

REF: BIL/ST.EX/BM/2019-20
December 11, 2020

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

General Manager - DCS
Bombay Stock Exchange

Corporate Relationship Department
1st 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, 5th Floor,
Plot No. C/1, G Block
Bandra Kurla Complex,
Bandra (East)
Mumbai – 400 051
Code: BINANIIND

Dear Sir/Madam,

Ref: Your email dated 10th December, 2020
Sub: Discrepancies in Standalone and Consolidated Financial Results

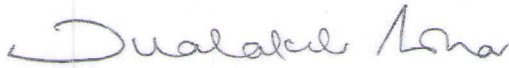
Enclosed please find herewith the Declaration or Statement of Impact of Audit Qualifications for standalone and Consolidated Financial Results for the year ended 31st March, 2020 alongwith Audit Report.

This communication should be read alongwith Financial Results submitted on 25th November, 2020.

Kindly take the same on record.

Thanking you

Yours faithfully
For **Binani Industries Limited**



Visalakshi Sridhar
Managing Director, CFO and Co. Secretary

Encl: a.a.

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 | 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 on impact of Audit Qualifications (for audit report with modified opinion) submitted along with Annual Audited Financial Results - Standalone

I Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2020
[See Regulation 33 of the SEBI (LODR) (Amendment) Regulations, 2016]

(Rs. In Lakhs)			
Sr. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
1	Turnover/ Total Income	1,681	Changes to the figures after adjusting for the impact of qualifications has not been quantified by the Company and hence not disclosed. Refer II (d) and (e) below
2	Total Expenditure	1,141	
3	Exceptional items	(80,211)	
4	Total Comprehensive Income	(10,276)	
5	Earnings per share	(32.78)	
6	Total Assets	22,993	
7	Total Liabilities	15,389	
8	Net worth	7,604	
9	Any other Financial item(s) (as felt appropriate by the management)	-	

II Audit Qualification (each audit qualification separately)

- a. Details of Audit Qualification : Qualified opinion - refer "Basis for Qualified Opinion" in the Auditor's Report On Quarterly Financial Results and Year to Date Financial Results of the Binani Industries Limited Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, dated November 25, 2020.
- b. Types of Audit Qualification : ~~Qualified Opinion / Disclaimer of Opinion / Adverse Opinion~~
- c. Frequency of Qualification :
- Matters stated in paragraph 3 of the Audit Report referred in point (a) above were also qualified in limited review report and audit report issued on or after the quarter and nine months ended December 31, 2017 onwards.
 - Matters stated in paragraph 1 of the Audit Report referred in point (a) above were also qualified in limited review report and audit report issued on or after the quarter and year ended March 31, 2018 onwards.
- d. For Audit qualification (s) where impact is quantified by the Auditor, Management Views Impact has not been quantified by the Company.
- e. For Audit qualification(s) where impact is not quantified by the Auditor
- Management estimation on impact of audit qualification
Not quantified by the management
 - If management is unable to estimate the impact, reasons for the same
As described in notes to the Standalone Financial Results
 - Auditors comments on (i) or (ii) above
Auditor's comments are self explanatory in the auditors report

III Signatories:

- CEO / Managing Director / Manager
- Chief Financial Officer
- Audit Committee Chairman
- Statutory Auditor

Sudalokh Anand
Nitin M
Abhishek = Dutt



Place : Mumbai
Date : November 25, 2020

Binani Industries Limited

CIN: L24117WB1962PLC025584

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Statement on impact of Audit Qualifications (for audit report with modified opinion) submitted along with Annual Audited Financial Results - Consolidated

I Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2020

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

Sr. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	(Rs. In Lakhs)
			Adjusted Figures (audited figures after adjusting for qualifications)
1	Turnover/ Total Income	1,73,704	Changes to the figures after adjusting for the impact of qualifications has not been quantified by the Company and hence not disclosed. Refer II (d) and (e) below
2	Total Expenditure	2,01,845	
3	Exceptional items	(90,782)	
4	Total Comprehensive Income	(1,25,479)	
5	Earnings per share	(395.73)	
6	Total Assets	3,38,014	
7	Total Liabilities	3,83,585	
8	Net worth	(45,571)	
9	Any other Financial item(s) (as felt appropriate by the management)	-	

II Audit Qualification (each audit qualification separately)

a. Details of Audit Qualification : Disclaimer Opinion - refer the Audit Report "Basis for Disclaimer Opinion" in the Auditor's Report On Quarterly Financial Results and Consolidated Year to Date Financial Results of the Binani Industries Limited Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, dated November 25, 2020.

b. Types of Audit Qualification : ~~Qualified Opinion~~ / Disclaimer of Opinion / -Adverse Opinion

c. Frequency of Qualification : Matters stated in paragraph 3(a) to (c) of the Audit Report referred in point (a) above were also qualified in Audit Report for the year ended March 31, 2019 and March 31, 2018.

d. For Audit qualification (s) where impact is quantified by the Auditor, Management Views Impact has not been quantified by the Company.

e. For Audit qualification(s) where impact is not quantified by the Auditor

(i) Management estimation on impact of audit qualification
Not quantified by the management

(ii) If management is unable to estimate the impact, reasons for the same
As described in notes to the published Consolidated Financial Results

(iii) Auditors comments on (i) or (ii) above
Auditor's comments are self explanatory in the auditors report

III Signatories:

1 CEO/ Managing Director /-Manager

2 Chief Financial Officer

3 Audit Committee Chairman

4 Statutory Auditor

} *Sudalal Anwar*
Pravin M
Ashok Z Datar



Place : Mumbai

Date : November 25, 2020

Binani Industries Limited

CIN: L24117WB1962PLC025584

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V. P. Thacker & Co.

Chartered Accountants

402 Embassy Centre,
Nariman Point,
Mumbai 400 021 INDIA
(22) 6631 1490 Main
(22) 6631 1474 Fax
vptco@vptco.in

Independent Auditor's Report on Quarterly and Year to Date Standalone Financial 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

Opinion

We have audited the accompanying Statement of Standalone Financial Results of **Binani Industries Limited** ("the Company"), for the quarter and year ended March 31, 2020 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the Statement:

- a) is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended; and
- b) Based on substantive nature and significance of the matter described in paragraphs 1 to 4 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

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Standalone Annual Financial Results* section of our report. We are independent of the Company, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Standalone Financial Results under the provisions of the Act, and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

1. The Company has given corporate guarantees aggregating to Rs. 22,525.46 lakhs as at March 31, 2020 to banks and financial institutions on behalf of various subsidiaries. The Company has determined the loss allowances to the extent of Rs. 2,149.10 Lakhs as at March 31, 2020 in respect of these corporate guarantees as required by Ind AS 109 – 'Financial Instruments' (Refer note 3 of the Statement).
2. Edayar Zinc Limited (EZL), a wholly owned subsidiary, has entered into an 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,

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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 5a of the Statement).

3. 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. 70,170.64 Lakhs and Rs. 80,038.45 Lakhs against BRR during the quarter and year ended March 31, 2020, respectively (refer note 6 of the Statement).
4. 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 been consistently incurring losses from business activities for the year ended March 31, 2020 and potential financial impact due to the lock-down and other restrictions and conditions related to the 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 12 of the Statement).
- b. The auditors of the material subsidiary of the Company have given a disclaimer of opinion and stated in their audit report that they have not been able to gather sufficient and appropriate audit evidence to express an opinion on the appropriateness of the going concern accounting principle.
- c. The guarantees issued by the Company on behalf of the subsidiaries, with expected further losses in addition to the amounts provided upto March 31, 2020.
- d. The constant and continuing decrease in the operations of the Company.
- e. Significance of the matters stated in paragraphs 1 to 3 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. Accordingly, the management considers it appropriate to prepare these standalone financial Results on a going concern basis.

Management's Responsibilities for the Standalone Financial Results

This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been compiled from the related audited Standalone Financial Statements. The Company's Board of Directors are responsible for the preparation and presentation of the Standalone Financial Results that give a true and fair view of the net profit and other comprehensive income and other financial information of the Company in accordance with Indian accounting standards prescribed under section 133 of the Act, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations, as amended.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and

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design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Results, the Board of Directors are responsible for assessing the Company's ability, to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the financial reporting process of the Company.

Auditor's Responsibilities for the Audit of the Standalone Financial Results

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Financial Results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Standalone Financial Results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of standalone financial statements on whether the company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Financial Results, including the disclosures, and whether the Standalone Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.

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We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matters

1. The comparative figures provided in the Statement for the corresponding quarter and year ended March 31, 2019 have been audited by the predecessor auditor who have expressed adverse opinion on the Standalone Audited financial statements vide their Report dated November 22, 2019.
2. The statement includes the Standalone Financial Results for the quarter ended 31st March 2020 being the balancing figure between audited figures in respect of the full financial year and the published unaudited year to date figures up to the nine months of the current financial year which were subject to limited review by us.

For V.P. Thacker & Co.

Chartered Accountants

Firm Registration No: 118696W



Abuali Darukhanawala

Partner (M. No. 108053)

UDIN No. 20108053AAAAMY9057

Mumbai

Date: 25th November 2020

Independent Auditor's Report on Quarterly Consolidated Financial Results and Year to Date Consolidated Financial 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

Opinion

We have audited the accompanying Statement of Consolidated Financial Results of **Binani Industries Limited** ("the Parent" or "the Company") and its subsidiaries (the Parent Company and its subsidiaries together referred to as "the Group"), for the quarter and year ended March 31, 2020 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the reports of the other auditors on separate financial statements and other financial information of subsidiaries (including step-down subsidiaries) referred to in paragraph 1 of Other Matters Paragraph below, the Statement:

- a) includes the results of the Parent Company, subsidiaries (including step-down subsidiaries) as given in Other Matters;
- b) is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended; and
- c) Based on substantive nature and significance of the matter described in paragraphs 1 to 5 and its possible effects of the matters described therein in the "Basis for Disclaimer" paragraph below, we are unable to comment whether the accompanying consolidated financial results are prepared in accordance with the aforesaid Indian Accounting Standards and other recognized accounting practices and polices 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.

Basis for Disclaimer of opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Results* section of our report. We are independent of the Company, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act, and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

1. We draw attention to the following Disclaimer of Opinion paragraph in the Audit report on Consolidated Financial Statement of 3B Binani Glassfibre Sarl and its subsidiaries issued by an independent firm vide its Report dated November 9, 2020, reproduced by us as under:

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"The Group has been severely affected by the economic consequences of the COVID-19 pandemic due to its significant impact on the main business opportunities, significantly reducing the sales outlook for at least the fiscal year 2020/2021. This effect, whose total magnitude is still unknown, combined with an important increase in certain production costs, will have a significant impact on the Group's profitability and its ability to generate cash-flows. These impacts are likely to aggravate the pre-existing financing difficulties of the Group in terms of liquidity and solvability. To resolve this, the Group and its Shareholders, in discussion with Senior Lenders, are currently seeking to remediate the liquidity problems by various alternatives including refinancing and other debt reduction plans and reshaping the financing model. Although underway for several months, the medium term actions undertaken to resolve the financing difficulties could not be completed to date and we have not received further management's assessment guaranteeing the entity's ability to continue as a going concern.

As a result, we have not been able to gather sufficient and appropriate audit evidence to express an opinion on the appropriateness of the going concern accounting principle."

2. The Parent Company has given corporate guarantees aggregating to Rs. 22,525.46 lakhs as at March 31, 2020 to banks and financial institutions on behalf of various subsidiaries. The Parent Company has determined the loss allowances to the extent of Rs. 2,149.10 Lakhs as at March 31, 2020 in respect of these corporate guarantees as required by Ind AS 109 – 'Financial Instruments'. (Refer Note 3 of Notes to Accounts).
 3. We draw attention to the following Emphasis of Matter paragraph in the Audit report on Consolidated Financial Statements of Edayar Zinc Ltd. and its subsidiaries issued by an independent firm vide its Report dated September 3, 2020 reproduced by us in point a) below as under:
 - a) i) Relevant note of the financial statements stating that the consortium of banks have sanctioned one time settlement (OTS) for Rs. 175 crores and as per OTS terms the mortgaged assets will be sold and the proceeds will be utilized for payment towards OTS. This event will lead to disposal of substantial assets of the company which may affect the going concern concept of the company.
 - ii) Relevant note of the financial statements stating that in the opinion of the management due to COVID-19 situation, disclosure as per Ind AS 36 - Impairment of Assets and Ind AS 105 - Non Current Assets Held for sale and Discontinued Operations is not feasible, which will affect the financials position of the company, however the impact of the same has not been quantified in the financial statements.
 - iii) We draw attention to the fact that the net worth of the company has been fully eroded and this indicates the existence of a material uncertainty that cast significant doubt about the Company's ability to continue as going concern.
 - b) Contingent liability in respect of disputed electricity charges amounting to Rs 4,662 lakhs including interest of Rs. 18.31 lakhs. 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 5b of the Statement*).
 - c) Bankers have filed the case with the High Court of Bombay to declare the directors of the EZL as willful defaulters, as informed to the auditor, the matter is sub-judice (*refer note 5c of the Statement*).
4. We draw attention to the following Emphasis of Matter paragraph in the Audit report on Financial Statement of Nirbhay Management Services Pvt. Ltd. issued by an independent firm vide its Report dated September 28, 2020 reproduced by us as under:

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"We draw attention to the fact that the net worth of the company has been fully eroded and this indicates the existence of a material uncertainty that cast significant doubt about the Company's ability to continue as going concern."

In our opinion, because of the significance of the matter described in the "Basis for disclaimer of opinion" paragraph above, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

5. 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:

- a. The Group has reported losses of Rs. 82,292 lakhs for quarter ended and Rs. 1,25,513 lakhs for the year ended March 31, 2020 and potential financial impact due to the lock-down and other restrictions and conditions related to the 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 12 of the Statement).
- b. The auditors of the material subsidiary of the Group have given a disclaimer of opinion and stated in their audit report that they have not been able to gather sufficient and appropriate audit evidence to express an opinion on the appropriateness of the going concern accounting principle.
- c. The guarantees issued by the Company on behalf of subsidiaries, with expected further losses in addition to the amounts provided upto March 31, 2020.
- d. The constant and continuing decrease in the operations of the Group.
- e. Significance of the matters stated in paragraphs 1 to 4 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.

Management's Responsibilities for the Consolidated Financial Results

This Statement, which is the responsibility of the Parent Company's Management and approved by the Board of Directors, has been compiled from the related audited Consolidated Financial Statements. The Company's Board of Directors are responsible for the preparation and presentation of the Consolidated Financial Results that give a true and fair view of the net profit and other comprehensive income and other financial information of the Group in accordance with the recognition and measurement principles as laid down in accordance with Indian accounting standards prescribed under section 133 of the Act, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations, as amended.

The respective Management and Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating

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effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Results that give a true and fair view and are free from material misstatement, whether due to fraud or error. In preparing the Consolidated Financial Results, the management and the Board of Directors of the companies included in the Group are responsible for assessing the respective entity's ability, to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors are also responsible for overseeing the financial reporting process of each Company.

Auditor's Responsibilities for the Audit of the Consolidated Financial Results

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Financial Results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Consolidated Financial Results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of financial statements on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Financial Results, including the disclosures, and whether the Consolidated Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.

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Obtain sufficient appropriate audit evidence regarding the Consolidated Financial Results of the Group to express an opinion on the Consolidated Financial Results. We are responsible for the direction, supervision and performance of the audit of financial information of entities included in the Consolidated Financial Results of which we are the independent auditors. For the other entity included in the Consolidated Financial Result, which have been audited by the other auditor, such other auditor remain responsible for the direction, supervision and performance of the audit carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in the section titled "Other Matters" in this audit report.

We communicate with those charged with governance of the Parent Company and such other entities included in the consolidated financial results of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

We also performed procedures in accordance with the circular No. CIR/CFD/CMD1/44/2019 issued by the SEBI under Regulation 33(8) of the Listing Regulations, as amended, to the extent applicable.

Other Matters

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 – Fibreglass SPRL, 3B – Fibreglass Norway A/S, Tunfib S.a.r.l and Goa Glass Fibre Limited. Of these:

1. The Consolidated Financial Statements of one of the subsidiary 3B Binani Glass Fibre S.A.R.L (3B Binani) (including 5 step down subsidiaries), whose Consolidated Financial Statements reflects total assets of Rs. 2,64,951.23 Lakhs as at March 31, 2020, total revenue of Rs. 1,63,060.30 lakhs, total profit/(loss) after tax of Rs. (22,400.36) lakhs, total comprehensive income/loss of Rs. (22,400.36) lakhs and net cash inflow of Rs 2,680.90 lakhs for the year ended March 31, 2020, as considered in the Consolidated Ind AS financial statements have been audited by the other auditors. The independent auditor report on consolidated Ind AS financial statements of these entities have been furnished to us by the management. Our opinion on the Consolidated Ind AS financial statements, in so far as it restates to the amounts and disclosures included in respect of these entities, is based solely on the report of other auditor and the procedures performed by us, as stated in the paragraph above.
2. We have not audited the financial statements of 5 Indian subsidiaries (including one step down subsidiary), whose financial statements reflects total assets of Rs. 30,132.25 lakhs as at March 31, 2020, total revenues of Rs. 9,004.39 lakhs, total profit/(loss) after tax of Rs. (12,790.69) lakhs, total comprehensive income of Rs. (12,763.69) lakhs and net cash inflow of Rs. 1,940.47 lakhs for the year then ended as considered in the consolidated Ind AS financial statements. These Ind AS financial statements and other financial information have been audited by the other auditors whose audit reports have been furnished to us by the Management, and our opinion on the Consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and the procedures performed by us, as stated in the paragraph above.

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3. We did not audit the Ind AS financial statements of 1 foreign subsidiary, whose Ind AS financial statements reflect total assets of Rs. 5,459.75 lakhs as at March 31, 2020, total revenues of Rs. Nil lakhs, total profit/ (loss) after tax of Rs. (0.53) lakhs, total comprehensive income of Rs. (0.53) lakhs and net cash inflows amounting to Rs. 28.23 lakhs for the year ended on that date, as considered in the Consolidated Ind AS financial statements. These Ind AS financial statements are unaudited and have been furnished to us by the Management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of the aforesaid subsidiary, is based solely on such unaudited Ind AS financial statements. In our opinion and according to the information and explanations given to us by the Management, these Ind AS financial statement are not material to the Group.
4. The Statement includes the results for the Quarter ended March 31, 2020 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year which were subject to limited review by us.
5. The statement includes figures for the year ended March 31, 2019 which were audited by the predecessor auditor who have expressed adverse opinion in its Consolidated financial statements vide their Audit Report dated November 22, 2019. We have not reviewed the consolidated financial results and other financial information for the quarter ended March 31, 2019 which have been presented solely based on the financial information compiled by the management.

For V.P. Thacker & Co.

Chartered Accountants

Firm Registration No: 118696W



Abuali Darukhanawala

Partner (M. No. 108053)

UDIN No.: 20108053AAAAMZ9281

Mumbai

Date: 25th November 2020