



Ballarpur Industries Limited

October 08, 2025

BSE Ltd.
Corporate Relationship Department,
1st Floor, New Trading Ring,
Rotunda Building, P.J. Towers,
Dalal Street, Fort,
Mumbai 400 001

National Stock Exchange of India Ltd.
Listing Department,
'Exchange Plaza', C/1, Block G,
Bandra-Kurla Complex,
Bandra (E),
Mumbai 400 051

Code No. 500102
Debt Security Code No. 975156

Symbol "BALLARPUR"

Subject: Notice of the 76th Annual General Meeting ('AGM') and Annual Report of the Company for the Financial Year 2020-21:

Dear Sir/Madam,

We forward herewith Annual Report and Notice of the 76th AGM of the Company scheduled to be held on Monday, November 03, 2025 at 2.00 P.M. (IST) respectively vide video conferencing mode which will deem to be held at the registered office of the Company situated at 602, Boston House, 6th Floor, Suren Road, Andheri East, Mumbai 400093. The said Notice forms part of the Integrated Annual Report of the Company for the financial year 2020-21.

The Notice of the AGM forming part of the Integrated Annual Report is also available on the website of the Company at <https://biltpaper.in/>.

Please take the same on record.

For Ballarpur Industries Limited

Hardik Bharat Patel
Whole- Time Director
DIN: 00590663

Place: Mumbai

Annual Report 2020-21



Ballarpur Industries Limited

A Finquest Group Company

Homage to Sri Bharat Jayantilal Patel Ji



Sri Bharat Jayantilal Patel Ji **1953-2021**

An investor with an inspirational ideology and an industrialist with equal vision and empathy, you have transformed the lives of many. You were an outstanding leader with an unmatched business acumen and your presence and guidance will be remembered as we continue to take your legacy forward.

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IRP / RP

Mr Divyesh Desai (IBBI/IPA-001/IP-P00169/2017-18/10338) - Interim Resolution Professional

Appointed by NCLT. Mumbai vide Order dated January 17, 2020

Mr Anuj Jain having (IBBI/IPA-001/IP-P00142/2017-18/10306) – Resolution Professional

Appointed by NCLT. Mumbai vide Order dated May 17, 2020

BOARD OF DIRECTORS:

1. Mr. Rajeev Ranjan Vederah – Independent Director (DIN: 00012252)
2. Dr. Padmakumar Nair – Independent Director (DIN: 03109973) (Appointed w.e.f. 15.10.2019)
3. Ms. Yashashree Gurjar – Non-Executive Director (DIN: 02674807) (Appointed w.e.f. 15.10.2019)

STATUTORY AUDITORS

M/s. Batliboi & Purohit,
Chartered Accountants,
Mumbai (Firm Registration No.101048W)

SECRETARIAL AUDITORS

M/s Viral Sanghavi & Associates,
Practicing Company Secretaries,
Jamnagar (FRN: 3130)

COST AUDITORS

M/s. K. G. Goyal & Co., Cost Accountants,
Jaipur (Firm Registration No. 000017)

REGISTERED OFFICE

602, 6th Floor, Boston House, Suren Road,
Andheri East, Mumbai, Maharashtra-400093, India

REGISTRAR & SHARE TRANSFER AGENTS

M/s. RCMC Share Registry (P) Limited
B-25/1, First Floor, Okhla Industrial Area,
Phase II, New Delhi-110020
Phone 011 26387320 / 21
Fax 011 26387322
Email: investor.services@rcmcdelhi.com

From the Chairman's Desk

Dear Members,

It is with a profound sense of responsibility and commitment that I address you as the Chairman of Ballarpur Industries Limited (BILT). Following the approval of the resolution plan submitted by Finquest Financial Solutions Private Limited (FFSPL) by the National Company Law Tribunal (NCLT), the newly constituted Board has paved the way for a transformative era for BILT.

The past few years have been challenging for your company, and I want to assure you that the New Board, under my leadership, is fully committed to steering BILT back to its former glory. We understand the responsibility we are carrying and we are determined to honour the same by implementing strategies that will not only stabilize but also revitalize our operations.

Our primary focus is on ensuring swift and efficient resolution of the existing issues. We are diligently working to bring BILT's operations back into the limelight within the earliest possible timeframe. This involves a comprehensive review and enhancement of our existing policies, processes, and practices to align with our vision of growth, sustainability, and excellence.

In continuation of the commitments made in the previous Annual Report, the Board has made significant progress in institutionalizing a framework of transparency and accountability across the organization. As committed in the previous year, the Annual Report for the Financial Year 2019-20 has been duly prepared, audited and adopted by the shareholders at the Annual General Meeting held on September 10, 2024. This marked the first step in our endeavour to regularise the Company's Statutory Filings.

Our strategy includes leveraging our core strengths while exploring new opportunities in the ever-evolving paper industry landscape. We recognize the importance of innovation and sustainability, and we are committed to adopting best practices that will enhance our competitive edge and operational efficiency. Our investments in technology and human resources are geared towards creating a robust foundation for long-term growth.

The challenges we face are significant, but so is our resolve. We believe that with the right approach and unwavering dedication, we can overcome these obstacles and emerge stronger. Our team is working tirelessly to address the current issues and to lay down a strategic roadmap for the future.

In conclusion, I want to reiterate our commitment to you, our valued shareholders. The new Board is dedicated to restoring BILT's stature as a leader in the paper industry. We are optimistic about the future and confident in our ability to deliver value and growth.

Together, we will create a brighter, more prosperous future for BILT.

Warm regards,

Sd/-

Hardik B. Patel

Whole Time Director & Chief Financial Officer

Dear Members,

The National Company Law Tribunal (“NCLT”), Mumbai Bench, vide its order dated January 17, 2020, (“Insolvency Commencement Order”) has commenced the Corporate Insolvency Resolution Process (“CIRP”) against the Company in CP No. 2915/I&B/MB/2019 filed by Finquest Financial Solutions Private Limited (“**FFSPL**”). Mr. Divyesh Desai (IBBI/IPA-001/IP-P00169/2017-18/10338), was appointed as interim resolution professional (“IRP”) to manage affairs of the Company in accordance with the provisions of the Code.

Mr Divyesh Desai having IP Registration No. IBBI/IPA-001/IP-P00169/2017-18/10338 was appointed as an interim resolution professional (“IRP”) to manage affairs and assets of the Company in accordance with the provisions of the Code. Subsequently, the Hon’ble NCLT vide its order dated May 27, 2020 had appointed Mr Anuj Jain having IP Registration No. IBBI/IPA-001/IP-P00142/2017-18/10306 as the resolution professional (“Resolution Professional”) of the Company to take charge of the affairs and assets of the Company in accordance with the provisions of the Code.

By virtue of the commencement of CIRP against the Company, the powers of the erstwhile board of directors of the Company were suspended with effect from the Insolvency Commencement Date, i.e., January 17, 2020.

Prior to the date of the Insolvency Commencement Order, the erstwhile board of directors of the Company managed the business operations, affairs and assets of the Company. However, in accordance with the terms of the Code, the powers of the erstwhile board of directors continued to remain suspended for the entire period to which this Board Report pertains to. During the CIRP, the IRP and Resolution Professional were entrusted with the management of the affairs of the Company.

The NCLT approved the resolution plan submitted by FFSPL in its capacity as a resolution applicant under Section 31 of the Code (“**Approved Resolution Plan**”) vide order dated March 31, 2023 (“**NCLT Order**”).

As per the terms of the Approved Resolution Plan, a monitoring committee was constituted comprising of 1 (One) representative of the financial creditors, 1 (One) representative of FSSPL and the erstwhile Resolution Professional for the purposes of (i) managing the operations and affairs of the Company as a going concern and (ii) supervising the implementation of the Approved Resolution Plan. The tenure of the said monitoring committee was from April 16, 2023 to October 25, 2023.

Pursuant to the terms of the NCLT Order and in terms of the Approved Resolution Plan, FFSPL has acquired majority shareholding in the Company. Pursuant to the terms of Approved Resolution Plan, FFSPL was required to take over the Company on an “as-is where-is” basis.

The Approved Resolution Plan was implemented on and from June 12, 2023 (i.e. Closing Date (in terms of the Approved Resolution Plan)), and the new board of directors have been appointed vide resolution dated June 12, 2023 and September 08, 2023 passed by the Company.

In accordance with the provisions of the Code and the NCLT Order, the Approved Resolution Plan is binding on the Company and its employees, members, creditors, including the Central Government, any State Government and/or any local authority to whom any debt is owed, guarantors and all the stakeholders of the Company.

The new board of directors of the Company currently comprise of Mr. Hardik B. Patel, the Whole-Time Director and Chief Financial Officer of the Company, Mr. Yeddala Kesava Reddy, Whole Time Director, Mr. Panchapakesan Swaminathan, Independent Director, Mr. Kulandaipaian Thangaraju, Independent Director, Ms. Runel Saxena, Independent Director, and Mr. Parashiva Murthy B S, Director (“**New Board**”). Mr. Punit Bajaj is the Company Secretary and Compliance Officer of the Company (collectively with the New Board, the “**New Board and KMPs**”).

Warm regards,

Sd/-

Hardik B. Patel

Whole Time Director & Chief Financial Officer

Management Discussion & Analysis

Note: This edition of Management Discussion & Analysis prepared by the New Board is subject to the Inherent Limitations and Inhibitions as set out in the Board's Report. A major portion of this report is prepared based on the information made available to the New Board, including the Information Memorandum prepared by the Resolution Professional during the Corporate Insolvency Resolution Process of the Company.

Introduction

Ballarpur Industries Limited ('BILT') or ('the Company') is one of the leading manufacturer of writing and printing (W&P) paper in India and has been in business since 1945. BILT's business operates through two separate groups of subsidiaries: one under the flagship entity BILT, and the other under its step-down subsidiary BILT Paper.

Under the standalone entity, BILT, the direct assets include:

- The speciality paper business, operating from the Shree Gopal facility in Haryana.
- The rayon grade pulp business operating from Kamalapuram in Telangana.

These businesses target the industrial and FMCG markets.

The Company's other businesses comes under Bilt Paper B.V., which focuses on the wood-free printing and writing paper, coated and uncoated. This is BILT's primary business portfolio. The focus is on the reel or sheet commercial printing and the desktop printing business through copier paper. There is also considerable emphasis on high value bio-degradable high-end packaging.

Bilt Paper B.V. has two step-down subsidiaries, which are:

- BILT Graphic Paper Products Limited (BGPPL), a relatively asset heavy entity, that has four plants in India: Ballarpur, Bhigwan and Ashti (all in Maharashtra) and Sewa (in Odisha).
- Sabah Forest Industries (SFI), that operates the pulp, uncoated wood-free and plantation businesses in Malaysia.

Through this structure, BILT addresses the following basic portfolio of businesses:

- Writing and printing paper – in India and Malaysia.
- Specialty paper.
- Rayon grade pulp.

Paper is a capital-intensive industry and BILT has always focused on catering to the market with a portfolio of products that is of the highest quality and produced by adopting newer technologies.

In line with market requirements, the Company had in the recent past made a series of major investments to augment

and modernise capacity. Unfortunately, actual market demand growth was slower than expectations; and the market in India also faced pressures from dumping by global players, who were affected by a major dip in demand in advanced markets. As a result, the Company has faced severe financial difficulties primarily arising out of the inability to generate incremental profits to service the debt raised for capital expansion.

As a result, during the Financial Year 2019-20, Corporate insolvency resolution process ("CIRP") of the BILT was initiated, consequent to the admission of the application made by Finquest Financial Solutions Private Limited ("FFSPL") under the provisions of the Insolvency and Bankruptcy Code, 2016 (the "Code"), by the Hon'ble National Company Law Tribunal, Mumbai bench ("NCLT"), vide its order dated January 17, 2020, ("Insolvency Commencement Order"). The powers of the erstwhile board of directors of the Company were suspended upon commencement of the CIRP of the Company (i.e. on and from the Insolvency Commencement Order).

Sri Divyesh Desai having IP Registration No. IBBI/IPA-001/IP-P00169/2017-18/10338 was appointed as an interim resolution professional ("IRP") to manage affairs and assets of the Company in accordance with the provisions of the Code. Subsequently, the hon'ble NCLT vide its order dated May 27, 2020 had appointed Sri Anuj Jain having IP Registration No. IBBI/IPA-001/IP-P00142/2017-18/10306 as the resolution professional ("Resolution Professional") of the Company to take charge of the affairs and assets of the Company in accordance with the provisions of the Code.

Prior to the date of the Insolvency Commencement Order, the erstwhile board of directors of the Company managed the business operations, affairs and assets of the Company. However, in accordance with the terms of the Code, the powers of the erstwhile board of directors continued to remain suspended for the entire period to which this Board Report pertains to. During the CIRP, the IRP and Resolution Professional were entrusted with the management of the affairs of the Company.

Industry Overview: Paper and Pulp Industry in India and Globally for FY 2021¹

Executive Summary

The fiscal year 2021 marked a pivotal moment for the global and Indian paper and pulp industry, characterized by a robust and strategic recovery from the unprecedented challenges of FY 2020. The sector demonstrated remarkable resilience and adaptability, effectively navigating a new economic landscape. The most significant development was the

¹ Sources:

- FAO (Food and Agriculture Organization of the United Nations) reports on global paper production.
- Smithers Pira market research reports on the global paper and pulp industry.
- IPMA (Indian Paper Manufacturers Association) annual report.

- CRISIL Research report on the Indian paper industry.
- Ministry of Commerce and Industry, Government of India statistics.
- Data from the Confederation of Indian Industry (CII).

fundamental realignment of demand, where the secular decline in printing and writing paper was more than offset by a historic surge in the packaging segment. This shift cemented packaging's role as the primary growth engine for the industry. While the rebound was globally pervasive, it was not without its own set of challenges, as inflationary pressures on raw materials and persistent supply chain disruptions emerged as key concerns. Against this backdrop, the Indian industry distinguished itself as a global leader, achieving record-breaking export and capacity utilization figures that underscored its growing strategic importance on the world stage.

Global paper and paperboard production in 2021 grew by approximately 3.0%, a substantial turnaround from the 5.0% decline experienced in the previous year. This rebound was fueled by a broader economic recovery, with the European Union's GDP growing by 5.0% and, consequently, its paper and board production increasing by 5.8%.¹ This contrasted with the United States, where the paper mills industry was projected to face a continued revenue decline of 1.8% in 2021. Within this context, the global pulp market alone was valued at US\$ 146.7 billion in 2021 and is projected to continue its upward trajectory.

For the Indian market, the recovery was particularly pronounced. The industry's revenue surpassed INR 80,000 crore, a notable increase from the INR 70,000 crore recorded in FY 2020.⁴ Total paper and paperboard production for FY 2021-22 reached 4,321 thousand tonnes, with an impressive capacity utilization of nearly 90%, a significant improvement over the 80% reported in FY 2020.⁶ This return to operational efficiency was coupled with record-breaking export performance. India's paper and paperboard exports in the first nine months of FY 2021-22 exceeded the total volume for the entire previous fiscal year, with financial growth surpassing 100% during the same period.⁷ These metrics highlight a shift in the industry's narrative from one of domestic resilience to one of emerging global significance.

Global Industry Overview: FY 2021 Performance and Dynamics

Market Size and Production Rebound

The global paper and pulp industry experienced a cyclical upswing in FY 2021, reversing the downturn that commenced in 2020. The market's valuation and production volumes provided a clear picture of this resurgence. The global pulp market alone reached a valuation of US\$ 146.7 billion in 2021, a new benchmark that reflects the foundational value of this segment. While a singular, comprehensive market size for the entire global paper and pulp industry for 2021 is not available, the strong performance of its constituent parts, such as the pulp market, signals a broader expansion.

Global paper and board production went up by approximately 3.0% in 2021, a significant recovery from the sharp 5.0% decline in the previous year. This growth was not uniform across all regions. The EU's paper and board production increased by a strong 5.8%, directly correlated with the region's 5.0% GDP growth. This positive correlation between macroeconomic performance and paper consumption illustrates the cyclical nature of the industry's recovery.

However, the U.S. market exhibited a different dynamic. Despite a broader economic recovery, the U.S. paper mills industry was projected to experience a 1.8% decline in revenue. This regional variation in performance suggests that while cyclical economic factors remain important, the long-term, structural trends of digitalization and the shift to packaging are now the primary drivers of the industry's evolution.

Shifting Demand Landscape

The demand divergence between paper grades, which began in FY 2020, accelerated in FY 2021, becoming the defining trend of the year. Packaging grades emerged as the clear growth engine, with production reaching its highest-ever levels and increasing by 7.1% over 2020. This surge was underpinned by several powerful, interconnected drivers. The explosive growth of e-commerce drove approximately half of the demand for transport packaging, fundamentally altering the nature of this segment. As businesses shifted their focus to online sales, there was a heightened need for efficient, eco-friendly, and lightweight packaging solutions, a need that paper-based products were uniquely positioned to meet.

Furthermore, the demand for paper packaging was reinforced by a significant substitution trend, where paper products replaced fossil-based materials like plastic. This shift was driven by both government policies, such as the EU-backed phase-out of plastic packaging, and a strong consumer preference for sustainable and recyclable options. Consumers, particularly millennials and Gen Z, increasingly view products delivered in paper-based packaging as socially responsible and superior, thereby incentivizing brands to adopt these materials. The ubiquity of online food delivery also created a new and thriving market for specialized packaging, such as thermal and grease-resistant containers. This confluence of e-commerce growth and consumer-led sustainability movements has created a powerful, self-reinforcing dynamic that provides a clear and lasting growth avenue for the paper industry.

Conversely, the printing and writing paper segment continued its persistent decline. Printing-writing capacity in the U.S. fell by a substantial 6.9% in 2024, the steepest drop since the pandemic-induced decline of 14.9% in 2021. This was a direct result of the pandemic-accelerated adoption of e-learning, remote work, and digital media, which permanently altered consumption patterns. While some specific sub-grades, such as woodfree papers, saw a minor recovery in demand in some regions, this did little to offset the overall, structural downturn in the segment.

Raw Material and Price Dynamics

Following a period of price declines in 2019 and 2020, the paper industry faced a new set of challenges in FY 2021 as raw material prices began a sustained upward trend. Global pulp prices started to recover and climb, with the U.S. Producer Price Index for Wood pulp showing a steady increase throughout the second half of 2021. This price inflation was a direct consequence of a combination of factors: tight wood fiber supply, low pulp inventories, and strong global demand, particularly for packaging grades.

The cost of wood fiber, the primary raw material, saw a significant increase. The global Softwood Fiber Price Index (SFPI) rose by 7% from Q2 2021, while wood fiber prices overall increased by 10% from 2021 to Q2 2022. This upward pressure was particularly pronounced in Europe and Latin America, where prices increased by 10-55% and 25-45% respectively, over a 12-month period. This shift from a demand-side problem (revenue compression in FY 2020) to a supply-side challenge (cost inflation in FY 2021) posed a significant threat to manufacturer margins. The ability to manage these input costs and maintain profitability became a key strategic consideration for the industry, which was grappling with the new dynamic of rising costs despite robust sales.

Indian Industry Overview: A Year of Recovery and Growth

Production and Revenue

The Indian paper industry staged a remarkable recovery in FY 2021, distinguishing itself as a dynamic and fast-growing market on the global stage. The industry's estimated turnover for the year surpassed INR 80,000 crore, a significant increase from the INR 70,000 crore estimated for FY 2020. This 14.3% growth in market size is a testament to the sector's resilience and its ability to capitalize on changing market dynamics.

A crucial indicator of this recovery was the substantial improvement in operational efficiency. According to data from the Indian Paper Manufacturers Association (IPMA), paper and paperboard production for the fiscal year 2021-22 was 4,321 thousand tonnes. This production volume was supported by an installed capacity of 4,826 thousand tonnes, leading to a high capacity utilization rate of 89.55%. This is a marked improvement from the 80% utilization noted in the FY 2020 report, a key financial metric for a capital-intensive industry. By spreading fixed costs over a much larger output volume, this improvement directly enhanced operational efficiency and restored profitability.

Segmental Performance and Demand Drivers

The structural shifts observed globally were mirrored and, in many ways, amplified within the Indian market. The packaging paper and paperboard segment, which already held the largest share, continued to be the primary growth driver. Its production stood at 1,648 thousand tonnes in FY 2021-22. This growth was largely fueled by the rapid expansion of India's e-commerce sector, which is projected to grow from US 29 billion in 2020 to over US 100 billion by 2025. The increasing use of paper in food packaging, driven by the growth of quick-service restaurants (QSRs) and online food delivery, also contributed to this segmental growth.

Conversely, the printing and writing paper segment's production was 2,380 thousand tonnes in 2021-22. While this segment still holds a large share of the market, its performance continued to be negatively impacted by the pandemic's acceleration of e-learning and digital workflows. Despite this, the long-term growth prospects for the Indian market remain strong due to the country's vast untapped potential. The per capita paper consumption increased to 16 kg in FY 2021 from 15 kg in FY 2020, but this remains significantly below the global average of 57 kg. This discrepancy, coupled with rising literacy, urbanization, and a

burgeoning middle class, points to a vast and sustainable demand pipeline for the future.

Trade Dynamics: Exports and Imports

FY 2021-22 was a landmark year for India's paper and paperboard exports, highlighting the country's strategic emergence as a global player. According to IPMA data, exports in the first nine months of FY 2021-22 (April-December) reached 2,195 thousand tonnes, already surpassing the total volume of 2,190.8 thousand tonnes for the entire FY 2020-21.7 This represented a remarkable volumetric growth of 52.36%.

In financial terms, this growth was even more spectacular. The export value for the same nine-month period was INR 10,236 crore, a phenomenal 103.42% increase over the INR 5,032 crore recorded during the same period in the previous fiscal year. This extraordinary performance suggests that Indian mills, leveraging factors such as improved operational efficiency and a diversified raw material base, were able to effectively fill supply gaps in the global market. This transforms the narrative from one of a domestically focused industry to a dynamic global supplier. The Government of India's initiatives to boost exports, such as the 'Districts as Export Hubs' program, likely also played a supportive role.

Conversely, imports of paper and paperboard increased by 28.40% in FY 2021-22, reaching \$2,265.75 million, which indicates continued competitive pressure from foreign suppliers. This is particularly true for imports from ASEAN countries, which enter the country at zero import duty under free trade agreements.

BILT's Operations in India

BILT's writing and printing paper manufacturing operations under its stepdown subsidiary Bilt Paper B.V. has four production units across India. These are: Ballarpur (Maharashtra), Bhigwan (Maharashtra), Sewa (Odisha) and Ashti (Maharashtra).

Due to non-availability of the Statistical data relating to Manufacturing and related activities of the above said production units under Bilt Paper B.V. the New Management is not able to provide update on the same.

Operations In Malaysia

Operations at Sabah Forest Industries have been affected over the past years. Further, pursuant to local laws Liquidation proceedings have been initiated due non-servicing of the debt under take by Sabah Forest Industries.

Specialty paper Business

This business focuses on specialized product categories such as water marked bond paper, ledger paper, cartridge paper, envelope paper, super printing paper, matrix multipurpose paper and food packaging products (such as cup stock and paper straw). Assets of this business are directly under BILT at Unit Shree Gopal (Haryana).

The company has a wide range of product acceptability and demand across entire Indian subcontinent. BILT has mega brand such as BILT Royal Executive Bond, BILT Copy Power, BILT Image Copier and BILT Matrix.

Unit: Shree Gopal

Shree Gopal Unit is located at Yamunanagar, Haryana, is a fully integrated paper mill set up on ~ 173 acre of land with Plant spread across ~115 acres and two colonies on ~ 58 acres, thereby offering expansion opportunities. The mill has a capacity of 85,000 MT per annum and Co-generation capacity of 24 MW with 6 boilers for steam generation. The unit also has a fully equipped research and testing facility for pulp testing, paper testing and material testing. Further, the company has 2 agricultural lands totaling to 21.31 acres and a depot land of 1.09 acres in Yamunanagar.

Unit: Kamalapuram

The India-based pulp business operates out of the facility at Kamalapuram, in the district of Warangal in Telangana. Historically, this primarily produced rayon grade pulp for manufacture of viscose staple fibre (VSF) and viscose staple yarn (VSY).

Over the last five years, this market has been under severe pressure — which made the operation of this unit unviable. Consequently, the mill has been temporarily shut down since 2014. A representation was made to the Government of Telangana for granting subsidies on inputs and power to enable manufacturing activities to be restarted.

Kamalapuram Unit is located at Kamalapuram, Telangana is Rayon grade pulp mill set up on ~ 571.70 acres of land with factory area ~ 305.6 acres and township area of ~ 266 acres. The mill is located near Godavari river which provides water security as water is imperative at each stage of production. Telangana government has extended subsidy of approx. INR 45 cr per annum for 7 years and investment subsidy of INR 12.5 cr.

Apart from the above, the company has a freehold land of 590.64 acres at Choudwar, Odisha, and a residential flat at Prabhadevi, Mumbai.

Financial performance with respect to operational performance

BILT's consolidated financial performance for the financial year ended 31 March 2021 is given below.

(Rs.in crores)

Particulars	Consolidated	
	FY 2021	FY 2020
Revenue from Operations (Net of GST)	2,055	3,274
EBIDTA	37	633
Less: Finance Cost	1183	1121
Less: Depreciation	227	233
Profit/(Loss) before Exceptional Items and Taxes	(1,373)	(721)
Share of Profit/(Loss) in Associate and Joint Venture	(19)	0.32
Exceptional Items	(5)	1335
Profit / (Loss) before Tax	(1397)	(2056)
Less: Tax	(7)	36
Profit/(Loss) After Tax	(1390)	(2092)
Profit/ (loss) from discontinued operations before tax	-	(395)

Particulars	Consolidated	
	FY 2021	FY 2020
Less: Tax expense on discontinued operations	-	-
Net profit/ (loss) from discontinued operations after tax	-	(395)
Net profit/ (loss) after tax	(1390)	(2487)

Insolvency Application has been moved against the Company and vide order dated January 17, 2020, the Company was admitted into CIRP under the provisions of Insolvency and Bankruptcy Code, 2016.

Internal Controls and their Adequacy

The new Board, having assumed its responsibilities pursuant to the resolution plan approved by the NCLT, it is not in a position to provide a detailed assessment of the internal controls and their adequacy for FY 2020-21 at this time. However, we want to assure you that the new Board is unwavering in its commitment to implementing and upholding stringent internal control practices. Our priority is to ensure that the highest standards of governance and accountability are adhered to, and we will be taking all necessary steps to evaluate and enhance our internal control systems moving forward.

Risks and Concerns

The New Board identifies the following risks and concerns for a paper manufacturing company like BILT:

1. Market Demand Fluctuations

Risk: Fluctuations in demand for paper products, especially printing and writing paper, can significantly impact revenue and profitability. The accelerated shift towards digital media due to the COVID-19 pandemic has reduced demand for these products.

Concern: Prolonged decline in demand for traditional paper products can affect the company's market position and financial stability.

2. Raw Material Supply and Cost Volatility

Risk: Ballarpur Industries Limited (BILT) relies heavily on raw materials such as wood pulp, recycled paper, and agro-residues. Supply disruptions, price volatility, and import restrictions can affect production and increase costs.

Concern: Inconsistent supply and rising costs of raw materials can squeeze profit margins and disrupt manufacturing operations.

3. Environmental Regulations and Sustainability

Risk: The paper industry faces stringent environmental regulations aimed at reducing pollution and promoting sustainable practices. Compliance with these regulations requires significant investment in eco-friendly technologies and processes.

Concern: Failure to meet environmental standards can result in legal penalties, damage to reputation, and increased operational costs.

4. Economic Conditions and Consumer Spending

Risk: Economic downturns and reduced consumer spending can adversely affect the demand for paper products, particularly in sectors like printing and publishing.

Concern: Economic instability can lead to reduced revenue and financial performance, impacting the company's growth prospects.

5. Technological Advancements and Innovation

Risk: Rapid advancements in technology require continuous investment in modernizing production facilities and adopting new manufacturing processes. Falling behind in technology can lead to inefficiencies and loss of competitive edge.

Concern: High capital expenditure on technological upgrades may strain financial resources, especially if the benefits are not realized in the short term.

Material developments in Human Resources / Industrial Relations front

As per the information made available to the New Board:

- The company had 103 employees as on March 31, 2021, out of which 4 are in Head office, 96 employees in Shree Gopal Unit and 3 employees in Kamalapuram Unit.
- There are several centralized functions, the services of which are availed by the group. Group level support is provided for the following functions:

Employee Category	HO	Shree Gopal	Kamalapuram	Total
Permanent	-	2	-	2
Management staff	3	74	1	78
Casual	-	6	0	6
Industrial Trainees	-	-	-	-
School employees	-	-	-	-
Contractual	-	11	-	11
Retainer	1	3	2	6
Total	4	96	3	103

Details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in key financial ratios, along with detailed explanations therefor

Following the assumption of responsibilities by the New Board pursuant to the Resolution Plan, we are presently unable to provide detailed explanations for these ratios for the FY 2021 at this juncture. Shareholders and stakeholders are advised to refer directly to the financial statements within this report for precise information on financial ratios. Rest assured, the new Board is steadfast in its commitment to enhancing transparency and governance practices as we rigorously strengthen our oversight and reporting mechanisms.

Details of any change in Return on Net Worth (RoNW) as compared to the immediately previous financial year along with a detailed explanation thereof

Following the assumption of responsibilities by the New Board pursuant to the Resolution Plan, we are presently unable to provide detailed explanations for the FY 2021 for the change in RoNW. Shareholders and stakeholders are encouraged to refer directly to the financial statements within this report for specific information on RoNW. The new Board remains committed to enhancing transparency and governance

practices as we strengthen our oversight and reporting mechanisms.

For and on behalf of the Board of Directors

Sd/-

Hardik Bharat Patel

Whole-Time Director & Chief Financial Officer

DIN: 00590663

Date: April 16, 2025

Place: Mumbai

Dear Members,

The New Board has the pleasure in presenting the Board Report of Ballarpur Industries Limited ("**Company**"), along with the audited financial statements, for the financial year ended March 31, 2021 ("**Period under review**"). The consolidated performance of the Company and its subsidiaries has been referred to wherever required.

Inherent Limitations and Inhibitions

Please note that specifically, and among other matters, the Company's financial statements for the financial years 2019-20, 2020-21, 2021-22 and 2022-23 have not been prepared, audited, approved and filed with the jurisdictional registrar of companies ("**ROC**"), as is required under the relevant provisions of the Companies Act, 2013 read with the rules and regulations framed thereunder ("**Companies Act**") and requisite documentation and information to enable preparation of the same were not made available to the New Board. At the time of handover of control, only the audited financial statements up to FY 2019 were handed over to the New Board.

It is the new management which incurred additional costs and took all efforts to prepare the consolidated financial statements up to FY 2024 and has successfully completed the statutory audit of the same along with standalone financial statements. However, the accounts of the Company for the financial year ending March 31, 2021 ("**Subject Accounts**"), which pertain to the period prior to the Closing Date (June 12, 2023 (As per terms of the Resolution Plan)), and the date of appointment of New Board (i.e. June 12, 2023 and September 08, 2023), are required to be adopted by the shareholders of the Company.

It is pertinent to note that this Board's Report and Subject Accounts are required to: (i) be approved, and signed by or on behalf of the New Board and KMPs; (ii) undergo statutory audit by the Company's auditors; (iii) approved by the Company's shareholders; (iv) filed with the ROC in order to (a) fulfill requisite compliance requirements, including under the Companies Act and (b) to cure/regularize the non-compliance of the Company with respect to its filing requirements under the Companies Act including to make its status 'Active Compliant' with the registrar of companies (and as reflected on the portal of Ministry of Corporate Affairs) in terms of and for the implementation of the Approved Resolution Plan. Accordingly, in fulfilling these compliance requirements certain inherent limitations and inhibitions are involved for the New Board and KMPs and management of the Company ("**Inherent Limitations and Inhibitions**"), as is set out below in further detail.

The Subject Accounts have been signed by Mr. Hardik B. Patel, the Chairman & Whole-Time Director, Mr. Parashiva Murthy B S, Director & Mr. Punit Bajaj, Company Secretary and this Board Report is being approved by the Company's New Board, only for the purpose of statutory compliance as set out in the

preceding paragraphs, subject to the following Inherent Limitations and Inhibitions:

- (i) the New Board and KMPs had no access to or role in relation to the affairs and or management Company for and during the financial year ending March 31, 2021 ("**Subject Period**");
- (ii) the New Board and KMPs have, in this regard, relied solely and exclusively on the books, papers, records and other information, documents, clarifications, representations, communications, notices and/or certifications (collectively, "**Books and Records**") furnished to them by or on behalf of the Resolution Professional and the records and details available with the staff of the Company. The New Board has approved this Board Report and Mr. Hardik B. Patel, the Chairman & Whole Time Director, Mr. Parashiva Murthy, Director and Mr. Punit Bajaj Company Secretary and Compliance Officer had signed the Subject Accounts on the basis that the available Books and Records believing that the same: (a) are genuine, correct and accurate; (b) have been prepared and maintained in accordance with the applicable accounting standards, policies and conventions, and the New Board and KMPs are not aware of any significant exercise of judgment which has not been disclosed to them in writing in this regard; and (c) are not in any way fraudulent or misleading;
- (iii) in addition to, and without prejudice to what is stated in paragraph (ii) above, the New Board and KMPs, without being under an obligation to do so, have ascertained that they don't have access to certain information and details for the Subject Period which may have a bearing on the Books and Records required for finalization and approval of this Board Report and the Subject Accounts (non-illustrative list):
 - a. Pursuant to commencement of the CIRP on 17th 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:
 - i. With respect to the financial creditors, the Company had recognized additional liability of Rs. 203 lakhs (net of reversals and write back of liabilities), which represents the difference between borrowings and corresponding interest claims of the financial creditors admitted by the RP and the borrowings and interest accrued in the books as at 31st March, 2021.
 - ii. With respect to operational creditors, employees and other creditors of the Parent, the RP has received and assessed the claim and effect of the same will be given in the financial statements of parent for the financial year 2022-23.

- b. On account of the COVID-19 related lockdown restrictions, erstwhile management was unable to perform the physical count of inventories as at 31st March, 2021. Accordingly, it is not possible to conclude whether the inventories are fairly stated in the consolidated financial results.
- c. Loans by the Company to related parties includes Rs. 174,195 lakhs. The Parent has not created any additional provision for expected credit loss during the year. The provision for expected credit loss is Rs. 42,211 Lakhs as at March 31, 2021. Accordingly since the company had not created additional provision, it is not possible to conclude on the adequacy of the provision for expected credit loss and recoverability.
- d. The Company had carried forward deferred tax assets (net) of Rs. 11,924 lakhs from earlier years. During the year the company has not created any deferred tax liability/asset.
- e. Bank reconciliation statements of the parent as at 31 March 2021 have not been prepared for 11 bank accounts having a carrying amount of Rs. 11.02 Lakhs since the bank statements were not available for these bank accounts. Also, no balance confirmation could be obtained from any of the banks
- f. Bank reconciliation statements of the parent as at 31 March 2021 have not been prepared for 5 bank accounts related to unpaid dividend having a carrying amount of Rs. 27.59 Lakhs since the bank statements were not available for these bank accounts. Also, no balance confirmation could be obtained from any of the banks.
- g. Details of bank deposits of the parent with original maturity exceeding 3 months but less than 12 months as at 31 March 2021 are not available. Also, neither the balance confirmation certificate nor interest on bank deposit certificate could be obtained from bank.
- h. Confirmation of balances had not been received by the auditors of the Company 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 impact of any change in the carrying amount of these balances on consolidated financial statements is unascertainable.
- i. The company has migrated its accounting system from Oracle to Tally Accounting system during the current Financial Year. A migration audit was not performed by the company, and therefore, the completeness and accuracy of the data could not be confirmed.
- j. The Financial Statements of 2 step down foreign subsidiaries (Mirabelle Trading Pte. Ltd. and Bilt Graphic Trading FZE) and 1 domestic subsidiary (Avantha Agritech Ltd) which have a total assets base of Rs. 67,542 lakhs and which are material to the group are unaudited. Since Financials statements of these companies were unavailable the asset bases of Mirabelle Trading Pte Ltd and Avantha Agritech Ltd as on March 31, 2020 and as on March 31, 2019 of Bilt General Trading FZE was considered for consolidation purpose.
- k. One of the foreign subsidiary Ballarpur Speciality Paper Holdings B.V. has fully written off its investment in BILT General Trading FZE, UAE ("BGT") 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.
- (iv) the New Board and KMPs do not take any responsibility or liability for the Books and Records not being in line with the matters stated in paragraph (ii) above, and for the matters that are not available as detailed in paragraph (iii) above. No statement, fact, information (whether current or historical) or opinion contained herein should be deemed or construed as a representation or warranty, confirmation, undertaking and / or assurance, whether express or implied, by the New Board and KMPs.
- (v) Additionally, and without prejudice to the above, the New Board and KMPs further disclaim all responsibility as to matters regarding: (a) recording, disclosing and dissemination of matters set out in, and record-keeping and preservation of, the Books and Records; (b) matters that require specific disclosure in this Board Report and the Subject Accounts, including (without limitation) identification of related parties and related party transactions; and (c) matters concerning maintenance of internal controls, systems and processes;
- (vi) The New Board and KMPs believe and have relied upon the accounts and financial statements of all the subsidiaries, joint ventures and related parties, being duly and properly prepared, verified and approved in accordance with applicable laws including the relevant accounting standards, for the purpose of consolidation of such financial statements and preparation of this Board Report and the Subject Accounts.
- For the reasons set out in the preceding paragraphs, the New Board and KMPs are submitting this Board Report (including for sake of clarity, the Director's Responsibility Statement set out herein) in compliance with the provisions of the Companies Act and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015 and in good faith and strictly on a without liability basis; and no suit, prosecution or other legal proceeding shall lie against them, now or in future, in relation to or in connection with (in any manner whatsoever) this Board Report or any matter stated herein (including, for sake of clarity, the Director's Responsibility Statement set out herein) and the Subject Accounts.***
- Successful Implementation of Resolution Plan**
The Hon'ble National Company Law Tribunal, Mumbai Bench

(“NCLT”), vide its order dated March 31, 2023, approved the Resolution Plan submitted by Finquest Financial Solutions Private Limited under Section 31 of the Insolvency and Bankruptcy Code, 2016, and the plan was successfully implemented by Finquest Financial Solutions Private Limited. Upon successful implementation of the Resolution Plan, the following activities have been made in the Company:

- Reduction and extinguishment of issued Share Capital of the Company prior to approval of Resolution Plan,
- Allotment of securities pursuant to the Resolution Plan;
- Reconstitution of the Board of Directors of the Company and its Committees; and
- Revocation of Power of Attorney/Authorizations issued before and during CIRP by the Company.

Financial Performance

The financial performance of your Company for the financial year ended March 31, 2021, is given below:

(Rs. in Lakh)

Particulars	Standalone		Consolidated	
	2020-21	2019-20	2020-21	2019-20
Revenue from Operations	235	30,192	2,05,525	3,27,450
Other Income	90	3,402	21,157	8,170
Expenses	(2,902)	(75,114)	2,22,987	(2,72,331)
EBIDTA	(2,577)	(41,520)	3,695	63,289
Less: Finance Cost	(49,265)	(47,217)	(1,18,343)	(1,12,088)
Less: Depreciation	(5,633)	(4,563)	(22,698)	(23,281)
Profit/(Loss) before Exceptional Items and Taxes	(57,475)	(93,300)	(1,37,346)	(72,080)
Share of Profit/(Loss) in Associate and Joint Venture	-	-	(1,839)	32
Exceptional Items	(0)	(35,368)	506	(1,33,530)
Profit / (Loss) before Tax	(57,475)	(1,28,668)	(1,39,691)	(2,05,578)
Less: Tax	-	-	(660)	(3,634)
Profit/(Loss) After Tax	(57,475)	(1,28,668)	(1,39,031)	(2,09,213)
Profit/ (loss) from discontinued operations before tax	-	-	-	(39,472)
Less: Tax expense on discontinued operations	-	-	-	-
Net profit/	-	-	-	(39,472)

Particulars	Standalone		Consolidated	
	2020-21	2019-20	2020-21	2019-20
(loss) from discontinued operations after tax				
Net profit/ (loss) after tax	(57,475)	(1,28,668)	(1,39,031)	(2,48,685)

Operations

A detailed review of the operations and performance of the Company and its subsidiaries is provided in the chapter on Management Discussion and Analysis in this Annual Report.

Dividend

In view of the fact that the Company was undergoing Corporate Insolvency Resolution Process as at March 31, 2021, and no record / evidence recommending dividend by the erstwhile board was made available to the New Board, it is deemed fit that no dividend be recommended on the Equity Share Capital of the Company for the financial year ended 31st March 2021.

Particulars of loans, guarantees or investments

Loans, guarantees and investments covered under Section 186 of the Companies Act, 2013 form part of the notes to the financial statements provided in this Annual Report.

Transfer to Reserves and Share Capital

In view of the fact that the Company was undergoing Corporate Insolvency Resolution Process as at March 31, 2021, and no record / evidence recommending transfer of any amount to general reserve was made available to the New Board, it is deemed fit that no amount be transferred to reserves during the period under review.

Fixed Deposits

As per the information made available to the New Board, no amount of principal or interest on erstwhile fixed deposits was outstanding as on 31 March 2021. Further, the Company has not invited any fresh deposits.

Changes in the nature of business

As per the information made available to the New Board, the Company did not undergo any change in the nature of its business during the period under review.

Management's discussion and analysis

In terms of the provisions of Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“the Listing Regulations”), the Management’s discussion and analysis is separately set out in this Annual Report.

Board of Directors and Key Managerial Personnel

As on March 31, 2021, the Board of Directors of the Company comprised of the following directors:

- Mr. Rajeev Ranjan Vederah – Independent Director (DIN: 00012252)
- Dr. Padmakumar Nair – Independent Director (DIN: 03109973)
- Ms. Yashashree Gurjar – Non-Executive Director (DIN: 00012252)

02674807)

Appointments

As per the information made available to the New Board, there were no fresh appointments of directors during the Financial Year 2020-21.

Resignations

As per the information made available to the New Board, there were no resignation of Directors during the Financial Year 2020-2021.

Nomination and Remuneration Policy

An excerpt of the Nomination and Remuneration Policy of the Company is annexed along with the Corporate Governance Report of the Company.

In view of commencement of CIRP during the year under review, the New Board does not have any evidentiary documents which show that erstwhile Management had carried out an annual evaluation of itself, its Committees, Independent Directors and its Directors in accordance with the criteria specified by the Nomination and Remuneration Committee.

Declaration by Independent Directors

The New Board has not been provided with any records evidencing declaration by Independent Directors as provided in Section 149(6) of The Companies Act, 2013 (the Act) and Regulation 16(1)(b) of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015.

Meetings of the Board

During the financial year, the company was undergoing the Corporate Insolvency Resolution Process (CIRP) under the provisions of the Insolvency and Bankruptcy Code, 2016 (IBC). Pursuant to Regulation 15(2A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR), the requirement to hold board meetings and comply with the provisions relating to the composition and roles of the Board of Directors was not applicable during the CIRP period.

Accordingly, no meetings of the Board of Directors were held during the CIRP period, and the powers of the Board were exercised by the Resolution Professional (RP) appointed under the IBC.

Promoter Group

The Company was a part of the Avantha Group, a global business conglomerate led by Mr. Gautam Thapar and the periodical disclosures of the Company provides for the details of its Promoter, Promoter Group and persons acting in concert in the shareholding pattern and other filings with the Stock Exchanges. It is pertinent to note that with effect from the approval of resolution plan, the Company is not a part of the Avantha Group.

Subsidiary Companies & Consolidation of Accounts

The Company has 2 Indian subsidiaries. These are: (i) BILT Graphic Paper Products Limited (BGPPL) and (ii) Avantha Agritech Limited (AAL) which was formerly BILT Tree Tech Limited. AAL is a direct subsidiary and BGPPL is a step-down

subsidiary of the Company. In the last few years excess availability of wood in the market resulted in a substantial reduction of wood prices and consequently, the farmers have been shifting away from growing wood to other crops and horticulture plants. In view of the same AAL sold part of its Agroforestry Business.

The Company also has seven foreign subsidiaries. Of these, four are based in The Netherlands: (i) Ballarpur International Holdings B.V. (BIH), (ii) BILT Paper B.V. (BPBV), (iii) Ballarpur Paper Holdings B.V. (BPH), and (iv) Ballarpur Speciality Paper Holdings B.V. (BSPH). One international subsidiary, namely Sabah Forest Industries Sdn. Bhd. (SFI) is based in Malaysia; Mirabelle Trading Pte Ltd. is based in Singapore, and another, BILT General Trading (FZE) is based in the UAE.

It is pertinent to note that w.e.f. February 25, 2021, Ballarpur Paper Holdings B.V. (BPH), Bilt Graphic Paper Products Limited and Sabah Forest Industries have become the associates of the Company.

The following updates are extremely important to be noted by the Members of the Company:

- a. The Financial Statements of 2 step down foreign subsidiaries (Mirabelle Trading Pte. Ltd. and Bilt Graphic Trading FZE) and 1 domestic subsidiary (Avantha Agritech Ltd) which have a total assets base of Rs. 67,542 lakhs and which are material to the group are unaudited.
- b. Loan Receivable by the company from related parties is Rs.1,74,195 Lakhs. The company has not created any additional provision for expected credit loss during the year. The provision for expected credit loss is Rs.42,211 Lakhs as at March 31, 2021. Since the company has not created any additional provision for expected credit loss, the auditor was unable to conclude on the adequacy of the provision for expected credit loss and the recoverability of the balance receivable from the related parties.
- c. One of the foreign subsidiaries, 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 also the license of BGT has expired. However, the auditors were not provided with sufficient information

and documents related to closure of business of BGT and therefore, the auditors were unable to comment upon the reasonableness of consolidation of BGT in the consolidated financial results.

The performance and financial position of each subsidiary and joint venture are detailed in the 'Statement containing salient features of the financial statement of subsidiaries, associate companies/joint ventures in Form AOC-1, pursuant to Section 129 of the Act which is enclosed as Annexure-1 to this Board's Report. Material changes and commitments affecting financial position between the end of the financial year and date of the report.

Commencement of Corporate Insolvency Resolution Process (CIRP)

The National Company Law Tribunal (NCLT), Mumbai Bench, initiated the Corporate Insolvency Resolution Process (CIRP) against the Company on January 17, 2020, based on the application filed by Finquest Financial Solutions Private Limited ("FFSPL"). Mr. Divyesh Desai initially served as the Interim Resolution Professional. Later, Mr. Anuj Jain was appointed as the resolution professional (RP) by the NCLT on May 27, 2020. This process suspended the powers of the Company's erstwhile board of directors, mandating the IRP and RP to manage its affairs.

Approval and Implementation of the Resolution Plan

The NCLT approved the resolution plan submitted by FFSPL on March 31, 2023, marking a significant milestone in the Company's restructuring under the Insolvency and Bankruptcy Code. Pursuant to the Approved Resolution Plan, a monitoring committee oversaw the Company's operations and the plan's implementation until October 25, 2023. FFSPL acquired majority shareholding in the Company, leading to the appointment of a new board of directors on June 12, 2023, and September 08, 2023.

Current Governance Structure and Compliance

The New Board, led by Mr. Hardik B. Patel as the Chairman cum Whole-Time Director and Chief Financial Officer, comprises independent directors and key management personnel appointed in accordance with the Approved Resolution Plan and the NCLT Order. The plan is binding on all stakeholders, including employees, creditors, and government authorities. Mr. Punit A. Bajaj serves as the Company Secretary, ensuring compliance with regulatory requirements under the new governance framework established post-resolution.

Directors' Responsibility Statement

In accordance with Section 134(5) of the Companies Act, 2013, and subject to Inherent Limitations and Inhibitions as provided in the beginning of the Board's Report, the New Board is setting out this Director's Responsibility Statement in compliance with the provisions of the Companies Act and the SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015 and in good faith and strictly on a without liability basis; and no suit, prosecution or other legal proceeding shall lie against them, now or in future, in relation to or in connection with (in any manner whatsoever) this Director's Responsibility Statement set out herein.

Subject to the above and based on the information provided to the New Board from time to time including the information made available during the CIRP of the Company by the Interim Resolution Professional / Resolution Professional, the New Board believes that:

- In the preparation of the annual accounts, the applicable accounting standards have been followed and that there is no material departure;
- The accounting policies selected and applied ought to be consistently and judgments made and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for the financial year;

- Proper and sufficient care for maintenance of adequate accounting records as provided in the Companies Act, 2013, ought to have been taken for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities;
- The annual accounts of the Company have been prepared on a "going concern" basis;
- Internal financial controls ought to have been followed by the Company and that such controls ought to be adequate and operated effectively; and
- Proper systems to ensure compliance with the provisions of all applicable laws ought to have been in place and that such systems were adequate and operating effectively.

Secretarial standards

The New Board has not been provided with any information pertaining to compliance with all the applicable provisions of Secretarial Standards issued by the Institute of Company Secretaries of India and approved by the Central Government.

Listing on stock exchanges

The Company's shares are listed on BSE Limited and the National Stock Exchange of India Limited.

Auditors and Auditors' Reports

Statutory auditor

Pursuant to the terms of the approved resolution plan, the New Board had appointed M/s. Batliboi & Purohit, Chartered Accountants (Firm Registration No. 101048W) as the Statutory Auditors of the Company for a term of 5 years, who shall hold office from conclusion of Seventy Fifth Annual General Meeting till conclusion of Eightieth Annual General Meeting to be held in the year 2025, to audit the consolidated financial statements of the Company. M/s Batliboi & Purohit, have made disclaimer of opinion in their report on the consolidated financial statements of the Company for the financial year ended 31st March 2021.

The New Board is not in a position to provide any response to such disclaimer of opinion made by the Statutory Auditors of the Company, as the Board was constituted pursuant to the implementation of the Resolution Plan, approved by the National Company Law Tribunal.

Particulars of contracts or arrangements made with related parties

As per Note 43 of the audited financial statements of the company on standalone basis for the financial year 2020-21, all the transactions with related parties entered during the review period were in the ordinary course of business. The New Board, having recently assumed its responsibilities, is not in a position to confirm the same and therefore is relying on the disclosure in the audited financial statements of the company on standalone basis. The details of material contracts, arrangements or transactions with related parties which require disclosure in Form AOC-2, is annexed to this report as **Annexure-2**.

Secretarial auditor

The Board had appointed M/s Viral Sanghavi & Associates, Company Secretaries (Firm Registration No.: 3130), to conduct Secretarial Audit of the Company for the financial

year 2020-21. The Secretarial Audit Report is annexed to this report as **Annexure-3**.

Cost Auditor

M/s. K. G. Goyal & Co., Cost Accountants (Firm Registration No.000017), were appointed as the Cost Auditors of the Company, to carry out the cost audit of paper manufactured and pulp, if any, in relation to the financial year ending 31st March 2021. Remuneration of the Cost Auditors has been approved by the Members of the Company in their Seventy Fifth Annual General Meeting held on September 10, 2024.

Further, the Company is required to maintain cost records as required under Section 148(1) of the Companies Act, 2013 and the Cost Audit Report confirms that such accounts and records are being made and maintained by the Company.

Corporate Governance

The report on Corporate Governance together with the Compliance Certificate is attached and forms part of this Annual Report.

Adequacy of internal financial controls

The New Board, is not in a position to provide a detailed assessment of the internal financial controls and their adequacy for FY 2020-21 at this time, as it has assumed the responsibilities pursuant to approval of Resolution Plan. However, we want to assure you that the New Board is unwavering in its commitment to implementing and upholding stringent internal control practices. Our priority is to ensure that the highest standards of governance and accountability are adhered to, and we will be taking all necessary steps to evaluate and enhance our internal control systems moving forward.

Investor Education and Protection Fund (IEPF)

As per the information made available to the New Board, during the period under review the Company was not required to transfer any amount towards the fund.

Risk Management report

The New Board has not been provided with any information pertaining to risk management during the period under review.

Statutory Committees

The Corporate Governance Report may be referred for details on Statutory Committees.

Statutory Policies

In compliance of the various provisions of the Companies Act, 2013, and Listing Regulations, the Company has made the following policies which are available on its website: www.biltpaper.in

- Policy on materiality of and dealing with related party transactions.
- Policy for preservation of documents.
- Policy on determination of materiality of events.
- Policy on disclosure of unpublished price sensitive information.
- Whistle Blower Policy, covering all employees and Directors, for the vigil mechanism *inter alia* providing direct access to any whistle blower to the Chairman of the Audit Committee, as per said policy.

- Policy on Prevention of Sexual Harassment of Women at Workplace in line with the requirement of "The Sexual Harassment of Women at Workplace (Prohibition, Prevention and Redressal) Act, 2013".

In view of the fact that no record / evidence is made available to the New Board, it is not prudent for the New Board to comment on the compliance with the provisions relating to constitution of Internal Complaints Committee under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The New Board was not made available with details of any complaints received during the period under review and hence the New Board could not confirm the same.

Significant/ Material Orders passed by Regulators

Commencement of Corporate Insolvency Resolution Process (CIRP)

The National Company Law Tribunal (NCLT), Mumbai Bench, initiated the Corporate Insolvency Resolution Process (CIRP) against the Company on January 17, 2020, based on the application filed by Finquest Financial Solutions Private Limited ("**FFSPL**"). Mr. Divyesh Desai was appointed as the Interim Resolution Professional. Later, Mr. Anuj Jain was appointed as the resolution professional (RP) by the NCLT on May 27, 2020. This process suspended the powers of the Company's erstwhile board of directors, mandating the IRP and RP to manage its affairs.

Approval and Implementation of the Resolution Plan

The NCLT approved the resolution plan submitted by FFSPL on March 31, 2023, marking a significant milestone in the Company's restructuring under the Insolvency and Bankruptcy Code. Pursuant to the Approved Resolution Plan, a monitoring committee oversaw the Company's operations and the plan's implementation until October 25, 2023. FFSPL acquired majority shareholding in the Company, leading to the appointment of a new board of directors on June 12, 2023, and September 08, 2023.

Particulars of employees

Information required under Section 197(12) of the Companies Act, 2013, read with Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, is annexed with this Annual Report as **Annexure-4**.

Conservation of Energy, Research & Development, Technology Absorption and Foreign Exchange Earnings and Outgo

The particulars regarding foreign exchange earnings and outgo are not being provided to the New Board and it is informed that these figures are not material in nature due to the poor performance of the Company.

Corporate Social Responsibility (CSR)

As per the criteria mentioned in Sub-Section (1) of Section 135 of Companies Act, 2013, the Company is not required to constitute CSR committee. Also, provisions relating to formulation of CSR (Corporate Social Responsibility) Policy are not applicable to the Company. The Annual Report on CSR is annexed with this Annual Report as **Annexure-5**.

Business Responsibility and Sustainability Report (BRSR)

In accordance with Regulation 34(2)(f) of the Listing Regulations, only top one thousand listed entities based on market capitalization are mandated to prepare BRSR and accordingly, the same is not applicable to the Company.

Cautionary Statement

This Board's Report reflects the diligent efforts of the New Board to compile and analyze relevant data for the purpose of consumption of the Members of the Company. The New Board has relied on the best available data and records accessible to us at this time. Certain historical data and performance metrics may be based on estimates or assumptions due to incomplete or pending verification of records.

Members are advised to exercise caution when interpreting the financial and operational analyses presented in this Report. The New Board assumes no liability for any

inaccuracies or omissions that may arise from the transition and lack of historical records. We are committed to enhancing our internal controls and information systems to ensure more robust and reliable reporting in future periods.

We appreciate your understanding and support as we navigate this transition and work towards restoring comprehensive reporting for Ballarpur Industries Limited.

For and on behalf of the Board of Directors

Sd/-

Hardik Bharat Patel

Whole-Time Director & Chief Financial Officer

DIN: 00590663

Date: April 16, 2025

Place: Mumbai

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Annexure-1

Form No. AOC-1

STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES/ASSOCIATE COMPANIES/JOINT VENTURES (PURSUANT TO FIRST PROVISIO TO SUB-SECTION (3) OF SECTION 129 READ WITH RULE 5 OF COMPANIES (ACCOUNTS) RULES, 2014)

Part "A": Subsidiaries

(Figure in Lakhs)

Name of the subsidiary	Ballarpur International Holdings B.V.	BILT Paper B.V.	Ballarpur Paper Holding B.V. (Refer note no. f)	Avantha Agritech Limited (Formerly known as BILT Tree Tech Limited)	BILT Graphic Paper Products Limited (Refer note no. f)	Sabah Forest Industries Sdn. Bhd. (Refer note no. f)	Ballarpur Speciality Paper Holdings B.V.	BILT General Trading (FZE)	Mirabelle Trading Pte Ltd.
Financial Year of the Subsidiary ended on	March 31, 2021	March 31, 2021	March 31, 2021	March 31, 2021	March 31, 2021	March 31, 2021	March 31, 2021	March 31, 2021	March 31, 2021
Reporting Currency	US Dollar	US Dollar	US Dollar	Indian Rupees	Indian Rupees	Malaysian Ringgit	US Dollar	US Dollar	Singapore dollar
Closing Exchange Rate	73.36	73.36	73.36	1	1	17.64	73.36	NA	NA
Average Exchange Rate	74.19	74.19	74.19	1	1	17.48	74.19	NA	NA
Equity Share capital	73,204	5,418	-	108	-	-	13	27	3,989
Reserves & surplus	(2,11,160)	1,63,533	-	(1,018)	-	-	(273)	123	(4,268)
Total Assets	22,049	2,65,445	-	671	-	-	0	283	66,588
Total Liabilities	1,60,006	96,493	-	1581	-	-	260	133	66,868
Investments	-	2,15,685	-	-	-	-	-	-	-
Turnover (including other income)	372	11,899	13,369	-	2,06,156	5,675	12	-	-
Profit before taxation	(6,970)	(76)	(37,170)	-	(54,723)	(6,162)	11	-	-
Provision for taxation	-	-	-	-	-	-	-	-	-
- Current Tax	-	-	-	-	(660)	-	-	-	-
- MAT Entitlement Credit	-	-	-	-	-	-	-	-	-
- Deferred Tax	-	-	-	-	-	-	-	-	-
- Excess provision relating to	-	-	-	-	-	-	-	-	-

Name of the subsidiary	Ballarpur International Holdings B.V.	BILT Paper B.V.	Ballarpur Paper Holding B.V. (Refer note no. f)	Avantha Agritech Limited (Formerly known as BILT Tree Tech Limited)	BILT Graphic Paper Products Limited (Refer note no. f)	Sabah Forest Industries Sdn. Bhd. (Refer note no. f)	Ballarpur Speciality Paper Holdings B.V.	BILT General Trading (FZE)	Mirabelle Trading Pte Ltd.
earlier years									
Profit after taxation	(6,970)	(76)	(37,170)	-	(54,063)	(6,162)	11	-	-
Proposed Dividend	-	-	-	-	-	-	-	-	-
% of shareholding	100	62.21 (a)	100 (b)	91.67 (e)	97.45 (c)	98.08 (c)	100	100 (e)&(d)	100 (a)&(e)

Notes:

- Held through Ballarpur International Holdings B.V.
- Held through BILT Paper B.V.
- Held through Ballarpur Paper Holdings B.V.
- One of the foreign subsidiary Ballarpur Speciality Paper Holdings B.V. has fully written off its investment in BILT General Trading FZE, UAE ("BGT") 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.
- The closing balances of these subsidiaries is being carried forwarded from previous year due to absence of audited/management certified financial statements.
- Associates w.e.f. 25th February 2021.

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of Associates / Joint Ventures	Latest audited Balance Sheet Date	No. of Shares	Amount of Investment in Joint Venture/ Associate (Rs. in Lakhs)	Extent of Holding (%)	Net Worth attributable to shareholding as per latest Audited Balance Sheet (Rs. in Lakhs)	Considered in Consolidation (Rs. in Lakhs)	Not considered in Consolidation (Rs. in Lakhs)	Description of how there is significant influence	Reason why the joint venture is not consolidated
Ballarpur Paper Holdings B.V. (BPH B.V.)	31 st March 2021	12,51,92,483	3,80,643	30% (through step down subsidiary BPBV)	(31,757)	(31,757)	NA	Group Shareholding	NA
Bilt Graphic Paper Products Limited	31 st March 2021	-	-	29.24% (Group Shareholding)	(1,57,515)	(1,57,515)	NA	Group Shareholding	NA
Sabah Forest Industries	NA	-	-	29.04% (Group Shareholding)	180	180	NA	Group Shareholding	NA

**For Batliboi & Purohit
Chartered Accountants
Firm Registration No.: 101048W**

For Ballarpur Industries Limited

**Sd/-
Parag Hangekar
Partner
Membership No.: 110096**

**Sd/-
Punit Bajaj
Company Secretary
Memb. No.: A-58392**

**Sd/-
Parashiva Murthy B S
Director
DIN: 00011584**

**Sd/-
Hardik B. Patel
Whole- Time Director &
Chief Financial Officer
DIN: 00590663**

**Date: April 16, 2025
Place: Mumbai**

**Date: April 16, 2025
Place: Mumbai**

Annexure-2

Form No. AOC-2

(PURSUANT TO CLAUSE (H) OF SUB-SECTION (3) OF SECTION 134 OF THE ACT AND RULE 8(2) OF THE COMPANIES (ACCOUNTS) RULES, 2014)

FORM FOR DISCLOSURE OF PARTICULARS OF CONTRACTS/ARRANGEMENTS ENTERED INTO BY THE COMPANY WITH RELATED PARTIES REFERRED TO IN SUB-SECTION (1) OF SECTION 188 OF THE COMPANIES ACT, 2013 INCLUDING CERTAIN ARM'S LENGTH TRANSACTIONS UNDER THIRD PROVISO THERETO

1. Details of contracts or arrangements or transactions not at arm's length basis

Not applicable. During the financial year 2020-21, all related party transactions entered into by the Company were in the ordinary course of business and on an arm's length basis and were approved by the Resolution Professional of the company.

2. Details of material contracts or arrangement or transactions at arm's length basis

Sr. No.	Particulars	Details
1	Name(s) of the related party and nature of relationship:	Bilt Graphic Paper Products Limited (Step down subsidiary up to 24 th February 2021) (Associate w.e.f. 25 th February 2021)
2	Nature of contracts/ arrangements/ transactions:	Leasing/ renting of Plant and Machinery and buildings
3	Salient terms of the contracts or arrangements or transactions:	During the year 2020-21, the company had entered into a rent agreement with related party i.e. BGPPL, pursuant the approval taken by the Resolution Professional from the Committee of Creditors. The said Rent Agreement is not available with the new management.
4	Duration of the contracts/ arrangements/ transactions:	
5	Date(s) of approval by the Board, if any:	
6	Transaction Value:	Rental Income: 15 Lakhs Rental Expenses: 14 Lakhs

For Ballarpur Industries Limited

Sd/-
Hardik B. Patel
Whole- Time Director & Chief Financial Officer
DIN: 00590663

Sd/-
Parashiva Murthy B S
Director
DIN: 00011584

Date: April 16, 2025
Place: Mumbai

Date: April 16, 2025
Place: Mumbai

Annexure-3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Ballarpur Industries Limited
L21010MH1945PLC010337
602, Boston House, 6th Floor, Suren Road,
Andheri East, Mumbai, Maharashtra, India, 400093

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **BALLARPUR INDUSTRIES LIMITED** having CIN: L21010MH1945PLC010337 (hereinafter called 'the Company') for the financial year ended March 31, 2021. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

The corporate insolvency resolution process ("**CIRP**") of the Ballarpur Industries Limited ("**Company**") was initiated, consequent to the admission of the application made by Finquest Financial Solutions Private Limited ("**FFSPL**") under the provisions of the Insolvency and Bankruptcy Code, 2016 (the "**Code**"), by the Hon'ble National Company Law Tribunal, Mumbai bench ("**NCLT**"), vide its order dated January 17, 2020, ("**Insolvency Commencement Order**"). The powers of the erstwhile board of directors of the Company were suspended upon commencement of the CIRP of the Company (i.e. on and from the Insolvency Commencement Order).

Sri Divyesh Desai having IP Registration No. IBBI/IPA-001/IP-P00169/2017-18/10338 was appointed as an interim resolution professional ("**IRP**") to manage affairs and assets of the Company in accordance with the provisions of the Code. Subsequently, the hon'ble NCLT vide its order dated May 27, 2020 had appointed Sri Anuj Jain having IP Registration No. IBBI/IPA-001/IP-P00142/2017-18/10306 as the resolution professional ("**Resolution Professional**") of the Company to take charge of the affairs and assets of the Company in accordance with the provisions of the Code.

Prior to the date of the Insolvency Commencement Order, the erstwhile board of directors of the Company managed the business operations, affairs and assets of the Company. However, in accordance with the terms of the Code, the powers of the erstwhile board of directors continued to remain suspended for the entire period to which this Board Report pertains to. During the CIRP, the IRP and Resolution Professional were entrusted with the management of the affairs of the Company.

Subsequently, the Hon'ble NCLT, Mumbai Bench vide its order dated March 31, 2023 ("**Approval Order**") approved the Resolution Plan of M/s Finquest Financial Solutions Private Limited ("**SRA**") in the CIRP of the Company. Pursuant to the Approval Order, the Implementation and Monitoring Committee ("**IMC**") was constituted on for effective implementation of the Resolution plan for defined period i.e. 150 days from the NCLT Approval Date as stated in Resolution Plan, comprising of 1 (One) representative of the Secured Financial Creditors, 1 (One) representatives of the Resolution Applicants and the Erstwhile Resolution Professional managed the affairs of the Company as a going concern and supervised the implementation of the Resolution Plan. The powers of the Board of Directors continued to remain suspended during the defined period as all the decisions relating to the implementation of the Resolution Plan were taken by IMC. Subsequent to dissolution of the IMC, the effective control of the Company was handed over to the reconstituted Board of Directors of the Company ("**New Board**").

I have been informed by the New Board that certain information including the Minutes of meeting of Committee of Creditors ("**CoC**") and the outcome of certain procedures carried out as a part of the CIRP are confidential in nature and could not be shared with anyone other than Committee of Creditors and NCLT. In view of this, my verification and/or examination of the Board process and compliance, Secretarial Standards as well as related relevant Minutes Books, papers and documents, etc. are restricted during the year under review and wherever applicable herein after in this Secretarial Audit Report.

The Company has informed me that they are unable to provide me the access to the Company's books, papers, minute books, forms and other internal records for the audit period, as the same was not made available to the New Board at the time of handover of control. Accordingly, my verification has been limited to the information and documents available in the public

domain, including the e-forms and returns filed by the Company with the Ministry of Corporate Affairs, stock exchanges and such other publicly accessible sources.

This report is therefore based solely on the examination of these publicly available filings and does not cover a detailed verification of the Company's internal records or the actual functioning of its management and compliance mechanisms during the CIRP period, since the same is not made available to the New Board at the time of handover of control.

Subject to the above limitation, my/our observations and opinion on the compliance by the Company of the applicable laws are reported hereinafter.

I have examined the forms and returns filed and other records available in the public domain for the financial year ended on March 31, 2021 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **[Applicable only to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings]**
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **[Not applicable during Audit Period]**
 - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **[Not applicable as the Company does not have any Employee Stock Option Scheme and Employee Stock Purchase Scheme]**
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **[Not Applicable as the Company is not registered as Registrar to Issue and Share Transfer Agent during the financial year under review];**
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **[Not applicable as the Company has not delisted its equity shares from any stock exchange during the financial year under review.]**
 - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **[Not Applicable as there was no reportable event during the period under review];**

I have also examined compliance with the applicable clauses of the following:

- i. Secretarial Standards issued by The Institute of Company Secretaries of India under the Companies Act, 2013.
- ii. The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- iii. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI (LODR) Regulations, 2015") except the Provisions as specified in regulations 17, 18, 19, 20 and 21 which were not applicable during the Insolvency Resolution Process period, which started from order dated January 17, 2020 and was still continued till year end, in respect of a listed entity which was undergoing Corporate Insolvency Resolution Process under the Insolvency and Bankruptcy Code.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above, **except:**

1. Regulation 33 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 read with SEBI Circular SEBI/HO/CFD/CMD1/CIR/P/2020/38 dated 19th March 2020, requires the submission of Standalone and Consolidated

Audited Financial Results for the year ended March 31, 2020 should have to be disclosed before 30th June, 2020 (Extended Timeline) but the Standalone Audited Financial Results was submitted on 8th December 2020. The Consolidated Audited Financial Results for the year ended March 31, 2020 were not filed during year under consideration. Also, the unaudited Financial Results for the quarter ended on 30th June 2020, 30th September 2020 and 31st December 2020 were not submitted with stock exchange during period under consideration.

2. Regulation 47 SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, requires publication of financial results in newspapers within 48 hours of Board approval, but the same has not be done.
3. Regulation 34 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 requires the submission of Annual Report for FY ending of 31st March 2020, with stock exchange not later than the day of commencement of dispatch to its Shareholders, the same was not submitted.
4. Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 mandates filing of the Annual Secretarial Compliance Report within 60 days from the end of the financial year, which was duly extended to 30/06/2020 but the Company has not submitted the same with stock exchange.
5. Regulation 23(9) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 requires disclosure of Related Party Transactions on a half-yearly basis within 30 days from the date of publication of its standalone and consolidated financial results for the half year, but the same was not submitted.
6. Regulation 76 of SEBI (Depositories and Participants) Regulations, 2018, requires the Company to submit a Reconciliation of Share Capital Audit Report duly certified by a qualified Chartered Accountant or a practicing Company Secretary or a practicing Cost Accountant on quarterly basis, but the same was not submitted.
7. Regulations 3(5) and 3(6) of SEBI (Prohibition of Insider Trading) Regulations, 2015 require the Company to maintain a Structured Digital Database (SDD) of persons with whom unpublished price sensitive information is shared and to obtain and submit the compliance certificate with stock exchange, but the same was not submitted.
8. Regulations 52 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (applicable in case of Secured Listed Non-Convertible Debt Securities), required the listed entity to prepare and submit un-audited or audited financial results on a half yearly basis within forty five days from the end of the half year to the recognised stock exchange and also to submit the copy to Debenture Trustees on the same day the information is submitted to stock exchanges. For the financial year ended 31 March 2020, the audited standalone financial results were approved on 08th December 2020. The Company forwarded the said results to the Debenture Trustee on 22nd December 2020 and obtained the certificate under Regulation 52(5) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 on 23rd December 2020, which was filed with the Stock Exchange(s) on the same day. Accordingly, there was a delay between the approval of results and the submission of the certificate to the Stock Exchange(s).
9. Regulations 54(2) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (applicable in case of Secured Listed Non-Convertible Debt Securities) requires that the listed entity shall disclose to the stock exchange in quarterly, half-yearly, year to-date and annual financial statements, as applicable, the extent and nature of security created and maintained with respect to its secured listed non-convertible debt securities. Also, The listed entity shall forward, to the debenture trustee promptly, a half-yearly certificate regarding maintenance of hundred percent asset cover or higher asset cover, as per the terms of offer document/ Information Memorandum and/or Debenture Trust Deed, including compliance with all the covenants, in respect of listed non convertible debt securities, by the statutory auditor, along with the half-yearly financial results, but the company has failed to do the same.

I further report that during the year under review: -

- Adequate notice is generally given by Company Secretary to Resolution Professional to schedule the Meetings of Resolution Professional to manage the affairs of the Company. Agenda and detailed notes on agenda were generally sent at least seven days in advance and a system exists for seeking and obtaining further information and clarification on the agenda items before the meeting and for meaningful participation at the meeting.

- All the decisions to manage the affairs of the Company are carried out by Resolution Professional. These functions are performed by the Resolution Professional only to the limited extent of discharging the powers of the Board of Directors of the Company (suspended during CIRP) which have been conferred upon him in terms of provisions of Section 17 of the Code.

I further report that based on limited information available from the Company and review of the existing compliance mechanism established by the Company, I am of the opinion that there are adequate systems and processes in place in the Company which is commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period following events occurred which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.:-

1. Pursuant to Section 96 of the Companies Act, 2013, the Annual General Meeting ("AGM") of the members of the Company for the year 2019-20 which was required to be held on or before September 30, 2020 (and as extended by the Registrar of Companies) but was not held during the year under review and is in violation of Section 96. Also all related filing viz AOC-4 XBRL & MGT-7, were also not made during the year under review for the FY ending on 2019-20.
2. As reported in the last secretarial audit report, pertaining to FY 2019-20, the Company has not appointed CFO as required u/s 203(1) of the Companies Act 2013 and Rule 8 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and in the current year under audit review also, the company has not appointed the CFO as required by the said section.

**For, Viral Sanghavi & Associates
Practicing Company Secretaries
Firm Reg No : 3130**

**Sd/-
CS Viral Sanghavi
Proprietor**

**Singed on 16th April, 2025 at Jamnagar
UDIN: F010331G000141132**

**M No. FCS 10331 CP 9035
Peer Review No: 2531/2022**

This report is to be read with our letter of even date which is annexed as **Annexure A** and forms an integral part of this report.

ANNEXURE A TO SECRETARIAL AUDITORS' REPORT

To,
The Members,
Ballarpur Industries Limited
L21010MH1945PLC010337
602, Boston House, 6th Floor, Suren Road,
Andheri East, Mumbai, Maharashtra, India, 400093

Our Secretarial Review Report of even date, for the financial year ended March 31, 2021 is to be read along with this letter.

Management's Responsibility

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.

Auditor's Responsibility

1. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
2. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
3. Wherever required, I have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.
4. The compliance of the provisions of Corporate, Specific and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.

Disclaimer

1. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For, Viral Sanghavi & Associates
Practicing Company Secretaries
Firm Reg No: 3130**

**Sd/-
CS Viral Sanghavi
Proprietor**

**Singed on 16th April, 2025 at Jamnagar
UDIN: F010331G000141132**

**M No. FCS 10331 CP 9035
Peer Review No: 2531/2022**

Annexure-4

REMUNERATION AND OTHER DETAILS IN TERMS OF SUB-SECTION 12 OF SECTION 197 OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014:

Note: The information provided below is on standalone basis for the Company.

1. Ratio of the remuneration of each director to the median remuneration of all the employees of the Company for the financial year;

S. No.	Name of Director	Ratio of Remuneration to Median Remuneration of all Employees
1.	Mr. R. R. Vederah	Nil
2.	Mr. Padmakumar Nair	Nil
3.	Ms. Yashashree Padmakar Gurjar	Nil

Based on the information made available to the New Board, the above mentioned Directors have not drawn any remuneration for the financial year 2020-21.

2. The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:

As per the information made available to the New Board, there is no increase in remuneration to Directors as the remuneration for the financial year 2020-21. Further, the information with respect to remuneration of CFO, CEO, CS or Manager, if any, adequate information is not made available to the New Board to compute the percentage increase in their remuneration.

3. The percentage increase in the median remuneration of employees in the financial year 2020-21:

Nil

4. The number of permanent employees on the rolls of Company as on 31 March 2021:

Adequate data not made available to the New Board.

5. Average percentile Increase in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentage increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.

Nil

6. The remuneration is as per Remuneration Policy of the Company.

Adequate data not made available to the New Board.

7. (i) Details of top ten employees of the Company in terms of remuneration drawn:

Adequate data not made available to the New Board. However, as per the information on salaries processed for the month of March 2021, the following are the top ten employees of the Company in terms of remuneration drawn:

S.No.	Name	Designation	Remunerati on Received (INR)	Qualifi cation	Experience (Years)	Date of commencement of employment	Age (Years)
1	R Hariharan	Chief General Manager	40,40,000.00	B.Sc. (Engineering Mech.)	35	01.10.1998	59
2	Atul Sharma	General Manager	33,00,000.00	Dip. In Mech. Engineering	31	15.11.2010	52
3	Anil Mohan Sinha	Deputy General Manager	22,62,000.00	Chartered Accountant	38	25.09.1997	60
4	Rakesh Kumar Malhotra	Deputy General Manager	22,23,937.00	B.Sc. , BE Chem	36	05.04.1986	56
5	Pankaj Kumar Sinha	Deputy General Manager	19,56,803.00	Chartered Accountant	26	04.08.2017	49
6	Ranjan Thapar	Manager	17,43,676.00	B.Com	26	06.06.1995	46
7	Rajesh Kumar Sharma	Deputy Manager	16,84,703.00	Dip. In Mech. Engineering	37	24.07.1984	58
8	Prasahnt Kumar Sinha	Manager	16,80,004.00	B.E.	29	27.03.2018	50
9	Ashok Kumar Chaubey	Deputy Manager	9,88,553.00	Dip. In Mech. Engineering	31	17.12.2007	55
10	Pankaj Kumar Joshi	Deputy Manager	9,29,377.00	M.Sc.	17	26.07.2004	40

The New Board is not provided with adequate information to ascertain the last employment and designation of the aforementioned employees, held before joining the Company.

(ii) if employed throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than one crore and two lakh rupees;

Nil

(iii) if employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than eight lakh and fifty thousand rupees per month;

Nil

(iv) if employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the Managing Director or Whole-Time Director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the Company:

Nil

Cautionary Statement: *This annexure has been prepared based on the best information made available to the New Board. Due to the historical nature of the data and the circumstances of the company's acquisition under the Corporate Insolvency Resolution Process (CIRP), some information may be incomplete. Members are advised to exercise caution when interpreting the details furnished in this annexure. Neither the undersigned nor the New Board assumes liability for any inaccuracies or omissions that may arise from the transition and lack of historical records. We are committed to enhancing our internal controls and information systems to ensure more robust and reliable reporting in future periods.*

For and on behalf of the Board of Directors

Sd/-

Hardik Bharat Patel

Whole-Time Director & Chief Financial Officer

DIN: 00590663

Date: April 16, 2025

Place: Mumbai

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) INITIATIVES FOR FY 2020-21

1. A brief outline of the Company's CSR policy and a reference to the web- link to the CSR policy and projects or programs.

As per the information made available to the New Board, CSR at BILT has been operational long before the New Companies Act, 2013 came into force. CSR initiatives at BILT are carried out at the manufacturing units through partnerships with Non-Governmental Organisations (NGOs). The Company conducts its CSR activities based on the philosophy of sustainable development & inclusive growth.

At BILT CSR is taken up with a commitment for the communities & environment. BILT uses CSR to integrate economic, environmental and social objectives with the Company's operations and growth.

The Company has been implementing CSR with a dedicated team and its CSR initiatives are part of the Company's well defined CSR policy.

Excerpt of CSR Policy

As per the information made available to the New Board, BILT is committed to its stakeholders to conduct its business in a responsible manner that creates a sustained positive impact on society. At BILT, CSR is envisaged as a long-term engagement with key stakeholders. Focused programmes are implemented to enable the disadvantaged communities to improve the quality of their life and preserve the ecosystem that supports the communities and the Company.

2. Composition of the CSR Committee:

As per the criteria mentioned in Sub-Section (1) of Section 135 of Companies Act, 2013, the Company is not required to constitute CSR committee. Also, provisions relating to formulation of CSR (Corporate Social Responsibility) Policy are not applicable to the Company.

3. Average net profit/(loss) of the Company for last three financial years:

INR (58,873) Lakhs (*Due to inadequate information available with the New Board, the average net profit/ (loss) is computed based on profit before tax and exceptional items*)

4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above):

Nil

5. Details of CSR spent during the financial year:

- a. Total amount to be spent for the financial year 2021: Nil
- b. Actual amount spent for the financial year 2021: Nil
- c. Amount unspent, if any: N.A.
- d. Manner in which the amount spent during the financial year: N.A.

Details of CSR: Not Applicable

Amount in Rs.

Sl. No.	CSR project or activity Identified	Sector in Which the Project is Covered	Projects or programs (1) local area or Other (2) specify the State and district Where projects Or programs was Undertaken	Amount Outlay (budget Project Program Wise)	Amount spent on The projects or Programs sub-heads: (1) direct expenditure on projects or Programs (2) Overheads	Cumulative Expenditure Upto to the Reporting Period	Amount Spent: direct Or through Implementing Agency
1				N.A.			
2				N.A.			

6. In case the Company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board report:

Not Applicable.

7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company:

Not Applicable

CORPORATE GOVERNANCE PHILOSOPHY

Ballarpur Industries Limited ('the Company' or 'BILT') has adopted sustainable business practices to deliver long term value to all its principal stakeholders, shareholders, customers, partners, employees and society at large. The Company's corporate governance systems provide the fundamental framework for business execution in line with the overall business ethos.

The corporate governance philosophy at BILT is based on principles governed by focused adherence to value systems, integrity and fairness in all dealings and a strong commitment to objectivity in decision making. These values are firmly established across the organisation by observing high degree of transparency in disclosures and regular engagement with all stakeholders.

The underlying corporate governance systems are anchored by a strong and independent Board of Directors that provides governance, oversight and strategic counsel to the Company. Firmly established systems and procedures ensure that the Board of Directors remains well-informed and well-equipped to fulfil its governance responsibilities and provide management with strategic direction for sustainable value creation.

The corporate secretarial department and the internal audit function of the Company remains committed to adopting best-in-class practices of corporate governance and internal controls. In FY 2020-21, as BILT focused on executing its business plans, it remained focused on regular monitoring of strategic issues and risk management, which included both evaluation and mitigation.

In India, corporate governance standards for listed companies are regulated by the Securities and Exchange Board of India (SEBI) through Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, henceforth referred to as the 'Listing Regulations'. BILT remains committed to maintaining strict compliance with the letter and spirit of these Listing Regulations.

Note: *The above philosophy on Corporate Governance is replicated from the disclosure made in the Annual Report of the Company for the Financial Year 2019 and accordingly, the New Board do not confirm any of the above. However, the New Board is fully committed to ensure that best corporate governance framework is*

being adopted with transparency, accountability, integrity, and sustainable practices, aimed at enhancing long-term value creation and maintaining trust with our stakeholders.

ROLE OF THE BOARD OF DIRECTORS

The primary role of the Board is that of trusteeship – to protect and enhance shareholder value. As trustees, the Board has a fiduciary responsibility to ensure that the Company has clear goals aligned to shareholder value and its growth. Further, the Board is also responsible for:

- Exercising appropriate control to ensure that the Company is managed efficiently to fulfil stakeholders' aspirations and societal expectations.
- Monitoring the effectiveness of the Company's governance practices and making changes as necessary.
- Providing strategic guidance to the Company and ensuring effective monitoring of the Management.
- Exercising independent judgment on corporate affairs.
- Assigning a sufficient number of non-executive members of the Board to tasks where there is a potential for conflict of interest, to exercise independent judgment.
- Reviewing and guiding corporate strategy, major plans of action, risk policy, annual budgets and business plans, setting performance objectives, monitoring implementation and corporate performance, and overseeing major capital expenditures, acquisitions and divestments.

However, it is pertinent to note that during the Corporate Insolvency Resolution Process (CIRP), the requirements relating to the composition and functioning of the Board of Directors, as prescribed under Regulation 17 and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, were not applicable to the Company as per Regulation 15(2A). Accordingly, the powers and responsibilities of the Board were exercised by the Resolution Professional in accordance with the Insolvency and Bankruptcy Code, 2016.

A report on compliance with the principles of Corporate Governance as prescribed under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations) is given below:

BOARD OF DIRECTORS

COMPOSITION

As on 31 March 2021, the Board of Directors of the Company comprised as follows:

S. No.	Name	Designation
1	Mr. Rajeev Ranjan Vederah	Independent Director
2	Mr. Padmakumar Nair	Independent Director
3	Ms. Yashashree Padmakar Gurjar	Non- Executive Director

As per the information made available to the New Board, none of the Directors of the Company are related to each other.

However, it may be noted that during the period the Company was under the Corporate Insolvency Resolution Process (CIRP), the requirements relating to the composition of the Board and the applicability of Regulation 17 were not applicable pursuant to Regulation 15(2A) of the Listing Regulations. Accordingly, during the CIRP period, the powers and functions of the Board were exercised by the Resolution Professional, and the Board was not constituted in the manner prescribed under the Listing Regulations.

BOARD MEETINGS

During the financial year, the company was undergoing the Corporate Insolvency Resolution Process (CIRP) under the provisions of the Insolvency and Bankruptcy Code, 2016 (IBC). Pursuant to Regulation 15(2A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR), the requirement to hold board meetings and comply with the provisions relating to the composition and roles of the Board of Directors was not applicable during the CIRP period.

Accordingly, no meetings of the Board of Directors were held during the CIRP period, and the powers of the Board were exercised by the Resolution Professional (RP) appointed under the IBC.

DIRECTORS' REMUNERATION

As per the information made available to the New Board, none of the directors have received any salary, perquisites, provident fund, superannuation fund, commission or any sitting fees.

TABLE 1: NAMES OF THE LISTED COMPANIES WHERE THE DIRECTORS OF THE COMPANY ARE DIRECTORS AND THE CATEGORY OF THEIR RESPECTIVE DIRECTORSHIPS:

Sr. No.	Name of the Director of the Company	Name of the listed companies in which the Director of the Company is a Director	Category of Directorship in the listed companies
1.	Mr. Rajeev Ranjan Vederah	-	-
2.	Dr. Padmakumar Nair	-	-
3.	Ms. Yashashree Gurjar	-	-

Note: The above details are provided only with respect to the Directors as on March 31, 2021, based on the information available from the MCA portal.

NON-EXECUTIVE DIRECTORS' SHAREHOLDING AND PECUNIARY RELATIONSHIP

As on 31 March 2021, Non-Executive Director shareholding is Nil. The Company has not issued any convertible instrument to any Non-Executive Director. The New Board was informed that there are no pecuniary relationship or transactions of the non-executive Directors vis-a-vis the listed entity during the period under review.

COMMITTEES OF THE BOARD

Table 2 gives the composition of BILT's Board-level Committees in FY 2021.

TABLE 2: COMPOSITION OF BOARD-LEVEL COMMITTEES

Name of the Directors	Category	Audit Committee	Stakeholders Relationship Committee	Corporate Social Responsibility Committee	Nomination and Remuneration Committee	Risk Management Committee
Mr. R. R. Vederah	Independent	Chairman	Chairman	Chairman	Chairman	Chairman
Mr. Padmakumar Nair	Independent Director	Member	Member	Member	Member	Member
Ms. Yashashree Padmakar Gurjar	Non-Executive Director	Member	Member	Member	Member	Member

The composition of BILT's Audit, Nomination and Remuneration, Stakeholders Relationship, Corporate Social Responsibility and Risk Management

Committees as on 31 March 2021 is given in Table 2. Apart from these, BILT also has other Board level committees to manage the day-to-day decisions pertaining to operations / business of the Company. However, it may be noted that during the period the Company was under the Corporate Insolvency Resolution Process (CIRP), the provisions relating to the constitution and functioning of these committees were not applicable in terms of Regulation 15(2B) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Accordingly, all functions and responsibilities ordinarily discharged by these Committees were exercised by the Resolution Professional, in accordance with the provisions of the Insolvency and Bankruptcy Code, 2016.

AUDIT COMMITTEE

During the financial year 2020–21, the Company remained under the Corporate Insolvency Resolution Process (CIRP) pursuant to the order of the Hon'ble National Company Law Tribunal, Mumbai Bench, dated 17th January 2020.

In view of the ongoing CIRP, the provisions relating to the constitution and functioning of the Audit Committee, as prescribed under Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with Regulation 15(2B), were not applicable during this period.

Accordingly, the Audit Committee was not reconstituted or operational during FY 2020–21, and all responsibilities and functions ordinarily discharged by the Committee were exercised by the Resolution Professional in accordance with the provisions of the Insolvency and Bankruptcy Code, 2016

As per the information made available to the New Board, all members of the Audit Committee have accounting and financial management expertise. The Committee generally acts as a link between the Management, Auditors and the Board of Directors of the Company and has full access to financial information. The Company Secretary acts as the Secretary to the Committee. The Chief Executive Officer, Head of Internal Audit, other relevant officials of the Company and the representatives of the Statutory Auditors attended the meeting(s) as invitees, whenever required.

The Audit Committee reviews the financial results of the Company for each quarter and for the year, internal audits and internal control systems, applicability and compliance of various laws, legal cases, related party transactions, the appointment and remuneration of statutory auditors / branch auditors / cost auditors, cost accounting systems and audit reports. Further, the

Committee also oversees the vigil mechanism, as required by the provisions of the Companies Act, 2013. Affirmed that no personnel have been denied access to the Committee.

The Audit Committee also reviews adequacy of disclosures and compliance with all relevant laws. Additionally, in compliance with requirements of Regulation 24 of the SEBI Listing Regulations, the Audit Committee reviews operations of Subsidiary Companies viz. its financial statements, significant related party transactions, statement of investments and minutes of meetings of its Board and Committees.

TERM OF REFERENCE

The Terms of reference and role of the Audit Committee are as per Regulation 18 and Schedule II Part C of the SEBI Listing Regulations and Section 177 of the Act. The Committee meets periodically and inter alia:

- Reviews Accounting and financial reporting process of the Company;
- Reviews Audited and Un-audited financial results;
- Reviews Internal Audit reports, risk management policies and reports on internal control system;
- Discusses the larger issues that are of vital concern to the Company including adequacy of internal controls, reliability of financial statements/ other management information, adequacy of provisions for liabilities and whether the audit tests are appropriate and scientifically carried out in accordance with Company's current business and size of operations;
- Reviews and approves transactions proposed to be entered into by the Company with related parties including any subsequent modifications thereto;
- Reviews functioning of Whistle Blower & Vigil Mechanism Policy; and
- Recommends proposals for appointment and remuneration payable to the Statutory Auditor and Internal Auditor and approves the appointment of Chief Financial Officer.

Note: Pursuant to Regulation 15(2A) of the SEBI Listing Regulations, the provisions of Regulation 18 relating to the Audit Committee were not applicable during the period the Company was undergoing the Corporate Insolvency Resolution Process (CIRP) under the Insolvency and Bankruptcy Code, 2016. During such period, the powers of the Board and its committees were exercised by the Resolution Professional. Accordingly, the Audit Committee was not functional during FY 2020–21.

NOMINATION AND REMUNERATION COMMITTEE

The composition of the Committee is provided in Table 3. Constituted with a mandate that is in compliance with

the requirements of the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of Listing Regulations, the Committee has formulated criteria and policy for the identification / appointment of Directors, key managerial personnel and senior management, their remuneration and evaluation.

TERM OF REFERENCE

The terms of reference of the Nomination and Remuneration Committee include:

- Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every Director's performance.
- Formulate the criteria for determining qualification, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees.
- Ensure the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully.
- Ensure that relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
- Formulate policy with regard to remuneration to Directors, Key Managerial Personnel and Senior Management involving a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

Note: Pursuant to Regulation 15(2B) of the SEBI Listing Regulations, the provisions of Regulation 19 related to the Nomination and Remuneration Committee were not applicable during the period in which the Company was undergoing the Corporate Insolvency Resolution Process (CIRP) under the Insolvency and Bankruptcy Code, 2016. During this period, the powers of the Board and its committees stood suspended and were vested in the Resolution Professional. Accordingly, the Nomination and Remuneration Committee was not operational during FY 2020-21.

PERFORMANCE EVALUATION CRITERIA FOR INDEPENDENT DIRECTORS

The New Board has not been provided with any records evidencing evaluation of performance of the Independent Directors.

RISK MANAGEMENT COMMITTEE

The Board has constituted the Committee to understand and assess various kinds of risks associated with the running of business, suggest ways and means

for minimizing such risks and review management control procedures and tools used for risk mitigation.

Note: Pursuant to Regulation 15(2B) of the SEBI Listing Regulations, the provisions of Regulation 21 related to the Risk Management Committee, were not applicable during the period in which the Company was undergoing the Corporate Insolvency Resolution Process (CIRP) under the Insolvency and Bankruptcy Code, 2016. During this period, the powers of the Board and its committees stood suspended and were vested in the Resolution Professional. Accordingly, the Risk Management Committee was not operational during FY 2020-21.

STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders' Relationship Committee is constituted in line with the provisions of Regulation 20 of SEBI Listing Regulations read with Section 178 of the Act.

The composition of the Stakeholders Relationship Committee is provided in Table 2.

TERMS OF REFERENCE

The terms of reference of Stakeholders Relationship Committee include satisfactory redressal of investors grievances / complaints; review measures taken for effective exercise of voting rights; review adherence of service standards by Company and RTA and recommends measures for overall improvement in the quality of investor services. The Committee has delegated the power of approving requests for transfer, transmission, rematerialisation, and dematerialization, etc. of shares of the Company to the Company Secretary of the Company.

Note: Pursuant to Regulation 15(2B) of the SEBI Listing Regulations, the provisions of Regulation 20 related to the Stakeholders' Relationship Committee, were not applicable during the period in which the Company was undergoing the Corporate Insolvency Resolution Process (CIRP) under the Insolvency and Bankruptcy Code, 2016. During this period, the powers of the Board and its committees stood suspended and were vested in the Resolution Professional. Accordingly, the Stakeholders' Relationship Committee was not operational during FY 2020-21.

CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

The composition of the CSR Committee is provided in Table 2.

CODE OF CONDUCT

The New Board is informed that the Company has a Code of Conduct for its Directors and Senior

Management Personnel which is available on the website of the Company (www.biltpaper.in) and that all Board members and Senior Management Personnel have affirmed compliance with the Code of Conduct for FY 2020-21.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

This is given as a separate chapter in the Annual Report.

DISCLOSURES OF MATERIAL TRANSACTIONS

As per the information made available to the New Board, there were no related party transactions of a materially significant nature in terms of the Listing Regulations that could have a potential conflict with the interests of the Company at large. Other related party transactions, which were in ordinary course of business and at arm's length basis, are disclosed in the Notes to the Financial Statements.

ACCOUNTING POLICIES

As per the information made available to the New Board, the Company has adopted accounting treatments which are in conformity with those prescribed by the applicable Accounting Standards.

INSIDER TRADING

In compliance with the SEBI regulations on prevention of insider trading, the New Board was informed that the Company has a Code of Conduct to regulate, monitor and report trading by Insiders (the 'Code'). The Code lays down guidelines which provide procedures to be followed and disclosures to be made, while dealing in securities of the Company by all persons governed by it.

COMMUNICATION TO SHAREHOLDERS

Full and complete disclosure of information regarding the Company's financial situation and performance is an important part of BILT's Corporate Governance ethics. The Company sends its Annual Report by email to those shareholders whose e-mail addresses are registered with the Company / their depository participants. However, in case Shareholders wish to receive a physical copy of the Annual Report, the Company is happy to provide the same upon request.

GENERAL MEETINGS

Table 3 gives the details of General Meetings held in the last three years. No Special Resolution was taken up in the previous three AGMs except for Appointment of Mr.Yeddala Kesava Reddy (DIN:10586100) as Whole Time Director, Appointment of Mr.Kulandaipaian Thangaraju (DIN: 10721302) as an Independent Director, Appointment of Mr.Panchapakesan Swaminathan (DIN:00901560) as an Independent Director and Change of Registered Office outside the local limits but within the same jurisdiction of Registrar of Companies. All these special resolutions were

passed in the Seventy Fifth AGM of the Company which was held on September 10, 2024.

TABLE 3: DETAILS OF GENERAL MEETINGS HELD FOR THE LAST THREE FINANCIAL YEARS

FY	Category	Place	Date & Time
2017-18	AGM	P.O. Ballarpur Paper Mills – 442901, Distt. Chandrapur, Maharashtra	25 September 2018 11.00 A.M.
2018-19	AGM	P.O. Ballarpur Paper Mills – 442901, Distt. Chandrapur, Maharashtra	26 September 2019 12.00 Noon
2019-20	AGM	Virtually through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")	10 September 2024 11:00 A.M.

POSTAL BALLOT

No resolution through postal ballot was passed during the year under review.

CAPITAL MARKET COMPLIANCE

The New Board, having assumed its responsibilities pursuant to approval of Resolution Plan under CIRP, cannot comment on the compliance of the requirements of the Listing Regulations as well as other applicable regulations and guidelines prescribed by SEBI.

However, reliance is placed on the Annual Secretarial Compliance Report prepared by M/s. Viral Sanghavi & Associates, Company Secretaries, which is enclosed to this Report.

TRANSFER OF SHARES TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

Pursuant to provisions of Section 124(6) of the Companies Act, 2013 ('The Act'), read with relevant Rules, the Company is required to transfer the shares for which dividend has not been paid or claimed for 7 consecutive years or more to IEPF.

As per the information made available to the New Board, the Company had sent individual communication to Members whose shares were liable to be transferred under the Rules at their registered address, informing

them of the above and for taking appropriate action and the Company has transferred the equity shares in respect of which dividend up to December, 2013 has not been claimed or paid for a period of seven consecutive years or more to the IEPF.

The details are also available on our website at www.biltpaper.in and www.iepf.gov.in.

No claim shall lie against the Company in respect of unclaimed dividend amounts and the corresponding shares transferred to IEPF, pursuant to relevant Rules. Shareholders should note that both the unclaimed dividend and the shares transferred to IEPF can be claimed back by them from IEPF.

GOVERNANCE OF SUBSIDIARIES

During the Corporate Insolvency Resolution Process (CIRP), the management and control of the affairs of the Company, including oversight of its subsidiaries, vested with the Resolution Professional in accordance with the provisions of the Insolvency and Bankruptcy Code, 2016. The New Board, having assumed charge post-approval of the Resolution Plan, does not have access to detailed records or proceedings relating to the governance of subsidiaries during the CIRP period. Accordingly, the New Board is unable to comment on the governance or operations of the subsidiaries for that period.

CEO/CFO CERTIFICATION

In accordance with the provisions of Regulation 15(2A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the compliance requirements under Regulation 17(8), including CEO/CFO certification, are not applicable to listed entities that are undergoing Corporate Insolvency Resolution Process (CIRP) under the Insolvency and Bankruptcy Code, 2016.

Accordingly, for the financial year ended 31 March 2021, during which the Company was under CIRP, the requirements relating to CEO/CFO certification under Regulation 17(8) do not apply. The affairs of the Company during this period were managed by the Resolution Professional (RP) under the authority of the Hon'ble NCLT.

CERTIFICATE ON CORPORATE GOVERNANCE

The Company has obtained a certificate from M/s. Viral Sanghavi & Associates, Company Secretaries, regarding compliance of conditions of Corporate Governance for FY 2020-21, as prescribed by Schedule V of Listing Regulations, which is attached herewith.

GENERAL SHAREHOLDER INFORMATION

ANNUAL GENERAL MEETING

Date: November 03, 2025

Time: 2.00 P.M.

Venue: Virtually through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")

FINANCIAL YEAR

Financial Year (FY) 2020-21 is from 1 April 2020 to 31 March 2021.

BOOK CLOSURE

The dates of book closure are from 24 October 2025 to 03 November 2025, both days inclusive.

LISTING DETAILS

At present, Equity Shares of the Company are listed on the BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE) in India. As per information available, the annual listing fee for the financial year 2020-21 has been paid to both the Stock Exchanges.

The Company's stock codes at various exchanges are given in Table 4.

TABLE 4: BILT'S STOCK CODES

ISIN	INE731U01028
BSE	500102
NSE	BALLARPUR

SHARE PRICE AND VOLUMES TRADED

Table 5 gives the details of monthly price and volumes traded of BILT's shares at the BSE and the NSE, and Charts A and B compares the price movements of BILT's shares with respect to the BSE SENSEX and the NSE NIFTY, respectively.

TABLE 5: MONTHLY PRICE AND VOLUMES OF BILT'S SHARES FOR FY 2021 AT THE BSE AND THE NSE

Month	BSE Limited			
	High (Rs.)	Low (Rs.)	Volume	Sensex (Close)
Apr-20	0.50	0.32	12,154,734	33,717.62
May-20	0.49	0.43	6,835,908	32,424.10
June-20	1.12	0.47	2,520,164	34,915.80
July-20	2.42	1.17	173,791,258	37,606.89
Aug-20	3.06	1.44	37,153,084	38,628.29

Month	BSE Limited			
	High (Rs.)	Low (Rs.)	Volume	Sensex (Close)
Sep-20	2.43	1.91	16,814,911	38,067.93
Oct-20	2.43	2.01	6,245,660	39,614.07
Nov-20	2.41	2.04	6,590,312	44,149.72
Dec-20	2.59	2.18	7,250,447	47,751.33
Jan-21	2.61	2.25	6,229,184	46,285.77
Feb-21	2.54	2.08	9,030,747	49,099.99
Mar-21	2.50	1.97	14,518,173	49,509.15

Note: BILT's share price at BSE and SENSEX / NIFTY 50 have been indexed to 100 as on 1 April 2020.

DISTRIBUTION OF SHAREHOLDINGS

Tables 6 and 7 give the shareholding pattern according to size and ownership as on 31 March 2021.

TABLE 6: SHAREHOLDING PATTERN BY SIZE AS ON 31 MARCH, 2021

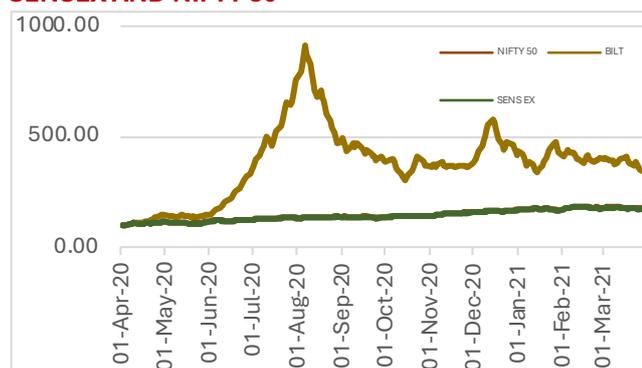
No. of Equity Shares Held	No. of Share-holders	% of Share-holders	Number of Shares	% of Share-holding
1 – 5,000	85,876	86.83	73,498,498	5.68
5,001 – 10,000	5,527	5.59	45,470,557	3.52
10,001 – 20,000	1,768	1.79	22,642,485	1.75
20,001 – 30,000	1,254	1.27	23,483,335	1.81
30,001 – 50,000	1,612	1.63	37,945,486	2.94
50,001 & above	3,671	3.71	1,109,433,138	85.77
Total	98,902	100.00	1,293,455,756	100.00

Month	National Stock Exchange of India Limited			
	High (Rs.)	Low (Rs.)	Volume	Nifty (Close)
Apr-20	1.55	1.15	31,515,929	9,859.90
May-20	1.5	1.1	29,149,879	9,580.30
June-20	1.7	1	115,972,836	10,302.10
July-20	1.75	1.2	45,981,895	11,073.45
Aug-20	1.65	1.15	67,233,485	11,387.50
Sep-20	1.75	1.3	36,994,367	11,247.55
Oct-20	1.4	1.15	16,873,638	11,642.40
Nov-20	1.75	1.2	60,336,656	12,968.95
Dec-20	1.75	1.15	54,307,575	13,981.75
Jan-21	1.6	1.15	48,931,235	13,634.60
Feb-21	1.75	1.35	39,252,693	14,529.15
Mar-21	1.55	1.05	18,340,944	14,690.70

TABLE 7: SHAREHOLDING PATTERN BY OWNERSHIP AS ON 31 MARCH, 2021

Category	No. of Share-holders	% of Share-holders	No. of Shares Held	% of Share-holding
Promoter & Promoter Group	6	0.01	3,46,14,158	2.68
FII's and FFI's	8	0.01	33,750	0.00
Mutual Funds	6	0.01	13,779	0.00
Central Govt/State Govt.	1	0.00	1,500	0.00
Foreign Portfolio Investors	2	0.00	80,86,000	0.63
Financial Institutions/ Banks	32	0.03	28,77,89,457	22.25
Insurance Companies	4	0.00	9,59,59,313	7.42
NBFCs registered with RBI	4	0.00	2,21,136	0.02
NRIs	1,049	1.06	1,33,86,330	1.03
Bodies Corporate	605	0.61	22,25,95,558	17.21
Individuals and Others	97,184	98.26	63,07,54,775	48.77
Total	98,901	100.00	1,29,34,55,756	100.00

DAILY SHARE PRICE MOVEMENT, BILT VS. BSE SENSEX AND NIFTY 50



NON-CONVERTIBLE DEBENTURES (NCDs)

The Company raised 150 crores by private placement of secured redeemable non-convertible debentures (NCDs) of face value of 10 Lakh each in 2014. These NCDs are in dematerialised form and listed on BSE Limited.

The details of debenture trustee are as follows:
IDBI Trusteeship Services Limited
Asian Building, Ground Floor,

17, R. Kamani Marg, Ballard Estate,
Mumbai – 400 001.

Note: *It is pertinent to note that the aforementioned NCDs were settled pursuant to the terms of the approved resolution plan.*

REGISTRAR AND SHARE TRANSFER AGENT

The Registrar and Share Transfer Agent for the securities, both in physical and electronic form of the Company, is:

M/s. RCMC Share Registry (P) Limited
B-25/1, First Floor, Okhla Industrial Area, Phase II, New Delhi-110020
Phone 011 26387320 / 21
Fax 011 26387322
Email: investor.services@rcmcdelhi.com

SHARE TRANSFER SYSTEM

Share transfers are processed within 15 days, from the receipt of complete documents.

DEMATERIALIZATION OF SHARES

Equity Shares of the Company are compulsorily traded in dematerialised form on the Stock Exchanges and are available for holding in the depository systems of National Securities Depository Limited and Central Depository Services (India) Limited, which provides adequate liquidity. As on 31 March 2021, 99.39% of the total Equity Shares of the Company were held in dematerialised form, as compared to 99.37% last year.

REGISTERED OFFICE

Ballarpur Industries Limited
602, 6th Floor, Boston House, Suren Road,
Andheri East, Mumbai, Maharashtra - 400 093, India.
Tel +91 7172 240262 / 200
Extn. 234 / 339
Fax +91 7172 240548
Email sectdiv@biltpaper.in

PLANT LOCATIONS

Unit Shree Gopal

P.O. Yamunanagar, Distt. Yamunanagar, Haryana – 135001

Unit Kamalapuram

Mangapet Mandal, Distt. Warangal – 506172, Telangana

ADDRESS FOR CORRESPONDENCE

The address for correspondence for share transfer, dematerialisation of shares, payment of dividend and any other related queries of analysts, FII, institutions, mutual funds and banks is:

Corporate Secretarial Department, Ballarpur Industries Limited, 602, Boston House, Chakala, Andheri (E), Mumbai – 400 053, Maharashtra, India
Tel +91 022 4000 2600
Email: sectdiv@biltpaper.in;

OTHER MANDATORY COMPLIANCES:

A chart or a matrix setting out the skills/expertise/competence of the board of directors specifying the list of core skills / expertise / competencies identified by the board of directors as required in the context of its business(es) and sector(s) for it to function effectively and those actually available with the board:

The New Board has not been provided with this information. The best available information with respect to the profile of the directors appointed during the financial year has been provided as part of this report and the same may be referred to.

Confirmation that in the opinion of the board, the independent directors fulfil the conditions specified in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, regulations and are independent of the management:

The New Board, having assumed its responsibilities recently, is not in a position to form any opinion as to whether the independent directors fulfil the conditions specified in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are independent of the management.

Detailed reasons for the resignation of an independent director who resigns before the expiry of his / her tenure along with a confirmation by such director that there are no other material reasons other than those provided:

No such instance during the period under review. Further, the New Board has not been provided with any such relevant information and therefore, the New Board, having assumed its responsibilities recently is not in a position to provide this disclosure.

Means of communication

(a) quarterly results: On the website of the company as well as on the websites of the stock exchanges

(b) newspapers wherein results normally published: Information not made available to the New Board

(c) any website, where displayed: <https://biltpaper.in/>

(d) whether it also displays official news releases:

Yes
(e) presentations made to institutional investors or to the analysts: On the website of the company as well as on the websites of the stock exchanges

Dividend payment date:

Not Applicable

Commodity price risk or foreign exchange risk and hedging activities:

Information not made available to the New Board.

Details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years:

It is pertinent to note that in accordance with the terms of the Resolution Plan all the penalties, strictures etc. imposed by the stock exchanges due to several non-compliances by the company have been duly waived by both the stock exchanges.

Details of establishment of vigil mechanism whistle blower policy, and affirmation that no personnel has been denied access to the audit committee:

As per the information made available to the new board, the audit committee the Committee oversees the vigil mechanism, as required by the provisions of the Companies Act, 2013 and it was affirmed to the New Board that no personnel have been denied access to the Committee

Details of compliance with mandatory requirements and adoption of the non-mandatory requirements:

As already informed in this report, all efforts are put by the New Board to ensure that mandatory requirements are adequately reported in this Annual Report. However, the New Board is not in a position to adopt non-mandatory requirements.

Web link where policy for determining 'material' subsidiaries and on dealing with related party transactions is disclosed

<https://biltpaper.in/>

Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A).

Not Applicable

A certificate from a company secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority.

Enclosed to this report.

Where the board had not accepted any recommendation of any committee of the board

which is mandatorily required, in the relevant financial year, the same to be disclosed along with reasons thereof.

Information not made available to the New Board.

Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part.

INR 26 Lakhs

Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

As already reported in this report and as per the information made available to the New Board:

- a. number of complaints filed during the financial year: 0
- b. number of complaints disposed of during the financial year: 0
- c. number of complaints pending as on end of the financial year: 0

The extent to which the discretionary requirements as specified in Part E of Schedule II have been adopted.

As already informed in this report, all efforts are put by the New Board to ensure that mandatory requirements are adequately reported in this Annual Report. However, the New Board is not in a position to adopt non-mandatory requirements.

EXCERPT OF NOMINATION & REMUNERATION POLICY

The Policy has been formulated in compliance with Section 178 of the Companies Act, 2013 (read with applicable rules thereto) and Regulation 19 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (Listing Regulations). The Policy provides for appointment / removal / remuneration of Directors, Key Managerial Personnel & Senior Management and Board diversity.

I. APPOINTMENT OF DIRECTOR, KMP AND SENIOR MANAGEMENT

Nomination and Remuneration Committee (NRC) plays an important role in the appointment of Directors, KMPs and Senior Management, review of evaluation processes and senior management's compensation.

NRC shall identify and ascertain the qualification, expertise and experience of the persons being considered for appointment as a Director, KMP or at Senior Management level and recommend the appointment to the Board.

At the time of appointment of an Independent Director, the Committee shall ensure that the appointee shall meet with the requirements of the Companies Act, 2013, Regulation 25 of Listing Regulations and conditions stipulated in the Policy from time to time, for determining independence of a director. Further, the continuity of such Independent Director shall be on the basis of a yearly review process.

II. REMUNERATION OF DIRECTORS, KMP AND OTHER EMPLOYEES

A. Remuneration to Non-Executive Directors (Including Independent Directors)

The remuneration / sitting fee / commission payable to directors shall be in accordance with the statutory provisions of the Companies Act, 2013, and the Rules made thereunder for the time being in force. Review of remuneration of executive directors shall be made by NRC and shall be recommended to the Board for approval, if required. Further, the Board shall apportion the commission amongst the Non-Executive Directors out of available profits in compliance with statutory provisions, on the basis of their involvement and role played for the Company's initiatives and strategic direction. An Independent Director shall not be entitled to any stock option of the Company.

B. CEO and Executive Director

The remuneration of the CEO / Whole-time director / Managing Director (including revisions) are in line with the HR Policy of the Company and recommended by the NRC and approved by the Board in accordance with the applicable statutory provisions of the Companies Act, 2013, and the Rules made thereunder for the time being in force. The remuneration is on the basis of the Company's overall performance, individual's contribution towards Company's performance and trends in the industry in general and comprises a fixed salary, allowances / reimbursements / perquisites, performance incentive.

C. Key Managerial Personnel, Senior Management and other executives

Remuneration comprises fixed salary, allowances / reimbursements / perquisites, performance incentive as per HR policy of the Company and is also subject to NRC / Board approval wherever required statutorily. The remuneration is related to the desired skill set, experience, expertise and long-term relationships.

D. Workmen

Workmen will be paid wages in accordance with the settlement with the recognized union of the workers as per industry practice, as applicable. Where there is no union, workmen wages are as per the industry practice and applicable law. All remuneration components would be in accordance with applicable statutory compliances.

III. LOANS AND ADVANCES TO EMPLOYEES

Any loan and advance are governed by the applicable HR policies, Rules of Procedure for Management and applicable provisions of the Companies Act, 2013, and Rules made thereunder.

IV. DEVIATIONS FROM THIS POLICY

Deviations from the Policy, in extraordinary circumstances, are possible in the interests of the Company if there are specific reasons to do so in an individual case.

V. EXTERNAL ASSISTANCE

NRC may, at its sole discretion, seek advice of external experts / consultants to discharge its duties and responsibilities.

Note: The New Board relied on the excerpt of the policy provided by the erstwhile board of directors of the Company in the Annual Report of the Company for the Financial Year 2018-19. The New Board is currently working on revising all the existing policies of the Company to align them with the new vision and strategic direction.

DECLARATION OF COMPLIANCE WITH THE CODE OF CONDUCT

The Members of Ballarpur Industries Limited,

This is to certify that the New Board has affirmed compliance with the 'Code of Conduct for Directors and Senior Management'.

For and on behalf of the Board of Directors

Sd/-

Hardik Bharat Patel

Whole-Time Director & Chief Financial Officer

DIN: 00590663

Date: April 16, 2025

Place: Mumbai

COMPLIANCE CERTIFICATE BY CEO & CFO

In accordance with the provisions of Regulation 15(2A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the compliance requirements under Regulation 17(8), including CEO/CFO certification, are **not applicable** to listed entities that are undergoing Corporate Insolvency Resolution Process (CIRP) under the Insolvency and Bankruptcy Code, 2016.

Accordingly, for the financial year ended 31 March 2021, during which the Company was under CIRP, the requirements relating to CEO/CFO certification under Regulation 17(8) do not apply. The affairs of the Company during this period were managed by the Resolution Professional (RP) under the authority of the Hon'ble NCLT.

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CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To
The Members
Ballarpur Industries Limited
P O Ballarpur Paper Mills Chandrapur,
Ballarpur, Maharashtra - 442901

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Ballarpur Industries Limited and having CIN L21010MH1945PLC010337 and having registered office at 602, 6th Floor, Boston House, Suren Road, Andheri East, Mumbai, Maharashtra-400093, India (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on 31st March, 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, or the Ministry of Corporate Affairs or any such other statutory authority.

Sr. No.	Name of Director	DIN	Date of Appointment in Company
1	Mr. Rajeev Ranjan Vederah	00012252	28/03/2019
2	Mr. Padmakumar Nair	03109973	15/10/2019
3	Ms. Yashashree Gurjar	02674807	15/10/2019

Ensuring the eligibility of the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Viral Sanghavi & Associates
Company Secretaries
FRN: 3130

Sd/-
Viral Sanghavi
Proprietor
Membership No. F10331
Certificate of Practice No. 9035
UDIN: F010331G000141055
PR Certificate No. 2531/2022

Date: April 16, 2025
Place: Jamnagar

CERTIFICATE ON CORPORATE GOVERNANCE

The Members of Ballarpur Industries Limited,

We have examined the compliance of conditions of Corporate Governance by M/s Ballarpur Industries Limited, (the “Company”), for the year ended 31 March, 2021, as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘Listing Regulations’).

The company was under Corporate Insolvency Resolution Process (“CIRP”) in terms of the provisions of the Insolvency & Bankruptcy Code, 2016 (“Insolvency Code”) vide order dated January 17, 2020 passed by the Hon’ble National Company Law Tribunal (NCLT), Mumbai Bench in the matter of Finquest Financial Solution Private Limited Vs Ballarpur Industries Ltd'. As per Section 20 of the Insolvency Code, management & operations of the Company was managed by Interim Resolution Professional (IRP) Mr. Divyesh Desai from January 17, 2020 to May 27, 2020. Subsequently, the management and operations were managed by Resolution Professional (RP) Mr. Anuj Jain from May 27, 2020 until March 31, 2023. Further the Hon’ble National Company Law Tribunal (NCLT), vide its order dated 31.03.2023 has approved the approved the Resolution Plan.

As per regulations 15(2A) and 15(2B) of Listing Regulations, regulations 17, 18, 19, 20 and 21 of Listing Regulations which are related to Board of Directors, Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Risk Management Committee respectively, shall not be applicable during the Insolvency Resolution Process. During this period, the roles and responsibilities of Board of Directors and above mentioned committees as specified in regulations 17, 18, 19, 20 and 21 of Listing Regulations are fulfilled by IRP.

The compliance of conditions of Corporate Governance is the responsibility of the Company’s Management. Our examination was limited to a review of the procedures and implementations thereof adopted by the Company for ensuring compliance with the conditions of Corporate Governance as stipulated in the said Regulations. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance to the extent applicable, as stipulated in the Listing Regulations.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For Viral Sanghavi & Associates

Company Secretaries

FRN: 3130

Sd/-

Viral Sanghavi

Proprietor

Membership No. F10331

Certificate of Practice No. 9035

UDIN: F010331G000141099

PR Certificate No. 2531/2022

Date: April 16, 2025

Place: Jamnagar

INDEPENDENT AUDITORS' REPORT

To the members of Ballarpur Industries Limited

Report on the audit of the Standalone Financial Statements

Disclaimer of opinion

We were engaged to audit the accompanying **standalone financial statements** of **Ballarpur Industries Limited** (the "Company"), which comprise the Standalone Balance Sheet as at March 31, 2021, and the statement of Standalone Profit and loss (Including Other Comprehensive Income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows for the year ended March 31, 2021, and notes to the standalone financial statements including summary of significant accounting policies and other explanatory information (hereinafter referred to as "the SFS").

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 Company. 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 had appointed Mr. Anuj Jain (IBBI/PA-001/IP-P00142/2017-2018/10306) as Resolution Professional ("RP") of the Company. 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. The resolution plan submitted by M/s. Finquest Financial Solutions Private Limited, the Resolution Applicant, was approved by the NCLT through an order dated March 31, 2023.

We do not express an opinion on the accompanying SFS of the Company. Because of the significance of the matters discussed in the Basis for Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these SFS.

Basis for Disclaimer of Opinion

1. Even though the resolution plan has been approved by the Hon'ble National Company Law Tribunal, Mumbai on March 31, 2023, but still there exists a material uncertainty that casts significant doubt on the Company's ability to continue as a going concern as we are unable to obtain sufficient appropriate audit evidence to conclude on the appropriateness of the use of going concern assumption in the preparation of the SFS. (Refer note 36 and note 37 to the SFS)



BRANCHES :

2. The Company 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 its impact on the SFS. However as per the approved resolution plan there is no provision for satisfaction of this claim. (refer note 41 to the SFS)
3. Pursuant to commencement of the CIRP on January 17 2020, under Insolvency and Bankruptcy Code, 2016 ("the Code"), the Resolution Professional ("RP") has received various claims submitted by the financial creditors, operational creditors, employees, and other creditors.
 - a. With respect to the financial creditors, the Company has recognized additional liability of Rs. 203 lakhs which represents the difference between borrowings and corresponding interest claims of the financial creditors admitted by the RP and the borrowings and interest accrued in the books as at March 31 2021. We have not been provided with reconciliation along with reasons for this difference in order to ascertain the completeness and valuation of liabilities recognized by the Company. (Refer note 19(e) to the SFS)
 - b. With respect to the operational creditors, employees & other creditors, the RP has received and assessed the claims and the effect of the same will be given in the financial statements of financial year 2022-23.
4. Provision for gratuity and compensated absences pertaining to the Shree Gopal Unit, Kamalapuram Unit & Corporate office have been determined by the management on an ad hoc basis as at March 31 2021. Ind AS 19 "Employee Benefits" requires that the provision for long term employee benefits need to be determined based on the actuarial valuation. Accordingly, the provision for long term employee benefits as at March 31, 2021 is not in compliance with Ind AS 19 and we are unable to conclude on the adequacy of the provision for gratuity and compensated absences as at March 31, 2021. The provision for gratuity which has been determined on an ad hoc basis is Rs. 68 lakhs and reversal of provision for compensated absences is Rs. 52 lakhs respectively. (Refer note 26 to the SFS)
5. The Company has not performed impairment assessment of its investments as at March 31, 2021, in line with the requirements of Ind AS 109 "Financial Instruments". We were not provided with sufficient details of Investments and therefore, we are unable to conclude on the carrying value of investments and the consequential impact, if any, on the SFS. (Refer note 6 to the SFS)



6. The Company has reclassified the land situated at Choudwar, Odisha, from 'Assets Held for Sale' to 'Property, Plant, and Equipment' in FY 2019-20. Ind AS 105 "Non-current assets held for sale and discontinued operations" requires that when a non-current asset ceases to be classified as 'assets held for sale', the same shall be measured at the lower of:
 - a. it's carrying amount before the asset (or disposal group) was classified as held for sale, adjusted for any depreciation, amortization or revaluations that would have been 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 Company has not determined the recoverable amount as at the date of reclassification and had reclassified the land at it's carrying value of Rs. 39,951 lakhs. The same is not in compliance with Ind AS 105. We were not provided with the details related to the reclassification and therefore, we are unable to ascertain its impact on the SFS. (Refer note 3 to the SFS)
7. Because of the COVID-19 related lockdown restrictions, management was unable to perform the physical counting of inventories as at March 31, 2021. Further, we are appointed as auditors of the Company for the financial year 2020-21 only on September 10, 2024 and therefore we are unable to satisfy ourselves by performing alternative procedures concerning the inventory quantities held as at March 31 2021, as per SA 501 'Audit Evidence - Specific Consideration for Selected Items'. Therefore, we are unable to conclude whether inventories of Rs. 1,650 lakhs are fairly stated as at March 31, 2021, in the SFS. (Refer note 10 and note 51 to the SFS)
8. Loan receivable from related parties is Rs. 1,74,195 lakhs. The Company has not created any additional provision for expected credit loss during the year. The provision for expected credit loss is Rs. 42,211 lakhs as at March 31, 2021. Since the company has not created any additional provision for expected credit loss and is also unable to provide us with the explanation for not providing any additional provision, hence, we are unable to conclude on the adequacy of the provision for expected credit loss and the recoverability of the balance receivables from Related Parties. (refer note 14 to the SFS)
9. The Company has carried forward deferred tax assets (net) of Rs. 11,924 lakhs from earlier years. The company suffered continuous losses and there is no assessment by the management regarding reversal of deferred tax assets in the subsequent year. During the year company 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 management's assessment, we are not able to satisfy ourselves about the future taxable profits of the company and hence we are unable to comment upon the carrying value of deferred tax assets in the financial statements. (Refer note 8 to the SFS).



10. Input Tax Credit (ITC) of Goods and Services Tax available as per books of accounts for Corporate Office is Rs. 51.50 Lakhs, the new management 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 also unable to comment on the appropriateness of balance of ITC in the books.
11. We have not been provided with the bank statements for 11 bank accounts maintained by the Company having a carrying amount of Rs. 11.02 Lakhs as at March 31 2021. Also, the balance confirmation certificate has not been provided for any bank account maintained. Therefore, the consequential impact of balance confirmation and reconciliation, if any, on the financial statements is not ascertainable. (Refer note 12(a) to the SFS).
12. We have not been provided with the bank statements for 5 bank accounts maintained by the Company relating to unpaid dividend having a carrying amount of Rs. 27.59 Lakhs as at March 31 2021. Also, the balance confirmation certificate has not been provided for any of the account maintained. Therefore, the consequential impact of balance confirmation and reconciliation, if any, on the financial statement is not ascertainable. (Refer note 13(a) to the SFS).
13. We have not been provided with the details of bank deposits with original maturity exceeding 3 Months as at March 31, 2021. Also, neither the balance confirmation certificate nor Interest Certificate has been provided for any of the Bank Deposit. Therefore, the consequential impact of balance confirmation and reconciliation, if any, on the financial statements is not ascertainable. (Refer note 13(b) to the SFS).
14. Confirmation of balances have not been received in respect of certain loans and advances, balances with banks, borrowings (including interest accrued thereon), dues to/from related parties, trade and other payables. The Company is in the process of obtaining confirmations and reconciliation of the balances. The impact of the any change in the carrying amount of these balances which may arise as a result of such reconciliation is unascertainable and therefore, we are unable to comment upon the appropriateness of carrying value of such balances. (Refer note 53 to the SFS).
15. As per the books of accounts & claims admitted by RP, the company's borrowings are Rs. 3,26,725 lakhs as at March 31 2021. As per the requirements of Division II of Schedule III to the Companies Act, 2013 the company is required to disclose the bifurcation of borrowings into secured and unsecured borrowings. Since the new management took over the company pursuant to CIRP, they have not provided us with the breakdown of these borrowings into secured, unsecured, & working capital loans. Therefore, we are unable to comment upon the appropriateness of the disclosure requirements of Division II of schedule III to the Companies Act, 2013. (Refer note 19(a) & 19(c) to the SFS)



16. The Company has migrated its accounting system from previously used Oracle system to Tally accounting system during the current financial year. In the new accounting system, we have observed that the Company has not been able to identify and transfer the individual balances of its trade receivables and trade payables from Oracle system. Also, individual party ledgers are not available with the Company, as a result, details regarding MSME vendors have not been maintained. Consequently, disclosure regarding amounts payable to MSME vendors and amount of trade receivable has not been made, therefore we are unable to ascertain its impact on the financial statements. (Refer note 52 & 23(a) to the SFS)
17. The company does not have details regarding balances of related parties or transactions between related parties. It has made disclosures based on the information available with it. Due to unavailability of required details, we are unable to ascertain the compliance with Ind AS – 24 and other disclosure requirements of schedule III.
18. For the current Financial Year 2020-21, the Company has incurred various expenses and presented the same under the head of "Other Expenses" totaling to Rs. 1,277 lakhs. The Company did not provide us with the vouchers and relevant supporting for their Kamalapuram Unit & Corporate Office. Also, the vouchers provided to us for the Shree Gopal Unit were incomplete. Hence, we are unable to confirm the reliability and authenticity of these expenses.
19. The Company had paid Rs. 1,223 Lakhs as salary during the year, we were not provided with the relevant details so as to ascertain ourselves about the reliability of this expense.
20. Based on our review of the Annual Information System (AIS) of the Company for F.Y. 2020-21, we have observed interest income on Fixed Deposits of Rs. 2 lakhs but the corresponding Fixed Deposits are not recorded in the books of accounts. We have not been provided with the interest certificate nor with Fixed Deposit receipts. Also, we could not obtain the confirmation from the Banks. Due to non-availability of required details of FDs, we are unable to confirm the reliability and authenticity of these balances.
21. The necessary vouchers and the relevant supporting for Rs. 59.10 lakhs pertaining to Scrap Sales/Paper Sales recorded by the Company in its books of accounts have not been provided to us for audit purpose. Hence, we are unable to confirm the reliability and authenticity of these transactions.
22. The company has recorded Rs. 7 lakhs as the profit on sale of assets in the books of accounts, but the relevant details such as the details of the assets sold, its cost, depreciated value has not been provided to us by the Company and hence we are unable to confirm the reliability and authenticity of these transactions.



23. The company has taken Office Building on rent from one of its subsidiary BGPPL. The rent agreement is not available with the New Management. Hence, we are unable to verify compliance with the requirements of Ind AS 116 "Leases".
24. The company didn't maintain Customer-wise accounting in the books of account due to data migration from Oracle to Tally. Based on the copies of ledger & communication received from one of its debtors, the company has ascertained an amount of Rs. 658 Lakhs receivable from them as on March 31, 2021 and accordingly accounted this amount under trade receivables. The impact of this adjustment will be made in subsequent financial years. (Refer note 52 and 11 to the SFS)
25. Based on the information and explanation provided, due to Company's involvement in the Corporate Insolvency Resolution Plan Process (CIRP), disclosure in accordance with IND AS 108 "Operating Segments" poses significant challenges. Additionally, the absence of the Chief Financial Officer (CFO) further compounds these constraints. As a result, New Management of the company is not able to provide comprehensive disclosure regarding Operating Segments as required under IND AS 108. In absence of required information, we are unable to comment upon appropriateness of such disclosure. (Refer note no.45(b) & 45(c) to the SFS)
26. 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 37 of the accompanying SFS which contains conditions along with other matters which indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern.

- 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 36 to the SFS 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 endeavor 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 March 31 2023, but still there exist Material Uncertainty relating to 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 financial statements.



Our opinion is not modified with respect to this matter.

Management's and Board of Directors\Resolution Professional's responsibility for the SFS

In accordance with the Insolvency & Bankruptcy Code, 2016 the Hon'ble National Company Law Tribunal, Mumbai ("NCLT") on January 17 2020, admitted Corporate Insolvency Resolution Process application against the Company and appointed an Interim Resolution Professional. Subsequently, Resolution Professional was appointed by the NCLT on May 27 2020. The Resolution Plan was approved by the Hon'ble National Company Law Tribunal, Mumbai ("NCLT") on March 31 2023. During the period from May 27 2020, till March 31 2023, the power and responsibilities of the Board of Directors were suspended and vested with the Resolution Professional ("RP") under the provisions of the Code. Post approval and implementation of the Resolution Plan, new management has taken over the powers and responsibilities of the Board of Directors.

The Company's management & Board of Directors\Resolution Professional are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these SFS that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed under Section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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 financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors\Resolution Professional are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibility for the audit of the SFS

Our responsibility is to conduct an audit of the SFS 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 SFS.

We are independent of the Company in accordance with the ethical 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 SFS under the provisions of the Act and the Rules made thereunder and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics.

Report on the other legal and regulatory requirements

- 1) As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013 and except for the possible effects, of the matter described in the Basis for Disclaimer of Opinion section, we give in "Annexure A" a statement on the matters specified in paragraph 3 and 4 of the said Order, to the extent applicable.
- 2) As required by section 143(3) of the Act, we report to the extent applicable that:
 - a) As described in Basis for Disclaimer of Opinion paragraph above, we were unable to obtain all the information and explanations which to the best of our knowledge and belief are necessary for the purposes of our audit.
 - b) Due to the possible effects of the matters described in the Basis for Disclaimer of Opinion section of our report, we are unable to state whether proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account;
 - d) Due to the possible effects of the matters described in the Basis for Disclaimer of Opinion section of our report, we are unable to state whether the aforesaid SFS comply with the Indian Accounting Standards notified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - e) The powers of the board of directors were suspended from May 27, 2020 to March 31, 2023 pursuant to CIRP and accordingly, commenting on whether any of the director is disqualified from being appointed as a director under section 164(2) of the Act is not applicable to the Company.
 - f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls,



refer to our separate Report in “Annexure B”; Our report expresses disclaimer of opinion on the Company's internal financial controls over financial reporting for the reasons stated therein.

- g) with respect to the other matters to be included in the auditor's report in accordance with the requirements of section 197(16) of the Act (as amended); in our opinion and to the best of our information and according to the explanations given to us, since the RP had superseded the Board of Directors, there were no Directors during the financial year 2020-21 and accordingly there was no remuneration paid to its directors during the year; and
- h) with respect to the other matters to be included in the auditor's report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i) Due to the possible effects of the matters described in the Basis for Disclaimer of Opinion section of our report, we are unable to state whether the Company has appropriately disclosed the impact of pending litigation on its financial position. (Refer note 40 to the SFS);
 - ii) Due to the possible effects of the matters described in the Basis for Disclaimer of Opinion section of our report, we are unable to state whether the Company have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii) We were not provided with the sufficient details regarding transfer of amount to Investor Education and Protection Fund (IEPF), therefore we are unable to satisfy ourselves that whether there has been any delay in transferring amounts required to be transferred to the by the Company during the year.



Other Matters

The comparative SFS of the Company for the year ended 31st March, 2020 included in SFS, were audited by the erstwhile statutory auditors whose report dated 08th December, 2020 expressed Disclaimer of Opinion on those SFS.

Our opinion is not modified in respect of this matter.

**For Batliboi & Purohit,
Chartered Accountants
FRN: 101048W**



**Parag Hangekar
Partner
Membership No. 110096
Place: Mumbai**

**Date: 23rd September, 2024
UDIN: 24110096BKCXPS4046**



Annexure A referred to in Independent Auditors' Report to the members of Ballarpur Industries Limited on the SFS for the year ended March 31, 2021 we report that:

(Refer para 1 of Report on other legal and regulatory requirements of our report of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of accounts and the records examined by us in the normal course of audit and except for the possible effects, of the matter described in the Basis for Disclaimer of Opinion section, we state that:

- i.
 - (a) The Company has not maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) The company has not physically verified fixed assets of the company during the year.
 - (c) We were not provided with the required details of title deeds of immovable properties of the company; Therefore, we are unable to comment in accordance with the requirements of clause 3(i)(c) of the order.
- ii. The company has not physically verified inventories during the year.
- iii. Because of the matters described in Basis for Disclaimer of Opinion section of our report and since we were not provided with the required details regarding the loans to related parties, we are unable to comment in accordance with the requirement of clause 3(iii) of the order.
- iv. Because of the matters described in Basis for Disclaimer of Opinion section of our report and since we were not provided with the required details regarding the loans, investments, guarantees and security, we are unable to comment in accordance with the requirements of clause 3(iv) of the order.
- v. Because of the matters described in the Basis for Disclaimer of Opinion section of our report and since we were not provided with the required details regarding deposits, we are unable to comment in accordance with the clause 3(v) of the order.
- vi. The central government has specified maintenance of cost records under section 148(1) of the Act read with the Companies (Cost Records and Audit) Rules, 2014 (as amended) for the operations of the Company. However, we were not provided with cost records by the company. Therefore, we are unable to comment in accordance with the clause 3(vi) of the order.



- vii.
- (a) Based on the information provided, the company has not been consistent in depositing statutory dues. As of March 31, 2021, because of the matters described in the Basis for Disclaimer of Opinion section of our report, we are unable to determine the amounts payable for Provident Fund, pension fund, labor welfare fund & TDS due to the unavailability of complete details and challans.
 - (b) Since the company was undergoing Corporate Insolvency Resolution Process (CIRP), it is not possible to accurately determine the details regarding income tax, customs duty, Goods and Services Tax as of March 31, 2021. This is because these amounts have not been deposited with the statutory authorities due to ongoing disputes. Additionally, since the Insolvency and Bankruptcy Code, 2016 supersedes all other acts in India, no further claims can be made beyond the CIRP costs.
- viii. The Company has defaulted in repayment of loans and borrowing to banks, financial institutions and debenture holders. The Company had been admitted into CIRP on 17/01/2020 and the Company has accrued additional liability of Rs. 27,945 Lakhs representing the difference between the borrowings (including interest accrued) claims of the financial creditors admitted by the RP and the borrowings including interest accrued) in the books as at March 31 2021 (refer note 19(e) to the SFS). Details of loan wise period of default is not made available to us and accordingly we are unable to report as per the requirements of paragraph 3(viii) of the Order. (Refer note 19(a) to the SFS for the lender wise break up of borrowings outstanding as at March 31 2021).
- ix. Because of the matters described in the Basis for Disclaimer of Opinion section of our report, we are unable to state whether the Company has raised any money by way of initial public offer or further public offer (including debt instruments), however due to unavailability of data we are unable to comment whether the company has raised any money by way of term loans during the year.
- x. Due to the possible effects of the matters described in the Basis for Disclaimer of Opinion section of our report, we are unable to state whether no fraud by the Company, or any fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi. Due to unavailability of required details, we are unable to report in accordance with the clause 3(xi) of the Order.
- xii. Based on our verification carried out on test check basis and the information and explanation received from the Management, we state that the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.



- xiii. We were not provided with the required details regarding the transactions with related parties; therefore, we are unable to comment in accordance with the clause 3(xiii) of the order.
- xiv. Based on our verification carried out on test check basis and the information and explanation received from the Management, we state that the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv. Due to unavailability of the required data, we are unable to comment in accordance with the clause 3(xv) of the order.
- xvi. Based on our verification carried out on test check basis and the information and explanation received from the Management, we state that the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

**For Batliboi & Purohit,
Chartered Accountants
FRN: 101048W**



**Parag Hangekar
Partner
Membership No. 110096
Place: Mumbai**

**Date: 23rd September, 2024
UDIN: 24110096BKCXPS4046**



Annexure - B to the Independent Auditors' Report on the SFS of Ballarpur Industries Limited for the year ended March 31, 2021

Report on the Internal Financial Controls with reference to the aforesaid SFS under Clause (i) of Sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(i) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

We were engaged to audit the internal financial controls over financial reporting of Ballarpur Industries Limited ("the Company") as at March 31, 2021 in conjunction with our audit of the SFS of the Company as of and for the year ended on that date.

Disclaimer of opinion

The system of internal financial controls over financial reporting with regard to the Company were not made available to us to enable us to determine if the Company has established adequate internal financial controls over financial reporting and whether such internal financial controls were operating effectively as at March 31 2021, due to the reasons stated in "Basis for Disclaimer of Opinion" paragraph above.

Basis for Disclaimer of Opinion

Due to the possible effects of the matters described in the Basis for Disclaimer of Opinion paragraph in our main audit report, we are unable to obtain sufficient and appropriate evidence to provide a basis for our opinion on whether the company has adequate internal financial controls over financial reporting with reference to IND AS financial statements as at March 31, 2021 & whether such internal financial controls were operating effectively.

Accordingly, we do not express an opinion on the internal financial controls over financial reporting with reference to the SFS of the company.

We have considered the disclaimer reported above in determining the nature, timing and extent of audit tests applied in our audit of the SFS of the Company, and the disclaimer has affected our opinion on the SFS of the Company and we have issued a disclaimer of opinion on the SFS (refer "Basis for Disclaimer of Opinion" paragraph in our audit report of even date).



Management's/ Resolution Professional's responsibility for internal financial controls

The Company's Management and the Board of Directors/ Resolution Professional is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 ("the Act").

Auditor's responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit in accordance with the Guidance Note and the Standards on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and whether such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

Because of the matter described in disclaimer of opinion paragraph above, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on internal financial control over financial reporting of the Company.



Meaning of internal financial controls over financial reporting

A company's internal financial controls over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls over financial reporting includes those policies and procedures that:

- 1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- 2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- 3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

For Batliboi & Purohit,
Chartered Accountants
FRN: 101048W



Parag Hangekar
Partner
Membership No. 110096
Place: Mumbai

Date: 23rd September, 2024
UDIN: 24110096BKCXPS4046



BALLARPUR INDUSTRIES LIMITED
CIN: L21010MH1945PLC010337
STANDALONE BALANCE SHEET AS AT 31st MARCH 2021

(Rs. in Lakhs)

Particulars	Note No.	As at 31st March 2021	As at 31st March 2020
ASSETS			
(1) Non-Current Assets			
(a) Property, Plant and Equipment	3	1,73,167	1,78,774
(b) Capital work-in-progress	4	-	57
(c) Other intangible assets	5	-	-
(d) Financial assets			
(i) Investments	6	92,965	92,965
(ii) Loans		-	-
(iii) Others	7	538	590
(e) Deferred tax assets (net)	8	11,924	11,924
(f) Other non-current assets	9	29	155
(2) Current Assets			
(a) Inventories	10	1,650	1,678
(b) Financial assets			
(i) Trade receivables	11	679	4
(ii) Cash and cash equivalents	12	68	185
(iii) Bank balances other than (ii) above	13	46	46
(iv) Loans	14	1,31,984	76,460
(v) Others	15	340	497
(c) Other current assets	16	4,262	3,668
(d) Assets classified as held for sale		-	-
Total Assets		4,17,653	3,67,003
EQUITY AND LIABILITIES			
Equity			
(1) Equity share capital	17	25,871	25,871
(2) Other equity	18	(2,05,549)	(1,48,074)
Liabilities			
(1) Non-Current Liabilities			
(a) Financial liabilities			
(i) Borrowings	19	-	-
(ii) Other financial liabilities	20	96,631	96,689
(b) Provisions	21	2,888	2,888
(c) Other non-current liabilities	22	-	-
(2) Current Liabilities			
(a) Financial liabilities			
(i) Borrowings	19	3,26,725	98,187
(ii) Trade payables	23		
a) Total outstanding dues of micro and small enterprises		-	2,095
b) Total outstanding dues of creditors other than micro and small enterprises		20,432	21,675
(iii) Other financial liabilities	24	1,31,173	2,48,216
(b) Other current liabilities	25	10,964	10,952
(c) Provisions	26	2,503	2,482
(d) Current tax liabilities(net)	27	6,016	6,022
Total Equity and Liabilities		4,17,653	3,67,003

"0" represent amount below Rs. 50,000/-

Significant Accounting Policies and Notes accompanying Standalone Ind AS Financial Statements 1-56

As per our report of even date attached

For Batliboi and Purohit
Chartered Accountants
Firm's Registration No.101048W

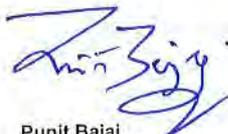


Parag Hangekar
Partner
Membership No. 110096

Place: Mumbai
Date: September 23, 2024



For Ballarpur Industries Limited



Punit Bajaj
Company Secretary
M. No: A-58392

Place : Mumbai
Date : September 23, 2024



Parashiva Murthy B S
Director
Din: 00011584



Hardik B. Patel
Whole- Time Director & Chief
Financial Officer
Din: 00590663



BALLARPUR INDUSTRIES LIMITED
 CIN: L21010MH1945PLC010337
 STATEMENT OF STANDALONE PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2021

(Rs. in Lakhs)

Particulars	Note No.	2020-21	2019-20
Revenue from operations	28	235	30,192
Other income	29	90	3,402
Total Income		325	33,594
Expenses			
Cost of materials consumed	30	115	11,099
Purchase of stock in trade	31	-	2,592
Changes in inventories of finished goods, work-in-progress and stock-in-trade	32	28	1,562
		142	15,253
Employee benefits expense	33	1,482	5,373
Finance costs	34	49,265	47,217
Depreciation and amortisation expense	3&5	5,633	4,563
Other expenses	35	1,277	54,488
Total Expenses		57,800	1,26,894
Profit/ (loss) before exceptional items and tax		(57,475)	(93,300)
Exceptional items	36	(0)	35,368
Profit/ (loss) before tax		(57,475)	(1,28,668)
Tax expense:			
(1) Current tax	47	-	-
(2) Deferred tax	8	-	-
Profit/ (loss) for the year		(57,475)	(1,28,668)
Other Comprehensive Income			
A (i) Items that will not be reclassified to profit or loss		-	(132)
(ii) Income tax on the above		-	-
B (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax on the above		-	-
Other comprehensive income for the year			(132)
Total comprehensive income for the year		(57,475)	(1,28,800)
Earnings per equity share	45		
(1) Basic (Rs)		(4)	(10)
(2) Diluted (Rs)		(4)	(10)

Significant Accounting Policies and Notes accompanying Standalone Ind AS Financial Statements 1-56

As per our report of even date attached

For Batliboi and Purohit
 Chartered Accountants
 Firm's Registration No.101048W



Parag Hangekar
 Partner
 Membership No. 110096

Place: Mumbai
 Date: September 23, 2024



For Ballarpur Industries Limited



Punit Bajaj
 Company Secretary
 M. No: A-58392



Parashiva Murthy B S
 Director
 Din: 00011584



Hardik B. Patel
 Whole- Time Director &
 Chief Financial Officer
 Din: 00590663

Place: Mumbai
 Date: September 23, 2024



BALLARPUR INDUSTRIES LIMITED
CIN: L21010MH1945PLC010337
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31st MARCH 2021

Particulars	(Rs. in Lakhs)	
	2020-21	2019-20
Cashflow from operating activities		
Profit/(Loss) before tax	(57,475)	(1,28,668)
Adjustment for:		
Depreciation and amortization expense	5,633	4,563
Finance costs (net)	49,265	47,217
Interest income	(2)	(28)
Unrealised gain on foreign exchange (net) as other income	-	(3,034)
Bad debts and other balances written off/ Allowances for doubtful debts & advances	26	43,284
Unspent liabilities and excess provision of earlier years written back	-	(13)
Inventory written off	22	183
Exceptional items	-	35,368
Write off of Capital Work in progress	28	-
Gain on cancellation of Lease Agreement	-	(50)
(Profit)/ Loss on sale of property plant and equipment	(7)	2
Operating profit before working capital changes	(2,511)	(1,176)
Adjustment for working capital		
(Increase)/decrease in trade receivable	(701)	1,075
(Increase)/decrease in loans, advances and other current assets	(55,784)	(309)
(Increase)/decrease in inventory	5	1,261
Increase/(decrease) in liabilities and provisions	(1,20,353)	1,160
Cash generated from / (used in) operations	(1,79,344)	2,011
Direct taxes (paid) / refund (net)	-	(83)
Net cash generated from / (used in) operating activities of continuing operations	(1,79,344)	1,928
Net cash generated from / (used in) operating activities of discontinued operations	-	-
Net cash generated from / (used in) operating activities	(1,79,344)	1,928
Cashflow from Investing activities		
Payment for acquisition of property, plant and equipment and intangible assets	(1)	(356)
Proceeds on disposal of property, plant and equipment	11	26
Interest received	2	15
(Increase)/ Decrease in other bank balances [Refer note (c) below]	-	316
Net cash generated from / (used in) Investing activities of continuing operations	12	1
Net cash generated from / (used in) Investing activities of discontinued operations	-	-
Net cash generated from / (used in) investing activities	12	1
Cashflow from financing activities		
Proceeds from/ (Repayment of) borrowings (net)	2,28,479	(559)
Receipt/(Payment) for buy back (optional/convertible)	-	-
Payment of Lease liabilities including interest	-	(89)
Interest paid (net)	(49,265)	(1,498)
Dividend paid (including payment to investor education and protection fund)	-	(17)
Net cash generated from / (used in) financing activities of continuing operations	1,79,214	(2,163)
Net cash generated from / (used in) financing activities of discontinued operations	-	-
Net cash generated from / (used in) financing activities	1,79,214	(2,163)
Net increase/ (decrease) in cash and cash equivalents	(117)	(234)
Cash and cash equivalents at the beginning of the year	185	419
Cash and cash equivalents at the end of the year	68	185

Notes:

- (a) The statement of cashflows has been prepared under the indirect method as set out in Ind AS 7 'Statement of Cashflows'.
 (b) Payment for acquisition of property, plant and equipment and intangible assets includes movement in capital work-in-progress, intangible assets under development, capital advances and liability toward capital purchases.
 (c) Other bank balances represent bank balances earmarked for specific purpose and deposits with banks having a maturity exceeding 3 months (Note 7)
 (d) Cash and cash equivalents include cash and bank balances. Refer note 12 for components of cash and cash equivalents.
 (e) Figures in brackets indicate cash outgo.
 (f) "0" represents amount less than Rs. 50,000/-

Significant Accounting Policies and Notes accompanying Standalone Ind AS Financial Statements 1-56

As per our report of even date attached

For Batliboi and Purohit
Chartered Accountants
Firm's Registration No. 101048W

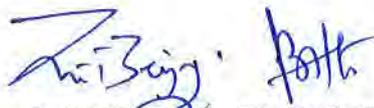


Parag Hangekar
Partner
Membership No. 110096

Place: Mumbai
Date: September 23, 2024



For Ballarpur Industries Limited



Punit Bajaj
Company Secretary
M. No: A-58392

Parashiva Murthy B S
Director
Din: 00011584

Place: Mumbai
Date: September 23, 2024



Hardik B. Patel
Whole-Time Director &
Chief Financial Officer
Din: 00590663



BALLARPUR INDUSTRIES LIMITED
CIN: L21010MH1945PLC010337
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH 2021

A. EQUITY SHARE CAPITAL

Particulars	(Rs. in Lakhs)	
	Balance at the beginning of the year	Balance at the end of the year
For the year ended 31st March 2020	25,871	25,871
For the year ended 31st March 2021	25,871	25,871

B. OTHER EQUITY

Particulars	(Rs. in Lakhs)									
	Capital Reserve	Securities Premium Account	Preference Share Capital Redemption Reserve	Debt Redemption Reserve	General Reserve	Retained Earnings	Re-measurement of the net defined benefit Plans	Gain/(Loss) on Equity Instruments	Gain/(Loss) on Debt Instruments	Total
Balance as at 1st April 2019	1,515	1,15,833	7,385	2,101	80,809	(2,17,277)	(576)	(748)	(8,300)	(19,259)
Loss for the year	-	-	-	-	-	(1,28,668)	-	-	-	(1,28,668)
Other comprehensive income for the year	-	-	-	-	-	-	(132)	-	-	(132)
Impact on adoption of Ind AS 116 (Refer note 47)	-	-	-	-	-	(16)	-	-	-	(16)
Balance as at 31st March 2020	1,515	1,15,833	7,385	2,101	80,809	(3,45,961)	(708)	(748)	(8,300)	(1,48,075)
Loss for the year	-	-	-	-	-	(57,475)	-	-	-	(57,475)
Other comprehensive income for the year	-	-	-	-	-	-	-	-	-	-
Balance as at 31st March 2021	1,515	1,15,833	7,385	2,101	80,809	(4,03,436)	(708)	(748)	(8,300)	(2,05,549)

*0" represents amount less than Rs. 50,000/-

Significant Accounting Policies and Notes to Standalone Ind AS Financial Statements 1-56

As per our report of even date attached

For Batilboi and Purohit
Chartered Accountants
Firm's Registration No.101048W

Parag Hangekar
Parag Hangekar
Partner
Membership No. 110096

Place: Mumbai
Date: September 23, 2024



For Ballarpur Industries Limited

Punit Bajaj
Punit Bajaj
Company Secretary
M. No. A-58392

Place: Mumbai
Date: September 23, 2024

Parashiva Murthy B S
Parashiva Murthy B S
Director
Din: 00011584

Hardik B. Patel
Hardik B. Patel
Whole Time
Din: 00590663



1. Company overview

Ballarpur Industries Limited ("BILT" or the company) is a public Limited Company incorporated and domiciled in India with its registered office in Mumbai, Maharashtra, India. The Company is listed on the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE) and is engaged in the business of manufacturing and selling of writing and printing paper. The manufacturing operations of the Company are spread over two units namely Shreegopal (Haryana) and Kamalapuram (Telangana).

The functional and presentation currency of the Company is Indian rupee (INR) which is the currency of the primary economic environment in which the company operates.

2. Significant accounting policies

The significant accounting policies applied by the Company in the preparation of its financial statements are listed below. Such accounting policies have been applied consistently to all the periods presented in these financial statements, unless otherwise stated.

2.1 Statement of Compliance

The standalone financial statements have been prepared in accordance with the provisions of Companies Act, 2013 and the Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and amendments thereof issued by Ministry of Corporate Affairs in exercise of the powers conferred by Section 133 of the Companies Act, 2013. In addition, the guidance notes/ announcements issued by the Institute of Chartered Accountants of India ("ICAI") are also applied except where compliance with other statutory promulgations require a different treatment. These standalone financial statements have been approved for issue by the Board of Directors at its meeting held on 23rd September, 2024.

2.2 Basis for accounting

The Company maintains its accounts on accrual basis following historical cost convention, except certain assets and liabilities that are measured at fair value in accordance with Ind AS.

Fair value measurements are categorised as below based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at the measurement date
- Level 2 inputs are inputs, other than quoted prices included in level 1, that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices), and
- Level 3 inputs are unobservable inputs for the valuation of assets or liabilities.

The above levels of the fair value hierarchy are applied consistently, and generally, there are no transfers between the levels of the fair value hierarchy unless the circumstances change warranting such transfer.

2.3 Presentation of standalone financial statements

The Balance Sheet, Statement of Profit and Loss and the Statement of Changes in Equity are prepared and presented in the format prescribed in Schedule III to the Companies Act, 2013 ("the Act"). The statement of Cash flows has been prepared and presented as per the requirement of Ind AS 7 "Statement of Cash Flows". The disclosure requirements with respect to items in the Balance Sheet and Statement of



Profit and Loss, as prescribed in schedule III of the Act, are presented by way of notes forming part of the standalone financial statements along with the other notes required to be disclosed under notified Accounting Standards and the SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015, as amended.

Amounts in the standalone financial statements are presented in Indian Rupees in Lakhs as permitted by Schedule III to the Companies Act, 2013. Per share data are presented in India Rupees to two decimal places.

2.4 Current and non-current classification

All Assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalent, the Company has ascertained its operating cycle as 12 months for the purpose of current/ non-current classification of assets and liabilities.

An asset is classified as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle.
- Held primarily for the purpose of trading.
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle.
- It is held primarily for the purpose of trading.
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

2.5. Use of estimates and critical accounting judgements

The preparation of financial statements in conformity with Ind AS requires that the management of the Company makes estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of the financial statements. The estimates and underlying assumptions made by management are explained under respective policies. Revisions to accounting estimates include useful lives of property, plant and equipment & intangible assets, allowance for expected credit loss, future obligations in respect of retirement benefit plans, fair value/ recoverable amount measurement, etc. Difference, if any, between the actual results and estimates is recognised in the period in which the results are known.

2.6. Property, Plant and Equipment (PPE)

PPE is recognized when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.



PPE is stated at the original cost net of tax/ duty credits availed, if any, less accumulated depreciation and cumulative impairment, if any. All directly attributable costs related to the acquisition of PPE and borrowing costs in case of qualifying assets are capitalised in accordance with the Company's accounting policy.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost can be measured reliably.

PPE not ready for the intended use on the date of the Balance Sheet is disclosed as "capital work-in-progress".

PPE is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition is recognized in the statement of profit and loss in the same period.

2.7. Intangible Assets

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the asset will flow to the Company and the cost of the asset can be measured reliably. Intangible assets are stated at original cost net of tax/ duty credits availed, if any, less accumulated amortisation and cumulative impairment. All directly attributable costs and other administrative and other general overhead expenses that are specifically attributable to acquisition of intangible assets are allocated and capitalised as a part of the cost of the intangible assets.

Intangible assets are stated at original cost of acquisition net of tax/duty credits availed, less accumulated amortization and accumulated impairment losses, if any.

Intangible assets not ready for the intended use on the date of the Balance Sheet are disclosed as "intangible assets under development".

2.8. Research and Development Costs

Expenditure on research activities is recognised as an expense in the year in which it is incurred.

Development expenditure on new products is capitalized as intangible asset, if all of the following can be demonstrated:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale;
- The Company has the intention to complete the intangible asset and use or sell it;
- The Company has the ability to use or sell the asset;
- The manner in which the probable future economic benefits will be generated, including the existence of a market for the output of the intangible asset or intangible asset itself or, if it is to be used internally, the usefulness of intangible assets;
- The availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- The Company has the ability to reliably measure the expenditure attributable to the intangible asset during its development;

Development expenditure that does not meet the above criteria is expensed in the period in which it is incurred.



2.9. Depreciation and amortization of PPE and intangible assets

Depreciation/amortization is recognized using straight-line method so as to write off the cost of property plant and equipment and intangible assets (other than freehold land, capital work-in-progress and intangibles under development) to their residual values over their useful lives. The depreciation/amortization is charged from the dates the assets are available for their intended use and are spread over their estimated useful lives or, in the case of leased assets, over the lease period, if shorter. The estimated useful lives for main categories of property plant and equipment and intangible assets are;

Categories of Assets	Estimated useful life (in years)
Lease hold land	upto 29
Buildings -Factory and Office buildings including RCC frame structures	30 to 60 *
Plant & Machinery	7 to 30 *
Railway Sidings	14
Furniture, Fixtures and Office equipment	
Computer equipment	3-5
Office equipment	5-30
Furniture and fixtures	4-10
Vehicles	7- 16
Computer software	
New product development	3-5

The depreciation/ amortization charge for impaired assets is adjusted in future periods in such a manner that the revised carrying amount of the asset is allocated over its remaining useful life.

The depreciation/ amortization method is reviewed at each financial year end to reflect the expected pattern of consumption of the future economic benefits embodies in the asset. The estimated useful life and residual values are also reviewed at each financial year-end, and the effect of any change in the estimates of useful life/ residual value is accounted for on a prospective basis.

Where the cost of a part of the assets ("asset components") is significant to the total cost of the asset and the useful life of that part is different from the useful life of the remaining asset, the useful life of that significant part is determined separately, and such asset components is depreciated over its separate useful life.

*Note: For this class of assets, based on internal assessment and independent technical evaluation carried out by chartered engineers, the Company believes that useful lives, as given above, represent the period over which the Company expects to use these assets. Hence, the useful lives for these assets are different from the useful lives prescribed under Schedule II.

2.10. Impairment of assets

As at the end of each accounting year, carrying amounts of PPE, intangible assets and investments in subsidiary companies are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If such indication exists, PPE, intangible assets and investments are tested for impairment so as to determine the impairment loss, if any.



Impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is determined:

- (i) in the case of an individual asset, at the higher of the fair value less costs to sell and the value in use; and
- (ii) in the case of a cash-generating unit (smallest identifiable group of assets that generates independent cash flows), at the higher of the cash-generating unit's fair value less costs to sell and the value in use.

The amount of value in use is determined as the present value of estimated future cash flows from the continuing use of an asset and from its disposal at the end of its useful life. For this purpose, the discount rate (pre-tax) is determined based on the weighted average cost of capital of the company suitably adjusted for risks specified to the estimated cash flows of the asset.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, such deficit is recognized immediately in the statement of profit and loss. As impairment loss and the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount.

When an impairment loss subsequently reverses, the carrying value of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, such that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss.

2.11. Discontinued operations and non-current assets held for sale

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operation, is part of a single coordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the statement of profit or loss.

Non-current assets and disposal groups are classified as held for sale if their carrying amount is intended to be recovered principally through a sale (rather than through continuing use) when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset (or disposal group) and the sale is highly probable and is expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets and disposal groups classified as held for sale are measured at lower of their carrying amount and fair value less costs to sell.

Non-current assets (including that are part of disposal group) are not depreciated or amortised while they are classified as held for sale. Non-current assets classified as held for sale and the assets of a disposal group as held for sale are presented separately from the other assets in the balance sheet. The liabilities of disposal group classified as held for sale are presented separately from other liabilities in the Balance Sheet.

2.12. Leases

Leases are accounted as per Ind AS 116 which has become mandatory from April 1, 2019.



Assets taken on lease are accounted as right-of-use assets, and the corresponding lease liability is recognized at the lease commencement date.

Initially, the right-of-use asset is measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, as reduced by any lease incentives received.

The lease liability is initially measured at the present value of the lease payments, discounted using the Company's incremental borrowing rate. It is remeasured when there is a change in future lease payments arising from a change in an index or a rate, or a change in the estimate of the guaranteed residual value, or a change in the assessment of purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in the Statement of Profit and Loss if the carrying amount of the right-of-use asset has been reduced to zero.

The right-of-use asset is measured by applying the cost model i.e. right-of-use asset at cost less accumulated depreciation and cumulative impairment, if any. The right-of-use asset is depreciated using the straight-line method from the commencement date to the end of the lease term or useful life of the underlying asset, whichever is earlier. The carrying amount of lease liability is increased by interest on the lease liability and reduced by lease payments made.

Lease payments associated with the following leases are recognised as expenses on straight-line basis:

- (i) Low value leases; and
- (ii) Leases which are short-term.

Assets given on lease are classified either as operating lease or as finance lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. Asset under a finance lease is initially recognised in the balance sheet and presented as receivable at an amount equal to the net investment in the lease. Finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on Company's net investment in the lease. A lease which is not classified as a finance lease is an operating lease.

The Company recognises lease payments in case of assets given on operating leases as income on a straight-line basis. The Company presents underlying assets subject to operating lease in its balance sheet under the respective class of asset.

2.13. Investment in subsidiaries, joint ventures and associates

Investments in subsidiaries, associates and joint ventures are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of investment is assessed and an impairment loss is recognised immediately in the statement of profit and loss. On disposal of such investments, difference between the net disposal proceeds and carrying amount is recognised in the statement of profit and loss.

2.14. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognized when the company becomes a party to a contract embodying the related financial instruments.



Initial recognition and measurement

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to and deducted from the fair value measured on the initial recognition of the financial asset or financial liability. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the Statement of the Profit and Loss.

Effective interest method

The effective interest method is a method of calculating the amortized cost of a financial instrument of allocating interest income or expense over the relevant period. The effective interest rate is a rate that exactly discounts the future cash receipts or payments through the expected life of the instrument, or where appropriate, a shorter period.

Subsequent measurement

For purposes of subsequent measurement financial assets are classified in two broad categories:

- Financial assets at amortised cost
- Financial assets at fair value

2.14.1. Financial assets

➤ **Financial assets at amortized cost**

Financial assets are subsequently measured at amortized cost if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

➤ **Financial assets at fair value**

Financial assets are measured at fair value through other comprehensive income if such financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows or to sell such financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Company in respect of equity investments (other than in subsidiaries, associates and joint ventures) which are not held for trading has made an irrevocable election to present in other comprehensive income subsequent changes in the value of such equity instruments. Such an election as made by the company on an instrument-by-instrument basis at the time of initial recognition of equity instruments. These investments are held for medium- or long-term strategic purpose.

The Company has chosen to designate these investments in equity instruments as fair value through other comprehensive income as the management believe this provides a more meaningful presentation for



medium- or long-term strategic investments, than reflecting changes in fair value immediately in the statement of profit and loss.

Financial asset not measured at amortised cost or fair value through other comprehensive income is carried at fair value through the statement of profit and loss.

➤ **Impairment of financial assets**

The Company recognises impairment loss on trade receivables and certain other financial assets using expected credit loss (ECL) model, which involves use of a provision matrix constructed on the basis of historical credit loss experience as permitted by Ind AS 109. Other financial assets measured at amortized cost and financial assets measured at fair value through OCI are tested for impairment based on evidence or information that is available without undue cost or effort. Expected credit loss on such assets is assessed and allowance recognized if the credit quality of the financial asset has deteriorated significantly since initial recognition.

➤ **De-recognition**

The Company de-recognises a financial asset (or, where applicable, a part of financial asset or a part of a group of similar financial assets) when;

- The rights to receive cash flows from the assets have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under 'pass through' arrangement and either the company has;
 - a) transferred all the risks and rewards of the asset to another entity; or,
 - b) not retained substantially all the risks and rewards of the asset but has transferred control of the asset.

When the company has transferred its right to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all the risks and rewards of the asset, nor transferred control of the asset the company continues to recognize the transferred asset to the extent of company's continuing involvement. In that case, the company also recognizes an associated liability. The transferred asset and associated liability are measured on a basis that reflects the rights and obligations that the company has retained. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset the maximum amount of consideration that the company could be required to repay.

On derecognition of a financial asset in its entirety, the difference between the carrying amount measured at the date of derecognition and the consideration received is recognised in Profit or Loss.

2.14.2. Financial liabilities and equity instruments

➤ **Classification as debt or equity**

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements



entered into and the definitions of a financial liability and an equity instrument.

➤ **Equity instruments**

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

➤ **Financial liabilities**

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

Trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest rate method where the time value of money is significant.

Interest bearing bank loans, overdrafts and issued debt are initially measured at fair value and subsequently measured at amortised cost using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement and redemption of borrowings is recognised over the term of the borrowings in the statement of profit and loss.

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit and loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains/ losses on liabilities held for trading are recognised in the statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

De-recognition of financial liabilities

The Company de-recognises financial liabilities when, and only when, the Company's obligation is discharged, cancelled or they expire.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange and modification is treated as the de-recognition of the original liability and the recognition of the new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.



2.14.3. Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

2.14.4. Compound financial instruments

The liability component of a compound financial instrument is recognised initially at fair value of a similar liability that does not have an equity component. The equity component is recognised initially at the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and the equity components, if material, in proportion to their initial carrying amounts.

Subsequent to the initial recognition, the liability component of a compound financial instrument is measured at amortised cost using the effective interest method.

The equity component of a compound financial instrument is not re-measured subsequent to initial recognition except on conversion or expiry.

2.15. Cash and bank balances

Cash and bank balances consist of:

i) Cash and cash equivalents

Cash and cash equivalents which includes cash in hand, deposits held at call with banks, and other short-term deposits which are readily convertible into known amounts of cash, subject to an insignificant risk of changes in value and have maturities of less than three months from the reporting date are held for the purpose of meeting short-term cash commitments.

The balances with banks are unrestricted for withdrawal and usage.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

ii) Other Bank balances

Other bank balances include (a) deposits with banks having maturing of more than 3 months and (b) balances and deposits with banks that are restricted for withdrawal and usage.

2.16. Employee benefits

(i) Short term employee benefits

Employee benefits such as salaries, wages, bonus, short-term compensated absences, performance incentives, etc., falling due wholly within the twelve months of rendering service are classified as short-term employee benefits and are expensed in the period in which the employee renders the related service.

(ii) Post employment benefits:

A. Defined contribution plans

The Company's contributions to defined contribution plans i.e., superannuation scheme, provident fund and pension scheme, are



recognized in statement of profit or loss in the period to which the employee provides the related service.

B. Defined benefit plans

The Company's obligation towards gratuity is a defined benefit plan. The present value of the obligation under such defined benefit plan is determined based on actuarial valuation, done by a qualified actuary, using the Projected Unit Credit Method.

The obligation towards defined benefit plans is measured at the present value of the estimated future cash flows using a discount rate based on the market yield on Government securities of a maturity period equivalent to the weighted average maturity profile of the defined benefit obligation at the Balance Sheet date.

Re-measurements, comprising actuarial gains and losses, the return on plan assets (excluding net interest on the net defined benefit liability or asset) and any change in the effect of asset ceiling (if applicable) are recognized in other comprehensive income and are reflected in retained earnings and the same is not eligible to be reclassified to profit or loss.

Defined benefit costs comprising current service cost, past service cost and gains or loss on settlements are recognized in the statement of profit or loss as employee benefits expense. Interest cost implicit in defined benefit cost is recognized in the statement of profit or loss under finance cost. Gains or losses on settlement of any defined benefit plan are recognized when the settlement occurs. Past service cost is recognized as an expense at the earlier of the plan amendment or curtailment and when the Company recognizes related restructuring costs or termination benefits.

(iii) Long term employee benefits

The obligation recognized in respect of long-term employee benefits such as long-term compensated absences is measured at present value of estimated future cash flows expected to be made by the Company and is measured in a similar manner as in the case of a defined benefit plan as above.

Long-term employee benefit costs comprising current service cost and gains or losses on curtailments and settlements, re-measurements including actuarial gains and losses are recognized in the statement of profit or loss as employee benefits expense. Interest cost implicit in long-term employee benefit cost is recognized in the statement of profit or loss under finance cost.

(iv) Termination benefits

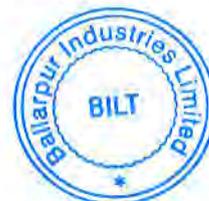
Termination benefits are recognized as expenses in the period in which they are incurred.

2.17. Inventories

Inventories are valued after providing for obsolescence, as under:

Inventories comprise Raw Materials, Stores & Spares, Chemicals, Work in progress and finished goods.

- (i) Raw materials, stores and spares, chemicals and packing materials at lower of weighted average cost and net realisable value. However, these items are considered to be realisable at cost if the finished products in which they will be used are expected to be sold at or above cost.



- (ii) Work-in-progress at lower of weighted average cost including related overheads and net realisable value.
- (iii) Finished goods at lower of weighted average cost and net realisable value. Cost includes costs of purchases, costs of conversion and other costs incurred in bringing the inventories to their present location.

Assessment of net realisable value is made at each reporting period end, and when the circumstances that previously caused inventories to be written down below cost no longer exist or when there is clear evidence of an increase in net realisable value because of changed economic circumstances, the write-down, if any, in the past period is reversed to the extent of the original amount written-down so that the resultant carrying amount is the lower of the cost and the revised net realisable value.

2.18. Provisions, Contingent Liabilities and Contingent Assets

i) Provisions

Provisions are recognised only when:

- (a) the Company has a present obligation (legal or constructive) as a result of a past event; and
- (b) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- (c) a reliable estimate can be made of the amount of the obligation

Provision is measured using the cash flows estimated to settle the present obligation and when the effect of time value of money is material, the carrying amount of the provision is the present value of those cash flows. Reimbursements expected in respect of expenditure required to settle a provision is recognized only when it is virtually certain that the reimbursement will be received.

ii) Contingent Liabilities

Contingent liability is disclosed in the case of:

- (a) A present obligation rising from past events when it is not probable that an outflow of resources will be required to settle the obligation; and
- (b) A present obligation arising from past events when no reliable estimate is possible.

iii) Contingent Assets

Contingent assets are disclosed where an inflow of economic benefits is probable.

Provisions, contingent liabilities and assets are reviewed at each balance sheet date.

iv) Commitments are future liabilities for contractual expenditure, classified and disclosed as follows:

- a. estimated number and amount of contracts remaining to be executed on capital account and not provided for;
- b. uncalled liability on shares and other investments partly paid;
- c. funding related commitment to subsidiary, associate and joint venture companies; and



d. other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of the management.

Other commitments related to sales/procurements made in the normal course of business are not disclosed to avoid excessive details.

2.19. Government grants

Government grants with a condition to purchase, construct or otherwise acquire long-term assets are recognised when there is a reasonable assurance that the Company will comply with the conditions attached to that and the grants will be received and are initially measured based on grant receivable under the scheme. Such grants are recognised in the Statement of Profit and Loss on a systematic basis over the useful life of the asset. Amount of benefits receivable in excess of grant income accrued based on usage of the assets is accounted as Government grant received in advance. Changes in estimates are recognised prospectively over the remaining life of the assets. Government revenue grants relating to costs are deferred and recognised in the Statement of Profit and Loss over the period necessary to match them with the costs that they are intended to compensate.

2.20. Taxes on income

Tax expense for the period comprises current and deferred tax.

(i) Current tax

Tax on income for the current period is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income Tax Act 1961 and using estimates and judgements based on the expected outcome of assessments/appeals and the relevant ruling in the areas of allowance and disallowances.

(ii) Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the Company's financial statements and the corresponding tax bases used in the computation of taxable profit and quantified using the tax rates as per laws enacted or substantially enacted as on the Balance Sheet date.

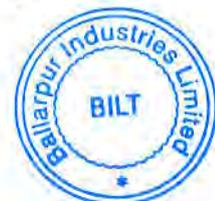
Deferred tax liabilities are recognized for all taxable temporary differences.

Deferred tax assets are recognized for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilized. Deferred tax assets are recognized for the carry forward and unused tax credits and any unused tax losses only to the extent that the entity has sufficient taxable temporary differences or convincing other evidence that sufficient taxable profit will be available against which the unused tax losses or unused tax credits can be utilised.

The carrying value of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

Deferred tax assets and liabilities are offset to the extent that they relate to taxes levied by the same tax authority and there is legally enforceable right to set off current tax assets against current tax liabilities; within that jurisdiction.

Deferred tax expense is recognised in statement of profit and loss except when they relate to items recognized in other comprehensive income or directly in equity, in



which case, the income tax expense is also recognized in other comprehensive income or directly in equity, as the case may be.

2.21. Revenue recognition

Revenue from contracts with customers is recognized when a performance obligation is satisfied by the transfer of promised goods and services to a customer.

For performance obligation satisfied over time, the revenue recognition is done by measuring the progress towards complete satisfaction of performance obligation. The progress is measured in terms of a proportion of actual cost incurred to-date, to the total estimated cost attributable to the performance obligation.

The Company transfers control of a good or service over time and therefore satisfies a performance obligation and recognises revenue over a period of time if one of the following criteria is met:

- (a) the customer simultaneously consumes the benefit of the Company's performance or
- (b) the customer controls the asset as it is being created/enhanced by the Company's performance or
- (c) there is no alternative use of the asset, and the Company has either explicit or implicit right of payment considering legal precedents,

In all other cases, performance obligation is considered as satisfied at a point in time.

The revenue is recognised to the extent of transaction price allocated to the performance obligation satisfied. Transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring goods or services to a customer excluding amounts collected on behalf of a third party.

(i) Sale of goods

Revenue from the sale of manufactured and traded goods is recognised when the control of the same is transferred to the customer, and it is probable that the Company will collect the consideration to which it is entitled for the exchanged goods.

(ii) Rendering of service

Revenue from rendering of services is recognised over time as the customer receives the benefit of the company's performance and the Company has an enforceable right to payment for services transferred.

(iii) Other operating income

(a) Incentives

Incentives on exports and other Government incentives are recognised when it is probable that the economic benefits associated with the incentives will flow to the entity, the revenue can be measured reliably, and there is no significant uncertainty about the ultimate realization of the incentive.

(b) Rental income

Lease rental income from an operating lease is recognized on a straight-line basis over the lease term unless the payments are structured to increase in line with expected general inflation to compensate for lessor's expected inflationary cost increases.



(iv) Other income

(a) Interest income

Interest income is recognised on a time proportion basis using the effective interest method.

(b) Dividends

Dividends is recognised when the Company's right to receive the payment arises and it is probable that the economic benefits will flow to the Company.

(c) Other items of income

Other items of income are accounted as and when the right to receive such income arises and it is probable that the economic benefits will flow to the Company and the amount of the income can be measured reliably.

2.22. Foreign currency transactions

- (i) The functional currency and presentation currency of the Company is Indian Rupee.
- (ii) Transactions in currencies other than the Company's functional currency are recorded on initial recognition are recorded using the exchange rate at the transaction date. At each Balance Sheet date, foreign currency monetary items are reported at the closing spot rate. Non-monetary items that are measured in terms of historical cost in foreign currency are not translated. Exchange differences that arise on settlement of monetary items or on reporting of monetary items at each Balance Sheet date at the closing spot rate are recognized in the statement of profit and loss in the period in which they arise.
- (iii) Exchange rate as of the date on which the non-monetary asset or non-monetary liability is recognized on payment or receipt of advance consideration is used for initial recognition of related asset, expense or income.

2.23. Borrowing costs

Borrowing costs include finance costs calculated using effective interest method, finance charges in respect of assets acquired on leases and other costs that the Company incurs in connection with the borrowing of funds.

Borrowing costs net of any investment income from the temporary investment of related borrowings that are directly attributable to the acquisition, construction or production of qualifying assets are capitalized as part of cost of such asset till such time the asset is ready for its intended use or sale. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale.

All other borrowing costs are expensed in the period in which they are incurred.

2.24. Earnings per share (EPS)

Basic earnings per share is computed by dividing the net profit or loss for the year attributable to the shareholders' by weighted average number of equity shares outstanding during the year.

Diluted earnings per share are computed using the weighted average number of equity shares and dilutive potential shares except where the result would be anti-dilutive.

2.25. Segment Reporting



Operating segments are those components of the business whose operating results are regularly reviewed by the chief operating decision making body in the Company to make decisions for performance assessment and resource allocation.

The reporting of segment information is the same as provided to the management for the purpose of the performance assessment and resource allocation to the segments.

Segment accounting policies are in line with the accounting policies of the Company. In addition, the following specific accounting policies have been followed for segment reporting:

- (i) Segment revenue includes sales and other operational revenue directly identifiable with/allocable to the segment including inter segment revenue.
- (ii) Expenses that are directly identifiable with/allocable to segments are considered for determining the segment result.
- (iii) Most of the common costs are allocated to segments mainly on the basis of the respective segment revenue estimated at the beginning of the reporting period.
- (iv) Income which relates to the Company as a whole and not allocable to segments is included in "unallocable corporate income/ (expenditure) (net)".
- (v) Segment result represents profit before interest and tax and includes margins on inter-segment sales/ transfer, which are reduced in arriving at the profit before tax of the Company.
- (vi) Segment assets and liabilities include those directly identifiable with the respective segments. Unallocable corporate assets and liabilities represent the assets and liabilities that relate to the Company as a whole.

2.26. Statement of cash flows

Statement of Cash Flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method, adjusting the profit before tax excluding exceptional items for the effects of:

- (i) changes during the period in inventories and operating receivables and payables, transactions of a non-cash nature;
- (ii) non-cash items such as depreciation, provisions, unrealised foreign currency gains and losses; and
- (iii) all other items for which the cash effects are investing or financing cash flows.

Cash and cash equivalents shown in the Statement of Cash Flows exclude items which are not available for general use as at the date of Balance Sheet.

2.27. Exceptional items

An item of income or expense which by its size, type or incidence requires disclosure in order to improve an understanding of the performance of the Company is treated as an exceptional item and disclosed as such in the financial statements.



BALLARPUR INDUSTRIES LIMITED
CIN: L21010MH1945PLC010337
Notes accompanying the financial statements
3 Property, Plant and Equipment

(Rs. in Lakhs)

Particulars	Leasehold land	Freehold land	Buildings	Plant and Equipments	Furniture and Fixtures	Vehicles	Office Equipment	Computers	Railway Sidings	Any other assets	Total
Gross Block											
As at 1 April 2019	9	70,985	32,877	1,95,943	1,047	251	100	12	62	-	3,01,286
Additions	-	-	-	466	1	-	-	-	-	-	467
Disposals	-	-	-	-	-	-	-	-	-	-	-
Adjustment	-	-	-	-	-	-	-	-	-	-	-
Transfer to unit	-	-	-	-	-	-	-	-	-	-	-
Transfer from unit	-	39,951	-	-	-	-	-	-	-	-	39,951
Re-classified from Asset held for sale	-	-	-	-	-	3	-	-	-	-	3
Re-classified to Asset held for sale	-	-	-	-	-	-	3	-	-	-	3
As at 31st March 2020	9	1,10,936	32,877	1,96,409	1,048	248	100	12	62	-	3,41,701
Additions	-	-	-	29	-	-	1	-	-	-	75
Disposals	-	-	-	75	-	-	-	-	-	-	-
Adjustments	-	-	-	-	-	-	-	-	-	-	-
Transfer to unit	-	-	-	-	-	-	-	-	-	-	-
Transfer from unit	-	-	-	-	-	-	-	-	-	-	-
Re-classified to Asset held for sale	-	-	-	-	-	-	-	-	-	-	-
As at 31st March 2021	9	1,10,936	32,877	1,96,363	1,048	248	101	12	62	-	3,41,656
Accumulated depreciation											
Upto 31st March 2019	3	-	7,663	1,15,009	1,023	191	99	11	42	-	1,24,041
Depreciation for the year	-	-	612	2,862	3	10	-	-	2	-	3,489
Impairment for the year	-	5,000	10,000	20,400	-	-	-	-	-	-	35,400
On disposals	-	-	-	-	0	-	-	-	-	-	0
Adjustments	-	-	-	-	-	-	-	-	-	-	-
Transfer to unit	-	-	-	-	-	-	-	-	-	-	-
Transfer from unit	-	-	-	-	-	-	3	-	-	-	3
Re-classified to Asset held for sale	-	-	-	-	-	-	-	-	-	-	-
Upto 31st March 2020	3	5,000	18,275	1,38,271	1,026	198	99	11	44	-	1,62,927
Depreciation for the year	0	-	706	4,912	2	10	0	0	2	-	5,633
Impairment for the year	-	-	-	-	-	-	-	-	-	-	71
On disposals	-	-	-	-	71	-	-	-	-	-	-
Adjustments	-	-	-	-	-	-	-	-	-	-	-
Transfer to Unit	-	-	-	-	-	-	-	-	-	-	-
Transfer from Unit	-	-	-	-	-	-	-	-	-	-	-
Re-classified to Asset held for sale	-	-	-	-	-	-	-	-	-	-	-
As at 31st March 2021	3	5,000	18,981	1,43,112	1,028	208	99	11	46	-	1,68,489
Net carrying value											
As at 31st March 2020	6	1,05,936	14,602	58,138	22	50	1	1	18	-	1,78,774
As at 31st March 2021	6	1,05,936	13,896	53,251	20	40	2	1	16	-	1,73,167

(a) "0" represent amount below Rs. 50,000/-
(b) Freehold land includes 590.36 acres of land at Choudwar, acquired from the Government of Odisha during the year 1990-91 under a scheme approved by the BIFR. The Company is in the process of resolving the inconsistencies identified in the title documents. The land is pledged as security against the facility availed by Bilt Graphic Paper Products Limited (BGPPPL), subsidiary of associate. Also refer note 19(b)(ii)(c)
(c) Refer note 40(b) for disclosure of contractual commitments for the acquisition of property, plant and equipment.
(d) The Lease agreement in respect of 13 acres of land in possession of the company is yet to be executed in favour of the company
(e) Refer note 19 for Property, Plant & Equipment pledged as security against borrowings facilities availed by the company
(f) The Company has leased certain Plant & Equipment & Buildings on operating leases for which lease rental of Rs. 15 Lakhs is recognised in the statement of profit & loss. (refer note 47(b))



3 Property, Plant and Equipment (Contd.)

(g) Impairment of Assets:

In view of the ongoing Corporate Insolvency Resolution process ("CIRP") as at 31st March 2021, property, plant and equipment as at 31st March 2021 have not been tested for impairment.

4 Capital work in progress

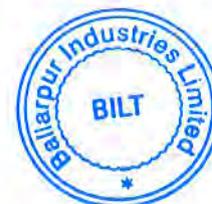
Particulars	(Rs. in Lakhs)	
	As at 31st March 2021	As at 31st March 2020
Opening balance	57	270
Additions	-	161
Capitalized during the year	29	374
Write off during the year (refer note (a) below)	28	
Closing balance	-	57

(a) Post admission of the company at CIRP, the production ceased & ongoing projects have been kept on hold or abandoned. Accordingly, Rs. 28 Lakhs has been written Off.

5 Other intangible assets

Particulars	(Rs. in Lakhs)					
	As at 31st March 2021			As at 31st March 2020		
	Product development expenses	Others	Total	Product development expenses	Others	Total
Gross block						
Opening balance	3,472	8,716	12,188	3,472	8,716	12,188
Additions	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
Closing balance	3,472	8,716	12,188	3,472	8,716	12,188
Accumulated amortization						
Opening balance	3,472	8,716	12,188	2,847	8,338	11,185
Amortization for the year	-	0	0	625	378	1,003
Disposals	-	-	-	-	-	-
Closing balance	3,472	8,716	12,188	3,472	8,716	12,188
Net carrying value	-	-	-	-	0	0

(a) There are no intangible assets that have been pledged as security for the borrowings of the Company.



6 Non-current investments

Particulars	31st March 2021		31st March 2020	
	No. of shares	Rs. in Lakhs	No. of shares	Rs. in Lakhs

Unquoted investments

A Investments measured at cost

(a) Investments in fully paid equity shares of group entities (Refer note 43)

	Rs. 10.00	9,90,000	40	9,90,000	40
(i) Avantha Agritech Limited	€ 0.65	16,86,79,093	76,048	16,86,79,093	76,048
(ii) Ballarpur International Holdings B.V.	Rs.10.00	50,000	5	50,000	5
(iii) Bilt Graphic Paper Products Limited	€ 1.00	18,000	12	18,000	12
(iv) Ballarpur Speciality Paper Holdings B.V.					
			76,105		76,105

B Investments designated as measured at fair value through OCI

(a) Investment in fully paid equity shares of other companies

	Rs. 10.00	5,000	3	5,000	3
(i) Blue Horizon Investments Limited	Rs. 10.00	86,54,186	-	86,54,186	-
(ii) Avantha Power & Infrastructure Limited			3		3

C Investments measured at fair value through OCI

(a) Investment in debt instruments of subsidiaries

(i) Zero coupon convertible notes (ZCCN) issued by Ballarpur International Holdings B.V.

(141 ZCCN at \$ 65,789.5 and premium of \$ 214,912.25)

	141	16,857	141	16,857
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Less: Provision for impairment in value of investment

	-	-	-	-
	16,857	16,857	16,857	16,857
	92,965	92,965	92,965	92,965

i) Details of unquoted investments

Particulars	31st March 2021	31st March 2020
		(Rs. in Lakhs)

(a) Aggregate amount of unquoted investments

Book value

92,965

92,965

(b) Aggregate amount of impairment in value of investments

In view of the ongoing corporate insolvency resolution process ("CIRP"), investments as at 31st March 2021 have not been tested for impairment.



7 Other financial assets - Non current

Particulars	Rs. in Lakhs	
	As at 31st March 2021	As at 31st March 2020
Unsecured, considered good		
Security Deposits	48	51
Bank deposits with maturity period more than 12 months [Refer note (a) below]	490	539
	538	590

(a) Bank Deposits includes deposits held as security against guarantees given by the Company of Rs. 157 Lakhs (Previous year Rs. 157 Lakhs).

8 Deferred tax assets / (liabilities) (net)

(a) Major components of deferred tax assets and liabilities are as follows:

Particulars	Rs. in Lakhs	
	As at 31st March 2021	As at 31st March 2020
A Deferred tax assets		
(i) Expenses allowable on payment basis (Section 43B of Income Tax Act, 1961)	17,560	17,560
(ii) Unabsorbed tax depreciation	2,504	2,504
(iii) Unused tax losses (Business losses)	-	-
	20,064	20,064
B Deferred tax liabilities		
(i) Difference between written down value of property, plant and equipment (PPE) and intangible assets as per books of account and as per Income Tax Act 1961.	8,140	8,140
	8,140	8,140
Net deferred tax assets / (liabilities)	11,924	11,924



8 Deferred tax assets / (liabilities) (net) (Contd.)

(b) Movement in deferred tax assets and liabilities

		Rs. in Lakhs		
		2020-21		
Particulars	Opening Balance	Recognized in profit or loss	Closing Balance	
(i) Expenses allowable on payment basis (Section 43B of Income Tax Act, 1961)	17,560	-	17,560	
(ii) Unabsorbed tax depreciation	2,504	-	2,504	
(iii) Unused tax losses (Business losses)	-	-	-	
(iv) Difference between written down value of PPE and intangible assets as per books of account and as per Income Tax Act, 1961	(8,140)	-	(8,140)	
	11,924	-	11,924	

		Rs. in Lakhs		
		2019-20		
Particulars	Opening Balance	Recognized in profit or loss	Closing Balance	
(i) Expenses allowable on payment basis (Section 43B of Income Tax Act, 1961)	17,560	-	17,560	
(ii) Unabsorbed tax depreciation	2,504	-	2,504	
(iii) Unused tax losses (Business losses)	-	-	-	
(iv) Difference between written down value of PPE and intangible assets as per books of account and as per Income Tax Act, 1961	(8,140)	-	(8,140)	
	11,924	-	11,924	

(c) Items for which no deferred tax asset is recognised in the balance sheet :

		Rs. in Lakhs		
		As at 31st March 2020		
Particulars	Base amount	Deferred tax	Expiry date	
a) Tax losses (revenue in nature) (business loss on which no deferred tax asset is created)				
AY 2017-18	19,231	6,720	AY 2025-26	
AY 2018-19	1,121	392	AY 2026-27	
AY 2019-20	-	-		
b) Tax losses (revenue in nature) (unabsorbed depreciation loss on which no deferred tax asset is created)	16,879	5,898	Not Applicable	

(d) Since CIRP was in progress as at 31st March 2021, the certainty as to the realization of deferred tax assets cannot be ascertained at this stage. Consequently, adjustments to deferred tax (net) available have not been given effect to, during the year. No additional deferred tax assets have been recognized during the year.

(e) The company has carried forward deferred tax assets (Net) of Rs. 11,924 Lacs 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.



9 Other non current assets

Particulars	Rs. in Lakhs	
	As at 31st March 2021	As at 31st March 2020
Capital advances	-	125
Less: Allowance for doubtful advances	-	14
	-	111
Balances with government authorities	29	44
	29	155

10 Inventories

Particulars	Rs. in Lakhs	
	As at 31st March 2021	As at 31st March 2020
Raw materials [Refer note (a) below]	1	1
Stores and spares [Refer note (b) below]	1,629	1,627
Chemicals [Refer note (c) below]	14	16
Work in progress	3	13
Finished goods	3	21
	1,650	1,678

- (a) Includes raw material-in-transit of Rs. Nil (Previous year Nil)
- (b) Includes stores & spares-in-transit of Rs. Nil Lakhs (Previous year Rs. 15 Lakhs)
- (c) Includes chemicals-in-transit of Rs. Nil Lakhs (Previous year Rs. 1 Lakhs)
- (d) Includes packing material-in-transit of Rs. Nil (Previous year Nil)
- (e) During the year, Rs. 22 Lakhs (Previous year Rs. 183 Lakhs) was recognised as expense towards write down of inventories (Refer note 35).
- (f) On Account of lockdown & other restrictions imposed due to COVID-19 pandemic, the management has not performed the physical count of inventories as at 31.03.2021 (Refer note 51)
- (g) Inventories are valued at cost or NRV whichever is lower.



11 Trade receivables

Particulars	Rs. in Lakhs	
	As at 31st March 2021	As at 31st March 2020
Considered Good		
Due from others [Refer note (a) below]	-	4
	-	4
Considered Doubtful		
Due from others [Refer note (c) below]	679	80
Less : Allowance for expected credit loss	-	80
	<u>679</u>	<u>-</u>
	<u>679</u>	<u>4</u>

- (a) Includes Rs. Nil (As at 31st March 2020- Rs. 4 Lakhs) secured by way of security deposits received from the customers.
- (b) The trade receivables are unsecured apart from note (a) above.
- (c) The company has not maintained Customer Wise accounts in the books of account due to data migration from Oracle to Tally (refer note no.52). Based on the copies of ledger & communication received from one of its debtors, the company has ascertained the amount of Rs. 658 lakhs receivable from them as on 31.03.21 & accordingly accounted this amount under trade receivables. The said debtor has informed the company through a letter dated 15.06.23 about their shortage of funds to pay. They have requested the company to adjust the stock held by the company on behalf of such debtor against the outstanding due. This adjustment will be done in the the subsequent financial years.

The new Management of the Company has transferred the books of accounts of the Company from the erstwhile Oracle Software to Tally software. As the Company has not been able to retrieve the detailed books of accounts from the Oracle Software hence, it is not feasible for the Company to compile and provide the ageing analysis of trade receivables, 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.

12 Cash and cash equivalents

Particulars	Rs. in Lakhs	
	As at 31st March 2021	As at 31st March 2020
Balances with Banks :		
- in current accounts [Refer note (a) below]	66	182
Cash on hand	1	3
	<u>68</u>	<u>185</u>

- (a) Bank reconciliation statements as at 31st March 2021 have not been prepared for 11 bank accounts having a carrying amount of Rs. 11.02 Lakhs since the bank statements were not available for these bank accounts. Also, no balance confirmation could be obtained from any of the banks.

13 Other bank balances

Particulars	Rs. in Lakhs	
	As at 31st March 2021	As at 31st March 2020
Earmarked balance with banks in unpaid dividend Account [Refer note (a) below]	28	28
Bank deposits with original maturity exceeding 3 months but less than 12 months [Refer note (b) below]	19	19
	<u>46</u>	<u>46</u>

- (a) Bank reconciliation statements as at 31st March 2021 have not been prepared for 5 bank accounts related to unpaid dividend having a carrying amount of Rs. 27.59 Lakhs since the bank statements were not available for these bank accounts. Also, no balance confirmation could be obtained from any of the banks.
- (b) Details of bank deposits with original maturity exceeding 3 months but less than 12 months as at 31st March 2021 are not available. Also, neither the balance confirmation certificate nor interest on bank deposit certificate could be obtained from bank.



14 Financial Assets : Loans - Current

Particulars	Rs. in Lakhs	
	As at 31st March 2021	As at 31st March 2020
Unsecured, considered good		
Loan to related parties [Refer note 24(a)]	1,74,195	1,18,671
Less: Allowance for expected credit loss	<u>42,211</u>	<u>42,211</u>
	1,31,984	76,460
	<u>1,31,984</u>	<u>76,460</u>

15 Other financial assets - Current

Particulars	Rs. in Lakhs	
	As at 31st March 2021	As at 31st March 2020
Security Deposits	274	422
Others	58	71
Less: Allowance for expected credit loss	<u>12</u>	<u>11</u>
	46	60
Unsecured, considered good		
Interest accrued on deposits	20	14
	<u>340</u>	<u>497</u>

16 Other current assets

Particulars	Rs. in Lakhs	
	As at 31st March 2021	As at 31st March 2020
Prepaid expenses	20	83
Advances to employees	66	93
Advances to trade creditors	2,997	2,356
Less: Allowance for doubtful advances	<u>-</u>	<u>-</u>
	2,997	2,356
Balance with government authorities (Refer Note (a) below]	1,178	1,137
	<u>4,262</u>	<u>3,668</u>

(a) The balances with government authorities includes Input Tax Credits related to Goods & Services Tax, the management is under the process of reconciling these balances.



17 Equity share capital

Particulars	Rs. in Lakhs	
	As at 31st March 2021	As at 31st March 2020
Authorised share capital		
1,500,000,000 (31st March 2020: 1,500,000,000) equity shares of Rs. 2/- each	30,000	30,000
10,000,000 (31st March 2020: 10,000,000) preference shares of Rs. 100/- each	10,000	10,000
	40,000	40,000
Issued share capital		
1,293,455,756 (31st March 2020: 1,293,705,501) equity shares of Rs. 2/- each	25,871	25,874
Subscribed and paid-up share capital		
1,293,455,756 (31st March 2020: 1,293,705,501) equity shares of Rs. 2/- each	25,871	25,874
Less: Forfeited shares - 249,745 (31st March 2020: 249,745) equity shares of Rs. 2/- each	-	5
1,293,455,756 (31st March 2020: 1,293,455,756) equity shares of Rs. 2/- each	25,871	25,869
Add: Amount originally paid up on forfeited shares	-	2
	25,871	25,871

(a) Reconciliation of number of shares

Particulars	As at 31st March 2021		As at 31st March 2020	
	Nos	Rs. in Lakhs	Nos	Rs. in Lakhs
At the beginning of the year	1,29,34,55,756	25,871	1,29,34,55,756	25,871
Add: Issued during the year	-	-	-	-
At the end of the year	1,29,34,55,756	25,871	1,29,34,55,756	25,871

(b) Terms and Rights attached to Equity Shares

The Company has one class of equity shares having a par value of Rs. 2 per share. Each shareholder is eligible for one vote per share held. There are no restrictions attached to any specific shareholder. They entitle the holders to participate in dividends and to share in the proceeds of winding up the company in proportion to number of shares and amounts paid on the shares held.

(c) The Company does not have Holding Company/ ultimate Holding Company. The subsidiaries of the Company does not hold any shares in the Company.

(d) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

Particulars	As at 31st March 2021		As at 31st March 2020	
	Nos	Holding %	Nos	Holding %
(i) Avantha Holdings Limited	31,19,32,718	24.12%	31,19,32,718	24.12%
Life Insurance Corporation of India	8,55,50,701		8,55,50,701	
(ii) India		6.61%		6.61%
(iii) ICICI Bank Limited	15,54,69,351	12.02%	15,54,69,351	12.02%



17 Equity share capital (Contd.)

(e) Others

- (i) The Company has not reserved any shares for issue under options as at 31st March 2021 (As at 31st March 2020 : Nil shares)
- (ii) The Company has not allotted any bonus shares in the immediately preceding five year ended 31st March 2021. (previous period of five years ended 31st March 2020: Nil shares)
- (iii) The Company has not issued any shares for consideration other than cash during the period of five years immediately preceding the reporting date.
- (iv) The aggregate number of equity shares bought back in immediately preceding five years ended 31st March 2021 is Nil. (previous period of five years ended 31st March 2020 - Nil)
- (v) Calls unpaid as at 31st March 2021 - Rs. Nil. (31st March 2020 : Rs. Nil)

18 Other equity

Particulars	Rs. in Lakhs	
	As at 31st March 2021	As at 31st March 2020
Capital reserve	1,515	1,515
Securities premium reserve	1,15,833	1,15,833
Preference share capital redemption reserve	7,385	7,385
Debenture redemption reserve	2,101	2,101
General reserve	80,809	80,809
Retained earnings	(4,03,436)	(3,45,961)
Items of Other Comprehensive Income (OCI)		
Re-measurement of the net defined benefit plans	(708)	(708)
Equity instruments through OCI	(748)	(748)
Debt instruments through OCI	(8,300)	(8,300)
	(2,05,549)	(1,48,074)

(a) Refer statement of changes in equity for detailed movement in components of other equity.

(b) Nature and purpose of reserves

(i) Capital reserve

Capital reserve represents the difference between value of the net assets transferred to the Company in the course of business combinations and the consideration paid for such combinations.

(ii) Securities premium reserve

The amount received in excess of face value of the equity shares is recognised in securities premium. The reserve can be utilised in accordance with the provisions of Companies Act 2013 and are not available for distribution to the share holders.

(iii) Preference share capital redemption reserve

Preference Share Capital Redemption Reserve represents the statutory reserve created. The said capital redemption reserve account may be applied by the Company, in paying up unissued shares of the Company to be issued to shareholders of the Company as fully paid bonus shares.



Other equity (Contd.)

(b) Nature and purpose of reserves (Contd.)

(iv) **Debenture redemption reserve**

The Ministry of Corporate Affairs vide notification dated August 16, 2019, amended the Companies (Share capital and Debenture) Rules, 2014 by which the Company is no longer required to create DRR towards the debentures issued. Earlier to this amendment, the Company was required to maintain a DRR of 25% of the value of debentures issued, either by a public issue or on a private placement basis and the amounts credited to the DRR was not to be utilised by the Company except to redeem debentures. The above amount represents the DRR created out of profits of the Company prior to the said notification.

(v) **General reserve**

The Company created a general reserve in earlier years pursuant to the provisions of the Companies Act wherein certain percentage of profits were required to be transferred to general reserve before declaring dividends. As per Companies Act 2013, the requirement to transfer profits to general reserve is not mandatory. General reserve is a free reserve available to the Company.

(vi) **Retained earnings**

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

(vii) **Re-measurement of the net defined benefit plans**

Differences between the interest income on plan assets and the return actually achieved, and any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans, are recognised in 'Other comprehensive income' and subsequently not reclassified to the statement of profit or loss.

(viii) **Equity instruments through OCI**

The fair value change of equity instruments designated as measured at fair value through other comprehensive income is recognised in equity instruments through other comprehensive income and are not subsequently reclassified to statement of profit or loss. Upon derecognition, the cumulative fair value changes on the said instruments are reclassified to retained earnings directly.

(ix) **Debt instruments through OCI**

The fair value change of debt instruments as measured at fair value through other comprehensive income is recognised in debt instruments through other comprehensive income and are subsequently reclassified to statement of profit or loss. Upon derecognition, the cumulative fair value changes on the said instruments are reclassified from equity to Profit & Loss.

(c) **Other comprehensive income accumulated in other equity, net of tax**

(i) Items that will not be subsequently reclassified to statement of profit or loss

Particulars	Remeasurement of net defined benefit plans	Equity instruments through OCI	Total
As at 1 April 2019	(576)	(748)	(1,324)
Remeasurement gain/(loss) on net defined benefit plans	(132)	-	(132)
Gain/(loss) on changes in fair value of equity instruments designated at fair value through other comprehensive income	-	-	-
Income tax effect	-	-	-
As at 31st March 2020	(708)	(748)	(1,456)
Remeasurement gain/(loss) on net defined benefit plans	-	-	-
Income tax effect	-	-	-
As at 31st March 2021	(708)	(748)	(1,456)

(ii) Items that will be subsequently reclassified to statement of profit or loss

Particulars	Debt instruments through OCI	Total
As at 1 April 2019	-	-
Gain/(loss) on changes in fair value of debt instruments at fair value through other comprehensive income	(8,300)	(8,300)
Income tax effect	-	-
As at 31st March 2020	(8,300)	(8,300)
Gain/(loss) on changes in fair value of debt instruments at fair value through other comprehensive income	-	-
Income tax effect	-	-
As at 31st March 2021	(8,300)	(8,300)



BALLARPUR INDUSTRIES LIMITED
CIN: L21010MH1945PLC010337
Notes accompanying the financial statements

19 Borrowings

Particulars	Rs. in Lakhs	
	As at 31st March 2021	As at 31st March 2020
Non Current Borrowings		
Redeemable non convertible debentures	-	-
Term loans		
Bank	-	-
Financial institutions	-	-
	<u>-</u>	<u>-</u>
Current borrowings		
Borrowings	3,26,725	98,187
	<u>3,26,725</u>	<u>98,187</u>
	<u>3,26,725</u>	<u>98,187</u>

(a) Segregation of Borrowings into Secured, Unsecured, Working Capital is not available with new management. Hence, bifurcation of the same has not been given.

(b) Pursuant to the commencement of CIRP, the following claims from financial creditors have been admitted by the Resolution Professional ("RP") (Also refer note 36):

(i) S. No	Name of Bank/ Financial Institution	Rs. in Lakhs	
		Amount admitted (31st March 2021)	Amount admitted (31st March 2020)
1	IDBI Bank Ltd.	85,015	85,015
2	Suraksha Asset Reconstruction Company Limited (SARC)	46,275	46,275
3	Orbit Investment Securities Plc	32,890	32,890
4	Axis Bank Limited	20,780	20,780
5	Varanium India Opportunity	18,756	18,756
6	Finquest Financial Solutions Limited (Finquest)	17,474	17,474
7	Kotak Mahindra Bank Ltd	14,657	14,657
8	Punjab National Bank (E-OBC)	13,883	13,883
9	LIC of India	12,523	12,523
10	Phoenix ARC Pvt. Ltd.	9,168	9,168
11	HDFC Bank Ltd.	8,850	8,850
12	Exim Bank	8,128	8,128
13	DBS Bank Ltd	7,009	7,009
14	Deutsche Bank	6,356	6,356
15	Indusind Bank Ltd.	6,193	6,193
16	The Hongkong and Shanghai Bankin	4,849	4,849
17	Federal Bank	4,465	4,465
18	Citi Bank [Refer note (ii)(a) below]	203	-
		<u>3,17,474</u>	<u>3,17,271</u>



- (ii) Apart from the above, the following claims also have been lodged:
- (a) Claim from CITI Bank towards bank guarantees issued by the Company on behalf of subsidiaries had been admitted by RP and disclosed under contingent liability as at 31st March 2020 (Refer note 40). During the financial year 2020-21, this has been recognized as a liability in books of account (Refer note 19(c) below).
 - (b) Claim from Indian Overseas Bank has been categorized as contingent claim since the matter is pending before DRT, Delhi and disclosed under contingent liability. (Refer note 40)
 - (c) The company had issued a corporate guarantee of Rs. 13,380 Lakhs to Edelweiss Assets Reconstruction Company Limited (EARC) on account of loan taken by one of the step down subsidiary, Bilt Graphics Paper Products Limited (BGPPL). EARC has a charge over industrial land admeasuring 590.36 acres situated in Choudwar, Orissa. EARC has claimed this corporate guarantee with the resolution professional under CIRP, RP has admitted the claim of EARC at a nominal value of Rs. 1/- under the "Other creditors/secured creditors". However, EARC has filled an application with the Hon'ble NCLT Mumbai to pass necessary order allowing EARC to enforce its exclusive charged security interest in immovable asset outside the CIRP of Corporate Debtor. The same application has been disposed off by the Hon'ble NCLT. Further, EARC filed an appeal at NCLAT on 19th April 2023 against the NCLT order seeking directions to Respondents to reject the revised Resolution Plan submitted by Finquest, being ineligible u/s 29A & prohibit the sale of the Immovable Asset exclusively charged in favor of the Appellant. Further, allow the Appellant to enforce the said charged security interest on the Immovable Asset outside the CIRP., the Hon'ble NCLAT declined to pass any interim order as prayed for by EARC on 04.07.23. Further, EARC filed an appeal at Supreme Court of India, the matter is still pending at Supreme Court.



19 Borrowings (Contd.)

(d) The company had issued a corporate guarantee dated 28 March 2016 of Rs. 15,000 Lakhs to IndusInd Bank as a security for Term Loan Facility availed by one of the related parties i.e. Avantha Realty Limited. The said corporate guarantee was invoked during August 2020 and an amount of Rs. 11,152 Lakhs has been additionally claimed by IndusInd Bank through the revised claim filed by the IndusInd Bank, with the resolution professional under CIRP. Since, as on insolvency commencement date i.e. 17 January 2020, there was no default vis-a-vis corporate guarantee issued by the company as a security for term Loan Facility availed by Avantha Realty Limited, therefore, the RP has rejected the said additional claim of Rs. 11,152 Lakhs in accordance with the provisions of Insolvency and Bankruptcy Code 2016 and the rules framed thereunder. Further, IndusInd bank has filled an application before the Hon'ble NCLT, Mumbai with respect to rejection of additional claim amount of Rs. 11,152 lakhs. Pending outcome of the application filed by IndusInd Bank, the said claim was disclosed as a contingent liability as at 31st March 2020. Subsequently, the said application has been disposed off by the Hon'ble NCLT in favour of the Company.

(c) Borrowings From Banks and Financial Institutions based on the claims as per the books of accounts as part of CIRP is as follows:

(i) As at 31st March, 2021		Rs. in Lakhs
S. No	Name of Bank / Financial Institution	Amount
1	IDBI Bank Ltd.	87,704
2	Suraksha Asset Reconstruction Company Limited (SARC)	48,427
3	Orbit Investment Securities Plc	32,890
4	Axis Bank Limited	21,851
5	Varanium India Opportunity	18,756
6	Finqest Financial Solutions Pvt. Ltd.	18,075
7	Kotak Mahindra Bank Ltd	15,073
8	Punjab National Bank (E-OBC)	14,304
9	LIC of India	12,872
10	Phoenix ARC Pvt. Ltd.	9,443
11	HDFC Bank Ltd.	9,209
12	Exim Bank	8,336
13	DBS Bank Ltd	7,196
14	Deutsche Bank	6,476
15	IndusInd Bank Ltd.	6,343
16	The Hongkong and Shanghai Banking Corporation Ltd.	4,981
17	Federal Bank	4,587
18	Citi Bank	203
		3,26,725

Notes:

- (i) Redeemable non-convertible debenture carry interest at 11.75%, long term loans from banks and financial institutions carry interest ranging from 11% to 16.85% and the working capital facilities carry interest ranging from 3.48% to 16%.
- (ii) The borrowings from Banks and Financial Institutions as per books of accounts as on 31st March, 2021 stood at Rs. 3,26,725 lacs. As mentioned above, as per the Resolution Professional (RP), the admitted claims as on 3rd December, 2020 stood at Rs. 3,17,474 lacs.
- (d) Balance Confirmation Pending from Banks and Financial Institutions
The confirmations and reconciliation of all secured and unsecured loans/ borrowings and interest accrued thereon are pending. The management is in the process of obtaining confirmations and reconciliation of balances and ascertaining the impact of which is not ascertainable at present (Also refer note 53). Bank Balances and borrowings as at 31.03.21 aggregating to Rs. 3,26,725 lakhs are subject to confirmation & consequent reconciliation, if any.



19 Borrowings (Contd.)

- (e) Default in repayment of borrowings and payment of interest:
The company has defaulted in repayments of borrowings and payment of interest to the lenders. During the previous year the Company has been admitted into corporate insolvency resolution process ('CIRP') by Hon'ble national company law tribunal, Mumbai bench ('NCLT') pursuant to an application made by a financial creditor. Based on the financial creditors' claims admitted by the resolution professional ('RP'), aggregate additional liability of Rs. 27,945 Lakhs (Rs. 27,742 Lakhs during FY 2019-20 and Rs. 203 Lakhs during FY 2020-21 with corresponding charge to finance cost) representing the difference between the financial creditors claims admitted by the RP and the carrying amount of borrowings (including interest accrued) (refer note 36 to the standalone financial statements). The Company is in the process of reconciling the differences and hence, details of default in repayment of borrowings and interest payment as at 31st March 2020 and as at 31st March 2021 are not ascertainable.
- (f) Assignment of Borrowings:
During the previous year 2019-20, the ICICI Bank has assigned the borrowing with principal amount of Rs. 36,129 Lakhs plus interest to Suraksha Asset Reconstruction Pvt. Ltd. w.e.f. 28th Aug 2018 and State Bank of India (earlier known as State Bank of Travancore) has assigned the borrowing with principal amount Rs. 4,599 Lakhs plus interest to Finquest Financial Solutions Private Limited w.e.f. 17th Dec., 2018 together with all securities, rights, title and interest in all agreements, deeds and documents in relation to the said borrowings.
- (g) Finquest Financial Solutions Private Limited (FFSPL) had granted credit facilities to the Company which was secured by a pledge on 56,20,427 equity shares of M/s. Premier Tissues (India) Limited (a Joint Venture of the Company) and a first pari passu charge on current assets of the Company. Since the Company has not been able to repay the entire facilities, FFSPL had invoked the said pledge and charge during financial year 2019-20. Consequently, the Company had recognized a gain of Rs. 32 Lakhs resulting from disposal of the investment in M/s. Premier Tissues (India) Limited as an exceptional item for the year ended 31st March 2020. (Also refer note 38)
- (h) During the year 2019-20, M/s. Suraksha Assets Reconstruction Limited ('SARL') invoked its pledge on certain brands/ trademarks, pledged by the Company, against the financial facilities provided by SARL. Subsequent to the invocation required documentation was effected during the quarter ended 31st December 2019 to transfer the said brands/ trademarks to SARL for a consideration of Rs. 1,793 Lakhs. However, the transfer of the said brands/ trademarks could not be completed before the commencement of CIRP and by virtue of moratorium issued by Hon'ble NCLT, Mumbai vide its Order dated 17 January 2020, no effect of the same has been recorded in the books of account and financial statements of FY 2020-21.



20 Other financial liabilities - Non current

Particulars	Rs. in Lakhs	
	As at 31st March 2021	As at 31st March 2020
Security deposits	35	114
Due to related parties [Refer note 43(e)(i)]	96,596	96,575
	<u>96,631</u>	<u>96,689</u>

21 Non-current provisions

Particulars	Rs. in Lakhs	
	As at 31st March 2021	As at 31st March 2020
Provisions for employee benefits		
Provision for gratuity [Refer note (a) below]	2,246	2,246
Provision for compensated absences [Refer note (a) below]	642	642
	<u>2,888</u>	<u>2,888</u>

(a) Actuarial valuation has not been carried out for gratuity and compensated absences obligation as at 31st March 2021. Provision for gratuity & compensated absences has not been created as at 31.03.21 as the actuarial valuation report is not available. (Also refer note 42)

22 Other Liability - Non Current

Particulars	Rs. in Lakhs	
	As at 31st March 2021	As at 31st March 2020
License Fees received in advance [Refer note 43(d)(xxii)]	-	-
	<u>-</u>	<u>-</u>

23 Trade payables

Particulars	Rs. in Lakhs	
	As at 31st March 2021	As at 31st March 2020
(a) Total outstanding dues of micro and small enterprises [refer note (a) below]	-	2,095
(b) Total outstanding dues of creditors other than micro and small enterprises		
Acceptances	-	-
Others	20,419	21,656
Related Parties (refer note 43)	14	19
	<u>20,432</u>	<u>21,675</u>
Total	<u>20,432</u>	<u>23,770</u>

(a) The company is not able to quantify the amount payable to trade payables registered under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) since the vendor wise accounting has not been done and the vendors under MSME have not been identified. The disclosures under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) for FY 2021-20 are as under:

Particulars	Rs. in Lakhs	
	2020-21	2019-20
Principal amount remaining unpaid to any supplier at the end of year	-	2,095
Interest accrued and due thereon to suppliers under MSMED Act on the above amount remaining unpaid to any supplier at the end of year	-	309
Interest amount paid by the buyer in terms of section 16 of the MSMED Act, 2006	-	-
Payment amount made to the supplier (other than interest) beyond the appointed day during the year	-	1,947
Interest amount paid by the buyer under MSMED Act, 2006 (other than Section 16)	-	-
Interest amount due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-	218



23 Trade payables (Contd.)

- (c) The disclosures under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) for FY 2019-20 are as under (Contd.):

Particulars	Rs. in Lakhs	
	2020-21	2019-20
Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act	-	527
Further interest amount remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act, 2006	-	-

The above disclosure have been compiled based on the information available with the Company, for FY 2020-21, Company doesnot have the relevant details.

24 Other financial liabilities - Current

Particulars	Rs. in Lakhs	
	As at 31st March 2021	As at 31st March 2020
Current maturities of long term borrowings (Refer note 19)	-	71,226
Bank book overdrawn	3	3
Interest accrued and due on borrowings	47,787	88,108
Security deposits	751	577
Unpaid dividends	28	28
Payables for capital goods	-	18
Payable to employees	8,246	7,008
Liability For Compulsory/ Optional Buyback	235	235
Interest accrued on security deposits	-	35
Liability incurred on behalf of related party	71,997	71,997
Due to related parties (refer note 43)	2,126	8,981
	1,31,173	2,48,216

- (a) During the year 2018-19, corporate guarantee issued by the company with respect to Ballarpur International Holdings B.V. (BIH), was invoked by the lenders of BIH. Accordingly the Company recognised a liability of Rs. 47,153 Lakhs. Further, the amount is recoverable from BIH and accordingly a receivable of Rs. 47,153 Lakhs was recognized and netted off with the liability to lenders.

During the year 2019-20, further corporate guarantee ("CG") and stand-by letter of credit ("SBLC") issued by the company with respect to BIH, had been invoked by the lenders of BIH. Accordingly the Company had recognised additional liability of Rs. 24,844 Lakhs and recognized additional receivable of Rs. 24,844 Lakhs from BIH. Further, as part of the corporate insolvency resolution process, claims have been submitted by these lenders aggregating to Rs. 71,997 lakhs which has been accepted by the resolution professional. In view of these developments, the management has grossed up the liabilities accrued towards CG, SBLC and the corresponding receivables from BIH (Rs. 71,997 Lakhs) is reclassified and included in 'Loans to Related parties' under note 14.

Further, as part of the corporate insolvency resolution process, claims have been submitted by these lenders aggregating to Rs. 71,997 Lakhs out of which Rs. 68,381 lakhs has been accepted by the resolution professional. Also refer note 19(c).

25 Other current liabilities

Particulars	Rs. in Lakhs	
	As at 31st March 2021	As at 31st March 2020
Advance received from customers		
License fees & other advances from related party	1,370	1,370
Advance from other parties	312	300
Statutory payables	8,733	8,733
Advance received towards sale of land		
From Others	549	549
	10,964	10,952



26 Current provisions

Particulars	Rs. in Lakhs	
	As at 31st March 2021	As at 31st March 2020
Provisions for employee benefits		
Provision for gratuity [Refer note (a) below]	2,045	1,977
Provision for compensated absences [Refer note (a) below]	294	346
Other provisions [Refer note (b) below]	164	159
	2,503	2,482

(a) Actuarial valuation has not been carried out for any of the unit regarding gratuity and compensated absences obligation as at 31st March 2021. Provision has been created as at 31st March 2021 based on management's internal estimation for these cases. (Also refer note 42)

(b) Disclosures pursuant to Ind AS 37 'Provisions, contingent liabilities and contingent assets'

(i) Movement in provisions

Particulars	Rs. in Lakhs	
	Provision for disputed sales tax / VAT liability	Total
As at 1 April 2019	155	155
Additional provision during the year	4	4
Provision used / reversed during the year	-	-
As at 31st March 2020	159	159
Additional provision during the year	5	5
Provision used / reversed during the year	-	-
As at 31st March 2021	164	164

(ii) Nature of provisions

(a) Provision for disputed sales tax / VAT liability

Provision created towards obligation of sales tax pertaining to Punjab Purchase Tax 1989-90 to 1994-95, which is pending in Punjab Sales Tax Tribunal at Chandigarh.

(iii) Disclosures in respect of contingent liabilities is given in note 40.

27 Current tax liabilities (Net)

Particulars	Rs. in Lakhs	
	As at 31st March 2021	As at 31st March 2020
Provision for current taxes	11,958	11,958
Less: Tax paid (including TDS)	(5,942)	(5,936)
	6,016	6,022



28 Revenue from operations

Particulars	Rs. in Lakhs	
	2020 - 21	2019 - 20
Revenue from sale of products		
Paper	15	23,472
Others	-	3,005
Revenue from service rendered	70	3,488
	85	29,965
Other operating revenue		
Scrap sale	151	221
Export incentives	-	6
	151	227
	235	30,192

Disclosure pursuant to Ind AS 115 'Revenue from contracts with customers

(a) Reconciliation of revenue from contract with customers

Particulars	Rs. in Lakhs	
	2020 - 21	2019 - 20
Revenue from contract with customers as per contract price (net of discounts/rebates/incentives)*	85	29,965
Other operative revenue	151	227
Revenue from operations	235	30,192

* Details of discounts/rebates/incentives are not disclosed since these are considered as sensitive information pertaining to the operations of the Company.

(b) Contract balances

Particulars	Rs. in Lakhs	
	As at 31st March 2021	As at 31st March 2020
Trade receivables (Note 11)	679	84
Contract assets	-	-
Contract liabilities (Advance received from customers) [Note 28('c)]	1,682	1,670

(c) Movement in contract liability (Advance received from customers)

Particulars	Rs. in Lakhs	
	2020 - 21	2019 - 20
Contract liability as at the beginning of the year	1,670	1,782
Add: Advance received during the year	12	124
Less: Invoices raised on satisfaction of performance obligation	-	186
Less: Amount write back during the year	-	50
Contract liability as at the end of the year	1,682	1,670

(d) Other disclosures (as applicable for FY 2019-20):

- (i) Company's normal payment terms is twenty four days and Company also received security deposit from their customer on the basis of their sales plan.
- (ii) There is no significant financing component in any transaction with the customers.
- (iii) Due to the unavailability of essential information concerning performance obligations, thus we are unable to provide the required disclosures.
- (iv) Other details with respect to performance obligation, transaction price, etc are disclosed in Note 2.20.



29 Other income

Particulars	Rs. in Lakhs	
	2020 - 21	2019 - 20
Interest Income	2	28
Rent and license fees	-	140
Corporate guarantee charges [Refer note 40(a) and 43(d)(viii)]	-	90
Other non operating income	81	97
Profit on sale of property, plant and equipment (net)	7	-
Foreign exchange gains (net)	-	3,034
Unclaimed liabilities and excess provisions of earlier years written back	-	13
OCI - Remeasurements of the defined benefit plan	-	-
	90	3,402

30 Cost of materials consumed

Particulars	Rs. in Lakhs	
	2020 - 21	2019 - 20
Bamboo	-	786
Wood and wood species	91	5,314
Chemicals	21	4,119
Wood pulp	-	246
Packing materials	2	634
Others	-	-
	115	11,099

31 Purchase of stock in trade

Particulars	Rs. in Lakhs	
	2020 - 21	2019 - 20
Stock in trade	-	2,592
	-	2,592

32 Changes in inventories of finished goods, work- in- progress and stock- in- trade

Particulars	Rs. in Lakhs	
	2020 - 21	2019 - 20
Stocks at the beginning of the year		
Finished goods (including stock in trade)	21	1,257
Work in progress	13	339
	34	1,596
Stocks at the end of the year		
Finished goods (including stock in trade)	3	21
Work in progress	3	13
	6	34
Changes in inventories of finished goods, work- in- progress and stock- in- trade	28	1,562



33 Employee benefits expense

Particulars	<i>(Rs. in Lakhs)</i>	
	2020 - 21	2019 - 20
Salaries and wages	1,223	4,560
Contribution to provident and other funds [Refer note 42(a)]	190	365
Staff welfare expenses	69	448
	1,482	5,373

34 Finance costs

Particulars	<i>(Rs. in Lakhs)</i>	
	2020 - 21	2019 - 20
Interest expenses [Refer note (c) below]	49,263	52,727
Other borrowing costs	2	1,019
Net loss/ (gain) in foreign currency transactions and translation [Refer note (a) below]	-	92
Interest income other than those reported in other income [Refer note (b) below]	-	(6,621)
	49,265	47,217

- (a) Net loss/ (gain) in foreign currency transactions and translation refers to the foreign exchange fluctuations on transaction and translation of borrowings in foreign currency.
- (b) Interest income earned other than those reported in other income refers to mainly interest on advances to related parties [Refer note 43(d)].
- (c) Interest has been charged on all the financial creditors claim accepted by the RP at the rate of 15% p.a.

35 Other expenses

Particulars	<i>(Rs. in Lakhs)</i>	
	2020 - 21	2019 - 20
Consumption of stores and spares	35	1,005
Power and fuel	594	6,658
Repair and Maintenance		
Buildings	6	90
Plant and machinery	56	755
Others	6	69
Other manufacturing expenses	14	444
Rent	16	2
Rates and taxes	47	362
Insurance	58	105
Legal and professional charges [Refer note (a) below]	63	385
Office & other expenses	334	976
Sales commission	-	41
Selling expenses	-	3
Foreign exchange loss (net)	0	-
Bad debts and allowance for impairment of financial assets (net)	1	42,664
Inventory written off [includes write down of inventory]	22	183
Balances written off (net)	25	619
Loss on sale of Property, plant and equipment (net)	-	2
Carriage and freight charges	-	117
Directors sitting fees	-	8
	1,277	54,488



35 Other expenses (contd.)

- (a) Legal and professional charges includes statutory auditor's remuneration as follows:

Particulars	(Rs. in Lakhs)	
	2020 - 21	2019 - 20
Statutory audit fee	26	49
Tax audit fee	1	-
Limited Review	-	13
Reimbursement of expenses	0	3
	27	65

36 Corporate Insolvency Resolution Process ("CIRP") initiated against the Company

- (a) The National Company Law Tribunal ("NCLT"), Mumbai bench, vide Order dated 17 January, 2020 ("Insolvency Commencement Order") had initiated Corporate Insolvency Resolution Process ("CIRP") against the Company based on petition filed by M/s. Finquest Financial Solutions Private Limited under Section 7 of the Insolvency and Bankruptcy Code, 2016 ("the Code"). 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 had appointed Mr. Anuj Jain (IBBI/PA-001/IP-P00142/2017-2018/10306) as Resolution Professional ("RP") of the Company. 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 from the respective appointment dates. The reconstituted Board of Directors of the Company is submitting this Report in compliance with the provisions of the Companies Act, 2013, the rules and regulations framed thereunder ("Act"). 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 Company and performance of the management for the period prior to its reconstitution date i.e. 23rd November 2023.
- (b) A resolution plan submitted by Finquest Financial Solutions Private Limited was approved by the Committee of Creditors of the Company and subsequently, the resolution plan was approved by the Hon'ble NCLT, Mumbai vide an order dated 31st March 2023 (uploaded on 13 April 2023) and Finquest Financial Solutions Private Limited was declared as the successful resolution applicant. Consequently, the moratorium ceased to have further effect. As per the terms of Section 31 of the Code, the Approved Resolution Plan shall be binding on the corporate debtor and its employees, members, creditors, guarantors and other stakeholders involved in the Resolution Plan.
- (c) Pursuant to clause 7.1(b) of the Approved Resolution Plan, during the period between the NCLT Approval Date (as defined in the Approved Resolution Plan) and the later of (a) Closing Date (as defined in the Approved Resolution Plan), and (b) issuance of the NCDs and CRPSs ("Interim Period"), a monitoring committee shall be constituted ("Monitoring Committee") which shall comprise of the erstwhile Resolution Professional, one representative from the secured Financial Creditors and one representative from the Resolution Applicant. Without prejudice to the fact that the infusion of the Total Financial Outlay into the Corporate Debtor is made by the Resolution Applicant and/or the Affiliate, the Resolution Applicant along with the Monitoring Committee shall ensure proper implementation of this Resolution Plan.
- (d) Pursuant to commencement of CIRP, the RP has received various claims submitted by financial creditors, operational creditors, employees & other creditors. The company has observed a difference of Rs.9,251 Lakhs between the carrying amount of borrowings (including interest accrued) i.e. Rs. 3,26,725 lakhs in the books of account and the financial creditors claims admitted by the RP i.e. Rs. 3,17,474 lakhs. The difference amount will be written off in the books in the FY 2023-24.

37 Going concern

- a) The Company's networth 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 36, pursuant to the 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 going concern.
- b) Even though the Resolution Plan has been Approved by the Hon'ble National Company Law Tribunal, Mumbai on the 31st 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.

38 Exceptional items

Exceptional items for the financial year 2020-21 is Rs. Nil and exceptional items for the financial year 2019-20 represents exceptional loss of Rs. 35,400 lakhs arising from impairment in the carrying value of Property, plant and equipment net of exceptional gain of Rs. 32 Lakhs on disposal of investment in Premier Tissues (India) Limited.



39 Corporate social responsibility expenses

Gross amount required to be spent by the Company during the year is Rs. Nil (previous year Rs. Nil)

40 Contingent liabilities and commitments

Particulars	Rs. in Lakhs	
	As at 31st March 2021	As at 31st March 2020
(to the extent not provided for)		
(a) Contingent liabilities		
Claims against the Company not acknowledged as debts	23,564	25,080
Corporate guarantees issued by the Company on behalf of subsidiaries [Refer note (i) below, note 19(b)(ii)(c) and note 19(b)(ii)(d)]	24,532	24,532
Indemnity and undertaking executed for stand-by Letter of credit facility on behalf of one of the subsidiaries [Refer note (i) below]	-	-
Bank Guarantees issued by the Company on behalf of subsidiaries	200	200
	48,296	49,812

(i) During the financial year 2019-20, corporate guarantee and stand-by letter of credit issued by the Company with respect to M/s. Ballarpur International Holdings B.V ("BIH"), was invoked by the lenders, along with interest. The Company has recognized this liability and a corresponding receivable from BIH .

(ii) During the financial year 2019-20, an Order was received from the Hon'ble Supreme Court of India confirming the grid support charges payable to Transmission Corporation of Andhra Pradesh Limited ("APTRANSCO"), the liability for which is estimated 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 31st March 2020. As per the NCLT, Mumbai Order dated 31st 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 a contingent liability as at 31st March 2021.

(iii) During the financial year 2019-20, appeal filed by the Company before the Appellate Deputy Commissioner, Secunderabad towards Entry tax cases pertaining to 2013-14 and 2014-15 were dismissed. On account of the moratorium imposed due to CIRP, the Company was unable to pursue further appeals in higher forums. The liability towards these cases amounting to Rs. 111 Lakhs is considered as contingent liability as at 31st March 2020 and 31st March 2021.

(b) Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)

(i) Property, plant and equipment

-	122
-	122

It is not possible to predict the outcome of the pending litigations with accuracy, the company believes, based on legal opinion received, that it has meritorious defences to the claims. The management believes the pending action will not require outflow of resources embodying economic benefits & will not have a material adverse effect upon the results of the operations, cash flows or financial conditions of the company.



41 Put option

The Company had written options in favour of investors of Bilt Paper B.V, a step down subsidiary of the Company, which requires the Company to comply with the certain conditions within a stipulated time. Since the conditions were not met, the Company 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 exercise period has commenced and the option holders have not exercised the option as at 31st March 2021. The Company 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. As per the Resolution Plan approved by the Hon'ble National Company Law Tribunal Bench, Mumbai on 31st March 2023 there is no provision for satisfaction of such claim.

42 Disclosure pursuant to Ind AS 19 "Employee Benefits"

(a) Defined contribution plan

Contribution to defined contribution plan is recognized and charged off for the year, are as under :

Particulars	Rs. in Lakhs	
	2020 - 21	2019 - 20
Employer's contribution to provident fund	87	182
Employer's contribution to superannuation fund	32	46
Employer's contribution to ESIC	13	-
Employer's contribution to pension scheme	57	137
	190	365

(b) Defined benefit plan

Nature of the benefit

Gratuity: In accordance with applicable Indian laws, the Company provides for gratuity, a defined benefit plan, covering eligible employees. This plan provides for a lump sum payment to vested employees on retirement, death, incapacity or termination of employment of amounts that are based on salary and tenure of employment. Liability with regard to this plan are determined by actuarial valuation.

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

Further, disclosure pursuant to Ind AS 19 "Employee Benefits" is not provided since actuarial valuation is not done as stated above.

(c) Other long term employee benefits (Compensated absences)

The actuarial valuation of compensated absences obligation has not been done as at 31st March 2021 and the provision has been recognized based on management's internal estimation as at 31st March 2021. Also, the actuarial valuation of compensated absences obligation pertaining to Kamalapuram Unit and Head Office has not been done as at 31st March 2020 and the provision as at 31st March 2020 has been recognized based on management's internal estimation for these cases. The reversal of provision based on management's internal estimation as at 31st March 2021 is Rs. 52 Lakhs (as at 31st March 2020 Rs. 296 Lakhs).



43 Disclosure of related parties/ related party transactions pursuant to Ind AS 24 'Related Party Disclosures'

(a) Enterprises over which control exists

- | | |
|-----------------------------|--|
| (i) Subsidiary | - Avantha Agritech Limited
- Ballarpur International Holdings B.V.
- Ballarpur Speciality Paper Holdings B.V. |
| (ii) Step down subsidiaries | - Bilt Paper B.V. (Subsidiary of Ballarpur International Holdings B.V.)
- Bilt General Trading FZE (Subsidiary of Ballarpur Speciality Paper Holdings B.V.)
- Mirabelle Trading Pte Ltd (Subsidiary of Ballarpur International Holdings B.V.)
- Ballarpur Paper Holdings B.V. (upto 24th February 2021)
- Bilt Graphic Paper Products Limited (Subsidiary of Ballarpur Paper Holdings B.V.) (upto 24th February 2021)
- Sabah Forest Industries Sdn. Bhd. (Subsidiary of Ballarpur Paper Holdings B.V.) (upto 24th February 2021) |
| (iii) Associate Companies | - Ballarpur Paper Holdings B.V. (w.e.f. 25th February 2021)
- Bilt Graphic Paper Products Limited (Subsidiary of Ballarpur Paper Holdings B.V.) (w.e.f. 25th February 2021)
- Sabah Forest Industries Sdn. Bhd. (Subsidiary of Ballarpur Paper Holdings B.V.) (w.e.f. 25th February 2021) |

(b) Key Management Personnel (KMP)

- (i) Mr. B. Hariharan (upto 15 October 2019)
- (ii) Mr. Gautam Thapar (upto 15 October 2019)
- (iii) Mr. R.R. Vederah (upto 12 June 2023)
- (iv) Mr. Sanjay Mohan Labroo (upto 12 May 2019)
- (v) Mr. Amarjit Singh Dulat (upto 15 May 2019)
- (vi) Mr. Sudhir Mathur (upto 15 May 2019)
- (vii) Mr. Amarendra Pratap Singh (upto 06 October 2019)
- (viii) Ms. Payal Chawla (upto 19 August 2019)
- (ix) Mr. Krishan Verma (upto 27 August 2019)
- (x) Dr. Padmakumar Nair (w.e.f. 15 October 2019 upto 12 June 2023)
- (xi) Ms. Yashashree Gurjar (w.e.f. 15 October 2019 upto 12 June 2023)
- (xii) Mr. Neehar Aggarwal (CEO) (upto 30 June 2023)
- (xiii) Mrs. Bina Dinesh Trivedi - Non Executive Independent Director (W.e.f 08 September 2023 upto 13 June 2024)
- (xvi) Mr. Shaukat Hasanali Merchant - Non Executive Independent Director (W.e.f 08 September 23 upto 13 June 2024)
- (xv) Mr. Yeddala Kesava Reddy (DIN: 10586100) as an Additional Director and Whole-time Director, designated as 'Executive Director (W.e.f. 10 June 2024)
- (xvi) Mr. Ruchit Bharat Patel - Non Executive Non Independent Director (W.e.f 08 September 2023 upto 10 June 2024)
- (xvii) Mr. D.G. Rajan - Non Executive Independent Director (W.e.f 12 June 2023 upto 13 June 2024)
- (xviii) Mr. Parashiva Murthy B S - Non Executive Non Independent Director (W.e.f 12 June 2023)
- (xix) Mr. Hardik B. Patel - Whole Time Director & CFO (W.e.f 12 June 2023)
- (xx) Mr. Punit A. Bajaj - Company Secretary (W.e.f 01 July 2023)
- (xxi) Mr. Anuj Jain - Resolution Professional
- (xxii) Mr. Kulandaipaian Thangaraju (W.e.f. 31 July 2024)
- (xxiii) Mr. Panchapakesan Swaminathan (W.e.f. 31 July 2024)
- (xxiv) Mr. Runel Saxena (W.e.f. 23 September 2024)



(c) Related parties with whom the company had transactions during the current year and / or previous year

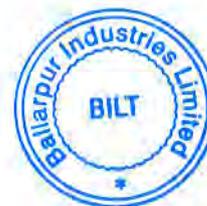
(i) Subsidiaries (including step down subsidiaries) & Associate companies

- | | |
|---|-----------------------------------|
| 1) Avantha Agritech Limited | - Subsidiary |
| 2) Ballarpur International Holdings B.V | - Subsidiary |
| 3) Ballarpur Speciality Paper Holdings B.V. | - Subsidiary |
| 4) Bilt Paper B.V. | - Step-down subsidiary |
| 5) Ballarpur Paper Holdings B.V. | - Associate Company |
| 6) Bilt Graphic Paper Products Limited | - Subsidiary of Associate Company |
| 7) Sabah Forest Industries Sdn. Bhd. | - Subsidiary of Associate Company |
| 8) Bilt General Trading FZE | - Step-down subsidiary |

- (ii) Joint Venture - Premier Tissues (India) Limited
from 08 November 2018 to 17 July 2019 [Refer note 19(g)]

(iii) Other related parties

- 1) Biltech Building Elements Limited
- 2) Avantha Holdings Limited
- 3) Avantha Realty Limited
- 4) Varun Prakashan Private Limited
- 5) BILT Industrial Packaging Company Limited
- 6) Karam Chand Thapar & Bros. Ltd-PF Trust
- 7) Arizona Printers & Packers Private Limited
- 8) Avantha Power and Infrastructure Limited
- 9) Global Green Company Limited
- 10) UHL Power Company Limited
- 11) Newquest Insurance Broking Services Limited



43 Disclosure of related parties / related party transactions pursuant to Ind AS 24 'Related Party Disclosures'
(Contd.)

(d) Details of related party transactions

Particulars	Rs. in Lakhs	
	2020 - 21	2019 - 20
(i) Purchase of goods and services		
1) Step down Subsidiaries (upto 24th February 2021)		
Bilt Graphic Paper Products Limited	-	71
	<u>-</u>	<u>71</u>
2) Other related parties		
Biltech Building Elements Limited	-	80
Newquest Insurance Broking Services Limited	-	16
	<u>-</u>	<u>96</u>
	<u>-</u>	<u>167</u>
(ii) Sale of goods and services		
1) Step down Subsidiaries (upto 24th February 2021)		
Bilt Graphic Paper Products Limited	-	19
	<u>-</u>	<u>19</u>
	<u>-</u>	<u>19</u>
(iii) Deputation charges recovered from		
1) Step down Subsidiaries (upto 24th February 2021)		
Bilt Graphic Paper Products Limited	-	368
	<u>-</u>	<u>368</u>
	<u>-</u>	<u>368</u>
(iv) Interest income		
1) Subsidiaries		
Ballarpur International Holdings B.V	-	6,621
	<u>-</u>	<u>6,621</u>
	<u>-</u>	<u>6,621</u>
(v) Interest expense		
1) Other related parties		
Karam Chand Thapar & Bros. Ltd-PF Trust	-	39
	<u>-</u>	<u>39</u>
	<u>-</u>	<u>39</u>
(vi) Rental Income		
1) Step down Subsidiaries (upto 24th February 2021)		
Bilt Graphic Paper Products Limited	15	89
	<u>15</u>	<u>89</u>
	<u>15</u>	<u>89</u>
(vii) Brand Royalty Income		
1) Step down Subsidiaries (upto 24th February 2021)		
Bilt Graphic Paper Products Limited	-	3
	<u>-</u>	<u>3</u>
	<u>-</u>	<u>3</u>



43 Disclosure of related parties / related party transactions pursuant to Ind AS 24 'Related Party Disclosures' (Contd.)

(d) Details of related party transactions

Particulars	Rs. in Lakhs	
	2020 - 21	2019 - 20
(viii) Corporate guarantee income		
1) Subsidiaries		
Ballarpur International Holdings B.V	-	90
	-	90
	-	90
(ix) Rental expense		
1) Step down Subsidiaries (upto 24th February 2021)		
Bilt Graphic Paper Products Limited	14	-
	14	-
	14	-
(x) Advances received from related parties		
1) Associate entity (w.e.f. 25th February 2021)		
Bilt Graphic Paper Products Limited *	-	354
	-	354
	-	354
2) Other related parties		
Avantha Power & Infrastructure Limited	-	10
	-	10
	-	364
	-	364
* During the year 2019-20, the Company has received payment of Rs. 354 Lakhs from one of M/s. Bilt Graphic Paper Products Limited's customer directly. This is reported as advance received from related party. The Company has repaid Rs. 68 Lakhs to M/s. Bilt Graphic Paper Products Limited. [Refer note 43(d)(xiv) below].		
(xi) Advances given to related parties		
1) Subsidiaries (including step down subsidiaries)		
Bilt Paper B.V.	-	2
Ballarpur International Holdings B.V	-	20,062
Ballarpur Specialities Paper Holdings B.V	-	1
	-	20,065
	-	20,065
2) Associate entities (w.e.f. 25th February 2021)		
Bilt Graphic Paper Products Limited	-	20
Ballarpur Paper Holdings B.V	-	18
	-	38
	-	38
(xii) Reimbursement of Expenses paid		
1) Step down Subsidiaries (upto 24th February 2021)		
Bilt Graphic Paper Products Limited	-	5
	-	5
	-	5
(xiii) Reimbursement of Expenses Recovered		
1) Subsidiaries including Step down Subsidiaries		
Bilt Graphic Paper Products Limited (upto 24th February 2021)	-	3
Avantha Agritech Limited	-	44
	-	47
2) Other related parties		
Biltech Building Elements Limited	-	3
	-	3
	-	50
	-	50



43 Disclosure of related parties / related party transactions pursuant to Ind AS 24 'Related Party Disclosures' (Contd.)

(d) Details of related party transactions

Particulars	Rs. in Lakhs	
	2020 - 21	2019 - 20
(xiv) Repayment of Advances to related parties		
1) Step down Subsidiaries (upto 24th February 2021)		
Bilt Graphic Paper Products Limited (Refer note 43(d)(x) above)	-	68
	<u>-</u>	<u>68</u>
	<u>-</u>	<u>68</u>
(xv) Director's sitting fees		
1) Key management personnel		
Mr. Gautam Thapar	-	1
Mr. RR Vederah	-	2
Mr. Amarendra Pratap Singh	-	1
Mr. Amarjit Singh Dulat	-	1
Ms. Payal Chawla	-	0
Mr. Sudhir Mathur	-	0
Mr. Sanjay Mohan Labroo	-	-
Mr. Krishan Varma	-	1
Dr. Padmakumar Nair	-	1
Ms. Yashashree Gurjar	-	1
	<u>-</u>	<u>8</u>
	<u>-</u>	<u>8</u>
(xvi) Contribution to PF		
1) Other related parties		
Karam Chand Thapar & Bros. Ltd-PF Trust	-	548
	<u>-</u>	<u>548</u>
	<u>-</u>	<u>548</u>
(xvii) Loan and interest recoveries		
1) Other related parties		
Karam Chand Thapar & Bros. Ltd-PF Trust	-	113
	<u>-</u>	<u>113</u>
	<u>-</u>	<u>113</u>
(xviii) Repayment of loans to related parties		
1) Other related parties		
Global Green Company Limited	-	4
	<u>-</u>	<u>4</u>
	<u>-</u>	<u>4</u>



43 Disclosure of related parties / related party transactions pursuant to Ind AS 24 'Related Party Disclosures'
(Contd.)

(e) Balances due to related parties

Particulars	Rs. in Lakhs	
	As at 31st March 2021	As at 31st March 2020
(i) Step down Subsidiaries (upto 24th February 2021)		
1) Bilt Graphic Paper Products Limited	96,599	96,575
	96,599	96,575
(ii) Other related parties		
1) Avantha Power and Infrastructure Limited	10	10
2) Avantha Holdings Limited	3,487	3,487
3) Avantha Realty Limited	-	6,847
4) Karam Chand Thapar & Bros. Ltd-PF Trust	-	641
5) CG Power and Industrial Solutions Limited	-	-
6) NewQuest Insurance Broking Services Limited	-	6
	3,497	10,991
	<u>1,00,096</u>	<u>1,07,566</u>

(f) Balances due from related parties

Particulars	Rs. in Lakhs	
	As at 31st March 2021	As at 31st March 2020
(i) Subsidiaries including step down subsidiaries		
1) Ballarpur International Holdings B.V. [Refer note 24(a)]	1,08,449	1,08,246
2) Ballarpur Specialities Paper Holdings B.V.	-	1
3) Avantha Agritech Limited	11	11
	1,08,460	1,08,258
(ii) Associate entities		
1) Sabah Forest Industries Sdn. Bhd.	146	6,359
2) Ballarpur Paper Holding B.V.	1,116	1,116
	1,262	7,475
(iii) Other related parties		
1) Avantha Realty Limited	61,534	-
2) Ballarpur International Packaging Holdings	1	-
3) Ballarpur International Graphic Paper Holdings BV	13	13
4) BILT Industrial Packaging Company Limited	858	858
5) Global Green Company Limited	372	372
6) Arizona Printers & Packers Private Limited	1	1
7) UHL Power Company Limited	473	473
8) Bilttech Building Elements Limited	1,212	1,200
	64,464	2,917
	<u>1,74,187</u>	<u>1,18,650</u>

Note: Account Confirmation from related parties have not been received. Hence, the above disclosure has been made to the best of information available with the company.



43 Disclosure of related parties / related party transactions pursuant to Ind AS 24 'Related Party Disclosures' (Contd.)

(g) Terms and conditions of transactions with related parties

- (i) All the transactions with related parties entered during the year were in the ordinary course of business.
- (ii) All the balances due to and due from related parties are unsecured. All the balances due to and due from related parties are interest free other than interest bearing loans.
- (iii) For the year ended 31st March 2021, the Company has not recognized any provision for Expected credit loss of receivables relating to amounts due from related parties (2019-20 - Rs. 42,211 Lakhs). This assessment was undertaken each financial year examining the financial position of the related party and the market in which the related party operates. The total provision for expected credit loss against receivables from related parties as at 31st March 2021 is Rs. 42,211 lakhs (Rs. 42,211 lakhs as at 31st March 2020). The said assessment has not been carried out in current financial year.
- (iv) During the year 2020-21, company had entered into a rent agreement with related party i.e. BGPPL, pursuant the approval taken by the Resolution Professional from the Committee of Creditors. The said Rent Agreement is not available with the new management.

44 Basic and diluted earnings per share (EPS) computed in accordance with Ind AS 33 'Earnings Per Share'

Particulars	2020 - 21	2019 - 20
Loss as per statement of profit or loss (Rs. in Lakhs) [A]	(57,475)	(1,28,668)
Weighted average number of shares outstanding (No: [B]	1,29,34,55,756	1,29,34,55,756
Basic and diluted earnings per share (Rs.) [A]/[B]	(4)	(10)
Face value per equity share (Rs.)	2	2

45 Disclosure pursuant to Ind AS 108 'Operating Segments'

(a) Factors used in identifying segments

For the FY 2019-20, the Company's operating segments were established on the basis of those components of the company that were evaluated regularly by the Chief Operating Officer (COO) of the Company (the 'Chief Operating Decision Maker' as defined in Ind AS 108 - 'Operating Segments'), in deciding how to allocate resources and in assessing performance. These had been identified taking into account nature of products & services, the differing risks and returns and the internal business reporting systems. For the current FY, the same has been done by the new Management.

The accounting policies adopted for segment reporting are in line with the accounting policy of the Company.

- (i) Revenue and expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and Expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as "Unallocable".
- (ii) Segment assets and segment liabilities represent assets and liabilities in respective segments. Investments, tax related assets and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as "Unallocable".



45 Disclosure pursuant to Ind AS 108 'Operating Segments' (Contd.)

(b) Segment information

Particulars	Rs. in Lakhs		
	2019 - 20		
	Uncoated Paper	Others	Total
A Segment revenue			
External customers	29,965	-	29,965
Inter-Segment	-	-	-
Total revenue	29,965	-	29,965
B Segment results			
Segment results before interest income and exceptional items	(42,912)	(3,199)	(46,111)
Interest income	25	3	28
Exceptional items [gain/(loss)] (Refer note 38)	(35,400)	-	(35,400)
	(78,287)	(3,196)	(81,483)
C Reconciliation of segment results with profit /			
Segment results			28
Finance cost			(47,217)
Exceptional items (net) (Refer note 38)			32
Profit / (loss) before tax			(47,157)
D Specified amounts included in segment results			
Interest income	25	3	28
Depreciation and amortization	3,656	907	4,563
Inventory written off (Includes write down value)	15	168	183
Bad debts and impairment of financial assets (net of reversal)	42,664	-	42,664
Loss on sale of property, plant and equipment	2	-	2
Exceptional items (Refer note 38)	35,400	-	35,400

Note:

Since the company is under CIRP from 17.01.20 & due to non availability of complete information Management is not able to give disclosure of Segment Information as per IND AS 108 "Operating Segments" for FY 2020-21.



45 Disclosure pursuant to Ind AS 108 'Operating Segments' (Contd.)

(c) Segment assets and liabilities (Contd.)

Particulars	Rs. in Lakhs		
	As at		
	Uncoated Paper	Others	Total
Segment assets	2,35,147	26,579	2,61,726
Unallocable corporate assets			
Cash and cash equivalents			185
Other bank balances			203
Deferred tax assets (net)			11,924
Investments			92,965
Total assets	2,35,147	26,579	3,67,003
Segment liabilities	3,01,355	12,416	3,13,771
Unallocable corporate liabilities			
Current borrowings	-	-	98,187
Current maturities of non current borrowings	-	-	71,226
Current tax liabilities (net)	-	-	6,022
Total liabilities	3,01,355	12,416	4,89,206
Additions to non-current assets	362	-	362

Note:

In accordance with Ind AS 108; Operating Segments, the Company operates in a single business segment, i.e., manufacturing of Paper Products. As the Company's primary business activity is within one segment, the information required under Ind AS 108 regarding operating segments is not applicable. Accordingly, no further segment information has been disclosed.

(d) Geographical information

(i) Revenue from external customers

Particulars	Rs. in Lakhs	
	2020 - 21	2019 - 20
India	85	29,555
Outside India	-	410
	85	29,965

(ii) Revenues from external customers attributed to an individual foreign country are not material.

(iii) The entire non-current assets of the Company are located in India

(iv) Customer information

The Revenue earned from customers in FY 2020-21 can not be determined since the Customer wise accounting has not been done in the books of account of the company

The Company has earned more than 10% of its revenue from two external customers in 2019-20. Revenue earned from such customers is Rs. 5342 Lakhs in year 2019-20

46 Income taxes

(a) The Company does not have taxable income under the provisions of Income Tax Act 1961 during the current and previous financial year and hence no provision for current tax is recognized. Accordingly calculation of effective tax rate and reconciliation of income tax expense to the accounting profit are not applicable.



47 Disclosure Pursuant to Ind AS 116 'Leases'

(a) The Company has taken Office Building on Rent from one of its Subsidiary i.e., BGPPL. The said rent agreement for the same is not available with the new management, consequently compliance of IND AS 116 "Leases" is not possible.

(b) Where the Company is a lessor

(i) Operating leases:

The Company has given certain property (Building and Machinery) under cancellable operating leases to parties. These lease agreements are normally renewed on expiry. There are no exceptional/ restrictive covenants in these lease agreements.

Lease income recognised in the statement of profit and loss for the year is Rs. 15 Lakhs (Previous year Rs. 90 Lakhs) including contingent rent/sublease receipt of Rs. Nil (Previous year Rs. Nil).

Annual undiscounted lease payments receivable is as under:

(a) As at 31st March 2021 Rs. in Lakhs

Particulars	Upto 1 year	More than 1 year	Total
Lease payments receivables	-	-	-

(a) As at 31st March 2020 Rs. in Lakhs

Particulars	Upto 1 year	More than 1 year	Total
Lease payments receivables	165	-	165



48 Financial Instruments

Since the Company was under CIRP as at 31st March 2021 and due to non-availability of required information regarding Financial Instruments the disclosures pursuant to Ind AS 107 'Financial Instruments: Disclosures' have not been disclosed in the standalone financial statements.

a) Capital Management

The Company's objective when managing capital is to:

- Safeguard its ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders and
- Maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may sell assets to reduce debt or issue new shares or adjust the return to shareholders or return capital to shareholders.

Consistent with others in the industry, the company monitors the capital basis the gearing ratio, which is net debt divided by total capital plus net debt.

The gearing ratio is as follows:

Particulars	Rs. In Lakhs	
	As at 31st March 2021	As at 31st March 2020
Loans and borrowings	3,26,725	1,69,413
Less: Cash and cash equivalents	68	185
Net Debt	3,26,657	1,69,228
Equity	(1,79,678)	(1,22,203)
Gearing Ratio	(1.82)	(1.38)

b) Financial Risk Management

The Company's activities exposes it to a variety of financial risks/ market risks (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects in the Company's financial performance. The risk management is carried out under the policies approved by the Board of Directors which provides principle for overall risk management. The note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, other financial assets	Ageing analysis Credit ratings	Diversification of bank deposits, credit limits and letters of credit
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk-foreign exchange	Recognized financial assets and liabilities denominated in Indian Rupees	Cash Flow forecasting Sensitivity analysis	Forward Contracts
Market risk-security prices	Investment in quoted and unquoted securities	Sensitivity analysis	Monitoring of invested entities and Portfolio diversification

(1) Credit Risk

The credit risk arises from cash and cash equivalents, investments and deposits with banks and financial institutions, trade receivables, and other financial assets, as well as credit exposure to customers including outstanding receivables.

Banks and other financial institutions

The Company considers factors such as track record, size of the institution, market reputation and service standards to select the banks/ institutions with which balances are maintained. The Company does not maintain significant cash and deposit balances other than those required for its day to day operations.

Other financial assets (including trade receivables)

The Company extends credit to customers in the normal course of business after evaluation of customers financial condition and credit history. The Company monitors the payment track record of the customers and assesses the financial reliability of the customer taking into consideration the current economic trends ageing of accounts receivable and history of default. The Company has also accepted security deposits from certain customers, which further mitigate the credit risk in these cases. Since the company was into CIRP during the year 2020-21 the required data to disclose ageing of trade receivables is not available with the new management and hence cannot be disclosed. Disclosures for the FY 2019-20 is given below:

Particulars	Past Due		Total
	Upto 6 months (Including not due)	more than 6 months	
₹ In lakhs			
Trade Receivables:			
As at March 2021			
Secured by security deposits			
Unsecured			
Less: Provision for expected credit loss			
As at March 2020			
Secured by security deposits	-	-	-
Unsecured	4	80	84
Less: Provision for expected credit loss	4	80	84
	-	-	(80)
	4	80	4



The Company considers the probability of default upon initial recognition of assets and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information.

A default on a financial asset is when the counterparty fails to make contractual payments when they fall due or when the extended credit period expires. This definition of default is determined by considering the business environment in which the entity operates and other macro-economic factors.

The Company provides for expected credit loss when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or failing to engage in a repayment plan with the Company. Where loans or receivables have been impaired, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss. The company does not have sufficient details regarding movement in expected credit loss for FY 2020-21, For FY 2019-20 the details of loss allowance is given below:

Reconciliation of loss allowance:

Particulars	₹ In lakhs	
	2020-21	2019-20
Provision as at the beginning of the year	42,302	71
a) Allowance for the year	-	42,664
b) Provision used during the year	-	(433)
Provision as at the end of the year	42,302	42,302

(1) Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash flows through an adequate amount of committed credit facilities to meet obligations when due. Due to the dynamic nature of the underlying business the management maintains flexibility in raising funds as and when required.

Considering the current liquidity position, the Company had taken steps to reduce the financial burden by restructuring its financial liabilities and is in the process of further negotiating with the lenders to reach sustainable debt levels and is also exploring options such as sale of non core assets to ease the financial burden. The operational efficiencies of the manufacturing unit have improved during current year and the Company has made progress for revival of closed unit. In view of the improved market conditions and ongoing negotiations, the Company is confident of a positive outcome and expects to ease the liquidity position of the Company relying on capital infusion, operating cash flows and borrowings at sustainable rates.

The Company monitors rolling forecasts of the liquidity position to ensure its has sufficient cash to meet operational needs and service its borrowings. Since the company is into CIRP and due to non-availability of required data the company is unable to provide maturity profile of its liabilities for the FY 2020-21, for FY 2019-20 maturity profile is given below:

Particulars	As at 31st March 2021			As at 31st March 2020		
	< 1 year	> 1 year	Total	< 1 year	> 1 year	Total
	Borrowings (including interest accrued thereon)	-	-	-	3,29,518	-
Due to Related Parties	-	-	-	9,000	96,575	1,05,575
Other Trade Payables	-	-	-	23,751	-	23,751
Security Deposits (including interest accrued thereon)	-	-	-	612	114	726
Other Financial Liabilities	-	-	-	7,292	-	7,292
Total	-	-	-	3,70,173	96,689	4,66,862

(3) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument may fluctuate because of changes in market prices. Market prices comprise three types of risk: currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, investments, and derivative financial instruments.

(i) Foreign Exchange Risk

The Company transacts business primarily in Indian Rupee, USD, Euro, GBP and AED and other foreign currency. The company has obtained foreign currency loans and has foreign currency trade payables and receivables and is therefore, exposed to foreign exchange risk. Certain transactions of the Company act as a natural hedge as a portion of both assets and liabilities are denominated in similar foreign currencies. For the remaining exposure to foreign exchange risk, the Company adopts a policy of selective hedging based on risk perception of the management. Foreign exchange hedging contracts are carried at fair value.

The company does not have required data regarding its foreign exchange exposure and hence, disclosure of foreign currency exposure is not possible for FY 2020-21, for FY 2019-20 disclosure is given below:

Particulars	₹ In lakhs	
	As at 31st March 2021	As at 31st March 2020
Monetary Liabilities		
United State Dollars	\$ -	73,381
Euro	€ -	-
Great Britain Pounds	GBP -	-
Monetary Assets		
United State Dollars	\$ -	1,15,477
Arab Emirates Dirham	DH -	-

The following table demonstrates the sensitivity in the USD, Euro, GBP, AED and other currencies to the Indian Rupee with all other variables held constant. 5% increase or decrease in foreign exchange rates will have the following impact on profit before tax. Since the company was under CIRP and due to non availability of required data the disclosure for FY 2020-21 is not disclosed, the disclosures for FY 2019-20 is given below:

Particulars	₹ In lakhs	
	As at 31st March 2021	As at 31st March 2020
Sensitivity to 5% Increase		
United State Dollars	\$ -	2,105
Euro	€ -	-
Great Britain Pounds	GBP -	-
Arab Emirates Dirham	DH -	-
Sensitivity to 5% decrease		
United State Dollars	\$ -	(2,105)
Euro	€ -	-
Great Britain Pounds	GBP -	-
Arab Emirates Dirham	DH -	-



Summary of exchange difference accounted in statement of profit and loss:

Particulars	₹ in lakhs	
	As at 31st March 2021	As at 31st March 2020
Currency Fluctuations:		92
Net Foreign Exchange (gain)/ losses shown as finance cost	-	(3,034)
Net Foreign Exchange (gain)/ losses shown as other income	-	(2,942)

(ii) Interest rate risk and sensitivity

Interest rate risk is the risk that the fair value of future cash flows of the Company's financial instruments will fluctuate because of changes in market interest rates. The Company's exposure to interest rate risk arises primarily because of the bank borrowings comprising term loans, loans against import and revolving credits which are at the aggregate of Base rate / MCLR and the applicable margin. The interest rates for the said bank borrowings are disclosed in Note 19.

Since the company is under CIRP and due to non-availability of required information of interest rate profile of company's interest bearing borrowings is not available for FY 2020-21, for FY 2019-20 the disclosure is as follows:

Particulars	₹ in lakhs	
	As at 31st March 2021	As at 31st March 2020
Floting rate borrowings	-	1,77,987
Borrowings	-	1,77,987

Due to unavailability of required information with the company, the company is unable to provide disclosures regarding interest rate risk and Sensitivity Analysis for the FY 2020-21, for FY 2019-20 the disclosure as given below:

Particulars	₹ in lakhs	
	As at 31st March 2021	As at 31st March 2020
Change of + 0.50%	-	(890)
Change of - 0.50%	-	890

(iii) Commodity price risk and sensitivity

The Company has in place policies to manage the Company's exposure to fluctuation in the prices of the key materials and commodities used in the operations. Nevertheless, it believes that it has competitive advantage in terms of high quality products and by continually upgrading its expertise and range of products to meet the needs of its customers. The company enters into fixed price contracts to establish determinable prices for raw materials and consumables used. The management does not consider the Company's exposure to market risk significant as on 31st March 2021. Therefore, sensitivity analysis for market risk is not disclosed.

(iv) Price Risk

The Company does not have significant equity investments that are publicly traded and investments in unlisted securities are of strategic importance.

49 Fair value measurement

(a) Financial assets by category

Particulars	Note No.	As at 31st March 2021			As at 31st March 2020		
		FVPL	FVOCI	Amortised Cost	FVPL	FVOCI	Amortised Cost
(i) Investments	6	-	16,860	-	-	16,860	-
(ii) Trade receivables	11	-	-	679	-	-	185
(iii) Cash and cash equivalents	12	-	-	88	-	-	585
(iv) Other bank balances	7 & 13	-	-	537	-	-	76,993
(v) Loans (including security deposit)	7, 14 & 15	-	-	1,32,352	-	-	-
(vi) Other financial assets	15	-	-	20	-	-	14
		-	16,860	1,33,655	-	16,860	77,781

(b) Financial liabilities by category

Particulars	Note No.	As at 31st March 2021			As at 31st March 2020		
		FVPL	FVOCI	Amortised Cost	FVPL	FVOCI	Amortised Cost
(i) Long term borrowings (including current maturities)	19 & 24	-	-	-	-	-	71,226
(ii) Short term borrowings	19	-	-	3,26,725	-	-	98,187
(iii) Interest accrued on borrowings	24	-	-	47,787	-	-	86,108
(iv) Trade payables	23	-	-	20,433	-	-	23,770
(v) Other financial liabilities	20 & 24	-	-	1,80,016	-	-	1,85,571
		-	-	5,74,961	-	-	4,66,862

(c) Fair value of Hierarchy

Particulars	Note No.	Carrying Amount	Fair value hierarchy			Total
			Level 1	Level 2	Level 3	

Financial assets and liabilities measured at fair value - recurring fair value measurements

Financial assets

As at 31st March 2021						
(i) Investments	6	16,860	-	-	16,860	16,860
As at 31st March 2020						
(i) Investments	6	16,860	-	-	16,860	16,860

Financial liabilities

As at 31st March 2021						
(i) Derivative financial instruments		-	-	-	-	-
As at 31st March 2020						
(i) Derivative financial instruments		-	-	-	-	-



49 Fair value measurement (Contd.)

(c) Fair value of Hierarchy (Contd.)

Particulars	Note No.	Carrying Amount	Fair value hierarchy			Total
			Level 1	Level 2	Level 3	
			Rs. in Lakhs			
Assets and liabilities which are measured at amortised cost for which fair values are disclosed						
Financial assets						
As at 31st March 2021						
(i) Trade receivables	11	679	-	-	679	679
(ii) Cash and cash equivalents	12	68	-	-	68	68
(iii) Other bank balances	7 & 13	537	-	-	537	537
(iv) Loans (including security deposit)	7, 14 & 15	1,32,352	-	-	1,32,352	1,32,352
(v) Other financial assets	15	20	-	-	20	20
Financial liabilities						
As at 31st March 2021						
(i) Long term borrowings (including current maturities)	19 & 24	-	-	-	-	-
(ii) Short term borrowings	19	3,26,725	-	-	3,26,725	3,26,725
(iii) Interest accrued on borrowings	24	47,787	-	-	47,787	47,787
(iv) Trade payables	23	20,433	-	-	20,433	20,433
(v) Other financial liabilities	20 & 24	1,80,016	-	-	1,80,016	1,80,016
Financial assets						
As at 31st March 2020						
(i) Trade receivables	11	4	-	-	4	4
(ii) Cash and cash equivalents	12	185	-	-	185	185
(iii) Other bank balances	7 & 13	585	-	-	585	585
(iv) Loans (including security deposit)	7, 14 & 15	76,993	-	-	76,993	76,993
(v) Other financial assets	15	14	-	-	14	14
Financial liabilities						
As at 31st March 2020						
(i) Long term borrowings (including current maturities)	19 & 24	71,226	-	-	71,226	71,226
(ii) Short term borrowings	19	98,187	-	-	98,187	98,187
(iii) Interest accrued on borrowings	24	88,108	-	-	88,108	88,108
(iv) Trade payables	23	23,770	-	-	23,770	23,770
(v) Other financial liabilities	20 & 24	1,85,571	-	-	1,85,571	1,85,571

Level 1 hierarchy includes financial instruments measured using quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in Level 3.



BALLARPUR INDUSTRIES LIMITED

CIN: L21010MH1945PLC010337

Notes accompanying the financial statements

49 Fair value measurement (Contd.)

(c) Fair value of Hierarchy (Contd.)

Other assumptions used in the estimation of fair values

The fair value of trade receivables, cash and cash equivalents, other bank balances and other current financial assets approximate their carrying amount due to the short-term nature of these instruments.

The fair value of trade payables and other current financial liabilities approximate their carrying amount due to the short-term nature of these instruments.

The fair value of borrowings with floating rate of interest are considered to be close to their carrying

50 During FY 2019-20 company has entered into job work agreement with M/s BSFC Distributor Private Limited to manufacture paper and other paper products at Unit Shree Gopal on job work basis. However, upon initiation of CIRP and nationwide lockdown, the job work arrangement was discontinued with effect from 24th March 2020. There is stock lying in the unit belonging to the said party which is being evaluated. The Company is under the process of identifying such stock & determining its value for final settlement with the said party.

51 The pandemic caused by COVID-19 disease impacted adversely the economy . It also impacted every component of the business of the Company including sales, liquidity, supply chain management and production due to nation wide lockdown from 24 March 2020. The Company has considered impact of present and future economic conditions which may result from COVID-19 Pandemic while assessing carrying amount of Receivables, Inventory, Property Plant & Equipment and Provisions based on information available till the date of approval of these financial statements.

Further, physical counting of inventories as at 31st March 2021 could not be completed due to the lockdown and other restrictions imposed by COVID-19 pandemic.

52 The Company has migrated its accounting system from earlier Oracle System to Tally accounting system during the current financial year. During the CIRP period, the oracle licenses expired & not renewed by the RP. Hence, the 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, Company has not been able to identify and transfer the individual balances of its debtors, Creditors, Loans, Related Parties from Oracle System to Tally system.

53 The confirmations and reconciliation of certain secured and unsecured loans, balances with banks, trade receivables, due to / from related parties, trade and other payables and loans and advances are pending. The management is in the process of obtaining confirmations and reconciliation of balances and ascertaining the impact. Further, Accounting in books of account has not been done vendor wise and customer wise.

54 Due to resignation and / or non-availability of process owners and other employees of the Company, it was not feasible or practical to provide requisite information for assessment of internal financial control over financial reporting for the financial year 2020-21.



- 55 Ballapur Industries Limited ("BILT/Company") has been acquired by Finquest Financial Solutions Private Limited 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 12th June 2023 and a new Board of Directors have been appointed vide resolution dated 12th June 2023. The directors of the company are required to approve the accounts of the company for the financial years ended 31st March 2021. The said accounts pertain to the period prior to the appointment of the current directors of the company and the current directors had no role to play during the period covered by the said 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 are signing the said financial statements.

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

- i. The Signatories are signing the financial statements in good faith and accordingly, no suit, prosecution or other legal proceeding shall lie against him/ them;
- ii. No statement, fact, information (whether current or historical) or opinion contained herein should be construed as a representation or warranty, express or implied, of the Signatories and the Signatories have assumed the same to be correct while signing the financial statements in good faith in order to cure/regularize the non-compliance of the Company with respect to its filing requirements under the Companies Act, 2013 which is required for implementation of the Resolution Plan;
- iii. The Signatories, while signing the financial statements for the year ended 31st March 2021 (which pertains to the tenure prior to their date of appointment in the Company), have assumed that such information and data are in the conformity with the Companies Act, 2013 and other applicable laws with respect to the preparation of the annual return and that they give true and fair view of the position of the Company as of the dates and period indicated therein. Accordingly, the Signatories are not making any representations regarding accuracy, veracity or completeness of the data or information in the said financial statements.

- 56 Previous Year Figures have been regrouped/reclassified wherever necessary to conform to current year grouping/classification.

As per our report of even date attached

For Batliboi & Purohit
Chartered Accountants
Firm's registration no. 101048W

Parag Hangekar
Partner
Membership No. 110096

For Ballapur Industries Limited

Punit Bajaj
Company Secretary
M. No: A-58392

Parashiva Murthy B S
Director
Din: 00011584

Hardik B. Patel
Whole- Time
Director & Chief
Din: 00590663

Place: Mumbai
Date: September 23, 2024



Place: Mumbai
Date: September 23, 2024



INDEPENDENT AUDITORS' REPORT

To the members of **BALLARPUR INDUSTRIES LIMITED**

Report on the Audit of the Consolidated Financial Statements

Disclaimer of Opinion

We were engaged to audit the accompanying Consolidated Financial Statements of **Ballarpur Industries Limited** (hereinafter referred to as the 'Parent') and its subsidiaries (Parent and its subsidiaries together referred to as the 'Group'), and the Group's share of profit / loss in its associates, comprising the consolidated balance sheet as at March 31, 2021, the consolidated statement of profit and loss, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as the "**Consolidated Financial Statements**").

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 had 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.

We do not express an opinion on the accompanying consolidated financial statements of the group. Because of the significance of the matters described in the Basis for Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for expressing an audit opinion on the Consolidated Financial Statements.

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 March 31, 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 Statements. (Refer note no. 45 to the Consolidated Financial Statements).
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



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outstanding put options. Accordingly, we are unable to quantify the impact on Consolidated Financial Statements. (Refer note no. 47 to the Consolidated Financial Statements).

3. Pursuant to commencement of the CIRP on 17 January, 2020 under Insolvency and Bankruptcy Code, 2016 ('the Code'), the Resolution Professional (RP) has received various claims submitted by the financial creditors, operational creditors, employees and other creditors:
 - a. With respect to the financial creditors, the Parent had recognized additional liability of Rs. 203 lakhs (net of reversals and write back of liabilities), which represents the difference between borrowings and corresponding interest claims of the financial creditors admitted by the RP and the borrowings and interest accrued in the books as at March 31, 2021. We are not provided with reconciliation along with reasons for this difference in order to ascertain the completeness and valuation of liabilities recognized by the Parent. Accordingly, we are not able to ascertain the impact on consolidated financial statements. (Refer note no. 61(b) to the Consolidated Financial Statements).
 - b. With respect to operational creditors, employees and other creditors of the Parent, the RP has received and assessed the claims and effect of the same will be given in the financial statements of parent for financial year 2022-23.
4. Provision for gratuity and compensated absences pertaining to the Shree Gopal Unit, Corporate Office and Kamalapuram Unit had been determined by the Parent's Management on an adhoc basis as at March 31, 2021. Ind AS 19 'Employee Benefits' requires that the provision for long term employee benefits such as gratuity and compensated absences need to be determined based on actuarial valuation.

Accordingly, the provision for long term employee benefits as at March 31, 2021 is not in compliance with Ind AS 19 and we are unable to conclude on the adequacy of the provision for gratuity and compensated absences as at 31 March, 2021. The provision for gratuity which has been determined on an adhoc basis as at March 31, 2021 is Rs 68 lakhs and reversal of provision for compensated absences is Rs. 52 lakhs. (Refer note no. 48 to the Consolidated Financial Statements).

5. The Parent had not performed impairment assessment of its investments as at March 31, 2021 in line with the requirements of Ind AS 109 'Financial Instruments' and Ind AS 36 'Impairment of Assets'. Accordingly, we are unable to conclude on the carrying value of investments and the consequential impact,



if any, on the consolidated financial statements. (Refer note no. 4(f) and 8(b) to the Consolidated Financial Statements).

6. Confirmation of balances of Parent have not been received by us in respect of certain loans and advances, balances with banks, borrowings (including interest accrued thereon), dues to/from related parties, trade and other payables. The Parent's Management is in the process of obtaining confirmations and reconciliation of the balances. The impact of any change in the carrying amount of these balances on consolidated financial statements which may arise as a result of such reconciliation is unascertainable. Therefore, we are unable to comment upon the appropriateness of carrying value of such balances on consolidated financial statements. (Refer note no. 64(i) to the Consolidated Financial Statements).
7. The Parent had reclassified the land situated at Choudwar, Odisha, from 'Assets held for sale' to 'Property, Plant and Equipment' in Financial Year 2019-20. Ind AS 105 on 'Non-current assets held for sale and discontinued operations' requires that when a non-current asset ceases to be classified as 'Assets held for sale', the same shall be measured at the lower of:
 - 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 statements.

8. On account of the COVID-19 related lockdown restrictions, the Parent's management was unable to perform the physical count of inventories as at March 31, 2021. Further, on account of the suspension of the operations of the Parent, we are unable to perform any alternate procedures to audit the existence of the inventories as per SA 501 'Audit Evidence - Specific Consideration for Selected Items' and 'Physical inventory verification - Key audit considerations amid COVID-19' issued by the Institute of Chartered Accountants of India. Therefore, we are unable to conclude whether inventories of Rs. 1650 lakhs are fairly stated as at March 31, 2021 by the Parent and accordingly we are unable to conclude whether the inventories are fairly stated in the consolidated financial statements.
9. Loan receivable by the Parent from related parties is Rs. 1,74,195 lakhs. The Parent has not created any additional provision for expected credit loss during the year. The provision for expected credit loss is Rs 42,211 Lakhs as at March



31, 2021. Since the Parent had not created any additional provision for expected credit loss, we are unable to conclude on the adequacy of the provision for expected credit loss and the recoverability of the balance receivable from the related parties. (Refer note no. 49(f)(iii) to the Consolidated Financial Statements).

10. The Parent has carried forward deferred tax assets (net) of Rs. 11,924 lakhs from earlier years. The Parent suffered continuous losses and there is no assessment by the Parent's Management regarding reversal of deferred tax assets in the subsequent year. During the year Parent has not created any deferred tax asset or liability. As per Ind AS 12 "Income Taxes" an entity shall create deferred tax asset only if there will be sufficient taxable profits in the future years. In the absence of the Parent's management assessment, we are not able to satisfy ourselves about the future taxable profits of the company and hence we are unable to ascertain the realisation of these deferred tax assets in the consolidated financial statements. (Refer note no. 12(d) to the Consolidated Financial Statements).
11. Input Tax Credit (ITC) of Goods and Services Tax available as per books of accounts for Corporate Office of Parent is Rs. 51.50 Lakhs, the new management of Parent is under the process of reconciling the balance of ITC as per books and ITC as per electronic credit ledger. In absence of requisite information, we are unable to comment on the same.
12. During the financial year 2019-20, the Parent had received an Order from the Hon'ble Supreme Court of India confirming the grid support charges payable to Transmission Corporation of Andhra Pradesh Limited ("APTRANSCO"). The Parent had estimated the liability to be Rs. 1,516 Lakhs. Since no demand is received from APTRANSCO, the liability is not accrued and considered as a contingent liability as at March 31, 2021. As per the NCLT, Mumbai Order dated March 31, 2023 (updated on April 13, 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 statements as at March 31, 2021.
13. We have not been provided with the bank reconciliation statements for 11 bank accounts maintained by the Parent having a carrying amount of Rs. 11.02 Lakhs as at March 31, 2021. Also, the balance confirmation certificate has not been provided by Parent for any bank account maintained. The consequential impact, if any, on consolidated financial statements is not ascertainable. (Refer note no. 16(a) to the Consolidated Financial Statements).



14. We have not been provided with the bank reconciliation statements for 5 bank accounts maintained by the Parent related to unpaid dividend having a carrying amount of Rs. 27.59 Lakhs as at March 31, 2021. Also, the balance confirmation certificate has not been provided by the Parent for any of the account maintained. The consequential impact, if any, on consolidated financial statements is not ascertainable. (Refer note no. 17(a) to the Consolidated Financial Statements).
15. We have not been provided with the details of bank deposits of Parent with original maturity exceeding 3 months as at March 31, 2021. Also, neither the balance confirmation certificate nor interest certificate has been provided by Parent for any of the Bank Deposit. The consequential impact, if any, on consolidated financial statement is not ascertainable. (Refer note no. 17(b) to the Consolidated Financial Statements).
16. The Parent has migrated its accounting system from previously used Oracle System to Tally accounting system during the current financial year. The Oracle licenses expired during the CIRP period and were not renewed, also the migration audit was not performed by the Parent. As a result, the completeness and accuracy of the data migration from Oracle to Tally could not be confirmed. Additionally, the Parent was unable to identify and transfer individual balances for debtors, creditors, loans, and related parties. Consequently, we were unable to obtain sufficient appropriate audit evidence to support the consolidated financial statements. (Refer note no. 63 to the Consolidated Financial Statements).
17. The Financial Statements of 2 step down foreign subsidiaries (Mirabelle Trading Pte. Ltd., and Bilt General Trading FZE) and 1 domestic subsidiary (Avantha Agritech Ltd) which have a total assets base of Rs. 67,542 lakhs and which are material to the group are unaudited. We also did not receive the management certified financial statements of these subsidiaries hence we are unable to comment upon the authenticity of the data and the reasonableness of consolidation of these subsidiaries in the consolidated financial statements. 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. 69 and 71 to the Consolidated Financial Statements).
18. One of the foreign subsidiary Ballarpur Speciality Paper Holdings B.V. has fully written off its investment in BILT General Trading FZE, UAE ("BGT") in financial year 2019-20 as BGT does not carry on any operations and there is no intention to carry on the business in future and also the license of BGT was expired.



However, we are not provided with the sufficient information and documents related to closure of business of BGT and therefore, we are unable to comment upon reasonableness of consolidation of BGT in the consolidated financial statements. (Refer note no. 67 to the Consolidated Financial Statements)

19. The Parent 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. (Refer note no. 72 to the Consolidated Financial Statements)

Material Uncertainty relating to Going Concern

We draw attention to Note 45 of the accompanying consolidated financial statements 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 45(a) to the consolidated financial statements 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 March 31, 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 statements.
- **Ballarpur International Holdings B.V. (BIH)** - During the year the Company has total comprehensive loss of Rs. 4,188.76 Lakhs (Previous year total comprehensive loss of Rs. 1,86,075.72 Lakhs). As at March 31, 2021, the accumulated losses (including other comprehensive loss) of the Company are Rs 2,11,469.80 Lakhs (Previous Year Rs. 2,07,281.04 Lakhs). which have fully eroded the net worth of the Company and the Company's current liabilities exceeded its current assets by Rs. 1,12,822.23 Lakhs (Previous Year Rs. 1,08,125.77 Lakhs). As the management believes that, negative working capital would not cause economic difficulties, in view of the Management's expectation the financial statements have been prepared on a going concern basis.



- **Ballarpur Speciality Paper Holdings B.V. (BSPH)** - During the year the Company has Total Comprehensive Income of Rs.16.18 Lakhs (Previous year Total Comprehensive loss of Rs. 26.92 Lakhs). As at March 31, 2021, the accumulated losses (including other comprehensive Income/loss) of the Company are Rs. 272.80 Lakhs (Previous Year Rs 2,88.98 Lakhs). which have fully eroded the net worth of the Company and the Company's current liabilities exceeded its current assets by Rs.260.08 Lakhs (Previous Year Rs. 2,76.25 Lakhs). The management believes that, negative working capital would not cause economic difficulties, in view of the Management's expectation of above the financial statements have been prepared on a going concern basis.
- **Bilt Paper B.V. (BPBV)** - During the year the Company has total comprehensive loss of Rs.741.81 Lakhs (Previous year total comprehensive loss of Rs 2,53,962.97 Lakhs). As at March 31, 2021, the accumulated losses (including other comprehensive loss) of the Company were Rs. 2,20,353.14 Lakhs (Previous Year Rs. 1,97,349.96 Lakhs) and the Company's current liabilities exceeded its current assets by Rs.96,487.57 Lakhs (Previous Year Rs. 75,933.49 Lakhs). As the management believes that, negative working capital would not cause economic difficulties, in view of the Management's expectation the financial statements have been prepared on a going concern basis.

Our opinion is not modified in respect of above matters.

- The Statement includes the results of following entities:
 - a. **Parent:**
Ballarpur Industries Limited
 - b. **Subsidiaries:**
Avantha Agritech Limited
Ballarpur International Holdings B.V.
Ballarpur Speciality Paper Holdings B.V.
 - c. **Step-down Subsidiaries:**
Bilt Paper B.V.
Mirabelle Trading Pte. Ltd
BILT General Trading FZE
Ballarpur Paper Holdings B.V. (till 25th February 2021)
Sabah Forest Industries Sdn. Bhd. (till 25th February 2021)
Bilt Graphic Paper Products Ltd India (till 25th February 2021)
 - d. **Associate of Step-down Subsidiary – BILT Paper B.V.:**
Ballarpur Paper Holdings B.V. (from 26th February 2021)



e. Subsidiaries of Associate:

- Bilt Graphic Paper Products Ltd (from 26th February 2021)
Sabah Forest Industries Sdn.Bhd. (from 26th February 2021)

Emphasis of Matter

- a) We draw attention to note no. 64 (ii, iii, & iv) of the consolidated financial statements, which states that certain balances of related parties and other parties shown in other payables are subject to reconciliation/ confirmation. Consequential impact of confirmation/ reconciliation/ adjustment of such balances is not ascertainable. The opinion of auditors of Bilt Paper B.V. and Ballarpur Speciality Paper Holdings B.V. is not modified in respect of this matter.
- b) We draw attention to note. no. 64 (ii, iii, & iv) of the consolidated financial statements, which states that the auditors of the 1 foreign subsidiary and 1 foreign step-down subsidiary company have not received direct confirmation from certain related parties and other parties shown in other payables for the balances outstanding. Subsequent consequential impact, if any, on the loss (including other comprehensive loss), other equity and assets and liabilities as on March 31, 2021, are accordingly not ascertainable and cannot be commented upon. The opinion of auditors of Bilt Paper B.V. and Ballarpur Speciality Paper Holdings B.V. is not modified in respect of this matter.
- c) We draw attention to the following matter related to the definition of "control" as outlined in the Shareholder Agreement dated 14th August 2015 between BILT Paper BV, its Shareholders and its lenders:

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

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

In this case, the 21.5% of shareholding of BILT Paper B.V. ("BP B.V") Subsidiary of Ballarpur International Holdings B.V were pledged by



Ballarpur International Holdings B.V. ("BIH B.V") to Orbit Investment Securities Plc and Varanium India Opportunity, enabling Orbit Investment Securities Plc and Varanium India Opportunity to invoke BIH B.V's voting rights in BP B.V upon the invocation due to event of Default. However, the ownership of the shares remains with BIH B.V. Based on the definition of "control" as outlined in the agreement, BIH B.V continues to hold control over BP B.V. Therefore, BP B.V remains a subsidiary of BIH B.V and a step-down subsidiary of Ballarpur Industries Limited ("BILT"). Consequently, the Consolidated Financial Statements (CFS) have been prepared accordingly. (Refer Note No. 8(d) to the Consolidated Financial Statements)

- d) Bilt Paper BV (BPBV), Subsidiary of Ballarpur International Holding B.V (BIH) and erstwhile Parent Company of Ballarpur Paper Holdings BV (BPHBV), had pledged 70% of its shareholding in BPHBV with EC Holdings Pte. Ltd & EISAF II Pte. Ltd towards financial facilities provided by the EC Holdings Pte. Ltd & EISAF II Pte. Ltd to BPHBV. In February 2021, the pledge was invoked by the EC Holdings Pte. Ltd & EISAF II Pte. Ltd and the voting rights attached to the pledged shares has been transferred to the EC Holdings Pte. Ltd & EISAF II Pte. Ltd. The Company has reassessed the relationship status and concluded that there is no shareholder agreement or any similar document made available to the new management of Parent in respect of shareholding of BPHBV which would govern the interse rights between shareholders and management of BPHBV. Thus, BPBV ceased to control the BPHBV consequent to invocation of the pledge in February 2021. This change in control has been reflected in the preparation of the consolidated financial statements. (Refer note no. 71(c)(iv) to the Consolidated Financial Statements)

Responsibilities of Management and Board of Director's for the consolidated financial statements

In accordance with the Insolvency & Bankruptcy Code, 2016 the Hon'ble National Company Law Tribunal, Mumbai ("NCLT") on January 17 2020, admitted Corporate Insolvency Resolution Process application against the Parent and appointed an Interim Resolution Professional. Subsequently, Resolution Professional was appointed by the NCLT on May 27 2020. The Resolution Plan was approved by the Hon'ble National Company Law Tribunal, Mumbai ("NCLT") on March 31 2023. During the period from May 27 2020, till March 31 2023, the power and responsibilities of the Board of Directors were suspended and vested with the Resolution Professional ("RP") under the provisions of the Code. Post approval and implementation of the Resolution Plan, new management of parent has taken over the powers and responsibilities of the Board of Directors of the Parent Company.

The Parent's Management's and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the



consolidated state of affairs, consolidated profit/loss, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards prescribed under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.

The respective Management and Board of Directors of the Companies/entities 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 each companies/entities 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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Board of Directors of the Parent, as aforesaid.

In preparing the consolidated financial statements, the respective management and Board of Directors of each companies/entities are responsible for assessing the ability of each companies/entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless respective management either intends to liquidate the companies/entities or cease operations, or has no realistic alternative but to do so.

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

Auditor's responsibility for the audit of the consolidated financial statements

Our responsibility is to conduct an audit of the consolidated financial statements in accordance with the SA and to issue an auditor's report thereon.

However, because of the matters described in the basis for Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these consolidated financial statements.

We are independent of the group in accordance with the code of ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements and provisions of the Act that are relevant to our audit of consolidated financial statements under the provision of the Act and the rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and ICAI's code of ethics.

Other Matters



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

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

2. The financial statements/information of 2 step-down foreign subsidiaries (Mirabelle Trading Pte. Ltd., and Bilt General Trading FZE) and 1 domestic subsidiary (Avantha Agritech Ltd) have not been prepared neither audited nor certified by the management of the respective step-down subsidiaries. Based on the financial information provided to us by the Parent, these reflects total assets (before Consolidation adjustments) of Rs. 67,542 Lakhs as at March 31, 2021, total revenue (before Consolidation adjustments) of Rs. Nil; the net cash outflows cannot be ascertained as the same have not been prepared neither provided to us for the purpose of consolidation of the financial statements for the year ended on that date, as considered in the consolidated financial statements. 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 statements, 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 point no. 17 of Disclaimer of Opinion Paragraph of our Report)

Except for the matter stated in the basis of disclaimer of opinion, 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.

Report on Other Legal and Regulatory Requirements

As required by Section 143 (3) of the Act, we report that:

- (a) As described in the basis for disclaimer of Opinion paragraph above, we were unable to obtain all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;
- (b) Due to the possible effects of the matters described in the basis for disclaimer of opinion section of our report, we were unable to state whether proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books;
- (c) Due to possible effects of the matters described in the basis for disclaimer of opinion section of our report, we are unable to comment whether the consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
- (d) Due to the possible effects of matters described in Basis for Disclaimer of Opinion section of our report, we are unable to state whether the aforesaid consolidated financial statements comply with the Indian Accounting Standards notified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) in our opinion, the matter described in the Basis for Disclaimer of Opinion section may have an adverse effect on the functioning of the Group;
- (f) The powers of Board of Directors of the parent were suspended from May 27, 2020 to March 31, 2023 pursuant to Corporate Insolvency Resolution Process. The powers of Board of Directors vested with Resolution Professional and accordingly, commenting on whether any of the director is disqualified from being appointed as a director under section 164(2) of the Act is not applicable to the Parent.
- (g) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **Annexure 'A'**, which is based on the auditors reports of the Parent and its subsidiary companies.
- (h) with respect to the other matters to be included in the auditor's report in accordance with the requirements of section 197(16) of the Act (as amended); in our opinion and to the best of our information and according to the explanations given to us, since the RP had superseded the Board of Directors of Parent, there were no Directors during the financial year 2020-21 and accordingly there was no remuneration paid to its directors during the year; and
- (i) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014,



in our opinion and to the best of our information and according to the explanations given to us:

- i) Due to the possible effects of the matters described in the Basis for Disclaimer of Opinion section of our report, we are unable to state whether the Company has appropriately disclosed the impact of pending litigation on its financial position. (Refer note 46 to the Consolidated Financial Statements);
- ii) Due to the possible effects of the matters described in the Basis for Disclaimer of Opinion section of our report, we are unable to state whether the Company have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- iii) We were not provided with the sufficient details regarding transfer of amount to Investor Education and Protection Fund (IEPF), therefore we are unable to satisfy ourselves that whether there has been any delay in transferring amounts required to be transferred to the by the Companies/entities included in the consolidated financial statements during the year.

For Batliboi & Purohit
Chartered Accountants
Firm Reg. No. 101048W



Parag Hangekar
Partner
M. No. 110096
UDIN: 25110096BMIKAS2763

Place: Mumbai
Date: 16th April, 2025



ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 1(g) under 'Report on Other Legal and Regulatory Requirements' section of our Report of even date]

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

We were engaged to audit the internal financial controls over financial reporting of Ballarpur Industries Limited (hereinafter referred to as "Parent") and such subsidiary companies (the Parent and its subsidiaries together referred to as the "Group") and associate companies incorporated in India, as at March 31, 2021, in conjunction with our audit of the consolidated financial statements of the Group for the year ended on that date.

Disclaimer of Opinion

The system of internal financial control over financial reporting with regard to the Group were not made available to us to enable us to determine if the group has established adequate internal financial control over financial reporting and whether such internal financial controls were operating effectively as at March 31, 2021.

We have considered the disclaimer reported above in determining the nature, timing, and extent of audit tests applied in our audit of the consolidated financial statements of the group, and the disclaimer has affected our opinion on the financial statements of the group and we have issued a disclaimer opinion on the consolidated financial statements of the group.

Basis for Disclaimer of Opinion

Due to the possible effects of the matters described in the Basis for Disclaimer of Opinion paragraph in our main audit report, we are unable to obtain sufficient and appropriate evidence to provide a basis for our opinion on whether the company has adequate internal financial controls over financial reporting with reference to IND AS financial statements as at March 31, 2021 & whether such internal financial controls were operating effectively.

Accordingly, we do not express an opinion on the internal financial controls over financial reporting with reference to the Consolidated financial statements of the group.

We have considered the disclaimer of opinion reported above in determining the nature, timing and extent of audit tests applied in our audit of the Consolidated financial statements of the Group for the year ended March 31, 2021, and the disclaimer of opinion on this report has affected our opinion on the Consolidated financial statements of the Group and we have issued a disclaimer of opinion on the Consolidated financial statements (refer "Basis for Disclaimer of Opinion" paragraph in our audit report of even date)



Management and Board of Director's\Resolution Professional's Responsibility for Internal Financial Controls

The respective Management and Board of Directors\Resolution Professional of the Parent, its subsidiary companies and associate companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls with reference to Consolidated Financial Statements based on the internal control with reference to Consolidated Financial Statements criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 ("the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting with reference to Consolidated Financial Statements of the Parent, its subsidiary companies and its associate companies which are incorporated in India, based on our audit. We were engaged to audit in accordance with the Guidance Note and the Standards on Auditing specified under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both issued by the ICAI.

Because of the matter described in Disclaimer of Opinion paragraph below, we were unable to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on internal financial controls system over financial reporting of the Group.

Meaning of Internal Financial Controls Over Financial Reporting

A Company's internal financial control over financial reporting with reference to Consolidated Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting with reference to Consolidated Financial Statements includes those policies and procedures that:

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the



- company are being made only in accordance with authorisations of management and Directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

For Batliboi & Purohit
Chartered Accountants
Firm Reg. No. 101048W



Parag Hangekar
Partner
M. No. 110096
UDIN: 25110096BBIKAS2763

Place: Mumbai
Date: 16th April, 2025



Particulars	Note	As at 31 March 2021	As at 31 March 2020
ASSETS			
(1) Non-current Assets			
(a) Property, Plant and Equipment	4	1,73,662	6,35,278
(b) Capital work-in-progress	5	-	1,656
(c) Right of Use Assets	4	-	2,039
(d) Other intangible assets	6	-	531
(e) Biological assets other than bearer plants	7	-	-
(f) Financial assets			
(i) Investments	8	2,13,865	3
(ii) Loans	10	49,754	-
(iii) Others	11	538	1,220
(g) Deferred tax assets (net)	12	11,924	13,224
(h) Other non-current assets	13	29	11,936
(2) Current assets			
(a) Inventories	14	1,659	42,177
(b) Financial assets			
(i) Investments	9	-	206
(ii) Trade receivables	15	45,029	48,301
(iii) Cash and cash equivalents	16	217	6,457
(iv) Bank balances other than (iii) above	17	47	2,231
(v) Loans	18	1,50,314	269
(vi) Others	19	25,536	28,401
(c) Current tax assets (Net)	20	3	3
(d) Other current assets	21	4,290	9,699
(e) Assets associated with group of assets classified as held for sale and discontinued operations	57	0	2,24,167
Total Assets		6,76,867	10,27,798
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	22	25,871	25,871
(b) Other equity	23	(3,67,453)	(2,52,213)
Equity attributable to the owners of the Company		(3,41,582)	(2,26,342)
(c) Non-Controlling Interest	24	96,813	(1,02,374)
Liabilities			
(1) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	25	25,135	5,12,634
(ii) Lease Liabilities	26	-	2,020
(iii) Other financial liabilities	27	96,631	1,069
(b) Provisions	28	2,888	10,591
(c) Other non-current liabilities	29	19	19
(2) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	25	3,66,892	1,39,472
(ii) Lease Liabilities	26	-	226
(iii) Trade payables	30	-	3,721
a) Dues of micro and small enterprises		-	3,721
b) Dues of other than micro and small enterprises		20,787	63,928
(iv) Other financial liabilities	31	3,51,658	4,16,857
(b) Other current liabilities	32	49,108	30,111
(c) Provisions	33	2,503	7,772
(d) Current tax liabilities(net)	34	6,016	7,811
(e) Liabilities associated with group of assets classified as held for sale and discontinued operations	57	-	1,60,283
Total Equity and Liabilities		6,76,867	10,27,798

"0" represents amount below Rs. 50,000/-

Significant Accounting Policies and Notes to Consolidated Ind AS Financial Statements 1-73

As per our report of even date attached

For Batliboi & Purohit
Chartered Accountants
Firm Registration No.: 101048W

Parag Hangekar
Partner
Membership No: 110096

Place: Mumbai
Date: April 16, 2025



For Ballarpur Industries Limited

Punit Bajaj
Punit Bajaj
Company Secretary
M. No.: A- 58392

Parashiva Murthy B S
Parashiva Murthy B S
Director
Din: 00011584

Hardik B. Patel
Hardik B. Patel
Whole-Time Director &
Chief Financial Officer
Din: 00590663

Place: Mumbai
Date: April 16, 2025



₹ in Lakhs

Particulars	Note	2020 - 21	2019 - 20
Revenue from operations	35	2,05,525	3,27,450
Other income	36	21,157	8,170
Total Income		2,26,682	3,35,620
Expenses			
Cost of materials consumed	37	1,05,874	1,74,118
Purchase of stock in trade	38	-	2,625
Changes in inventories of finished goods, stock-in-trade and work-in-progress	38(a)	1,760	(4,327)
		1,07,634	1,72,416
Employee benefits expense	39	24,922	25,213
Finance costs	40	1,18,343	1,12,088
Depreciation and amortisation expense	41	22,698	23,281
Other expenses	42	90,431	74,702
Total Expenses		3,64,028	4,07,700
Profit/ (loss) before share in Profit & Loss of Associates & J/Vs exceptional items and tax		(1,37,346)	(72,080)
Share in Profit & Loss of Associates & J/Vs		(1,839)	32
Profit/ (loss) before exceptional items and tax		(1,39,185)	(72,048)
Exceptional items	43	506	1,33,530
Profit/ (loss) before tax		(1,39,691)	(2,05,579)
Tax expense:			
(1) Current tax	53	(660)	38
(2) Deferred tax	12	-	3,590
(3) Current tax Provision relating to earlier years		-	6
		(660)	3,634
Profit/ (loss) for the year from continuing operations		(1,39,031)	(2,09,213)
Profit/ (loss) for the year from discontinuing operations before tax	57	-	(39,472)
Tax expense on discontinued operation		-	(39,472)
Profit/ (loss) for the year from discontinuing operations after tax		(1,39,031)	(2,48,685)
Other Comprehensive Income			
A Items that will not be reclassified to profit or loss (net of tax)		382	(932)
B Items that will be reclassified to profit or loss (net of tax)		(1,011)	(17,457)
C Share of other comprehensive income from associates (net of taxes)		11	-
Other Comprehensive Income for the year		(618)	(18,389)
Total comprehensive income for the year		(1,39,649)	(2,67,074)
Net Profit attributable to			
(a) Owners of the Company		(1,10,508)	(1,88,989)
(b) Non - Controlling Interest		(28,523)	(59,696)
Other Comprehensive Income attributable to			
(a) Owners of the Company		(721)	(22,041)
(b) Non - Controlling Interest		102	3,652
Total Comprehensive Income attributable to			
(a) Owners of the Company		(1,11,228)	(2,11,029)
(b) Non - Controlling Interest		(28,421)	(56,045)
Earnings per equity share (for continuing operation):			
(1) Basic (₹)	51	(8.54)	(12.41)
(2) Diluted (₹)	51	(8.54)	(12.41)
Earnings per equity share (for discontinuing operation):			
(1) Basic (₹)	51	-	(2.48)
(2) Diluted (₹)	51	-	(2.48)
Earnings per equity share			
(1) Basic (₹)	51	(8.54)	(14.89)
(2) Diluted (₹)	51	(8.54)	(14.89)

"0" represents amount below Rs. 50,000/-

Significant Accounting Policies and Notes to Consolidated Ind AS Financial Statements

1-73

As per our report of even date attached

For Batliboi & Purohit
 Chartered Accountants
 Firm Registration No.: 101048W



Parag Hangekar
 Partner
 Membership No: 110096

Place: Mumbai
 Date: April 16, 2025



For Ballarpur Industries Limited


 Punit Baja
 Company Secretary
 M. No.: A- 58392


 Parashiva Murthy B S
 Director
 Din: 00011584


 Hardik B. Patel
 Whole- Time Director &
 Chief Financial Officer
 Din: 00590663

Place: Mumbai
 Date: April 16, 2025



BALLARPUR INDUSTRIES LIMITED
CIN: L21010MH1945PLC010337
CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH 2021

Particulars	₹ In Lakhs	
	2020 - 21	2019 - 20
Cashflow from operating activities		
Profit/(Loss) before tax from continuing operations	(1,39,691)	(2,05,579)
Adjustment for:		
Depreciation and amortization expense	22,698	23,281
Finance costs (net)	1,18,343	1,12,088
Interest income	(14,652)	(279)
Share in profit of Associates/ joint venture	1,839	(32)
Gain on Sale or fair valuation of investment	(50)	(287)
Exceptional items	506	1,33,530
Bad debts written off / Provision for doubtful debts	39,758	3,067
Unspent liabilities and excess provision of earlier years written back	(269)	(255)
Inventory written off	22	260
Balances written off	25	619
(Profit) / Loss on sale of property plant and equipment	(73)	2
Assets discarded	1	296
Operating profit before working capital changes	28,457	66,712
Adjustment for working capital		
(Increase)/decrease in trade receivable	3,272	(36,197)
(Increase)/decrease in loans, advances and other current assets	(1,57,593)	(373)
(Increase)/decrease in inventory	40,495	2,250
Increase/(decrease) in liabilities and provisions	1,42,763	63,768
Cash generated from / (used in) operations	57,394	96,160
Direct taxes (paid) /refund(net)	(1,135)	599
Net cash generated from/ (used in) operating activities of continuing operations	56,259	96,759
Net cash generated from/ (used in) operating activities of discontinued operations	-	952
Net cash generated from/ (used in) operating activities	56,259	97,711
Cashflow from investing activities		
Payment/Proceeds/Adjustment for acquisition/sale of property, plant and equipment, biological assets and intangible assets	(3,499)	(14,847)
Interest received	(46,473)	267
(Increase) / Decrease in other bank balances (Refer note (c) below)	2,185	(402)
(Increase) / Decrease in investment	5,14,347	(35,539)
Net cash generated from / (used in) investing activities of continuing operations	4,66,561	(50,521)
Net cash generated from / (used in) investing activities of discontinued operations	-	(352)
Net cash generated from / (used in) investing activities	4,66,561	(50,873)
Cashflow from financing activities		
Proceeds from / (Repayment of) borrowings (net)	(3,77,487)	(16,655)
Interest paid (net)	(1,68,320)	(45,160)
Dividend paid (including payment to investor education and protection fund)	-	(17)
Net cash generated from/ (used in) financing activities of continuing operations	(5,45,807)	(61,832)
Net cash generated from/ (used in) financing activities of discontinued operations	-	10,597
Net cash generated from/ (used in) financing activities	(5,45,807)	(51,235)
Net increase/ (decrease) in cash and cash equivalents	(22,988)	(4,397)
Cash and cash equivalents at the beginning of the year	22,615	26,984
Impact of foreign currency translation reserve	591	28
Cash and cash equivalents at the end of the year	217	22,615
Cash and cash equivalents from continuing operations	217	6,457
Cash and cash equivalents from discontinued operations	-	16,158
Total cash and cash equivalents	217	22,615

Notes:

- The cash flow statements has been prepared under the indirect method as set out in Ind AS 7 'Statement of Cashflows'
- Payment for acquisition of property, plant and equipment and intangible assets includes movement in capital-work-in-progress, intangibles asset under development capital advances and liability toward capital purchases.
- Other bank balances represent bank balances earmarked for specific purpose deposits with banks with a maturity exceeding 3 months (Note 17)
- Figures in the bracket indicates cash outgo.
- Cash and cash equivalents include cash and bank balances. Refer Note 16 for components of cash and cash equivalents from continuing operations.
- "0" represents amount below Rs. 50,000/-

Significant Accounting Policies and Notes to Consolidated Ind AS Financial Statements 1-73

As per our report of even date attached

For Batliboi & Purohit
Chartered Accountants
Firm Registration No.: 101048W

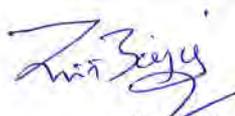


Parag Hangekar
Partner
Membership No: 110096

Place: Mumbai
Date: April 16, 2025



For Ballarpur Industries Limited



Punit Bajaj
Company Secretary
Mem. No.: A- 58392

Place: Mumbai
Date: April 16, 2025



Parashiva Murthy B S
Director
Din: 00011584



Hardik B. Patel
Whole- Time Director &
Chief Financial Officer
Din: 00590663



BALLARPUR INDUSTRIES LIMITED
CIN: L21010MH1945PLC010337
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2021

A. Equity Share Capital

Particulars	₹ in Lakhs	
	Balance at the beginning of the year	Balance at the end of the year
For the year ended 31 March 2020	25,871	25,871
For the year ended 31 March 2021	25,871	25,871

B. Other equity

Particulars	Capital Reserve	Amount towards shares to be allotted	Equity Component of Redeemable Preference Shares	Share Premium Reserve	Preference Share Redemption Reserve	Debt Redemption Reserve	Subordinate perpetual Capital Securities	Capital reserve on consolidation	General Reserve	Retained Earnings	Items of Other Comprehensive Income					Total Other Equity	Non controlling interest	Total
											Foreign currency translation reserve	Re-measurement of the net defined benefit Plans	Gain/(Loss) on Equity Instruments	Share of OCI in Associates & JVS				
Balance as at 1 April 2019	1,515	42,381	40,507	1,15,024	7,385	11,704	1,39,117	20,012	80,810	(4,85,495)	(58,972)	(895)	(2,737)	(1)	(99,645)	(37,919)	(1,37,564)	
Loss for the year	-	-	-	-	-	-	-	-	-	(1,88,989)	-	-	-	-	(1,88,989)	(59,696)	(2,48,685)	
Other comprehensive income for the year	-	-	-	-	-	-	-	-	-	-	(5,236)	(930)	-	(2)	(6,166)	3,652	(2,517)	
Exchange difference	-	-	-	-	-	-	-	-	-	(109)	-	-	-	-	10,615	-	10,615	
Impact on adoption of Ind AS 116	-	-	-	-	-	-	-	-	-	(347)	6	-	-	3	(109)	-	(109)	
Addition and adjustments for sale/strike off and changes in control of subsidiaries during the year (net)	2,308	-	-	-	-	-	-	(21,102)	-	(13,845)	-	-	-	-	1,971	(8,410)	(22,255)	
Distribution for the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(13,845)	-	-	
Equity component of compulsorily redeemable preference shares	-	-	30,236	-	-	-	-	-	-	-	-	-	-	-	30,236	-	30,236	
Amount towards shares to be allotted under MRA	-	13,721	-	-	-	-	-	-	-	-	-	-	-	-	13,721	-	13,721	
Balance as at 31 March 2020	3,824	56,102	70,743	1,15,024	7,385	11,704	1,49,732	20,012	80,810	(6,88,765)	(64,202)	(1,825)	(2,737)	-	(2,52,213)	(1,02,374)	(3,54,687)	
Loss for the year	-	-	-	-	-	-	-	-	-	(1,10,508)	(951)	230	-	11	(1,10,508)	(28,523)	(1,39,031)	
Other comprehensive income for the year	-	-	-	-	-	-	-	-	-	-	(951)	230	-	-	(721)	102	(618)	
Addition and adjustments for sale/strike off and changes in control of subsidiaries during the year (net)	-	(56,102)	(70,743)	809	-	(9,603)	(3,002)	(21,102)	-	(1,28,233)	3,09,705	874	(6,311)	-	16,291	(8,413)	2,52,312	
Distribution for the year	-	-	-	-	-	-	-	-	-	(13,849)	-	-	-	-	(13,849)	-	(22,261)	
Other Adjustments	-	-	-	-	-	-	-	-	-	(6,454)	-	-	-	-	(6,454)	-	(6,454)	
Balance as at March 31, 2021	3,824	0	-	1,15,833	7,385	2,101	1,46,730	(1,090)	80,810	(9,57,828)	2,44,542	(721)	(9,048)	11	(3,67,453)	96,813	(2,70,639)	

Significant Accounting Policies and Notes to Consolidated Ind AS Financial Statements 1-73

As per our report of even date attached

For Battiboi & Purohit
Chartered Accountants
Firm Registration No.: 101048W

(Signature)

Parag Hangekar
Partner
Membership No.: 110056

(Signature)

Place: Mumbai
Date: April 16, 2025

For Ballarpur Industries Limited

(Signature)

Parashiva Murthy B S
Director
Dir: 00011584

Hardik B. Patel
Whole-Time Director & Chief Financial Officer
Dir: 00590663

Place: Mumbai
Date: April 16, 2025

(Signature)

Battiboi & Purohit
Chartered Accountants
Mumbai

(Signature)

Place: Mumbai
Date: April 16, 2025



1. COMPANY INFORMATION

Ballarpur Industries Limited ("BILT" or the company) is a public Limited Company incorporated and domiciled in India with its registered office in Ballarpur, Maharashtra, India. The company is listed on the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE).

The Company and its subsidiaries (collectively referred to as 'the Group') are engaged in the business of manufacturing and selling of writing and printing paper (Coated and Uncoated) and Pulp. The Group's manufacturing operations span across six production units, five of which are in India and one in Malaysia. The Indian units are located at Ballarpur, Bhigwan, Ashti in the state of Maharashtra, Sewa in Odisha, and Yamunanagar in the state of Haryana and the Malaysian unit is located in the State of Sabah. The Rayon Grade Pulp manufacturing unit is located at Kamalapuram in the state of Telangana.

The Consolidated financial statements as at 31st March 2021 present the financial position of the Group as well as the interests in associate companies and joint arrangements. The list of entities consolidated is provided in Note 2.5

The functional and presentation currency of the Company and the presentation currency of the group is Indian rupee (INR) and amounts in the financial statements are presented in Indian rupee rounded off to Lakhs.

As at 31st March 2021, Avantha Holdings Limited holds 24.12% of the Equity shares of the Company, and has the ability to influence the Group's operations.

The Consolidated Financial Statements for the year ended 31st March, 2021 were approved by the Board of Directors for issue on April 16, 2025.

2. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies applied by the Group in the preparation of its consolidated financial statements are listed below. Such accounting policies have been applied consistently to all the periods presented in these financial statements, unless otherwise stated.

2.1 STATEMENT OF COMPLIANCE

The consolidated financial statements (FS) have been prepared in accordance with the provisions of Companies Act, 2013 and the Indian Accounting Standards (referred to as Ind AS) notified under the Companies (Indian Accounting Standards Rules) 2015 and amendments thereof issues by Ministry of Corporate Affairs in exercise of the powers conferred by Section 133 of the Companies Act, 2013.

2.2 BASIS OF PREPARATION

The financial statements are presented in the format prescribed in the Schedule III to the Companies Act, (the Act) 2013. The statement of Cash Flows has been prepared and presented as per the requirement of Ind AS-7 "Statement of Cash Flows". The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss as prescribed in schedule III of the Act are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under notified



Accounting Standards and SEBI (LODR) Regulations 2015, as amended.

2.3 CURRENT AND NON-CURRENT CLASSIFICATION

All Assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalent, the Company has ascertained its operating cycle as 12 months for the purpose of current/non-current classification of assets and liabilities.

An asset is classified as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle.
- Held primarily for the purpose of trading.
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle.
- It is held primarily for the purpose of trading.
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

2.4 USE OF ESTIMATES AND CRITICAL ACCOUNTING JUDGEMENTS

In the preparation of financial statements, the Group makes critical judgements, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the results are known. Key sources of estimation of uncertainty at the date of consolidated financial statements, which may cause material adjustments to the carrying amounts of assets and liabilities within the next financial year, is in respect of impairment, useful lives of property, plant and equipment, intangible assets, allowance for doubtful debts/advances, future obligations in respect of retirement benefit plans, fair value measurement as discussed below. Key source of estimation of uncertainty in respect of revenue recognition and employee benefits have been discussed in the respective policies.

(a) Impairment

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing



for an asset is required, the Group estimates the asset's recoverable amount. An asset's / Cash generating unit (CGU's) recoverable amount is the higher of the asset's / CGU's fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account.

(b) Employee benefit obligations

The Group's obligations under defined benefit and other long term benefits are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the complexities involved in the valuation and its long-term nature, obligation under defined benefit plan and other long term benefits are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

(c) Fair value measurement of financial instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Fair value measurements under Ind AS are categorised as below based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at measurement date
- Level 2 inputs are inputs, other than quoted prices included in level 1, that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 inputs are unobservable inputs for the valuation of assets or liabilities

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include consideration of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.



(d) Development costs

The Group capitalises development costs in accordance with its accounting policy. Initial capitalisation of costs is based on management's judgement that technological and economic feasibility is confirmed, unless when a product development project has reached a defined milestone according to an established project management model. In determining the amounts to be capitalized, management makes assumptions regarding the expected future cash generation of the project, discount rates to be applied and the expected period of benefits.

(e) Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

(f) Useful lives of property, plant and equipment and intangible assets

The Group reviews the useful life of property, plant and equipment and intangible assets at the end of each reporting period. This reassessment may result in change in depreciation and amortisation expense in future periods.

(g) Valuation of deferred tax assets

The Group reviews the carrying amount of deferred tax assets at the end of each reporting period. The policy has been detailed in 2.20(ii).

2.5 BASIS OF CONSOLIDATION

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company i.e. its subsidiaries. It also includes the Group's share of profits, net assets and retained post-acquisition reserves of joint arrangements and associates that are consolidated using the equity or proportionate method of consolidation, as applicable.

Control is achieved when the Company is exposed to or has rights to the variable returns of the entity and the ability to affect those returns through its power over the entity.

The results of subsidiaries, joint arrangements and associates acquired or disposed off during the year are included in the consolidated statement of profit and loss from the effective date of acquisition or up to the effective date of disposal, as appropriate.

Wherever necessary, adjustments are made to the financial statements of subsidiaries, joint arrangements and associates to bring their accounting policies in line with those used by other members of the Group. Intra-group transactions, balances, income and expenses are eliminated on consolidation.

Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the Group's equity. The interest of non-controlling shareholders may be initially measured either at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis. Subsequent to



acquisition, the carrying value of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if it results in the non-controlling interests having a deficit balance.

Interest in joint arrangements

A joint arrangement is a contractual arrangement whereby the Group and other parties undertake an economic activity where the strategic financial and operating policy decisions relating to the activities of the joint arrangement require the unanimous consent of the parties sharing control. Where Group entity undertakes its activities under joint arrangements as joint operations, the Group's share of jointly controlled assets and any liabilities incurred jointly with other parties are recognized in its financial statements and classified according to their nature. Liabilities and expenses incurred directly in respect of interests in joint operations are accounted for on the accrual basis. Income from the sale or use of the Group's share of the output of joint operations, and its share of joint arrangements expenses, are recognized when it is probable that the economic benefits associated with the transactions will flow to the Group and their amount can be measured reliably. Joint arrangements that involve the establishment of a separate entity in which each venturer has an interest are referred to as joint ventures. The Group reports its interests in joint ventures using the equity method of accounting whereby an interest in joint venture is initially recorded at cost and adjusted thereafter for post-acquisition changes in the Group's share of net assets of the joint venture. The consolidated statement of profit and loss reflects the Group's share of the results of operations of the joint venture. When the Group's share of losses exceeds the carrying value of the joint venture, the carrying value is reduced to nil and recognition of further losses is discontinued, except to the extent that the Group has incurred obligations in respect of the joint venture.

Unrealised gains on transactions between the Group and its joint ventures are eliminated to the extent of the Group's interest in the joint venture, unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred and where material, the results of joint ventures are modified to confirm to the Group's accounting policies.

The financial statements of the Group Companies are consolidated on a line-by-line basis and intra-group balances and transactions including unrealized gain/loss from such transactions are eliminated upon consolidation.

Investment in associates

Associates are those enterprises over which the Group has significant influence but does not have control. Investments in associates are accounted for using the equity method and are initially recognized at cost from the date significant influence commences until the date that significant influence ceases. Subsequent changes in the carrying value reflect the post-acquisition changes in the Group's share of net assets of the associate and impairment charges, if any. When the Group's share of losses exceeds the carrying value of the associate, the carrying value is reduced to nil and recognition of further losses is discontinued, except to the extent that the Group has incurred obligations in respect of the associate. Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates.



Ballarpur Industries Limited
CIN: L21010MH1945PLC010337
Notes accompanying the consolidated financial statements

unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred and where material, the results of associates are modified to conform to the Group's accounting policies.

The list of consolidated entities are as under;

Name of the Company	Country of Incorporation	Proportion of ownership interest either directly or through subsidiary as on	
		31.03.2021	31.03.2020
Subsidiary			
Avantha Agritech Limited (formerly known as BILT Tree Tech Limited)	India	91.67%	91.67%
Ballarpur International Holdings B.V	Netherlands	100%	100%
Ballarpur Speciality Paper Holdings B.V.	Netherlands	100%	100%
Step down Subsidiaries			
Bilt Paper B.V. (iii)	Netherlands	62.21%	62.21%
Ballarpur Paper Holdings B.V. (ii and iv)	Netherlands	-	62.21%
BILT Graphic Paper Products Limited. (ii and v)	India	-	60.22%
Sabah Forest Industries Sdn. Bhd. (ii and v)	Malaysia	-	61.02%
Bilt General Trading (FZE) (vi)	UAE	100%	100%
Mirabelle Trading Pte Ltd (iii)	Singapore	100%	100%
Associates			
Ballarpur Paper Holdings B.V. (i)	Netherlands	18.66%	-
BILT Graphic Paper Products Limited. (i)	India	18.20%	-
Sabah Forest Industries Sdn. Bhd. (i)	Malaysia	18.30%	-

- (i) Associates w.e.f. 25th February 2021
- (ii) Step down subsidiaries upto 24.02.2021
- (iii) Held through Ballarpur International Holdings B.V.
- (iv) Held through BILT Paper B.V. (formerly known as Ballarpur International Graphics Paper Holdings B.V.)
- (v) Held through Ballarpur Paper Holdings B.V.
- (vi) Held through Ballarpur Speciality Paper Holdings B.V.

2.6 PROPERTY, PLANT AND EQUIPMENT (PPE)

An item of property, plant and equipment (PPE) is recognized as an asset if it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. This recognition principle is applied to all costs incurred initially to acquire property plant and equipment and to costs incurred subsequently to add to or replace part of it. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to the consolidated income statement during the financial period in which they are incurred. Trial run expenses (net of revenue) are capitalised. Where an item of property, plant and equipment comprises major components having different useful lives, these components are accounted as separate items.

PPE is stated at cost / deemed cost less accumulated depreciation and cumulative



impairment. Cost includes all direct costs and expenditures incurred to bring the asset to its working condition and location for its intended use. Borrowing costs incurred during the period of construction is capitalized as part of cost of qualifying asset in accordance with the Group's policy.

The gain or loss arising on the disposal or retirement of an asset item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the statement of profit and loss on the date of disposal or retirement.

PPE not ready for the intended use on the date of the Balance Sheet is disclosed as "capital work-in-progress".

2.7 BIOLOGICAL ASSETS

Plantation development and planting expenditure incurred in the cultivation and reforestation of the tree plantation, including a proportion of the Company's forestry division general charges incurred in relation to the planning of trees, are deferred and charged to plantation development expenditure and classified as biological assets. This expenditure is charged to the statement of profit and loss and other comprehensive income when the trees are harvested upon maturity based on the volume of logs harvested and consumed.

2.8 INTANGIBLE ASSETS

Intangible assets including software costs and product development expenditure, which is recognized when it is probable that associated future economic benefits would flow to the Group and the cost of the asset can be measured reliably.

Intangible assets are stated at original cost of acquisition less accumulated amortization and accumulated impairment losses, if any. Costs include expenditure that is directly attributable to the acquisition of the intangible assets.

These assets are amortized on a straight line basis over their estimated useful lives from the date when they are available for their intended use.

Recognition of costs as an asset is ceased when the project is complete and available for its intended use, or if these criteria are no longer available.

Intangible assets not ready for the intended use on the date of the Balance Sheet are disclosed as intangible assets under development".

2.9 RESEARCH AND DEVELOPMENT COSTS

Expenditure on research activities is recognized as an expense in the year in which it is incurred. Product Development costs incurred product development / projects are recognized as an intangible asset, if all the following can be demonstrated:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale;
- The Group has the intention to complete the intangible asset and use or sell it;
- The Group has the ability to use or sell the asset;
- The manner in which the probable future economic benefits will be generated including the existence of a market for output of the intangible asset or intangible asset itself or if it is to be used internally, the usefulness of intangible assets;



- The availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- The Group has the ability to measure reliably the expenditure attributable to the intangible asset during its development;

Development expenditure that does not meet the above criteria is expensed in the period in which it is incurred.

Following initial recognition of the development expenditure as an intangible asset, it is carried at cost less any accumulated amortisation and accumulated impairment loss, if any. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over 3 to 5 years. Amortisation expense is recognized in the statement of profit and loss. During the period of development, the asset is tested for impairment annually.

2.10 DEPRECIATION AND AMORTIZATION OF PPE AND INTANGIBLE ASSETS

Depreciation or amortization is provided, so as to write off, on a straight line basis, the cost / deemed cost of property plant and equipment and intangible assets (other than freehold land and properties under construction) including those held on finance lease to their residual values. The depreciation is charged from the dates the assets are available for their intended use and are spread over their estimated useful or economic lives or, in the case of leased assets, over the lease period, if shorter. The estimated useful life is reviewed regularly and, when necessary revised. No further charge is recognized in respect of assets that are fully written down but are still in use. The estimated useful lives for main categories of property plant and equipment and intangible assets are;

Categories of Assets	Estimated useful life(in years)
Lease hold land	upto 29
Buildings	
-Factory and Office buildings including RCC frame structures	30 to 60*
Plant & Machinery	7 to 30*
Railway Sidings	14
Furniture, Fixtures and Office equipment	
Computer equipment	3-5
Office equipment	5-30
Furniture and Fixtures	4-10
Vehicles	7- 16

Freehold land is not depreciated.

Where cost of a part of the assets ("asset components") is significant to total cost of the asset and useful life of that part is different from the useful life of the remaining asset, useful life of that significant part is determined separately and such asset components is depreciated over its separate useful life.

The estimated useful life and residual values are reviewed regularly and when necessary



reversed. No further change is provided in respect of assets that are fully written down but are still in use.

*Note: For these class of assets, based on internal assessment and independent technical evaluation carried out by Chartered engineers, the Company believes that useful lives, as given above, represents the period over which the Company expects to use these assets. Hence, the useful lives for these assets are different from the useful lives prescribed under Schedule II.

2.11 IMPAIRMENT OF PPE AND INTANGIBLE ASSETS

As at each reporting date, the Group reviews the carrying values of its property plant and equipment and intangible assets to determine whether there is an indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of PPE and intangible assets are tested for impairment so as to determine the impairment loss, if any. When the assets does not generate cash those that are independent from other assets, the company estimates the recoverable amount of the asset and recognizes an impairment loss when the carrying value of an asset exceeds its recoverable amount.

Recoverable amount is determined:

- (i) in case of an individual asset, at the higher of the net selling price and the value in use; and
- (ii) in the case of a cash generating unit (smallest identifiable group of assets that generates independent cash flows), at the higher of the cash generating unit's net selling price and the value in use.

(The amount of value in use is determined as the present value of estimated future cash flows from the continuing use of an asset and from its disposal at the end of its useful life. For this purpose, the discount rate (pre-tax) is determined based on the weighted average cost of capital of the company suitably adjusted for risks specified to the estimated cash flows of the asset).

An impairment loss is recognized in the Statement of Profit or Loss and the carrying amount of the asset (or cash generating unit) is reduced to its recoverable amount. For this purpose, the impairment loss recognized in respect of a cash generating unit is allocated first to reduce the carrying amount of any goodwill allocated to such cash generating unit and then to reduce the carrying amount of the other assets of the cash generating unit on a pro-rata basis.

When an impairment loss subsequently reverses, the carrying value of the asset (or cash generating unit), is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss is recognized for the asset (or cash generating unit) in prior years.

A reversal of an impairment loss (other than impairment loss allocated to goodwill) is recognized immediately in the Statement of Profit or Loss.

Goodwill and intangible assets with indefinite life are tested for impairment each year.



2.12 NON-CURRENT ASSETS (OR DISPOSAL GROUPS) HELD FOR SALE AND DISCONTINUED OPERATIONS

Non current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less cost to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognized for any initial or subsequent write down of the asset (or disposal group) to fair value less costs to sell. A gain is recognized for any subsequent increases in fair value less cost to sell of an asset (or disposal group). But not in excess of any cumulative impairment loss previously recognized. A gain or loss not previously recognized by the date of the sale of the non current asset (or disposal group) is recognized at the date of recognition.

Non current assets (including that are part of disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognized.

Non current assets classified as held for sale and the assets of a disposal group as held for sale are presented separately from the other assets in the balance sheet. The liabilities of disposal group classified as held for sale are presented separately from other liabilities in the Balance Sheet.

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operation, is part of a single coordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the statement of profit or loss.

2.13 LEASES

Group as a Lessee

The Group determines whether an arrangement contains a lease by assuming whether the fulfilment of a transaction is dependent on the use of a specific asset and whether the transaction conveys the right to use that asset to the company in return of a payment, where this occurs, the arrangement is deemed to include a lease and is accounted for either as finance or an operating lease. Leases are classified as finance leases where the terms of lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

(i) Operating lease

Lease rentals on assets under operating lease are charged to the consolidated statement of profit and loss on a straight line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed. Contingent rentals arising under operating leases are recognized as an expense in the period in



which they are incurred.

In the event that lease incentives are received to enter into operating leases, such incentives are recognized as a liability. The aggregate benefit of incentive is recognized as a reduction of rental expense on a straight line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from leases assets are consumed.

(ii) Finance lease

Assets acquired under finance lease are capitalized at the commencement of the lease at the fair value of the lease property or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation. Lease payments are apportioned between finance charges and reduction lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized over the period of the lease as finance cost in the statement of profit and loss.

Subsequent to initial recognition, the assets are measured for in accordance with the accounting policy applicable to that asset.

Group as a Lessor

(i) Operating Lease

Rental income from operating lease is recognized in the statement of profit and loss on a straight line basis over the term of the relevant lease unless other systematic basis is more representative of the time pattern in which economic benefits from the leased assets is diminished. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying value of the leased assets and recognized on a straight line basis over the lease term.

Assets leased out under operating lease are continued to be shown under the respective class of assets.

(ii) Finance Lease

When assets are leased out under a finance lease, the present value of minimum lease payments is recognized as a receivable. The difference between the gross receivable and the present value of receivable is recognized as unearned finance income. Lease income is recognized over the term of the lease using the net investment method before tax, which reflects a constant period of return.

2.14 FINANCIAL INSTRUMENTS

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognized when the group becomes a party to the contractual provisions of the instrument.

Initial recognition and measurement

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through



profit or loss) are added to and deducted from the fair value measured on the initial recognition of the financial asset or financial liability. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in the Statement of the Profit and Loss.

Effective interest method

The effective interest method is a method of calculating the amortized cost of a financial instrument of allocating interest income or expense over the relevant period. The effective interest rate that exactly discounts the future cash receipts or payments through the expected life of the instrument, or where appropriate, a shorter period.

Subsequent measurement

For purposes of subsequent measurement financial assets are classified in two broad categories:

- Financial assets at amortised cost
- Financial assets at fair value

(a) Financial assets

Financial assets at amortized cost

Financial assets are subsequently measured at amortized cost if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value

Financial assets are measured at fair value through other comprehensive income if such financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows or to sell such financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Group in respect of equity investments (other than in subsidiaries, associates and joint ventures) which are not held for trading has made an irrevocable election to present in other comprehensive income subsequent changes in the value of such equity instruments. Such an election as made by the company on an instrument by instrument basis at the time of initial recognition of equity instruments. These investments are held for medium or long term strategic purpose.

The Group has chosen to designate these investments in equity instruments as fair value through other comprehensive income as the management believe this provides a more meaningful presentation for medium or long term strategic investments, than reflecting changes in fair value immediately in the statement of profit and loss.

Financial asset not measured at amortised cost or fair value through other comprehensive income is carried at fair value through the statement of profit and loss.



Impairment of financial assets

The Group recognises impairment loss on trade receivables and certain other financial assets using expected credit loss (ECL) model, which involves use of a provision matrix constructed on the basis of historical credit loss experience as permitted by Ind AS 109.

Other financial assets measured at amortized cost and financial assets measured at fair value through OCI are tested for impairment based on evidence or information that is available without undue cost or effort. Expected credit loss on such assets is assessed and allowance recognized if the credit quality of the financial asset has deteriorated significantly since initial recognition.

De-recognition

The Group de-recognises a financial asset (or, where applicable, a part of financial asset or a part of a group of similar financial assets) when;

- The rights to receive cash flows from the assets have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under 'pass through' arrangement and either the company has;
 - a) transferred all the risks and rewards of the asset to another entity;
 - b) not retained substantially all the risks and rewards of the asset but has transferred control of the asset.

When the group has transferred its right to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. when it has neither transferred nor retained substantially all the risks and rewards of the asset, nor transferred control of the asset. The group continues to recognize the transferred asset to the extent of company's continuing involvement. In that case, the company also recognizes an associated liability. The transferred asset and associated liability are measured on a basis that reflects the rights and obligations that the company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset the maximum amount of consideration that the company could be required to repay.

On derecognition of a financial asset in its entirety, the difference between the carrying amount measured at the date of derecognition and the consideration received is recognized in the statement of profit and loss.

(ii) Financial liabilities and equity instruments Classification as debt or equity

Financial liabilities and equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.



Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

Financial liabilities

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

Trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest rate method where the time value of money is significant.

Interest bearing bank loans, overdrafts and issued debt are initially measured at fair value and subsequently measured at amortised cost using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement and redemption of borrowings is recognized over the term of the borrowings in the statement of profit and loss.

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit and loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains / losses on liabilities held for trading are recognized in the statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

De-recognition of financial liabilities

The Group de-recognises financial liabilities when, and only when, the Company's obligation is discharged, cancelled or they expire.

When an existing financial liabilities is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange and modification is treated as the de-recognition of the original liability and the recognition of the new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

(iii) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.



(iv) **Compound financial instruments**

The liability component of a compound financial instrument is recognized initially at fair value of a similar liability that does not have an equity component. The equity component is recognized initially at the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and the equity components, if material, in proportion to their initial carrying amounts.

Subsequent to the initial recognition, the liability component of a compound financial instrument is measured at amortised cost using the effective interest method.

The equity component of a compound financial instrument is not re-measured subsequent to initial recognition except on conversion or expiry.

2.15 CASH AND BANK BALANCES

Cash and bank balances consist of:

i) **Cash and cash equivalents**

Cash and cash equivalents which includes cash in hand, deposits held at call with banks, and other short-term deposits which are readily convertible into known amounts of cash, subject to an insignificant risk of changes in value and have maturities of less than one year/three month from the reporting date are held for the purpose of meeting short-term cash commitments.

The balances with banks are unrestricted for withdrawal and usage.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

ii) **Other Bank balances**

Other bank balances includes balances and deposits with banks that are restricted for withdrawal and usage.

2.16 EMPLOYEE BENEFITS

(i) **Short term employee benefits**

Employee benefits such as salaries, wages, bonus, short-term compensated absences, performance incentives, etc., falling due wholly within the twelve months of rendering service are classified as short term employee benefit and are expensed in the period in which the employee renders the related service.

(ii) **Defined benefit plans**

The Group's obligation towards gratuity is a defined benefit plan. The present value of the obligation under such defined benefit plan is determined based on actuarial valuation, done by a qualified actuary, using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rate used for determining the present value of the obligation under defined benefit plans is based on the market yields on Government securities, having maturity periods approximating to the terms of related obligations as at the Balance



Sheet date.

Defined benefit cost comprising current service cost, past service cost and gains or loss on settlements are recognized in statement of profit or loss as employee benefit expenses. Interest cost implicit in defined benefit cost is recognized in statement of profit or loss under finance cost. Gains or losses on the curtailment or settlement of the defined benefit plan are recognized when the curtailment or settlement occurs.

Re-measurements, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest as defined above), are recognized in other comprehensive income.

(iii) Long term employee benefits

The obligation recognized in respect of long term employee benefits such as long term compensated absences is measured at present value of estimated future cash flows expected to be made by the Group and is measured in a similar manner as in the case of defined benefit plan.

Long term employee benefit costs comprising current service cost and gains or losses on curtailments and settlements, re-measurements including actuarial gains and losses are recognized in the statement of profit or loss as employee benefits expense. Interest cost implicit in long term employee benefit cost is recognized in the statement of profit or loss under finance cost.

(iv) Defined contribution plan – post employment benefit

The Group's contributions to defined contribution plans are recognized in statement of profit or loss in the period to which the employee provides the related service. Payments made to state managed retirement benefit schemes are dealt with as payments to defined contribution scheme where the Group's obligations under the scheme are equivalent to those arising in a defined contribution scheme.

(v) Termination benefits

Termination benefits are recognized as expense in the period in which they are incurred.

(vi) Compensated absences /Short term obligations

Compensated absences which are not expected to occur within twelve months after the period in which the employee renders the related service are recognized based on actuarial valuation at the present value of the obligation as on the reporting date.

2.17 INVENTORIES

Inventories comprise Raw Materials, Stores & Spares, Chemicals, Work in progress and Finished goods.

Inventories are stated at the lower of cost and net realizable value. Cost is determined on weighted average basis. However, raw material, stores, spare parts and chemicals are not written down below cost, if the finish product in which they will be incorporated are expected to be sold at or above cost.

Costs comprise direct materials cost and, applicable direct labour costs and related



overheads which have been incurred in bringing the inventories to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. Traded goods are valued at cost, determined on weighted average basis, and net realisable value whichever is lower. Provisions are made to cover slow moving and obsolete item based on historical experience of utilisation of inventories.

2.18 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

i) Provisions

Provisions are recognized in the balance sheet when the Group has a present obligation (legal or constructive) as a result of a past event, which is expected to result in an outflow of resources embodying economic benefits which can reliably estimated.

The amounts recognized as a provision is the best estimate of the expenditure required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When the effect of the time value of money is material, provisions are measured on discounted bases. Unwinding of the discount is recognized in the Statement of Profit and Loss as a finance cost. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimate.

ii) Contingent Liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle a reliable estimate of the amount cannot be made.

iii) Contingent Assets

Contingent assets are disclosed where an inflow of economic benefits is probable. Provisions, contingent liabilities and assets are reviewed at each balance sheet date.

iv) Commitments are future liabilities for contractual expenditure, classified and disclosed as follows:

- a. estimated amount of contracts remaining to be executed on capital account and not provided for;
- b. uncalled liability on shares and other investments partly paid;
- c. funding related commitment to subsidiary, associate and joint venture companies; and
- d. other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management

2.19 GOVERNMENT GRANTS

Government grants with a condition to purchase, construct or otherwise acquire long-term assets are initially measured based on grant receivable under the scheme. Such grants are recognized in the Statement of Profit and Loss on a systematic basis over



the useful life of the asset. Amount of benefits receivable in excess of grant income accrued based on usage of the assets is accounted as Government grant received in advance. Changes in estimates are recognized prospectively over the remaining life of the assets. Government revenue grants relating to costs are deferred and recognized in the consolidated Statement of Profit and Loss over the period necessary to match them with the costs that they are intended to compensate.

2.20 INCOME TAXES

Tax expense for the period comprises current and deferred tax.

(i) Current tax

Tax on income for the current period is determined on the basis of taxable profit for the period (or on the basis of book profits wherever minimum alternate tax is applicable) and tax credits computed in accordance with the provisions of the Income Tax Act 1961. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

(ii) Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the Group's financial statements and the corresponding tax bases used in computation of taxable profit and are accounted for using the balance sheet liability method.

Deferred tax liabilities are recognized for all taxable temporary differences.

In contrast, deferred tax assets are recognized for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilized. Deferred tax assets are recognized for the carry forward and unused tax credits and any unused tax losses only to the extent that the entity has sufficient taxable temporary differences or convincing other evidence that sufficient taxable profit will be available against which the unused tax losses or unused tax credits can be utilised.

The carrying value of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilized.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled, or the asset is realised based on the tax rates and tax laws that have been enacted or substantially enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the company expects at the end of the reporting period to recover or settle the carrying value of assets and liabilities

Deferred tax assets and liabilities are offset to the extent that they relate to taxes levied by the same tax authority and there is legally enforceable right to set off current tax assets against current tax liabilities, within that jurisdiction.

It is recognized in the consolidated statement of profit and loss except when they relate



to items recognized in other comprehensive income or directly in equity, in which case, the income tax expense is also recognized in other comprehensive income or directly in equity, as the case may be.

2.21 REVENUE RECOGNITION

(i) Sale of goods

Revenue from the sale of goods in the normal course of business is recognized at a point in time when the performance obligation is satisfied and it is based on the amount of the transaction price that is allocated to the performance obligation. The transaction price is the amount of the consideration to which the company expects to be entitled in exchange for transferring the promised goods to the customer.

Revenue for the sale of goods is recognized when control of the asset is transferred to the buyer and only when it is highly probable that a significant reversal of revenue will not occur when uncertainties related to a variable consideration are resolved. Transfer of control varies depending on the terms of the contract of sale.

Revenue is recognized when the performance obligation is satisfied. Revenues are recorded net of taxes. For products for which a right of return exists during defined period, revenue recognition is determined based on the historical pattern of actual returns, or in cases where such information is not available revenue recognition is postponed until the return period has lapsed. Return policies are typically based on customary return arrangements in local markets.

In the case of loss under a sales agreement, the loss is recognized immediately. Expenses incurred for shipping and handling of internal movements of goods are recorded as cost of sales. Shipping and handling related to sales to third parties are recorded as selling expenses. When shipping and handling are billed to the customer, then the related expenses are recorded as cost of sales. Shipping and handling billed to customers are distinct and separate performance obligations and recognized as revenues. Expenses incurred for sales commissions that are considered incremental to the contracts are recognized immediately in the income statement as selling expenses as a practical expedient under Ind AS 115.

The company receives payments from customers based on a billing schedule or credit period, as established in our contracts. Credit periods are determined based on standard terms, which vary according to local market conditions.

(ii) Other operating income

(a) Incentives

Incentives on exports and other Government incentives are recognized when it is probable that the economic benefits associated with the incentives will flow to the entity, the revenue can be measured reliably and there is no significant uncertainty about the ultimate realization of the incentive.

(b) Rental income

Lease rental income from operating lease is recognized on a straight-line basis over the lease term unless the payments are structured to increase in line with expected general inflation to compensate for lessor's expected inflationary cost increases.



(iii) **Other income**

(a) **Interest income**

Interest income is recognized on a time proportion basis using the effective interest method.

(b) **Dividends**

Dividends is recognized when the Group's right to receive the payment has been established.

2.22 FOREIGN CURRENCY TRANSACTIONS

The Group's financial statements are presented in INR, which is functional currency of the Company.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Differences arising on settlement or translation of monetary items are recognized in Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

The Group has availed the exemption available in Ind AS 101, to continue capitalisation of foreign currency fluctuation on long term foreign currency monetary liabilities outstanding on transition date.

2.23 BORROWING COSTS

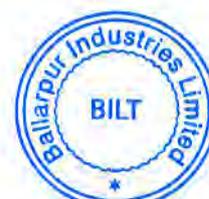
Borrowing costs consist of interest expense calculated using effective interest method and other costs that the Company incurs in connection with the borrowing of funds.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets which are assets that necessarily takes a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for the intended use or sale.

Interest income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the cost eligible for capitalization.

All other borrowing costs are expensed in the period in which they are incurred.

Discounts or premium and expenses on the issue of debt securities are amortised over the term of the related securities and included with borrowing costs. Premium payable on early redemption of debt securities, in lieu of future finance costs are written off as borrowing costs when paid.



2.24 EARNINGS PER SHARE (EPS)

Basic earnings per share is computed by dividing the net profit or loss for the year attributable to the shareholders' by weighted average number of equity shares outstanding during the year.

Diluted earnings per share are computed using the weighted average number of equity shares and dilutive potential shares except where the result would be anti-dilutive.

3. SEGMENT REPORTING

Operating segments are reported in a manner consistent with the internal reporting to the Chief Operating Decision Maker (CODM) of the Group. The CODM is responsible for allocating resources and assessing performance of the operating segments.



Particulars	4 Property, Plant and Equipment										Total	Right of Use Assets	
	Leasehold land	Freehold land	Buildings	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipment	Computers	Railway Sidings, Trolley Lines, Tramway & tipping tups				
Gross Block													
As at 1st April 2019	29,936	88,538	1,20,090	7,06,909	1,420	577	1,080	506	62	9,49,118	2,359		
Additions	-	-	3	2,354	8	-	56	116	-	2,537	35		
Exchange difference capitalized	-	-	-	5,264	-	-	-	-	-	5,264	-		
Disposal	-	-	(149)	(957)	(1)	-	(3)	-	-	(1,110)	-		
Re-classified from Assets held for sale (refer note 57(f))	-	39,951	-	-	-	(3)	-	-	-	39,951	-		
Re-classified to Asset held for sale	-	-	-	-	-	(14)	-	(11)	-	(26)	-		
Transfer to UKPL (Refer Note no. 59)	-	-	-	-	-	-	-	-	-	-	-		
As at 31st March 2020	29,936	1,28,489	1,19,944	7,13,570	1,427	560	1,133	611	62	9,95,730	2,394		
Additions	-	-	42	1,293	5	119	24	43	-	1,526	604		
Exchange difference capitalized	-	-	-	(1,552)	-	-	-	-	-	(1,552)	-		
Disposal	-	-	-	(75)	-	(32)	(11)	(14)	-	(132)	-		
Derecognition due to loss of control of subsidiary	(29,927)	(17,543)	(86,571)	(5,16,558)	(361)	(397)	(1,045)	(627)	-	(6,53,029)	(2,998)		
As at 31st March 2021	9	1,10,946	33,415	1,96,678	1,071	250	101	13	62	3,42,543	-		
Accumulated depreciation													
Upto 31st March 2019	1,400	-	26,305	2,66,992	1,332	406	926	481	42	2,97,885	-		
Depreciation for the year	478	-	3,499	17,381	21	33	44	23	2	21,481	427		
Impairment	-	5,000	15,156	21,762	1	2	-	-	-	41,921	-		
On disposal	-	-	(149)	(661)	(1)	-	(3)	-	-	(814)	(72)		
Transfer to UKPL (Refer Note no. 59)	-	-	-	-	-	(6)	-	(10)	-	(17)	-		
Re-classified from Assets held for sale (refer note 57(f))	-	-	-	-	-	3	-	-	-	3	-		
As at 31st March 2021	1,878	5,000	44,811	3,05,474	1,353	432	967	494	44	3,60,452	355		
Depreciation for the year	433	-	3,313	18,150	13	28	35	38	2	22,013	368		
Impairment	-	-	506	-	-	-	-	-	-	506	-		
Derecognition due to loss of control of subsidiary	(2,309)	-	(29,741)	(1,79,979)	(317)	(225)	(895)	(505)	-	(2,13,972)	(723)		
Disposal	-	-	-	(71)	-	(23)	(10)	(14)	-	(118)	-		
As at 31st March 2021	2	5,000	18,889	1,43,573	1,049	212	97	13	46	1,68,881	-		
Net book value													
As at 31st March 2020	28,058	1,23,489	75,133	4,08,096	74	128	165	117	18	6,35,278	2,039		
As at 31st March 2021	7	1,05,946	14,526	53,104	21	38	4	0	16	1,73,652	-		

Notes:
(a) Freehold land includes 590.36 acres of land at Choudwar, acquired from the Government of Odisha during the year 1990-91 under a scheme approved by the BIFR. The Parent is in the process of resolving the inconsistencies identified in the title documents. The land is pledged as security against the facility availed by Bilt Graphic Paper Products Limited (BGPPPL), subsidiary of associates. Also refer note 25(i)(c.1)

(b) Refer note 46(b) for disclosure of contractual commitments for the acquisition of property, plant and equipment.

(c) The Lease agreement in respect of 13.19 acres of land in possession of the Parent is yet to be executed in favour of the Parent.

(d) Refer note 25 for Property, Plant & Equipment pledged as security against borrowings facilities availed by the Parent

(e) The Parent has leased certain Plant & Equipment & Buildings on operating leases for which lease rental of Rs. 15 Lakhs is recognised in the statement of profit & loss. (refer note 54.1(b))

(f) Impairment of Assets:
In view of the ongoing Corporate Insolvency Resolution process ("CIRP") of Parent as at 31st March 2021, property, plant and equipment as at 31st March 2021 have not been tested for impairment.



5 Capital work in progress

Particulars	₹ in Lakhs	
	As at 31st March 2021	As at 31st March 2020
Opening balance	1,656	632
Additions	-	3,369
Capitalized during the year	29	2,345
Assets written off (refer note (a) below)	(28)	-
Derecognition due to loss of control	(1,599)	-
Closing balance	-	1,656

- (a) Post admission of the Parent at CIRP, the production ceased & ongoing projects have been kept on hold or abandoned. Accordingly, Rs. 28 Lakhs has been written Off.

6 Other intangible assets

Particulars	As at 31st March 2021			As at 31st March 2020		
	Product development expense	Others	Total	Product development expense	Others	Total
Gross Block						
Opening balance	7,861	9,155	17,016	7,861	9,138	16,999
Additions	-	60	60	-	18	18
Transfer to UKPL (Refer Note no. 59)	-	-	-	-	(1)	(1)
Loss of Control of Subsidiary	7,861	9,215	17,076	-	-	-
Closing Balance	-	-	-	7,861	9,155	17,018
Accumulated amortization						
Opening balance	7,567	8,918	16,485	6,633	8,480	15,113
Amortization for the year	267	50	317	934	439	1,373
Transfer to UKPL (Refer Note no. 59)	-	-	-	-	(1)	(1)
Loss of Control of Subsidiary	7,834	8,968	16,802	-	-	-
Closing balance	-	-	-	7,567	8,918	16,486
Net carrying value as at the end of year	-	-	-	294	237	531

- (a) There are no intangible assets that have been pledged as security for the borrowings of the Parent.



7 Biological assets other than bearer plants

Particulars	₹ in Lakhs	
	As at 31st March 2021	As at 31st March 2020
Cost		
Balance as at the beginning of the year	-	39
Additions	-	0
Transfer to UKPL (Refer Note no. 59)	-	(39)
Balance as at the end of the year	-	-
Accumulated amortization		
Balance as at the beginning of the year	-	-
Charge for the year	-	-
Balance as at the end of the year	-	-
Net carrying amount	-	-

8 Non-current investments

Particulars	Face Value Per Share	As at 31st March 2021		As at 31st March 2020	
		No. of shares	₹ in Lakhs	No. of shares	₹ in Lakhs
Unquoted investments					
A Investments designated at fair value through OCI					
(a) Investment in fully paid equity shares of other companies					
(i) Blue Horizon Investments Limited	₹ 10.00	5,000	3	5,000	3
(ii) Avantha Power & Infrastructure Limitec	₹ 10.00	3,98,80,940	-	3,98,80,940	-
			3		3
B Investments in Associates (measured as per equity method)					
(i) Ballarpur Paper Holdings B.V. (w.e.f. 25th February 2021)	€ 1.00	12,51,92,483	3,80,643	-	-
Less: Impairment loss on (i) above (Refer Note c below)		-	(1,66,787)	-	-
			2,13,857		
C Investment measured at Cost					
(i) Bilt Graphic Paper Products Limited	₹ 10.00	50,000	5	-	-
			5		
Total Investments			2,13,865		3

a) Details of unquoted investments

Particulars	₹ in Lakhs	
	As at 31st March 2021	As at 31st March 2020
(a) Aggregate amount of unquoted investments		
Book value	2,13,865	3
(b) Aggregate amount of impairment in value of investments	(1,66,787)	-

- b) In view of the ongoing Corporate Insolvency Resolution Process ("CIRP") of Parent, investments as at 31 March 2021 have not been tested for impairment.
- c) Impairment has been triggered in one of the Group Entity (Sabah Forest Industries). Accordingly, the BILT Paper B.V. also assessed its recoverability against the investments in Ballarpur Paper Holdings B.V., hence the impairment loss of USD 2,273.39 Lakhs (INR 1,66,786.52 Lakhs) has been provided for.
- d) Pursuant to the Shareholder Agreement between Bilt Paper B.V., its shareholders and its lenders dated 14th August 2015, the term "control" in relation to a person is defined as follows:
- The possession, directly or indirectly, whether individually or jointly by other persons, of the power to direct or cause the direction of the management and policies of such person, whether through the ownership of shares or voting power, by agreement or otherwise or the power to elect more than one-half of the directors, partners or other individuals exercising similar authority with respect to such person, or
 - The possession, directly or indirectly, individually or jointly, of a voting interest of fifty per cent (50%) or more or control pursuant to contractual shareholder or board veto rights, or
 - The ownership of such shares in that person entitling the shareholder to at least 50 per cent (50%) of income or capital distributions, and the terms "Controlled" and "Controlling" shall be construed accordingly;

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



9 Investments

₹ in Lakhs

Particulars	Face Value Per Share	As at 31st March 2021		As at 31st March 2020	
		No. of shares	₹ in Lakhs	No. of shares	₹ in Lakhs

Quoted investments

A Investments measured at fair value through profit or loss

(a) Investment in mutual funds

(i) Edelweiss Liquid Fund -Direct Plan Growth	2558	-	-	7,914	203
(ii) Edelweiss Overnight Fund -Direct Plan Growth	1035	-	-	308	3
					206
					206

a) Details of Quoted investments

₹ in Lakhs

Particulars	As at 31st	As at 31st
	March 2021	March 2020
(a) Aggregate amount of quoted investments		
Book value	-	206
Market value (Fair value)	-	206



10 Loans - Non current

Particulars	₹ in Lakhs	
	As at 31st March 2021	As at 31st March 2020
Unsecured, considered good		
Security Deposits	0	-
Loans to related parties (Refer Note (a) below)	1,18,851	-
Provision for expected credit loss	(69,097)	-
	<u>49,754</u>	<u>-</u>

- (a) Loan of USD 162 Million given to Ballarpur Paper Holdings B. V. @ 9.9% p.a. Out of USD 162 Million, USD 95 Million is repayable in ten years from the date of disbursement i.e. 11th August, 2011 and remaining USD 67 million is repayable on demand. The BILT Paper B.V. has taken provision of USD 94 Million approx, based on realisation.

11 Other financial assets - Non current

Particulars	₹ in Lakhs	
	As at 31st March 2021	As at 31st March 2020
Unsecured, considered good		
Security Deposits	48	1,063
Bank deposits with maturity period more than 12 months [Refer Note (a) below]	490	157
	<u>538</u>	<u>1,220</u>

- (a) Bank Deposits includes deposits held as security against guarantees given by the Parent of Rs. 157 Lakhs (Previous year Rs. 157 Lakhs).

12 Deferred tax assets / (liabilities) (net)

- (a) Major components of deferred tax assets and liabilities are as follows

Particulars	₹ in Lakhs	
	As at 31st March 2021	As at 31st March 2020
A Deferred tax assets		
(i) Expenses allowable on payment basis (Section 43B of Income Tax Act,	17,560	33,955
(ii) Unabsorbed tax depreciation	2,504	46,914
(iii) Unused tax losses (Business losses)	-	3,990
(iv) Unused tax credits (MAT Credit)	0	15,985
(v) Other items of temporary difference	-	8,821
	<u>20,064</u>	<u>1,09,665</u>
B Deferred tax liabilities		
(i) Difference between written down value of property, plant and equipment (PPE) and intangible assets as per books of account and as per Income Tax Act 1961.	8,140	96,441
	<u>8,140</u>	<u>96,441</u>
	<u>11,924</u>	<u>13,224</u>
Presentation in Balance Sheet		
Deferred tax assets (net)	11,924	13,224
Deferred tax liabilities (net)	-	-
	<u>11,924</u>	<u>13,224</u>



12 Deferred tax assets (net)

(b) Movement in deferred tax assets and liabilities
2020 - 21

₹ in Lakhs

Particulars	Opening Balance	Recognized in profit or loss	Recognized in OCI	Derecognition due to loss of control of subsidiary	Closing Balance
(i) Expenses allowable on payment basis (Section 43B of Income Tax Act, 1961)	33,955	-	-	16,395	17,560
(ii) Unabsorbed tax depreciation	46,914	-	-	44,410	2,504
(iii) Unused tax losses (Business losses)	3,990	-	-	3,990	-
(iv) Unused tax credits (MAT credit entitlement)	15,985	-	-	15,985	0
(v) Difference between written down value of PPE and intangible assets as per books of account and as per Income Tax Act.	(96,441)	-	-	(88,301)	(8,140)
(vi) Other items of temporary difference	8,821	-	-	8,821	-
	13,224	-	-	1,300	11,924

2019 - 20

₹ in Lakhs

Particulars	Opening Balance	Recognized in profit or loss	Recognized in OCI	Derecognition due to loss of control of subsidiary	Closing Balance
(i) Expenses allowable on payment basis (Section 43B of Income Tax Act, 1961)	31,117	2,838	-	-	33,955
(ii) Unabsorbed tax depreciation	47,195	(281)	-	-	46,914
(iii) Unused tax losses (Business losses)	13,682	(9,692)	-	-	3,990
(iv) Unused tax credits (MAT credit entitlement)	18,018	(2,033)	-	-	15,985
(v) Difference between written down value of PPE and intangible assets as per books of account and as per Income Tax Act.	(1,01,552)	5,111	-	-	(96,441)
(vi) Other items of temporary difference	8,354	467	-	-	8,821
	16,814	(3,690)	-	-	13,224

(c) Since CIRP of the Parent was in progress as at 31 March 2021, the certainty as to the realization of deferred tax assets cannot be ascertained at this stage. Consequently, adjustments to deferred tax (net) available have not been given effect to, during the year. No additional deferred tax assets have been recognized during the year.

(d) The Parent has carried forward deferred tax assets (Net) of Rs. 11,924 Lacs 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.



13 Other non current assets

Particulars	₹ in Lakhs	
	As at 31st March 2021	As at 31st March 2020
Capital advances	-	359
Less: Provision for Expected Credit Loss	-	14
Total Capital advances	-	345
Prepaid expenses	-	358
Withholding tax recoverable	-	9,418
Balances with government authorities	29	1,815
	29	11,936

14 Inventories

Particulars	₹ in Lakhs	
	As at 31st March 2021	As at 31st March 2020
Raw materials (Refer note (a) below)	1	8,093
Work in progress	3	7,374
Finished goods (including stock-in-trade)	12	11,875
Stores and spares (Refer note (b) below)	1,629	10,934
Chemicals (Refer note (c) below)	14	2,963
Packing material (Refer note (d) below)	-	938
	1,659	42,177

- (a) Includes raw material-in-transit of Rs. Nil (Previous year Rs. 665 lakhs)
(b) Includes stores & spares-in-transit of Rs. Nil (Previous year Rs. 226 Lakhs)
(c) Includes chemicals-in-transit of Rs. Nil (Previous year Rs. 440 Lakhs)
(d) Includes packing material-in-transit of Rs. Nil (Previous year Rs. 29 Lakhs)
(e) During the year, Rs. 22 Lakhs (Previous year Rs. 260 Lakhs) was recognised as expenses towards write down of inventories (Refer Note 42)
(f) On Account of lockdown & other restrictions imposed due to COVID-19 pandemic, the Parent's Management has not performed the physical count of inventories as at 31.03.2021 (Refer note 60).
(g) Inventories are valued at cost or NRV whichever is lower.



15 Trade receivables

Particulars	₹ in Lakhs	
	As at 31st March 2021	As at 31st March 2020
Considered good		
Due from related parties	-	2,930
Due from others (Refer note (a) below)	44,350	45,371
	<u>44,350</u>	<u>48,301</u>
Considered Doubtful		
Due from others (Refer note (c) below)	679	4,175
Less: Allowance for expected credit loss (ECL)	-	4,175
	<u>679</u>	<u>-</u>
	<u>45,029</u>	<u>48,301</u>

- (a) Includes Rs. Nil (As at 31 March 2020 - Rs. 972 Lakhs) secured by way of security deposits received from the customers.
- (b) The trade receivables are unsecured apart from note (a) above.
- (c) The Parent has not maintained Customer Wise accounts in the books of account due to data migration from Oracle to Tally (refer note no. 63). Based on the copies of ledger & communication received from one of its debtors, the parent has ascertained the amount of Rs. 658 lakhs receivable from them as on 31.03.21 & accordingly accounted this amount under trade receivables. The said debtor has informed the parent through a letter dated 15.06.23 about their shortage of funds to pay. They have requested the parent to adjust the stock held by the parent on behalf of such debtor against the outstanding due. This adjustment will be done in the subsequent financial years.
- (d) 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 ageing analysis of the trade receivables, 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.

16 Cash and cash equivalents

Particulars	₹ in Lakhs	
	As at 31st March 2021	As at 31st March 2020
Balances with Banks :		
- On current accounts [Refer note (a), (b),(c) & (d) below]	216	6,445
Cash on hand	1	12
	<u>217</u>	<u>6,457</u>

- (a) Bank reconciliation statements of the parent as at 31 March 2021 have not been prepared for 11 bank accounts having a carrying amount of Rs. 11.02 Lakhs since the bank statements were not available for these bank accounts. Also, no balance confirmation could be obtained from any of the banks.
- (b) The bank accounts of the Bill Paper B.V. ("BPBV") have been closed by the bank itself during the year. The management of BPBV is of the view that this is not going to impact the concept of going concern as in case of need, the BPBV would transact all financial aspects through the support of group company.
- (c) The bank accounts of the Ballarpur Speciality Paper Holdings B.V. ("BSPH BV") have been closed by the bank itself during the year. The management of BSPH BV is of the view that this is not going to impact the concept of going concern as in case of need, the BSPH BV would transact all financial aspects through the support of Parent. The new bank accounts of the BSPH BV have already been opened in subsequent year.
- (d) The bank accounts of the Ballarpur International Holdings B.V. ("BIH BV") have been closed by the bank itself during the year. The management of BIH BV is of the view that this is not going to impact the concept of going concern as in case of need, the BIH BV would transact all financial aspects through the support of Parent. The new bank accounts of the BIH BV have already been opened in subsequent year.

17 Other bank balances

Particulars	₹ in Lakhs	
	As at 31st March 2021	As at 31st March 2020
In margin money, security for borrowings, guarantees and other commitments	-	2,139
In deposit accounts exceeding three months but less than twelve months (Refer note (b) below)	19	65
Earmarked Balance with Banks in unpaid dividend accounts (Refer note (a) below)	28	27
	<u>47</u>	<u>2,231</u>

- (a) Bank reconciliation statements of the parent as at 31 March 2021 have not been prepared for 5 bank accounts related to unpaid dividend having a carrying amount of Rs. 27.59 Lakhs since the bank statements were not available for these bank accounts. Also, no balance confirmation could be obtained from any of the banks.
- (b) Details of bank deposits of the parent with original maturity exceeding 3 months but less than 12 months as at 31 March 2021 are not available. Also, neither the balance confirmation certificate nor interest on bank deposit certificate could be obtained from bank.



18 Loans - current

Particulars	₹ in Lakhs	
	As at 31st March 2021	As at 31st March 2020
Unsecured, considered good		
Loans to related parties (net) (Refer Note (a) below & note 31 (a))	1,92,525	209
Others	-	60
Less: Provision for Expected Credit Loss	(42,211)	-
	1,50,314	269

(a) Loan of USD 25 Million provided to Ballarpur Paper Holdings B. V. @ 1.9% p.a. with one time repayment after 3 years. This loan has been provided vide agreement dated 13th July, 2015.

19 Other financial assets - current

Particulars	₹ in Lakhs	
	As at 31st March 2021	As at 31st March 2020
Security Deposits	274	459
Others	58	-
Less: Allowance for expected credit loss	(12)	-
	320	459
Unsecured, considered good		
Interest accrued on deposits	20	88
Interest receivables from related party	61,194	-
Balance with government authorities	-	7,098
Scrap Receivables	-	40
Advances to related parties	485	2,805
Advances to others (Refer note (a) below)	22,757	17,938
Less: Expected Credit Loss	(59,240)	(27)
	25,536	28,401

(a) The previous year's figure includes Rs. 1,500 Lakhs amount receivable on account of sale of business of Sewa Unit.

20 Current tax assets (net)

Particulars	₹ in Lakhs	
	As at 31st March 2021	As at 31st March 2020
Income tax paid (included TDS)	3	3
	3	3

21 Other current assets

Particulars	₹ in Lakhs	
	As at 31st March 2021	As at 31st March 2020
Prepaid expenses	20	1,187
Advances to employees	66	113
Balance with government authorities (Refer Note (a) below)	1,207	-
Advances to Related Parties	-	781
Advances to trade creditors	2,997	7,618
	4,290	9,699

(a) The balances with government authorities includes Input Tax Credits related to Goods and Services Tax, the parent's management is under the process of reconciling these balances.



22 Equity share capital

Particulars	₹ in Lakhs	
	As at 31st March 2021	As at 31st March 2020
Authorised share capital		
1,50,00,00,000 (31st March 2020: 1,50,00,00,000) equity shares of Rs. 2/- each	30,000	30,000
1,00,00,000 (31st March 2020: 1,00,00,000) preference shares of Rs. 100/- each	10,000	10,000
	40,000	40,000
Issued share capital		
1,293,455,756 (31st March 2020: 1,29,37,05,501) equity shares of Rs. 2/- each	25,871	25,874
Subscribed and paid-up share capital		
1,293,455,756 (31st March 2020: 1,29,37,05,501) equity shares of Rs. 2/- each	25,871	25,874
Less: Forfeited shares - 2,49,745 (31st March 2020: 2,49,745) equity shares of Rs. 2/- each	-	5
	25,871	25,869
1,293,455,756 (31st March 2020: 1,29,34,55,756) equity shares of Rs. 2/- each		
Add: Amount originally paid up on forfeited shares	-	2
	25,871	25,871

(a) Reconciliation of number of shares

Particulars	As at 31st March 2021		As at 31st March 2020	
	Nos	₹ in Lakhs	Nos	₹ in Lakhs
At the beginning of the year	1,29,34,55,756	25,871	1,29,34,55,756	25,871
Add: Issued during the year	-	-	-	-
At the end of the year	1,29,34,55,756	25,871	1,29,34,55,756	25,871

(b) Rights, preferences and restrictions attached to shares

The parent has one class of equity shares having a par value of Rs.2 per share. Each shareholder is eligible for one vote per share held. There are no restrictions attached for any specific shareholder. They entitle the holders to participate in dividends and to share in the proceeds of winding up the company in proportion to number of shares and amounts paid on the shares held.

(c) The Parent does not have Holding Company / ultimate Holding Company. The subsidiaries of the parent does not hold any shares in the parent .

(d) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

Particulars	As at 31st March 2021		As at 31st March 2020	
	Nos	Holding %	Nos	Holding %
(i) Avantha Holdings Limited	31,19,32,718	24.12%	31,19,32,718	24.12%
(ii) Life Insurance Corporation of India	8,55,50,701	6.61%	8,55,50,701	6.61%
(iii) ICICI Bank Limited	15,54,69,351	12.02%	15,54,69,351	12.02%



22 Equity share capital (Ctnd..)

(e) Others

- (i) The Parent has not reserved any shares for issue under options as at 31 March 2021 (As at 31 March 2020 : Nil shares)
- (ii) The Parent has not allotted any bonus shares in the immediately preceding five year ended 31 March 2021. (previous period of five years ended 31 March 2020: Nil shares)
- (iii) The Parent has not issued any shares for consideration other than cash during the period of five years immediately preceding the reporting date.
- (iv) The aggregate number of equity shares bought back in immediately preceding five years ended 31 March 2021 is Nil. (previous period of five years ended 31 March 2020 - Nil)
- (v) Calls unpaid as at 31 March 2021 - Rs. Nil. (31 March 2020 : Rs. Nil)

23 Other equity

Particulars	₹ in Lakhs	
	As at 31st March 2021	As at 31st March 2020
Capital reserve	3,824	3,824
Securities premium reserve	1,15,833	1,15,024
Preference share capital redemption reserve	7,385	7,385
Debenture redemption reserve	2,101	11,704
Subordinate perpetual Capital Securities	1,46,730	1,49,732
Amount towards shares to be allotted under Master Restructuring Agreement (MRA)	0	56,102
Equity component of compulsorily redeemable preference shares	-	70,743
Capital reserve on consolidation	(1,090)	20,012
General reserve	80,810	80,810
Retained Earnings	(9,57,828)	(6,98,785)
Items of Other Comprehensive Income (OCI)		
Re-measurement of the net defined benefit Plans	(721)	(1,825)
Equity instruments through OCI	(9,048)	(2,737)
Foreign currency translation reserve	2,44,542	(64,202)
Share of OCI in Associates / JVs	11	-
	(3,67,453)	(2,52,213)

(a) Refer statement of changes in equity for detailed movement in components of other equity

(b) Nature and purpose of reserves

(i) Securities premium reserve

The amount received in excess of face value of the equity shares is recognised in securities premium. The reserve can be utilised in accordance with the provisions of Companies Act 2013 and are not available for distribution to the share holders.

(ii) Preference share capital redemption reserve

Preference Share Capital Redemption Reserve represents the statutory reserve created. The said capital redemption reserve account may be applied by the Group in paying up unissued shares of the Group to be issued to shareholders as fully paid bonus shares.

(iii) Debenture redemption reserve

The Ministry of Corporate Affairs vide notification dated August 16, 2019, amended the Companies (Share capital and Debenture) Rules, 2014 by which the Group is no longer required to create DRR towards the debentures issued. Earlier to this amendment, the Group was required to maintain a DRR of 25% of the value of debentures issued, either by a public issue or on a private placement basis and the amounts credited to the DRR was not to be utilised by the Group except to redeem debentures. The above amount represents the DRR created out of profits of the Group prior to the said notification.

(iv) Subordinate perpetual Capital Securities

During the year 2011-12, the Group, through its step-down subsidiary BILT Paper B.V., raised USD 200 Million through issue of Unsecured Dollar denominated 9.75% Subordinated Perpetual Capital Securities (The Securities). These Securities are perpetual in nature with no maturity or redemption and are callable only at the option of BILT Paper B.V. in the 5th/10th year from the date of allotment of Securities and thereafter on every interest payment date. As these Securities are perpetual in nature and ranked senior only to the Share Capital of BILT Paper B.V., these are considered to be in nature of equity instrument and are not considered as "Debt" and the distribution on such Securities is not considered under "Interest". BILT Paper B.V. may at its sole discretion, opt to defer payment of Interest on such Securities. The equity portion of the compound financial instrument is recognized as a separate component of equity.

(v) Amount towards shares to be allotted under Master Restructuring Agreement (MRA). (Refer note 44)

BILT Graphic Paper Products Limited (BGPPL), one of the step-down subsidiary company, has given effect to the Master Restructuring Agreement (MRA) with its lenders during the financial year 2017-18 as per which BGPPL has agreed to allot equity shares to the lenders (Refer Note 44 for detailed terms of the MRA). However, since the matter is sub-judice BGPPL has not allotted the shares and is shown as a separate component under other equity.



23 Other equity (Contd..)

(b) Nature and purpose of reserves (Contd.)

(vi) **Equity Component of compulsory redeemable preference shares**

The Compulsory Redeemable Preference Shares (CRPF) carries dividend at a concessional rate and accordingly the financial instrument contains both a liability and an equity component. Equity Component of CRPF refers to the residual amount after reducing the fair value of the liability component of the instrument from the fair value of the instrument as a whole. (Refer Note No. 44 for terms of the CRPF in MRA).

(vii) **Capital reserve on consolidation**

These Reserves represent the difference between value of the net assets transferred to the Group in the course of business combinations and the consideration paid for such combinations.

(viii) **General reserve**

The Group created a General Reserve in earlier years pursuant to the provisions of the Companies Act wherein certain percentage of profits were required to be transferred to General Reserve before declaring dividends. As per Companies Act 2013, the requirement to transfer profits to General Reserve is not mandatory. General Reserve is a free reserve available to the Group.

(ix) **Retained Earnings**

Retained earnings are the profits that the Group has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

(x) **Re-measurement of net defined benefit plans**

Differences between the interest income on plan assets and the return actually achieved, and any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans, are recognised in 'Other comprehensive income' and subsequently not reclassified to the statement of profit or loss.

(xi) **Capital reserve**

Capital reserve represents the difference between value of the net assets transferred to the Group in the course of business combinations and the consideration paid for such combinations.

(xii) **Equity instruments through OCI**

The fair value change of equity instruments designated as measured at fair value through other comprehensive income is recognised in equity instruments through other comprehensive income and are not subsequently reclassified to statement of profit or loss. Upon derecognition, the cumulative fair value changes on the said instruments are reclassified to retained earnings directly.

(xiii) **Debt instruments through OCI**

The fair value change of debt instruments as measured at fair value through other comprehensive income is recognised in debt instruments through other comprehensive income and are subsequently reclassified to statement of profit or loss. Upon derecognition, the cumulative fair value changes on the said instruments are reclassified from equity to Profit & Loss.



23 Other equity (Ctnd..)

(b) Nature and purpose of reserves (Contd.)

(xiv) Foreign currency translation reserve

Exchange differences arising on translation of assets, liabilities, income and expenses of the Group's foreign subsidiaries are recognised in other comprehensive income and accumulated separately in foreign currency translation reserve. The amounts recognised are transferred to the consolidated statement of profit and loss on disposal of the related foreign subsidiaries.

(c) Other comprehensive income accumulated in other equity, net of tax

₹ in Lakhs

Particulars	Remeasurement of net defined benefit plans	Equity instruments through OCI	Share of OCI in Associates / JVs	Total
As at 1st April 2019	(895)	(2,737)	(1)	(3,633)
Remeasurement gain/(loss) on net defined benefit plans	(930)	-	-	(930)
Addition and adjustments for sale/strike off and changes in control of subsidiaries during the year (net)	-	-	3	3
Other comprehensive income for the year	-	-	(2)	(2)
Share of OCI in Associates/JVs	-	-	-	-
Income tax effect	-	-	-	-
As at 31st March 2020	(1,825)	(2,737)	-	(4,562)
Remeasurement gain/(loss) on net defined benefit plans	230	-	-	230
Addition and adjustments for sale/strike off and changes in control of subsidiaries during the year (net)	874	(6,311)	-	(5,437)
Share of OCI in Associates/JVs	-	-	11	11
Income tax effect	-	-	-	-
As at 31st March 2021	(721)	(9,048)	11	(9,758)

₹ in Lakhs

Particulars	Foreign currency translation reserve	Total
As at 1st April 2019	(58,972)	(58,972)
Exchange differences in translating the financial statements of foreign subsidiaries	(5,236)	(5,236)
Addition and adjustments for sale/strike off and changes in control of subsidiaries during the year (net)	6	6
As at 31st March 2020	(64,202)	(64,202)
Exchange differences in translating the financial statements of foreign subsidiaries	(961)	(961)
Addition and adjustments for sale/strike off and changes in control of subsidiaries during the year (net)	3,09,705	3,09,705
Distribution for the year	-	-
As at 31st March 2021	2,44,542	2,44,542



24 Non-controlling interest

Particulars	₹ in Lakhs	
	2020 - 21	2019 - 20
Balance at the beginning of the year	(1,02,374)	(37,919)
Share of loss for the year	(28,523)	(59,696)
Share of other comprehensive income		
Re-measurement of the net defined benefit Plans	102	-
Foreign currency translation reserve	-	3,651
Addition and adjustments for sale/strike off and changes in control of subsidiaries during the year (net)	2,36,022	-
Distribution for the year	(8,413)	(8,410)
	<u>96,813</u>	<u>(1,02,374)</u>

(a) Details of non-wholly owned subsidiaries that have material non-controlling interest

Name of Subsidiary	Place of incorporation and principal place of business	Proportion of ownership interests and voting rights held by non-controlling interest		Profit / (Loss) allocated to non-controlling interests	
		As at 31st March 2021	As at 31st March 2020	2020 - 21	2019 - 20
(i) BILT Graphic Paper Products Limited	India	-	39.78%	-	(98,849)
(ii) BILT Paper B.V.	Netherlands	37.79%	37.79%	(29)	(99,267)
(iii) Ballarpur Paper Holdings B.V.	Netherlands	-	37.79%	-	(21,967)
(iv) Sabah Forest Industries Sdn. Bhd.	Malaysia	-	38.98%	-	(7,359)

(b) Summarized financial information in respect of subsidiaries that have material non-controlling interest

Particulars	₹ in Lakhs							
	BILT Graphic Paper Products Limited		BILT Paper B.V.		Ballarpur Paper Holdings B.V.		Sabah Forest Industries Sdn. Bhd.	
	2020 - 21	2019 - 20	2020 - 21	2019 - 20	2020 - 21	2019 - 20	2020 - 21	2019 - 20
Revenue	2,05,205	2,97,069	11,898	11,396	13,367	-	85	143
Profit / loss for the year	(54,063)	(2,48,489)	(76)	(2,62,680)	(37,170)	(58,129)	(6,162)	(18,878)
Other comprehensive income	382	(801)	(666)	8,717	248	1,759	277	28
Total comprehensive income	(53,681)	(2,49,290)	(742)	(2,53,963)	(36,921)	(56,370)	(5,885)	(18,850)
Profit / (loss) allocated to non-controlling interest	(21,351)	(98,849)	(4,358)	(99,267)	(418)	(21,967)	(2,294)	(7,359)
Dividend to non-controlling interest	-	-	-	-	-	-	-	-

Summarized balance sheet

Particulars	BILT Graphic Paper Products Limited		BILT Paper B.V.		Ballarpur Paper Holdings B.V.		Sabah Forest Industries Sdn. Bhd.	
	2020 - 21	2019 - 20	2020 - 21	2019 - 20	2020 - 21	2019 - 20	2020 - 21	2019 - 20
Current assets (a)	-	99,247	5	6	-	824	-	2,24,036
Current liabilities (b)	-	1,00,762	96,493	75,939	-	1,08,923	-	1,96,271
Net current assets/(liabilities) (c = a - b)	-	(1,515)	(96,488)	(75,933)	-	(1,08,099)	-	27,765
Non-current assets (d)	-	4,64,472	2,65,439	2,70,916	-	2,38,359	-	-
Non-current liabilities (e)	-	5,69,315	-	-	-	1,21,303	-	32,970
Net non current assets / (liabilities) (f = d - e)	-	(1,04,843)	2,65,439	2,70,916	-	1,17,056	-	(32,970)
Net assets / (liabilities) (c+f)	-	(1,06,358)	1,68,952	1,94,982	-	8,957	-	(5,205)

Summarized Statement of Cash flow

Particulars	BILT Graphic Paper		BILT Paper B.V.		Ballarpur Paper Holdings		Sabah Forest Industries Sdn.	
	2020 - 21	2019 - 20	2020 - 21	2019 - 20	2020 - 21	2019 - 20	2020 - 21	2019 - 20
Cash flow from operating activities	-	61,931	0	-	-	(5)	-	(2,989)
Cash flow from investing activities	-	3,764	-	-	-	-	-	-
Cash flow from financing activities	-	(70,028)	-	-	-	-	-	2,490
Total cash flow	-	(4,333)	0	-	-	(5)	-	(499)



25 Borrowings

		₹ in Lakhs	
Particulars	As at 31st March 2021	As at 31st March 2020	
Non current borrowings			
Secured			
Non convertible debentures	-	1,45,360	
Compulsorily redeemable preference shares	-	26,075	
Term loans			
Bank	-	37,102	
Financial institutions	-	2,97,592	
Unsecured			
Zero coupon convertible bonds	11,005	4,778	
Deferred payment liabilities	-	1,727	
Loans from related parties	14,130	0	
	25,135	5,12,634	
Current borrowings			
Secured			
Borrowings	3,66,892	1,39,472	
	3,66,892	1,39,472	

- (a) Segregation of Borrowings into Secured, Unsecured, Working Capital is not available with new management of Parent. Hence, bifurcation of the same has not been given.
- (b) Pursuant to the commencement of CIRP of parent, the following claims from financial creditors have been admitted by the Resolution Professional ('RP') (Also refer note 61):

		₹ in Lakhs	
S. No.	Name of Bank / Financial Institution	Amount admitted (31 March 2021)	Amount admitted (31 March 2020)
1	IDBI Bank Ltd.	85,015	85,015
2	Suraksha Asset Reconstruction Company Limited (SARC)	46,275	46,275
3	Orbit Investment Securities Plc	32,890	32,890
4	Axis Bank Limited	20,780	20,780
5	Varanium India Opportunity	18,756	18,756
6	Finquest Financial Solutions Pvt. Limited (Finquest)	17,474	17,474
7	Kotak Mahindra Bank Ltd	14,657	14,657
8	Punjab National Bank (E-OBC)	13,883	13,883
9	LIC of India	12,523	12,523
10	Phoenix ARC Pvt. Ltd.	9,168	9,168
11	HDFC Bank Ltd.	8,850	8,850
12	Exim Bank	8,128	8,128
13	DBS Bank Ltd	7,009	7,009
14	Deutsche Bank	6,356	6,356
15	Indusind Bank Ltd.	6,193	6,193
16	The Hongkong and Shanghai Banking Corporation Ltd.	4,849	4,849
17	Federal Bank	4,465	4,465
18	Citi Bank [Refer note (ii)(a) below]	203	-
		3,17,474	3,17,271



25 Borrowings (Contd.)

- (ii) Apart from the above, the following claims also have been lodged:
- (a) Claim from CITI Bank towards bank guarantees issued by the Parent on behalf of subsidiaries has been admitted by RP and disclosed under contingent liability as at 31 March 2020 (Refer note 46). During the financial year 2020-21, this has been recognized as a liability in books of account (Refer note (25c.3) below).
- (b) Claim from Indian Overseas Bank has been categorized as contingent claim since the matter is pending before DRT, Delhi. and disclosed under contingent liability. (Refer note 46)
- (c.1) The Parent had issued a corporate guarantee of Rs. 13,380 Lakhs to Edelweiss Assets Reconstruction Company Limited (EARC) on account of loan taken by one of the step down subsidiary, Bilt Graphics Paper Products Limited (BGPPL). EARC has a charge over industrial land admeasuring 590.36 acres situated in Choudwar, Orissa. EARC has claimed this corporate guarantee with the resolution professional under CIRP, RP has admitted the claim of EARC at a nominal value of Rs. 1/- under the "Other creditors/secured creditors". However, EARC has filed an application with the Hon'ble NCLT Mumbai to pass necessary order allowing EARC to enforce its exclusive charged security interest in immovable asset outside the CIRP of Corporate Debtor. The same application has been disposed off by the Hon'ble NCLT. Further, EARC filed an appeal at NCLAT on 19th April 2023 against the NCLT order seeking directions to Respondents to reject the revised Resolution Plan submitted by Finquest, being ineligible u/s 29A & prohibit the sale of the Immovable Asset exclusively charged in favor of the Appellant. Further, allow the Appellant to enforce the said charged security interest on the Immovable Asset outside the CIRP., the Hon'ble NCLAT declined to pass any interim order as prayed for by EARC on 04.07.23. Further, EARC filed an appeal at Supreme Court of India, the matter is still pending at Supreme Court.
- (c.2) The parent had issued a corporate guarantee dated 28 March 2016 of Rs. 15,000 Lakhs to IndusInd Bank as a security for Term Loan Facility availed by one of the related parties i.e. Avantha Realty Limited. The said corporate guarantee was invoked during August 2020 and an amount of ₹ 11,152 Lakhs has been additionally claimed by IndusInd Bank through the revised claim filed by the IndusInd Bank , with the resolution professional under CIRP. Since, as on insolvency commencement date i.e. 17 January 2020, there was no default vis-a-vis corporate guarantee issued by the parent as a security for term Loan Facility availed by Avantha Realty Limited, therefore, the RP has rejected the said additional claim of ₹ 11,152 Lakhs in accordance with the provisions of Insolvency and Bankruptcy Code 2016 and the rules framed thereunder. Further, IndusInd bank has filed an application before the Hon'ble NCLT, Mumbai with respect to rejection of additional claim amount of ₹ 11,152 lakhs. Pending outcome of the application filed by indusInd Bank, the said claim was disclosed as a contingent liability as at 31st March 2020. Subsequently, the said application has been disposed off by the Hon'ble NCLT in favour of the parent.



25 Borrowings (Contd.)

(c.3) Borrowings From Banks and Financial Institutions of Parent based on the claims as per the books of accounts as part of CIRP is as follows:

(I) As at 31 March 2021		(Rs. In Lakhs)
S. No	Name of Bank / Financial Institution	Total
1	IDBI Bank Ltd.	87,704
2	Suraksha Asset Reconstruction Company Limited (SARC)	48,427
3	Orbit Investment Securities Plc	32,890
4	Axis Bank Limited	21,851
5	Varanium India Opportunity	18,756
6	Finquest Financial Solutions Pvt. Limited	18,075
7	Kotak Mahindra Bank Ltd	15,073
8	Punjab National Bank (E-OBC)	14,304
9	LIC of India	12,872
10	Phoenix ARC Pvt. Ltd.	9,443
11	HDFC Bank Ltd.	9,209
12	Exim Bank	8,336
13	DBS Bank Ltd	7,196
14	Deutsche Bank	6,476
15	Indusind Bank Ltd.	6,343
16	The Hongkong and Shanghai Banking Corporation Ltd.	4,981
17	Federal Bank	4,587
18	Citi Bank	203
		3,26,725

Notes:

- (i) Redeemable non-convertible debenture carry interest at 11.75%, long term loans from banks and financial institutions carry interest ranging from 11% to 16.85% and the working capital facilities carry interest ranging from 3.48% to 16%.
- (ii) The borrowings from Banks and Financial Institutions as per books of accounts as on 31st March, 2021 stood at Rs. 3,26,725 lacs. As mentioned above, as per the Resolution Professional (RP), the admitted claims as on 3rd December, 2020 stood at Rs. 3,17,474 lacs.
- (II) As at 31 March 2021
The aforesaid disclosure is not provided for the balances as at 31 March 2021 since the necessary data is not available with the Parent's Management
- (III) Balance Confirmation Pending from Banks and Financial Institutions
The confirmations and reconciliation of all secured and unsecured loans / borrowings and interest accrued thereon are pending from the Parent's Management. The parent's management is in the process of obtaining confirmations and reconciliation of balances and ascertaining the impact of which is not ascertainable at present (Also refer note 64). Bank Balances and borrowings as at 31.03.21 aggregating to Rs.3,26,725 lakhs are subject to confirmation & consequent reconciliation, if any.



25 Borrowings (Contd.)

(d) Default in repayment of borrowings and payment of interest

The Parent has defaulted in repayments of borrowings and payment of interest to the lenders. During the previous year the Parent has been admitted into corporate insolvency resolution process ('CIRP') by Hon'ble national company law tribunal, Mumbai bench ('NCLT') pursuant to an application made by a financial creditor. Based on the financial creditors' claims admitted by the resolution professional ('RP'), aggregate additional liability of Rs. 27,945 Lakhs (Rs. 27,742 Lakhs during FY 2019-20 and Rs. 203 Lakhs during FY 2020-21 with corresponding charge to finance cost) representing the difference between the financial creditors claims admitted by the RP and the carrying amount of borrowings (including interest accrued)(refer note 61). The Parent is in the process of reconciling the differences and hence, details of default in repayment of borrowings and interest payment as at 31 March 2020 and as at 31 March 2021 are not ascertainable.

(e) Assignment of Borrowings

During the previous year 2019-20, the ICICI Bank has assigned the borrowing with principal amount of Rs. 36,129 Lakhs plus interest to Suraksha Asset Reconstruction Pvt. Ltd. w.e.f. 28th Aug 2018 and State Bank of India (earlier known as State Bank of Travancore) has assigned the borrowing with principal amount Rs. 4,599 Lakhs plus interest to Finquest Financial Solutions Private Limited w.e.f. 17th Dec., 2018 together with all securities, rights, title and interest in all agreements, deeds and documents in relation to the said borrowings.

(f) Finquest Financial Solutions Private Limited (FFSPL) had granted credit facilities to the Parent which was secured by a pledge on 56,20,427 equity shares of M/s Premier Tissues (India) Limited (a Joint Venture of the Parent) and a first pari passu charge on current assets of the Parent. Since the Parent has not been able to repay the entire facilities, FFSPL had invoked the said pledge and charge during financial year 2019-20. Consequently, the Parent had recognized a gain of Rs. 32 Lakhs resulting from disposal of the investment in M/s. Premier Tissues (India) Limited as an exceptional item for the year ended 31 March 2020. (Also refer note 43)

(g) During the year 2019-20, M/s. Suraksha Assets Reconstruction Limited ('SARL') invoked its pledge on certain brands / trademarks, pledged by the Parent, against the financial facilities provided by SARL. Subsequent to the invocation required documentation was effected during the quarter ended 31 December 2019 to transfer the said brands / trademarks to SARL for a consideration of Rs. 1,793 Lakhs. However, the transfer of the said brands / trademarks could not be completed before the commencement of CIRP and by virtue of moratorium issued by Hon'ble NCLT, Mumbai vide its Order dated 17 January 2020, no effect of the same has been recorded in the books of account and financial statements of FY 2020-21.



25 Borrowings (Contd.)

(h) Non convertible debentures

Rate of interest	₹ in Lakhs	
	As at 31st March 2021	As at 31st March 2020
The interest rate of 9%. Further, the interest rate is also linked to the 1 year MCLR of Axis Bank Limited with an annual reset option to Lenders	-	78,255
The interest rate of 9%. Further, the interest rate is also linked to the 1 year MCLR of Axis Bank Limited with an annual reset option to Lenders	-	67,105
	-	1,45,360
Less: Current maturities	-	-
	-	1,45,360

(a) Above amount is inclusive of interest accrued for the period 01st April 2017 to 31st March 2020.

(b) Securities and terms of repayment

- (i) Redeemable non convertible debentures of Rs. 78,255 Lakhs are secured by way of first pari passu charge on movable fixed assets and all immovable properties of the BGPPL, both present and future, Second pari passu charge on current assets of the BGPPL, both present and future (except receivables from Sabah Forest Industries Sdn Bhd, Second Charge on Sabah Forest Industries Sdn Bhd, Pledge over 70% shares of the BGPPL provided that existing priority facility shall have a first priority over the rights and Corporate Guarantee of Ballarpur Paper Holding B.V. (BPH BV) and are repayable on 31 March 2027.
 - (ii) Redeemable non convertible debentures of Rs. 67,105 Lakhs are secured by way of Second pari passu charge on movable fixed assets and all immovable properties of the BGPPL, both present and future, first pari passu charge on current assets of the BGPPL, both present and future (except receivables from Sabah Forest Industries Sdn Bhd, Pledge over 70% shares of BGPPL provided that existing priority facility shall have a first priority over the rights and Corporate Guarantee of Ballarpur Paper Holding B.V. (BPH BV) and are repayable on 31 March 2027.
 - (iii) Further the non convertible debentures are also secured by way second pari passu charge on receivables from Sabah Forest Industries Sdn Bhd.
 - (iv) Further, the redeemable non convertible debentures are also secured by way of second pledge over the Pledged Shares and the corporate guarantee provided by Ballarpur Paper Holdings B.V (BPH BV) ("Corporate Guarantee"). Provided that the Existing Priority Facility and the New Priority Facilities shall have a first priority over the rights and receivables in relation to the Pledged Shares.
- (c) Refer note 44 for other details of Redeemable non convertible debentures.

(i) Compulsorily redeemable preference shares

The compulsorily redeemable preference shares shall carry dividend at @ 0.01% p.a and presented in the financial statements as follows:

Particulars	Note	₹ in Lakhs	
		As at 31st March 2021	As at 31st March 2020
Non-current borrowings	25	-	26,075
Equity portion	23	-	70,743
		-	96,818

Compulsorily redeemable preference shares are unsecured. Refer note 44 for other details of compulsorily redeemable preference shares



25 Borrowings (Contd.)

(j) Secured borrowings from banks and financial institutions

As at 31st March 2020

₹ in Lakhs

S. No	Name of Bank /Financial Institution	Rupee Term Loan	Funded Interest term loan	Priority Loan	Total	Rate of Interest	Details of security
1	EARC Trust - SC 309 (earlier from Acton Global Pvt Ltd)	13,414	1,112	-	14,526	9%. Further, the interest rate is also linked to the 1 year MCLR of Axis Bank Limited with an annual reset option to Lenders	(a)First pari-passu charge on BGPPL's movable fixed assets and all immovable properties of the BGPPL, both present and future, (b)Second pari-passu charge on BGPPL's current assets, both present and future (except receivables from Sabah Forest Industries Sdn Bhd, a step-down subsidiary); (c) Second Charge on Sabah Forest Industries Sdn Bhd (a step-down subsidiary) receivables (d) Pledge over 70%shares of the BGPPL provided that existing priority facility shall have a first priority over the rights (e) Corporate Guarantee of BPH
2	EARC Trust – SC 268 (earlier from Axis Bank)	75,989	6,301	-	82,290		
3	Goldman Sachs (India) (earlier from Clix Capital Services Private Limited)	8,324	691	-	9,015		
4	Goldman Sachs	16,254	1,348	-	17,602		
5	EARC Trust – SC 267 (earlier from ICICI Bank)	33,130	2,746	-	35,876		
6	EARC Trust – SC 244 (earlier from IDFC)	20,420	1,693	-	22,113		
7	EARC Trust – SC 307 (earlier from State Bank of India)	20,492	1,699	-	22,191		
8	EARC Trust – SC 299 (earlier from Yes Bank)*5	18,004	1,493	-	19,497		
9	EARC Trust - SC 402 (Ecap Equities (earlier Invesco MF))	1,061	89	-	1,150		
10	EC Special Situations Fund (earlier from Invesco MF)	843	69	-	912		
11	Edelweiss India Special Situations Fund (earlier from Invesco MF)	495	41	-	536		
12	Goldman Sachs International (earlier from DBS Bank)*2	10,439	390	-	10,829		
13	Rabobank, Hong Kong *2	10,546	464	-	11,010		
14	EARC Trust – SC 268 (earlier from Axis Bank)	4,551	377	-	4,928		
15	Deutsche Bank	1,833	152	-	1,985		
16	EARC Trust – SC 267 (earlier from ICICI Bank)	5,399	448	-	5,847		
17	EARC Trust - SC 356 (earlier from DBS Bank)	6,465	536	-	7,001		
18	EARC Trust SC 382 (earlier from IDBI Bank)	21,036	1,744	-	22,780		
19	Kotak Mahindra Bank Limited	6,801	560	-	7,361		
20	EARC Trust - SC 402 (Ecap Equities (earlier Invesco MF))	761	63	-	824		
21	EC Special Situations Fund (earlier from Invesco MF)	599	50	-	649		
22	Edelweiss India Special Situations Fund (earlier from Invesco MF)	353	29	-	382		
23	Goldman Sachs (India) (earlier from Barclays Bank)**1	2,829	381	-	3,210		
	Total c/f	2,80,038	22,475	-	3,02,514		



25 Borrowings (Contd.)

(k) Secured borrowings from banks and financial institutions
As at 31st March 2020

S. No	Name of Bank / Financial Institution	Rupee Term Loan	Funded interest term loan	Priority Loan	Total	Rate of interest	Details of security
24	EARC Trust SC 358 (earlier from Credit Agricole)*1	7,476	1,006	-	8,482	9%. Further, the interest rate is also linked to the 1 year MCLR of Axis Bank Limited with an annual reset option to Lenders	(a) Second pari-passu charge on BGPPL's movable fixed assets and all immovable properties of BGPPL, both present and future; (b) First pari-passu charge on BGPPL's current assets, both present and future (except receivables from Sabah Forest Industries Sdn Bhd); (c) Second Charge on Sabah Forest Industries Sdn Bhd receivables (d) Pledge over 70% shares of BGPPL provided that existing priority facility shall have a first priority over the rights (e) Corporate Guarantee of BPH.
25	EARC Trust SC 359 (earlier from JP Morgan Bank)*1	2,397	323	-	2,720		
26	EARC Trust SC 365 (earlier from HSBC Bank)*1	10,205	1,375	-	11,580		
27	EARC Trust - SC 355 (earlier from Rabobank, Mumbai)*1	4,141	558	-	4,699		
28	EARC Trust - SC 313 (earlier from Royal Bank of Scotland)*1	4,369	588	-	4,957		
29	EARC Trust - SC 345 (earlier from Standard Chartered Bank)*1	4,260	573	-	4,833		
30	Goldman Sachs International (earlier from Rabo Bank)*1 & 2	7,101	304	-	7,405		
31	Goldman Sachs International (earlier from Rabo Bank)*1 & 2	360	9	-	369		
32	ECL Finance Limited			5,500	5,500	16.5% plus 1.5%*3	(a) First pari-passu charge on BGPPL's movable fixed assets and all immovable properties of BGPPL, both present and future; (b) Second pari-passu charge on BGPPL's current assets, both present and future (except on SFI Receivable); (c) First charge on Receivables from Sabah Forest Industries Sdn Bhd; (d) First charge on Pledge over shares of BGPPL; (e) Corporate guarantee provided by BPH.
33	Finquest Financial Solutions Private Limited *4			2,800	2,800	16.00%	(a) First pari-passu charge on BGPPL's movable fixed assets and all immovable properties of BGPPL, both present and future; (b) Second pari-passu charge on BGPPL's current assets, both present and future (except on SFI Receivable); (c) First charge on Pledge over shares of BGPPL; (d) Corporate guarantee provided by BPH.
	Total	40,309	4,736	8,300	53,345		
	Less: Current maturities	12,723	142	8,300	21,165		
	Total	3,07,624	27,070	-	3,34,694		

*1 Funded Interest term loan includes interest outstanding as on February 1, 2020 on one time settlement borrowing converted into accrued amount as per amended and restated MRA.

*2 This represents these borrowing denominated in foreign currency & shown in INR only for presentation purpose.

*3 This represents fee towards cash flow monitoring fees agreed with the lender (Refer Note 44).

*4 This represents loans assigned by the Parent to BGPPL vide Agreement dated 7 December 2017.

*5 In addition to above security, This facility is also secured by a pledge on land at Choudwar of Parent

Refer note (i) for maturity profile and note 44 for repayment terms as per Master Restructuring Agreement (MRA).



25 Borrowings (Ctnd..)

(l) Maturity profile of borrowings

- (i) The maturity profile of the Term Loans & Funded Interest Term Loans at the reporting date based on contractual undiscounted repayment obligation (including current maturities) are as follows:

Particulars	₹ in Lakhs	
	As at 31st March 2021	As at 31st March 2020
Financial year 2019-20	-	NA
Financial year 2020-21	-	21,165
Financial year 2021-22	-	43,435
Financial year 2022-23	-	53,588
Financial year 2023-24	-	56,454
Financial year 2024-25	-	56,707
Financial year 2025-26	-	62,371
Financial year 2026-27	-	57,960
Financial year 2027-28	-	4,179
	-	<u>3,55,859</u>

During the Financial Year 2019-20, the Group has settled the OTS Borrowing in accordance with the terms mentioned in MRA and also availed the moratorium period. Therefore, maturity profile is not comparable with previous year.

- (ii) The compulsorily redeemable preference shares shall carry dividend at @ 0.01% p.a and are due for redemption as follows:

Date of redemption	₹ in Lakhs	
	Amount of redemption as on Mar-21	Amount of redemption as on Mar-20
31 March 2034	-	40,874
31 March 2035	-	49,999
	-	<u>90,873</u>

- (iii) The maturity profile of Non convertible debentures amount required to make payment on maturity date (including interest) are as follows:

Particulars	₹ in Lakhs
	As at 31 March 2020
Financial year 2027-28	58,000
Financial year 2028-29	57,400
Financial year 2029-30	56,900
Financial year 2030-31	55,700
Financial year 2031-32	55,200
Financial year 2032-33	54,400
Financial year 2033-34	22,300

- (iv) The external commercial borrowing (ECB) from related party is repayable in full on the date falling 10 years after and including the first utilization date i.e. 12 August 2011. Therefore, the balance outstanding as at 31 March 2020 of ₹ 50,781 Lakhs is repayable in the period ending 30 June 2021.
- (v) The maturity of working capital facility availed from IndusInd Bank is due in Financial Year 2020-21.

(m) Zero coupon convertible bonds

In accordance with the Subscription and Participation Agreement signed between the Group and Avantha International Assets B.V., the Group has issued Zero Coupon Convertible Bonds.

Name of lender	Rate of interest	₹ in Lakhs	
		As at 31st March 2021	As at 31st March 2020
Avantha International Assets B.V.	Zero Coupon	-	4,778
Less: Current maturities		-	-
		-	<u>4,778</u>

The balance outstanding as at 31 March 2019 was due for conversion in the financial year ending 2021-22.



25 Borrowings (Ctnd..)

(n) Deferred payment liabilities

The Group has opted for the deferral scheme of sales tax which is payable as per the scheme framed by the State Government

Terms of repayment	₹ in Lakhs	
	As at 31st March 2021	As at 31st March 2020
VAT & CST collected in 2010-11 payable in 7 equal annual instalments from 2029. (Interest free)	-	98
VAT & CST collected in 2011-12 payable in 7 equal annual instalments from 2030. (Interest free)	-	346
VAT & CST collected in 2012-13 payable in 7 equal annual instalments from 2031. (Interest free)	-	258
VAT & CST collected in 2013-14 payable in 7 equal annual instalments from 2032. (Interest free)	-	261
VAT & CST collected in 2014-15 payable in 7 equal annual instalments from 2033. (Interest free)	-	221
VAT & CST collected in 2015-16 payable in 7 equal annual instalments from 2034. (Interest free)	-	279
VAT & CST collected in 2016-17 payable in 7 equal annual instalments from 2035. (Interest free)	-	199
VAT & CST collected in 2017-18 payable in 7 equal annual instalments from 2036. (Interest free)	-	65
	-	1,727
Less: Current maturities	-	-
	-	1,727

(o) Outstanding in respect of payment of interest and repayment of borrowings

During the financial year 2017-18, the Group had executed the 'Master Restructuring Agreement' (MRA) with lenders as per which the borrowings were restructured (Refer note 44 for details of MRA).

Since the MRA has been signed by 90% of lenders as per provisions of RBI Circular No. RBI/2016-17/299 dated 05 May 2017, it is binding on non-assenting lender (Kotak Mahindra Bank Ltd hereafter referred to as KMB). KMB is yet to accept the terms of the MRA since the classification of their loans is being contested before Hon'ble Debt Recovery Tribunal (Delhi) and is pending as on date of approval of these financial statements. Pending acceptance of the MRA by KMB, the Group has deposited the amount due as per the terms of MRA in the 'Trust and Retention Account' (TRA). Therefore, the Group considers the amount yet to be paid to KMB as not a default.

The particulars of amount deposited for non-assenting lenders as at 31 March 2020 is as follows:

Terms of repayment	Ageing of amount deposited				
	Amount deposited	Upto 3 months	3 to 6 months	6 to 12 months	more than 12 months
Kotak Mahindra Bank Limited	1,472	174	176	351	771
	1,472	174	176	351	771

(p) Working capital loans

The working capital loan carry interest at 9% p.a (As at 31 March 2020 - interest at 9% p.a)



25 Borrowings (Ctnd..)

(q) Secured term loans

In Ballarpur International Holdings B.V. (BIH BV), Term loan of USD 20 million has been obtained from IDBI Bank Limited (rate of interest 4.8% + LIBOR) is secured by corporate guarantee of Parent. The loan is repayable in three annual equal installments starts at the end of 4th, 5th and 6th year from the date of first utilisation i.e. starting from October 6, 2019. The Bank has invoked the Guarantee given by Parent via letter dated 28.06.2019. Now, the loan has become payable to Parent.

In Ballarpur International Holdings B.V. (BIH BV), Term loan of Credit Agricole Bank USD 55.0 million has been (rate of interest 4.8% + LIBOR) is secured by way of pari-passu charge against pledge of Bilt Paper B.V. shares and corporate guarantee by Parent. The loan is repayable in three equal installments starts from 48 months of agreement i.e. January 02, 2015. In the previous years the lender has issued reminders to the guarantor i.e. (Parent) for the recovery of certain defaults in payment of interest which the borrower has failed to pay. Since, the guarantor has failed to honor the reminders; the lender has accelerated the recovery of the outstanding loan, interest and other amount of dues payable to it. The Bank has invoked the Guarantee through letter dated 08 June 2018, Thereby, all the amounts standing to its credit in the books has been reclassified as under "Due to Related Party". The loan amount of 20 MN USD has been transferred from Axis Bank Limited, Hong Kong Branch to Varanium India Opportunity Limited on 27th April, 2018. The remaining amount of 35 MN USD loan has been assigned by Credit Agricole Corporate and Investment Bank to Orbit Investment Securities Services Plc. with effect from 17th May 2019.

Consequent to default in servicing of debt, the lenders invoked the share rights and voting rights in respect of BIPBV's pledged shares held by BIH BV on 25 May 2018 and 25 June 2018, by Varanium India Opportunity Limited and Orbit Investment Securities Services Plc. respectively.

In Ballarpur International Holdings B.V. (BIH BV), BIH BV has obtained from ICICI Bank a Euro denominated loan equivalent to USD 30 Million loan (rate of interest 2.5% plus EUROBOR) on 13th March, 2014. The loan is repayable in 3 equal installment starting from third year of utilisation date. BIH BV had already repaid two installments first installment in March 2017 and second in March 2018. Remaining was due to be repaid in March 2019 but the BIH BV has requested for delay in repayment of loan. The request for extension has been accepted by the lender for repayment of last installment on 08 April 19. Further on 8th April 2019, the BIH BV has defaulted on payment. The loan was secured by the Stand by Letter of Credit issued (SBLC) by IndusInd Bank Limited in Parent. The bank has invoked the SBLC. Now, the loan has become payable to Parent.

(r) Short Term Borrowings

In Ballarpur International Holdings B.V. (BIH BV), BIH BV has obtained short term facility from IndusInd Bank equivalent to USD 30 Million (rate of interest 4.00 % plus LIBOR) on 12 July 2018 out of which USD 25 Million has been availed on same date. The facility is secured by the followings:

i) Assigning receivables of Ballarpur Paper Holding B.V. The facility become repayable as soon as the Ballarpur Paper Holding B.V. receives the proceed from sale of its investment in SFI.

ii) Conversion of CCD held by Ballarpur Paper Holdings B.V. into shares of Bilt Graphic paper products Limited (BGPPL) and buyback of shares by BGPPL. The proceeds from buyback will be used to repay the loan.

(s) Unsecured term loans

In Ballarpur International Holdings B.V. (BIH BV), in accordance with the subscription and Participation Agreement signed between the BIH BV, Parent and Avantha International Assets B.V. (earlier held by JP Morgan Special Situations Asia Corporation), the BIH BV has the issued Zero Coupon Convertible Bonds. The conversion rights under the agreement provides the right to a holder to convert them into Conversion Share, in the ratio of a bond such that with a face value of Euro 50,054 will be converted into 50,054 shares at a par value of Euro 1.00 per share. The bonds are yet to be converted.

In Ballarpur International Holdings B.V. (BIH BV), BIH BV has obtained from Parent a USD 24.78 Million loan (rate of interest 6.5% + LIBOR). The loan was repayable in 5 years from the date of disbursement i.e. 29th April, 2016. During the previous year, the loan balance of USD 19.26 Million was squared off to nil and the amount outstanding was transferred to loan and advance payable to BILT graphic paper products ltd. The same has been reversed in the current year, as the BIH BV was unable to get the necessary regulatory approval.

Further, during the previous year, the BIH BV had initiated an agreement with the Parent & Bilt Graphic Paper Products Limited for settlement of outstanding balances to the extent of USD 25 Million (which includes loan from Parent and interest charged on it), subject to the approval of regulatory authority. The same has been reversed in the current year, as the BIH BV was unable to get the necessary regulatory approval.



26 Lease Liabilities

Particulars	₹ in Lakhs	
	As at 31st March 2021	As at 31st March 2020
Lease Liabilities Non Current	-	2,020
Lease Liabilities Current	-	226
	-	<u>2,246</u>

27 Other financial liabilities

Particulars	₹ in Lakhs	
	As at 31st March 2021	As at 31st March 2020
Security Deposit	35	1,069
Due to Related Parties (Refer note 49)	96,596	-
	<u>96,631</u>	<u>1,069</u>

28 Provisions - Non current

Particulars	₹ in Lakhs	
	As at 31st March 2021	As at 31st March 2020
Provisions for employee benefits		
Provision for gratuity (Refer note (a) below)	2,246	7,163
Provision for leave encashment [Refer note (a) below]	642	3,428
	<u>2,888</u>	<u>10,591</u>

- (a) Actuarial valuation of Parent has not been carried out for gratuity and compensated absences obligation as at 31 March 2021. Provision for gratuity & compensated absences has not been created by Parent as at 31.03.21 as the actuarial valuation report is not available. (Also refer note 48)

29 Other non current liability

Particulars	₹ in Lakhs	
	As at 31st March 2021	As at 31st March 2020
Other Liabilities	19	19
	<u>19</u>	<u>19</u>

30 Trade payables

Particulars	₹ in Lakhs	
	As at 31st March 2021	As at 31st March 2020
Due to		
(a) Due to Micro and small enterprises [refer note (b) below]	-	3,721
b) Due to other than micro and small enterprises		
Related Parties (Refer note 49)	68	690
Others	20,719	63,238
	<u>20,787</u>	<u>63,928</u>
Total (a + b)	<u>20,787</u>	<u>67,649</u>

(a) "0" represent amount below ₹ 50,000/-

(b) The Parent is not able to quantify the amount payable to trade payables registered under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) since the vendor wise accounting has not been done and the vendors under MSME have not been identified. The disclosures under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) for FY 20219-20 are as under:



₹ in Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Principal amount remaining unpaid to any supplier at the end of year	-	3,721
Interest accrued and due thereon to suppliers under MSMED Act on the above amount remaining unpaid to any supplier at the end of year	-	769
Interest amount paid by the buyer in terms of section 16 of the MSMED Act, 2006	-	-
Payment amount made to the supplier (other than interest) beyond the appointed day during the year	-	10,067
Interest amount paid by the buyer under MSMED Act, 2006 (other than section 16)	-	-
Interest amount due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-	432
Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act	-	922
Further interest amount remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act, 2006	-	-

The above disclosure have been compiled based on the information available with the Parent. For FY 2020-21, Parent does not have the relevant details.

31 Other financial liabilities

₹ in Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Current maturities of long term debt (Refer note 25)	-	1,16,815
Current Maturities Of loan from related party	-	593
Bank book overdrawn	3	42
Interest accrued but not due on borrowings	1,57,802	1,93,681
Security deposits	751	4,499
Payables for capital goods	-	1,453
Payable to employee	8,246	11,726
Liability for compulsory / optional buyback	235	235
Unpaid dividends	28	28
Derivative financial instruments (Interest Swap)	-	-
Interest accrued on security deposits	-	249
Due to related parties (refer note 49)	1,01,943	13,816
Retention money	-	-
Liability incurred on behalf of related party	71,997	71,997
Other payables	10,653	1,724
	3,51,658	4,16,857

(a) During the year 2018-19, corporate guarantee issued by the parent with respect to Ballarpur International Holdings B.V. (BIH), was invoked by the lenders of BIH. Accordingly the parent recognised a liability of Rs. 47,153 Lakhs. Further, the amount is recoverable from BIH and accordingly a receivable of Rs. 47,153 Lakhs was recognized and netted off with the liability to lenders

During the year 2019-20, further corporate guarantee ("CG") and stand-by letter of credit ("SBLC") issued by the parent with respect to BIH, had been invoked by the lenders of BIH. Accordingly the Parent had recognised additional liability of Rs. 24,844 Lakhs and recognized additional receivable of Rs. 24,844 Lakhs from BIH. Further, as part of the corporate insolvency resolution process, claims have been submitted by these lenders aggregating to Rs. 71,997 lakhs which has been accepted by the resolution professional. In view of these developments, the Parent's Management has grossed up the liabilities accrued towards CG, SBLC and the corresponding receivables from BIH (Rs. 71,997 Lakhs) is reclassified and included in 'Loans to Related parties' under note 18.

Further, as part of the corporate insolvency resolution process, claims have been submitted by these lenders aggregating to Rs. 71,997 Lakhs out of which Rs. 68,381 lakhs has been accepted by the resolution professional. Also refer note 25 (c.3)



32 Other current liabilities

Particulars	₹ in Lakhs	
	As at 31st March 2021	As at 31st March 2020
Advance received from customers		
From Related Party (Refer note 49)	312	549
From Others	40,063	2,662
Statutory dues	8,733	9,941
Other Payable		
Advance against sale of discontinue operations	-	16,959
	<u>49,108</u>	<u>30,111</u>

33 Provisions - current

Particulars	₹ in Lakhs	
	As at 31st March 2021	As at 31st March 2020
Provisions for employee benefits :		
Provision for gratuity [Refer note (a) below]	2,045	2,705
Provision for compensated absences [Refer note (a) below]	294	1,161
Others provisions [Refer note (b) below]	164	3,906
	<u>2,503</u>	<u>7,772</u>

(a) Actuarial valuation of Parent has not been carried out for gratuity and compensated absences obligation as at 31 March 2021. Provision for gratuity & compensated absences has not been created by Parent as at 31.03.21 as the actuarial valuation report is not available. (Also refer note 48)

(b) Disclosures pursuant to Ind AS 37 'Provisions, contingent liabilities and contingent assets'

(i) Movement in provisions

Particulars	₹ in Lakhs			
	Anti- dumping duty	Water cess	Provision for disputed sales tax / VAT liability	Total
As at 1st April 2019	17	3,520	155	3,692
Additional provision during the year	27	841	4	872
Provision used / reversed during the year	-	(658)	-	(658)
As at 31st March 2020	<u>44</u>	<u>3,703</u>	<u>159</u>	<u>3,906</u>
Additional provision during the year	-	-	5	5
Provision used / reversed during the year	(44)	(3,703)	-	(3,747)
As at 31st March 2021	<u>-</u>	<u>-</u>	<u>164</u>	<u>164</u>

(ii) Nature of provisions

(a) Provision for disputed sales tax / VAT liability

Provision created towards obligation of sales tax pertaining to Punjab Purchase Tax 1989-90 to 1994-95, which is pending in Punjab Sales Tax Tribunal at Chandigarh.

(iii) Disclosures in respect of contingent liabilities is given in note 46.



34 Current tax liability (net)

Particulars	₹ in Lakhs	
	As at 31st March 2021	As at 31st March 2020
Provision for current taxes (net of income taxes paid)	6,016	7,811
	<u>6,016</u>	<u>7,811</u>

35 Revenue from operations

Particulars	₹ in Lakhs	
	2020 - 21	2019 - 20
Sale of products*		
Paper (including coated)	2,02,080	3,14,645
Others	763	7,614
	<u>2,02,843</u>	<u>3,22,259</u>
Other operating revenue		
Mega project benefit	946	1,335
Scrap sale	535	643
Other operating income	188	257
Export incentive	1,013	2,956
	<u>2,682</u>	<u>5,191</u>
	<u>2,05,525</u>	<u>3,27,450</u>

Disclosure pursuant to Ind AS 115 'Revenue from contracts with customers'

(a) Reconciliation of revenue from contract with customers

Particulars	₹ in Lakhs	
	2020 - 21	2019 - 20
Revenue from contract with customers as per contract price (net of discounts/rebates/incentives)*	2,02,843	3,22,259
Other operative revenue	2,682	5,191
Revenue from operations	<u>2,05,525</u>	<u>3,27,450</u>

* Details of discounts/rebates/incentives are not disclosed since these are considered as sensitive information pertaining to the operations of the Group.

(b) Contract balances

Particulars	₹ in Lakhs	
	2020 - 21	2019 - 20
Trade receivables (Refer note 15)	45,029	48,301
Contract assets	-	-
Contract liabilities (Advance received from customers)(Refer note 35)	40,375	3,211

(c)



BALLARPUR INDUSTRIES LIMITED
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Notes accompanying the consolidated financial statements

35 Revenue from operations (Ctnd..)

(c) Movement in contract liability (Advance received from customers)

Particulars	₹ in Lakhs	
	2020 - 21	2019 - 20
Contract liability as at the beginning of the year	3,211	3,516
Advance received during the year	-	257
Invoices raised on satisfaction of performance obligation	-	215
Amount write back/adjust during the year	37,164	(777)
Contract liability as at the end of the year	40,375	3,211

(d) Other disclosures (as applicable for FY 2019-20)

- (i) Group normal payment terms is twenty four days and Group also received security deposit from their customer on the basis of their sales plan.
- (ii) There is no significant financing component in any transaction with the customers.
- (iii) Due to the unavailability of essential information concerning performance obligations, thus we are unable to provide the required disclosure.
- (iv) Other details with respect to performance obligation, transaction price, etc are disclosed in Note 2.21.

36 Other income

Particulars	₹ in Lakhs	
	2020 - 21	2019 - 20
Profit on sale of PPE (Net)	73	0
Gain on foreign currency fluctuations (net)	5,340	6,512
Rent and license fee [Refer note (a) and (b) below]	549	110
Gain on Sale of Investment(net)	52	322
Unspent liabilities and excess provisions of earlier years written back	269	255
Interest income	14,652	279
Other non operating income	223	692
	21,157	8,170

(a) Parent has includes Rs. 50 Lakhs gain on cancellation of lease agreement for the year ended 31 March 2020. (Refer note 54).

(b) One of the step down subsidiary BILT Graphic Paper Products Limited (upto 25th February 2021) has includes Rs. 93 Lakhs income from waiver of lease rent.

37 Cost of material consumed

Particulars	₹ in Lakhs	
	2020 - 21	2019 - 20
Bamboo	3,060	6,197
Wood and wood species	28,273	47,800
Chemicals	37,566	61,031
Wood pulp	31,625	51,372
Packing materials	5,351	7,708
Others	-	10
	1,05,874	1,74,118

38 Purchase of stock-in-trade

Particulars	₹ in Lakhs	
	2020 - 21	2019 - 20
Stock-in-trade	-	2,625
	-	2,625



38 (a) Changes in inventories of finished goods, stock-in-trade and work-in-progress

₹ in Lakhs

Particulars	2020 - 21	2019 - 20
Stocks at the beginning of the year		
Finished goods (including stock in trade)	11,875	10,333
Work in progress	7,374	4,589
	19,249	14,922
Stocks at the end of the year		
Finished goods (including stock in trade)	12	11,875
Work in progress	3	7,374
	15	19,249
Net (increase)/decrease in stocks	19,234	(4,327)
Adjustment for loss of control in subsidiaries	(17,474)	-
Net (increase)/decrease in stocks	1,760	(4,327)

39 Employee benefits expense

₹ in Lakhs

Particulars	2020 - 21	2019 - 20
Salaries and wages	22,781	22,762
Contribution to provident and other funds (Refer note 48)	1,486	1,086
Staff welfare expenses	655	1,365
	24,922	25,213

40 Finance costs

₹ in Lakhs

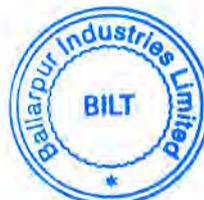
Particulars	2020 - 21	2019 - 20
Interest expenses (Refer note (d)below)	1,10,734	1,15,532
Other borrowing costs	7,932	2,876
Net loss / (gain) in foreign currency transaction and translation	(168)	523
Less: Interest earned:-	(155)	(6,843)
	1,18,343	1,12,088

- (a) Net loss/ (gain) in foreign currency transactions and translation refers to the foreign exchange fluctuations on transaction and translation of borrowings in foreign currency.
- (b) Interest income earned other than those reported in other income refers to mainly interest on advances to related parties [Refer note 49].
- (c) Interest income earned other than those reported in 'Other Income' includes interest income on fixed deposits.
- (d) Interest has been charged on all the financial creditors' claims accepted by the RP at the rate of 15% p.a
- (e) Interest expense for the year 2020-21 and 2019-20 are net of interest waived by Ballarpur Paper Holdings B.V. on the external commercial borrowing.

41 Depreciation and amortisation expense

₹ in Lakhs

Particulars	2020 - 21	2019 - 20
Depreciation on property, plant and equipment	22,013	21,481
Amortization of intangible assets	317	1,373
Amortization of Right of use Assets	368	427
	22,698	23,281



42 Other expenses

Particulars	₹ in Lakhs	
	2020 - 21	2019 - 20
Consumption of stores and spare parts	4,974	7,363
Power and fuel	21,741	37,674
Rent	31	13
Repairs to buildings	418	347
Repairs to machinery	3,151	5,598
Repairs others	436	526
Loss on foreign currency fluctuations (net)	0	4
Insurance	984	455
Rates and taxes	9,027	3,536
Other manufacturing expenses	334	1,137
Office & other expenses	3,755	4,899
Bank charges	114	248
Commission on Sale	454	1,175
Selling expenses	13	31
Bad Debts and allowance for impairment of financial assets (net)	39,758	3,067
Inventory written off	22	260
Balances written off (net)	25	619
Loss on sale of PPE (net)	-	2
Fair valuation loss on Investment (net)	1	35
Assets discarded	1	296
Carriage and freight	2,703	4,320
Director sitting fees	34	69
Legal and professional charges [Refer note (a) below]	1,657	3,030
Miscellaneous Expenses	798	-
	90,431	74,702

(a) Legal and professional charges includes auditor's remuneration as follows

Particulars	₹ in Lakhs	
	2020 - 21	2019 - 20
Statutory auditors		
Statutory audit fee	133	139
Tax audit fee	1	-
Limited Review	-	13
Other services (including certification fees)	-	28
Reimbursement of expenses	2	14
	136	194

Note: Statutory audit fees for the financial year 2020-21 included Rs. 15 Lakh additional audit fees pertaining to financial year 2019-20

43 Exceptional Items

Exceptional items for the financial year 2020-21 is Rs. Nil and exceptional items for the financial year 2019-20 represents exceptional loss of Rs. 35,400 lakhs arising from impairment in the carrying value of Property, plant and equipment net of exceptional gain of Rs. 32 Lakhs on disposal of investment in Premier Tissues (India) Limited.

Exceptional Items at BILT Graphic Paper Products Limited (BGPPL)*

Exceptional loss for the financial year 2020-21 represents loss of ₹ 506 Lakhs arising on impairment in the carrying value of Property, Plant and Equipment.

Exceptional loss for the financial year 2019-20, ₹ 98,266 Lakhs includes loss arising on impairment in the carrying value of Property, Plant and Equipment of ₹ 6,521 Lakh, net loss of ₹ 249 Lakh towards settlement reached with lenders during the year towards settlement/assignment of borrowing, and loss arising from execution of amendment to 'Master restructuring agreement' aggregating ₹ 91,496 Lakhs.



44 Debt restructuring

Debt restructuring at BILT Graphic Paper Products Limited (BGPPL) During the financial year 2019-20

The BGPPL was facing severe financial crunch during the financial years 2016-17 and 2017-18 and based on the negotiations with the lenders, the Board of Directors in its meeting held on 07 November 2017 approved a Corrective Action Plan (CAP) in the form of a debt restructuring scheme. The CAP was approved by the majority of the lenders (representing 85% of lenders by value and 84% by numbers based on the lenders who were presented and voted on the scheme) in the JLF meeting held on 28 July 2017. The Scheme was subsequently put up to the Independent Evaluation Committee (IEC) of the Reserve Bank of India (RBI), which also approved the same vide its order dated 13 November 2017.

The terms and conditions of the restructuring were executed between the lenders and the BGPPL vide 'Master Restructuring Agreement' ("MRA") dated 06 December 2017. The MRA was signed by twenty-two lenders and the balance seven lenders either abstained from the voting or did not agree to the debt restructuring scheme as envisaged in the MRA. Meanwhile, based on a directive from RBI, IDBI Bank Limited, one of the non-assenting lenders, initiated Corporate Insolvency Resolution Process ("CIRP") against the BGPPL under the provisions of the Insolvency & Bankruptcy Code, 2016. The BGPPL had appealed to the Hon'ble High Court of Delhi and obtained a stay on RBI's directive to IDBI Bank for taking the BGPPL to National Company Law Tribunal ("NCLT"). Further, considering that conditions stipulated in RBI Circular dated 05 May 2017 were satisfied, majority of the lenders had agreed to the MRA and as advised by the BGPPL's legal counsel, the BGPPL had given effect to the MRA in the financial statements for the year ended 31 March 2018.

The MRA envisaged the following restructuring scheme:

- (a) Conversion of the outstanding financial obligations (including interest overdue) as at the cut off date ("COD") i.e., 31 March 2017, into 4 components based on the security cover held in the BGPPL as (a) Rupee Term Loan ("RTL"), (b) Non-convertible debentures ("NCD"), (c) Compulsorily redeemable preference shares ("CRPS") and (d) Equity shares.
- (b) One Time Settlement (OTS) option for unsecured lenders, thereby allowing exit for lenders who did not prefer to enter into a long term re-alignment with the BGPPL.
- (c) Upfront contribution from the promoters

Accordingly, the secured and unsecured borrowings (comprising of the term loans, non-convertible debentures, short-term borrowings, and other working capital facilities except ECB Loans) aggregating ₹ 310,694 Lakhs and ₹ 170,740 Lakhs respectively, outstanding as on the COD, were converted to RTL of ₹ 268,876 lakhs, NCD of ₹ 88, 211 lakhs, CRPS of ₹ 58,095 Lakhs and Equity Shares (ES) ₹ 44,109 lakhs (pending allocation of shares this was retained in a separate category under other equity). Further the interest accrual for the period 1 April 2017 to 20 February 2018 was converted into funded interest term loss (FITL) of ₹ 22,143 lakhs.

The One Time Settlement option was agreed by certain lenders ("OTS lenders") having outstanding indebtedness (principal + interest) of ₹ 152,798 lakhs as on the COD. As per the Restructuring scheme such financial obligation will be settled by the BGPPL at a reduced value ₹ 45,840 lakhs and the balance of ₹ 106,958 lakhs was waived off by lenders and the same was recognized as an exceptional gain in financial year 2017-18.

Equity contribution of ₹ 3820 lakhs (including securities premium) was brought in by the promoters during financial year 2017-18.

The terms of the MRA were amended on 8 March 2018 to extend certain timelines specified in the MRA and the BGPPL agreed to pay interest to OTS lenders on the restructured borrowings at rate of 9% p.a from 8 March 2018 till date of settlement. The MRA was further amended twice during financial year 2018-19 to extend the timeline for (i) Repayment of outstanding amount to OTS lenders, (ii) Allotment of Equity and Preference shares, and (iii) Security creation & authorisation, specified under various clauses in the MRA.

During the financial year 2018-19

- (a) unsecured borrowing facilities from DBS Bank (since assigned to EARC TrustSC-356) were revised by an aggregate amount (including interest) of Rs. 218 lakhs which resulted in an increase in the RTL I loan by Rs. 80 lakhs, NCD by Rs. 45 lakhs, CRPS by Rs. 64 lakhs, FITL by Rs. 7 lakhs and Equity share capital by Rs. 22 lakhs.
- (b) the BGPPL had entered into a settlement agreement with Finquest Financial Solutions Private Limited ("FFSPL") as per which FFSPL agreed to accept a reduced value of Rs. 5412 lakhs towards settlement of the total outstanding dues as on COD (before restructuring) resulting in a reduction in RTL I loan by Rs. 6,086 lakhs, NCD by Rs. 3,500 lakhs, CRPS by Rs. 1,356 lakhs, FITL by Rs. 503 lakhs, interest accrued on the restructured borrowings of Rs. 985 Lakhs, equity component of CRPS - Rs. 4,769 lakhs and other equity by Rs. 1,750 lakhs and an exceptional gain of Rs. 13,575 lakhs during the financial year 2018-19.
- (c) the BGPPL repaid Rs. 5,833 lakhs (including interest of Rs. 3,818 lakhs) to OTS lenders and the total amount outstanding as at 31 March 2019 due to lenders who have opted for OTS is Rs. 49,659 Lakhs.

During the financial year 2019-20

- (a) During the financial year 2019-20, IDBI has assigned their loan to EARC Trust - SC 382. The BGPPL has entered into settlement with various lenders during the year which has resulted in exceptional gain of ₹ 5,605 lakhs and entered into a partial settlement of outstanding with IDBI Bank Limited which resulted in loss of ₹ 5,854 Lakhs, Net loss of ₹ 249 lakhs recognized under exceptional loss in the statement of profit and loss. and resulted in reduction in the RTL I loan by ₹ 3,769 lakhs, NCD by ₹ 2,154 lakhs, CRPS by ₹ 835 lakhs, FITL by ₹ 310 lakhs, interest accrued on the restructured borrowings of ₹ 1,003 Lakhs, equity component of CRPS ₹ 2,934 lakhs, other equity by ₹ 1,078 lakhs.
- (b) During the financial year 2019-20, the BGPPL has paid OTS Lenders by ₹ 12,715 lakhs (excluding reversal of foreign exchange loss of ₹ 422 lakhs)
- (c) The MRA was further amended to extend the timelines for (i) Allotment of Equity and Preference shares and (ii) Security creation & authorisation, specified under various clauses in the MRA.
- (d) As OTS Lenders were not settled within the stipulated timelines, the lenders and the BGPPL agreed to amend and restate the MRA ("restated MRA") with all its amendments to restructure the financial obligation to OTS lenders. The terms and conditions of the restated MRA were agreed between the lenders and the BGPPL by March 2020, however, due to restrictions on account of the pandemic and finalisation of the terms and conditions of the moratorium requested by the BGPPL on 31 March 2020, the restated MRA was executed on 07 December 2020. Since all the terms were agreed prior to 31 March 2020, this is considered as an adjustment event after the reporting date and the impact of the restated MRA has been incorporated in the financial statements for the year 2019-20.

As per the restated MRA, outstanding indebtedness as on 31 March 2017 due to unsettled OTS lenders to be restructured into RTL, NCD, CRPS and equity shares resulting in the reversal of OTS gain recognized during financial year 2017-18 pertaining to those OTS lenders. Further, ECBs were also restructured as part of the restated MRA. The financial impact of the restated MRA is as follows:



Particulars	₹ in Lakhs
Dues to unsettled OTS lenders	36,522
Exceptional loss (reversal of OTS gain)	85,216
External commercial borrowings (ECB)*	29,675
Total	1,51,413

* ECBs were part of restructuring in the original MRA dated 06 December 2017. However, since these were subject to the compliance with the Master Directions on ECB issued by the RBI, the impact of the restructuring was not given during FY 2017-18. Based on the advice of legal counsel during the year, the management has concluded that the BGPPL has complied with the relevant requirements of Master Directions on ECB issued by RBI and accordingly accounted for restructuring of outstanding as at The financial obligation as above is restructured as follows

Facility	₹ in Lakhs		
	Secured	Unsecured	Total
Rupee Term Loans (RTL 1)	20,986	42,608	63,594
Non convertible debentures (NCD)	6,064	24,348	30,412
Compulsorily Redeemable Preference Shares (CRPS)	-	42,608	42,608
Equity Shares (ES)	2,625	12,174	14,799
	29,675	1,21,738	1,51,413
Funded Interest term loans (FITL)*	854	3,110	3,963
	30,529	1,24,848	1,55,377

* interest accrued restructured as FITL

Consequential net interest charge upto 31 March 2019, on the restructured borrowings as above, amounting to Rs. 6,280 lakhs is recognized as exceptional item in the statement of profit and loss (Refer note 43) and net interest charge for the year 2019-20, on the restructured borrowings as above, amounting to Rs. 3,875 lakhs is recognized as finance cost (Refer note 40).

Other terms of the restated MRA

- Equity shares shall be issued to the lenders at a price of Rs. 20.56 (face value of Rs. 10/- per equity share) on a preferential basis in compliance with the requirements of the Companies Act, 2013 and all other applicable laws to all lenders. The equity shares to be issued to the lenders were earmarked for the aforesaid purpose as on 31 March 2020 and the same is disclosed as a separate component under Other Equity (Refer note 23).
- the Promoters/management of the BGPPL is eligible for performance linked sweat equity shares of the BGPPL to the extent of 7.5% of the issued and paid up equity share capital of the BGPPL at the time of issuance of equity shares based on pre agreed milestones in three tranches. As on 31 March 2020, the BGPPL is in the process of executing the corporate authorisation and resolutions required under the Companies Act 2013 for sweat equity. Once all the necessary authorisation and approvals are in place the same will be accounted in the books of account.
- Priority loans aggregating Rs. 30,050 Lakhs obtained by the BGPPL from ECL Finance Limited, Finquest Financial Solutions Private Limited and IndusInd Bank Limited are repayable as per repayment term agreed with Priority lenders.
- In accordance with the RBI guidelines relating to the COVID-19 Regulatory Package dated 27 March 2020 and 23 May 2020 the BGPPL had requested to the lenders to grant moratorium for all repayments of principal and payment of interest on loans and working capital facilities (except priority loans) falling due between 1 March 2020 and 31 August 2020 which was accepted by the lenders. The consequential changes to the terms of repayment were incorporated in the amended and restated MRA.
- During the financial year 2018-19, the stay order from Hon'ble Delhi High Court, in relation to the CIRP initiated by IDBI Bank, was partially vacated and subsequently based on a transfer petition filed by the BGPPL before the Hon'ble Supreme Court of India, the case was tagged with a similar case pending before Hon'ble Supreme Court. Subsequent to assignment of borrowings between IDBI Bank and EARC Trust – SC 382 during financial year 2019-20, based on a substitution application filed by EARC Trust – SC 382 before Hon'ble Supreme Court on 27 January 2021, all the rights and obligation under the suit now rest with EARC Trust – SC 382. The case is yet to be listed for hearing and the matter is sub-judice.
- Further, during the financial year 2018-19, Kotak Mahindra Bank (KMB), one of the non-assenting lenders, filed a petition with NCLT to initiate Corporate Insolvency Resolution Process ("CIRP") against the BGPPL under the provisions of the Insolvency & Bankruptcy Code, 2016 which is yet to be listed in the NCLT. Further, in pursuance of the defaults by the BGPPL, facilities granted were recalled by KMB and an application for consideration as a secured lender was filed before Dispute Recovery Tribunal, Delhi which is pending for hearing and disposal as on date. During the year, KMB has initiated case before Delhi High Court to expedite the hearing process, Hon'ble Delhi High Court has reverted the matter to DRT.
- Adjustments, if any, arising upon pronouncement of the aforesaid decisions by the relevant Courts / Authorities shall be given effect in the year in which the decision is pronounced.
- Post execution of MRA, the BGPPL is regular in servicing its debt of the assenting lenders as per the terms agreed in the MRA (amended) and amounts due to non-assenting lenders are being deposited in the Trust and Retention Account (TRA) upto 31 March 2020. The particulars of amount transferred to TRA for non assenting lenders towards RTL I and FITL.
- During the year, ECL Finance Limited claimed the charges unpaid by promoter group entity towards cash flow monitoring fees pertaining for the period March 2017 to October 2019 with the BGPPL. During the year, the BGPPL has agreed with ECL Finance Limited to assume this charge and accordingly ₹ 807 lakhs is recognized as finance cost.
- The balances of borrowings and interest accrued in the books are subject to confirmation from all the lenders as at 31 March 2020.



Notes accompanying the consolidated financial statements

45 Going concern

(a) Parent ("BILT")

The Parent's networth 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 Parent. As stated in note 61, pursuant to the commencement of CIRP, the Board of Directors of the parent stood suspended and the management of the Parent vested with the RP. The RP was expected to make every endeavour to protect and preserve the value of the property of the Parent and manage the operations of the Parent as going concern.

Even though the Resolution Plan has been Approved by the Hon'ble National Company Law Tribunal, Mumbai on the 31.03.2023 but still there exist Material Uncertainty on Going concern of the company. The New Management of Parent 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 BV)

During the year the Company has total comprehensive loss of Rs.4,189 Lakhs (Previous year total comprehensive loss of Rs. 1,86,076 Lakhs). As at 31st March, 2021, the accumulated losses (including other comprehensive loss) of the Company was Rs. 2,11,470 Lakhs (Previous Year Rs. 2,07,281 Lakhs), which have fully eroded the net worth of the Company and the Company's current liabilities exceeded its current assets by Rs. 1,12,822 Lakhs (Previous Year Rs. 1,08,126 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.

(c) Going Concern at Ballarpur Speciality Paper Holdings B.V. (BSPH BV)

Further, during the year the Company has Total Comprehensive Income of Rs. 16 Lakhs (Previous year Total Comprehensive Loss of Rs. 27 Lakhs). As at 31st March, 2021, the accumulated losses (including other comprehensive income/loss) of the Company was Rs. 273 Lakhs (Previous Year Rs. 289 Lakhs), which have fully eroded the net worth of the Company and the Company's current liabilities exceeded its current assets by Rs. 260 Lakhs (Previous Year Rs.276 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.

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

During the year the Company has total comprehensive loss of Rs. 742 Lakhs (Previous year total comprehensive Loss of Rs. 2,53,963 Lakhs). As at 31st March, 2021, the accumulated (losses)/ Profit (including other comprehensive loss) of the Company was Rs. 2,20,353 Lakhs (Previous Year Rs. (1,97,350) Lakhs) and the Company's current liabilities exceeded its current assets by Rs. 96,487 Lakhs (Previous Year Rs. 75,933 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.

46 Contingent Liabilities and commitments

Particulars	₹ in Lakhs	
	As at 31st March 2021	As at 31st March 2020
(a) Contingent liabilities		
Claims against the Group not acknowledged as debts	23,564	1,19,068
Corporate guarantees issued by the parent and subsidiaries company (Refer note (i)&(ii))	39,532	6,93,483
Bank Guarantees issued by the Parent on behalf of subsidiaries	200	200
	63,296	8,12,751
(b) Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	-	-
(i) Property, plant and equipment	-	475
	-	475

It is not possible for the Parent to predict the outcome of the pending litigations with accuracy, the Parent believes, based on legal opinion received, that it has meritorious defences to the claims. The Parent's Management believes the pending action will not require outflow of resources embodying economic benefits & will not have a material adverse effect upon the results of the operations, cash flows or financial conditions of the Parent.

- (i) During the financial year 2019-20, the BGPPL has received a demand notice amounting to ₹ 55,233 Lakhs from CG Power and Industrial Solutions Limited and CG Power Solutions Limited (CG Group) allegedly towards certain transactions including advances given by CG group in earlier years. The BGPPL in response to the notice has denied and disputed the demand notice. CG Group has filed a suit against the company before Bombay High Court in March 2020 for recovery of the amounts demanded aggregating to ₹ 81,123 Lakhs (including interest), which is being contested by the BGPPL. The Same is reported as a contingent liability as at 31 March 2020. Based on the assessment by the BGPPL's counsel these claims are untenable as the BGPPL has a fairly strong case.
- (ii) During the financial year 2019-20, in the matter of CG Group, Serious Fraud Investigation Office (SFIO) has launched an investigation. In this regard, SFIO has sought certain information/documents from the BGPPL which are being furnished.
- (iii) During the financial year 2019-20, corporate guarantee and stand-by letter of credit issued by the Parent with respect to M/s. Ballarpur International Holdings B.V ("BIH"), was invoked by the lenders, along with interest. The Parent has recognized this liability and a corresponding receivable from BIH.
- (iv) During the financial year 2019-20, an Order was received by the Parent from the Hon'ble Supreme Court of India confirming the grid support charges payable to Transmission Corporation of Andhra Pradesh Limited ("APTRANSCO"), the liability for which is estimated 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 a contingent liability as at 31 March 2021.



Notes accompanying the consolidated financial statements

46 Contingent Liabilities and commitments (Ctnd..)

- (v) During the financial year 2019-20, appeal filed by the Parent before the Appellate Deputy Commissioner, Secunderabad towards Entry tax cases pertaining to 2013-14 and 2014-15 were dismissed. On account of the moratorium imposed due to CIRP, the Parent was unable to pursue further appeals in higher forums. The liability towards these cases amounting to Rs. 111 Lakhs is considered as contingent liability as at 31 March 2020 and 31 March 2021.
- (vi) During the financial year 2019-20, BIH BV has no commitments and contingent liabilities which have not been provided for in the balance sheet.
- (vii) BPBV has granted to the lender a corporate guarantee of INR 1500 Million on behalf of Ballarpur Paper Holding B.V.
- (viii) During the financial year 2019-20, the BPH BV has granted to the lender a corporate guarantee of USD 75 Million on behalf of Sabha Forest Industries Sdn Bhd.
- (ix) During the financial year 2019-20, the BPH BV has jointly granted with B.V. BILT Paper BV to the lender a corporate guarantee of INR 1500 Million on behalf of Bilt Graphic Paper Product Limited.
- (x) During the financial year 2019-20, the BPH BV has granted to the lenders a corporate guarantee of INR 40,280.40 Million on behalf of BILT Graphics Paper Products Limited.
- (xi) During the financial year 2019-20, the BPH BV has granted a corporate guarantee of INR 400 Million to the lender on behalf of BILT Graphics Paper Products Limited.
- (xii) During the financial year 2019-20, the BPH BV has granted a corporate guarantee of USD 215 Million to the lender of associate companies.
- (xiii) On April 18, 2011, a Facility Agreement for the amount of USD 100 million was signed by Avantha International Assets B.V. (AIA BV) (as borrower), Morgan Walkers Legal Services Ltd LLP (as security agent) and ICICI Bank Bahrain (as original lender) which served the purpose of repayment of the existing facility from ICICI Bank UK Plc. The BSPH acts as Obligor and Guarantor under the ICICI Facility Agreement. However, Parent and ICICI have entered into a loan purchase agreement, granting ICICI the right to sell the ICICI loan to Parent for the nominal amount plus accrued interest in the event of default of the BSPH or AIA BV. This implies that in the event of a default by AIA BV, Parent will replace ICICI Bank as the ultimate lender.

47 Put Options

The Parent has 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 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 Option upon exercise of these options. The Parent has not accrued the liability towards outstanding put options and the Parent's Management is unable to quantify the liability with respect to the outstanding put options. As per the Resolution Plan approved by the Hon'ble National Company Law Tribunal Bench, Mumbai on 31st March 2023 there is no provision for satisfaction of such claim.



48 Disclosure pursuant to Ind AS 19 'Employee Benefits'

(a) Defined contribution plan

Contribution to defined contribution Plan is recognized and charged off for the year, are as under :

Particulars	₹ in Lakhs	
	2020 - 21	2019 - 20
Employer's contribution to provident fund	1,094	573
Employer's contribution to superannuation fund	52	70
Employer's contribution to ESIC	13	
Employer's contribution to pension scheme	326	443
	1,486	1,086

(b) Defined benefit plan

i) Nature of the benefit

Gratuity: In accordance with applicable Indian laws, the Parent provides for gratuity, a defined benefit plan, covering eligible employees. This Plan provides for a lump sum payment to vested employees on retirement, death, incapacity or termination of employment of amounts that are based on salary and tenure of employment. Liability with regard to this plan are determined by actuarial valuation.

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

Further, disclosure pursuant to Ind AS 19 "Employee Benefits" of the Parent is not provided since actuarial valuation is not done as stated above.

ii) Amounts recognized in balance sheet

Particulars	₹ in Lakhs	
	As at 31st March 2021	As at 31st March 2020
	Gratuity	Gratuity
Present value of defined benefit obligation		
- wholly funded	-	1,258
- wholly unfunded	-	4,660
	-	5,918
Less: Fair value of plan assets	-	273
Amount recognized as a liability / (asset)	-	5,645
Net liability / (asset) - current	-	-
Net liability / (asset) - non-current	-	5,645



48 Disclosure pursuant to Ind AS 19 'Employee Benefits' (Ctnd..)

iii) Reconciliation of opening and closing balances of the present value of the obligations

₹ in Lakhs

Particulars	2020 - 21		2019 - 20	
	Gratuity (funded)	Gratuity (unfunded)	Gratuity (funded)	Gratuity (unfunded)
Opening balance of present value of obligation	1,258	4,660	1,015	3,875
Current service cost	-	-	70	255
Interest on obligation	-	-	73	282
Acquisition	-	-	-	-
Re-Measurement (or Actuarial) (gain) / loss arising from:	-	-	-	-
- change in demographic assumptions	-	-	(3)	268
- change in financial assumptions	-	-	99	234
- experience variance (i.e. Actual experience vs assumptions)	-	-	76	119
Past service cost	-	-	-	-
Benefits paid	-	-	(43)	(373)
Less: Reclassified under held for sale	(1,258)	(4,660)	(29)	-
Less: Derecognition due to loss of control	-	-	-	-
Closing balance of present value of obligation	-	-	1,258	4,660



48 Disclosure pursuant to Ind AS 19 'Employee Benefits' (Ctned..)

(b) Defined benefit plan (Ctned..)

iv) Reconciliation of opening and closing balances of the fair value of plan assets

₹ in Lakhs

Particulars	2020 - 21		2019 - 20	
	Gratuity (funded)	Gratuity (unfunded)	Gratuity (funded)	Gratuity (unfunded)
Opening balance of fair value of plan assets	-	-	261	-
Investment Income	-	-	19	-
Contributions/Effects of business combinations or disposals	-	-	35	17
Benefits Paid	-	-	(43)	(17)
Return on plan assets, excluding amount recognised in net interest expense	-	-	1	-
Closing balance of fair value of plan assets	-	-	273	-

Expected contribution to the Gratuity Fund for FY 2019-20 - ₹ 804 lakhs

v) Amount recognized in statement of profit and loss

₹ in Lakhs

Particulars	2020 - 21		2019 - 20	
	Gratuity (funded)	Gratuity (unfunded)	Gratuity (funded)	Gratuity (unfunded)

a) Statement of profit or loss

Current service cost	-	-	70	255
Past service cost	-	-	-	-
Loss / (Gain) on settlement	-	-	-	-
Net interest income / (cost) on the net defined benefit liability (Assets)	-	-	54	282
Actuarial (gain) / losses	-	-	-	-
- change in demographic assumptions	-	-	-	-
- change in financial assumptions	-	-	-	-
- experience variance (i.e. Actual experience vs assumptions)	-	-	-	-

Total expenses recognized in profit or loss - [A]

-	-	124	537
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b) Other Comprehensive Income (OCI):

Actuarial (gain) / losses	-	-	(3)	268
- change in demographic assumptions	-	-	99	234
- change in financial assumptions	-	-	76	119
- experience variance (i.e. Actual experience vs assumptions)	-	-	(1)	-
Return on plan assets, excluding amount recognised in net interest expense	-	-		

-	-	171	621
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Remeasurement of defined benefit obligation pertaining to discontinued operations (Refer Note 57)

-	6	-	6
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Total expenses recognized in OCI - [B]

-	6	171	627
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Total expenses recognized in Statement of profit and loss [A+B]

-	6	295	1,164
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48 Disclosure pursuant to Ind AS 19 'Employee Benefits' (Ctnd..)

(b) Defined benefit plan (Ctnd..)

vi) Principal assumptions

Economic assumptions

Particulars	As at 31st March 2021		As at 31st March 2020	
	Gratuity (funded)	Gratuity (unfunded)	Gratuity (funded)	Gratuity (unfunded)
Discount rate	0.00%	0.00%	6.50%	6.50%
Salary growth rate	0.00%	0.00%	5.00%	5.00%

Demographic assumptions

Particulars	As at 31st March 2021		As at 31st March 2020	
	Gratuity (funded)	Gratuity (unfunded)	Gratuity (funded)	Gratuity (unfunded)
Retirement age (years)	0.00%	0.00%	60-58	60-58
Mortality Rate (as % of IALM 2012-14)	0.00%	0.00%	100.00%	100.00%
Mortality Rate (as % of IALM 2006-2008)	0.00%	0.00%	0.00%	0.00%
Withdrawal/Attrition rate	0.00%	0.00%	0.00%	0.00%
Upto 30 years	0.00%	0.00%	0.50%	0.5-12%
From 31 years to 44 years	0.00%	0.00%	2.00%	2-3%
More than 44 years	0.00%	0.00%	1.00%	1-10%

vii) Maturity Profile of Defined Benefit Obligation

Weighted average duration (based on discounted cashflow)

Particulars	As at 31st March 2021	As at 31st March 2020
Gratuity (in years)	-	5 to 12



48 Disclosure pursuant to Ind AS 19 'Employee Benefits' (Ctnd..)

(b) Defined benefit plan (Ctnd..)

ix) Maturity Profile of Defined Benefit Obligation (Ctnd..)

Particulars		Expected cash flows over the next (valued on undiscounted basis) ₹ in Lakhs			
		As at 31st March 2021		As at 31st March 2020	
		Gratuity (funded)	Gratuity (unfunded)	Gratuity (funded)	Gratuity (unfunded)
1 year		-	-	68	661
2 to 5 years		-	-	226	1,945
6 to 10 years		-	-	589	1,985
More than 10 years		-	-	1,875	3,197

x) Sensitivity Analysis

Particulars	Changes in assumptions	As at 31st March 2021		As at 31st March 2020	
		Impact on defined benefit obligation due to increase in assumption	Impact on defined benefit obligation due to decrease in assumption	Impact on defined benefit obligation due to increase in assumption	Impact on defined benefit obligation due to decrease in assumption
Discount rate	+/- 1%	-	-	(410)	466
Salary growth rate	+/- 1%	-	-	479	(430)
Attrition rate	+/- 50%	-	-	82	(115)
Mortality rate	+/- 10%	-	-	9	(9)

xi) Major risks to the plan

Actuarial valuations are performed on certain basic set of pre-determined assumptions and other regulatory framework which may vary overtime. Thus, the Group is exposed to various risks in provision the gratuity benefit which are as follows:

1) Interest rate risk

The plan exposes the Group to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability.

2) Liquidity risk

This is the risk that the Group is not able to meet the short-term gratuity payouts. This may arise due to non-availability of enough cash / cash equivalent to meet the liabilities or holding of non-liquid assets not being sold in time.

3) Salary escalation risk

The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

4) Demographic risk

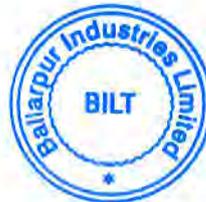
The Group has used certain mortality and attrition assumptions in valuation of the liability. The Group is exposed to the risk of actual experience turning out to be worse compared to the assumption.

5) Regulatory risk

Gratuity benefit is paid in accordance with the requirements of the Payment of Gratuity Act, 1972 (as amended from time to time). There is a risk of change in regulations requiring higher gratuity payouts.

(e) Other long term employee benefits (Compensated absences)

The actuarial valuation of compensated absences obligation of Parent has not been done as at 31 March 2021 and the provision has been recognized based on Parent's Management internal estimation as at 31 March 2021. Also, the actuarial valuation of compensated absences obligation of Parent pertaining to Kamalapuram Unit and Head Office has not been done as at 31 March 2020 and the provision as at 31 March 2020 has been recognized based on Parent's Management internal estimation for these cases. The reversal of provision based on Parent's Management internal estimation as at 31 March 2021 is Rs. 52 Lakhs (as at 31 March 2020 Rs. 296 Lakhs).



49 Disclosure of related parties/ related party transactions pursuant to Ind AS 24 'Related Party Disclosures'

(a) Enterprises over which control exists

- (i) Associate Companies - Ballarpur Paper Holdings B.V. (w.e.f. 25th February 2021)
- Bilt Graphic Paper Products Limited (Subsidiary of Ballarpur Paper Holdings B.V.) (w.e.f. 25th February 2021)
- Sabah Forest Industries Sdn. Bhd. (Subsidiary of Ballarpur Paper Holdings B.V.) (w.e.f. 25th February 2021)

(b) Key Management Personnel (KMP)

- (i) Mr. B. Hariharan (upto 15 October 2019)
(ii) Mr. Gautam Thapar (upto 15 October 2019)
(iii) Mr. R.R. Vederah (upto 12 June 2023)
(iv) Mr. Sanjay Mohan Labroo (upto 12 May 2019)
(v) Mr. Amarjit Singh Dulat (upto 15 May 2019)
(vi) Mr. Sudhir Mathur (upto 15 May 2019)
(vii) Mr. Amarendra Pratap Singh (upto 06 October 2019)
(viii) Ms. Payal Chawla (upto 19 August 2019)
(ix) Mr. Krishan Verma (upto 27 August 2019)
(x) Dr. Padmakumar Nair (w.e.f. 15 October 2019 upto 12 June 2023)
(xi) Ms. Yashashree Gurjar (w.e.f. 15 October 2019 upto 12 June 2023)
(xii) Mr. Neehar Aggarwal (CEO) (upto 30 June 2023)
Mrs. Bina Dinesh Trivedi - Non Executive Independent Director (W.e.f 08 September 2023 upto 13 June 2024)
(xiii) Mr. Shaukat Hasanali Merchant - Non Executive Independent Director (W.e.f 08 September 23 upto 13 June 2024)
(xvi) Mr. Yeddala Kesava Reddy as an Additional Director and Whole-time Director, designated as Executive Director (W.e.f. 10 June 2024)
(xv) Mr. Ruchit Bharat Patel - Non Executive Non Independent Director (W.e.f 08 September 2023 upto 13 June 2024)
(xvi) Mr. D.G. Rajan - Non Executive Independent Director (W.e.f 12 June 2023 upto 13 June 2024)
(xvii) Mr. Parashiva Murthy B S - Non Executive Non Independent Director (W.e.f 12 June 2023)
(xviii) Mr. Hardik B. Patel - Whole Time Director & CFO (W.e.f 12 June 2023)
(xix) Mr. Punit A. Bajaj - Company Secretary (W.e.f 01 July 2023)
(xx) Mr. Anuj Jain - Resolution Professional
(xxi) Mr. Kulandaipaian Thangaraju (W.e.f. 31 July 2024)
(xxii) Mr. Panchapakesan Swaminathan (W.e.f. 31 July 2024)
(xxiii) Mr. Runel Saxena (W.e.f. 23 September 2024)
(xxiv) Mr. Yogesh Agarwal (upto 24th February 2021)

(c) Related parties with whom the company had transactions during the current year and / or previous year

- (i) Associate companies
1) Ballarpur Paper Holdings B.V. - Associate Company
2) Bilt Graphic Paper Products Limited - Subsidiary of Associate Company
3) Sabah Forest Industries Sdn. Bhd. - Subsidiary of Associate Company
- (ii) Joint Venture - Premier Tissues (India) Limited from 08 November 2018 to 17 July 2019
- (iii) Other related parties
1) Biltch Building Elements Limited
2) Avantha Holdings Limited
3) Avantha Realty Limited
4) Varun Prakashan Private Limited
5) BILT Industrial Packaging Company Limited
6) Karam Chand Thapar & Bros. Ltd-PF Trust
7) Arizona Printers & Packers Private Limited
8) Avantha Power and Infrastructure Limited
9) Global Green Company Limited
10) UHL Power Company Limited
11) Newquest Insurance Broking Services Limited
12) SMI New Quest India Private Limited
13) Imerys Newquest (India) Private Limited
14) Saraswati Travels (P) Limited
15) CG Middle East FZE
16) CG Power and Industrial Solutions Ltd.
17) Avantha International Assets B.V.
18) TAF Asset 2 B.V.
19) Avantha International Holdings B.V.
20) Ballarpur International Packaging Holdings
21) Ballarpur International Graphic Paper Holdings B.V.



49 Disclosure of related parties/ related party transactions pursuant to Ind AS 24 'Related Party Disclosures' (Ctnd..)

(d) Details of related party transactions

Particulars	₹ in Lakhs	
	2020 - 21	2019 - 20
(i) Purchase of goods and services		
Biltech Building Elements Limited	26	326
SMI New Quest India Private Limited	191	5,417
Imerys Newquest (India) Private Limited	2,123	9,829
Global Green Company Limited	-	1
Newquest Insurance Broking Services Limited	-	16
	<u>2,340</u>	<u>15,590</u>
	<u>2,340</u>	<u>15,590</u>
(ii) Sale of goods and services		
SMI New Quest India Private Limited	16	283
Biltech Building Elements Limited	11	97
Avantha Holdings Limited	5	53
Imerys Newquest (India) Private Limited	82	844
Global Green Company Limited	-	30
	<u>114</u>	<u>1,306</u>
	<u>114</u>	<u>1,306</u>
(iii) Rental expense		
Avantha Realty Limited	-	31
BILT Graphic Paper Products Limited	1	-
	<u>1</u>	<u>31</u>
	<u>1</u>	<u>31</u>



49 Disclosure of related parties/ related party transactions pursuant to Ind AS 24 'Related Party Disclosures'

(d) Details of related party transactions (Ctnd..)

		₹ in Lakhs	
Particulars	2020 - 21	2019 - 20	
(iv) Rental income			
SMI New Quest India Private Limited	-	41	
Avantha Holdings Limited	2	8	
Imerys Newquest (India) Private Limited	0	0	
BILT Graphic Paper Products Limited	1	-	
Biltech Building Elements Limited	0	2	
	<u>3</u>	<u>52</u>	
	<u>3</u>	<u>52</u>	
(v) Interest expense			
Karam Chand Thapar & Bros. Ltd-PF Trust	-	39	
	<u>-</u>	<u>39</u>	
	<u>-</u>	<u>39</u>	
(vi) Interest income			
Ballarpur Paper Holding BV	1,142	-	
	<u>1,142</u>	<u>-</u>	
	<u>1,142</u>	<u>-</u>	
(vii) Miscellaneous income			
BILT Graphic Paper Products Limited	0	-	
	<u>0</u>	<u>-</u>	
	<u>0</u>	<u>-</u>	
(viii) Reimbursement of expenses recovered (Including employee deputation charges recovered)			
1) Other related parties			
Biltech Building Elements Limited	0	7	
Imerys Newquest (India) Private Limited	0	6	
Avantha Holdings Limited	0	2	
	<u>1</u>	<u>15</u>	
	<u>1</u>	<u>15</u>	
(ix) Advances received from related parties			
1) Other related parties			
Saraswati Travels (P) Limited	-	1	
Avantha power & infrastructure limited	-	10	
	<u>-</u>	<u>11</u>	
	<u>-</u>	<u>11</u>	
(x) Director's sitting fees			
Mr. Gautam Thapar	-	1	
Mr. RR Vederah	1	3	
Mr. Amarendra Pratap Singh	-	1	
Mr. Amarjit Singh Dulat	-	2	
Ms. Payal Chawla	-	0	
Mr. Sudhir Mathur	-	0	
Mr. Kishan Varma	-	1	
Dr. Padmakumar Nair	1	2	
Ms. Yashashree Gurjar	1	2	
	<u>3</u>	<u>12</u>	
	<u>3</u>	<u>12</u>	
(xi) Payment of PF and loan recoveries			
Karam Chand Thapar & Bros. Ltd-PF Trust	311	2,045	
	<u>311</u>	<u>2,045</u>	
	<u>311</u>	<u>2,045</u>	
(xii) Loan and Interest recovery			
1) Other related parties			
Karam Chand Thapar & Bros. Ltd-PF Trust	36	465	
	<u>36</u>	<u>465</u>	
	<u>36</u>	<u>465</u>	



49 Disclosure of related parties/ related party transactions pursuant to Ind AS 24 'Related Party Disclosures'

(d) Details of related party transactions (Ctnd..)

		₹ in Lakhs	
Particulars	2020 - 21	2019 - 20	
(xiii) Repayment of loans by related parties			
Mr. Yogesh Aggarwal	-	4	
	-		4
	-		4
(xiv) Payment for services of KMP			
Mr. Yogesh Aggarwal	725	857	
	725		857
	725		857
(xv) Advance receivables			
Avantha International Assets B.V.	-	256	
	-		256
	-		256
(xvi) Other Payable			
CG Middle East FZE	-	3,741	
CG Power and Industrial Solutions Ltd.	-	5,827	
	-		9,568
	-		9,568
(xvii) Impairment loss on investment			
Avantha International Assets B.V.	-	1	
TAF Asset 2 B.V.	-	3	
	-		4
	-		4
(xviii) Provision for expected credit loss			
Avantha International Assets B.V.	-	25	
Ballarpur Paper Holdings B.V.	1,108	-	
	1,108		25
	1,108		25
(xix) Advances Payables			
Avantha International Asset B.V.	-	211	
	-		211
	-		211



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Notes accompanying the consolidated financial statements

49 Disclosure of related parties/ related party transactions pursuant to Ind AS 24 'Related Party Disclosures' (Ctnd..)

(e) Balances due to/ from related parties

₹ in Lakhs

Particulars	As at 31st March 2021		As at 31st March 2020	
	Due to	Due from	Due to	Due from
1 Avantha Power and Infrastructure Limited	10	-	10	-
2 Avantha Realty Limited	-	61,118	7,403	-
3 Avantha Holdings Limited	3,707	-	-	533
4 Karam Chand Thapar & Bros. Ltd-PF Trust	-	-	952	-
5 Saraswati Travels Private Limited	43	-	119	-
6 SMI New Quest India Private Limited	-	-	898	-
7 Imerys New Quest (India) Private Limited	-	-	1,247	-
8 BILT Industrial Packaging Company Ltd	-	858	-	858
9 Global Green Company Limited	-	372	-	372
10 Arizona Printers & Packers Pvt. Ltd	-	1	-	1
11 UHL Power Company Limited	-	473	-	473
12 Varun Prakashan Private Ltd	-	-	-	1,000
13 Biltech Building Elements Limited	-	1,212	-	1,269
14 New Quest Insurance Broking Services Limited	-	-	6	-
15 Bilt Graphic Paper Products Limited	97,431	-	-	-
16 Sabah Forest Industries Sdn Bhd	-	146	-	-
17 Ballarpur Paper Holdings B.V.	116	70,752	-	-
18 Ballarpur International Graphic Paper Holdings BV	-	13	-	-
19 Ballarpur International Packaging Holdings	-	1	-	-
	1,01,306	1,34,946	10,636	4,506

Note: Account Confirmation from related parties have not been received. Hence, the above disclosure has been made to the best of information available with the group company.

(f) Terms and conditions of transactions with related parties

- All the transactions with related parties entered during the year were in the ordinary course of business.
- All the balances due to and due from related parties are unsecured. All the balances due to and due from related parties are interest free other than interest bearing loans.
- For the year ended 31 March 2021, the parent Company has not recognized any provision for Expected credit loss of receivables relating to amounts due from related parties (2019-20 - Rs. 42,211 Lakhs). This assessment was undertaken each financial year examining the financial position of the related party and the market in which the related party operates. The total provision for expected credit loss against receivables from related parties as at 31 March 2021 is Rs. 42,211 lakhs (Rs. 42,211 lakhs as at 31 March 2020). The said assessment has not been carried out in current financial year.
- During the year 2020-21, parent company had entered into a rent agreement with related party i.e. BGPPL, pursuant the approval taken by the Resolution Professional from the Committee of Creditors. The said Rent Agreement is not available with the new management.
- Refer note 46 for guarantees issued by the Group on behalf of related parties



50 Corporate social responsibility expenses

(a) Gross amount required to be spent by the Group during the year is ₹ Nil (previous year ₹ Nil)

51 Basic and diluted Earnings per share (EPS) computed in accordance with Ind AS 33 'Earnings Per Share'

(a) Weighted average number of equity shares

Particulars		As at 31st March 2021	As at 31st March 2020
Shares outstanding as at the beginning of the year	(nos)	1,29,34,55,756	1,29,34,55,756
Shares issued during the year	(nos)	-	-
Shares outstanding as at the end of the year	(nos)	1,29,34,55,756	1,29,34,55,756
Weighted average number of shares outstanding	(nos)	1,29,34,55,756	1,29,34,55,756

(b) From continuing operations

Particulars		As at 31st March 2021	As at 31st March 2020
Loss for the year from continuing operations (₹ Lakhs)	[A]	(1,39,031)	(2,09,213)
Share of non-controlling interest (₹ Lakhs)	[B]	(28,523)	(48,696)
Loss from continuing operations attributable to the owners of the Company (₹ Lakhs)	[C=A-B]	(1,10,508)	(1,60,517)
Weighted average number of shares outstanding (Nos)	[D]	1,29,34,55,756	1,29,34,55,756
Basic and diluted Earnings per share (₹)	[E=C/D]	(8.54)	(12.41)
Face value per equity share (₹)		2	2

(c) From discontinued operations

Particulars		As at 31st March 2021	As at 31st March 2020
Loss for the year from discontinued operations (₹ Lakhs)	[A]	-	(39,472)
Share of non-controlling interest (₹ Lakhs)	[B]	-	(7,348)
Loss from discontinued operations attributable to the owners of the Company (₹ Lakhs)	[C=A-B]	-	(32,123)
Weighted average number of shares outstanding (Nos)	[D]	1,29,34,55,756	1,29,34,55,756
Basic and diluted Earnings per share (₹)	[E=C/D]	-	(2.48)
Face value per equity share (₹)		2	2

(d) From total operations (continuing and discontinued operations)

Particulars		As at 31st March 2021	As at 31st March 2020
Loss for the year ₹ Lakhs)	[A]	(1,39,031)	(2,48,685)
Share of non-controlling interest (₹ Lakhs)	[B]	(28,523)	(56,044)
Loss from attributable to the owners of the Company (₹ Lakhs)	[C=A-B]	(1,10,508)	(1,92,640)
Weighted average number of shares outstanding (Nos)	[D]	1,29,34,55,756	1,29,34,55,756
Basic and diluted Earnings per share (₹)	[E=C/D]	(8.54)	(14.89)
Face value per equity share (₹)		2	2



52 Disclosure pursuant to Ind AS 108 'Operating Segments'

(a) Factors used in identifying segments

For the FY 2019-20, the Parent's operating segments were established on the basis of those components of the Parent that were evaluated regularly by the Chief Operating Officer (COO) of the Parent (the 'Chief Operating Decision Maker' as defined in Ind AS 108 - 'Operating Segments'), in deciding how to allocate resources and in assessing performance. These had been identified taking into account nature of products & services, the differing risks and returns and the internal business reporting systems. For the current FY, the same has been done by the new Management of the Parent.

The accounting policies adopted for segment reporting are in line with the accounting policy of the Parent

- (i) Revenue and expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and Expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as "Unallocable".
- (ii) Segment assets and segment liabilities represent assets and liabilities in respective segments. Investments, tax related assets and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as "Unallocable".



52 Disclosure pursuant to Ind AS 108 'Operating Segments' (Ctnd..)

(b) Segment information

₹ in Lakhs

Particulars	2019 - 20			
	Uncoated Paper	Coated Paper	Others	Total
A Segment revenue				
External customers (Gross)	1,76,063	1,45,075	1,121	3,22,259
Inter-Segment	-	-	326	326
Total revenue (Gross)	1,76,063	1,45,075	1,447	3,22,585
Less: Excise duty	-	-	-	-
Total revenue (net)	1,76,063	1,45,075	1,447	3,22,585
Less: Elimination of inter segment revenue	-	-	(326)	(326)
External customers (net)	1,76,063	1,45,075	1,121	3,22,259
B Segment results				
Segment results before interest income and exceptional items	16,122	(14,747)	(3,433)	(2,058)
Interest income	254	23	2	279
Exceptional items (Net) (Refer note 43)	-	-	(91,743)	(91,743)
	16,376	(14,724)	(95,174)	(93,522)
C Reconciliation of segment results with profit / (loss) before tax				
Segment results				(93,522)
Finance cost				(1,12,088)
Share of Profit in Joint Venture				32
Profit / (Loss) before tax				(2,05,579)
D Specified amounts included in segment results				
Interest revenue	254	23	2	279
Depreciation and amortization	16,814	5,512	955	23,281
Bad debts, provision for expected credit loss, doubtful debts and advances (net)	1,53,871	13,424	(1,64,228)	3,067
Assets Discarded and loss of PPE	298	-	-	298
Exceptional items (Net) (Refer note 43)	(28,879)	-	1,62,409	1,33,530
Inventory written down	92	-	168	260



52 Disclosure pursuant to Ind AS 108 'Operating Segments' (Ctnd..)

(c) Segment assets and liabilities

₹ in Lakhs

Particulars	As at 31st March 2020			
	Uncoated Paper	Coated Paper	Others	Total
Segment assets	5,29,181	2,25,747	26,579	7,81,507
Unallocable corporate assets				6,457
Cash and cash equivalents				2,231
Other bank balances				13,224
Deferred tax assets				3
Current tax assets (net)				209
Investments				
Assets associated with group of assets classified as held for sale and discontinued operations				2,24,167
Total assets	5,29,181	2,25,747	26,579	10,27,799
Segment liabilities	3,80,934	25,704	13,996	4,20,634
Unallocable corporate liabilities				5,10,907
Non current borrowings (excluding deferred payment liabilities)				1,39,472
Current borrowings				1,17,408
Current maturities of non current borrowings				-
Deferred tax liabilities (net)				7,811
Current tax liabilities (net)				
Liabilities associated with group of assets classified as held for sale and discontinued operations				1,60,283
Total liabilities	3,80,934	25,704	13,996	13,56,515
Additions to non-current assets	2,263	1,015	-	3,278

Note:

- (i) In accordance with Ind AS 108; Operating Segments, the Parent operates in a single business segment, i.e., manufacturing of Paper Products. As the Parent's primary business activity is within one segment, the information required under Ind AS 108 regarding operating segments is not applicable. Accordingly, no further segment information has been disclosed.
- (ii) There are no separate reportable segments (business and/or geographical) in the Group in accordance with the requirements of Indian Accounting Standard -108 (Segment Reporting).



52 Disclosure pursuant to Ind AS 108 'Operating Segments' (Ctnd..)

(d) Geographic information

(i) Revenue from external customers

Particulars	₹ in Lakhs	
	As at 31st March 2021	As at 31st March 2020
India	1,70,976	2,53,266
Outside India	31,867	68,993
	<u>2,02,843</u>	<u>3,22,259</u>

(ii) The entire non-current assets of the Parent are located in India

(iii) Revenues from external customers attributed to an individual foreign country are not material.

(iv) Customer information

The Revenue earned from customers in FY 2020-21 can not be determined by Parent since the Customer wise accounting has not been done in the books of account of the Parent.

The Parent has earned more than 10% of its revenue from two external customers in 2019-20. Revenue earned from such customers is ₹ 5,342 Lakhs in year 2019-20.

53 Income taxes

The Parent does not have taxable income under the provisions of Income Tax Act 1961 during the current and previous financial year and hence no provision for current tax is recognized. Accordingly calculation of effective tax rate and reconciliation of income tax expense to the accounting profit are not applicable.

In BIH BV, BSPH BV & BPBV, In the view of losses, provision for tax has not been recognised. Further the deferred tax asset arising out of timing difference has not been recognised. Since it is not probable that sufficient future taxable profit will be available to allow all or part of the deferred tax asset to be utilized.



54 Disclosure Pursuant to Ind AS 116 'Leases'

(a) Where the Company is a lessee

		₹ in Lakhs	
1)	Particulars	As at 31st March 2021	As at 31st March 2020
	Building:		
	Gross Block		
	Opening balance	2,394	2,394
	Additions	-	-
	Derecognition due to loss of control of subsidiary	2,394	-
	Deletion	-	-
	Closing balance	-	2,394
	Accumulated amortization		
	Opening balance	355	355
	Amortization for the year	-	-
	Derecognition due to loss of control of subsidiary	355	-
	Deletion	-	-
	Closing balance	-	355
	Net carrying value	-	2,039

2) Interest on lease liabilities is Rs. Nil for the year ended on 31 March 2021. (Previous Year: ₹ 325 Lakhs)

3) The BGPPL incurred Rs. Nil for the year ended 31 March, 2021 (Previous Year: ₹ 11 Lakhs) towards expenses relating to short-term leases and leases of low-value assets. The total cash outflow for leases is Rs. Nil for the year ended 31 March 2021 (Previous Year: Rs. 593 Lakhs), including cash outflow Rs. 16 Lakhs of short-term leases and leases of low-value assets.

(b) Where the Company is a lessor

Operating leases:

The Parent has taken Office Building on Rent from one of its Subsidiary i.e., BGPPL. The said rent agreement for the same is not available with the new management of Parent, consequently compliance of IND AS 116 "Leases" is not possible.

The Parent has given certain property (Building and Machinery) under cancellable operating leases to parties. These lease agreements are normally renewed on expiry. There are no exceptional / restrictive covenants in these lease agreements.

Lease income recognised in the statement of profit and loss for the year is ₹15 Lakhs (Previous year ₹ 90 Lakhs) including contingent rent/sublease receipt of ₹ Nil (Previous year ₹ Nil).

Annual undiscounted lease payments receivable is as under:

₹ in Lakhs			
As at 31 March 2021			
Particulars	Upto 1 year	More than 1 year	More than five years
Lease payments receivables	-	-	-

₹ in Lakhs			
As at 31st March 2020			
Particulars	Upto 1 year	More than 1 year	More than five years
Lease payments receivables	165	-	-



56 Financial instruments

Since the Parent was under CIRP as at 31 March 2021 & due to non availability of required information regarding financial instruments, disclosures pursuant to Ind AS 107 'Financial Instruments: Disclosures' have not been disclosed in the consolidated financial statements.

a) Capital Management

The Group's objective when managing capital is to:

- Safeguard its ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders and
- Maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may sell assets to reduce debt or issue new shares or adjust the return to shareholders or return capital to shareholders.

Consistent with others in the industry, the Group monitors the capital basis the gearing ratio, which is net debt divided by total capital plus net debt.

The gearing ratio is as follows:

Particulars	₹ in Lakhs	
	As at 31st March 2021	As at 31st March 2020
Loans and borrowings	3,92,027	6,52,106
Less: Cash and cash equivalents	217	6,457
Net Debt	3,91,810	6,45,648
Equity	(3,41,582)	(2,26,342)
Gearing Ratio	(1.15)	(2.85)

b) Financial Risk Management

The Group's activities exposes it to a variety of financial risks/ market risks (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects in the Group's financial performance. The risk management is carried out under the policies approved by the Board of Directors which provides principle for overall risk management. The note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, other financial assets	Ageing analysis Credit ratings	Diversification of bank deposits, credit limits and letters of credit
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk-foreign exchange	Recognized financial assets and liabilities denominated in Indian Rupees	Cash Flow forecasting Sensitivity analysis	Forward Contracts
Market risk-security prices	Investment in quoted and unquoted securities	Sensitivity analysis	Monitoring of invested entities and Portfolio diversification

(1) Credit Risk

The credit risk arises from cash and cash equivalents, investments and deposits with banks and financial institutions, trade receivables, and other financial assets, as well as credit exposure to customers including outstanding receivables.

Banks and other financial institutions

The Group considers factors such as track record, size of the institution, market reputation and service standards to select the banks/ institutions with which balances are maintained. The Group does not maintain significant cash and deposit balances other than those required for its day to day operations.



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Notes accompanying the consolidated financial statements**Other financial assets (including trade receivables)**

The Group extends credit to customers in the normal course of business after evaluation of customers financial condition and credit history. The Group monitors the payment track record of the customers and assesses the financial reliability of the customer taking into consideration the current economic trends ageing of accounts receivable and history of default. The Group has also accepted security deposits from certain customers, which further mitigate the credit risk in these cases. Since the Group was into CIRP during the year 2020-21 the required data to disclose ageing of trade receivables is not available with the new management and hence cannot be disclosed. Disclosures for the FY 2019-20 is given below:

Particulars	Past Due		Total
	Upto 6 months (including amounts not due)	more than 6 months	
	₹ in Lakhs		
Trade Receivables:			
As at March 2021			
Secured by security deposits	-	-	-
Unsecured	-	-	-
Less: Provision for	-	-	-
As at March 2020			
Secured by security deposits	968	4	972
Unsecured	51,375	80	51,455
	52,343	84	52,427
Less: Provision for expected credit loss	-	-	(4,125)
	52,343	84	48,301

The Group considers the probability of default upon initial recognition of assets and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Group compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information.

A default on a financial asset is when the counterparty fails to make contractual payments when they fall due or when the extended credit period expires. This definition of default is determined by considering the business environment in which the entity operates and other macro-economic factors.

The Group provides for expected credit loss when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or failing to engage in a repayment plan with the Group. Where loans or receivables have been impaired, the Group continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss. The Group does not have sufficient details regarding movement in expected credit loss for FY 2020-21, For FY 2019-20 the details of loss allowance is given below:

Reconciliation of loss allowance:

Particulars	₹ in lakhs	
	2020-21	2019-20
Provision as at the beginning of the year	4,125	1,639
a) Allowance for the year	-	2,486
b) Adjustment for loss of control in	(4,125)	-
c) Provision used during	-	-
Provision as at the end of	-	4,125



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Notes accompanying the consolidated financial statements**(2) Liquidity Risk**

Prudent liquidity risk management implies maintaining sufficient cash flows through an adequate amount of committed credit facilities to meet obligations when due. Due to the dynamic nature of the underlying business the respective management maintains flexibility in raising funds as and when required.

Considering the current liquidity position, the Group had taken steps to reduce the financial burden by restructuring its financial liabilities and is in the process of further negotiating with the lenders to reach sustainable debt levels and is also exploring options such as sale of non core assets to ease the financial burden. The operational efficiencies of the manufacturing unit have improved during current year and the Group has made progress for revival of closed unit. In view of the improved market conditions and ongoing negotiations, the Group is confident of a positive outcome and expects to ease the liquidity position of the Group relying on capital infusion, operating cash flows and borrowings at sustainable rates.

The Group monitors rolling forecasts of the liquidity position to ensure its has sufficient cash to meet operational needs and service its borrowings.

Since the Parent is into CIRP and due to non-availability of required data the Parent is unable to provide maturity profile of its liabilities for the FY 2020-21, for FY 2019-20.

₹ in lakhs

Particulars	As at 31st March 2021			As at 31st March 2020		
	< 1 year	> 1 year	Total	< 1 year	> 1 year	Total
Borrowings (including interest accrued thereon)	-	-	-	1,39,472	5,12,634	6,52,106
Due to Related Parties	-	-	-	33,021	-	33,021
Other Trade Payables	-	-	-	67,650	-	67,650
Security Deposits (including interest accrued thereon)	-	-	-	4,499	1,069	5,568
Other Financial Liabilities	-	-	-	4,15,673	-	4,15,673
Total	-	-	-	6,60,315	5,13,703	11,74,018

(3) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument may fluctuate because of changes in market prices. Market prices comprise three types of risk: currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, investments, and derivative financial instruments.

(i) Foreign Exchange Risk

The Group transacts business primarily in Indian Rupee, USD, Euro, GBP and AED and other foreign currency. The Group has obtained foreign currency loans and has foreign currency trade payables and receivables and is therefore, exposed to foreign exchange risk. Certain transactions of the Group act as a natural hedge as a portion of both assets and liabilities are denominated in similar foreign currencies. For the remaining exposure to foreign exchange risk, the Group adopts a policy of selective hedging based on risk perception of the management. Foreign exchange hedging contracts are carried at fair value.

The Group does not have required data regarding its foreign exchange exposure and hence, disclosure of foreign currency exposure is not possible for FY 2020-21, for FY 2019-20 disclosure is given below:

₹ in lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Monetary Liabilities		
United State Dollars	\$ -	1,73,469
Euro	€ -	898
Great Britain Pounds	GBP -	16
Japanese Yen	¥ -	58
Monetary Assets		
United State Dollars	\$ -	1,63,717
Euro	€ -	28
Arab Emirates Dirham	DH -	13



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The following table demonstrates the sensitivity in the USD, Euro, GBP, AED and other currencies to the Indian Rupee with all other variables held constant. 5% increase or decrease in foreign exchange rates will have the following impact on profit before tax. Since the Parent was under CIRP and due to non availability of required data the disclosure for FY 2020-21 is not disclosed, the disclosures for FY 2019-20 is given below:

		₹ in lakhs	
Particulars		As at 31st March 2021	As at 31st March 2020
Sensitivity to 5% increase			
United State Dollars	\$	-	(488)
Euro	€	-	(44)
Great Britain Pounds	GBP	-	(1)
Japanese Yen	¥	-	(3)
Arab Emirates Dirham	DH		(1)
Sensitivity to 5% decrease			
United State Dollars	\$	-	488
Euro	€	-	44
Great Britain Pounds	GBP	-	1
Japanese Yen	¥	-	3
Arab Emirates Dirham	DH		1

Summary of exchange difference accounted in statement of profit and loss:

		₹ in lakhs	
Particulars		As at 31st March 2021	As at 31st March 2020
Currency Fluctuations:			
Net Foreign Exchange (gain)/ losses shown as finance cost		(168)	523
Net Foreign Exchange (gain)/ losses shown as other income		(5,340)	(6,507)
		<u>(5,508)</u>	<u>(5,984)</u>

(ii) Interest rate risk and sensitivity

Interest rate risk is the risk that the fair value of future cash flows of the Group's financial instruments will fluctuate because of changes in market interest rates. The Group's exposure to interest rate risk arises primarily because of the bank borrowings comprising term loans, loans against import and revolving credits which are at the aggregate of Base rate / MCLR and the applicable margin. The interest rates for the said bank borrowings are disclosed in Note 25.

Since the Parent is under CIRP and due to non-availability of required information of interest rate profile of Group's interest bearing borrowings is not available for FY 2020-21, for FY 2019-20 the disclosure is as follows:

		₹ in lakhs	
Particulars		As at 31st March 2021	As at 31st March 2020
Floating rate borrowings			
INR Borrowings		-	6,20,022
USD Borrowings			39,418
MYR Borrowings			-
EURO Borrowings			572
		<u>-</u>	<u>6,60,012</u>

The Group does not account for any fixed-rate borrowings at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.



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Due to unavailability of required information with the Parent, the Parent is unable to provide disclosures regarding interest rate risk and Sensitivity Analysis for the FY 2020-21, for FY 2019-20 the disclosure as given below:

Particulars	₹ in lakhs	
	As at 31st March 2021	As at 31st March 2020
INR Borrowings		
Change of + 0.50%		(3,100)
Change of - 0.50%		3,100
USD Borrowings		
Change of + 0.50%		(197)
Change of - 0.50%		197
EURO Borrowings		
Change of + 0.50%		(3)
Change of - 0.50%		3

(iii) Commodity price risk and sensitivity

The Group has in place policies to manage the Group's exposure to fluctuation in the prices of the key materials and commodities used in the operations. Nevertheless, it believes that it has competitive advantage in terms of high quality products and by continually upgrading its expertise and range of products to meet the needs of its customers. The Group enters into fixed price contracts to establish determinable prices for raw materials and consumables used. The management does not consider the Group's exposure to market risk significant as on 31st March 2021. Therefore, sensitivity analysis for market risk is not disclosed.

(iv) Price Risk

The Group does not have significant equity investments that are publicly traded and investments in unlisted securities are of strategic importance.



55 Fair value measurement

(a) Financial assets by category

₹ in Lakhs

Particulars	Note	As at 31st March 2021			As at 31st March 2020		
		FVPL	FVOCI	Amortised Cost	FVPL	FVOCI	Amortised Cost
(i) Investments	8 & 9	-	-	2,13,865	206	3	-
(ii) Trade receivables	15	-	-	45,029	-	-	48,301
(iii) Cash and cash equivalents	16	-	-	217	-	-	6,457
(iv) Other bank balances	17	-	-	47	-	-	2,231
(v) Loans (including security deposit)	18 & 10	-	-	2,00,068	-	-	269
(vi) Other financial assets	11 & 19	-	-	26,074	-	-	29,621
		-	-	4,85,300	206	3	86,879

(b) Financial liabilities by category

₹ in Lakhs

Particulars	Note	As at 31st March 2021			As at 31st March 2020		
		FVPL	FVOCI	Amortised Cost	FVPL	FVOCI	Amortised Cost
(i) Long term borrowings (including current maturities)	25 & 31	-	-	25,135	-	-	6,29,449
(ii) Short term borrowings	25	-	-	3,66,892	-	-	1,39,472
(iii) Interest accrued on borrowings	31	-	-	1,57,802	-	-	1,93,681
(iv) Trade payables	30	-	-	20,787	-	-	67,649
(v) Other financial liabilities	27 & 31	-	-	2,90,487	-	-	1,07,430
		-	-	8,61,103	-	-	11,37,681



55 Fair value measurement (Ctnd..)

(c) Fair value technique and hierarchy

₹ in Lakhs

Particulars	Carrying amount	Fair value hierarchy			Total
		Level 1	Level 2	Level 3	
Financial assets and liabilities measured at fair value- recurring fair value measurements					
Financial assets					
As at 31st March 2021					
(i) Investments	2,13,865	-	-	2,13,865	2,13,865
As at 31st March 2020					
(i) Investments	209	206	-	3	209
Financial liabilities					
As at 31st March 2021					
(i) Derivative financial instruments	-	-	-	-	-
As at 31st March 2020					
(i) Derivative financial instruments	-	-	-	-	-
Assets and liabilities which are measured at amortised cost for which fair values are disclosed					
Financial assets					
As at 31st March 2021					
(i) Trade receivables	45,029	-	-	45,029	45,029
(ii) Cash and cash equivalents	217	-	-	217	217
(iii) Other bank balances	47	-	-	47	47
(iv) Loans (including security deposits)	2,00,067	-	-	2,00,067	2,00,067
(v) Other financial assets	26,074	-	-	26,074	26,074
Financial liabilities					
As at 31st March 2021					
(i) Long term borrowings (including current maturities)	25,135	-	-	25,135	25,135
(ii) Short term borrowings	3,66,892	-	-	3,66,892	3,66,892
(iii) Interest accrued on borrowings	1,57,802	-	-	1,57,802	1,57,802
(iv) Trade payables	20,787	-	-	20,787	20,787
(v) Other financial liabilities	2,90,487	-	-	2,90,487	2,90,487
Financial assets					
As at 31st March 2020					
(i) Trade receivables	48,301	-	-	48,301	48,301
(ii) Cash and cash equivalents	6,457	-	-	6,457	6,457
(iii) Other bank balances	2,231	-	-	2,231	2,231
(iv) Loans (including security deposits)	269	-	-	269	269
(v) Other financial assets	29,621	-	-	29,621	29,621
Financial liabilities					
As at 31st March 2020					
(i) Long term borrowings (including current maturities)	6,29,449	-	-	6,29,449	6,29,449
(ii) Short term borrowings	1,39,472	-	-	1,39,472	1,39,472
(iii) Interest accrued on borrowings	1,93,681	-	-	1,93,681	1,93,681
(iv) Trade payables	67,650	-	-	67,650	67,650
(v) Other financial liabilities	1,07,431	-	-	1,07,431	1,07,431



55 Fair value measurement (Ctnd..)

Level 1 hierarchy includes financial instruments measured using quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in Level 3.

Other assumptions used in the estimation of fair values

The fair value of trade receivables, cash and cash equivalents, other bank balances and other current financial assets approximate their carrying amount due to the short-term nature of these instruments.

The fair value of trade payables and other current financial liabilities approximate their carrying amount due to the short-term nature of these instruments.

The fair value of borrowings with floating rate of interest are considered to be close to their carrying amount.



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57 Disclosure pursuant to Ind AS 105 'Non-current assets held for sale and discontinued operations'

(a) Discontinued operations

i) SEWA Unit

Pursuant to the 'Master Restructuring Agreement' (MRA) entered by one of the erstwhile subsidiary i.e, BGPPL into with the lenders during financial year 2017-18 (Refer note 44) the respective management has decided to dispose off the Unit SEWA located at Odisha to ease the financial stress and to step up the operations of the Company. In line with these, Unit SEWA was classified as 'discontinued operations' as at 31 March 2019.

During the FY 2019-20, the Company has sold SEWA Unit on a slump sale basis for a consideration of Rs. 1,500 Lakhs and has recognized a gain on disposal of Rs. 289 Lakhs.

ii) SFI

The disposal of the operations of SFI is in progress and pending during FY 2019-20, delay in the closure of the previous bid, the receiver initiated the re-bidding process. The erstwhile subsidiary expects no reduction in the bid value in FY 2019-20 as confirmed by the Receiver and Manager.



57 Disclosure pursuant to Ind AS 105 'Non-current assets held for sale and discontinued operations' (Ctnd..)

(b) The major classes of assets and Liabilities of the discontinued operations are as under:

Particulars	₹ in Lakhs	
	2020-21	2019 - 20
Assets		
Property, Plant and Equipment	-	1,53,133
Biological assets other than bearer plants	-	53,340
Inventories	-	13
Trade receivables	-	708
Cash and cash equivalents	-	16,158
Loans (current and non current)	-	310
Other assets (current and non current)	-	505
Total (A)	-	2,24,167
Liabilities		
Borrowings (Current and non current)	-	79,144
Trade payables	-	-
a) Dues of micro and small enterprises	-	-
b) Dues of other than micro and small enterprises	-	44,227
Other financial liabilities	-	34,708
Other current liabilities and provisions	-	2,204
Total (B)	-	1,60,283
Net Assets/Liabilities directly associated with discontinued operations (A-B)	-	63,884

(c) Statement of profit and loss of the discontinued operations:

Particulars	₹ in Lakhs	
	2020-21	2019 - 20
Revenue from operations	-	2,117
Other income	-	585
	-	2,702
Less: Expenses (Refer note (a) below)	-	42,462
Profit/ (loss) from a discontinued operations	-	(39,760)
Tax expense:	-	-
Profit/ (loss) from a discontinued operations	-	(39,760)
Gain / (loss) on disposal of discontinued operation	-	289
	-	(39,471)

Tax expense:

Remeasurement of DBO Recognized in OCI (net of tax)

Items that will be reclassified to profit or loss in OCI (net of tax)

(6)

28

(a) Expenses include for the year ended 31st March 2021 ₹ Nil (31st March 2020 ₹ 16776 Lakhs) towards impairment and write down of assets to fair value less costs to sell

(d) During F.Y 2020-21 remeasurement of defined benefit obligation amounting to ₹ Nil is recognized in Other Comprehensive Income. (F.Y 2019-20 ₹ (6) Lakhs (net of tax ₹ 237 Lakhs)

(e) Net cash flows form discontinued operations

Particulars	₹ in Lakhs	
	2020-21	2019 - 20
Cash flow from operating activities	-	952
Cash flow from investing activities	-	(352)
Cash flow from financing activities	-	10,597



58 Additional information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as subsidiary

Name of the Company	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in Other comprehensive income (OCI)		Share in Total comprehensive income (TCI)	
	As % of consolidated net assets	₹ in Lakhs	As % of consolidated profit or loss	₹ in Lakhs	As % of consolidated OCI	₹ in Lakhs	As % of consolidated TCI	₹ in Lakhs
Holding Company Ballarpur Industries Limited	73%	(1,79,678)	41%	(57,475)	0%	-	41%	(57,475)
Indian Subsidiary Avantha Agritech Limited BILT Graphic Paper Products Limited (upto 24th February 2021)	0%	(910)	0%	-	0%	-	0%	-
Foreign Subsidiaries Ballarpur International Holdings B.V. Ballarpur Speciality Paper Holdings B.V. Bilt Paper B.V. Mirabelle Trading Pte Ltd. Ballarpur Paper Holdings B.V. (upto 24th February 2021) Sabah Forest Industries Sdn. Bhd. (upto 24th February 2021) Bilt General Trading FZE	56% 0% -69% 0%	(1,37,956) (260) 1,68,952 (279)	5% 0% 0% 0%	(6,970) 11 (76) -	-450% -1% 108% 0%	2,781 5 (666) -	3% 0% 1%	(4,189) 16 (742)
Total of holding and all subsidiaries		(1,49,981)		(1,61,905)		3,028		(1,58,877)
Non controlling interest in all subsidiaries	-40%	96,813	21%	(28,523)	-17%	102	20%	(28,421)
Foreign Associates (Investment as per the Equity Method) Ballarpur Paper Holdings B.V. (from 25th February 2021)	-87%	2,13,857	1%	(1,839)	-2%	11	1%	(1,828)
Consolidation adjustments and eliminations		(4,05,458)		53,236		(3,759)		49,477
Total	100%	(2,44,769)	100%	(1,39,031)		(618)	100%	(1,39,649)



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- 59 During the previous year the group has sold the party of agroforestry business to Urvara Krsi Private Limited through business transfer agreement on 06.12.2019:

		₹ in Lakhs	
Particulars	20-21	19-20	
ASSETS			
(1) Non-current Assets			
(a) Property, Plant and Equipment	-	9	
(b) Other intangible assets	-	0	
(c) Biological assets other than bearer plants	-	39	
(d) Financial assets			
(i) Loans	-	1	
(2) Current assets			
(a) Inventories	-	75	
(b) Financial assets			
(i) Trade receivables	-	30	
(ii) Cash and cash equivalents	-	60	
(c) Other current assets	-	11	
Total Assets	-	225	
LIABILITIES			
(1) Non-current liabilities			
(a) Provisions	-	65	
(2) Current liabilities			
(a) Financial liabilities			
(i) Trade payables			
a) Dues of micro and small enterprises	-	-	
b) Dues of other than micro and small enterprises	-	73	
(ii) Other financial liabilities	-	11	
(b) Other current liabilities	-	52	
(c) Provisions	-	24	
Total Liabilities	-	225	



60 COVID-19

The pandemic caused by COVID-19 disease impacted adversely the economy . It also impacted every component of the business of the Parent including sales, liquidity, supply chain management and production due to nation wide lockdown from 24 March 2020. The Parent has considered impact of present and future economic conditions which may result from COVID-19 Pandemic while assessing carrying amount of Receivables, Inventory, Property Plant & Equipment and Provisions based on information available till the date of approval of these consolidated financial statements.

Further, physical counting of inventories of Parent as at 31 March 2021 could not be completed due to the lockdown and other restrictions imposed by COVID-19 pandemic.

61 Corporate Insolvency Resolution Process ("CIRP") initiated against the Parent

(a) The National Company Law Tribunal ("NCLT"), Mumbai bench, vide its order dated 17th January 2020 ("Insolvency Commencement Order") had initiated Corporate Insolvency Resolution Process ("CIRP") against the Parent. Hon'ble NCLT vide its order dated 27th May 2020 had appointed Mr. Anuj Jain (IBBI / IPA-001/ IP-P00142 / 2017-2018 /10306) as resolution professional of the Parent. The powers of the board vested with RP during the Resolution Process. During the Corporate Insolvency Resolution (CIR) Process (i.e. between 27th May 2020 and 31st 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 31st 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 23rd 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. 23rd November 2023.

(b) Pursuant to commencement of CIRP, the RP had received various claims submitted by the financial creditors, operational creditors, employees and other creditors. Based on the financial creditors claim admitted by RP the parent observed an additional liability of Rs. 27,945 Lakhs (Rs. 27,742 Lakhs during 2019-20 & Rs. 203 Lakhs during 2020-21) representing the difference between the financial creditor's claims admitted by RP & carrying amount of borrowings.

(c) Resolution Plan submitted by the Finquest Financial Solutions Private Limited ("SRA") on 7th February, 2022, updated as on 17th March, 2022 and further clarified by clarificatory note dated 23rd March, 2022 ("Resolution Plan") was approved by the Committee of Creditors ("CoC") on 14th April, 2022 and by Hon'ble NCLT, Mumbai Bench by an order dated 31st March, 2023 (received on 13th 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 29th May 2023 was executed between Ballarpur Industries Limited (Corporate Debtor), MC of Corporate Debtor (MC Representative), Finquest Financial Solutions Private Limited (Resolution Applicant), IDBI Bank (Escrow Bank), IDBI Trusteeship Services Limited (Escrow Agent), Mr. Anuj Jain (erstwhile RP) and IDBI Bank (Assenting FC Representative) ("Escrow Agreement")

(ii) Allotment of Equity Shares:
Allotment of 5,08,75,000 Equity Shares (Class B) at the face value of INR 10 each of the Company, for an aggregate consideration up to INR 5,088 Lakhs to the allottees mentioned herein on a private placement basis:

S. No.	Name of Allottees	No of Equity Shares	Amount (INR in Lakhs)
1	Finquest Financial Solutions Private Limited ("SRA")	2,77,92,021	2779
2	Supersoil Construction Private Limited ("Financial Investor")	2,14,85,666	2149
3	Finquest Financial Solutions Private Limited ("Assenting Financial Creditor")	2,57,979	26
4	IDBI Bank Limited ("Assenting Financial Creditor")	13,39,334	134
	Total	5,08,75,000	5088



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

S. No.	Name of 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
	Total	194	19,400

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

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

- (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 8th September 2023 for fulfilment of its obligations triggering on the 90th 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 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
	Total	34,72,89,788	3,473

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



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- (e) 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 12th June 2023 and a new board of Directors have been appointed vide resolution dated 12th June 2023 and it was on this date that the current directors and key managerial personnel of the Company took charge of the Company.

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

In order to meet statutory compliance requirements, the current directors of the company are required to approve the accounts of the company for the financial year ended 31st March 2021. The said accounts pertain to the period prior to the appointment of the current directors and key managerial personnel of the company and the current directors and key managerial personnel had no role to play during the period covered by the said accounts either in the management of the Company or perusing or scrutinizing the accounts. However, the financial accounts of the Company for the said period are required to be signed and filed in order to fulfil various compliances and hence the directors and key managerial personnel are signing the said financial statements in good faith with the sole objective of fulfilling statutory compliances without incurring any responsibility or liability for the same or any part thereof, as per Clause 4.9.2, 4.17.4 & such other terms of the approved Resolution Plan.

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

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

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

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



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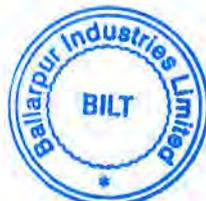
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The Signatories further disclaim all responsibility as to matters regarding;

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.

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



62 Government grants / subsidies

Government Grant (World Bank -India Development Market)

During FY 2019-20 one of the subsidiary Avantha Agritech Limited has received grant from World Bank for carrying out Sustainable Agro Forestry Project at Chhattisgarh state and development of company's infrastructure. The Capital Grant used for purchase of fixed Assets and create Liability for Capital Grant from World Bank to adjust the Fixed Assets against the Capital Grant, related fixed depreciable asset is adjusted against the Liability for Capital Grant as per useful life of assets. Avantha Agritech Limited has recognised as income in the Statement of Profit & Loss to match with depreciation.

63 The Parent has migrated its accounting system from earlier Oracle System to Tally accounting system during the current financial year. During the CIRP period, the oracle licenses expired & not renewed by the RP. Hence, the New Management of Parent 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.

64 (i) Parent ("BILT")

The confirmations and reconciliation of certain secured and unsecured loans, balances with banks, trade receivables, due to/ from related parties, trade and other payables and loans and advances are pending. The management is in the process of obtaining confirmations and reconciliation of balances and ascertaining the impact of which is not ascertainable at present. Further, Accounting in books of account has not been done vendor wise and customer wise.

(ii) Ballarpur International Holdings B.V. (BIH)

(a) Certain Balances with Related Parties and other Parties shown in other Payables are subject to reconciliation/confirmation and also auditor has not received direct confirmation thereof. The consequential impact of confirmation/reconciliation/adjustment of such Balance is not ascertainable. However, in the opinion of the management, these will not have any significant impact on the loss (including other comprehensive loss), other equity, assets, and liabilities as on the balance sheet date.

(b) The company has no employees and hence incurred no wages, related social security or pension charges during the year under audit.

(iii) Ballarpur Speciality Paper Holdings B.V. (BSPH)

(a) Certain Balances with Related Parties and other Parties shown in other Payables are subject to reconciliation/confirmation and also auditor has not received direct confirmation thereof. The consequential impact of confirmation/reconciliation/adjustment of such balance is not ascertainable. However, in the opinion of the management, these will not have any significant impact on the profits (including other comprehensive profits), other equity, assets, and liabilities as on the balance sheet date.

(b) The company has no employees and hence incurred no wages, related social security or pension charges during the year under audit.

(iv) Bilt Paper B.V. (BPBV)

(a) Certain Balances with Related Parties and other Parties shown in other Payables are subject to reconciliation/confirmation and also auditor has not received direct confirmation thereof. The consequential impact of confirmation/reconciliation/adjustment of such Balance is not ascertainable. However, in the opinion of the management, these will not have any significant impact on the loss (including other comprehensive loss), other equity, assets, and liabilities as on the balance sheet date.

(b) The company has no employees and hence incurred no wages, related social security or pension charges during the year under audit.

65 During FY 2019-20 The Parent has entered into job work agreement with M/s BSFC Distributor Private Limited to manufacture paper and other paper products at Unit Shree Gopal on job work basis. However, upon initiation of CIRP and nationwide lockdown, the job work arrangement was discontinued with effect from 24 March 2020. There is stock lying in the unit belonging to the said party which is being evaluated. The Parent is under the process of identifying such stock & determining its value for final settlement with the said party.

66 Due to resignation and / or non-availability of process owners and other employees of the Parent, it was not feasible or practical to provide requisite information for assessment of internal financial control over financial reporting for the financial year 2020-21.

67 One of the foreign subsidiary Ballarpur Speciality Paper Holdings B.V. has fully written off its investment in BILT General Trading FZE, UAE ("BGT") 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.



BALLARPUR INDUSTRIES LIMITED

CIN: L21010MH1945PLC010337

Notes accompanying the consolidated financial statements

- 68 Ballapur Industries Limited ("BILT/Parent") has been acquired by Finquest Financial Solutions Private Limited 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 12th June 2023 and a new Board of Directors have been appointed vide resolution dated 12th June 2023. The directors of the Parent are required to approve the accounts of BILT for the financial years ended 31st March 2021. The said accounts pertain to the period prior to the appointment of the current directors of the Parent and the current directors had no role to play during the period covered by the said accounts. However, the consolidated financial accounts of the Parent for the said period are required to be signed and filed in order to fulfil various compliances and hence the directors are signing the said financial statements.

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

- i. The Signatories are signing the consolidated financial statements in good faith 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 consolidated financial statements in good faith in order to cure/regularize the non-compliance of the Parent 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 consolidated financial statements for the year ended 31st March 2021 (which pertains to the tenure prior to their date of appointment in BILT), 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 Parent 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 consolidated financial statements.

- 69 The Financial Statements of 2 step down foreign subsidiaries (Mirabelle Trading Pte. Ltd. and Bilt Graphic Trading FZE) & 1 domestic Subsidiary (Avantha Agritech Ltd) which have a total assets base as at 31st March 2021 of Rs. 67,542 lakhs are unaudited and have not been certified by their management.

- 70 The Parent during the previous year i.e. FY 2019-20 had reversed the following transactions aggregating Rs. 83,193 Lakhs, which were given effect in the financial statements for the year 2018-19 and were subject to approvals from relevant authorities/stakeholders.

- (a) Tripartite agreement for settlement of amounts due from Ballapur International Holdings B.V. (BIHBV) against dues to Bilt Graphic Paper Product Limited (BGPPL) amounting Rs. 17,393 Lakhs.
- (b) Assignment of its rights, title and interest in freehold land to the Bilt Graphic Paper Product Limited (BGPPL) 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 Bilt Graphic Paper Product Limited (BGPPL) amounting Rs. 26,400 Lakhs in respect of which lenders/certain investors have initiated revaluation of the pricing.

However, the necessary approvals from the certain stakeholders were not received and the above transactions has been reversed in previous FY 2019-20.

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

a. Parent:

Ballapur Industries Limited

b. Subsidiaries:

- (i) Avantha Agritech Limited

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

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

- (ii) Ballapur International Holdings B.V.



c. Step-down subsidiaries:

- (i) Mirabelle Trading Pte. Ltd
This is a company incorporated under the laws of Singapore which is a subsidiary of BIHBV. An application has been filed by ICICI Bank against this company for recovery of debt. Currently, as per information available with BILT there are no other operations in this company other than debt recovery. For FY 2019-20, only the unsigned and unaudited financials have been provided basis which the accounts have been consolidated. Despite repeated requests for audited financial statements, no financials have been provided by this company for FY 2020-21 and since there are no operations in this company the opening balance has been carried forward for FY 2020-21.
- (ii) BILT General Trading FZE
This company is incorporated under the laws of UAE and is a subsidiary of BSPH. Despite repeated requests financials have not been provided since FY 2019-20. As per information available with BILT, the company has no operations and BILT new management of BILT has no intention of reviving the operations. Since there are no operations and financial statements have not been provided the opening balance is being carried forward for FY 2020-21.
- (iii) BILT Paper B.V
BPBV is a step-down subsidiary of BILT incorporated under laws of Netherlands and a subsidiary of BIHBV based in the Netherlands, where BIHBV holds 62.21% shares of BPBV, of which certain foreign lenders have invoked the voting rights of BIHBV to the extent of 21.5% in BPBV and 7.79% is held by Avantha International Assets B V, 15.71% is held by Lathe Investments and 14.29% is held by International Finance Corporation. For BPBV audited financial statements have been provided for FY 2020-21 basis which the accounts have been consolidated. BPBV is merely an investment company.
- (iv) Ballarpur Paper Holdings B.V (till 25th February 2021)
BPHBV is a step-down subsidiary of BILT and a wholly owned subsidiary of BPBV, based in the Netherlands. 70% of the shares of BPHBV have been pledged to Edelweiss ARC by BPBV and the voting rights attached to the pledged shares has been transferred to the Edelweiss ARC in February 2021, by virtue of which Edelweiss ARC has voting rights in BPHBV to the extent of 70%. There is no shareholders agreement or any similar document made available to new management of BILT in respect of shareholding of BPHBV which would govern the interse rights between shareholders and management of BPHBV. In view thereof since February 2021, BPHBV is treated as an associate company.
BPHBV is a company incorporated under the laws of Netherlands. The audited statements have been provided for the FY 2020-21 basis which accounts have been consolidated.
- (v) BILT Graphic Paper Products Limited (till 25th February 2021)
- (vi) Sabah Forest Industries Sdn. Bhd. (till 25th February 2021)
SFI is a step-down subsidiary of BILT and a subsidiary of BPHBV where BPHBV holds 98.08% stake and 1.92% is held by Sabah Government which is a State in Malaysia. SFI has been in liquidation since the year 2019 and no records of the same are available with BILT. BILT has been unable to establish contact with the liquidator. Since SFI is under liquidation, BILT has no intent of reviving the operations. Only unsigned and unaudited financial statements have been provided for FY 2020-21 basis which the accounts have been consolidated.

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

- (i) Ballarpur Paper Holdings B.V (from 26th February 2021)
BPHBV is a step-down subsidiary of BILT and a wholly owned subsidiary of BPBV, based in the Netherlands. 70% of the shares of BPHBV have been pledged to Edelweiss ARC by BPBV and the voting rights attached to the pledged shares has been transferred to the Edelweiss ARC in February 2021, by virtue of which Edelweiss ARC has voting rights in BPHBV to the extent of 70%. There is no shareholders agreement or any similar document made available to new management of BILT in respect of shareholding of BPHBV which would govern the interse rights between shareholders and management of BPHBV. In view thereof since February 2021, BPHBV is treated as an associate company.
BPHBV is a company incorporated under the laws of Netherlands. The audited statements have been provided for the FY 2020-21 basis which accounts have been consolidated.

e. Subsidiaries of associate:

- (i) BILT Graphic Paper Products Limited (from 26th February 2021)
- (ii) Sabah Forest Industries Sdn. Bhd. (from 26th February 2021)
SFI is a step-down subsidiary of BILT and a subsidiary of BPHBV where BPHBV holds 98.08% stake and 1.92% is held by Sabah Government which is a State in Malaysia. SFI has been in liquidation since the year 2019 and no records of the same are available with BILT. BILT has been unable to establish contact with the liquidator. Since SFI is under liquidation, BILT has no intent of reviving the operations. Only unsigned and unaudited financial statements have been provided for FY 2020-21 basis which the accounts have been consolidated.



BALLARPUR INDUSTRIES LIMITED

CIN: L21010MH1945PLC010337

Notes accompanying the consolidated financial statements

- 72 Due to non-availability of required information to prepare the quarterly results for the financial year 2020-21, the Parent has not filed its quarterly results in compliance with regulation 33 and 52 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 73 Previous year figures have been regrouped/ reclassified wherever necessary to conform to current year grouping/ classification.

As per our report of even date attached

For Batliboi & Purohit
Chartered Accountants
Firm Registration No.: 101048W

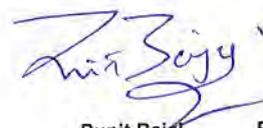


Parag Hangekar
Partner
Membership No: 110096

Place: Mumbai
Date: April 16, 2025



For Ballarpur Industries Limited



Punit Bajaj
Company Secretary
Meb. No.: A- 58392

Place: Mumbai
Date: April 16, 2025



Parashiva Murthy B S
Director
Din: 00011584



Hardik B. Patel
Whole- Time Director &
Chief Financial Officer
Din: 00590663





BALLARPUR INDUSTRIES LIMITED

CIN: L21010MH1945PLC010337

Registered Office: 602, 6th Floor, Boston House, Suren Road, Andheri East,
Mumbai, Maharashtra - 400 093, India.

E-mail: sectdiv@bilt.com ; Telephone: +91 (022) 4000 2600

Website: www.biltpaper.in

NOTICE OF THE 76th ANNUAL GENERAL MEETING

Notice is hereby given that the Seventy-Sixth Annual General Meeting (“AGM”) of the members of Ballarpur Industries Limited (“the Company”) will be held on Monday, November 03, 2025 at 02.00 P.M. (IST) through Video Conferencing (“VC”) / Other Audio Visual Means (“OAVM”). The venue of the AGM shall be deemed to be the Registered Office of the Company. The following businesses will be transacted at the AGM:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited financial statements [including consolidated financial statements] of the Company for the financial year ended March 31, 2021, and the reports of the Board of Directors (‘the Board’) and auditors thereon

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** the audited financial statements [including consolidated financial statements] of the Company for the financial year ended March 31, 2021, together with the reports of the Board of Directors and Auditors thereon, be and are hereby approved and adopted.”

SPECIAL BUSINESS:

2. Ratification of Remuneration to Cost Auditors

To consider and if thought fit, pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of section 148 and all other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) read with Companies (Audit and Auditors) Rules, 2014 {including any statutory amendments(s), modification(s) or re-enactment(s) thereof, for the time being in force}, the remuneration payable to M/s Bahadur Murao & Co., Cost Accountants, New Delhi (Firm Registration No. 000008), appointed by the Board of Directors of the Company, as Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending March 31, 2022, amounting to Rs. 11,000/- (Rupees Eleven Thousand only) plus applicable taxes thereon and re-imbursalment of out-of-pocket expenses, as recommended by the Audit Committee and approved by the Board of Directors of the Company, be and is hereby ratified, confirmed and approved.

FURTHER RESOLVED THAT any of the directors of the Company and the Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as may be considered necessary in this regard for and on behalf of the Company, including but not limited to, filing of

necessary forms, returns and submissions under the Act to give effect to this resolution.”

3. Appointment of Mr. Alok Prakash (DIN: 06913561) Chief Executive Officer as a Whole Time Director and approval of the terms of remuneration thereof

To consider and if thought fit, to pass the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of sections 152, 178, 196, 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”), read with Schedule V thereto and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any amendment, statutory modification or re-enactment thereof for the time being in force) the SEBI (Listing Obligation & Disclosures Requirement) Regulations, 2015, and based on recommendation of Nomination & Remuneration Committee of the Board, approval of the members of the Company be and is hereby accorded to the appointment of Mr. Alok Prakash (DIN: 06913561) Chief Executive Officer of the Company as Whole-time Director, designated as ‘Executive Director’ of the Company for a period of 3 (Three) years from August 07, 2025 to August 06, 2028, liable to retire by rotation, upon the terms and conditions including remuneration as set out in the explanatory statement relating to this resolution annexed to the Notice, with liberty and powers to the Board of Directors (which term shall be deemed to include any Committee thereof) to alter and vary the terms and conditions and remuneration in such manner as the Board of Directors may deem fit and as is acceptable to Mr. Alok Prakash (DIN: 06913561), within the limits specified in the Act, including any statutory amendment, modifications or re-enactment thereof.

RESOLVED FURTHER THAT in the event of any statutory amendment or modification or relaxation by the Central Government to Schedule V to the Companies Act, 2013 or otherwise, the Board of Directors be and is hereby authorised to vary or increase or revise the remuneration of Whole-time Director from time to time to the extent the Board of Directors may deem appropriate, provided that such revision is within the overall limits of the managerial remuneration as prescribed under the Act read with Schedule V thereto, and/or any guidelines prescribed by the Government from time to time, and the agreement between the Company and Whole-time Director be executed to give effect to such modification, relaxation or variation without any further reference to the Members of the Company in General Meeting.

RESOLVED FURTHER THAT notwithstanding anything to the contrary contained herein above or in the terms and conditions of his appointment, where in any financial year, during the tenure of Mr. Alok Prakash (DIN: 06913561) as Whole time Director of

the Company, the Company has no profits or its profits are inadequate, Mr. Alok Prakash (DIN: 06913561) will be paid, then current remuneration (including fixed salary) as minimum remuneration subject to necessary approvals and compliances as per the applicable provisions of the Act.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds and things as they may, in their absolute discretion deem necessary, proper or expedient and to execute all such documents, instruments and writings as may be required and delegate all or any of their powers herein conferred to any Committee of Director(s) to give effect to the above resolution.”

**By Order of the Board of Directors
For Ballarpur Industries Limited**

**Sd/-
Hardik Patel
Whole-Time Director**

**Place: Mumbai
Date: October 8, 2025**

Note to Members

The National Company Law Tribunal (“NCLT”), Mumbai Bench, vide its order dated January 17, 2020, (“Insolvency Commencement Order”) has commenced the Corporate Insolvency Resolution Process (“CIRP”) against the Company in CP No. 2915/I&B/MB/2019 filed by Finquest Financial Solutions Private Limited (“**FFSPL**”).

Mr Divyesh Desai having IP Registration No. IBBI/IPA-001/IP-P00169/2017-18/10338 was appointed as an interim resolution professional (“IRP”) to manage affairs and assets of the Company in accordance with the provisions of the Code. Subsequently, the Hon’ble NCLT vide its order dated May 27, 2020 had appointed Mr Anuj Jain having IP Registration No. IBBI/IPA-001/IP-P00142/2017-18/10306 as the resolution professional (“Resolution Professional”) of the Company to take charge of the affairs and assets of the Company in accordance with the provisions of the Code.

By virtue of the commencement of CIRP against the Company, the powers of the erstwhile board of directors of the Company were suspended with effect from the Insolvency Commencement Date, i.e., January 17, 2020.

Prior to the date of the Insolvency Commencement Order, the erstwhile board of directors of the Company managed the business operations, affairs and assets of the Company. However, in accordance with the terms of the Code, the powers of the erstwhile board of directors continued to remain suspended for the entire period to which this Board Report pertains to. During the CIRP, the IRP and Resolution Professional were entrusted with the management of the affairs of the Company.

The NCLT approved the resolution plan submitted by FFSPL in its capacity as a resolution applicant under Section 31 of the Code (“**Approved Resolution Plan**”) vide order dated March 31, 2023 (“**NCLT Order**”).

As per the terms of the Approved Resolution Plan, a monitoring committee was constituted comprising of 1 (One) representative of the financial creditors, 1 (One) representative of FFSPL and the erstwhile Resolution Professional for the purposes of (i) managing the operations and affairs of the Company as a going concern and (ii) supervising the implementation of the Approved Resolution Plan. The tenure of the said monitoring committee was from April 16, 2023 to October 25, 2023.

Pursuant to the terms of the NCLT Order and in terms of the Approved Resolution Plan, FFSPL has acquired majority shareholding in the Company. Pursuant to the terms of Approved Resolution Plan, FFSPL was required to take over the Company on an “as-is where-is” basis.

The Approved Resolution Plan was implemented on and from June 12, 2023 (i.e. Closing Date (in terms of the Approved Resolution Plan)), and the new board of directors have been appointed vide resolution dated June 12, 2023 and September 08, 2023 passed by the Company.

In accordance with the provisions of the Code and the NCLT Order, the Approved Resolution Plan is binding on the Company and its employees, members, creditors, including the Central Government, any State Government and/or any local authority to whom any debt is owed, guarantors and all the stakeholders of the Company.

As on the date of the Board’s Report, the new board of directors of the Company comprised of Mr. Hardik B. Patel, the Whole-Time Director and Chief Financial Officer of the Company, Mr. Yeddala Kesava Reddy, Whole Time Director, Mr. Panchapakesan Swaminathan, Independent Director, Mr. Kulandaipaian Thangaraju Independent Director, Ms. Runel Saxena, Independent Director, and Mr. Parashiva Murthy B S, Director (“**New Board**”). Mr. Punit Bajaj was the Company Secretary and Compliance Officer of the Company as on the date of the Board’s Report (collectively with the New Board, the “**New Board and KMPs**”).

Please note that specifically, and among other matters, the Company’s financial statements for the financial years 2019-20, 2020-21, 2021-22 and 2022-23 have not been prepared, audited, approved and filed with the jurisdictional registrar of companies (“**ROC**”), as is required under the relevant provisions of the Companies Act, 2013 read with the rules and regulations framed thereunder (“**Companies Act**”) and requisite documentation and information to enable preparation of the same were not made available to the New Board. At the time of handover of control, only the audited financial statements up to FY 2019, and the unaudited standalone consolidated financial statements of the Company up to FY 2021 were handed over to the New Board.

It is the new management which incurred additional costs and took all efforts to prepare the consolidated financial statements up to FY 2024 and has successfully completed the statutory audit of the same along with standalone financial statements. However, the accounts of the Company for the financial year ending March 31, 2021 (“**Subject Accounts**”), which pertain to the period prior to the Closing Date (June 12, 2023 (As per terms of the Resolution Plan)), and the date of appointment of New Board (i.e. June 12, 2023 and September 08, 2023), are required to be adopted by the shareholders of the Company.

It is pertinent to note that the Board’s Report and Subject Accounts are required to: (i) be approved, and signed by or on

behalf of the New Board and KMPs; (ii) undergo statutory audit by the Company's auditors; (iii) approved by the Company's shareholders; (iv) filed with the ROC in order to (a) fulfill requisite compliance requirements, including under the Companies Act and (b) to cure/regularize the non-compliance of the Company with respect to its filing requirements under the Companies Act including to make its status 'Active Compliant' with the registrar of companies (and as reflected on the portal of Ministry of Corporate Affairs) in terms of and for the implementation of the Approved Resolution Plan. Accordingly, in fulfilling these compliance requirements certain inherent limitations and inhibitions are involved for the New Board and KMPs and management of the Company ("**Inherent Limitations and Inhibitions**"), as is set out below in further detail.

The Subject Accounts have been signed by Mr. Hardik B. Patel, the Chairman & Whole-Time Director, Mr. Parashiva Murthy B S, Director & Mr. Punit Bajaj, Company Secretary and the Board's Report is being approved by the Company's New Board, only for the purpose of statutory compliance as set out in the preceding paragraphs, subject to the following Inherent Limitations and Inhibitions: -

- (i) the New Board and KMPs had no access to or role in relation to the affairs and or management Company for and during the financial year ending March 31, 2021 ("**Subject Period**");
- (ii) the New Board and KMPs have, in this regard, relied solely and exclusively on the books, papers, records and other information, documents, clarifications, representations, communications, notices and/or certifications (collectively, "**Books and Records**") furnished to them by or on behalf of the Resolution Professional and the records and details available with the staff of the Company. The New Board has approved this Board Report and Mr. Hardik B. Patel, the Whole Time Director and Chief Financial Officer had signed the Subject Accounts on the basis that the available Books and Records believing that the same: (a) are genuine, correct and accurate; (b) have been prepared and maintained in accordance with the applicable accounting standards, policies and conventions, and the New Board and KMPs are not aware of any significant exercise of judgment which has not been disclosed to them in writing in this regard; and (c) are not in any way fraudulent or misleading;
- (iii) the New Board and KMPs do not take any responsibility or liability for the Books and Records not being in line with the matters stated in paragraph (ii) above. No statement, fact, information (whether current or historical) or opinion contained herein should be deemed or construed as a representation or warranty, confirmation, undertaking and / or assurance, whether express or implied, by the New Board and KMPs.
- (iv) Additionally, and without prejudice to the above, the New Board and KMPs further disclaim all responsibility as to matters regarding: (a) recording, disclosing and dissemination of matters set out in, and record-keeping and preservation of, the Books and Records; (b) matters that require specific disclosure in this Board Report and the Subject Accounts, including (without limitation)

identification of related parties and related party transactions; and (c) matters concerning maintenance of internal controls, systems and processes;

- (v) The New Board and KMPs believe and have relied upon the accounts and financial statements of all the subsidiaries, joint ventures and related parties, being duly and properly prepared, verified and approved in accordance with applicable laws including the relevant accounting standards, for the purpose of consolidation of such financial statements and preparation of this Board Report and the Subject Accounts.

For the reasons set out in the preceding paragraphs, the New Board and KMPs are submitting the Board's Report (including for sake of clarity, the Director's Responsibility Statement set out herein) in compliance with the provisions of the Companies Act and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015 and in good faith and strictly on a without liability basis; and no suit, prosecution or other legal proceeding shall lie against them, now or in future, in relation to or in connection with (in any manner whatsoever) this Board Report or any matter stated herein (including, for sake of clarity, the Director's Responsibility Statement set out herein) and the Subject Accounts.

For and on behalf of the Board of Directors

**Sd/-
Hardik Bharat Patel
Whole-Time Director
DIN: 00590663**

**Place: Mumbai
Date: October 8, 2025**

NOTES FOR 76TH AGM:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ('the **Act**') and pursuant to relevant Regulations of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 ('the **Listing Regulations**'), in respect of the business under Item No. 3 of the Notice is annexed hereto.
2. Item No. 3 in the notice of the 76th Annual General Meeting ('**AGM**'), pertains to appointment of Mr. Alok Prakash (DIN: 06913561) Chief Executive Officer as a Whole Time Director, who was earlier appointed by the Board as an Additional Director whose tenure was set to expire in the ensuring AGM. Accordingly, the Board of Directors ('the **Board**') have considered and decided to include the same in the 76th AGM.
3. The Ministry of Corporate Affairs ("**MCA**") vide its circulars dated April 8, 2020, April 13, 2020, May 5, 2020, January 13, 2021, December 8, 2021, May 5, 2022, December 28, 2022, September 25, 2023, September 19, 2024 and September 22, 2025 ("**MCA Circulars for General Meetings**") and The Securities and Exchange Board of India ("**SEBI**") vide its circulars dated May 12, 2020, January 15, 2021, May 13, 2022, January 5, 2023, October 7, 2023 and October 3, 2024 ("**SEBI Circulars for General Meetings**") (MCA Circulars for General Meetings and SEBI Circulars for General Meeting are collectively referred to as "the **MCA and SEBI Circulars**"), permitted the holding of the general meetings through VC / OAVM, without the physical presence of the members at a common venue. In compliance with the provisions of the Act, the Listing Regulations, MCA Circulars for General Meetings and SEBI Circulars for General Meetings, the AGM of the Company is being held through VC / OAVM. The deemed venue for the AGM will be the registered office of the Company at 602, 6th Floor, Boston House, Suren Road, Andheri East, Mumbai, Maharashtra - 400 093, India. Attendance of the Members participating in the AGM through VC / OAVM facility shall be counted for the purpose of reckoning the quorum for the AGM as per section 103 of the Act.
4. As the AGM is being held pursuant to MCA Circulars for General Meetings and SEBI Circulars for General Meetings through VC / OAVM, the facility to appoint proxy will not be available for the AGM and hence the Proxy Form and the Attendance Slip are not annexed to this Notice. However, a Body Corporate is entitled to appoint authorised representative to attend the AGM through VC / OAVM and participate thereat and cast their votes through e-voting.
5. Further, pursuant to sections 112 and 113 of the Act, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC / OAVM and cast their vote through e-voting. As the AGM will be held through VC / OAVM, the Route Map is not annexed to this Notice.
6. Electronic copy of complete Annual Report and Notice of AGM are also being sent to all the members whose E-mail IDs are registered with the Company/Depository Participant(s) for communication purposes.
7. Recorded transcript of the proceedings at the AGM shall also be made available on Company's website in Investor Section soon after conclusion of said meeting.
8. Members holding shares in physical mode are requested to intimate RCMC Share Registry Private Limited, the Registrar and Transfer Agent of the Company ('the **RTA**') at B-25/1, Okhla Industrial Area, Phase – 2, Near Rana Motors, New Delhi - 110020, changes, if any, in their names, registered address along with pin code number, e-mail address, telephone / mobile number, Permanent Account Number ('**PAN**'), mandates, nominations, power of attorneys, bank details such as name of the bank and branch details, bank account number, MICR code, IFSC code, etc. and relevant evidences. Members holding shares in electronic mode shall update such details with their respective Depository Participant ('**DP**').
9. In compliance with the aforesaid Circulars, Notice of the AGM along with the Annual Report 2020-21 is being sent only through electronic mode to those Members whose email addresses are registered with the Company / RTA / Depositories. The Notice can also be accessed from the websites of the Company i.e. www.biltpaper.in as well as from the website of Stock Exchanges where Company is listed i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively. The AGM Notice is also available on website of National Securities Depository Limited ('**NSDL**') (agency for providing the remote e-voting facility and e-voting during the AGM) i.e. www.evoting.nsdl.com.
10. The Register of members and share transfer books of the Company will remain closed from October 24, 2025 to November 3, 2025 (both days inclusive) for the purpose of AGM.
11. **Section 88 of the Act read with Rules framed thereunder provide for maintenance of Members Register having details like e-mail ID, Income Tax Permanent Account Number (PAN), Unique Identification Number, Corporate Identification Number, Father's / Mother's / Spouse's Name, Status, Occupation and Nationality etc.** Form for furnishing these information may be downloaded from Company's website www.biltpaper.in and sent to the Company or its Registrar and Share Transfer Agent. Registration of e-mail ID will also facilitate receipt of all communication including Annual Report, Notices and Circulars etc electronically from the Company. Even after registration for e-communication, members will continue to be entitled to receive such documents in physical form, upon making a request for the same.
12. **Mandatory furnishing of KYC details and nomination by holders of physical securities:**

SEBI, vide its circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 3, 2021, has prescribed certain mandatory provisions with regard to "Common and Simplified Norms for processing investor's request by RTAs and norms for furnishing PAN, KYC details and Nomination", where the shares are held in physical mode. Said SEBI circular prescribes following norms:

- Common and simplified norms for processing any service request from the holder, pertaining to the captioned items, by the RTAs.
- Electronic interface for processing investor's queries, complaints and service requests.
- Mandatory furnishing of PAN, KYC details and Nomination by holders of physical securities.
- Freezing of folios without valid PAN, KYC details and Nomination and
- Compulsory linking of PAN and Aadhaar by all holders of physical securities.

Members of the Company holding shares in physical mode shall provide the following documents / details to the RTA of the Company:

- PAN.
- Nomination (for all eligible folios) in Form No. SH13 or submit declaration to "Opt-Out" in Form No. ISR-3.
Note: Any cancellation or change in nomination shall be provided in Form No. SH-14.
- Contact details including postal address with pin code, mobile number, e-mail address.
- Bank account details including bank name and branch, bank account number and IFSC.
- Specimen signature.

Please provide the above documents / details to the RTA of the Company along with other basic details like name of the member, folio number, certificate number and distinctive numbers. As per the said SEBI circular, the Company has uploaded the following documents (along with the SEBI circular) on the website of the Company:

- Form No. ISR-1-request for registering PAN, KYC details or changes / updation thereof.
- Form No. ISR-2-confirmation of signature of securities holder by the Banker.
- Form No. ISR-3-declaration form for opting-out of nomination by holders of physical securities in listed companies.
- Form No. SH-13-nomination form.
- Form No. SH-14-cancellation or variation of nomination.

Further, the contact details of the Company and the RTA are also available on the website of the Company.

SEBI has issued a circular No. SEBI/HO/MIRSD/PoD-1/CIR/2023/37 dated March 16, 2023 (subsumed as part of the SEBI Master Circular No. SEBI/HO/MIRSD/POD1/P/CIR/2024/37 dated May 7, 2024) on 'Common and simplified norms for processing investor's service request by RTAs and norms for furnishing PAN, KYC details and Nomination' which is applicable from April 1, 2023. The norms / procedural requirements for processing service requests of investors are provided in the said SEBI Circular.

The link to view the said SEBI circular dated November 3, 2021 along with the various forms and March 16, 2023 is available on the Company website at: www.biltpaper.in

Pursuant to the said SEBI circular dated March 16, 2023, the Company has sent letters to all members holding shares in physical mode, whose KYC is pending, to complete their KYC.

SEBI vide Circular Nos. SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/131 dated July 31, 2023 and SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/135 dated August 4, 2023, read with Master Circular No. SEBI/HO/OIAE/OIAE_IAD1/P/CIR/2023/145 dated July 31, 2023 (updated as on August 11, 2023), has established a common Online Dispute Resolution Portal ("ODR Portal") for resolution of disputes arising in the Indian Securities Market. Pursuant to above-mentioned circulars, post exhausting the option to resolve their grievances with the RTA / Company directly and through existing SCORES platform, the members can initiate dispute resolution through the ODR Portal (<https://smartodr.in/login>).

13. **October 27, 2025**, has been fixed as '**Cut off Date**' for determining Members entitled to facility of voting by remote e-voting and for e-voting at said AGM following Regulation 44 of the SEBI LODR, 2015.
14. Equity Shares of the Company are available for dematerialisation both with NSDL and Central Depository Services (India) Limited ('**CDSL**'). ISIN is **INE731U01028**.
15. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
16. In terms of circulars issued by The Securities and Exchange Board of India ('**SEBI**'), it is now mandatory to furnish a copy of Permanent Account Number Card (PAN Card) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the RTA of the Company.
17. As per Regulation 40 of the Listing Regulations, securities of listed companies can only be transferred in dematerialized form with effect from 1st April 2019. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company's RTA, RCMC Share Registry Private Limited for assistance in this regard. In view of the above, members are advised to dematerialize shares held by them in physical form.
18. As per the provisions of section 72 of the Act, the facility of making nomination is available for the members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. Members are requested to submit the said details to the DP in case the shares are held by them in electronic mode and to the Company / RTA, in case the shares are held in physical mode.

19. Members holding shares in physical mode, in identical order of names, in more than 1 (one) folios are requested to send to the Company / RTA, the details of such folios together with the share certificates for consolidating their holdings in 1 (one) folio. A consolidated share certificate will be issued to such members after making requisite changes.
20. In case of joint holders, the members whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
- 21. Issue of shares in Demat mode only:**
SEBI vide its notification dated January 24, 2022 amended certain provisions of the Listing Regulations, inter-alia, pertaining to issue of shares in demat mode only. Further, SEBI vide its circular No. SEBI/HO/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022 issued operational guidelines for demat of securities received for processing investor's service request.
- Dematerialization would facilitate paperless trading through state-of-the-art technology, quick transfer of corporate benefits to members and avoid inherent problems of bad deliveries, loss in postal transit, theft and mutilation of share certificate. It also substantially reduces the risk of fraud. Therefore, we request all those members who have still not dematerialized their shares to get their shares dematerialized at the earliest.
- For more details, please visit our website at <https://biltpaper.in/>
22. SEBI vide its circular dated April 20, 2018 directed all the listed companies to record the PAN and bank account details of all their members holding shares in physical mode. All those members who are yet to update their details with the Company / RTA are requested to do so at the earliest. This will help the members to receive the dividend declared by the Company, directly in their respective bank accounts.
23. Members who have not registered their e-mail address so far are requested to register their e-mail address for receiving all communications including Annual Report, Notices, Circulars, etc. from the Company electronically. The e-mail address can be registered with the DP in case the shares are held in electronic mode and with the RTA in case the shares are held in physical mode.
24. Members desiring any relevant information on the Audited Financial Statements or any matter to be placed at the AGM are requested to write to the Company at least 10 (ten) days in advance of the date of AGM through e-mail on sectdiv@biltpaper.in. The same will be replied by the Company suitably.
25. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of contracts or arrangements in which the Directors are interested under Section 189 of the Act and all other documents referred to in this Notice will be available for inspection in electronic mode.
- The copies of the documents will also be available for electronic inspection during normal business hours on working days from the date of circulation of the Notice upto the date of AGM. For any communication, members may also send requests to the Company's investor e-mail id sectdiv@biltpaper.in.
26. Members are requested to quote Folio No. or Client ID and DP ID Nos. in all communications with the Company.
27. Equity Shares of the Company are listed both on the BSE Limited (Code: 500102) and National Stock Exchange of India Limited (Code: BALLARPUR) and regularly traded thereon.
- 28. E-voting (voting through electronic means):**
- a) Pursuant to the General Circular No. 09/2024 dated September 19, 2024, issued by the Ministry of Corporate Affairs (MCA) and circular issued by SEBI vide circular no. SEBI/HO/CFD/CFDPoD-2/P/CIR/2024/133 dated October 3, 2024 ("SEBI Circular") and other applicable circulars and notifications issued (including any statutory modifications or re-enactment thereof for the time being in force and as amended from time to time, companies are allowed to hold EGM/AGM through Video Conferencing (VC) or other audio visual means (OAVM), without the physical presence of members at a common venue. In compliance with the said Circulars, EGM/AGM shall be conducted through VC / OAVM.
- b) Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this EGM/AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the EGM/AGM through VC/OAVM and participate there at and cast their votes through e-voting.
- c) The Members can join the EGM/AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the EGM/AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM/AGM without restriction on account of first come first served basis.
- d) The attendance of the Members attending the EGM/AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
- e) Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) the Secretarial Standard on General Meetings (SS-2) issued by the ICSI and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs from time to time the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the EGM/AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as

well as e-voting on the date of the EGM/AGM will be provided by NSDL.

f) In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the EGM/AGM has been uploaded on the website of the Company at www.biltpaper.in. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and the EGM/AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.

g) EGM/AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular issued from time to time.

29. The instructions for members for remote E-Voting and Joining General Meeting are as under: -

The remote e-voting period begins on Thursday, October 30, 2025 at 09:00 A.M. and ends on Sunday, November 2, 2025 at 5:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. October 27, 2025, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being October 27, 2025.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

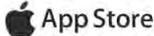
Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp . You will have to enter your 8-digit DP ID, 8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for

Type of shareholders	Login Method
	<p>casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> <p>2. Existing IDEAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDEAS’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> <p>3. If you are not registered for IDEAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDEAS Portal” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</p> <p>4. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen-digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> <p>5. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</p> <p>NSDL Mobile App is available on</p> <p> </p> <p> </p>
Individual Shareholders holding securities in demat	1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi

Type of shareholders	Login Method
mode with CDSL	<p>/Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then use your existing my easi username & password.</p> <p>2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</p> <p>3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option.</p> <p>4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and able to directly access the system of all e-Voting Service Providers.</p> <p>5. You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option.</p> <p>Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at

Login type	Helpdesk details
demat mode with NSDL	evoting@nsdl.com or call at 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800-21-09911

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen. Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below:
Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical
Your User ID is:
 - a) For Members who hold shares in demat account with NSDL. 8 Character DP ID followed by 8 Digit Client ID
For example, if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
 - b) For Members who hold shares in demat account with CDSL. 16 Digit Beneficiary ID
For example, if your Beneficiary ID is 12***** then your user ID is 12*****.
 - c) For Members holding shares in Physical Form. EVEN Number followed by Folio Number registered with the company
For example, if folio number is 001*** and EVEN is 101456 then user ID is 101456001***
5. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password', and the system will force you to change your password.
 - c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8-digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

(ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.

6. If you are unable to retrieve or have not received the “Initial password” or have forgotten your password:

a) Click on “Forgot User Details/Password?” (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

b) Physical User Reset Password? (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.

8. Now, you will have to click on “Login” button.

9. After you click on the “Login” button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.

2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join Meeting”.

3. Now you are ready for e-Voting as the Voting page opens.

4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and “Confirm” when prompted.

5. Upon confirmation, the message “Vote cast successfully” will be displayed.

6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

SCRUTINISER

1. The Company has appointed Mr. Viral Sanghavi, Proprietor of Viral Sanghavi & Associates, Practicing Company Secretaries (Membership No. FCS 10331: COP No. 9035), to act as the Scrutinizer, to scrutinize the e-voting process in a fair and transparent manner.

2. The Scrutinizer will collate the votes cast at the AGM and votes downloaded from the e-voting system and make, within two working days from the conclusion of the AGM, a consolidated Scrutinizer’s Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same.

3. The Scrutinizer will submit his report to the Chairman after completion of the scrutiny. The result of the voting on the resolutions at the AGM shall be announced by the Chairman or any other person authorised by him immediately after the results are declared.

4. The results declared along with the Scrutinizer’s Report, will be posted on the website of the Company www.biltpaper.in and on the website of NSDL www.evoting.nsdl.com and will be displayed on the Notice Board of the Company at its registered office immediately after the declaration of the results by the

Chairman or any other person authorised by him and communicated to the Stock Exchanges.

5. Subject to receipt of requisite number of votes, the Resolution(s) set out in the Notice shall be deemed to be passed on the date of the AGM.

GENERAL GUIDELINES FOR SHAREHOLDERS

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to cs.viralsanghavi@gmail.com with a copy marked to evoting@nsdl.com. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-Voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call at 022 - 4886 7000 or send a request to Ms. Pallavi Mhatre, Senior Manager, National Securities Depository Ltd., 3rd Floor, Naman Chamber, Plot C-32, G-Block, Bandra Kurla Complex, Bandra East, Mumbai, Maharashtra - 400051 at the designated email address: evoting@nsdl.com or at telephone no. 022- 48867000.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL IDS ARE NOT REGISTERED WITH THE DEPOSITORIES FOR PROCURING USER ID AND PASSWORD AND REGISTRATION OF E MAIL IDS FOR E-VOTING FOR THE RESOLUTIONS SET OUT IN THIS NOTICE:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to sectdiv@biltpaper.in.

2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16-digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to (Company email id). If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**

3. Alternatively, shareholder/members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.

4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE EGM/AGM ARE AS UNDER: -

1. The procedure for e-Voting on the day of the EGM/AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the EGM/AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the EGM/AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the EGM/AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the EGM/AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE EGM/AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM" placed under **"Join meeting"** menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at sectdiv@biltpaper.in. The same will be replied by the company suitably.

30. Instructions for members attending the AGM through VC/OAVM & e-voting during AGM are as under:

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM" placed under "Join meeting" menu against

company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

5. Shareholders are encouraged to join the Meeting through Laptops / iPads for better experience.

6. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

7. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

8. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast **7 (seven) days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at sectdiv@biltpaper.in. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **7 (seven) days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at sectdiv@biltpaper.in. These queries will be replied to by the company suitably by email.

9. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

10. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.

11. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

Explanatory Statement
In accordance with Section 102 of the Companies Act, 2013

Item No. 2

Ratification of Remuneration to Cost Auditors

M/s Bahadur Murao & Co., Cost Accountants, New Delhi (Firm Registration No. 000008), were appointed as the Cost Auditors for auditing the cost records being maintained by the Company for the financial year 2021-22, relating to Paper being manufactured at Unit Shree Gopal and pulp, if any, manufactured at Unit Kamalapuram. In accordance with provisions of Section 148 of Companies Act, 2013 and Companies (Audit and Auditors) Rules 2014, remuneration for auditing the cost records being maintained by the Company for the financial year 2021- 2022, payable to the Cost Auditors is to be approved by the Members of the Company. The New Board accordingly recommends the Ordinary Resolution as mentioned at item no. 2 of this Notice for your approval.

None of the Directors & Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution, except to the extent of their shareholding, if any, in the Company.

Item No. 3

Mr. Alok Prakash, was appointed as the Chief Executive Officer of the Company as on April 16, 2025 and the Nomination and Remuneration Committee and the Board of Directors, at their respective meetings held on April 16, 2025, had unanimously approved the appointment. Further at the meeting of Board of Directors and Nomination and Remuneration Committee held on August 07, 2025, Mr. Alok Prakash was unanimously appointed as the Whole-Time Director of the Company for a period of 3 (three) years from August 07, 2025 to August 06, 2028, subject to approval of the shareholders in their ensuing AGM, whose office shall be liable to retirement by rotation. The terms and conditions of the appointment, including remuneration, are set out herein below:

Term of Office:

Name	Designation	Period
Mr. Alok Prakash (DIN: 06913561)	Executive Director	3 years from August 07, 2025, to August 06, 2028

The Whole-time Director shall be liable to retire by rotation. The retirement by rotation and re-appointment of the Whole-time Director at the Annual General Meetings of the Company during his tenure of service, shall not be considered as cessation of his office as Whole-time Director.

Salary:

Mr. Alok Prakash shall continue to draw remuneration at the existing level of ₹1.20 crore (Rupees One Crore Twenty Lakhs only) per annum, as presently applicable to him in his capacity as Chief Executive Officer (CEO), inclusive of all perquisites, allowances, benefits and others as stated below. There shall be no change or revision in his remuneration pursuant to his appointment as Executive Director.

- a. Perquisites and Allowances:
 - i. The Company shall pay House Rent allowance @ of 50% of Basic Salary per annum, which shall be payable on monthly basis.
 - ii. Contribution to provident fund, superannuation or annuity fund, gratuity etc: Nil
 - iii. Remuneration based on net profits: Nil
 - iv. Increment / Incentive / ESOP etc.: Nil
 - v. Reimbursement of Expenses: The Company shall reimburse expense for vehicle maintenance and driver salary and other expenses on actual basis.
- f. General:
 - i. The whole-time director shall perform his duties as such with regard to all work of the Company and will manage and attend to such business and carry out the orders and directions given by the board of directors from time to time in all respects and conform to and comply with all such directions and regulations as may from time to time be given and made by the board of directors and the functions of whole-time director will be under the overall authority of the board of directors.
 - ii. The whole-time director shall act in accordance with the Articles of Association of the Company and shall abide by the provisions contained in section 166 of the Act with regard to duties of directors.
 - iii. The whole-time director shall adhere to the Code of Conduct and other policies made by the Company.

The annual revision of salary will be subject to the approval of the Nomination and Remuneration Committee and the Board of Directors of the Company, provided the same shall remain within the limits specified under Schedule V to the Companies Act, 2013.

The terms and conditions of the said appointment and/or agreement may be altered and varied from time to time by the Board as it may, in its discretion, deem fit, including but not limited to the remuneration payable to Mr. Alok Prakash as Whole-time Director in accordance with the provisions of the Companies Act, 2013, rules thereunder or any amendments made therein.

Minimum Remuneration

Remuneration in excess of the limits prescribed in Schedule V to the Companies Act, 2013 as mentioned above may be paid, if the shareholders approve the same by way of a special resolution.

The Company has not committed any default in payment of dues to any bank or public financial institution or non-convertible debenture holders or any other secured creditors subject to explanation mentioned below:

- a) The Company was undergoing CIRP under the provisions of the Insolvency and Bankruptcy Code, 2016 and the IRP / RP, as the case may, has verified and admitted claims as on the Insolvency Commencement Date i.e., January 17, 2020 and the same have been settled and relinquished as per the terms of the Approved Resolution Plan.

b) Further, it may be noted that above debt has been crystallized by repayment to the Lenders in form of upfront cash payments, issuance of Listed and Unlisted Non-Convertible Debentures and issuance of Cumulative Redeemable Preference Shares pursuant to Approved Resolution Plan.

Information pursuant to clause (iv) of the second proviso to Section II, Part II of Schedule V to the Companies Act, 2013 is furnished hereunder:

I. General Information:									
1. Nature of Industry	Paper Manufacturing								
2. Date or Expected date of commencement of commercial production	The commercial production had already commenced in 19945 when it was under the name of The Ballarpur Paper & Straw Board Mills Ltd.								
3. In case of new companies, expected date of commencement of activities as per projects approved by financial institutions appearing in the prospectus	Not applicable								
4. Financial Performance based on given indicators	The net profit after tax, net sales and for three years as per latest audited financial Statements: (Rupees in Crore) <table border="1"> <thead> <tr> <th>Year / Period</th> <th>Net Profit (Loss)</th> </tr> </thead> <tbody> <tr> <td>2017-18</td> <td>(1,210)</td> </tr> <tr> <td>2018-19</td> <td>(1,071)</td> </tr> <tr> <td>2019-20</td> <td>(2,487)</td> </tr> </tbody> </table>	Year / Period	Net Profit (Loss)	2017-18	(1,210)	2018-19	(1,071)	2019-20	(2,487)
Year / Period	Net Profit (Loss)								
2017-18	(1,210)								
2018-19	(1,071)								
2019-20	(2,487)								
5. Foreign Investments or collaborations, if any.	The Company has made various investment in overseas subsidiaries and step-down subsidiaries as disclosed in financial statements.								
II. Information about Appointee:									
1. Background details	Mr. Alok Prakash holds a Ph.D. Degree from Dr. B R. Ambedkar University. Mr. Alok has an experience of over 28 years in paper and textile industry. He track record of exceptional performance in enhancing revenue and profits, as well as achieving financial turnarounds through improvements in sales and marketing, cost control, and operations.								

		Previously, he has managed a turnover of Rs. 2,750 Crores as Chief Sales Officer, overseeing the Writing & Printing Paper, Packaging Board, Rayon Grade Pulp, and Tissue businesses at Century Pulp & Paper (B.K. Birla Group of Companies).
2. Past remuneration		Not Applicable
3. Recognition or Awards		-
4. Job Profile and his suitability		Mr. Alok Prakash, Chief Executive Officer and Whole-time Director shall carry out such duties and perform such other functions and services as shall, from time to time, be assigned / entrusted to him by the Board of Directors. Refer profile details in explanatory statement above for suitability of director
5. Remuneration proposed		As mentioned above in the explanatory statement under section 102 of the Companies Act, 2013.
6. Comparative remuneration with respect to industry, etc.		The proposed remuneration is well within the remuneration payable to the Directorial personnel holding similar stature/position in the industry.
7. Any Pecuniary Relationship		He does not have any pecuniary relationship with the Company except for remuneration drawn as Chief Executive Officer and Whole-time Director. Mr. Alok Prakash is not related to any other managerial personnel & directors of the Company
III. Other Information:		
1. Reasons for loss or inadequate profits		Ballarpur Industries Limited ('BILT') or ('the Company') is one of the leading manufacturer of writing and printing (W&P) paper in India and has been in business since 1945. BILT's business operates through two separate groups of subsidiaries: one under
2. Steps taken/proposed to be taken for improvement		
3. Expected increase in Productivity/		

	<p>Profits</p>	<p>the flagship entity BILT, and the other under its step-down subsidiary BILT Paper.</p> <p>These businesses target the industrial and FMCG markets.</p> <p>The Company's other businesses comes under Bilt Paper B.V., which focuses on the wood-free printing and writing paper, coated and uncoated. This is BILT's primary business portfolio. The focus is on the reel or sheet commercial printing and the desktop printing business through copier paper. There is also considerable emphasis on high value bio-degradable high-end packaging.</p> <p>Through this structure, BILT addresses the following basic portfolio of businesses:</p> <ul style="list-style-type: none"> • Writing and printing paper. • Specialty paper. • Rayon grade pulp. <p>Paper is a capital-intensive industry and BILT has always focused on catering to the market with a portfolio of products that is of the highest quality and produced by adopting newer technologies.</p> <p>In line with market requirements, the Company had in the recent past made a series of major investments to augment and modernise capacity. Unfortunately, actual market demand growth was slower than expectations; and the market in India also faced pressures from dumping by global players, who were affected by a major dip in demand in advanced markets. As a result, the Company has faced severe financial difficulties primarily arising out of the inability to generate incremental profits to service the debt</p>
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		<p>raised for capital expansion.</p> <p>As a result, in Financial Year 2019-20 the Company went through Corporate Insolvency Proceedings and the the Corporate Insolvency Resolution Process ("CIRP") was initiated for the Company w.e.f. January 17, 2020 and vide Order dated March 31, 2023, the Hon'ble National Company Law Tribunal ('NCLT'), Ahmedabad Bench had approved the Resolution Plan in favour of the Company filed by M/s Finquest Financial Solutions Private Limited.</p>
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The above may be treated as an abstract of the draft agreements between the Company and Mr. Alok Prakash to Section 190 of the Companies Act, 2013.

Mr. Alok Prakash holds nil equity shares (0.00%) in the Company, and to that extent he may be deemed to be concerned or interested in the resolution.

Mr. Alok Prakash is not related to any director or promoters of the Company or its holding company or any of its subsidiary companies at any time during the last two years before the date of appointment.

None of the Directors of the Company is, in any way, concerned or interested in the Resolution.

This resolution is being proposed as a Special Resolution in view of the relevant provisions of Section 196,197 and Schedule V to the Act requiring a special resolution for payment of minimum remuneration in the event of loss or inadequacy of profits.

The Board recommends the Special Resolution set out at Resolution No. 3 of the Notice of AGM to the Members of the Company for approval by the members.

For and on behalf of the Board of Directors

Sd/-
Hardik Bharat Patel
Whole-Time Director
DIN: 00590663

Place: Mumbai
Date: October 8, 2025