

**Independent Auditors' Report on Quarterly and Year to date Consolidated Financial Results of Ballarpur Industries Limited pursuant to Regulation 33 & 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**

**To**  
**The Board of Directors**  
**Ballarpur Industries Limited**

**Disclaimer of Opinion**

We were engaged to audit the accompanying Consolidated Financial Results of Ballarpur Industries Limited (hereinafter referred to as the 'Parent') and its subsidiaries (Parent and its subsidiaries together referred to as the 'Group'), for the quarter and year ended 31 March, 2021 ('the Statement'), being submitted by the Company pursuant to the requirements of Regulation 33 & 52 of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation, 2015 as amended ("Listing Regulations").

In accordance with the Insolvency and Bankruptcy Code, 2016 ("the Code"), the Hon'ble National Company Law Tribunal, Mumbai bench ("NCLT") admitted a petition for corporate insolvency resolution process ("CIRP") filed by M/s. Finquest Financial Solutions Private Limited against the Parent. Mr. Divyesh Desai (IBBI/PA-001/IP-P00169/2017-2018/10338) was appointed as an Interim Resolution Professional ("IRP") to manage affairs of the Company in accordance with the provisions of the Code. Subsequently, Hon'ble NCLT vide its Order dated 27 May, 2020 has appointed Mr. Anuj Jain (IBBI/IPA-001/IP-P00142/2017-2018/10306) as Resolution Professional ("RP") of the Parent. Pursuant to the Insolvency Commencement Order and in line with the provisions of the Code, the powers of the Board of Directors were suspended and the same were exercised by IRP/RP.

Because of the significance of the matters described in basis for disclaimer of opinion, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion as to whether the Statement:

- a) is presented in accordance with the requirements of Regulation 33 & 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended; and
- b) gives a true and fair view in conformity with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India of the net loss and total comprehensive income and other financial information of the Company for the year ended 31 March, 2021.

**Basis for Disclaimer of Opinion**

1. Even though the resolution plan of the Parent has been approved by the Hon'ble National Company Law Tribunal, Mumbai bench on 31 March, 2023, but still there exists material uncertainty related to going concern of the Group as we are unable to obtain sufficient and appropriate audit evidence to conclude on the appropriateness of the use of going concern



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**BRANCHES :**

**NAVI MUMBAI :** 302 / 304 Arenja Corner, Sector 17, Vashi, Navi Mumbai - 400 703. • Tel. : +91-22-2766 6478  
**DELHI :** 505, Nirmal Tower, 26, Barakhamba Road, New Delhi -110 001. • Tel. : +91-11-4019 0200

assumption in the preparation of Consolidated Financial Results. (Refer note no. 5 to the Consolidated Financial Results).

2. The Parent has not accrued the liability towards outstanding put options and the management is unable to quantify the liability with respect to the outstanding put options. Accordingly, we are unable to quantify the impact on Consolidated Financial Results. (Refer note no. 6 to the Consolidated Financial Results).
3. Pursuant to commencement of the CIRP on 17 January, 2020 under Insolvency and Bankruptcy Code, 2016 ('the Code'), the Resolution Professional (RP) has received various claims submitted by the financial creditors, operational creditors, employees and other creditors:
  - a. With respect to the financial creditors, the Parent had recognized additional liability of Rs. 203 lakhs (net of reversals and write back of liabilities), which represents the difference between borrowings and corresponding interest claims of the financial creditors admitted by the RP and the borrowings and interest accrued in the books as at 31 March, 2021. We are not provided with reconciliation along with reasons for this difference in order to ascertain the completeness and valuation of liabilities recognized by the Parent. Accordingly, we are not able to ascertain the impact on consolidated financial results. (Refer note 4(b) to consolidated financial results)
  - b. With respect to operational creditors, employees and other creditors of the Parent, the RP has received and assessed the claims and effect of the same will be given in the financial statements of parent for financial year 2022-23.
4. Provision for gratuity and compensated absences pertaining to the Shree Gopal Unit, Corporate Office and Kamalapuram Unit had been determined by the Parent's Management on an adhoc basis as at 31 March, 2021. Ind AS 19 'Employee Benefits' requires that the provision for long term employee benefits such as gratuity and compensated absences need to be determined based on Actuarial valuation.

Accordingly, the provision for long term employee benefits as at 31 March, 2021 is not in compliance with Ind AS 19 and we are unable to conclude on the adequacy of the provision for gratuity and compensated absences as at 31 March, 2021. The provision for gratuity which has been determined on an adhoc basis as at 31 March, 2021 is Rs 68 lakhs and reversal of provision for compensated absences is Rs. 52 lakhs. (Refer note no. 7 to the consolidated financial results).

5. The Parent had not performed impairment assessment of its investments as at 31 March, 2021 in line with the requirements of Ind AS 109 'Financial Instruments' and Ind AS 36 'Impairment of Assets'. Accordingly, we are unable to conclude on the carrying value of investments and the consequential impact, if any, on the consolidated financial results. (Refer note no. 8 to the consolidated financial results).



6. Confirmation of balances of Parent have not been received by us in respect of certain loans and advances, balances with banks, borrowings (including interest accrued thereon), dues to/from related parties, trade and other payables. The Parent's Management is in the process of obtaining confirmations and reconciliation of the balances. The impact of any change in the carrying amount of these balances on consolidated financial results which may arise as a result of such reconciliation is unascertainable. Therefore, we are unable to comment upon the appropriateness of carrying value of such balances on consolidated financial results. (Refer note no. 9 to the consolidated financial results)
7. The Parent had reclassified the land situated at Choudwar, Odisha, from 'Assets held for sale' to 'Property, Plant and Equipment' in Financial Year 2019-20. Ind AS 105 on 'Non-current assets held for sale and discontinued operations' requires that when a non-current asset ceases to be classified as 'Assets held for sale', the same shall be measured at the lower of:
- its carrying amount before the asset (or disposal group) was classified as held for sale, adjusted for any depreciation, amortisation or revaluations that would have been recognised had the asset not been classified as held for sale, and
  - its recoverable amount at the date of the subsequent decision not to sell;
- The Parent had not determined the recoverable amount as at the date of reclassification and had reclassified the land at its carrying value of Rs. 39,951 lakhs. The same is not in compliance with Ind AS 105 and therefore we are unable to ascertain its impact on consolidated financial results.
8. On account of the COVID-19 related lockdown restrictions, the Parent's management was unable to perform the physical count of inventories as at 31 March, 2021. Further, on account of the suspension of the operations of the Parent, we are unable to perform any alternate procedures to audit the existence of the inventories as per SA 501 'Audit Evidence - Specific Consideration for Selected Items' and 'Physical inventory verification - Key audit considerations amid COVID-19' issued by the Institute of Chartered Accountants of India. Therefore, we are unable to conclude whether inventories of Rs. 1650 lakhs are fairly stated as at 31 March, 2021 by the Parent and accordingly we are unable to conclude whether the inventories are fairly stated in the consolidated financial results.
9. Loan receivable by the Parent from related parties is Rs. 1,74,195 lakhs. The Parent has not created any additional provision for expected credit loss during the year. The provision for expected credit loss is Rs 42,211 Lakhs as at March 31, 2021. Since the Parent had not created any additional provision for expected credit loss, we are unable to conclude on the adequacy of the provision for expected credit loss and the recoverability of the balance receivable from the related parties. (Refer note no.10 to the consolidated financial results).



10. The Parent has carried forward deferred tax assets (net) of Rs. 11,924 lakhs from earlier years. The Parent suffered continuous losses and there is no assessment by the Parent's Management regarding reversal of deferred tax assets in the subsequent year. During the year Parent has not created any deferred tax asset or liability. As per Ind AS 12 "Income Taxes" an entity shall create deferred tax asset only if there will be sufficient taxable profits in the future years. In the absence of the Parent's management assessment, we are not able to satisfy ourselves about the future taxable profits of the company and hence we are unable to ascertain the realisation of these deferred tax assets in the consolidated financial results. (Refer note no.11 to the consolidated financial results)
11. Input Tax Credit (ITC) of Goods and Services Tax available as per books of accounts for Corporate Office of Parent is Rs. 51.50 Lakhs, the new management of Parent is under the process of reconciling the balance of ITC as per books and ITC as per electronic credit ledger. In absence of requisite information, we are unable to comment on the same.
12. During the financial year 2019-20, the Parent had received an Order from the Hon'ble Supreme Court of India confirming the grid support charges payable to Transmission Corporation of Andhra Pradesh Limited ("APTRANSCO"). The Parent had estimated the liability to be Rs. 1,516 Lakhs. Since no demand is received from APTRANSCO, the liability is not accrued and considered as a contingent liability as at 31 March 2020. As per the NCLT, Mumbai Order dated 31 March 2023 (updated on 13 April 2023), this was considered as an operational debt with an estimated liquidation value of nil. Therefore, no amount is payable in relation thereto and accordingly, this is not considered as contingent liability in the books of Parent & also in consolidated financial results as at 31 March 2021.
13. We have not been provided with the bank reconciliation statements for 11 bank accounts maintained by the Parent having a carrying amount of Rs. 11.02 Lakhs as at 31 March 2021. Also, the balance confirmation certificate has not been provided by Parent for any bank account maintained. The consequential impact, if any, on consolidated financial results is not ascertainable. (Refer note no. 12 to the consolidated financial results).
14. We have not been provided with the bank reconciliation statements for 5 bank accounts maintained by the Parent related to unpaid dividend having a carrying amount of Rs. 27.59 Lakhs as at 31 March 2021. Also, the balance confirmation certificate has not been provided by the Parent for any of the account maintained. The consequential impact, if any, on consolidated financial results is not ascertainable. (Refer note no. 13 to the consolidated financial results).
15. We have not been provided with the details of bank deposits of Parent with original maturity exceeding 3 months as at March 31, 2021. Also, neither the balance confirmation certificate nor interest certificate has been provided by Parent for any of the Bank Deposit. The consequential impact, if any, on consolidated financial results is not ascertainable. (Refer note no. 14 to the consolidated financial results).



16. The Parent has migrated its accounting system from previously used Oracle System to Tally accounting system during the current financial year. The Oracle licenses expired during the CIRP period and were not renewed, also the migration audit was not performed by the Parent. As a result, the completeness and accuracy of the data migration from Oracle to Tally could not be confirmed. Additionally, the Parent was unable to identify and transfer individual balances for debtors, creditors, loans, and related parties. Consequently, we were unable to obtain sufficient appropriate audit evidence to support the consolidated financial results. (Refer note no. 15 to the consolidated financial results)
17. The Financial Statements of 2 step down foreign subsidiaries (Mirabelle Trading Pte. Ltd., and Bilt General Trading FZE) and 1 domestic subsidiary (Avantha Agritech Ltd) which have a total assets base of Rs. 67,542 lakhs and which are material to the group are unaudited. We also did not receive the management certified financial statements of these subsidiaries hence we are unable to comment upon the authenticity of the data and the reasonableness of consolidation of these subsidiaries in the consolidated financial results. As the financial statements of these 2 foreign subsidiaries 1 domestic subsidiary are not available, hence the asset bases of Mirabelle Trading Pte. Ltd. and Avantha Agritech Ltd as on 31.3.20 and of Bilt General Trading FZE as on 31.3.19 have been considered for the consolidation purpose (Refer note no. 17 & 3.1 to the consolidated financial results)
18. One of the foreign subsidiary Ballarpur Speciality Paper Holdings B.V. has fully written off its investment in BILT General Trading FZE, UAE ("BGT") in financial year 2019-20 as BGT does not carry on any operations and there is no intention to carry on the business in future and also the license of BGT was expired. However, we are not provided with the sufficient information and documents related to closure of business of BGT and therefore, we are unable to comment upon reasonableness of consolidation of BGT in the consolidated financial results. (Refer note no. 18 to the consolidated financial results)
19. The Company has not filed its Quarterly financial results with the stock exchanges for the current financial year as required under regulation 33 and 52 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

**Material Uncertainty relating to Going Concern**

We draw attention to Note 5 of the accompanying consolidated financial results of the Group, which contains conditions along with other matters which indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern.

- **BILT Holding Company's** net worth is negative as on the reporting date and it continues to incur heavy losses. There is persistent severe strain on the working capital and this has resulted in considerable decline in the level of operations of the Company. As stated in note 4(a) to the consolidated financial results pursuant to commencement of CIRP, the Board of Directors of the Company stood suspended and the management of the Company vested with the Resolution Professional (RP). The RP was expected to make every endeavour to protect and preserve the value of the property of the Company and



manage the operations of the Company as a going concern. Even though the Resolution Plan has been Approved by the Hon'ble National Company Law Tribunal, Mumbai on the 31 March, 2023 but still there exists Material Uncertainty on Going concern of the company as we are unable to obtain sufficient and appropriate audit evidence to conclude on the appropriateness of use of going concern assumption in the preparation of consolidated financial results.

- **Ballarpur International Holdings B.V. (BIH)** - During the year the Company has total comprehensive loss of Rs. 4,188.76 Lakhs (Previous year total comprehensive loss of Rs. 1,86,075.72 Lakhs). As at 31 March, 2021, the accumulated losses (including other comprehensive loss) of the Company are Rs 2,11,469.80 Lakhs (Previous Year Rs. 2,07,281.04 Lakhs). which have fully eroded the net worth of the Company and the Company's current liabilities exceeded its current assets by Rs. 1,12,822.23 Lakhs (Previous Year Rs. 1,08,125.77 Lakhs). As the management believes that, negative working capital would not cause economic difficulties, in view of the Management's expectation the financial statements have been prepared on a going concern basis.
- **Ballarpur Speciality Paper Holdings B.V. (BSPH)** - During the year the Company has Total Comprehensive Income of Rs.16.18 Lakhs (Previous year Total Comprehensive loss of Rs. 26.92 Lakhs). As at 31 March, 2021, the accumulated losses (including other comprehensive Income/loss) of the Company are Rs. 272.80 Lakhs (Previous Year Rs 2,88.98 Lakhs). which have fully eroded the net worth of the Company and the Company's current liabilities exceeded its current assets by Rs.260.08 Lakhs (Previous Year Rs. 2,76.25 Lakhs). The management believes that, negative working capital would not cause economic difficulties, in view of the Management's expectation of above the financial statements have been prepared on a going concern basis.
- **Bilt Paper B.V. (BPBV)** - During the year the Company has total comprehensive loss of Rs.741.81 Lakhs (Previous year total comprehensive loss of Rs 2,53,962.97 Lakhs). As at 31 March, 2021, the accumulated losses (including other comprehensive loss) of the Company were Rs. 2,20,353.14 Lakhs (Previous Year Rs. 1,97,349.96 Lakhs) and the Company's current liabilities exceeded its current assets by Rs.96,487.57 Lakhs (Previous Year Rs. 75,933.49 Lakhs). As the management believes that, negative working capital would not cause economic difficulties, in view of the Management's expectation the financial statements have been prepared on a going concern basis.
- The Statement includes the results of following entities:
  - a. **Parent:**  
Ballarpur Industries Limited
  - b. **Subsidiaries:**  
Avantha Agritech Limited  
Ballarpur International Holdings B.V.  
Ballarpur Speciality Paper Holdings B.V.



**c. Step-down Subsidiaries:**

Bilt Paper B.V.  
Mirabelle Trading Pte. Ltd  
BILT General Trading FZE  
Ballarpur Paper Holdings B.V. (till 25<sup>th</sup> February 2021)  
Sabah Forest Industries Sdn. Bhd. (till 25<sup>th</sup> February 2021)  
Bilt Graphic Paper Products Ltd India (till 25<sup>th</sup> February 2021)

**d. Associate of Step-down Subsidiary – BILT Paper B.V.:**

Ballarpur Paper Holdings B.V. (from 26<sup>th</sup> February 2021)

**e. Subsidiaries of Associate:**

Bilt Graphic Paper Products Ltd (from 26<sup>th</sup> February 2021)  
Sabah Forest Industries Sdn.Bhd. (from 26<sup>th</sup> February 2021)

**Emphasis of Matter**

- a) We draw attention to note no. 19 (a, b, & c) of the consolidated financial results, which states that certain balances of related parties and other parties shown in other payables are subject to reconciliation/ confirmation. Consequential impact of confirmation/ reconciliation/ adjustment of such balances is not ascertainable. The opinion of auditors of Bilt Paper B.V. and Ballarpur Speciality Paper Holdings B.V. is not modified in respect of this matter.
- b) We draw attention to note. no. 19 (a, b, & c) of the consolidated financial results, which states that the auditors of the 1 foreign subsidiary and 1 foreign step-down subsidiary company have not received direct confirmation from certain related parties and other parties shown in other payables for the balances outstanding. Subsequent consequential impact, if any, on the loss (including other comprehensive loss), other equity and assets and liabilities as on 31 March, 2021, are accordingly not ascertainable and cannot be commented upon. The opinion of auditors of Bilt Paper B.V. and Ballarpur Speciality Paper Holdings B.V. is not modified in respect of this matter.
- c) We draw attention to the following matter related to the definition of "control" as outlined in the Shareholder Agreement dated 14th August 2015 between BILT Paper BV, its Shareholders and its lenders:

Pursuant to the agreement, the term "control" is defined as follows:

- i. The possession, directly or indirectly, whether individually or jointly by other persons, of the power to direct or cause the direction of the management and policies of such person, whether through the ownership of shares or



- voting power, by agreement or otherwise or the power to elect more than one-half of the directors, partners or other individuals exercising similar authority with respect to such person, or
- ii. the possession, directly or indirectly, individually or jointly, of a voting interest of fifty per cent (50%) or more or control pursuant to contractual shareholder or board veto rights, or
  - iii. the ownership of such shares in that person entitling the shareholder to at least 50 per cent. (50%) of income or capital distributions, and the terms "Controlled" and "Controlling" shall be construed accordingly;

In this case, the 21.5% of shareholding of BILT Paper B.V("BP B.V") Subsidiary of Ballarpur International Holdings B.V were pledged by Ballarpur International Holdings B.V("BIH B.V") to Orbit Investment Securities Plc and Varanium India Opportunity, enabling Orbit Investment Securities Plc and Varanium India Opportunity to invoke BIH B.V's voting rights in BP B.V upon the invocation due to event of Default. However, the ownership of the shares remains with BIH B.V. Based on the definition of "control" as outlined in the agreement, BIH B.V continues to hold control over BP B.V. Therefore, BP B.V remains a subsidiary of BIH B.V and a step-down subsidiary of Ballarpur Industries Limited ("BILT"). Consequently, the Consolidated Financial Statements (CFS) have been prepared accordingly. (Refer Note No.21 to the Consolidated Financial Results)

- d) Bilt Paper BV (BPBV), Subsidiary of Ballarpur International Holding B.V (BIH) and erstwhile Parent Company of Ballarpur Paper Holdings BV (BPHBV), had pledged 70% of its shareholding in BPHBV with EC Holdings Pte. Ltd & EISAF II Pte. Ltd towards financial facilities provided by the EC Holdings Pte. Ltd & EISAF II Pte. Ltd to BPHBV. In February 2021, the pledge was invoked by the EC Holdings Pte. Ltd & EISAF II Pte. Ltd and the voting rights attached to the pledged shares has been transferred to the EC Holdings Pte. Ltd & EISAF II Pte. Ltd. The Company has reassessed the relationship status and concluded that there is no shareholder agreement or any similar document made available to the new management of Parent in respect of shareholding of BPHBV which would govern the interse rights between shareholders and management of BPHBV. Thus, BPBV ceased to control the BPHBV consequent to invocation of the pledge in February 2021. This change in control has been reflected in the preparation of the consolidated financial results of the Parent company. (Refer note 3.1 to the Consolidated Financial Results)

**Responsibilities of Management and those charged with Governance for the consolidated financial results**

The Parent's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 (the 'Act') with respect to the preparation and presentation of these consolidated financial results that give a true and fair view of the consolidated state of affairs, consolidated loss, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group including its associates and joint venture in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed under Section 133 of the Act, read with Companies (Indian Accounting Standards)



Rules, 2015, as amended. The respective Board of Directors of the companies and of associates and the joint venture included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and of its associates and joint venture 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 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 respective management and Board of Directors of the companies included in the Group and its associates and joint venture are responsible for assessing the ability of Group and its associates and joint venture to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and its associates and joint venture are also responsible for overseeing the financial reporting process of the Group and its associates and joint venture.

#### **Auditor's responsibility for the audit of the consolidated financial results**

Our responsibility is to conduct an audit of the Consolidated Financial Results in accordance with Standards on Auditing and to issue an auditor's report thereon.

However, because of the matter described in the Basis for Disclaimer of Opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these Consolidated Financial Results.

We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the consolidated financial results under the provisions of the Act and the Rules made thereunder and we have fulfilled our ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics.

#### **Other Matters**

1. We did not audit the financial statements/Information of 3 subsidiaries (2 foreign subsidiaries, and 1 foreign step-down subsidiary), included in the consolidated financial results, whose financial statements reflect total assets (before Consolidation adjustments) of Rs. 2,87,494 Lakhs as at 31 March, 2021, total revenue (before Consolidation adjustments) of Rs. 12,283 Lakhs and net cash outflow (before Consolidation adjustments) of Rs. 1,07,415 Lakhs for the year ended on that date, as considered in the consolidated financial results. The financial statements of one foreign subsidiary is unaudited and has been furnished to us by the management of the subsidiary and our



opinion on the consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, is based solely on such unaudited financial statements which are also not certified by the management.

In our opinion and according to the information and explanations given to us by the Parent's management, financial statements of this subsidiary are material to the Group.

2. The financial statements/information of 2 step-down foreign subsidiaries (Mirabelle Trading Pte. Ltd., and Bilt General Trading FZE) and 1 domestic subsidiary (Avantha Agritech Ltd) have not been prepared neither audited nor certified by the management of the respective step-down subsidiaries. Based on the financial information provided to us by the Parent, these reflects total assets (before Consolidation adjustments) of Rs. 67,542 Lakhs as at 31 March 2021, total revenue (before Consolidation adjustments) of Rs. Nil; the net cash outflows cannot be ascertained as the same have not been prepared neither provided to us for the purpose of consolidation of the financial results for the year ended on that date, as considered in the consolidated financial results. The financial statements of these 2 foreign subsidiaries 1 domestic subsidiary are not available, hence the asset bases of Mirabelle Trading Pte. Ltd. and Avantha Agritech Ltd as on 31.3.20 and of Bilt General Trading FZE as on 31.3.19 have been considered for the consolidation purpose. The financial statements of these subsidiaries are unaudited nor certified by the management of these subsidiaries and have been furnished to us by the Parent's management and our opinion on the consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on such unaudited financial statements which are furnished to us by the management of the Parent entity.

In our opinion and according to the information and explanations given to us by the Parent's management, financial statements of these subsidiaries are material to the Group. (Refer note no. 17 of Disclaimer of Opinion Paragraph of our Report)

Our Opinion on the above statement is not modified in respect of the above matters with respect to our reliance on the work done & the reports of the other auditors & the financial statements certified by the management & the financial statements neither audited nor certified by the management.

**For Batliboi & Purohit**  
**Chartered Accountants**

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**Parag Hangekar**  
**Partner**

**M. No. 110096**

**UDIN: 25110096BBIKAP3148**

Place: Mumbai

Date: 16<sup>th</sup> April, 2025



**BALLARPUR INDUSTRIES LIMITED**

CIN: L21010MH1945PLC010337

CONSOLIDATED STATEMENT OF ASSET AND LIABILITIES AS AT 31 MARCH 2021



Particulars	Amount in Lakhs	
	As at 31 March 2021	As at 31 March 2020
<b>ASSETS</b>		
<b>(1) Non-Current Assets</b>		
(a) Property, Plant and Equipment	1,73,662	6,35,278
(b) Capital work-in-progress	-	1,656
(c) Right to Use Assets	-	2,039
(d) Other intangible assets	-	531
(e) Biological assets other than bearer plants	-	-
(f) Financial assets		
(i) Investments	2,13,865	3
(ii) Loans	49,754	-
(iii) Others	538	1,220
(g) Deferred tax assets (net)	11,024	13,324
(h) Other non-current assets	29	11,936
<b>(2) Current Assets</b>		
(a) Inventories	1,659	42,177
(b) Financial assets		
(i) Investments	-	206
(ii) Trade receivables	45,029	48,301
(iii) Cash and cash equivalents	217	6,457
(iv) Bank balances other than (iii) above	47	2,231
(v) Loans	1,50,314	269
(vi) Others	23,530	28,401
(c) Current tax assets (Net)	3	3
(d) Other current assets	4,290	9,699
(e) Assets associated with group of assets classified as held for sale and discontinued operations	0	2,24,167
<b>Total Assets</b>	<b>6,76,867</b>	<b>10,27,798</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
(1) Equity share capital	25,871	25,871
(2) Other equity	(3,67,453)	(2,52,213)
Equity attributable to the owners of the Company	(3,41,582)	(2,26,342)
(3) Non-Controlling Interest	96,813	(1,02,374)
<b>Liabilities</b>		
<b>(1) Non-Current Liabilities</b>		
(a) Financial Liabilities		
(i) Borrowings	25,135	5,12,634
(ii) Lease Liabilities	-	2,020
(iii) Other financial liabilities	96,651	1,069
(b) Provisions	2,888	10,591
(c) Other non-current liabilities	19	19
<b>(2) Current Liabilities</b>		
(a) Financial liabilities		
(i) Borrowings	3,66,802	1,39,472
(ii) Lease Liabilities	-	226
(iii) Trade payables		
a) Total outstanding dues of micro and small enterprises	-	3,721
b) Total outstanding dues of creditors other than micro and small enterprises	20,787	63,928
(iii) Other financial liabilities	3,51,658	4,16,857
(b) Other current liabilities	49,108	30,111
(c) Provisions	2,505	7,772
(d) Current tax liabilities (net)	6,016	7,811
(e) Liabilities associated with group of assets classified as held for sale and discontinued operations	-	1,60,283
<b>Total Equity and Liabilities</b>	<b>6,76,867</b>	<b>10,27,798</b>

For and on Behalf of the Board of Directors,

For Ballarpur Industries Limited

Hardik Bharat

Patel

Hardik Bharat Patel

Chairman & Whole-Time Director

DIN: 00590663

Date: 16 April, 2025

Place: Mumbai



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**BALLARPUR INDUSTRIES LIMITED**

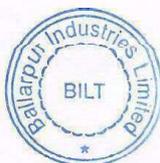
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**STATEMENT OF AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE YEAR ENDED 31 MARCH 2021**


Particulars	Amount in Lakhs	
	2020-21	2019-20
Revenue from operations	2,05,525	3,27,450
Other income	21,157	8,170
<b>Total Income</b>	<b>2,26,682</b>	<b>3,35,620</b>
<b>Expenses</b>		
Cost of materials consumed	1,05,874	1,74,118
Purchase of stock in trade	-	2,625
Changes in inventories of finished goods, work-in-progress and stock-in-trade	1,760	(4,327)
	1,07,634	1,72,416
Employee benefits expense	24,922	25,213
Finance costs	1,18,343	1,12,088
Depreciation and amortisation expense	22,698	23,281
Other expenses	90,431	74,702
<b>Total Expenses</b>	<b>3,64,028</b>	<b>4,07,700</b>
<b>Profit/ (loss) before share in Profit &amp; Loss of Associates &amp; J/Vs exceptional items and tax</b>	<b>(1,37,346)</b>	<b>(72,080)</b>
Share in Profit & Loss of Associates & J/Vs	(1,839)	32
<b>Profit/ (loss) before exceptional items and tax</b>	<b>(1,39,185)</b>	<b>(72,048)</b>
Exceptional items	506	1,33,330
<b>Profit/ (loss) before tax</b>	<b>(1,39,691)</b>	<b>(2,05,579)</b>
<b>Tax expense:</b>		
(1) Current tax	(660)	38
(2) Deferred tax	-	3,590
(3) Current tax Provision relating to earlier years	-	6
<b>Profit/ (loss) for the year from continuing operations</b>	<b>(1,39,031)</b>	<b>(2,09,213)</b>
Profit/ (loss) for the year from discontinuing operations before tax	-	(39,472)
Tax expense on discontinued operation	-	-
<b>Profit/ (loss) for the year from discontinuing operations after tax</b>	<b>-</b>	<b>(39,472)</b>
<b>Profit/ (loss) for the year</b>	<b>(1,39,031)</b>	<b>(2,48,685)</b>
<b>Other Comprehensive Income</b>		
A (i) Items that will not be reclassified to profit or loss (net of taxes)	382	(932)
B (i) Items that will be reclassified to profit or loss (net of taxes)	(1,011)	(17,457)
C (i) Share of other comprehensive income from associates (net of taxes)	11	-
<b>Other comprehensive income for the year</b>	<b>(618)</b>	<b>(18,389)</b>
<b>Total comprehensive income for the year</b>	<b>(1,39,649)</b>	<b>(2,67,074)</b>
<b>Net Profit attributable to</b>		
(a) Owners of the Company	(1,10,508)	(1,88,989)
(b) Non - Controlling Interest	(28,523)	(59,696)
<b>Other Comprehensive Income attributable to</b>		
(a) Owners of the Company	(721)	(22,941)
(b) Non - Controlling Interest	162	3,952
<b>Total Comprehensive Income attributable to</b>		
(a) Owners of the Company	(1,11,228)	(2,11,029)
(b) Non - Controlling Interest	(28,421)	(56,045)
<b>Paid-up equity share capital</b> (Face value of Rs. 2 per share)	25,871	25,871
<b>Reserves (Other Equity)</b>	<b>(3,67,453)</b>	<b>(2,52,213)</b>
<b>Earnings per equity share (for continuing operation):</b>		
(1) Basic (Rs)	(8.54)	(12.41)
(2) Diluted (Rs)	(8.54)	(12.41)
<b>Earnings per equity share (for discontinuing operation):</b>		
(1) Basic (Rs)	-	(2.48)
(2) Diluted (Rs)	-	(2.48)
<b>Earnings per equity share</b>		
(1) Basic (Rs)	(8.54)	(14.89)
(2) Diluted (Rs)	(8.54)	(14.89)

 For and on Behalf of the Board of Directors,  
 For Ballarpur Industries Limited

 Hardik Bharat Patel  
 Digitally signed by  
 Hardik Bharat Patel  
 Date: 2025.04.16  
 21:42:25 +05'30'

 Hardik Bharat Patel  
 Chairman & Whole-Time Director  
 DIN: 00590663  
 Date: 16 April, 2025  
 Place: Mumbai

 PARAG  
 RAMAN  
 HANGEKAR

 Digitally signed by  
 PARAG RAMAN  
 HANGEKAR  
 Date: 2025.04.16  
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**BALLARPUR INDUSTRIES LIMITED**

CIN: L21010MH1945PLC010337

**CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2021**

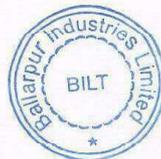

Particulars	Amount in Lakhs	
	As at 31 March 2021	As at 31 March 2020
<b>Cashflow from operating activities</b>		
Profit/(Loss) before tax	(1,39,691)	(2,05,579)
Adjustment for:		
Depreciation and amortization expense	22,698	23,281
Finance costs (net)	1,18,343	1,12,088
Interest income	(14,632)	(279)
Share in profit of Associates/ joint venture	1,839	(32)
Gain on Sale or fair valuation of investment	(50)	(287)
Exceptional items	306	1,33,530
Bad debts and other balances written off / Allowances for doubtful debts & advances	39,758	3,067
Unspent liabilities and excess provision of earlier years written back	(269)	(255)
Inventory written off	22	260
Balances written off	25	619
Profit/ (Loss) on sale of PPE	(73)	2
Assets discarded	1	296
<b>Operating profit before working capital changes</b>	<b>28,497</b>	<b>66,712</b>
Adjustment for working capital changes		
(Increase)/decrease in trade receivable	3,272	(36,197)
(Increase)/decrease in loans, advances and other current assets	(1,57,593)	(373)
(Increase)/decrease in inventory	40,495	2,250
Increase/(decrease) in liabilities and provisions	1,42,763	63,768
<b>Cash generated from/ (used in) operations</b>	<b>57,394</b>	<b>96,160</b>
Direct taxes (paid) / refund (net)	(1,135)	599
<b>Net cash generated from/ (used in) operating activities of continuing operations</b>	<b>56,259</b>	<b>96,759</b>
<b>Net cash generated from/ (used in) operating activities of discontinued operations</b>	-	952
<b>Net cash generated from/ (used in) operating activities</b>	<b>56,259</b>	<b>97,711</b>
<b>Cashflow from investing activities</b>		
Payment/ proceeds for acquisition/ sale of property, plant and equipment and intangible assets	(3,499)	(14,847)
Interest received	(46,473)	267
(Increase) / Decrease in other bank balances	2,185	(402)
(Increase) / Decrease in investment	5,14,348	(35,539)
<b>Net cash generated from / (used in) investing activities of continuing operations</b>	<b>4,66,562</b>	<b>(50,521)</b>
<b>Net cash generated from / (used in) investing activities of discontinued operations</b>	-	(352)
<b>Net cash generated from / (used in) investing activities</b>	<b>4,66,562</b>	<b>(50,873)</b>
<b>Cashflow from financing activities</b>		
Proceeds from / (Repayment of) borrowings (net)	(3,77,487)	(16,655)
Interest paid (net)	(1,68,320)	(45,160)
Dividend paid (including payment to investor education and protection fund)	-	(17)
<b>Net cash generated from/ (used in) financing activities of continuing operations</b>	<b>(5,45,807)</b>	<b>(61,832)</b>
<b>Net cash generated from/ (used in) financing activities of discontinued operations</b>	-	10,597
<b>Net cash generated from/ (used in) financing activities</b>	<b>(5,45,807)</b>	<b>(51,235)</b>
Net increase / (decrease) in cash and cash equivalents	(22,987)	(4,397)
Cash and cash equivalents at the beginning of the year	22,615	26,984
Impact of foreign currency translation reserve	591	28
<b>Cash and cash equivalents at the end of the year</b>	<b>217</b>	<b>22,615</b>
Cash and cash equivalents from continuing operations	217	6,457
Cash and cash equivalents from discontinued operations	-	16,158
<b>Total cash and cash equivalents</b>	<b>217</b>	<b>22,615</b>

For and on Behalf of the Board of Directors,

For Ballarpur Industries Limited

**Hardik**  
**Bharat**  
**Patel**

 Digitally signed by  
 Hardik Bharat Patel  
 Date: 2025.04.16  
 21:42:56 +05'30'

**Hardik Bharat Patel**  
 Chairman & Whole-Time Director  
 DIN: 00590663  
 Date: 16 April, 2025  
 Place: Mumbai

**PARAG**  
**RAMAN**  
**HANGEKAR**

 Digitally signed by  
 PARAG  
 RAMAN  
 HANGEKAR  
 Date: 2025.04.16  
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**Notes:**

1. The above consolidated financial results have been prepared in accordance with the Indian Accounting Standards (IND AS) prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder & other accounting principles generally accepted in India.

The new management of the Parent has transferred the books of accounts of the Parent from the erstwhile Oracle Software to Tally Software. As the Parent has not been able to retrieve the detailed books of accounts from the Oracle Software hence, it is not feasible for the Parent to compile and provide the complete quarterly financial results for the relevant period, as only the Control General Ledgers (GLs) were accessible from Oracle and transferred to Tally. Additionally, the necessary provision entries, adjustments, and ledger-wise accounting were not recorded in their original form, making it impractical to prepare the quarterly results, hence the above consolidated financial results are not in compliance with Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

2. The above consolidated financial results have been reviewed and recommended by the Audit Committee and subsequently approved by the Board of Directors at their respective meetings held on 16<sup>th</sup> April 2025.
3. The Company was admitted to corporate insolvency resolution by an order dated January 17, 2020 passed by the Hon'ble National Company Law Tribunal, Mumbai ("NCLT") vide order dated 17th January, 2020 under the Insolvency and Bankruptcy Code, 2016 ("IBC"). The Company has been acquired by Finquest Financial Solutions Private Limited on an "as-is where-is" basis, pursuant to a resolution plan approved by the Hon'ble NCLT vide order dated 31st March 2023. The closing date in terms of the Resolution Plan occurred on 12<sup>th</sup> June 2023 and a new board of Directors have been appointed vide resolution dated 12th June 2023 and it was on this date that the current directors and key managerial personnel of the Company took charge of the Company.

In terms of the IBC, the erstwhile resolution professional ("RP") was vested with management of affairs of the Company and having rights to exercise powers of board of directors, was responsible for complying with the requirements under the laws, which includes preparing the Company's Consolidated Financial Statements for the corporate insolvency resolution process period commencing on January 17, 2020 till March 31, 2023 covering the financial years 2020-21, 2021-22 & 2022-23 and part of financial year 2023-24. However, the said financial statements have not been prepared, audited, approved & filed with the jurisdictional registrar of companies ("ROC") by the RP, as is required under the relevant provisions of the Companies Act, 2013 ("Companies Act"). Based on which the Company have filed an application (I.A. no. 2492 of 2024 in C.P. No. 2915 of 2019) before Hon'ble NCLT asking for certain extensions & exemption on compliances, the same is pending as on date.

In order to meet statutory compliance requirements, the current directors of the company are required to approve the accounts of the company for the financial year ended 31<sup>st</sup> March 2021. The said accounts pertain to the period prior to the appointment of the current directors and key managerial personnel of the company and the current directors and key managerial personnel had no role to play during the period covered by the said accounts either in the management of the Company or perusing or scrutinizing the accounts. However, the financial accounts of the Company for the said period are required to be signed and filed in order to fulfil



various compliances and hence the directors and key managerial personnel are signing the said financial statements in good faith with the sole objective of fulfilling statutory compliances without incurring any responsibility or liability for the same or any part thereof, as per Clause 4.9.2, 4.17.4 & such other terms of the approved Resolution Plan.

The current directors and key managerial personnel have, in this regard, relied solely and exclusively on the books, papers, records and other information, documents, clarifications, representations, communications, notices &/or certifications (collectively, "Books & Records") handed over and furnished to them by or on behalf of the RP and/or the respective subsidiaries/associates. The current directors and key managerial personnel have approved and/or signed the financial statement on the assumption that the Books and Records provided to them:

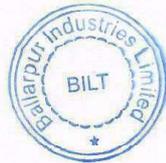
- i. are genuine, correct and accurate;
- ii. are complete;
- iii. have been prepared and maintained in accordance with the applicable accounting standards, policies and conventions; and
- iv. are not in any way fraudulent or misleading.

With respect to the consolidated financial statements for the company for FY 31st March 2021, the same is being signed by Mr. Hardik B Patel (Whole Time Director & Chairman), Mr. BSP Murthy (Non-Executive Director) and Mr. Punit A. Bajaj, Company Secretary of the company (collectively Signatories), solely for the purpose of ensuring compliance by the company with applicable laws & subject to following disclaimers:

- i. The Signatories are signing the financial statements in good faith without admitting any liability and accordingly, no suit, prosecution or other legal proceeding shall lie against him/ them;
- ii. No statement, fact, information (whether current or historical) or opinion contained herein should be construed as a representation or warranty, express or implied, of the Signatories and the Signatories have assumed the same to be correct while signing the financial statements in good faith in order to cure/regularize the non-compliance of the Company with respect to its filing requirements under the Companies Act, 2013 which is required for implementation of the Resolution Plan;
- iii. The Signatories, while signing the financial statements for the year ended 31st March 2021 (which pertains to the tenure prior to their date of appointment in the Company), have assumed that such information and data are in the conformity with the Companies Act, 2013 and other applicable laws with respect to the preparation of the annual return and that they give true and fair view of the position of the Company as of the dates and period indicated therein. Accordingly, the Signatories are not making any representations regarding accuracy, veracity or completeness of the data or information in the said financial statements.

The Signatories further disclaim all responsibility as to matters regarding;

1. recording, disclosing & dissemination of matters set out in, & record keeping & preservation of, the books & records;
2. matters that requires specific disclosure in the subject accounts, including (without limitation) identification of related parties & related party transactions; and
3. matters concerning maintenance of internal controls, systems & processes; the Signatories relied upon the accounts & financial statements of all the subsidiaries & related parties being duly & properly prepared, verified & approved in



accordance with the applicable laws including the relevant accounting standard, for the purpose of consolidation of such financial statements & preparation of the Subject Accounts.

BILT has made efforts to get audited financial information from all subsidiaries and associates but there is lack of required financial data and information from the erstwhile management of such subsidiaries and associates which is creating obstacles in finalizing the consolidated financial statements of BILT.

Hence, the new management is of the view that the best approach would be to finalise the consolidated financial statements of BILT based on available information.

3.1 The above consolidated financial results of the Group include results of the Company and its Subsidiaries and Associates (together called "Group").

**a. Parent:**

Ballarpur Industries Limited

**b. Subsidiaries:**

(i) Avantha Agritech Limited

This is a company incorporated under Indian laws which is a subsidiary of BILT and currently has no operations as per information available with BILT.

In FY 2019-20 the management signed but unaudited financial statements were provided basis which the accounts were consolidated for FY 2019-20. However, the financial statements of this Company have not been provided in FY 2020-21 and since there are no operations in this company the opening balance is proposed to be carried forward in FY 2020-21.

(ii) Ballarpur International Holdings B.V.

BIHBV is a company incorporated under the laws of Netherlands and is a subsidiary of BILT. Audited Financial Statements were provided for FY 2019-20. However, despite repeated requests data and information has not been provided and only the unsigned and unaudited figures have been made available for this company for FY 2020-2021 and hence the consolidation for the financial year 2020-21 has been done basis such unsigned/ unaudited figures.

(iii) Ballarpur Specialty Paper Holdings B.V.

This is a company incorporated under the laws of Netherlands which is a subsidiary of BILT. For FY 2020-21, the audited financial statements have been provided on the basis of which the accounts have been consolidated. BILT has not yet taken management control of this company. As per information available with BILT, this company has no operations and the new management of BILT currently has no intention of reviving operations

**c. Step-down subsidiaries:**

(i) Mirabelle Trading Pte. Ltd

This is a company incorporated under the laws of Singapore which is a subsidiary of BIHBV. An application has been filed by ICICI Bank against this company for recovery of debt. Currently, as per



information available with BILT there are no other operations in this company other than debt recovery. For FY 2019-20, only the unsigned and unaudited financials have been provided basis which the accounts have been consolidated. Despite repeated requests for audited financial statements, no financials have been provided by this company for FY 2020-21 and since there are no operations in this company the opening balance has been carried forward for FY 2020-21.

(ii) BILT General Trading FZE

This company is incorporated under the laws of UAE and is a subsidiary of BSPH. Despite repeated requests financials have not been provided since FY 2019-20. As per information available with BILT, the company has no operations and BILT new management of BILT has no intention of reviving the operations. Since there are no operations and financial statements have not been provided the opening balance is being carried forward for FY 2020-21.

(iii) BILT Paper B.V

BPBV is a step-down subsidiary of BILT incorporated under laws of Netherlands and a subsidiary of BIHBV based in the Netherlands, where BIHBV holds 62.21% shares of BPBV, of which certain foreign lenders have invoked the voting rights of BIHBV to the extent of 21.5% in BPBV and 7.79% is held by Avantha International Assets BV, 15.71% is held by Lathe Investments and 14.29% is held by International Finance Corporation.

For BPBV, audited financial statements have been provided for FY 2020-21 basis which the accounts have been consolidated. BPBV is merely an investment company.

(iv) Ballarpur Paper Holdings B.V (till 25<sup>th</sup> February 2021)

BPIIDV is a step-down subsidiary of BILT and a wholly owned subsidiary of BPBV, based in the Netherlands. 70% of the shares of BPHBV have been pledged to EC Holdings Pte. Ltd. and EISAF II Pte. Ltd. by BPBV and the voting rights attached to the pledged shares has been transferred to the EC Holdings Pte. Ltd. and EISAF II Pte. Ltd. in February 2021, by virtue of which EC Holdings Pte. Ltd. and EISAF II Pte. Ltd. has voting rights in BPHBV to the extent of 70%. There is no shareholders agreement, or any similar document made available to new management of BILT in respect of the shareholding of BPHBV which would govern the *interse* rights between shareholders and management of BPHBV. In view thereof since February 2021, BPHBV is treated as an associate company.

BPHBV is a company incorporated under the laws of Netherlands. The audited statements have been provided for the FY 2020-21 basis which accounts have been consolidated.

(v) BILT Graphic Paper Products Limited (till 25<sup>th</sup> February 2021)

(vi) Sabah Forest Industries Sdn. Bhd. (till 25<sup>th</sup> February 2021)

SFI is a step-down subsidiary of BILT and a subsidiary of BPHBV where BPHBV holds 98.08% stake and 1.92% is held by Sabah Government which is a State in Malaysia. SFI has been in liquidation since the year 2019 and no records of the same are available with BILT. BILT has



been unable to establish contact with the liquidator. Since SFI is under liquidation, BILT has no intent of reviving the operations. Only unsigned and unaudited financial statements have been provided for FY 2020-21 basis which the accounts have been consolidated.

**d. Associate of Step-down subsidiary – BILT Paper B.V.:**

(i) Ballarpur Paper Holdings B.V (from 26<sup>th</sup> February 2021)

BPHBV is a step-down subsidiary of BILT and a wholly owned subsidiary of BPBV, based in the Netherlands. 70% of the shares of BPHBV have been pledged to EC Holdings Pte. Ltd. and EISAF II Pte. Ltd. by BPBV and the voting rights attached to the pledged shares has been transferred to the EC Holdings Pte. Ltd. and EISAF II Pte. Ltd. in February 2021, by virtue of which EC Holdings Pte. Ltd. and EISAF II Pte. Ltd. has voting rights in BPHBV to the extent of 70%. There is no shareholders agreement, or any similar document made available to new management of BILT in respect of shareholding of BPHBV which would govern the *interse* rights between shareholders and management of BPHBV. In view thereof since February 2021, BPHBV is treated as an associate company.

BPHBV is a company incorporated under the laws of Netherlands. The audited statements have been provided for the FY 2020-21 basis which accounts have been consolidated.

**e. Subsidiaries of associate:**

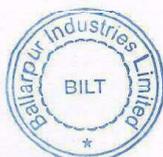
(i) BILT Graphic Paper Products Limited (from 26<sup>th</sup> February 2021)

(ii) Sabah Forest Industries Sdn. Bhd. (from 26<sup>th</sup> February 2021)

SFI is a step down subsidiary of BILT and a subsidiary of BPHBV where BPHBV holds 98.08% stake and 1.92% is held by Sabah Government which is a State in Malaysia. SFI has been in liquidation since the year 2019 and no records of the same are available with BILT. BILT has been unable to establish contact with the liquidator. Since SFI is under liquidation, BILT has no intent of reviving the operations. Only unsigned and unaudited financial statements have been provided for FY 2020-21 basis which the accounts have been consolidated.

**4. Corporate Insolvency Resolution Process ("CIRP") initiated against the Company**

- a) The National Company Law Tribunal ("NCLT"), Mumbai bench, vide its order dated 17<sup>th</sup> January 2020 ("Insolvency Commencement Order") had initiated Corporate Insolvency Resolution Process ("CIRP") against the Parent. Hon'ble NCLT vide its order dated 27<sup>th</sup> May 2020 had appointed Mr. Anuj Jain (IBBI / IPA-001 / IP-P00142 / 2017-2018 / 10306) as resolution professional of the Parent. The powers of the board vested with RP during the Resolution Process. During the Corporate Insolvency Resolution (CIR) Process (i.e. between 27<sup>th</sup> May 2020 and 31<sup>st</sup> March 2023) the RP was entrusted with the management of the affairs of the Parent. The resolution plan was approved in accordance with Section 31 of the Insolvency and Bankruptcy Code, on 31<sup>st</sup> March 2023 with Finquest Financial Solutions Private Limited being the successful Resolution Applicant and all necessary statutory and regulatory approvals have been obtained. The Monitoring Committee, at their Closing Meeting held on 23<sup>rd</sup> November 2023, inter alia, reconstituted the Board of Directors of the



Parent ("Reconstituted Board") and upon conclusion of this Meeting, the Monitoring Committee stood dissolved. The reconstituted Board of Directors of the Parent is submitting this Report in compliance with the provisions of the Companies Act, 2013, the rules and regulations framed thereunder ("Act") and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015 ("Listing Regulations").

The Reconstituted Board is not to be considered responsible to discharge fiduciary duties with respect to the oversight on financial and operational health of the Parent and performance of the management for the period prior to its reconstitution date i.e. 23<sup>rd</sup> November 2023.

- b) Pursuant to commencement of CIRP, the RP had received various claims submitted by the financial creditors, operational creditors, employees and other creditors. Based on the financial creditors claim admitted by RP the parent observed an additional liability of Rs. 27,945 Lakhs (Rs. 27,742 Lakhs during 2019-20 & Rs. 203 Lakhs during 2020-21) representing the difference between the financial creditor's claims admitted by RP & carrying amount of borrowings.
- c) Resolution Plan submitted by the Finquest Financial Solutions Private Limited ("SRA") on 7<sup>th</sup> February, 2022, updated as on 17<sup>th</sup> March, 2022 and further clarified by clarificatory note dated 23<sup>rd</sup> March, 2022 ("Resolution Plan") was approved by the Committee of Creditors ("CoC") on 14<sup>th</sup> April, 2022 and by Hon'ble NCLT, Mumbai Bench by an order dated 31<sup>st</sup> March, 2023 (received on 13<sup>th</sup> April, 2023) ("Plan Approval Order"). In accordance with the approved resolution plan the following consequential effects are as under:
- i. As per clause 4.3.5 of the Resolution Plan, an Escrow Agreement dated 29<sup>th</sup> May 2023 was executed between Ballarpur Industries Limited (Corporate Debtor), MC of Corporate Debtor (MC Representative), Finquest Financial Solutions Private Limited (Resolution Applicant), IDBI Bank (Escrow Bank), IDBI Trusteeship Services Limited (Escrow Agent), Mr. Anuj Jain (erstwhile RP) and IDBI Bank (Assenting FC Representative) ("Escrow Agreement")
  - ii. Allotment of Equity Shares:  
Allotment of 5,08,75,000 Equity Shares (Class B) at the face value of INR 10 each of the Company, for an aggregate consideration up to INR 5,088 Lakhs to the allottees mentioned herein on a private placement basis:

S. No.	Name of Allottees	No of Equity Shares	Amount (INR in Lakhs)
1.	Finquest Financial Solutions Private Limited ("SRA")	2,77,92,021	2,779
2.	Supersoil Construction Private Limited ("Financial Investor")	2,14,85,666	2,149
3.	Finquest Financial Solutions Private Limited ("Assenting Financial Creditor")	2,57,979	26
4.	IDBI Bank Limited ("Assenting Financial Creditor")	13,39,334	134
	<b>Total</b>	<b>5,08,75,000</b>	<b>5,088</b>



- iii. Allotment of Non-Convertible Debentures to SRA and Investors on 12th June 2023 as part of Upfront Cash Infusion:  
Allotment of 194 Unlisted, Unsecured Non-Convertible Debentures ("NCDs") of INR 100 Lakhs each at par aggregating up to INR 19,400 Lakhs to the allottees as mentioned herein on a private placement basis:

Sr. No.	Name of the Allottee(s)	No. of NCDs	Amount (INR in Lakhs)
1	Finquest Financial Solutions Private Limited ("SRA")	99	9,900
2	Hypnos Fund Limited	95	9,500
	<b>Total</b>	<b>194</b>	<b>19,400</b>

- iv. Reconstitution of the Board of Directors:

- a. Upon achieving the Closing Date, i.e., on 12 June 2023, in terms of Clause 6.3 of the Resolution Plan, Shri Rajeev Ranjan Vederah, Shri Yashashree Padmakar Gurjar and Shri Padmakumar Nair are deemed to have resigned and vacated the office as Directors of the Company. The Board of Directors has been reconstituted with Mr. Hardik Patel (Whole time Director), Mr. BSP Murthy (Non-Executive Director), Mr. K. Thangaraju (Independent Director), Mr. P. Swaminathan (Independent Director), Ms. Runel Saxena (Independent Director) and Mr. Y Kesava Reddy (Executive Director). and Mr. Punit Amarpalsingh Bajaj has been appointed as the Company Secretary of the Company (w.e.f. 1<sup>st</sup> July 2023).
- b. The shareholding of the existing Promoter and Promoters' Group shareholding stands extinguished and ceases to be classified as promoters of the Corporate Debtor.
- v. Distribution of Funds:  
The Resolution Applicant along with foreign Financial Investors infused an amount of INR 24,328 Lakhs into the Escrow Account of the Corporate Debtor in the form of Equity and Unsecured NCDs through private placement pursuant to Clause 4.1 read with Clauses 2.3.2, 5.1.2, 5.1.1, 2.3.1 and 2.5.1 of the Escrow Agreement dated 29 May, 2023 and the Resolution Plan, which is distributed as below:

S. No.	Name of Sub-Account	Distribution Amount (INR in Lakhs)
1	UNPAID CIRP COSTS SUB ACCOUNT	7,979
2	WORKMEN DUES SUB ACCOUNT	900
3	EMPLOYEES DUES SUB ACCOUNT	49
4	GOVERNMENT DUES SUB ACCOUNT	32
5	DISSENTING FCS SUB ACCOUNT	4,949
6	ASSENTING FCS SUB ACCOUNT	9,909
7	MC COSTS SUB ACCOUNT	509
	<b>Total</b>	<b>24,328</b>



- vi. The SRA along with its Financial Investors- Hardik Patel and Hypos Funds (RPI) infused a second tranche of funds aggregating to INR 3,473 Lakhs on 8<sup>th</sup> September 2023 for fulfilment of its obligations triggering on the 90<sup>th</sup> day from the Closing Date i.e., for payment of cash in lieu of issuance of Non-Convertible Debentures and Cumulative Redeemable Preference Shares to the Assenting Unsecured Financial Creditors. Accordingly, the SRA, Hardik Patel and Hypos Funds were allotted the following instruments in lieu thereof:

Sr. No.	Name of the Allottee(s)	No. of NCDs	Amount (INR in Lakhs)
1	Hardik B Patel	12,72,89,788	1,273
2	Belgrave Investment Fund	17,00,00,000	1,700
3	Hypnos Fund Limited	5,00,00,000	500
<b>Total</b>		<b>34,72,89,788</b>	<b>3,473</b>

- d) Pending actions for implementation:
- Ex-gratia payment to other Operational Creditors (excluding employees, workmen and government dues)
  - Redemption of CRPS- 2 years from Closing date
  - Redemption of NCDs- 3 years from Closing Date
  - Sale of Assets

## 5. Going concern

### a) Holding Company (BILT)

The Company's net worth is negative as on the reporting date and it continues to incur heavy losses. There is persistent severe strain on the working capital and this has resulted in a considerable decline in the level of operations of the Company. As stated in note 4(a), pursuant to commencement of CIRP, the Board of Directors of the Company stood suspended, and the management of the Company vested with the RP during the CIRP period. The RP is expected to make every endeavour to protect and preserve the value of the property of the Company and manage the operations of the Company as a going concern.

Even though the Resolution Plan has been Approved by the Hon'ble National Company Law Tribunal, Mumbai on the 31<sup>st</sup> March 2023, but still there exist material uncertainty on Going Concern of the Company. The new management has plans to make the Company operational & generate revenue in the near future as per the resolution plan & hence the financial statements have been prepared with the assumption of going concern.

### b) Going Concern at Ballarpur International Holdings B.V. (BIH)

During the year the Company has a total comprehensive loss of Rs. 4188.76 lakhs (Previous year total comprehensive loss of Rs.186,075.72 lakhs). As at 31<sup>st</sup> March 2021, the accumulated losses (including other comprehensive loss) of the Company were Rs. 211,469.80 lakhs (Previous Year Rs. 207,281.04 lakhs). which have fully eroded the net worth of the Company and the Company's current liabilities exceeded its current assets by Rs. 112,822.23 lakhs (Previous Year Rs.108,125.77 lakhs). The new management of BILT believes that negative working capital would not cause economic difficulties. In view of the new management's expectations the financial statements have been prepared on a going concern basis.



c) **Going Concern at Ballarpur Specialty Paper Holdings B.V. (BSPH)**

During the year the Company has Total Comprehensive income of Rs. 16.18 lakhs (Previous year Total Comprehensive Loss of Rs. 26.92 lakhs). As at 31st March, 2021, the accumulated losses (including other comprehensive income/loss) of the Company were Rs.272.80 lakhs (Previous Year Rs.288.98 lakhs), which have fully eroded the net worth of the Company and the Company's current liabilities exceeded its current assets by Rs.260.08 lakhs (Previous Year Rs.276.26 lakhs). The new management of BILT believes that negative working capital would not cause economic difficulties. In view of the new management's expectations the financial statements have been prepared on a going concern basis.

d) **Going Concern at Bilt Paper B.V**

During the year the Company has total comprehensive loss of Rs.741.81 lakhs (Previous year total comprehensive loss of Rs. 253,962.97 lakhs). As at 31st March 2021, the accumulated losses (including other comprehensive loss) of the Company were Rs. 220,353.14 lakhs (Previous year Rs.197,349.96 lakhs). The Company's current liabilities exceeded its current assets by Rs.96,487.57 lakhs (Previous year Rs. 75,933.49 lakhs), the new management of BILT believes that negative working capital would not cause economic difficulties. In view of the new management's expectations the financial statements have been prepared on a going concern basis.

**6. Put Options**

The Parent had written options in favour of investors of Bilt Paper B.V, a step-down subsidiary of the Parent, which requires the Parent to comply with certain conditions within a stipulated time. Since the conditions were not met, the Parent is required to acquire the shares from the investors of Bilt Paper B.V. at a premium of 20% internal rate of return (IRR) on the value of the Options as per the terms of the Option upon exercise of these options.

The Parent has not accrued the liability towards outstanding put option & the Parent's new management is unable to quantify the liability with respect to the outstanding put option. However, as per the clause 4.17.4.2 of the approved resolution Plan any such claim against & on behalf of its subsidiary companies shall stand irrevocably and unconditionally waived and extinguished.

**7. Gratuity**

The Parent has not taken actuarial valuation of gratuity and Compensated absences obligation as at 31st March 2021. Provision for gratuity and Compensated absences has not been created as at 31st March 2021, as the Actuarial Valuation Report is not available.

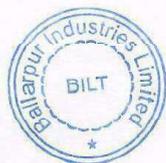
The actuarial valuation of gratuity obligation has not been done as at 31st March 2021 and the provision has been recognized based on Parent's new management internal estimation as at 31st March 2021. Also, the actuarial valuation of gratuity obligation pertaining to Kamalapuram Unit and Head Office has not been done as at 31st March 2021 and the provision as at 31st March 2021 has been recognized based on Parent's new management's internal estimation for these cases. The provision created based on Parent's management internal estimation as at 31st March 2021 is Rs 68 Lakhs (as at 31st March 2020 Rs 924 Lakhs).

The actuarial valuation of compensated absences obligation has not been done as at 31st March 2021 and the provision has been recognized based on Parent's new management's internal estimation as at 31st March 2021. Also, the actuarial valuation of compensated absences obligation pertaining to Kamalapuram Unit and Head Office has not been done as at 31st March 2021 and the provision as at 31st March 2021 has



been recognized based on Parent's new management's internal estimation for these cases. The reversal of provision based on Parent's new management's internal estimation as at 31<sup>st</sup> March 2021 is Rs 52 Lakhs (as at 31<sup>st</sup> March 2020 provision created was Rs. 296 Lakhs).

8. In view of the ongoing Corporate Insolvency Resolution process ("CIRP") of the Parent as at 31<sup>st</sup> March 2021, property, plant and equipment and financial assets as at 31<sup>st</sup> March 2021 have not been tested for impairment.
9. Confirmation of balances has not been received by Parent in respect of certain loans and advances, balances with banks, borrowings (including interest accrued thereon), dues to/ from related parties, trade and other payables. The Parent is in the process of obtaining confirmations and reconciliation of the balances. The impact of any change in the carrying amount of these balances which may arise as a result of such reconciliation is unascertainable.
10. For the year ended 31<sup>st</sup> March 2021, the Parent has not recognized any provision for Expected credit loss of receivables relating to amounts due from related parties (For the FY 2019-20 Rs. 42,211 Lakhs). This assessment was undertaken each financial year examining the financial position of the related party and the market in which the related party operates. The total provision for expected credit loss against receivables from related parties as at 31<sup>st</sup> March 2021 is Rs. 42,211 lakhs (Rs. 42,211 lakhs as at 31<sup>st</sup> March 2020). The said assessment has not been carried out in the current financial year.
11. The Parent has carried forward deferred tax assets (Net) of Rs. 11,924 Lakhs considering the ongoing CIRP, the certainty as to realization of deferred tax assets cannot be ascertained at this stage. Consequently, adjustments to deferred tax (net) have not been given effect during the year. No additional deferred tax assets have been recognized during the year.
12. Bank reconciliation statements of Parent as at 31<sup>st</sup> March 2021 have not been prepared for 11 bank accounts having a carrying amount of Rs 11.02 Lakhs since the bank statements were not available for these bank accounts. Also, no balance confirmation could be obtained from any of the banks.
13. Bank statements for 5 bank accounts maintained by the Parent relating to unpaid dividends are not available having a carrying amount of Rs. 27.59 Lakhs as at 31<sup>st</sup> March 2021.
14. Details of bank deposits with original maturity exceeding 3 months but less than 12 months of the parent as at 31<sup>st</sup> March 2021 are not available. Also, neither the balance confirmation certificate nor interest on bank deposit certificate could be obtained from bank.
15. The Parent has migrated its accounting system from the earlier Oracle System to Tally accounting system during the current financial year. During the CIRP period, the oracle licenses expired & not renewed by the RP. Hence, the Parent's new management implemented Tally accounting system & migrated all the data from Oracle to Tally. As the Oracle licenses were not renewed on time as well as migration audit was not performed, the completeness & accuracy of data migration from Oracle to Tally could not be confirmed. During the Migration, Parent has not been able to identify and transfer the individual balances of its debtors, Creditors, Loans, Related Parties from Oracle System to Tally system.



16. During the year 2020-21, Parent had entered into a rent agreement with related party i.e. BGPPL, pursuant the approval taken by the RP from the Committee of Creditors. The said Rent Agreement is not available with the Parent's new management.
17. The Financial Statements of 2 step down foreign subsidiaries (Mirabelle Trading Pte. Ltd. and Bilt Graphic Trading FZE) & 1 domestic Subsidiary (Avantha Agritech Ltd) which have a total assets base as at 31<sup>st</sup> March 2021 of Rs. 67,542 lakhs are unaudited and have not been certified by their management.
18. One of the foreign subsidiary Ballarpur Specialty Paper Holdings B.V. has fully written off its investment in BILT General Trading FZE, UAE ("BGT") in 2019-20 as BGT does not carry on any operations and there is no intention to carry on the business in future also the license of BGT was expired.
- 19.
- a) In Bilt Paper B.V., certain Balances of Related Parties and other Parties shown in other Payables are subject to reconciliation/ confirmation and also the said auditor has not received direct confirmation thereof. The consequential impact of confirmation/reconciliation/ adjustment of such Balance is not ascertainable. However, in the opinion of the management, these will not have any significant impact on the loss (including other comprehensive loss), other equity, assets, and liabilities as on the balance sheet date.
  - b) In Ballarpur Specialty Paper Holdings B.V., certain Balances of Related Parties and other Parties shown in other Payables are subject to reconciliation/confirmation and also the said auditor has not received direct confirmation thereof. The consequential impact of confirmation/reconciliation/adjustment of such Balance is not ascertainable. However, in the opinion of the management, these will not have any significant impact on the profit (including other comprehensive profit), other equity, assets, and liabilities as on the balance sheet date.
  - c) In Ballarpur International Holdings B.V. (BIH), certain Balances of Related Parties and other Parties shown in other Payables are subject to reconciliation/confirmation. The consequential impact of confirmation/reconciliation/adjustment of such Balance is not ascertainable. However, in the opinion of the management, these will not have any significant impact on the loss (including other comprehensive loss), other equity, assets, and liabilities as on the balance sheet date.
20. The Company during the previous year i.e. FY 2019-20 had reversed the following transactions aggregating Rs. 83,193 Lakhs, which were given effect in the financial statements for the year 2018-19 and were subject to approvals from relevant authorities/ stakeholders.
- a) Tripartite agreement for settlement of amounts due from subsidiary against dues to step-down subsidiary amounting Rs. 17,393 Lakhs.
  - b) Assignment of its rights, title and interest in freehold land to the step-down subsidiary whose loans were secured against this land for a consideration of Rs. 39,400 Lakhs.
  - c) Renewal of the License agreement granting "Right to use", "BILT logo and other trademarks" to its step-down subsidiary amounting Rs. 26,400 Lakhs in respect of which lenders/ certain investors have initiated reevaluation of the pricing.
- However, the necessary approvals from the certain stakeholders were not received and the above transactions has been reversed in previous FY 2019-20.



21. Pursuant to the Shareholder Agreement between Bilt Paper B.V., its shareholders and its lenders dated 14<sup>th</sup> August 2015, the term "control" in relation to a person is defined as follows:

- (a) The possession, directly or indirectly, whether individually or jointly by other persons, of the power to direct or cause the direction of the management and policies of such person, whether through the ownership of shares or voting power, by agreement or otherwise or the power to elect more than one-half of the directors, partners or other individuals exercising similar authority with respect to such person, or
- (b) The possession, directly or indirectly, individually or jointly, of a voting interest of fifty per cent (50%) or more or control pursuant to contractual shareholder or board veto rights, or
- (c) The ownership of such shares in that person entitling the shareholder to at least 50 per cent (50%) of income or capital distributions, and the terms "Controlled" and "Controlling" shall be construed accordingly;

In this case, the 21.5% of voting rights of BILT Paper B.V. ("BP B.V") Subsidiary of Ballarpur International Holdings B.V were pledged by Ballarpur International Holdings B.V. ("BIH B.V") to Orbit Investment Securities Plc and Varanium India Opportunity, enabling Orbit Investment Securities Plc and Varanium India Opportunity to invoke BIH B.V's voting rights in BP B.V upon the invocation due to event of default. However, the ownership of the shares remains with BIH B.V. Based on the definition of "control" as outlined in the agreement, the management concluded that the voting rights invoked by the lenders are protective voting rights in terms of Ind AS 110 and hence, BIH B.V continues to hold control over BP B.V. Therefore, BP B.V remains a subsidiary of BIH B.V. and a step-down subsidiary of Ballarpur Industries Limited ("BILT"). Consequently, the Consolidated Financial Statements (CFS) have been prepared accordingly.

22. The Resolution Applicant and/or its Affiliates will acquire control over the Corporate Debtor pursuant to the order of the Adjudicating Authority by the Closing Date and not pursuant to the usual acquisition process which would ordinarily include a detailed due diligence and representations, warranties and indemnities in relation to the affairs of the Corporate Debtor (including its subsidiaries and associate companies) from existing promoters and thus it is necessary for the Resolution Applicant to start the business operations of the Corporate Debtor on a fresh slate as of the Closing Date. Therefore, in light of the above, the Resolution Applicant and/or its Affiliates and the Corporate Debtor shall have complete and irrevocable immunity from any actions or omissions, liabilities and penalties (of any nature whatsoever) under any Applicable Laws for any non-compliance of Applicable Laws or breach of contractual obligations in relation to or by the Corporate Debtor for any period upto the NCLT Approval Date.

23. Due to non-availability of required information to prepare the quarterly results for the financial year 2020-21, the company has not filed its quarterly results in compliance with regulation 33 and 52 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.



24. Figures for the previous period/year have been regrouped wherever necessary, to make them comparable with the current period's presentation.

For and on Bchalf of the Board of Directors,  
**For Ballarpur Industries Limited**

Hardik Digitally signed by  
Hardik Bharat Patel  
Bharat Patel Date: 2025.04.16  
21:43:41 +05'30'

**Hardik Bharat Patel**  
Chairman & Whole-Time Director  
DIN: 00590663  
Date: 16<sup>th</sup> April, 2025  
Place: Mumbai



**ANNEXURE I**

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

<b>Statement on the Impact of Audit Qualifications for the Financial Year ended March 31, 2021 [See Regulation 52 of the SEBI (LODR) (Amendment) Regulations, 2016]</b>				
I.	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)  (Rs. In lakhs)	Adjusted Figures (audited figures after adjusting for qualifications)  (Rs. In lakhs)
	1.	Turnover / Total Income (Incl. exceptional items)	2,26,682	Not Determinable
	2.	Total Expenditure (Incl. exceptional items)	3,64,534	
	3.	Net Profit / (Loss)	(1,39,031)	
	4.	Earnings Per Share	(8.54)	
	5.	Total Assets	6,76,867	
	6.	Total Liabilities	9,21,637	
	7.	Net Worth	(2,44,769)	
	8.	Any other financial item(s) (as felt appropriate by the management)	-	
II. a	<b>Audit Qualification (each audit qualification separately):</b>			
	<b>Qualification 1</b>			
	a.	<b>Details of Audit Qualification:</b> Even though the resolution plan of the Parent has been approved by the Hon'ble National Company Law Tribunal, Mumbai bench on 31 March, 2023, but still there exists material uncertainty related to going concern of the Group as we are unable to obtain sufficient and appropriate audit evidence to conclude on the appropriateness of the use of going concern assumption in the preparation of Consolidated Financial Results.		
	b.	<b>Type of audit Qualification:</b> Disclaimer of Opinion		
	c.	<b>Frequency of qualification:</b> The qualification is continuing since financial year 2019-20 in the Consolidated financial results		
	d.	<b>For Audit Qualification(s) where impact is quantified by the auditor, Management's views:</b> Not Quantified by the Auditors		
	e.	<b>For Audit Qualification(s) where impact is not quantified by the auditor:</b>		
		(i) Management's estimation on the impact of qualification: N.A.		
		(ii) If management is unable to estimate the impact, reasons for the same:		



	<p>The Group's Networth is negative as on the reporting date and it continues to incur heavy losses. There was persistent severe strain on the working capital and this has resulted in a considerable decline in the level of operations of the Company during CIRP. As stated in note 4 of financial results, pursuant to commencement of CIRP, the Board of Directors of the Company stand suspended, and the management of the Company was vested with the RP.</p> <p>Further, the CIRP process of the Company has been concluded, and Ballarpur Industries Limited ("BILT/Company") has been acquired by Finquest Financial Solutions Private Limited on an "as-is where-is" basis, pursuant to a resolution plan approved by the Hon'ble NCLT vide order dated 31<sup>st</sup> March 2023. The Closing Date in terms of the Resolution Plan occurred on 12<sup>th</sup> June 2023 and a new Board of Directors have been appointed vide resolution dated 12<sup>th</sup> June 2023. As on date, the Resolution Plan has been adhered to. Thus, post write back of the liabilities the new management is confident to continue on Going concern basis post re-starting the operations. The primary factor for the company to continue as a Going concern would be restarting of the manufacturing operations.</p>
	(iii) Auditors comment on (i) and (ii) above: Impact is not determinable
<b>Qualification 2</b>	
a.	<p><b>Details of Audit Qualification:</b></p> <p>The Parent has not accrued the liability towards outstanding put options and the management is unable to quantify the liability with respect to the outstanding put options. Accordingly, we are unable to quantify the impact on Consolidated Financial Results.</p>
b.	<p><b>Type of audit Qualification:</b> Disclaimer of Opinion</p>
c.	<p><b>Frequency of qualification:</b> The qualification is continuing since financial year 2019-20 in the Consolidated financial results</p>
d.	<p><b>For Audit Qualification(s) where impact is quantified by the auditor, Management's views:</b> Not Quantified by the Auditors</p>
e.	<p><b>For Audit Qualification(s) where impact is not quantified by the auditor:</b></p>
	<p>(i) <b>Management's estimation on the impact of qualification:</b> N.A</p>
	<p>(ii) <b>If management is unable to estimate the impact, reasons for the same:</b></p> <p>The parent had written put options in favor of investors of Bilt Paper B.V., a step-down subsidiary of the parent, which requires the parent to comply with the certain conditions within a stipulated time. Since the conditions were not met, the parent is required to acquire the shares from the investors of Bilt Paper B.V. at a premium of 20% internal rate of return (IRR) on the value of the options as per the terms of the options upon exercise of these options.</p> <p>The exercise period has commenced, and the option holders have not exercised the options as at 31<sup>st</sup> March, 2021. Pending conclusion of the CIRP proceedings, the parent is unable to determine the potential outflow arising from exercise of the option by the holder and has accordingly not recognized any liability in these financial statements for the option. Also as per the resolution plan approved by the Hon'ble National Company Law Tribunal, Mumbai Bench on 31<sup>st</sup> March, 2023 there is no provision for the satisfaction of such claim.</p>



	(iii) Auditors comment on (i) and (ii) above: Impact is not determinable
<b>Qualification 3</b>	
<b>a.</b>	<p><b>Details of Audit Qualification:</b></p> <p>Pursuant to commencement of the CIRP on January 17, 2020, under Insolvency and Bankruptcy Code, 2016 ("the Code"), the Resolution Professional ("RP") has received various claims submitted by the financial creditors, operational creditors, employees, and other creditors.</p> <p>a. With respect to the financial creditors, the Parent had recognized additional liability of Rs. 203 lakhs (net of reversals and write back of liabilities), which represents the difference between borrowings and corresponding interest claims of the financial creditors admitted by the RP and the borrowings and interest accrued in the books as at 31<sup>st</sup> March, 2021. We are not provided with reconciliation along with reasons for this difference in order to ascertain the completeness and valuation of liabilities recognized by the Parent. Accordingly, we are not able to ascertain the impact on consolidated financial results.</p> <p>b. With respect to the operational creditors, employees &amp; other creditors of the Parent, the RP has received and assessed the claims and the effect of the same will be given in the financial statements of financial year 2022-23.</p>
<b>b.</b>	<b>Type of audit Qualification:</b> Disclaimer of Opinion
<b>c.</b>	<b>Frequency of qualification:</b> The qualification is continuing since financial year 2019-20 in the Consolidated financial results
<b>d.</b>	<b>For Audit Qualification(s) where impact is quantified by the auditor, Management's views:</b> Not Quantified by the Auditors
<b>e.</b>	<b>For Audit Qualification(s) where impact is not quantified by the auditor:</b>
	<b>(i) Management's estimation on the impact of qualification:</b> NA
	<p><b>(ii) If management is unable to estimate the impact, reasons for the same:</b></p> <p>The National Company Law Tribunal ("NCLT"), Mumbai bench, vide its order dated 17<sup>th</sup> January 2020 ("Insolvency Commencement Order") had initiated Corporate Insolvency Resolution Process ("CIRP") against the company. Hon'ble NCLT vide its order dated 27 May 2020 had appointed Mr. Anuj Jain (IBBI/ IPA-001/ IP-P00142/ 2017-2018/10306) as Resolution Professional of the Company. The powers of the board vested with Resolution Professional during the Resolution Process. During the Corporate Insolvency Resolution (CIR) Process (i.e. between 27<sup>th</sup> May 2020 and 31<sup>st</sup> March 2023) the RP was entrusted with the management of the affairs of the Company. The resolution plan was approved in accordance with Section 31 of the Insolvency and Bankruptcy Code, on 31<sup>st</sup> March 2023 with Finquest Financial Solutions Private Limited being the successful Resolution Applicant and all necessary statutory and regulatory approvals have been obtained. The final claims from the financials creditors and operational creditors have been taken care of as per the approved resolution plan. Hence the management opines that for the current financial year the impact may not be identified, however the accurate accounting effect shall be given on 31<sup>st</sup> March 2023.</p>



	(iii) Auditors comment on (i) and (ii) above: Impact is not determinable
<b>Qualification 4</b>	
<b>a.</b>	<p><b>Details of Audit Qualification:</b></p> <p>Provision for gratuity and compensated absences pertaining to the Shree Gopal Unit, Corporate Office and Kamalapuram Unit had been determined by the Parent's Management on an adhoc basis as at 31<sup>st</sup> March, 2021. Ind AS 19 'Employee Benefits' requires that the provision for long term employee benefits such as gratuity and compensated absences need to be determined based on Actuarial valuation.</p> <p>Accordingly, the provision for long term employee benefits as at 31<sup>st</sup> March, 2021 is not in compliance with Ind AS 19 and we are unable to conclude on the adequacy of the provision for gratuity and compensated absences as at 31<sup>st</sup> March, 2021. The provision for gratuity which has been determined on an adhoc basis as at 31<sup>st</sup> March, 2021 is Rs. 68 lakhs and reversal of provision for compensated absences is Rs. 52 lakhs.</p>
<b>b.</b>	<b>Type of audit Qualification:</b> Disclaimer of Opinion
<b>c.</b>	<b>Frequency of qualification:</b> The qualification is continuing since financial year 2019-20 in the Consolidated financial results
<b>d.</b>	<b>For Audit Qualification(s) where impact is quantified by the auditor, Management's views:</b> Not quantified by the auditors
<b>e.</b>	<b>For Audit Qualification(s) where impact is not quantified by the auditor:</b>
	<b>(i) Management's estimation on the impact of qualification:</b>
	<b>(ii) If management is unable to estimate the impact, reasons for the same:</b>
	The management of the company was under the control of Resolution Professional during the period under audit during which the actuarial report was not called for. The current management was not in a position to estimate the past actuarial liability and the hence the same has not been given effect.
	<b>(iii) Auditors comment on (i) and (ii) above:</b> Impact is not determinable.
<b>Qualification 5</b>	
<b>a.</b>	The Parent had not performed impairment assessment of its investments as at 31 <sup>st</sup> March, 2021 in line with the requirements of Ind AS 109 'Financial Instruments' and Ind AS 36 Impairment of Assets'. Accordingly, we are unable to conclude on the carrying value of investments and the consequential impact, if any, on the consolidated financial results.
<b>b.</b>	<b>Type of audit Qualification:</b> Disclaimer of Opinion
<b>c.</b>	<b>Frequency of qualification:</b> The qualification is continuing since financial year 2019-20 in the Consolidated financial results



d.	<b>For Audit Qualification(s) where impact is quantified by the auditor, Management's views:</b> Not quantified by the auditors
e.	<b>For Audit Qualification(s) where impact is not quantified by the auditor:</b>
	(i) <b>Management's estimation on the impact of qualification:</b>
	(ii) <b>If management is unable to estimate the impact, reasons for the same:</b> In view of the ongoing CIRP, investments as at 31 <sup>st</sup> March, 2021 have not been tested for impairment and same was not been carried by resolution professional.
	(iii) <b>Auditors comment on (i) and (ii) above:</b> Impact is not determinable
<b>Qualification 6</b>	
a.	<b>Details of Audit Qualification:</b> Confirmation of balances of Parent have not been received in respect of certain loans and advances, balances with banks, borrowings (including interest accrued thereon), dues to/from related parties, trade and other payables. The Company is in the process of obtaining confirmations and reconciliation of the balances. The impact of any change in the carrying amount of these balances which may arise as a result of such reconciliation is unascertainable and therefore, we are unable to comment upon the appropriateness of carrying value of such balances.
b.	<b>Type of audit Qualification:</b> Disclaimer of Opinion
c.	<b>Frequency of qualification:</b> The qualification is continuing since financial year 2019-20 in the Consolidated financial results
d.	<b>For Audit Qualification(s) where impact is quantified by the auditor, Management's views:</b> Not quantified by the auditors
e.	<b>For Audit Qualification(s) where impact is not quantified by the auditor:</b>
	(i) <b>Management's estimation on the impact of qualification:</b>
	(ii) <b>If management is unable to estimate the impact, reasons for the same:</b> The records were not transferred to the current management, which prevents them from providing confirmation. This issue will be properly addressed during the financial review after the company has been taken over.
	(iii) <b>Auditors comment on (i) and (ii) above:</b> Impact is not determinable.
<b>Qualification 7</b>	
a.	<b>Details of Audit Qualification:</b> The Parent has reclassified the land situated at Choudwar, Odisha, from 'Assets Held for Sale' to 'Property, Plant, and Equipment' in FY 2019-20. Ind AS 105 "Non-current assets held for sale and discontinued operations" requires that when a non-current asset ceases to be classified as 'assets held for sale', the same shall be measured at the lower of: a. It's carrying amount before the asset (or disposal group) was classified as held for sale, adjusted for any depreciation, amortization or revaluations that would have been recognized had the asset not been classified as held for sale, and



	<p>b. its recoverable amount at the date of the subsequent decision not to sell;</p> <p>The Parent has not determined the recoverable amount as at the date of reclassification and had reclassified the land at its carrying value of Rs. 39,951 lakhs. The same is not in compliance with Ind AS 105. We were not provided with the details related to the reclassification and therefore, we are unable to ascertain its impact on the Consolidated financial statements.</p>
b.	<b>Type of audit Qualification:</b> Disclaimer of Opinion
c.	<b>Frequency of qualification:</b> The qualification is continuing since financial year 2019-20 in the Consolidated financial results
d.	<b>For Audit Qualification(s) where impact is quantified by the auditor, Management's views:</b> Not quantified by the auditors
e.	<b>For Audit Qualification(s) where impact is not quantified by the auditor:</b>
	(iv) <b>Management's estimation on the impact of qualification:</b>
	(v) <b>If management is unable to estimate the impact, reasons for the same:</b>  Freehold land classified as "Assets held for sale" in the previous year have been reclassified as "Property Plant and Equipment" ("PPE") consequent to the initiation of CIRP proceedings against the Company. Pending conclusion of the CIRP proceedings, the recoverable amount of the freehold land is not determined, and it has been reclassified to PPE at its carrying value in the books of account.
	(vi) <b>Auditors comment on (i) and (ii) above:</b> Impact is not determinable.
<b>Qualification 8</b>	
a.	<b>Details of Audit Qualification:</b>  On account of the COVID-19 related lockdown restrictions, the Parent's management was unable to perform the physical count of inventories as at 31 March, 2021. Further, on account of the suspension of the operations of the Parent, we are unable to perform any alternate procedures to audit the existence of the inventories as per SA 501 'Audit Evidence - Specific Consideration for Selected Items' and 'Physical inventory verification - Key audit considerations amid COVID-19' issued by the Institute of Chartered Accountants of India. Therefore, we are unable to conclude whether inventories of Rs. 1650 lakhs are fairly stated as at 31 March, 2021 by the Parent and accordingly we are unable to conclude whether the inventories are fairly stated in the consolidated financial results.
b.	<b>Type of audit Qualification:</b> Disclaimer of Opinion
c.	<b>Frequency of qualification:</b> The qualification is continuing since financial year 2019-20 in the Consolidated financial results
d.	<b>For Audit Qualification(s) where impact is quantified by the auditor, Management's views:</b> Not quantified by the auditors
e.	<b>For Audit Qualification(s) where impact is not quantified by the auditor:</b>



	<b>(i) Management's estimation on the impact of qualification:</b>
	<b>(ii) If management is unable to estimate the impact, reasons for the same:</b> On account of the lockdown and restrictions imposed due to COVID-19 pandemic, the erstwhile management/ Resolution Professional has not performed physical count of inventories as at 31 <sup>st</sup> March, 2021. The control of the management of the affairs of the company vested with the resolution professional till the date of the NCLT order and hence in absence of any stock verification carried out during the period under audit the current management has adopted the inventory valuation as reflecting in the books of accounts. The physical verification exercise was carried out post control of the company by existing management after the NCLT order.
	<b>(iii) Auditors comment on (i) and (ii) above:</b> Impact is not determinable
<b>Qualification 9</b>	
<b>a.</b>	<b>Details of Audit Qualification:</b> Loan receivable from related parties is Rs. 1,74,199 lakhs. The Company has not created any additional provision for expected credit loss during the year. The provision for expected credit loss is Rs. 42,211 lakhs as at 31 <sup>st</sup> March, 2021. Since the Parent has not created any additional provision for expected credit loss and is also unable to provide us with the explanation for not providing any additional provision, hence, we are unable to conclude on the adequacy of the provision for expected credit loss and the recoverability of the balance receivables from Related Parties.
<b>b.</b>	<b>Type of audit Qualification:</b> Disclaimer of Opinion
<b>c.</b>	<b>Frequency of qualification:</b> The qualification is continuing since financial year 2019-20 in the Consolidated financial results
<b>d.</b>	<b>For Audit Qualification(s) where impact is quantified by the auditor, Management's views:</b> Not quantified by the auditors
<b>e.</b>	<b>For Audit Qualification(s) where impact is not quantified by the auditor:</b>
	<b>(i) Management's estimation on the impact of qualification:</b>
	<b>(ii) If management is unable to estimate the impact, reasons for the same:</b> The Control of the management of the affairs of the company vested with the Resolution Professional till the date of NCLT Order date i.e., 31 <sup>st</sup> March 2023.  The Current management has adopted the figures reflected in the books of accounts. Appropriate provisioning shall be made in the books of account post receiving the control of the company.
	<b>(iii) Auditors comment on (i) and (ii) above:</b> Impact is not determinable
<b>Qualification 10</b>	
<b>a.</b>	<b>Details of Audit Qualification:</b> The Parent has carried forwarded deferred tax assets (net) of Rs. 11,924 lakhs from earlier years. The Parent suffered continuous losses and there is no assessment by



	<p>the Parent's management regarding the reversal of deferred tax assets in the subsequent year. During the year Parent has not created any deferred tax asset or liability. As per Ind AS 12 "Income Taxes" an entity shall create deferred tax asset only if there will be sufficient taxable profits in the future years. In the absence of the Parent's management assessment, we are not able to satisfy ourselves about the future taxable profits of the company and hence we are unable to ascertain the realisation of these deferred tax assets in the Consolidated financial results.</p>
<b>b.</b>	<b>Type of audit Qualification:</b> Disclaimer of Opinion
<b>c.</b>	<b>Frequency of qualification:</b> The qualification is continuing since financial year 2019-20 in the Consolidated financial results
<b>d.</b>	<b>For Audit Qualification(s) where impact is quantified by the auditor, Management's views:</b> Not quantified by the Auditors
<b>e.</b>	<b>For Audit Qualification(s) where impact is not quantified by the auditor:</b>
	<b>(i) Management's estimation on the impact of qualification:</b>
	<b>(ii) If management is unable to estimate the impact, reasons for the same:</b> The current management has maintained a status quo position as on 31 <sup>st</sup> March 2021.
	<b>(iii) Auditors comment on (i) and (ii) above:</b> Impact is not determinable
<b>Qualification 11</b>	
<b>a.</b>	<b>Details of Audit Qualification:</b> Input Tax Credit (ITC) of Goods and Services Tax available as per books of accounts for Corporate Office of Parent is Rs. 51.50 Lakhs, the new management of Parent is under the process of reconciling the balance of ITC as per books and ITC as per electronic credit ledger. In absence of requisite information, we are unable to comment on the same.
<b>b.</b>	<b>Type of audit Qualification:</b> Disclaimer of Opinion
<b>c.</b>	<b>Frequency of qualification:</b> The qualification is continuing since financial year 2019-20 in the Consolidated financial results
<b>d.</b>	<b>For Audit Qualification(s) where impact is quantified by the auditor, Management's views:</b> Not quantified by the Auditors
<b>e.</b>	<b>For Audit Qualification(s) where impact is not quantified by the auditor:</b>
	<b>(i) Management's estimation on the impact of qualification:</b>
	<b>(ii) If management is unable to estimate the impact, reasons for the same:</b> The current management has maintained a status quo position as on 31 <sup>st</sup> March 2021. The reconciliation has been carried out by the current management post taking control of the company and as on the date of the Audit report the balances have appropriately been reconciled.
	<b>(iii) Auditors comment on (i) and (ii) above:</b> Impact is not determinable



**Qualification 12**

<b>a.</b>	<b>Details of Audit Qualification:</b> During the financial year 2019-20, the Parent had received an Order from the Hon'ble Supreme Court of India confirming the grid support charges payable to Transmission Corporation of Andhra Pradesh Limited ("APTRANSCO"). The Parent had estimated the liability to be Rs. 1,516 Lakhs. Since no demand is received from APTRANSCO, the liability is not accrued and considered as a contingent liability as at 31 <sup>st</sup> March 2020. As per the NCLT, Mumbai Order dated 31 <sup>st</sup> March 2023 (updated on 13 <sup>th</sup> April 2023), this was considered as an operational debt with an estimated liquidation value of nil. Therefore, no amount is payable in relation thereto and accordingly, this is not considered as contingent liability in the books of Parent & also in consolidated financial results as at 31 <sup>st</sup> March 2021.
<b>b.</b>	<b>Type of audit Qualification:</b> Disclaimer of Opinion
<b>c.</b>	<b>Frequency of qualification:</b> The qualification is continuing since financial year 2019-20 in the Consolidated financial results
<b>d.</b>	<b>For Audit Qualification(s) where impact is quantified by the auditor, Management's views:</b> Not quantified by the Auditors
<b>e.</b>	<b>For Audit Qualification(s) where impact is not quantified by the auditor:</b>
	<b>(i) Management's estimation on the impact of qualification:</b>
	<b>(ii) If management is unable to estimate the impact, reasons for the same:</b> The records were not transferred to the current management, which prevents them from providing confirmation. This issue will be properly addressed during the financial review after the company has been taken over.
	<b>(iii) Auditors comment on (i) and (ii) above:</b> Impact is not determinable.

**Qualification 13**

<b>a.</b>	<b>Details of Audit Qualification:</b> We have not been provided with the bank reconciliation statements for 11 bank accounts maintained by the Parent having a carrying amount of Rs. 11.02 Lakhs as at 31 <sup>st</sup> March 2021. Also, the balance confirmation certificate has not been provided by Parent for any bank account maintained. The consequential impact, if any, on consolidated financial results is not ascertainable.
<b>b.</b>	<b>Type of audit Qualification:</b> Disclaimer of Opinion
<b>c.</b>	<b>Frequency of qualification:</b> The qualification is continuing since financial year 2019-20 in the Consolidated financial results
<b>d.</b>	<b>For Audit Qualification(s) where impact is quantified by the auditor, Management's views:</b> Not quantified by the Auditors
<b>e.</b>	<b>For Audit Qualification(s) where impact is not quantified by the auditor:</b>
	<b>(i) Management's estimation on the impact of qualification:</b>



	<p><b>(ii) If management is unable to estimate the impact, reasons for the same:</b></p> <p>The records were not transferred to the current management, which prevents them from providing confirmation. This issue will be properly addressed during the financial review after the company has been taken over.</p>
	<p><b>(iii) Auditors comment on (i) and (ii) above: Impact is not determinable</b></p>
<p><b>Qualification 14</b></p>	
a.	<p><b>Details of Audit Qualification:</b></p> <p>We have not been provided with the bank reconciliation statements for 5 bank accounts maintained by the Parent related to unpaid dividend having a carrying amount of Rs. 27.59 Lakhs as at 31<sup>st</sup> March 2021. Also, the balance confirmation certificate has not been provided by the Parent for any of the account maintained. The consequential impact, if any, on consolidated financial results is not ascertainable.</p>
b.	<p><b>Type of audit Qualification:</b> Disclaimer of Opinion</p>
c.	<p><b>Frequency of qualification:</b> First time during the financial year under review</p>
d.	<p><b>For Audit Qualification(s) where impact is quantified by the auditor, Management's views:</b> Not quantified by the Auditors</p>
e.	<p><b>For Audit Qualification(s) where impact is not quantified by the auditor:</b></p>
	<p><b>(i) Management's estimation on the impact of qualification:</b></p>
	<p><b>(ii) If management is unable to estimate the impact, reasons for the same:</b></p> <p>The records were not transferred to the current management, which prevents them from providing confirmation. This issue will be properly addressed during the financial review after the company has been taken over.</p>
	<p><b>(iii) Auditors comment on (i) and (ii) above: Impact is not determinable.</b></p>
<p><b>Qualification 15</b></p>	
a.	<p><b>Details of Audit Qualification:</b></p> <p>We have not been provided with the details of bank deposits of Parent with original maturity exceeding 3 months as at March 31, 2021. Also, neither the balance confirmation certificate nor interest certificate has been provided by Parent for any of the Bank Deposit. The consequential impact, if any, on consolidated financial results is not ascertainable.</p>
b.	<p><b>Type of audit Qualification:</b> Disclaimer of Opinion</p>
c.	<p><b>Frequency of qualification:</b> First time during the financial year under review</p>
d.	<p><b>For Audit Qualification(s) where impact is quantified by the auditor, Management's views:</b> Not quantified by the Auditors</p>
e.	<p><b>For Audit Qualification(s) where impact is not quantified by the auditor:</b></p>



	<b>(i) Management's estimation on the impact of qualification:</b>
	<b>(ii) If management is unable to estimate the impact, reasons for the same:</b>  The records were not transferred to the current management, which prevents them from providing confirmation. This issue will be properly addressed during the financial review after the company has been taken over.
	<b>(iii) Auditors comment on (i) and (ii) above:</b> Impact is not determinable.

**Qualification 16**

<b>a.</b>	<b>Details of Audit Qualification:</b>  The Parent has migrated its accounting system from previously used Oracle System to Tally accounting system during the current financial year. The Oracle licenses expired during the CIRP period and were not renewed, also the migration audit was not performed by the parent. As a result, the completeness and accuracy of the data migration from Oracle to Tally could not be confirmed. Additionally, the Parent was unable to identify and transfer individual balances for debtors, creditors, loans, and related parties. Consequently, we were unable to obtain sufficient appropriate audit evidence to support the consolidated financial results.
<b>b.</b>	<b>Type of audit Qualification:</b> Disclaimer of Opinion
<b>c.</b>	<b>Frequency of qualification:</b> First time during the financial year under review
<b>d.</b>	<b>For Audit Qualification(s) where impact is quantified by the auditor, Management's views:</b> Not quantified by the Auditors
<b>e.</b>	<b>For Audit Qualification(s) where impact is not quantified by the auditor:</b>
	<b>(i) Management's estimation on the impact of qualification:</b>
	<b>(ii) If management is unable to estimate the impact, reasons for the same:</b>  We recognize that this transition has presented challenges, particularly in identifying and transferring individual balances of trade receivables and trade payables from the previous system.  Due to the complexities involved in the data migration process, the company has encountered difficulties in maintaining individual party ledgers.  Management is actively working to address these issues by implementing a comprehensive reconciliation process to ensure that all outstanding balances are accurately reflected in the new accounting system. We are also reviewing historical data and communications to recover missing information and establish individual party ledgers. We are committed to rectifying these lapses and improving our data management processes to prevent similar issues in the future.
	<b>(iii) Auditors comment on (i) and (ii) above:</b> Impact is not determinable



**Qualification 17**

<b>a.</b>	<b>Details of Audit Qualification:</b> The Financial Statements of 2 step down foreign subsidiaries (Mirabelle Trading Pte. Ltd., and Bilt Graphic Trading FZE) and 1 domestic subsidiary (Avantha Agritech Ltd) which have a total assets base of Rs. 67,542 lakhs and which are material to the group are unaudited. We also did not receive the management certified financial statements of these subsidiaries hence we are unable to comment upon the authenticity of the data and the reasonableness of consolidation of these subsidiaries in the consolidated financial results. As the financial statements of these 2 foreign subsidiaries, 1 domestic subsidiary are not available, hence the asset bases of Mirabelle Trading Pte. Ltd. and Avantha Agritech Limited as on 31.3.20 and of BILT General Trading FZE as on 31.3.19 have been considered for the consolidation purpose.
<b>b.</b>	<b>Type of audit Qualification:</b> Disclaimer of Opinion
<b>c.</b>	<b>Frequency of qualification:</b> The qualification is continuing since financial year 2019-20 in the Consolidated financial results
<b>d.</b>	<b>For Audit Qualification(s) where impact is quantified by the auditor, Management's views:</b> Not quantified by the Auditors
<b>e.</b>	<b>For Audit Qualification(s) where impact is not quantified by the auditor:</b>
	<b>(i) Management's estimation on the impact of qualification:</b>
	<b>(ii) If management is unable to estimate the impact, reasons for the same:</b> Pursuant to commencement of CIRP, the board of directors of the company stands suspended and the management of the company vested with the RP. The RP is expected to make every endeavor to protect and preserve the value of the property of the company and manage the operations of the company as a going concern.  Further, the CIRP process of the Company has been concluded, and Ballarpur Industries Limited ("BILT/Company") has been acquired by Finquest Financial Solutions Private Limited on an "as-is where-is" basis, pursuant to a resolution plan approved by the Hon'ble NCLT vide order dated 31 <sup>st</sup> March 2023. The Closing Date in terms of the Resolution Plan occurred on 12 <sup>th</sup> June 2023 and a new Board of Directors have been appointed vide resolution dated 12 <sup>th</sup> June 2023.
	<b>(iii) Auditors comment on (i) and (ii) above:</b> Impact is not determinable

**Qualification 18**

<b>a.</b>	<b>Details of Audit Qualification:</b> One of the foreign subsidiary Ballarpur Speciality Paper Holdings B.V. has fully written off its investment in BILT General Trading FZE, UAE ("BGT") in financial year 2019-20 as BGT does not carry on any operations and there is no intention to carry on the business in future and also the license of BGT was expired. However, we are not provided with the sufficient information and documents related to the closure of business of BGT and therefore, we are unable to comment upon reasonableness of consolidation of BGT in the consolidated financial results.
<b>b.</b>	<b>Type of audit Qualification:</b> Disclaimer of Opinion



c.	<b>Frequency of qualification:</b> The qualification is continuing since financial year 2019-20 in the consolidated financial results
d.	<b>For Audit Qualification(s) where impact is quantified by the auditor, Management's views:</b> Not quantified by the Auditors
e.	<b>For Audit Qualification(s) where impact is not quantified by the auditor:</b>
	(i) <b>Management's estimation on the impact of qualification:</b>
	(ii) <b>If management is unable to estimate the impact, reasons for the same:</b> One of the foreign subsidiary Ballarpur Speciality Paper Holdings B.V. has fully written off its investment in BILT General Trading FZE, UAE ("BGT") in financial year 2019-20 as BGT does not carry on any operations and there is no intention to carry on the business in future and also the license of BGT was expired.
	(iii) <b>Auditors comment on (i) and (ii) above:</b> Impact is not determinable.
<b>Qualification 19</b>	
a.	<b>Details of Audit Qualification:</b> The company has not filed its quarterly financial results with the stock exchanges for the current financial year as required under regulations 33 and 52 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
b.	<b>Type of audit Qualification:</b> Disclaimer of Opinion
c.	<b>Frequency of qualification:</b> First time during the financial year under review
d.	<b>For Audit Qualification(s) where impact is quantified by the auditor, Management's views:</b> Not quantified by the Auditors
e.	<b>For Audit Qualification(s) where impact is not quantified by the auditor:</b>
	(i) <b>Management's estimation on the impact of qualification:</b> Due to non-availability of required information to prepare the quarterly results for the financial year 2020-21, the company has not filed its quarterly results in compliance with regulation 33 and 52 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
	(ii) <b>Auditors comment on (i) and (ii) above:</b> Impact is not determinable.



III.	<b>Signatories:</b>
	<p>For Ballarpur Industries Limited</p> <p>Hardik Bharat Patel <small>Digitally signed by Hardik Bharat Patel Date: 2025.04.16 21:44:21 +05'30'</small></p> <p>Hardik B. Patel Chairman &amp; Whole Time Director DIN: 00590663 Date: 16<sup>th</sup> April 2025 Place: Mumbai</p> 
	<p>For Batliboi &amp; Purohit Chartered Accountants Firm Registration No.: 101048W</p> <p>PARAG RAMAN HANGEKAR <small>Digitally signed by PARAG RAMAN HANGEKAR Date: 2025.04.16 21:56:00 +05'30'</small></p> <p>Parag Hangekar Partner Membership No: 110096 Date: 16<sup>th</sup> April 2025 Place: Mumbai</p> 