

**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'), for the quarter and year ended 31 March, 2022 ('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/PA-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 profit and total comprehensive income and other financial information of the Company for the year ended 31 March, 2022.

**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 assumption in the preparation of consolidated financial results. (Refer note no. 5 to the consolidated financial results).



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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 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, 2022. 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, 2022 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, 2022. The reversal of provision for gratuity and compensated absences based on Parent's management internal estimation as at 31 March, 2022 is Rs 607 lakhs and Rs. 42 lakhs respectively. (Refer note no. 7 to the consolidated financial results).
5. 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 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 the consolidated financial results 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 in the consolidated financial results. (Refer note no. 9 to the consolidated financial results)
6. The Parent had reclassified the land situated at Choudwar, Odisha, from 'Assets held for sale' to 'Property, Plant and Equipment' in financial year 2019-2020. 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:



- a. 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
- b. 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.

7. We are appointed as auditors of the Parent on September 10, 2024 and therefore we are unable to satisfy ourself by performing alternative procedures regarding the inventory quantities held by parent and valuation as at March 31, 2022, as per SA 501 'Audit Evidence – Specific Consideration for selected item'. Therefore, we are unable to conclude whether the inventories of Rs 1,669 Lakhs are fairly stated by Parent as at 31 March, 2022. Additionally, we are unable to ascertain the impact of this on Consolidated Financial results.
8. 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, 2022. 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's receivable from the related parties. (Refer note no.10 to the consolidated financial results)
9. 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 new 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)
10. Input Tax Credit (ITC) of Goods and Services Tax available as per books of accounts for Parent is Rs. 1,175 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.
11. 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 2022.

12. We have not been provided with the bank reconciliation statements for 11 bank accounts maintained by the Parent having a carrying amount of Rs. 9.07 Lakhs as at 31 March 2022. Also, the balance confirmation certificate has not been provided for any bank account maintained. Therefore, the consequential impact, if any on the consolidated financial results, is not ascertainable. (Refer note no. 12 to the consolidated financial results).
13. We have not been provided with the bank reconciliation statements for 5 bank accounts maintained by the Parent related to unpaid dividends having a carrying amount of Rs. 27.59 Lakhs as at 31 March 2022. Therefore, the consequential impact, if any on the consolidated financial results, is not ascertainable. (Refer note no. 13 to the consolidated financial results).
14. We have not been provided with the details of bank deposits of Parent with original maturity exceeding 3 months but less than 12 months as at March 31, 2022. Also, neither the balance confirmation certificate nor interest certificate has been provided by Parent for any of the Bank Deposits. Therefore, the consequential impact, if any on the consolidated financial results, is not ascertainable. (Refer note no. 14 to the consolidated financial results).
15. The Parent has migrated its accounting system from Oracle to Tally accounting system. 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)
16. The Financial Statements of 2 step down foreign subsidiaries (Mirabelle Trading Pte. Ltd., and Bilt General Trading FZE) and 1 domestic subsidiary (Avantha Agritech Limited) 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. 3.1 to the consolidated financial results)

17. 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. 17 to the consolidated financial results)

18. 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 profit of Rs. 98,265 Lakhs (Previous year total comprehensive loss of Rs. 4,189 Lakhs). As at 31 March, 2022, the accumulated losses (including other comprehensive loss) of the Company are Rs 1,13,205 Lakhs (Previous Year Rs. 2,11,470 Lakhs). which have fully eroded the net worth of the Company and the Company's current liabilities exceeded its current assets by Rs. 1,23,473 Lakhs (Previous Year Rs. 1,12,822 Lakhs). As 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.



- **Ballarpur Speciality Paper Holdings B.V. (BSPH)** - During the year the Company has Total Comprehensive loss of Rs. 38 Lakhs (Previous year Total Comprehensive profit of Rs. 16 Lakhs). As at 31 March, 2022, the accumulated losses (including other comprehensive Income/loss) of the Company are Rs. 311 Lakhs (Previous Year Rs 273 Lakhs), which have fully eroded the net worth of the Company and the Company's current liabilities exceeded its current assets by Rs. 298 Lakhs (Previous Year Rs. 260 Lakhs). As 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 profit of Rs.1,56,114 Lakhs (Previous year total comprehensive loss of Rs 742 Lakhs). As at 31 March, 2022, the accumulated losses (including other comprehensive loss) of the Company were Rs. 88,862 Lakhs (Previous Year Rs. 2,20,353 Lakhs) which have fully eroded the net worth of the Company and the Company's current liabilities exceeded its current assets by Rs. 1,24,676 Lakhs (Previous Year Rs. 96,488 Lakhs). As the management believes that, negative working capital would not cause economic difficulties, in view of the Management's expectation of above the finance al statements have been prepared on a going concern basis.

The Statement includes the results of following entities:

- Parent:**  
Ballarpur Industries Limited
- Subsidiaries:**  
Avantha Agritech Limited  
Ballarpur International Holdings B.V.  
Ballarpur Speciality Paper Holdings B.V.
- Step-down Subsidiaries:**  
Bilt Paper B.V.  
Mirabelle Trading Pte. Ltd  
BILT General Trading FZE
- Associate of step-down subsidiary – BILT Paper B.V.:**  
Ballarpur Paper Holdings B.V.
- Subsidiaries of associates:**  
BILT Graphic Paper Product Limited  
Sabah Forest Industries Sdn. Bhd.

**Emphasis of Matter**

- a) We draw attention to note no. 18 (a, b, & c) of the consolidated financial results, which states that in respect of Bilt Paper B.V., Ballarpur Speciality Paper Holdings B.V., Ballarpur International Holdings B.V., certain balances of related parties and other parties shown in



other payables are subject to reconciliation/ confirmation. Consequential impact if any arising from such confirmation/ reconciliation/ adjustment of such balances is not ascertainable. However, as represented by Management, any potential adjustments arising therefrom are not expected to have material impact on the loss (including other loss), other equity, assets and liabilities as at the balance sheet date. Our Opinion is not modified in respect of this matter.

- b) 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 its 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 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 subsidiaries), included in the consolidated financial results, whose financial statements reflect total assets (before Consolidation adjustments) of Rs. 5,62,478 Lakhs as at 31 March, 2022, and total revenue (before Consolidation adjustments) of Rs. 12,315 Lakhs for the year ended on that date, as considered in the consolidated financial results. The financial statements of the subsidiaries are unaudited and have 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 certified by the management. However, in the case of one foreign subsidiary, we have not received even the Management certified financial statements.

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 and subsidiary. 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 2022, 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. 16 of Disclaimer of Opinion Paragraph of our Report)

3. The financial statements/information of associate company (Ballarpur Paper Holding B.V.) are unaudited; however, a management certified copy has been provided to us. Based on the financial information provided to us by the parent, the share of profit of associate restricted to our share is Rs 918 lakhs (Profit Rs 1199 Lakhs and loss in OCI is Rs 281 Lakhs). The financial statements of this associates 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 this associates, is based solely on such unaudited financial statements which are furnished to us by the management of the Parent entity.

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**  
Firm Reg. No. 101048W

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**Parag Hangekar**  
**Partner**  
**M. No. 110096**  
**UDIN: 25110096BBIKAQ8485**  
Place: Mumbai  
Date: 16<sup>th</sup> April, 2025



**BALLARPUR INDUSTRIES LIMITED**

CIN: L21010MH1945PLC010337

**CONSOLIDATED STATEMENT OF ASSET AND LIABILITIES AS AT  
31 MARCH 2022**

Amount in Lakhs

Particulars	As at 31 March 2022	As at 31 March 2021
<b>ASSETS</b>		
<b>(1) Non-Current Assets</b>		
(a) Property, Plant and Equipment	1,23,655	1,73,662
(b) Capital work-in-progress	-	-
(c) Right to Use Assets	-	-
(d) Other intangible assets	-	0
(e) Financial assets		
(i) Investments	3,93,505	2,13,865
(ii) Loans	35,289	49,754
(iii) Others	539	538
(f) Deferred tax assets (net)	11,924	11,924
(g) Other non-current assets	29	29
<b>(2) Current Assets</b>		
(a) Inventories	1,678	1,659
(b) Financial assets		
(i) Trade receivables	44,933	45,029
(ii) Cash and cash equivalents	198	217
(iii) Bank balances other than (ii) above	47	47
(iv) Loans	1,50,887	1,50,314
(v) Others	25,956	25,536
(c) Current tax assets (Net)	3	3
(d) Other current assets	4,285	4,290
(e) Assets associated with group of assets classified as held for sale and discontinued operations	0	0
<b>Total Assets</b>	<b>7,92,928</b>	<b>6,76,867</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
(1) Equity share capital	25,871	25,871
(2) Other equity	(3,91,516)	(3,67,453)
Equity attributable to the owners of the Company	(3,65,645)	(3,41,582)
(3) Non-Controlling Interest	1,46,503	96,813
<b>Liabilities</b>		
<b>(1) Non-Current Liabilities</b>		
(a) Financial liabilities		
(i) Borrowings	25,919	25,135
(ii) Other financial liabilities	96,631	96,631
(b) Provisions	2,344	2,888
(c) Other non-current liabilities	19	19
<b>(2) Current Liabilities</b>		
(a) Financial liabilities		
(i) Borrowings	3,68,430	3,66,892
(ii) Trade payables		
a) Total outstanding dues of micro and small enterprises	-	-
b) Total outstanding dues of creditors other than micro and small enterprises	21,283	20,787
(iii) Other financial liabilities	4,39,533	3,51,658
(b) Other current liabilities	49,494	49,108
(c) Provisions	2,403	2,503
(d) Current tax liabilities (net)	6,015	6,016
<b>Total Equity and Liabilities</b>	<b>7,92,928</b>	<b>6,76,867</b>

For and on Behalf of the Board of Directors,

**For Ballarpur Industries Limited**

Hardik  
Bharat Patel

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



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**BALLARPUR INDUSTRIES LIMITED**

CIN: L21010MH1945PLC010337

**STATEMENT OF AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE YEAR ENDED 31 MARCH 2022**

Particulars	Amount in Lakhs	
	2021-22	2020-21
Revenue from operations	38	2,05,525
Other income	12,323	21,157
<b>Total Income</b>	<b>12,361</b>	<b>2,26,682</b>
<b>Expenses</b>		
Cost of materials consumed	-	1,05,874
Purchase of stock in trade	-	-
Changes in inventories of finished goods, work-in-progress and stock-in-trade	-	1,760
	-	1,07,634
Employee benefits expense	630	24,922
Finance costs	55,050	1,18,543
Depreciation and amortisation expense	5,257	22,698
Other expenses	29,583	90,431
<b>Total Expenses</b>	<b>90,520</b>	<b>3,64,028</b>
<b>Profit/ (loss) before share in Profit &amp; Loss of Associates &amp; J/Vs exceptional items and tax</b>	<b>(78,159)</b>	<b>(1,37,346)</b>
Share in Profit & Loss of Associates & J/Vs	1,199	(1,839)
<b>Profit/ (loss) before exceptional items and tax</b>	<b>(76,960)</b>	<b>(1,39,185)</b>
Exceptional items	1,24,717	(506)
<b>Profit/ (loss) before tax</b>	<b>47,757</b>	<b>(1,39,691)</b>
Tax expense:		
(1) Current tax	-	(660)
(2) Deferred tax	-	-
(3) Current tax Provision relating to earlier years	-	-
<b>Profit/ (loss) for the year</b>	<b>47,757</b>	<b>(1,39,031)</b>
<b>Other Comprehensive Income</b>		
A (i) Items that will not be reclassified to profit or loss (net of taxes)	-	382
B (i) Items that will be reclassified to profit or loss (net of taxes)	(1,808)	(1,011)
C (i) Share of other comprehensive income from associates (net of taxes)	(281)	11
<b>Other comprehensive income for the year</b>	<b>(2,089)</b>	<b>(618)</b>
<b>Total comprehensive income for the year</b>	<b>45,668</b>	<b>(1,39,649)</b>
<b>Net Profit attributable to</b>		
(a) Owners of the Company	(10,251)	(1,10,508)
(b) Non - Controlling Interest	58,008	(28,523)
<b>Other Comprehensive Income attributable to</b>		
(a) Owners of the Company	(3,076)	(721)
(b) Non - Controlling Interest	987	102
<b>Total Comprehensive Income attributable to</b>		
(a) Owners of the Company	(13,327)	(1,11,228)
(b) Non - Controlling Interest	58,995	(28,421)
<b>Paid-up equity share capital</b> (Face value of Rs. 2 per share)	25,871	25,871
Reserves (Other Equity)	(3,91,516)	(3,67,453)
Earnings per equity share		
(1) Basic (Rs)	(0.79)	(8.54)
(2) Diluted (Rs)	(0.79)	(8.54)

For and on Behalf of the Board of Directors,

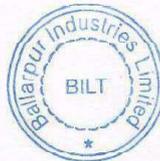
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**Hardik Bharat Patel**

Chairman &amp; Whole-Time Director

DIN: 00590663

Date: 16 April 2025

Place: Mumbai


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**BALLARPUR INDUSTRIES LIMITED**

CIN: L21010MH1945PLC010337

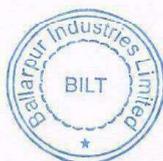
**CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED  
31 MARCH 2022**


Particulars	Amount in Lakhs	
	As at 31 March 2022	As at 31 March 2021
<b>Cashflow from operating activities</b>		
Profit/(Loss) before tax	47,757	(1,39,691)
Adjustment for:		
Depreciation and amortization expense	5,257	22,698
Finance costs (net)	55,050	1,18,343
Interest income	(12,317)	(14,652)
Share in profit of joint venture	(1,199)	1,839
Gain on Sale or fair valuation of investment	-	(50)
Exceptional items	(1,24,717)	506
Bad debts and other balances written off / Allowances for doubtful debts & advances	27,739	39,758
Unspent liabilities and excess provision of earlier years written back	-	(269)
Inventory written off	1	22
Balances written off	51	25
Profit/ (Loss) on sale of PPE	-	(73)
Assets discarded	-	1
<b>Operating profit before working capital changes</b>	<b>(2,378)</b>	<b>28,457</b>
Adjustment for working capital changes		
(Increase)/decrease in trade receivable	96	3,272
(Increase)/decrease in loans, advances and other current assets	(238)	(1,57,593)
(Increase)/decrease in inventory	(20)	40,495
Increase/(decrease) in liabilities and provisions	9,846	1,42,763
<b>Cash generated from/ (used in) operations</b>	<b>7,306</b>	<b>57,394</b>
Direct taxes (paid) / refund (net)	(1)	(1,135)
<b>Net cash generated from/ (used in) operating activities of continuing operations</b>	<b>7,305</b>	<b>56,259</b>
Net cash generated from/ (used in) operating activities of discontinued operations	-	-
<b>Net cash generated from/ (used in) operating activities</b>	<b>7,305</b>	<b>56,259</b>
<b>Cashflow from investing activities</b>		
Payment/ proceeds for acquisition/ sale of property, plant and equipment and intangible assets	-	(3,499)
Interest received	(2,092)	(46,473)
(Increase) / Decrease in other bank balances	333	2,185
(Increase) / Decrease in investment	(17,573)	5,14,348
<b>Net cash generated from / (used in) investing activities of continuing operations</b>	<b>(19,332)</b>	<b>4,66,561</b>
Net cash generated from / (used in) investing activities of discontinued operations	-	-
<b>Net cash generated from / (used in) investing activities</b>	<b>(19,332)</b>	<b>4,66,561</b>
<b>Cashflow from financing activities</b>		
Proceeds from / (Repayment of) borrowings (net)	2,322	(3,77,488)
Interest paid (net)	7,901	(1,68,320)
<b>Net cash generated from/ (used in) financing activities of continuing operations</b>	<b>10,223</b>	<b>(5,45,808)</b>
Net cash generated from/ (used in) financing activities of discontinued operations	-	-
<b>Net cash generated from/ (used in) financing activities</b>	<b>10,223</b>	<b>(5,45,808)</b>
Net increase / (decrease) in cash and cash equivalents	(1,803)	(22,989)
Cash and cash equivalents at the beginning of the year	217	22,615
Impact of foreign currency translation reserve	1,785	591
Cash and cash equivalents at the end of the year	<b>198</b>	<b>217</b>
Cash and cash equivalents from continuing operations	198	217
Cash and cash equivalents from discontinued operations	-	-
<b>Total cash and cash equivalents</b>	<b>198</b>	<b>217</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  
 21:58:45 +05'30'

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

 Digitally signed  
 by PARAG RAMAN  
 HANGEKAR  
 Date: 2025.04.16  
 21:58:32 +05'30'


**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 ("the Act") 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 accounts, 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 of the company 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 erstwhile resolution professional, 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 2022. 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 31<sup>st</sup> March 2022, 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 31<sup>st</sup> March 2022 (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"):

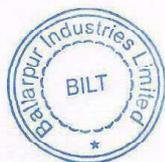
a. **Parent:**

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. The financial statements of this Company have not been provided for FY 2020-21 and FY 2021-22 and since there are no operations in this company the opening balance was carried forward for FY 2020-21 and is being carried forward in 2021-22.



(ii) Ballarpur International Holdings B.V.

BIHBV is a company incorporated under the laws of Netherlands and is a subsidiary of BILT. Despite repeated requests for audited financial statements only the unsigned and unaudited figures have been made available for this company for FY 2021-2022 and hence the consolidation for the financial year 2021-22 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 2021-22, the management signed 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 new management of BILT currently has no intention of reviving operations.

**c. Step-down subsidiaries:**

(i) Mirabelle Trading Pte. Ltd

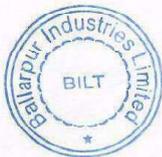
This is a company incorporated under the laws of Singapore which is a subsidiary of BIHBV. An application has been filed by ICICI Bank against this company for recovery of debt. Currently, as per information available with BILT there are no other operations in this company other than debt recovery. Despite repeated requests for audited financial statements no financials have been provided by this company for FY 2020-21 and FY 2021-22. Since there are no operations in this company the opening balance was carried forward for FY 2020-21 and is now being carried forward for FY 2021-22.

(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 management 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 2021-22.

(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% 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 despite repeated requests for audited financial statements only management signed financial statements have been provided for FY 2021-22 basis which the accounts have been consolidated. BPBV is merely an investment company and currently to the best of BILT's knowledge as per information provided to the Signatories, there are no active transactions in BPBV.

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

(i) Ballarpur Paper Holdings B.V.

BPHEV is a step-down subsidiary of BILT and a wholly owned subsidiary of BPBV, based in the Netherlands. 70% of the shares of BPHEV 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 BPHEV to the extent of 70%. There is no shareholders agreement, or any similar document made available to BILT in respect of shareholding of BPHEV which would govern the *interse* rights between shareholders and management of BPHEV. In view thereof since February 2021, BPHEV is treated as an associate company.

BPHEV is a company incorporated under the laws of Netherlands. Despite repeated requests for audited statements, only the unsigned and unaudited financial statements have been provided for the FY 2021-22 basis which accounts have been consolidated.

**e. Subsidiaries of associates:**

(i) BILT Graphic Paper Products Limited

(ii) Sabah Forest Industries Sdn. Bhd.

SFI is a step-down subsidiary of BILT and a subsidiary of BPHEV where BPHEV 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. No financials have been provided for FY 2021-22 and since there are no operations and company is under liquidation opening balance has been carried forward for FY 2021-22.

**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 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 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 (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 as mentioned herein on a private placement basis:

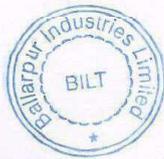
S. No.	Name of Allottees	No of Equity Shares	Amount (INR in Lakhs)
1.	Finquest Financial Solutions Private Limited ("SRA")	2,77,92,021	2,779
2.	Supersoil Construction Private Limited ("Financial Investor")	2,14,85,666	2,149
3.	Finquest Financial Solutions Private Limited ("Assenting Financial Creditor")	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 12<sup>th</sup> June 2023 as part of Upfront Cash Infusion:  
Allotment of 194 Unlisted, Unsecured Non-Convertible Debentures ("NCDs") of INR 1,00,00,000/- each at par aggregating up to INR 19,400 Lakhs to the allottees as mentioned herein on a private placement basis:

S. 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<sup>th</sup> 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 Amarpal Singh 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 stand extinguished and cease 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<sup>th</sup> 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 (FPI) 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:

S. 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:
- i. Ex-gratia payment to other Operational Creditors (excluding employees, workmen and government dues)
  - ii. Redemption of CRPS- 2 years from Closing date
  - iii. Redemption of NCDs- 3 years from Closing Date
  - iv. 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 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. 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.

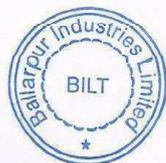
Even though the Resolution Plan has been Approved by the Hon'ble National Company Law Tribunal, Mumbai on the 31<sup>st</sup> March 2023, but still there exist material uncertainty on Going Concern of the Company. The new management has plans to make the Company operational & generate revenue in the 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 total comprehensive profit of Rs. 98,265 lakhs (Previous year total comprehensive loss of Rs. 4,189 lakhs). As at 31<sup>st</sup> March 2022, the accumulated losses (including other comprehensive loss) of the Company were Rs. 1,13,205 lakhs (Previous Year Rs. 2,11,470 lakhs) which have fully eroded the net worth of the Company and the Company's current liabilities exceeded its current assets by Rs. 1,23,473 lakhs (Previous Year Rs. 1,12,822 lakhs). The new management of BILT believes that negative working capital would not cause economic difficulties. In view of the new management's expectation 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 loss of Rs. 38 lakhs (Previous year profit of Rs. 16 lakhs). As at 31<sup>st</sup> March 2022, the company has accumulated losses (including other comprehensive income/loss) of Rs. 311 lakhs (Previous Year Rs. 273 lakhs) which have fully eroded the net worth of the Company and the Company's current liabilities exceeded its current assets by Rs. 298 lakhs (Previous Year Rs. 260 lakhs). The new management of BILT believes that negative working capital would not cause economic difficulties. In view of the



new management's expectation the financial statements have been prepared on a going concern basis.

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

During the year the Company has total comprehensive profit of Rs. 1,56,114 lakhs (Previous year total comprehensive loss of Rs. 742 lakhs). As at 31<sup>st</sup> March 2022, the accumulated losses (including other comprehensive loss) of the Company were Rs. 88,862 lakhs (Previous year Rs. 2,20,353 lakhs) which have fully eroded the net worth of the company & the Company's current liabilities exceeded its current assets by Rs. 1,24,676 lakhs (Previous year Rs. 96,488 lakhs). The new management of BILT believes that negative working capital would not cause economic difficulties. In view of the new management's expectation 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 for gratuity and Compensated absences obligation as at 31<sup>st</sup> March 2022. Provision for gratuity and Compensated absences has not been created as at 31<sup>st</sup> March 2022, as the Actuarial Valuation Report is not available.

The actuarial valuation of gratuity obligation has not been done as at 31<sup>st</sup> March 2022 and the provision has been recognized based on Parent's new management internal estimation as at 31<sup>st</sup> March 2022. Also, the actuarial valuation of gratuity obligation pertaining to Kamalapuram Unit and Head Office has not been done as at 31<sup>st</sup> March 2022 and the provision as at 31<sup>st</sup> March 2022 has been recognized based on Parent's new management internal estimation for these cases. The reversal of provision based on new management's internal estimation as at 31<sup>st</sup> March, 2022 is Rs. 607 lakhs.

The actuarial valuation of compensated absences obligation has not been done as at 31<sup>st</sup> March 2022 and the provision has been recognized based on Parent's new management's internal estimation as at 31<sup>st</sup> March 2022. Also, the actuarial valuation of compensated absences obligation pertaining to



Kamalapuram Unit and Head Office has not been done as at 31<sup>st</sup> March 2022 and the provision as at 31<sup>st</sup> March 2022 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 2022 is Rs. 42 Lakhs.

**8. Impairment:**

a) During the year ended 31<sup>st</sup> March 2022 Buildings, plant and equipment were tested for impairment where indicators of impairment existed. The Parent has recognised an impairment loss in the statement of profit and loss of ₹ 44,749 lakhs.

1) Building:	Rs. 8,930 Lakhs
2) Plant & Machinery:	Rs. 35,819 Lakhs

b) During the year ended 31<sup>st</sup> March 2022, the Parent considered indicators of impairment for investments in subsidiaries and other business operations held either directly or indirectly, such as declines in operational performance or changes in the outlook of future profitability or weaker market conditions, among other potential indicators. The Parent has recognised provision for impairment loss in the statement of profit and loss of ₹ 92,960 lakhs.

**A) Subsidiaries:**

Avantha Agritech Limited:	Rs. 40 Lakhs
Ballarpur International Holdings B.V.	Rs. 76,048 Lakhs
Ballarpur Speciality Paper Holdings B.V.	Rs. 12 Lakhs

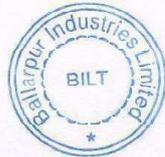
**B) Other Business Operations:**

Blue Horizon Investments Limited	Rs. 3 Lakhs
ZCCN issued by BIH B.V.	Rs. 16,857 Lakhs

9. Confirmation of balances have 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 if any in the carrying amount of these balances which may arise as a result of such reconciliation is unascertainable.

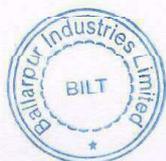
10. For the year ended 31<sup>st</sup> March 2022, the Parent has not recognized any provision for Expected credit loss of receivables relating to amounts due from related parties. The total provision for expected credit loss against receivables from related parties as at 31<sup>st</sup> March 2022 is Rs 42,211 lakhs (Rs 42,211 lakhs as at 31<sup>st</sup> March 2021). The said assessment has not been carried out in 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 2022 have not been prepared for 11 bank accounts having a carrying amount of Rs 9.07 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 dividend are not available having a carrying amount of Rs. 27.59 Lakhs as at 31<sup>st</sup> March 2022.
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 2022 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 earlier Oracle System to Tally accounting system. During the CIRP period, the oracle licenses expired & were 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 previous 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. 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 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.
18.
  - a) In Bilt Paper B.V., 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.
  - b) In Ballarpur Speciality Paper Holdings B.V., 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 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.

19. The Company has during the FY 19-20 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 revaluation of the pricing.

However, the necessary approvals from certain stakeholders were not received and the above transactions has been reversed in FY 19-20.

20. Due to non-availability of required information to prepare the quarterly results for the financial year 2021-22, the company has not filed its quarterly results in compliance with regulation 33 and 52 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

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

Hardik Digitally signed by  
Hardik Bharat Patel  
Bharat Patel Date: 2025.04.16  
21:46:26 +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, 2022</b> [See Regulation 52 of the SEBI (LODR) (Amendment) Regulations, 2016]				
<b>I.</b>	<b>Sl. No.</b>	<b>Particulars</b>	<b>Audited Figures (as reported before adjusting for qualifications)  (Rs. In lakhs)</b>	<b>Adjusted Figures (audited figures after adjusting for qualifications)  (Rs. In lakhs)</b>
	1.	Turnover / Total Income (Incl. exceptional items)	1,37,078	Not Determinable
	2.	Total Expenditure (Incl. exceptional items)	90,520	
	3.	Net Profit / (Loss)	47,757	
	4.	Earnings Per Share	(0.79)	
	5.	Total Assets	7,92,928	
	6.	Total Liabilities	10,12,071	
	7.	Net Worth	(2,19,143)	
	8.	Any other financial item(s) (as felt appropriate by the management)	-	
<b>II. a</b>	<b>Audit Qualification (each audit qualification separately):</b>			
	<b>Qualification 1</b>			
	<b>a.</b>	<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 <sup>st</sup> 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.</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> N.A.		
		<b>(ii) If management is unable to estimate the impact, reasons for the same:</b>		



	<p>The Company'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.	<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> N.A
	<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, 2022. 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 recognised any liability in these financial statements for the option. Also as per the resolution plan approved by the Hon'ble National Company</p>



	Law Tribunal, Mumbai Bench on 31 <sup>st</sup> March, 2023 there is no provision for the satisfaction of such claim.
	(iii) <b>Auditors comment on (i) and (ii) above:</b> Impact is not determinable
<b>Qualification 3</b>	
a.	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 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.
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> NA
	(ii) <b>If management is unable to estimate the impact, reasons for the same:</b>  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.
	(iii) <b>Auditors comment on (i) and (ii) above:</b> Impact is not determinable
<b>Qualification 4</b>	
a.	<b>Details of Audit Qualification:</b>  Provision for gratuity and compensated absences pertaining to the Shree Gopal Unit, Corporate Office and Kamalapuram Unit had been determined by the Parent's



	<p>Management on an adhoc basis as at 31<sup>st</sup> March, 2022. 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 March, 2022 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, 2022. The reversal of provision for gratuity and compensated absences based on Parent's management internal estimation as at 31 March, 2022 is Rs 607 lakhs and Rs. 42 lakhs respectively.</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>
	(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 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.
	(iii) <b>Auditors comment on (i) and (ii) above:</b> Impact is not determinable.
<b>Qualification 5</b>	
a.	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 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 the consolidated financial results 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 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>
	(i) <b>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> 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:</b> Impact is not determinable</p>
<p><b>Qualification 6</b></p>	
a.	<p>The Parent had reclassified the land situated at Choudwar, Odisha, from 'Assets held for sale' to 'Property, Plant and Equipment' in financial year 2019-2020. 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:</p> <ol style="list-style-type: none"> <li>a. its 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 recognised had the asset not been classified as held for sale, and</li> <li>b. its recoverable amount at the date of the subsequent decision not to sell;</li> </ol> <p>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.</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><b>(iv) Management's estimation on the impact of qualification:</b></p>
	<p><b>(v) 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. The appropriate effect of Impairment has been passed in the financial year 2021-22 post receipt of valuation report. Further, the aforesaid asset has appropriately been reclassified as Asset held for sale post NCLT order dated 31<sup>st</sup> March 2023.</p>
	<p><b>(vi) Auditors comment on (i) and (ii) above:</b> Impact is not determinable</p>
<p><b>Qualification 7</b></p>	
a.	<p><b>Details of Audit Qualification:</b> We are appointed as auditors of the Parent on September 10, 2024 and therefore we are unable to satisfy ourself by performing alternative procedures regarding the inventory quantities held by parent and valuation as at 31<sup>st</sup> March, 2022, as per SA 501 'Audit Evidence – Specific Consideration for selected item'. Therefore, we are unable to</p>



	conclude whether the inventories of Rs. 1,669 Lakhs are fairly stated by Parent as at 31 <sup>st</sup> March, 2022. Additionally, we are unable to ascertain the impact of this on 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
<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>
	(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 Control of the management of the affairs of the company vested with the Resolution Professional till the date of 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.
	(iii) <b>Auditors comment on (i) and (ii) above:</b> Impact is not determinable
<b>Qualification 8</b>	
<b>a.</b>	<b>Details of Audit Qualification:</b> 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, 2022. 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's receivable from the 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>
	(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 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.
	(iii) <b>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> 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 new 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 assets 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.
<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>
	(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 current management has maintained a status quo position as on 31 <sup>st</sup> March 2022.
	(iii) <b>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> Input Tax Credit (ITC) of Goods and Services Tax available as per books of accounts for Parent is Rs. 1,175 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



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 current management has maintained a status quo position as on 31 <sup>st</sup> March 2022. 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.
	(iii) <b>Auditors comment on (i) and (ii) above:</b> Impact is not determinable
<b>Qualification 11</b>	
a.	<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 2022.
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 12</b>	
a.	<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. 9.07 Lakhs as at 31 <sup>st</sup> March 2022. Also, the balance confirmation certificate has not been provided for any bank



	account maintained. Therefore, the consequential impact, if any on the consolidated financial results, is not ascertainable.
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> 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.
	(vi) <b>Auditors comment on (i) and (ii) above:</b> Impact is not determinable
<b>Qualification 13</b>	
a.	<b>Details of Audit Qualification:</b> 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 2022. Also, the balance confirmation certificate has not been provided for any of the accounts maintained. Therefore, the consequential impact, if any on the consolidated financial results, is not ascertainable.
b.	<b>Type of audit Qualification:</b> Disclaimer of Opinion
c.	<b>Frequency of qualification:</b> The qualification is continuing since financial year 2020-21 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 14</b>	
a.	<b>Details of Audit Qualification:</b>



	We have not been provided with the details of bank deposits of Parent with original maturity exceeding 3 months as at March 31, 2022. Also, neither the balance confirmation certificate nor interest certificate has been provided by Parent for any of the Bank Deposits. Therefore, the consequential impact, if any on the consolidated financial results, is not ascertainable.
b.	<b>Type of audit Qualification:</b> Disclaimer of Opinion
c.	<b>Frequency of qualification:</b> The qualification is continuing since financial year 2020-21 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 15</b>	
a.	<b>Details of Audit Qualification:</b>  The Parent migrated its accounting system from Oracle to Tally 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>Type of audit Qualification:</b> Disclaimer of Opinion
c.	<b>Frequency of qualification:</b> The qualification is continuing since financial year 2020-21 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>



<p><b>(ii) If management is unable to estimate the impact, reasons for the same:</b></p> <p>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.</p> <p>Due to the complexities involved in the data migration process, the company has encountered difficulties in maintaining individual party ledgers.</p> <p>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.</p> <p>We are committed to rectifying these lapses and improving our data management processes to prevent similar issues in the future.</p>	
<p><b>(iii) Auditors comment on (i) and (ii) above:</b> Impact is not determinable</p>	
<p><b>Qualification 16</b></p>	
<p><b>a.</b></p>	<p><b>Details of Audit Qualification:</b></p> <p>The Financial Statements of 2 step down foreign subsidiaries (Mirabelle Trading Pte. Ltd., and Bilt Graphic Trading FZE) and 1 domestic subsidiary 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.</p>
<p><b>b.</b></p>	<p><b>Type of audit Qualification:</b> Disclaimer of Opinion</p>
<p><b>c.</b></p>	<p><b>Frequency of qualification:</b> The qualification is continuing since financial year 2019-20 in the Consolidated financial results</p>
<p><b>d.</b></p>	<p><b>For Audit Qualification(s) where impact is quantified by the auditor, Management's views:</b> Not quantified by the Auditors</p>
<p><b>e.</b></p>	<p><b>For Audit Qualification(s) where impact is not quantified by the auditor:</b></p>
<p><b>(iv) Management's estimation on the impact of qualification:</b></p>	
<p><b>(v) If management is unable to estimate the impact, reasons for the same:</b></p> <p>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.</p> <p>Further, the CIRP process of the Company has been concluded, and Ballarpur Industries Limited ("BILT/Company") has been acquired by Finquest Financial</p>	



	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.
	(vi) Auditors comment on (i) and (ii) above: Impact is not determinable.
<b>Qualification 17</b>	
a.	<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>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 18</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> The qualification is continuing since financial year 2020-21 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> Due to non-availability of required information to prepare the quarterly results for the financial year 2021-22, the company has not filed its quarterly results in compliance with regulation 33 and 52 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
	<b>(iii) Auditors comment on (i) and (ii) above:</b> Impact is not determinable

III.	<b>Signatories:</b>
	<p><b>For Ballarpur Industries Limited</b></p> <p>Hardik Bharat Patel  <small>Digitally signed by Hardik Bharat Patel  Date: 2025.04.16 21:47:06 +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><b>For Batliboi &amp; Purohit Chartered Accountants</b>  Firm Registration No.: 101048W</p> <p>PARAG RAMAN HANGEKAR  <small>Digitally signed by PARAG RAMAN HANGEKAR  Date: 2025.04.16 21:59:39 +05:30'</small></p> <p>Parag Hangekar  Partner  Membership No: 110096  Date: 16<sup>th</sup> April 2025  Place: Mumbai</p> 