stay from Kerala High court on the condition that the company pays the admitted amount of Rs.529.18 lakhs in four equal and successive monthly installments commencing from 20.12.2020. The Company has made payment of two installment aggregating to Rs.264 Lakhs.						
c)	Bankers had filed the case with High Court of Bombay to declare the directors of the Company as wilful defaulters. In the writ petition challenging the classification of the Company and its Directors as wilful defaulter, the High Court at Bombay, on the request made by Punjab National Bank's lawyer had granted a week's time for obtaining instructions from his clients on whether they are ready and willing to issue a fresh show-cause notice and follow the procedure prescribed in RBI circular dated July 01, 2015. The matter is yet to come up for hearing.						
d)	The settlement with the workers vide agreement dated February 6, 2018 read with addendum dated March 16, 2020 for a consolidated amount of Rs.3,303 Lakhs including interest. The company has paid Rs.500 Lakhs to the worker.						
e)	The Company is in receipt of a settlement agreement with Contract Labourers of the Company duly signed by the "District Labour Officer and District Conciliatory Officer" dated 11/04/2018 for an amount of Rs. 2 crore; the payment for which falls due within 120 days from the date of the settlement agreement and delay in payment shall attract interest @ 7% p.a. till the 28th February, 2020. Company had already made the provision of interest payable to Contract Labourers upto 28th February, 2020. The company has paid Rs.75 Lakhs to the worker.						
f)	EZL has made application under Sabka Vishwas Scheme for the settlement of dues towards Excise Duty and Service Tax. Settlement was made at Rs. 12.64 Lakhs and the company has paid the same. Company has also made an application under Amnesty Scheme 2020 and total liability determined was Rs. 541.40 Lakhs which was agreed to be paid in 5 installments. All installments aggregating to Rs.541.40 Lakhs has been paid.						
5	Pursuant to a separate Scheme of Amalgamation approved by the Hon'ble High Court at Kolkata between Wada Industrial Estate Limited (WIEL) and a step down wholly owned subsidiary of the Company on March 18, 2014, being the Company as a successor to WIEL (the scheme), the Company had applied AS 30, Accounting Standard on Financial Instruments: Recognition and Measurement (AS 30), issued by the Institute of Chartered Accountants of India (ICAI), and pursuant thereto has as on March 31, 2014, being the date of conclusion of the first Accounting Year post the provisions of AS 30 becoming applicable to the Company, classified the investments as "available for sale financial assets" and has accordingly, measured such investments at fair value as on that date. All amount required to be taken as per AS 30 to revenue reserve or to an appropriate equity account shall be aggregated and such aggregate shall be taken to the Business Reorganisation Reserves (BRR). As mentioned in the scheme, in the event of any conflict between the provision of AS 30 and any other Accounting Standards, the provision of AS 30 will be applied in preference to any other Accounting Standard. BRR shall constitute a reserve arising as per this Scheme and shall not for any purpose be considered to be a Reserve created by the Company. During the year 2016, the Institute of Chartered Accountants of India (ICAI) has withdrawn AS 30. Consequent to this, the Company has applied principles of notified Ind AS 109 related to Financial Instruments being new accounting standards applicable instead of AS 30. All equity investment including investment in Subsidiaries are fair valued. Accordingly, all amounts required to be taken as per the Financial Instruments Standards under Ind AS to revenue reserve or to an appropriate equity account / Other Comprehensive Income are aggregated and such aggregated amount is taken to Business Reorganisation Reserves (BRR). Company has offset certain expenses/income/provision for diminishing in value of investments (net) in accordance with the scheme against BRR amounting to Rs.7,768.41 Lakhs and Rs.10,994.44 Lakhs against BRR during the quarter and nine months ended December 31, 2020. (Rs.43.96 Lakhs, Rs.9,867.81 Lakhs and Rs.80,038.45 Lakhs against BRR quarter and nine months ended December,2019 and Year ended March,2020.)						
6	Global Composite Holding INC a wholly owned foreign subsidiary of the Company is looking for new business opportunities post the sale of its assets in March 2015. The Company is hopeful of recovering the loans extended to Global Composite Holding Inc and has made a provision for write off of advances for only Rs. 4582.41 lakhs. The amount outstanding as on December 31, 2020 (net of the provision for write off) is Rs. 359.72 lakhs (PY March 31, 2020- Rs.371.21 lakhs) and on basis of the Company's discussion with the management of Global Composite Holding INC, the Company believes these receivables are good and no provision is considered necessary in respect of this outstanding balance.						
7	The details of the exceptional items disclosed in the statement of Standalone and Consolidated unaudited financial results towards provision for impairment is as under:						
	<table border="1"> <thead> <tr> <th>Particulars</th> <th>For the Nine Months Ended December 31, 2020</th> </tr> </thead> <tbody> <tr> <td>Loss on Diminution of Value of investment (Provision for Write off)</td> <td>11,020.09</td> </tr> <tr> <td><b>Total</b></td> <td><b>11,020.09</b></td> </tr> </tbody> </table>	Particulars	For the Nine Months Ended December 31, 2020	Loss on Diminution of Value of investment (Provision for Write off)	11,020.09	<b>Total</b>	<b>11,020.09</b>
Particulars	For the Nine Months Ended December 31, 2020						
Loss on Diminution of Value of investment (Provision for Write off)	11,020.09						
<b>Total</b>	<b>11,020.09</b>						
8	Ultratech Nathdwara Cement Limited (UNCL) has in respect of the obligation of the company as a pledgor of shares of 3B Binani Glassfibre Sarl Luxembourg (3B) for the loans availed by 3B, a wholly owned subsidiary invoked the pledge and has taken away/directed Bank of Baroda London the Security Agent to transfer shares of 3B Binani Glassfibre Sarl Luxembourg to itself. The lender has also taken over the management and replaced the company's representatives on the board of 3B. Consequent to the above action, 3B has ceased to be a subsidiary and necessary impact has been given in the books of accounts.						



9	<p>For Assessment Year (A Y) 2018-19 refund has been determined by the Income Tax Department for Rs.115.53 Lakhs, but yet to be issued. For A Y 2012-13 and 2013-14 vide scrutiny assessment orders certain additions were made to taxable income, including under section 14 A of the Income Tax Act, 1961 and total tax including interest u/s 234B and 234C payable is determined for A Y 2012-13 at Rs 1,310.55 Lakhs (as against provision in books for Rs 650.47 Lakhs) and for A Y 2013-14 tax payable is determined at Rs 883.55 Lakhs (as against provision in books for Rs 255.20 Lakhs). Total tax demand has paid or adjusted against refunds. The company has filed an appeal before CIT (A) which is pending for disposal and the company is expecting favourable decision.</p> <p>For Assessment Year (A Y) 2019-20 BIL has incurred long-term capital loss of Rs 1,22,039 Lakhs on extinguishment of equity and preference shares of the erstwhile subsidiary company Binani Cement Ltd (BCL) pursuant to the order dated 14.11.2018 passed by the Hon'ble NCLAT. BIL also had Long-Term Capital Gain (LTCG) amounting to Rs 550.85 Lakhs which had arisen on sale of tenancy rights in building which was set-off against the above Loss and net Loss of Rs 1,21,488.15 Lakhs was claimed in return of income. The CPC in its Intimation U/s 143(1) has ignored the Long Term Capital Loss of Rs 1,22,039 Lakhs and in rectification Order u/s 154 has computed Capital Gain at Rs 550.85 Lakhs. The demand is raised for Rs 122 Lakhs, after adjusting TDS of Rs 21.38 Lakhs against which Appeal is filed before CIT(A) and rectification letter with A O.</p>
10	<p>In case of BIL Infratech, Subsidiary, customer had invoked the Bank Guarantee. Thus, after invocation of bank guarantee, Subsidiary paid the customer. However, the Subsidiary had filed an application with the court. The matter is subjudice.</p> <p>Meanwhile during the pandemic period, the lead bank froze the cash credit accounts which led to operational difficulty. The subsidiary has filed with NCLT Kolkata under Section 10 of the IBC, 2016. The petition was heard on 13.01.2021 wherein the NCLT Kolkata has granted interim stay orders for non invocation of Bank Guarantees of the corporate applicant and has given directions to the banks to not allow invocation of any Bank Guarantee by the clients. The matter is posted for hearing on 21st April 2021.</p> <p>The Consolidated financial statement considers accounts of BIL Infratech upto June 2020 as their accounts are still under preparation.</p>
11	<p>The construction business has been severely impacted by the covid-19 crisis based on the significant impact on the construction sector. The construction subsidiary has made an application for admission u/s 10 of the IBC in NCLT Kolkata and the matter is scheduled on April 21, 2021. The management is working towards finding a workable solution to resolve the financial position of the Company and the group and to continue its business as going concern. Accordingly, the management considers it appropriate to prepare these financial statements on a going concern basis. The Company has assessed the possible effects that may result from the pandemic relating to COVID - 19 on the carrying amount of receivables, inventories, and other assets / liabilities. Based on the current indicators of future economic conditions the company expects to recover the carrying amount of all its assets. The impact of the COVID - 19 pandemic may be different from that estimated as at the date of approval of the financial results and the company will continue to closely monitor any material changes to future economic conditions.</p>
12	<p>The Shareholders have approved Capital Reduction by Cancellation of Paid-up Share Capital of the Company u/s 66(1)(b)(i) of the Companies Act, 2013 whereby, the issued, subscribed and paid up Equity capital of the Company is reduced from Rs. 31,36,61,750 (Rupees Thirty One Crore Thirty Six Lakhs Sixty One Thousand Seven Hundred and Fifty Only) consisting of 3,13,66,175 (Three Crores Thirteen Lakhs Sixty Six Thousand One Hundred And Seventy Five Only) equity shares of Rs. 10 (Rupees Ten) each to Rs. 31,36,610 (Rupees Thirty One Lakhs Thirty Six Thousand Six Hundred And Ten only) consisting of 3,13,661 (Three Lakhs Thirteen Thousand Six Hundred And Sixty One Only) equity shares of Rs. 10 (Rupees Ten) each by cancelling and extinguishing, in aggregate, 99% (Ninety nine percent) of the total issued, subscribed and paid-up equity share capital of the Company, comprising 3,10,52,514 (Three Crore, Ten Lakhs Fifty Two Thousand Five Hundred And Fourteen Only) equity shares of Rs. 10 (Rupees Ten) each. The Scrutinizer Report dated 17th July, 2020 was taken on Board and filed with Stock Exchange.</p>
13	<p>Investors can view the Financial Results of the Company at the Company's website <a href="http://www.binaniindustries.com">www.binaniindustries.com</a> or at the websites of BSE (<a href="http://www.bseindia.com">www.bseindia.com</a>) or NSE (<a href="http://www.nseindia.com">www.nseindia.com</a>) or CSE (<a href="http://www.cse-india.com">www.cse-india.com</a>)</p>
14	<p>The figures for the previous periods / year have been regrouped / recasted wherever considered necessary.</p>
<p><b>For BINANI INDUSTRIES LIMITED</b></p> <p></p> <p><b>Visalakshi Sridhar</b>  Managing Director, CFO and Company Secretary  Din- 07325198  Place : Mumbai  Date : March 19, 2021</p> 	



## V. P. Thacker & Co.

Chartered Accountants

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### **Independent Auditor's Review Report on Unaudited Standalone Quarterly Financial Results and Year to Date results of Binani Industries Limited pursuant to the Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**

#### **To the Board of Directors of Binani Industries Limited**

1. We were engaged to review the accompanying **Statement of Standalone Unaudited Financial Results** of Binani Industries Limited ('the Company') for the quarter ended December 31, 2020 and the year to date results for the period April 1, 2020 to December 31, 2020 ('the Statement') attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the Securities and Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.
2. This Statement, which is the responsibility of the Company's Management and has been 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 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 in accordance with the Standard on Review Engagement (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 provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. The Company has given corporate guarantees aggregating to Rs. 16,330.38 lakhs as at December 31, 2020 to banks and financial institutions on behalf of various subsidiaries/erstwhile subsidiaries. The Company has determined the loss allowances to the extent of Rs. 2,149.10 Lakhs as at December 31, 2020 in respect of these corporate guarantees as required by Ind AS 109 – 'Financial Instruments' (*refer note 3 of the Statement*).

A

## V. P. Thacker & Co.

5. Edayar Zinc Limited (EZL), a wholly owned subsidiary, has entered into a One Time Settlement (OTS) dated August 28, 2019 with Punjab National Bank (PNB). The payment towards the OTS is required to be made from the sale proceeds of the assets mortgaged with the Banks. Accordingly, National Court Law Tribunal ("NCLT") Kolkata Bench, Kolkata vide order dated December 04, 2019 has permitted the withdrawal of the application filed by PNB under Section 7 of the IBC against the BIL ("the Company") and EZL (*refer note 4a of the Statement*).
6. The Company has transferred the increase/decrease in fair value of all equity investments including investments in subsidiaries to Business Reorganisation Reserve (BRR) in accordance with the scheme of Amalgamation approved by the Hon'ble High Court at Calcutta on March 8, 2014. Further, in accordance with the said Scheme, the Company has offset or (reversed) certain expenses/income (net) amounting to Rs. 7,768.41 Lakhs and Rs. 10,994.44 Lakhs against BRR during the quarter and nine months ended December 31, 2020, respectively. (*refer note 5 of the Statement*).
7. Material uncertainty related to Going Concern  
Management has prepared the Standalone Financial Results on going concern basis in spite of the following facts and circumstances:
  - a. The Company has reported losses from business activities of Rs. 150 Lakhs and Rs. 385 Lakhs for the quarter and nine months ended December 31, 2020 and potential impact due to lock-down and other restrictions and conditions related to COVID-19 pandemic situation, for which a definitive assessment of the impact in the subsequent period is highly dependent upon circumstances as they evolve. (*refer note 11 of the Statement*).
  - b. The guarantees issued by the Company on behalf of the subsidiaries/erstwhile subsidiaries, with expected further losses in addition to the amounts provided upto December 31, 2020.
  - c. The constant and continuing decrease in the operations of the Company.
  - d. Significance of the matters stated in paragraphs 4 to 6 above.

These matters, including the status of the Company as at the date of this report, indicates a material uncertainty regarding Company's ability to continue as a going concern. While provisions have been made for asset impairment and liabilities as estimated to be likely to occur, further provisions may arise, if the Company is unable to realize its assets and discharge its liabilities in the normal course of business.

The management is working towards finding a workable solution to resolve the financial position by discussions with the lenders and others and to continue its business as going concern basis. Accordingly, the management considers it appropriate to prepare these standalone financial statements on a going concern basis. (*refer note 11 of the Statement*).



**V. P. Thacker & Co.**

8. Based on substantive nature and significance of the matter described in paragraphs 4 to 7 and except for the possible effects of the matters described therein, ~~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 & Disclosure Requirements) Regulations, 2015 as amended, including the manner in which it is to be disclosed, or that it contains ~~any material~~ misstatement.

**For V.P. Thacker & Co.**

Chartered Accountants

Firm Registration No: 118896W

*Abul Darukhanawala*

**Abul Darukhanawala**

Partner (M. No. 108053)

UDIN No. 21108053AAAAY8068

Mumbai

Date: March 19, 2021



## V. P. Thacker & Co.

Chartered Accountants

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### **Independent Auditor's Review Report on Unaudited Consolidated Quarterly Financial Results and Year to Date Results of the Company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended**

To the Board of Directors Binani Industries Limited

1. We have reviewed the **Unaudited Consolidated Financial Results** of Binani Industries Limited (the "Parent"), its subsidiaries (the parent and its subsidiaries hereinafter referred to as the "Group") for the quarter ended December 31, 2020 and year to date results for the period April 1, 2020 to December 31, 2020 which are included in the accompanying Statement of Consolidated Unaudited Financial Results for the quarter and nine months ended December 31, 2020 ("the Statement"). The Statement has been prepared by the Parent pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 'Interim Financial Reporting' ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India. Our Responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review in accordance with the Standard on Review Engagement (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 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 conducted in accordance with 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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.
4. The Statement includes the results of subsidiaries (including step-down subsidiaries) Edayar Zinc Limited, BIL Infratech Limited, Royal Vision Projects Private Limited, RBG Minerals Industries Limited, Nirbhay Management Services Private Limited, Global Composite Holdings INC.  
  
3B Binani Glass Fibre S.a.r.l, Project Bird Holding II S.a.r.l PBII, 3B – FIBREGLOSS sprl, 3B – Fibreglass Norway as, Tunfib S.a.r.l and Goa Glass Fibre Limited have ceased to be a subsidiary. (Refer note 8 of notes to accounts)

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- a. We have not reviewed the interim financial results of 2 subsidiaries included in the Statement, whose interim financial results reflect total revenues as NIL and Rs. 170.12 Lakhs, total profit/(loss) after tax of Rs. (12.04) lakhs. and Rs. (622.90) lakhs, and total comprehensive profit/(loss) of Rs. (12.04) lakhs and Rs. (622.90) lakhs for the quarter and nine months ended 31st December 2020 respectively, as considered in the unaudited consolidated financial results. These interim financial results have been reviewed by other auditors (except for one subsidiary i.e. BIL Infratech Limited - Refer Note 10 of Notes to Accounts) whose reports have been furnished to us by the management and our report on the Statement, in so far as it relates to the amount and disclosures included in respect of these subsidiaries is based solely on the report of the other auditors and procedures performed by us as stated in paragraph 3 above.

Our conclusion 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 auditors.

- b. The interim financial results of 4 subsidiaries (including step-down subsidiaries) which have not been reviewed by their auditors and are certified by the Management, whose interim financial results reflect total revenue of Rs. 0.14 lakhs and Rs 0.22 lakhs, total loss after tax of Rs. (14.51) lakhs and Rs (34.13) lakhs, and total comprehensive loss of Rs. (14.51) lakhs and Rs. (34.11) lakhs for the quarter and nine months ended 31st December 2020 respectively, as considered in the unaudited consolidated financial results. According to the information and explanation given to us by the management, these financial results are not material to the group.

Our conclusion on the Statement is not modified in respect of the above matters with respect to our reliance on the interim financial information certified by the management.

5. The Parent Company has given corporate guarantees aggregating to Rs. 16,330.38 Lakhs as at December 31, 2020 to banks and financial institutions on behalf of various subsidiaries/erstwhile subsidiaries. The Parent Company has determined the loss allowances of Rs. 2,149.10 Lakhs as at December 31, 2020 in respect of these corporate guarantees as required by Ind AS 109 – 'Financial Instruments'. (Refer Note 3 of Notes to Accounts)
6. Matter in financial results of Edayar Zinc Limited (EZL), a subsidiary of the Parent Company:
- i. Edayar Zinc Limited (EZL) has entered into One Time Settlement (OTS) with Punjab National Bank (PNB). The payment towards the OTS is made out of sales proceeds of the assets mortgaged with banks. Accordingly, National Court Law Tribunal ("NCLT") Kolkata Bench, Kolkata vide order dated December 04, 2019, has permitted the withdrawal of the application filed by PNB under Section 7 of IBC against BIL ("the Company") and EZL. (Refer Note 4a of Notes to Accounts)
- ii. Contingent liability in respect of disputed Electricity charges amounting to Rs 4,935.3 lakhs till March 31, 2018. The Company has provided for Rs. 1,000 Lakhs there against; if liability were to be finally upheld then the impact on net worth of EZL could be significant. (Refer Note 4b of Notes to Accounts)
- iii. Bankers have filed the case with High Court of Bombay to declare the directors of the Company as wilful defaulters, as informed to the auditor, the matter is sub-judice. (Refer Note 4c of Notes to Accounts)

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### 7. Material uncertainty related to Going Concern

Management has prepared the Consolidated Financial Results on going concern basis in spite of the following facts and circumstances:

- 1) The Group has reported profit/(losses) of Rs. (7,936) lakhs and Rs (12,007) lakhs for the quarter and nine months ended December 31, 2020 and the potential impact of COVID-19 on the business of the Group (*Refer Note 11 of Notes to Accounts*),
- 2) The guarantees issued by the Company on behalf of subsidiaries/erstwhile subsidiaries, with expected further losses in addition to the amounts provided upto December 31, 2020.
- 3) The constant and continuing decrease in the operations of the Company.
- 4) Significance of the matters stated in paragraphs 5 to 6 above.

These matters, including the status of the Company as at the date of this report, indicate a material uncertainty regarding Company's ability to continue as a going concern. While provisions have been made for asset impairment and liabilities as estimated to be likely occur, further provisions may arise, if the Group is unable to realize its assets and discharge its liabilities in the normal course of business.

The management is working towards finding a workable solution to resolve the financial position by discussions with the lenders and others and to continue its business as going concern. Accordingly, the management considers it appropriate to prepare these financial statements on a going concern basis. (*Refer Note 11 of notes to accounts*)

8. Based on substantive nature and significance of the matter described in paragraph 5 to 7 above, and except for the possible effects of the matter described therein, and based on the consideration of the report of other auditors referred to in paragraph 4(a) 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 & Disclosure Requirements) Regulations, 2015 as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

**For V.P. Thacker & Co.**

Chartered Accountants

Firm Registration No: 118696W



**Abuali Darukhanawala**

Partner (M. No. 108053)

UDIN No.21108053AAAAKZ6683

Mumbai

Date: March 19, 2021