

REF: BIL/ST.EX/BM/2018-19/04

August 13, 2018

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

General Manager - DCS
Bombay Stock Exchange Limited
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

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

We refer to our letter dated 6th August, 2018 intimating you about a meeting of the Board of Directors of the Company ('the Board') to be held on Monday, 13th August, 2018.

We inform you that the Board, at its meeting held today:

1. Approved the Standalone Unaudited Financial Results of the Company for the quarter ended 30th June, 2018.

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

2. Mrs. Visalakshi Sridhar CFO and CS has been appointed as Managing Director of the Company. With her appointment as Managing Director she demits her office as Manager of the Company.
3. The Company is awaiting consolidated financial statements of Binani Cement Limited (BCL) and its subsidiaries and a joint venture for the period April 01, 2017 till July 24, 2017 (date upto which the company had control) to be incorporated in the consolidated financial statements of the Company. The Consolidated financial statements of BCL being material to the consolidated financial statements of the Company, the company is unable to draw its financial statement in accordance with IND AS 110 - Consolidated financial statement.

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: 2 :

The Meeting commenced at 11.45 a.m. and concluded at 4.00 p.m. The date of the AGM will be intimated separately.

This is for your information and records.

Thanking you,

Yours faithfully,
For **Binani Industries Limited**



Visalakshi Sridhar
CFO, Manager & Company Secretary

Encl: As above

Limited Review Report**Review Report to
The Board of Directors of
Binani Industries Limited**

1. We have reviewed the accompanying Statement of unaudited financial results ('the Statement') for the quarter ended June 30, 2018 ('the Statement') of **Binani Industries Limited** ('the Company'), being submitted by the Company pursuant to the requirements of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 (Listing Regulations).

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 Ind AS 34 'Interim Financial Reporting', prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognized accounting practices and policies generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.

2. 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.

3. Basis for Disclaimer:

- a. The Company has not adjusted its Foreign Currency (FC) loan payable for matters communicated to it by its lenders which includes designation of FC loan to INR denominated loan along with a higher coupon rate. Further, the lender has demanded repayment of all outstanding loan amount including interest and penal interest immediately and has also invoked the Corporate Guarantee issued by Binani Cement Limited (BCL). However, the Company has continued accounting of the said loan as FC loan with the then coupon rate and recognized exchange fluctuation gain / loss in Statement of Profit and Loss which is ultimately offset with transfer from / to Business Reorganisation Reserve (BRR). The said accounting treatment by the Company is not in accordance with the revised loan terms and also not in compliance with Ind AS 37 - *Provision, Contingent Liability and Contingent Assets* and Ind AS 1 - *Presentation of Financial Statement*. Had the Company followed the provisions of Ind AS 37 and Ind AS 1, 'other expenses (exchange gain/loss)', 'finance cost' and 'Transfer from Business Reorganisation Reserve' would have been higher/(lower) by Rs. (878) lakhs, Rs. 60 lakhs and Rs. (818) lakhs respectively for the quarter ended June 30, 2018. (Refer Note 3 to the Statement).
- b. The Company has not determined fair value of its investments in Binani Cement Limited (BCL) and impairment of loans and advances, security deposits and trade receivable due from BCL, Edayar Zinc Limited (EZL) and Global Composite Holding Inc. (CPI Binani) as required by Ind AS 109 - *Financial Instruments* on account of ongoing corporate insolvency resolution process at BCL and pending outcome thereof and financial instability of EZL and CPI Binani. In this regard, we are unable to comment on the carrying value of these investments amounting to Rs. 341,392 lakhs recoverability of loans and advances of Rs. 6,169 lakhs, Security Deposits of Rs.100 lakhs and trade receivable of Rs. 1,362 lakhs as at June 30, 2018 and its consequential impact, if any, on the financial results of the Company (Refer Note 4a, 5 and 6 to the Statement)



- c. The Company has given corporate guarantees aggregating to Rs. 599,749 lakhs as at June 30, 2018 to banks and financial institutions on behalf of various subsidiaries. This includes corporate guarantee of Rs. 379,792 lakhs on behalf of Binani Cements Ltd which is undergoing corporate insolvency resolution process under Insolvency and Bankruptcy Code, 2016. The Company has not determined the loss allowances in respect of corporate guarantee issued by it as required by Ind AS 109 - *Financial Instruments* on account of ongoing corporate insolvency resolution process at BCL and pending outcome thereof. In this regard, we are unable to comment on the consequential impact, if any, on the financial results of the Company (Refer note 7 to the statement)
- d. The management has represented to us that they are unaware of any matter, investigation or allegation, open or close, involving the Company, management of the Company, promoters or other group companies which requires adjustment/disclosure in the financial results of the Company. However, various news are being reported / have appeared in public domain involving/ mentioning the Company, BCL, Promoters and other group companies. No action has been considered necessary by the Company in respect of such news. In view of the above, we are unable to comment on the consequential impact, if any, on these financial information for the quarter or adjustments/disclosures which may be required at the conclusion of the said matter. (Refer Note 4b to the statement).
- e. The Company has not prepared and presented the Consolidated Ind AS financial statements and financial results for the year ended March 31, 2018 as required under section 129 (3) of the Companies Act, 2013 and in accordance with the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the reasons as stated in note 4c to the statement. In this regard, we are unable to comment on the consequential impact, if any of the non-compliance, on the financial results of the Company. (Refer note 4c to the statement).
- f. We draw attention to the following matters:
1. Note 8 of the statement wherein it is stated that the company has credited the increase in fair value of all equity investments including investments in subsidiaries to the Business Reorganisation Reserve (BRR) in accordance with the scheme of Amalgamation approved by the Hon'ble High Court at Calcutta on March 18, 2014. Further, in accordance with the said scheme, the company offsets certain expense (net) amounting to Rs. 2,605 lakhs against BRR during the quarter ended June 30, 2018.
 2. Note 9 of the Statement which states that, one of the creditors of the Company had filed a winding up petition on November 19, 2016 against the Company with the Hon'ble High Court of Calcutta which has been admitted by the court on September 20, 2017. The Company is seeking recall of the order. The Company has entered into a settlement with such creditor and cleared the balance dues along with interest on August 05, 2018.
 3. Note 10 of the Statement, where in the management has explained the reason for reduction in the operations of the Company with Binani Cement Limited.

Our auditor's report on the standalone financial results for the quarter and year ended March 31, 2018 was disclaimed in respect of the matters stated above. These qualifications have not been addressed by the Management of the Company in the unaudited financial results for the quarter ended June 30, 2018.

Our limited review report on the standalone financial results for the quarter ended June 30, 2017 contained Emphasis of matters (EOM) on matters stated in para (a),(c) and (f)(1) above.



4. Disclaimer

- a) Based on our review conducted as above, in view of the effect of matter described in para (a) and possible effects of the matters described in para (b), (c), (d), (e) and (f) in the 'Basis for Disclaimer' paragraph above, we are unable to comment whether the accompanying statement of unaudited standalone financial results are prepared in accordance with Ind AS 34, prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognized accounting practices and policies has disclosed the information required to be disclosed in terms of the Listing Regulations including the manner in which it is to be disclosed, or that it contains any material misstatement.
- b) The enclosed statement of financial results however is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016;

5. 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:

- 1) The Company has reported losses of Rs. 252 lakhs for the quarter ended June 30, 2018.
- 2) The guarantees issued by the company on behalf of subsidiaries are significant in relation to the net worth of the Company as at June 30, 2018.
- 3) The constant decrease in the operations of the Company.
- 4) Significance of the matters stated in Basis for Disclaimer paragraph above.

The management is working towards finding a workable solution to resolve the financial position by discussion 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 12 to the statement)

This situation indicates the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern and therefore the Company may be unable to realise its assets and discharge its liabilities in the normal course of business.

This was also subject matter of our report on the standalone financial results for the quarter ended and year ended March 31, 2018.

For MSKA & Associates (Formerly known as MZSK & Associates)
Chartered Accountants
ICAI Firm Registration No. 105047W


Partner: Anita Somani
Membership No.: 124118



Place: Mumbai
Date: August 13, 2018

BINANI INDUSTRIES LIMITED

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

Corporate Office: Mercantile Chambers, 12 J.N.heredia Marg, Ballard Estate, Mumbai 400 001.

CIN No. L24117WB1962PLC025584

Statement of Standalone unaudited Financial Results for the Quarter ended 30th June, 2018

(Rs. in lakhs)

Particulars	Quarter ended			Year ended
	30.06.2018	31.03.2018	30.06.2017	31.03.2018
	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1 Income from Operations				
Sales / Income from Operations	58	63	2,908	3,697
Other Income	113	93	220	608
Transfer to Business Reorganisation Reserve (Refer Note 3)	(109)	(101)	(101)	(404)
Total Income from Operations	62	55	3,027	3,901
2 Expenses				
(a) Purchase of Traded Goods	-	-	1,507	1,507
(b) Direct Expenses	6	10	995	1,033
(c) Employee Benefits Expenses	118	143	188	676
(d) Finance Costs	1,457	1,308	1,243	5,073
Transfer from Business Reorganisation Reserve (Refer Note 3)	(1,457)	(1,308)	(1,243)	(5,073)
(e) Depreciation and Amortisation Expenses	23	21	23	85
(f) Other Expenses	1,424	710	313	1,763
Transfer from Business Reorganisation Reserve (Refer Note 3)	(1,257)	(460)	(8)	(684)
Total Expenses	314	424	3,018	4,380
3 Profit / (Loss) from operations before exceptional items (1-2)	(252)	(369)	9	(479)
4 Exceptional Items	-	-	-	-
5 Profit / (Loss) from ordinary activities before tax (3 - 4)	(252)	(369)	9	(479)
6 Tax Expenses	-	26	-	26
7 Net Profit / (Loss) from ordinary activities after tax (5-6)	(252)	(395)	9	(505)
8 Extraordinary Items (net of tax expenses)	-	-	-	-
9 Net Profit / (Loss) for the period (7-8)	(252)	(395)	9	(505)
10 Other Comprehensive Income, net of Income Tax	-	20	(4)	6
11 Total Comprehensive Income for the period (9 +10)	(252)	(375)	5	(499)
12 Paid- up Equity Share Capital (Face Value per share Rs.10 each)	3,138	3,138	3,138	3,138
13 Other Equity	-	-	-	2,22,895
14 Earnings Per Share (EPS)				
(of Rs. 10/- each) (not annualised)				
(a) Basic	(0.80)	(1.26)	0.03	(1.61)
(b) Diluted	(0.80)	(1.26)	0.03	(1.61)

(1)



Particulars	Quarter ended			Year ended
	30.06.2018	31.03.2018	30.06.2017	31.03.2018
	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
A PARTICULARS OF SHAREHOLDING				
1 Public Shareholding				
- Number of Shares	1,48,62,521	1,48,62,521	1,48,62,521	1,48,62,521
- Percentage of Shareholding	47.38	47.38	47.38	47.38
2 Promoters and Promoter Group Shareholding				
a. Pledged/Encumbered				
- Number of Shares	-	-	-	-
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-	-	-
- Percentage of shares (as a % of the total share capital of the company)	-	-	-	-
b. Non-encumbered				
- Number of Shares	1,65,03,654	1,65,03,654	1,65,03,654	1,65,03,654
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100	100	100	100
- Percentage of shares (as a % of the total share capital of the company)	52.62	52.62	52.62	52.62
B INVESTOR COMPLAINTS				
Pending at the beginning of the quarter	0			
Received during the quarter	1			
Disposed of during the quarter	1			
Remaining unresolved at the end of the quarter	0			

Segment wise Revenue, Results and Assets and Liabilities

Particulars	(Rs. In lakhs)			
	Quarter ended			Year ended
	30.06.2018	31.03.2018	30.06.2017	31.03.2018
	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1) Segment Revenue				
a) Media	19	23	53	154
b) Logistics	-	-	963	1,067
c) Unallocated	39	40	1,892	2,476
Total Segment Revenue (a+ b +c)	58	63	2,908	3,697
2) Segment Results				
a) Media	1	(5)	16	10
b) Logistics	(3)	(22)	(19)	73
Total	(2)	(27)	(3)	83
Less :Interest expenses	1,457	1,308	1,243	5,073
Less : Other Unallocable Expenditure net off Unallocable income	(1,207)	(966)	(1,255)	(4,511)
Total Profit / (Loss) from ordinary activities before tax	(252)	(369)	9	(479)
3) Segment Assets and Segment Liabilities(Refer Note below *)				
* Segment wise assets and liabilities are not provided due to resources used are common for all segments and not allocable to any segment given in the result.				



Notes to the above standalone financial results:

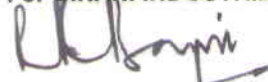
- 1 The Standalone Unaudited Financial Results of the Company for the quarter ended June 30, 2018 have been reviewed by the Audit Committee of the Board and approved by the Board of Directors at its meeting held on August 13, 2018.
- 2 This statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and the other recognised accounting practices and principles to the extent applicable.
- 3 The Company was in the process of restructuring its bank borrowings with the lender. However, in the interim, the lender has communicated to the Company about recalling of its borrowings and has also designated the foreign currency debt into INR denominated debt with higher coupon rate and has demanded repayment of all outstanding debt balance alongwith corresponding interest and penal interest, immediately. The Company has requested the lender to defer the recall and has in the interim provided alternative mechanism for repayment of its loans in due course. The lender had filed its claim to BCL (subsidiary till July 24, 2017) which is under the IBC process and has also invoked the Corporate Guarantee issued by BCL. The Resolution Professional (RP) has verified the dues at Rs. 61,990 lakhs as at July 25, 2017. Hopeful of a favorable consideration by the lender of its alternative mechanism, the Company continues to denominate such loans in foreign currency and has not classified the outstanding Loan as Current Liabilities. Further, it has also not accounted for differential liability and penal interest amounting to Rs.8,897 Lakhs (Net of FCMIT) till June 30, 2018 (Rs. 9,715 lakhs till March 2018).
- 4 Binani Cement Limited (BCL), a major subsidiary was admitted under the Corporate Insolvency and Resolution Process (CIRP) in accordance with the Insolvency and Bankruptcy Code, 2016 (IBC) dated July 25, 2017 and a Resolution Professional was appointed. Effective from July 25, 2017 the Board of Directors of BCL were suspended and effectively Binani Industries Limited (BIL) lost control over BCL with regards to operational and financial decision-making powers and derive economic benefits from its activities. This has resulted in the following:
 - a) The Company has investment in equity shares of Binani Cements Ltd (BCL) having a carrying amount of Rs. 3,39,739 lakhs as on June 30, 2018 (March 2018: Rs. 3,39,739 lakhs) and in non-cumulative redeemable preference shares of BCL amounting to Rs. 1,653 lakhs as at June 30, 2018 (March 2018: Rs. 1,621 lakhs) (Cost : Rs 6,002 lakhs). Pending the final outcome of the CIRP , the management of the Company has continued to value these Investments in BCL at the fair value as was arrived on March 31, 2017. Also the Company has loans and advances of Rs. 700 lakhs, security deposits of Rs. 100 lakhs and trade receivables of Rs. 1362 lakhs due from BCL and the ultimate recoverable amount of these dues is not known and uncertain until the conclusion of CIRP process.
 - b) Having regard to the ongoing CIRP in respect of BCL there are various news being reported / appear in public domain involving/ mentioning about the Company, BCL, Promoters and other group companies, however the management of the Company is unaware of any matters, investigation or allegation, open or close, involving the Company, management of the Company , promoters or other group companies which requires adjustment/disclosure in the financial results of the Company.
 - c) The Company is awaiting consolidated financial statements of Binani Cement Limited (BCL) and its subsidiaries and a joint venture for the period April 01, 2017 till July 24, 2017 (date upto which the company had control) to be incorporated in the consolidated financial statements of the Company. The Consolidated financial statements of BCL being material to the consolidated financial statements of the Company, the company is unable to draw its financial statement in accordance with IND AS 110 - Consolidated financial statement.
- 5 As per the Debts Recovery Tribunal (DRT) order on the Securitization Application, Edayar Zinc Limited (EZL), a subsidiary company, were to pay Punjab National Bank (lender to subsidiary) Rs. 25,000 per day till the order being finalised by the DRT on behalf of the Consortium of Banks. Owing to the paucity of funds of the subsidiary, the company is paying this amount on behalf of the subsidiary. The amounts recoverable as on June 30, 2018 (including other expenses paid on behalf of EZL) is Rs 582 lakhs. The Consortium of Banks led by Punjab National Bank (PNB) have taken symbolic possession of the assets situated at Binanipuram, Kerala under SARFESI Act, 2002.
- 6 Global Composite Holding INC (CPI Binani USA) 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 monies extended to Global Composite Holding Inc and has made a provision for write off of advances for only Rs. 3,096 lakhs. The amount outstanding as on June 30, 2018 is net of the provision for write off of advances is Rs. 4,887 lakhs and on basis of the Company's discussion with the management of CPI Binani, the Company believe these receivables are good and no provision is considered necessary in respect of this outstanding balance.



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- 7 The Company had given guarantees to banks and financial institutions in the earlier years on behalf of various subsidiaries, for the purpose of expansion projects and working capital requirements. The outstanding aggregate balance of these guarantees is Rs. 5,99,749 Lakhs as on June 30, 2018 (March 2018: Rs. 5,90,247 lakhs) [Including Corporate Guarantee issued on behalf of BCL of Rs. 3,79,792 Lakhs]. BCL has also jointly and severally Guaranteed the loans alongwith the Company on behalf of 3B Binani Glass Fibre Sarl, Luxembourg aggregating to Rs. 1,70,806 lakhs as on June 30, 2018 (March 2018: 1,63,061 lakhs) (included in the abovementioned amounts). The Lender of 3B Binani Glass Fibre Sarl, Luxembourg has submitted its claim to BCL resolution professionals. Basis the ongoing CIRP the Company is confident that the BCL will generate sufficient cash/value to repay their borrowings. Further the Company has not received any claims from the lenders of 3B Binani Glass Fibre Sarl, Luxembourg. Accordingly, in the opinion of the management, these corporate guarantees are not expected to result into any financial liability on the Company. The Company has short term loan payable to BCL amounting to Rs. 114,857 lakhs as at June 30, 2018 and March 2018 and interest payable outstanding on the said loan is Rs. 9,298 lakhs as at June 30, 2018 and March 2018. BCL has decided not to charge interest on these payable since April 01, 2015 onwards, accordingly no interest has been recorded in books of the company since then.
- 8 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). Further, in accordance with the scheme, the Company offsets certain expenses (net) amounting to Rs.2,605 lakhs, Rs. 1,666 lakhs, Rs. 5,353 and Rs. 1,150 lakhs against BRR during the quarter ended June 30, 2018, quarter ended March 31, 2018, Year ended March 31, 2018 and quarter ended June 2017.
- 9 One of a creditor had filed a winding up petition on November 19, 2016 against the Company with the Hon'ble High Court of Calcutta and has been admitted by the Court on September 20, 2017. The Company has entered into a settlement with such creditor by paying its entire dues by August 05, 2018 along with interest as mutually agreed and seeking recall of the order.
- 10 The Company was providing Logistics Services to one of its subsidiary i.e. BCL (Till July 25, 2017). The said subsidiary is now taking logistics services from other vendors. The Company is in process of finding alternate opportunities.
- 11 The Statutory auditors have disclaimed their review report in respect of matters in point (3) to (10) above.
- 12 The management is working towards finding a workable solution to resolve the financial position by discussion 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.
- 13 The standalone figures for the three month ended March 31, 2018 are balancing figures between Audited figures in respect of the full financial year and the published year to date figures upto nine months ended December 31, 2017.
- 14 Investors can view the Financial Results of the Company at the Company's website www.binaniindustries.com or at the websites of BSE (www.bseindia.com) or NSE (www.nseindia.com) or CSE (www.cse-india.com)
- 15 The figures for the previous periods / year have been regrouped / recasted wherever considered necessary.

For BINANI INDUSTRIES LIMITED


Rajesh Kumar Bagri

