

August 19, 2024

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: 975156

Symbol "BALLARPUR"

Subject: Annual Report for the Financial Year 2019-2020 including Notice of the Seventy-Fifth (75th) Annual General Meeting ("AGM") of Ballarpur Industries Limited

Dear Sir/ Madam,

Pursuant to regulation 34(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the Annual Report of the Company along with the Notice of Seventy-Fifth (75th) Annual General Meeting ("AGM") for the Financial Year ended March 31, 2020 which is sent to the members through electronic means as per the circulars from Ministry of Corporate Affairs and Securities and Exchange Board of India.

Important details with regard to AGM are as under:

Sr. No.	Particulars	Details
1.	AGM details	Day: Tuesday Date: September 10, 2024 Time: 11:00 a.m. (IST) Through Video Conference / Other Audio-Visual Means
2.	Cut-off date to determine list of members entitled to receive Notice of AGM and Annual Report	Friday, August 16, 2024
3.	Cut-off date to determine list of members entitled for e-voting	Tuesday, September 3, 2024
4.	Remote e-voting start time, day and date	9.00 a.m. (IST), Saturday, September 7, 2024
5.	Remote e-voting end time, day and date	5.00 p.m. (IST), Monday, September 9, 2024



CIN: L21010MH1945PLC010337

Regd Address: PO Ballarpur Paper Mills, Chandrapur Ballarpur - 442 901. Maharashtra.

The above documents are also being made available and can be accessed/downloaded from the Company's website www.bilt.com and the website of National Securities Depository Limited ("NSDL"), the e-voting agency appointed by the Company at www.evoting.nsdl.com.

This is for your information and record please.

Thanking you,

Yours faithfully,
For **Ballarpur Industries Limited**

(Punit A. Bajaj)
Company Secretary
Memp. No. ACS 58392

Encl: as above



Ballarpur Industries Limited
A Finquest Group Company

Annual Report
2019-20



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.

MANAGEMENT

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)
4. Mr Sanjay Labroo – Independent Director (Resigned w.e.f. 13.05.2019)
5. Mr Sudhir Mathur – Independent Director (Resigned w.e.f. 16.05.2019)
6. Mr A.S. Dulat – Independent Director (Resigned w.e.f. 16.05.2019)
7. Ms. Payal Chawla – Independent Director (Resigned w.e.f. 20.08.2019)
8. Mr. Krishnan Verma – Independent Director (Resigned w.e.f. 28.08.2019)
9. Mr. A.P. Singh – Independent Director (Resigned w.e.f. 07.10.2019)
10. Mr. Gautam Thapar – Non-Executive Director (Resigned w.e.f. 16.10.2019)
11. Mr. B. Hariharan – Chairman & Executive Director (Resigned w.e.f. 16.10.2019)

STATUTORY AUDITORS

M/s Sharp & Tannan, Chartered Accountants,
Chennai (Firm Registration No. 003792S)

SECRETARIAL AUDITORS

M/s PDS & Co., Company Secretaries,
Delhi

REGISTERED OFFICE

P O Ballarpur Paper Mills Chandrapur, Ballarpur,
Maharashtra – 442901

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

Dear Members,

It is with a profound sense of responsibility and commitment that I address you as the Chairman of Ballarpur Industries Limited (BILT). This year marks a significant turning point in our journey as we embrace new leadership and a renewed vision for our company. The approval of the resolution plan submitted by Finquest Financial Solutions Private Limited (FFSPL) by the National Company Law Tribunal (NCLT) 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 honor 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.

Transparency and accountability are the cornerstones of our approach. We are in the process of revising all existing policies to ensure they reflect our commitment to these principles. As we prepare the annual reports for the missing years, starting with the Financial Year 2020, we aim to provide you with clear and accurate insights into our progress and plans.

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 & CFO

Dear Members,

The National Company Law Tribunal ("NCLT"), Mumbai Bench, vide its order dated January 27, 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 27, 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 comprise of Mr. Hardik B. Patel, the Whole-Time Director and Chief Financial Officer, Mr. Parashiva Murthy B S, Director, Ruchit B. Patel, Director, Shaukat H. Merchant, Independent Director, Bina D. Trivedi, Independent Director and Mr. Duraiswamy G. Rajan, Independent Director ("New Board"). Mr. Punit A. Bajaj, is appointed as the Company Secretary of the Company by the New Board (collectively with the New Board, the "New Board and KMPs").

Sd/-
Hardik B. Patel
Whole Time Director & CFO

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MANAGEMENT DISCUSSION AND 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 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 year under review the 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 2020

Global Overview

The global paper and pulp industry is a significant contributor to the global economy, with an estimated market size of around \$530 billion in 2020. The industry faced considerable disruptions in FY 2020 due to the COVID-19 pandemic. Global paper and paperboard production reached approximately 419 million metric tons, reflecting a slight decline compared to previous years.

The biggest production shares of paper and paperboards are accounted for by North America, Western Europe and East Asia. E-commerce is likely to drive the global paperboard market; the global e-commerce market is expected to double by 2023, expanding at 12.9% y-o-y to US\$ 6.7 trillion. Paper packaging plays a critical role in the food and beverage industries for containing, protecting and preserving food products. Paper packaging is not just economical but environment friendly as well, influencing product sale, consumption, use and disposal.

Global paper prices declined through 2019 following a decline in demand. North American pulp prices declined in October 2019 due to the ongoing push from U.S. buyers to drop contract prices closer to the net levels seen in domestic spot markets. Pulp prices dropped from a high of US\$ 800 per metric tonne in January 2019 to US\$ 470-510 per metric tonne in November 2019.

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).

Key statistics for FY 2020 include:

- Global Paper Production: 419 million metric tons, down from 423 million metric tons in FY 2019.
- Market Size: \$530 billion.
- Printing and Writing Paper Demand: Declined by about 15% due to reduced activities in offices and educational institutions.
- Packaging Paper Demand: Increased by approximately 5% driven by the rise in e-commerce and home deliveries.

Indian Overview

The Indian paper and pulp industry is one of the oldest industries in the country, with around 750 paper mills and a production capacity of approximately 25 million metric tons annually. India accounts for 4% share of the global paper production even as it accounts for nearly 18% of the global population. The size of the Indian paper industry was estimated at H 70,000 crores in 2019-20, contributing H5000 crores to the exchequer. The industry provides direct employment to 5 lac people and indirect employment to 15 lac individuals.

India is the fastest growing paper market, the increasing demand addressed by imports, leading to a relative under-utilisation of domestic manufacturing capacity. The Indian paper industry operated at only 80% of its overall manufacturing capacity, considered low for a capital intensive and continuous process industry. Owing to this, paper imports increased 19.69% to Rs. 4941 crores in H1 2019-20 compared to Rs. 4128 crores during same period in the previous year.

The Indian paper market can be classified on the basis of raw material and application. On the basis of raw materials used, the market can be categorised into waste and recycled paper, wood and agro residue, of which the waste and recycled paper segment is expected to grow faster owing to growing concerns about felling trees to produce pulp. On the basis of application, the market can be classified into writing and printing paper, paperboard and packaging, newsprint and specialty paper. Of this, the biggest share is accounted for by the paperboard and packaging segment, which is expected to grow on the back of rising growth in the e-commerce sector. The growing use of paper in food packaging is also expected to strengthen offtake. Writing and printing paper accounts for the second biggest share of the sector on the back of growing policy-induced literacy.

Key statistics for FY 2020 include:

- Total Production: 18 million metric tons, a slight decrease from 19 million metric tons in FY 2019.
- Revenue: INR 70,000 crores (\$9.3 billion).
- Printing and Writing Paper Demand: Decreased by 20% due to the pandemic-induced closure of schools, colleges, and offices.
- Packaging Paper Demand: Increased by 7%, driven by the growth in e-commerce and consumer goods sectors.
- Export: Approximately 1.5 million metric tons of paper products, mainly to neighboring countries.

Key Trends and Challenges in FY 2020

- **Raw Material Shortage:** The industry faced a shortage of raw materials due to disrupted supply chains and import restrictions.
- **Environmental Regulations:** Increasing pressure to adopt environmentally friendly practices and reduce carbon footprints.

- **Technological Advancements:** Adoption of automation and digitalization to improve efficiency and product quality.
- **Sustainability:** Growing emphasis on recycled paper and sustainable forestry practices.

Overall, while FY 2020 was a challenging year for the global and Indian paper and pulp industry, it also highlighted the industry's resilience and adaptability. The shift towards sustainable practices and the rising demand for packaging materials amidst the pandemic provided a silver lining for the sector.

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 for the last couple of 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 2020 is given below.

Particulars	Consolidated	
	FY 2020	FY 2019
Revenue from Operations (Net of Excise duty)	3,274	3,643
EBIDTA	633	676
Less: Finance Cost	1121	843
Less: Depreciation	233	266
Profit/(Loss) before Exceptional Items and Taxes	(721)	(433)
Share of Profit/(Loss) in Associate and Joint Venture	0.32	0.69
Exceptional Items	1335	369
Profit / (Loss) before Tax	(2056)	(801)
Less: Tax	36	34
Profit/(Loss) After Tax	(2092)	(835)
Profit/ (loss) from discontinued operations before tax	(395)	(236)
Less: Tax expense on discontinued operations	-	-
Net profit/ (loss) from discontinued operations after tax	(395)	(236)
Net profit/ (loss) after tax	(2,487)	(1071)

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 recently assumed its responsibilities, is not in a position to provide a detailed assessment of the internal controls and their adequacy for FY 2020 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 by the Resolution Professional in the Information Memorandum:

- The company has 1,275 employees as on July 31, 2020 out of which 11 are in Head office, 714 employees in Shree Gopal Unit and 550 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	Kamlaapuram	Total
Permanent	10	234	545	789
Management staff	-	134	-	134
Casual	-	313	-	313
Industrial Trainees	-	22	-	22
School employees	-	11	-	11
Contractual	1	-	-	1
Retainer	-	-	5	5
Total	11	714	550	1,275

- The company has contractual manpower of 1,339 which are employed under various process and departments and only Shree Gopal unit has contractual manpower.

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:

Due to the recent assumption of responsibilities by the New Board, we regretfully cannot provide detailed explanations for these ratios 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

Due to the recent assumption of responsibilities by the New Board, we regretfully cannot provide detailed explanations 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
Chairman & Whole-Time Director
DIN: 00590663**

**Date: March 20, 2024
Place: Jalandhar**



BOARDS REPORT

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, 2020 ("Period under review"). The consolidated performance of the Company and its subsidiaries have 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 and are not currently available. Further accounts of the Company for the financial year ending March 31, 2020 ("Subject Accounts"), which pertain to the period prior to the Closing Date and the date of appointment of New Board, are required to be approved, audited and filed.

However, this Board 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) fulfil 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 Whole-Time Director and Chief Financial Officer, Mr. Parashiva Murthy B S, Director and Mr. Punit A. Bajaj,

Company Secretary of the Company, 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, 2020 ("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, Mr. Parashiva Murthy B S, Director and Mr. Punit A. Bajaj, Company Secretary of the Company have each signed the Subject Accounts on the basis that the available Books and Records believing that the same are: (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 3(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. 27,742 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, 2020.

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, 2020. 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. 108,246 lakhs due from Ballarpur International Holdings BV ("BIH") and Rs. 6,359 lakhs due from Sabah Forest Industries ("SFI"), a step-down subsidiary, which is under resolution process in Malaysia. The Company had created provision for expected credit loss of Rs. 36,249 lakhs and Rs. 1,908 lakhs as at 31st March, 2020 towards the receivable from BIH and SFI respectively.

d. The Company had carried forward deferred tax assets (net) of Rs. 11,924 lakhs from earlier years.

e. The erstwhile auditors of the Company had not been provided with the bank reconciliation statements for 4 bank accounts maintained by the Company having a carrying amount of Rs. 8 Lakhs as at 31 March 2020. The consequential impact, if any, is not ascertainable.

f. Confirmation of balances had not been received by the erstwhile 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.

g. In the case of step-down subsidiary company BILT Graphic Paper Products Limited ("BGPPL"), the auditors of subsidiary had not been provided with the direct confirmation of balances from lenders for the balances outstanding as on 31st March, 2020 subsequent to accounting for the impact of the amendment to Master Restructuring Agreement. The impact of the same on the standalone financial statement is not ascertainable and accordingly not able to ascertain the impact of this in the consolidated financial results of the group.

h. The Financial Statements of 3 step down foreign subsidiaries (Mirabelle Trading Pte. Ltd., Sabah Forest Industries and Bilt Graphic Trading FZE) which have a total assets base of Rs. 2,90,907 lakhs and which are material to the group are unaudited.

i. In case of step-down subsidiary company BILT Graphic Paper Products Limited ("BGPPL"), dues from related parties includes Rs. 44,723 lakhs net due from Sabah Forest Industries ("SFI"), a fellow subsidiary of BGPPL, which is under resolution process in Malaysia. BGPPL had created provision for expected credit loss of Rs. 13,424 lakhs as at 31st March, 2020 towards the receivable from SFI. The auditors of BGPPL had not been provided with the basis for determining the provision for expected credit loss. Therefore, the auditor of BGPPL was unable to conclude on the adequacy of the provision for expected credit loss and the recoverability of the balance receivables from SFI and accordingly it is not possible to conclude on the adequacy of the provision for expected credit loss and the recoverability of the balance receivables from SFI in the consolidated financial results of the Group. The impact of the same on the consolidated financial results cannot be determined.

j. During the year two erstwhile related parties of BGPPL, CG Power and Industrial Solutions Limited (CG PISL) and CG Power Solutions Limited (CG PSOL), had initiated legal suit against the company before Bombay High Court for Rs. 81,123 Lakh pertaining to the transactions originating from earlier years before the auditors of the subsidiary were appointed as auditors of the said subsidiary. Further, the affairs of the erstwhile related parties are being investigated by Serious Fraud Investigation Office (SFIO). As a part of investigation, SFIO has been seeking information from BGPPL on transactions and other matters which are being furnished by BGPPL. The auditors of the BGPPL were unable to determine the impact of the pending legal claim and the outcome of the investigation by SFIO and hence the New Board is also unable to determine the impact of the pending legal claim and the outcome of the investigation by SFIO on these consolidated financial results of the Group.

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 has 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 3(ii) above, and for the matters that are not available as detailed in paragraph 3(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, 2020, is given below:

(Rs. in Lakh)

Particulars	Standalone		Consolidated	
	2019-20	2018-19	2019-20	2018-19
Revenue from Operations	30,192	45,541	3,27,450	3,64,306
Other Income	3,402	6,670	8,170	4,777
Expenses	(75,114)	(47,491)	(2,72,331)	(3,01,584)
EBIDTA	(41,520)	4,720	63,289	67,499
Less: Finance Cost	(47,217)	(24,216)	(1,12,088)	(84,255)
Less: Depreciation	(4,563)	(6,348)	(23,281)	(26,555)
Profit/(Loss) before Exceptional Items and Taxes	(93,300)	(25,844)	(72,080)	(43,311)
Share of Profit/(Loss) in Associate and Joint Venture	-	-	32	69
Exceptional Items	(35,368)	(37,707)	(1,33,530)	(36,941)
Profit / (Loss) before Tax	(1,28,668)	(63,551)	(2,05,578)	(80,183)
Less: Tax	-	-	(3,634)	(3,352)
Profit/(Loss) After Tax	(1,28,668)	(63,551)	(2,09,212)	(83,535)
Profit/ (loss) from discontinued operations before tax	-	-	(39,472)	(23,635)
Less: Tax expense on discontinued operations	-	-	-	-
Net profit/ (loss) from discontinued operations after tax	-	-	(39,472)	(23,635)
Net profit/ (loss) after tax	(1,28,668)	(63,551)	(2,48,684)	(1,07,170)

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, 2020, 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 2020.

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, 2020, 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 2020. 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, 2020, the Board of Directors of the Company comprised of the following directors:

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

Appointments

The Board of Directors had appointed Dr. Padmakumar Nair and Ms. Yashashree Gurjar as Additional Directors w.e.f. October 15, 2019 and they continued as Directors of the Company till the completion of CIRP of the Company.

Resignations

The resignation of Mr. Sanjay Labroo (w.e.f. 13th May, 2019) and Mr. Sudhir Mathur & Mr. A.S. Dulat (w.e.f. 16th

May, 2019) – Independent Directors of the Company, had already been reported in the Board's Report for the financial year ended 31st March, 2019.

Ms. Payal Chawla vide her letter dated 20th August, 2019, resigned as Independent Director of the Company due to purely personal reasons.

Mr. Krishan Verma vide his letter dated 28th August, 2019, resigned as Independent Director of the Company due to personal and other preoccupations.

Mr. A.P. Singh vide his letter dated 7th October, 2019, resigned as Independent Director of the Company.

Mr. Gautam Thapar - Non-Executive Director and Mr. B. Hariharan – Chairman & Executive Director resigned as Directors of the Company w.e.f. 16th October, 2019 in deference to Securities and Exchange Board of India's ad-interim ex-parte Order No. WTM/GM/CFD/35/2019-20 dated 17th September, 2019.

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 shows 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

The details of meetings of the Board of Directors of the Company as well as the Committees of the Board are contained in the Corporate Governance Report annexed to the Board Report.

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

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

- a. In the case of step-down subsidiary company BILT Graphic Paper Products Limited ("BGPPL"), the auditors of subsidiary had not been provided with the direct confirmation of balances from lenders for the balances outstanding as on 31st March, 2020 subsequent to accounting for the impact of the amendment to Master Restructuring Agreement. The impact of the same on the standalone financial statement is not ascertainable and accordingly not able to ascertain the impact of this in the consolidated financial results of the group.
- b. The Financial Statements of 3 step down foreign subsidiaries (Mirabelle Trading Pte. Ltd., Sabah Forest Industries and Bilt Graphic Trading FZE) which have a total assets base of Rs. 2,90,907 lakhs and which are material to the group are unaudited.

c. In case of step-down subsidiary company BILT Graphic Paper Products Limited ("BGPPL"), dues from related parties includes Rs. 44,723 lakhs net due from Sabah Forest Industries ("SFI"), a fellow subsidiary of BGPPL, which is under resolution process in Malaysia. BGPPL had created provision for expected credit loss of Rs. 13,424 lakhs as at 31st March, 2020 towards the receivable from SFI. The auditors of BGPPL had not been provided with the basis for determining the provision for expected credit loss. Therefore, the auditor of BGPPL was unable to conclude on the adequacy of the provision for expected credit loss and the recoverability of the balance receivables from SFI and accordingly it is not possible to conclude on the adequacy of the provision for expected credit loss and the recoverability of the balance receivables from SFI in the consolidated financial results of the Group. The impact of the same on the consolidated financial results cannot be determined.

d. During the year two erstwhile related parties of BGPPL, CG Power and Industrial Solutions Limited (CG PISL) and CG Power Solutions Limited (CG PSOL), had initiated legal suit against the company before Bombay High Court for Rs. 81,123 Lakh pertaining to the transactions originating from earlier years before the auditors of the subsidiary were appointed as auditors of the said subsidiary. Further, the affairs of the erstwhile related parties are being investigated by Serious Fraud Investigation Office (SFIO). As a part of investigation, SFIO has been seeking information from BGPPL on transactions and other matters which are being furnished by BGPPL. The auditors of the BGPPL were unable to determine the impact of the pending legal claim and the outcome of the investigation by SFIO and hence the New Board is also unable to determine the impact of the pending legal claim and the outcome of the investigation by SFIO on these consolidated financial results of the Group.

e. 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 has expired

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 27, 2020, based on the application filed by Finquest Financial Solutions Private Limited ("FFSPL"). Mr. Vinit Gangwal initially served as the interim resolution professional (IRP), later succeeded by Mr. Divyesh Desai. Eventually, 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

a) Statutory Auditor

Members of the Company at the 72nd Annual General Meeting (AGM) held on 26 September 2017, had appointed M/s Sharp & Tannan, Chartered Accountants, Chennai (Firm Registration No. 003792S), as the Statutory Auditors of the Company for a period of 5

years to hold office from the conclusion of the said AGM till the conclusion of the 77th AGM. M/s Sharp & Tannan, have made disclaimer of opinion in their report on the standalone financial statements of the Company for the financial year ended 31st March 2020.

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 w.e.f. FY 2020 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 2020.

The New Board, having recently assumed its responsibilities, is not in a position to provide any response to such disclaimer of opinion made by the Statutory Auditors of the Company.

b) Secretarial Auditor

The Board had appointed M/s PDS & Co., Company Secretaries, to conduct Secretarial Audit of the Company for the financial year 2019 – 2020. The Secretarial Audit Report is annexed to this report as Annexure-3. Regarding observation in the said report on appointment of Chief Financial Officer (CFO), the Company is searching for a suitable candidate to be appointed as CFO.

c) Cost Auditor

M/s. Bahadur Murao & Co., Cost Accountants (Registration No. 000008), 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 2020. Remuneration of the Cost Auditors has been approved by the Members of the Company in their Seventy Fourth Annual General Meeting.

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.

Particulars of contracts or arrangements made with related parties

As per Note 44 of the audited financial statements of the company on standalone basis for the financial year 2019-20, 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. Further, as per the information made available to the New Board, there were no material contracts, arrangements or transactions with related parties which require disclosure in Form AOC-2.

Adequacy of internal financial controls

The New Board, having recently assumed its responsibilities, is not in a position to provide a detailed assessment of the internal financial controls and their adequacy for FY 2020 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.

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

The 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.bilt.com

- Policy on materiality of and dealing with related party transactions.

- Corporate Social Responsibility Policy.
- Policy for preservation of documents.
- Policy relating to remuneration of Directors/Key Managerial Personnel.
- 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".

Further, as per the information made available to the New Board, the Company has complied with the provisions relating to constitution of Internal Complaints Committee under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and that there were no complaints during the period under review.

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 27, 2020, based on the application filed by Finquest Financial Solutions Private Limited ("FFSPL"). Mr. Vinit Gangwal initially served as the interim resolution professional (IRP), later succeeded by Mr. Divyesh Desai. Eventually, 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-2).

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.

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: March 20, 2024
Place: Jalandhar**



Annexure-1

Form No. AOC-1

Statement containing salient features of the financial statement of Subsidiaries/associate companies/joint ventures
(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Part "A": Subsidiaries

(Amount in Lakhs)

Name of the subsidiary	Ballarpur International Holdings B.V.	BILTPaper B.V.	Ballarpur Paper Holding B.V.	Avantha agritech Limited (Formerly known as BILT Tree Tech Limited)	BILT Graphic Paper Products Limited	Sabah Forest Industries Sdn. Bhd.	Ballarpur Speciality Paper Holding B.V.	BILT General Trading (FZE)	Mirabelle Trading Pte Ltd.
Financial Year of the Subsidiary ended on	March 31, 2020	March 31, 2020	March 31, 2020	March 31, 2020	March 31, 2020	March 31, 2020	March 31, 2020	March 31, 2020	March 31, 2020
Reporting Currency	US Dollar	US Dollar	US Dollar	Indian Rupees	Indian Rupees	Malaysian Ringgit	US Dollar	US Dollar	Singapore dollar
Closing Exchange Rate	74.88	74.88	74.88	1.00	1.00	17.31	74.88	Refer Note (d)	52.67
Average Exchange Rate	70.94	70.94	70.94	1.00	1.00	17.14	70.94		51.76
Equity Share capital	73,204	54,18	70,536	108	56,832	179,082	13		2,946
Reserves & surplus	(206,971)	189,564	(61,579)	(1,018)	(1,63,190)	(184,288)	(289)		(1,106)
Total Assets	22,155	270,921	239,183	671	5,63,719	224,036	1		46,706
Total Liabilities	22,155	270,921	239,183	671	5,63,719	224,036	1		46,706
Investments	11	220,135	178,160	-	-	-	-		-
Turnover (including other income)	382	11,475	147	518	30,1747	709	4		-
Profit before taxation	(180,077)	(262,680)	(58,129)	(288)	(2,24,267)	(18,850)	(7)		(2,066)
Provision for taxation									
- Current Tax	-	-	-	-	38	-	-		-
- MAT Entitlement Credit	-	-	-	-	-	-	-		-
- Deferred Tax	-	-	-	-	3,590	-	-		-
- Excess provision relating to earlier years	-	-	-	6	-	-	-		-
Profit after taxation	(180,077)	(262,680)	(58,129)	(2,94)	(2,48,489)	(18,878)	(7)		(2,066)
Proposed Dividend	-	-	-	-	-	-	-		-
% of shareholding	100	62.21 (a)	100 (b)	91.67	96.79 (c)	98.08 (c)	100		(e)

Notes

a. Held through Ballarpur International Holdings B.V.

b. Held through BILT Paper B.V.

c. Held through Ballarpur Paper Holdings B.V.

d. 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 and also the license of BGT was expired. However, the Statutory Auditors were not provided with sufficient information and documents related to closure of business of BGT and therefore, the Statutory Auditors could not comment upon reasonableness of consolidation of BGT in the consolidated financial statements

e. Added during the FY 2019-20

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 (₹ in Lakhs)	Extent of Holding (%)	Net Worth attributable to shareholding as per latest Audited Balance Sheet (₹ in Lakhs)	Considered in Consolidation (₹ in Lakhs)	Not considered in Consolidation (₹ in Lakhs)	Description of how there is significant influence	Reason why the joint venture is not consolidated
*Premier Tissues (India) Limited	March 31, 2020	-	-	-	-	-	-	-	-

*Note: With effect from 17 July, 2019 Premier Tissues (India) Limited ceased to be an associate company.

Annexure-2

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	0.57
2.	Mr. Padmakumar Nair##	0.25
3.	Ms. Yashashree Padmakar Gurjar^^	0.25
4.	Mr. Gautam Thapar*	0.32
5.	Mr. A. S. Dulat @	0.25
6.	Mr. A. P. Singh#	0.32
7.	Mr. Sudhir Mathur^	0.06
8.	Mr. Krishan Varma\$	0.25
9.	Ms. Payal Chawla\$\$	0.13

Appointed as an Independent Director with effect from 15 October 2019

^^ Appointed as an Non- Executive Director with effect from 15 October 2019

*Resigned from directorship with effect from 16 October 2019.

@ Resigned from directorship with effect from close of business hours on 16 May 2019.

Resigned from directorship with effect from 7 October 2019.

^ Resigned from directorship with effect from close of business hours on 16 May 2019.

\$ Appointed as an Independent Director with effect from 16 May 2019 and resigned from directorship with effect from 28 August 2019.

\$\$ Resigned from directorship with effect from 20 August 2019.

Remuneration for the financial year 2019-20 comprised attendance based sitting fee only.

For the aforesaid purposes, median remuneration has been computed by ascertaining the annualized median salary for all employees of the Company, employed at any time during the financial year 2019-20, in all categories, whether workmen or white-collar employees. Remuneration includes variable pay paid during the year.

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 2019-20 comprised only of attendance based sitting fee and the same is not altered. 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 2019-20: Nil
4. The number of permanent employees on the rolls of Company as on 31 March, 2020: Adequate data not made available to the New Board. However, as per the information on salaries processed for the month of March 2020, there are a total of 1033 permanent employees.
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.
7. (i) Details of top ten employees of the Company in terms of remuneration drawn:

The New Board has not been provided with adequate information to prepare the requisite disclosure. The New Board is only provided with the remuneration paid for the months of January, February and March 2020 and accordingly the following table is prepared by assuming that the average of these the remuneration paid for these three months is the monthly average remuneration drawn by the employees:

S. No.	Name	Designation	Remuneration Received (INR')	Qualification	Experience (Years)	Date of commencement of employment	Age (Years)	Last employment and Designation held before joining the Company
1.	Mohit Ranjan Roy	*	59,59,456.00	*	*	*	*	*
2.	B Hariharan	*	47,10,812.00	*	*	*	*	*
3.	Akhil Mahajan	Company Secretary & Chief General Manager	38,78,972.00	CS, MBA	28	19.05.2006	55	Manager – Gillette India Limited
4.	R Hariharan	Chief General Manager	18,22,064.00	B.Sc (Engineering Mech)	35	01.10.1998	58	Dy. Manager – Purchase Binani Zinc Ltd
5.	Atul Sharma	General Manager	18,02,756.40	Dip in Mech Engineering	31	15.11.2010	51	Maint. Head – Abhishek Industries Ltd.
6.	Umakant Mishra	*	14,39,262.80	*	*	*	*	*
7.	Mahavir Prasad Verma	*	13,68,280.00	*	*	*	*	*
8.	S S Sodhi	Dy. General Manager	12,88,921.60	Dip. Electrical	39	02.04.1981	60	Dy. General Manager Enmas Andritz Pvt Ltd
9.	Ashwani Sharma	Dy. General Manager	12,72,732.00	M Com, LLB	15	06.06.2001	39	Head Indirect Taxation, Indian Technomech Co
10.	Rakesh Kumar Malhotra	Dy. General Manager	12,01,953.20	B.Sc., BE Chem	35	05.04.1986	55	-

(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,

Hardik Bharat Patel
Whole-Time Director & Chief Financial Officer
DIN: 00590663
Date: March 20, 2024
Place: Jalandhar

Annexure-3**SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2020****[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
P.O. Ballarpur Paper Mills
Chandrapur, Maharashtra - 442901

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Ballarpur Industries Limited (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended March 31, 2020 ("Audit Report") complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Financial Year ended on March 31, 2020 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;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable during audit period:-
 - (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 to the Company during the Audit Period)
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (Not applicable to the Company during the Audit Period)
 - (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 to the extent of securities issued;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the Company during the Audit Period)
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not applicable to the Company during the Audit Period)

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

- (a) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (b) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except the appointment of a Chief Financial Officer (CFO) as required to be appointed under the provisions of Section 203(1) of the Companies Act, 2013 and Rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

We further report that:

the Board of Directors of the Company is duly constituted with proper balance of Non-Executive Directors and Independent Directors, However, the Company is being under Corporate Insolvency Resolution Process (CIRP), the provisions of Regulation 17 of the Listing Regulations are not applicable. The changes in the composition of the Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Act and the Listing Regulations.

Adequate notice was given to all Directors for the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

We further report that, there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the following events has been took place which had a bearing on the Company's affairs

- (a) The Financial Creditors of the Company initiated the CIRP due to the default made in repayment of borrowings and interest thereon. The Company is under CIRP vide order passed by the Hon'ble National Company Law Tribunal (NCLT), Mumbai (NCLT) Bench dated January 17, 2020 as per the provisions of the Insolvency and Bankruptcy Code, 2016 (IBC) and Rules and Regulations made there under
- (b) The affairs, business, and assets of the Company are being managed by Mr. Divyesh Desai, appointed as the Interim Resolution Professional pursuant to Order passed National Company Law Tribunal, Mumbai (NCLT)

For PDS & CO.
Company Secretaries
FRN: P2015DE045400

Sd/-
Prashant Kumar Balodia
Partner
Membership No. F6047
Certificate of Practice No. 6153
UDIN: F006047E003611541
PR Certificate No. 1068/2021

Date: March 20, 2024
Place: Delhi

Note:

- a. 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.
- b. We conducted secretarial audit by examining the Secretarial Records, including Minutes, Documents, Registers, and other records pertaining to the financial year 2019-20. After the close of the financial year ended March 31, 2020, any non-compliances that occurred under the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above, during the course of the Corporate Insolvency Resolution Process (CIRP) are not required to be reported as on date of signing this report. This report is limited to statutory compliances with laws, regulations, and guidelines as listed above, pertaining to the financial year 2019-20 only.

Annexure A

The Members
BALLARPUR INDUSTRIES LIMITED
P.O. Ballarpur Paper Mills
Chandrapur, Maharashtra - 442901

1. Maintenance of secretarial records is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the random test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of Management. Our examination was limited to the verification of procedures on random test basis.
6. 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 PDS & CO.
Company Secretaries
FRN: P2015DE045400

Sd/-
Prashant Kumar Balodia
Partner
Membership No. F6047
Certificate of Practice No. 6153
UDIN: F006047E003611541
PR Certificate No. 1068/2021

Date: March 20, 2024
Place: Delhi

Annexure-4

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) INITIATIVES FOR FY 2019-20

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 details of the CSR initiatives are available at the Company's website at www.biltcsr.org.

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 (1,86,471) lakhs.

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 2020: Nil
- b) Actual amount spent for the financial year 2020: Nil
- c) Amount unspent, if any: N.A.

d) Manner in which the amount spent during the financial year: N.A.

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 Oultay (bugdet 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 REPORT

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 2019, 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.

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 2020, 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

None of the Directors of the Company are related to each other.

The composition of the Board of Directors is in conformity with Regulation 17 of Listing Regulations and provisions of the Companies Act, 2013. Table 1 gives details of the Directors on the Board, as well as their attendance.

BOARD MEETINGS

There were four Board meetings held in financial year 2019-20.

These were on: 16 May 2019, 12 August 2019, 5 November 2019 and 11 February 2020. A meeting of Independent Directors was held on 16 May 2019. Table 1 gives the details of Directors' attendance at the Board Meetings (excluding annual meeting of Independent Directors) and the Annual General Meeting (AGM) held during the year, as well as the number of Directorships and Committee Chairmanships /Memberships held by them in other public limited companies. Other such directorships do not include alternate directorship, or position held as a Director of private limited companies, Section 8 companies and companies incorporated outside India.

TABLE 1: DETAILS OF THE BOARD

Name	Designation	Category	Attendance Particulars			No. of Directorships and Committee Memberships / Chairmanships in other public Limited Companies*		
			Held	Attend	Last Agm #	Directorship	Committee	
							Members	Chairman
Mr. Gautam Thapar*	Chairman	Non-Executive Promoter	2	2	No	7	2	-
Mr. R. R. Vederah	Vice-Chairman	Independent	4	4	Yes	4	2	-
Mr. B. Hariharan **	Group Director (Finance)	Executive	2	2	No	5	2	1
Mr. A. S. Dulat @	Director	Independent	1	1	NA	2	-	1
Mr. A. P. Singh#	Director	Independent	2	2	No	1	1	-
Mr. Sudhir Mathur^	Director	Independent	1	0	NA	2	2	-
Mr. Krishan Varma§	Director	Independent	2	2	NA			
Ms. Payal Chawla§§	Director	Independent	2	2	NA	1	-	-
Mr. Padmakumar Nair##	Director	Independent	2	2	NA			
Ms. Yashashree Padmakar Gurjar^^	Director	Non-Executive	2	2	NA			

* Committees included are Audit and Stakeholders Relationship Committee.

74th Annual General Meeting held on 26 September 2019.

*Resigned from directorship with effect from 16 October 2019.

** Resigned from directorship with effect from 16 October 2019.

@ Resigned from directorship with effect from close of business hours on 16 May 2019.

Resigned from directorship with effect from 7 October 2019.

^ Resigned from directorship with effect from close of business hours on 16 May 2019.

§ Appointed as an Independent Director with effect from 16 May 2019 and Resigned from directorship with effect from 28 August 2019.

§§ Resigned from directorship with effect from 20 August 2019.

Appointed as an Independent Director with effect from 15 October 2019

^^ Appointed as a Non- Executive Director with effect from 15 October 2019

TABLE 1A: 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	Talbro's Automotive Components Limited	Non-Executive - Non Independent Director
2.	Dr. Padmakumar Nair	-	-
3.	Ms. Yashashree Gurjar	-	-

Note: The above details are provided only with respect to the Directors as on March 31, 2020, based on the information available from the MCA portal.

Directors' Compensation

TABLE 2: COMPENSATION TO DIRECTORS

Name of the Directors	Remuneration (Refer note below) (Amount in INR)
Mr. Gautam Thapar	1,00,000
Mr. R. R. Vederah	1,80,000
Mr. B. Hariharan	-
Mr. A. S. Dulat	80,000
Mr. A. P. Singh	1,00,000
Mr. Sudhir Mathur	20,000
Mr. Krishan Varma	80,000
Ms. Payal Chawla	40,000
Mr. Padmakumar Nair	80,000
Ms. Yashashree Padmakar Gurjar	80,000

Note: 1. Please refer the note to Table 1 for the details of appointment and resignation of respective directors.

2. As per the information made available to the New Board, none of the directors have received any salary, perquisites, provident fund, superannuation fund or commission and their remuneration is limited only to the sitting fees.

NON-EXECUTIVE DIRECTORS' SHAREHOLDING AND PECUNIARY RELATIONSHIP

As on 31 March 2020, 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, except for the sitting fee which is already disclosed in this report. .

COMMITTEES OF THE BOARD

Table 3 gives the composition of BILT's Board-level Committees in the Financial Year 2020:

Name of the Directors	Category	Audit Committee	Stakeholders Relationship Committee	Corporate Social Responsibility Committee	Nomination and Remuneration Committee	Risk Management Committee
Mr. Gautam Thapar*	Non-Executive	-	Member	Chairman	Member	-
Mr. R. R. Vederah	Independent	Chairman	Chairman	Chairman	Chairman	Chairman
Mr. B. Hariharan**	Executive	-	Member	-	-	Member
Mr. Sanjay Labroo \$	Independent	-	-	-	-	-
Mr. A. S. Dulat @	Independent	Chairman	Chairman	-	Chairman	Member
Mr. A. P. Singh#	Independent	Member	-	-	-	-
Mr. Sudhir Mathur ^	Independent	Member	-	Member	Member	-
Mr. Krishan Varma\$						
Ms. Payal Chawla\$\$	Independent	-	-	-	-	-
Mr. Padmakumar Nair##		Member	Member	Member	Member	Member
Ms. Yashashree Padmakar Gurjar^^	Independent	Member	Member	Member	Member	Member

*Resigned from directorship with effect from 16 October 2019.

** Resigned from directorship with effect from 16 October 2019.

@ Resigned from directorship with effect from close of business hours on 16 May 2019.

Resigned from directorship with effect from 7 October 2019.

^ Resigned from directorship with effect from close of business hours on 16 May 2019.

\$ Appointed as an Independent Director with effect from 16 May 2019 and Resigned from directorship with effect from 28 August 2019.

\$\$ Resigned from directorship with effect from 20 August 2019.

Appointed as an Independent Director with effect from 15 October 2019

^^ Appointed as a Non- Executive Director with effect from 15 October 2019

The composition of BILT's Audit, Nomination and Remuneration, Stakeholders Relationship, Corporate Social Responsibility and Risk Management Committees as on 31 March 2020 is given in Table 3.

Apart from these, BILT also has other Board level committees to manage the day-to-day decisions pertaining to operations /business of the Company. All decisions pertaining to the mandate of these Committees and appointment of members are taken by the Board of Directors.

AUDIT COMMITTEE

In FY 2020, the Audit Committee met five times: on 16 May 2019, 31 July 2019, 12 August 2019, 05 November 2019 and 12 February 2020.

Table 4 gives the attendance record of the audit committee for each of the members of the Committee. It is pertinent to note that the New Board, having assumed its responsibilities recently, had relied on the information provided by the erstwhile Company Secretary in compiling majority of the information including the information pertaining to attendance of the directors in various committees.

As per the information made available to the New Board, all members of the Audit Committee have accounting and financial management expertise.

TABLE 4: ATTENDANCE RECORD OF THE AUDIT COMMITTEE

NAME OF MEMBERS	DESIGNATION	NO. OF MEETINGS ATTENDED
Mr. A. S. Dulat	Chairman	1
Mr. A. P. Singh	Member	3
Mr. Sudhir Mathur	Member	0
Mr. Krishan Varma	Member	2
Mr. R R Vederah	Chairman	4
Mr. Padmakumar Nair	Member	2
Ms. Yashashree Padmakar Gurjar	Member	2

The Committee 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.

TERMS 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.

NOMINATION AND REMUNERATION COMMITTEE

During FY2020, the Committee met on Pending 22 March 2019. The meeting was attended by all its members. 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.

TERMS 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.

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.

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 3. A meeting was held on 06 May 2019 and was attended by all its members. During FY2020, six complaints were received from Investors / Shareholders, which were resolved during the year. Akhil Mahajan, the then Company Secretary was also the Compliance Officer.

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.

CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

The composition of the CSR Committee is provided in Table 3. Its mandate is in compliance with the requirements of Section 135 of the Companies Act, 2013. The Committee met on 16 May 2019. It has formulated and recommended to the Board of Directors, a Corporate Social Responsibility Policy, guidance on the CSR activities to be undertaken by the Company and the amount to be spent on CSR. It monitors the CSR spends and their effectiveness on a regular basis.

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.bilt.com) and that all Board members and Senior Management Personnel have affirmed compliance with the Code of Conduct for FY 2019.

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 7 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 continuation of Mr. Amarjit Singh Dulat (DIN: 00861917) aged seventy-seven years, as an Independent Director till 18th December 2019 at the 2018 AGM and reappointment of Mr. Bhuthalingam Hariharan (DIN: 00012432) as Wholetime Director of the Company

TABLE 7: DETAILS OF GENERAL MEETINGS HELD DURING THE LAST THREE YEARS

Year	Category	Place	Date & Time
2017	AGM	P.O. Ballarpur Paper Mills – 442901, Distt. Chandrapur, Maharashtra	26 September 2017 11.00 A.M.
2018	AGM	P.O. Ballarpur Paper Mills – 442901, Distt. Chandrapur, Maharashtra	25 September 2018 11.00 A.M.
2019	AGM	P.O. Ballarpur Paper Mills – 442901, Distt. Chandrapur, Maharashtra	26 September 2019 12.00 Noon

POSTAL BALLOT

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

CAPITAL MARKET COMPLIANCE

The New Board, having assumed its responsibilities recently, 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 PDS & Co., 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, 2012 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.bilt.com 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

Each of the subsidiaries of the Company is managed by an experienced Board of Directors. The minutes of the subsidiaries are reviewed by BILT's Board of Directors on a regular basis.

CEO/CFO CERTIFICATION

In order to ensure compliance, the New Board represented by its Whole Time Director and the CFO has certified with respect to accuracy of the financial statements, adequacy of internal controls and other matters, as required by Regulation 17(8) of Listing Regulations for the financial year ended 31 March 2020.

CERTIFICATE ON CORPORATE GOVERNANCE

The Company has obtained a certificate from M/s. PDS & Co., a firm of Company Secretaries in practice, regarding compliance of conditions of Corporate Governance for FY 2020, as prescribed by Schedule V of Listing Regulations, which is attached herewith.

GENERAL SHAREHOLDER INFORMATION

ANNUAL GENERAL MEETING

Date: September 10, 2024

Time: 11.00 AM

Venue: P.O. Ballarpur Paper Mills – 442901, Distt. Chandrapur, Maharashtra

FINANCIAL YEAR

Financial Year (FY) 2020 is from 1 April 2019 to 31 March 2020.

BOOK CLOSURE

The dates of book closure are from Wednesday, September 4, 2024 to Tuesday, September 10, 2024, 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. The annual listing fee for the financial year 2019-20 has been paid to both the Stock Exchanges. The Company’s stock codes at various exchanges are given in Table 9.

TABLE 9: BILT’S STOCK CODES

ISIN	INE731U01028
BSE	500102
NSE	BALLARPUR

SHARE PRICE AND VOLUMES TRADED

Table 10 gives the details of monthly price and volumes traded of BILT’s shares at the BSE and the NSE, and Charts A and B compare the price movements of BILT’s shares with respect to the BSE SENSEX and the NSE NIFTY, respectively.

TABLE 10: MONTHLY PRICE AND VOLUMES OF BILT’S SHARES FOR FY 2020 AT THE BSE AND THE NSE

Month	BSE Limited			National Stock Exchange of India Limited				
	High (Rs.)	Low (Rs.)	Volume	Sensex (Close)	High (Rs.)	Low (Rs.)	Volume	Nifty (Close)
Apr-19	3.53	2.47	17356761	39032	3.55	2.50	46169737	11748
May-19	2.75	1.84	6159084	39714	2.70	1.85	19032898	11923
June-19	2.57	1.83	2830151	39395	2.55	1.80	19716711	11789
July-19	1.96	0.79	10444379	37481	1.95	0.75	28780144	11118

Aug-19	0.79	0.58	15914528	37333	0.85	0.50	59402229	11023
Sep-19	0.76	0.53	12350302	38667	0.70	0.50	69699388	11474
Oct-19	0.58	0.46	11359701	40129	0.60	0.40	44530217	11877
Nov-19	0.58	0.46	13377931	40794	0.70	0.45	69924011	12056
Dec-19	0.69	0.39	9711382	41254	0.75	0.30	101849164	12168
Jan-20	0.59	0.41	9932133	40723	0.65	0.40	33180097	11962
Feb-20	0.63	0.43	4749973	38297	0.65	0.40	21377456	11202
Mar-20	0.49	0.31	6281626	29468	0.50	0.30	31248939	8598

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



Note: BILT’s share price at BSE and SENSEX / NIFTY 50 have been indexed to 100 as on 1 April 2019.

DISTRIBUTION OF SHAREHOLDINGS

Tables 11 and 12 give the shareholding pattern according to size and ownership as on 31 March 2020.

TABLE 11 SHAREHOLDING PATTERN BY SIZE AS ON 31 MARCH, 2020

Number of Equity Shares Held	Number of Share Holders	% of Shareholders	Number of Shares	% of Shareholding
1-1000	57,300	71.74	18,814,855	1.45
1001-5000	14,061	17.61	36,972,453	2.86
5001-10,000	3,584	4.49	28,849,422	2.23
10,001 and above	4,923	6.16	1,208,819,026	93.46
Total	79,868	100.00	1,293,455,756	100.00

Category	No. of Shareholders	% of Shareholders	No. of Shares Held	% of Shareholding
Promoter and Promoter Group	6	0.01	313,254,366	24.22
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	3	0.00	48,421,023	3.74
Financial Institutions/Banks	36	0.05	343,461,150	26.55
Insurance Companies	3	0.00	86,223,133	6.67
NBFCs registered with RBI	3	0.00	22,135	0.00
NRIs	1013	1.27	7,425,471	0.57
Bodies Corporate	633	0.79	89,013,300	6.88
Individuals and Others	78,156	97.86	405,586,149	31.37
Total	79,868	100.00	1,293,455,756	100.00

NON-CONVERTIBLE DEBENTURES (NCDs)

The Company raised 150 crores by private placement of secured redeemable non-convertible debentures (NCDs) of face value of 10 lac 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.

DEMATERIALISATION 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 2020, 99.39% of the total Equity Shares of the Company were held in dematerialised form, as compared to 99.37% last year.

OUTSTANDING GLOBAL DEPOSITORY SHARES (GDS)

On 31 March 2020, there were 41 outstanding GDS representing 123 underlying equity shares.

REGISTERED OFFICE

Ballarpur Industries Limited
P.O. Ballarpur Paper Mills-442901
Distt. Chandrapur, Maharashtra
Tel +91 7172 240262 / 200
Extn. 234 / 339
Fax +91 7172 240548
Email sectdiv@bilt.com

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, FIIs, 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@bilt.com ; bajaj.punit@bilt.com

OTHER DISCLOSURES:

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.

The New Board has not been provided with this 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://bilt.com/>
- (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 made necessary application for waiver of fines levied by the Stock Exchanges during CIRP process...

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://bilt.com/>

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: 194 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.



ANNEXURE TO CORPORATE GOVERNANCE REPORT

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 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.

ANNEXURE TO CORPORATE GOVERNANCE REPORT

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

RC 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 Ballarpur Industries Limited

Hardik Bharat Patel
Whole-Time Director
DIN: 00590663
Date: March 20, 2024
Place: Jalandar

COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members
Ballarpur Industries Limited

We have examined the compliance of conditions of Corporate Governance prepared by Ballarpur Industries Limited ("the Company"), for the Financial Year ended March 31, 2020 as stipulated under Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and para C, D & E of Schedule V of the 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 1, 2020 to March 31, 2020. 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 the conditions of Corporate Governance is the responsibility of the management along with the IRP of the Company. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. 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, the explanation provided by the company read with paragraph 3 above, we certify that the Company has complied with the conditions of Corporate Governance as stipulated under the in Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2) and para C, D, E and F of Schedule V of the Listing Regulations for the financial year ended 31st March, 2020 except for the period of CIRP from January 17, 2020 to March 31, 2020.

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/IRP has conducted the affairs of the Company.

For PDS & CO.
Company Secretaries
FRN: P2015DE045400

Prashant Kumar Balodia
(Partner)
Membership No. F6047
Certificate of Practice No. 6153
UDIN: F006047F000998665
PR Certificate No. 1068/2021

Date: August 19, 2024
Place: Delhi

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 P O Ballarpur Paper Mills Chandrapur, Ballarpur, Maharashtra – 442901 (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, 2020 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 PDS & CO.

Company Secretaries

FRN: P2015DE045400

Prashant Kumar Balodia

(Partner)

Membership No. F6047

Certificate of Practice No. 6153

UDIN: F006047F000998687

PR Certificate No. 1068/2021

Date: August 19, 2024

Place: Delhi

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, 2020, as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

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 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 PDS & CO.
Company Secretaries
FRN: P2015DE045400

Sd/-
Prashant Kumar Balodia
Partner
Membership No. F6047
Certificate of Practice No. 6153
UDIN: **F006047F000998687**
PR Certificate No. 1068/2021

Date: March 20, 2024
Place: Delhi

COMPLIANCE CERTIFICATE BY CFO

The Board of Directors,
Ballarpur Industries Limited

This certification is provided by the undersigned fulfil requisite compliance requirements under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2016. I state the following subject to the terms of the Approved Resolution Plan and the inherent limitations and inhibitions as provided in the Board's Report:

A. I have reviewed financial statements and the cash flow statement for the year ended March 31, 2022, and that to the best of our knowledge and belief:

(1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

(2) these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

However, if the statements contain such untrue statements or do not present a true and fair view, the undersigned shall not be held responsible as the undersigned was not in management or control of the affairs of the Company for the FY 2020.

B. There are, to the best of my knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the listed entity's code of conduct.

However, if any such transactions were entered into by the Company, the undersigned shall not be held responsible as the undersigned was not in management or control of the affairs of the Company for the FY 2020.

C. I accept responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and I have disclosed to the auditors deficiencies in the design or operation of such internal controls, if any, of which I was aware and the steps I have taken or propose to take to rectify these deficiencies.

However, the undersigned shall not be held responsible for the same for the FY 2020 as the undersigned was not in management or control of the affairs of the Company for the FY 2020. Nevertheless, I want to assure you that there is unwavering commitment to implementing and upholding stringent internal control practices with a priority to ensure that the highest standards of governance and accountability are adhered to. All necessary steps shall be taken to evaluate and enhance the internal control systems of the Company moving forward.

D. I have indicated to the auditors:

(1) significant changes in internal control over financial reporting during the year;

(2) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

(3) instances of significant fraud of which I have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

Needless to mention, that this is subject to and purely based on the information made available to the undersigned who is part of the New Board. Any events contrary to this shall not make the undersigned responsible as the undersigned was not in management or control of the affairs of the Company for the FY 2020.

Cautionary Statement

This certification reflects the diligent efforts of the New Board to ensure requisite compliance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2016. 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 statements furnished in this Report. Neither the undersigned nor 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.

Sd/-

Hardik Bharat Patel
Whole-Time Director & Chief Financial Officer
DIN: 00590663
Date: March 20, 2024
Place: Jalandhar



SHARP & TANNAN

Chartered Accountants

Firm's Registration No. 003792S

INDEPENDENT AUDITOR'S 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 balance sheet as at 31 March 2020, and the statement of profit and loss (including other comprehensive income), the statement of cash flows and the statement of changes in equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

We do not express an opinion on the accompanying standalone financial statements 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 standalone financial statements.

Basis for disclaimer of opinion

1. *A material uncertainty exists that casts significant doubt on the ability of the Company to continue as a going concern. Pending resolution of the CIRP, the standalone financial results are prepared by management on a going concern basis.*

We have not been able to obtain sufficient appropriate audit evidence to conclude on the appropriateness of the use of going concern assumption in the preparation of the standalone financial results. (Refer note 37 and note 38 to the standalone financial statements)

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 (refer note 42 to the standalone financial statements). Accordingly, we are unable to quantify the impact.*
3. *Pursuant to commencement of the CIRP on 17 January 2020 under Insolvency and Bankruptcy Code, 2016 ('the Code'), the 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. 27,742 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*

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the RP and the borrowings and interest accrued in the books as at 31 March 2020. 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.

- b. With respect to the operational creditors, employees and other creditors, the RP is in the process of receiving and assessing the claims. The claims already admitted by the RP are under reconciliation by the Company with the liabilities appearing in the books of account. The consequential impact of these are currently not ascertainable and we are unable to conclude on the possible financial impact of the same.*

(Refer note 37 to the standalone financial statements)

- 4. Provision for gratuity and compensated absences pertaining to the corporate office and Kamalapuram Unit have been determined by the management on an adhoc basis as at 31 March 2020. Ind AS 19 'Employee Benefits' requires that the provision for long term employee benefits such as gratuity and compensated absences need to be determined based on actuarial valuation. Accordingly, the provision for long term employee benefits as at 31 March 2020 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 2020. The provision for gratuity and the provision for compensated absences which has been determined on an adhoc basis as at 31 March 2020 is Rs. 924 lakhs and Rs. 296 lakhs respectively. (Refer note 43(b) and (c) to the standalone financial statements)*
- 5. The Company has not performed impairment assessment of its investments as at 31 March 2020 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 standalone financial statements. (Refer note 6 to the standalone financial statements)*
- 6. The Company has reclassified the land situated at Choudwar, Odisha, from 'assets held for sale' to property, plant and equipment. 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. 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 Company has not determined the recoverable amount as at the date of reclassification and has reclassified the land at its carrying value of Rs. 39,951 lakhs. The same is not in compliance with Ind AS 105 and we are unable to ascertain on the financial impact of the same. (Refer note 49 to the standalone financial statements)



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7. *On account of the COVID-19 related lockdown restrictions, management was unable to perform the physical count of inventories as at 31 March 2020. Further, on account of the suspension of the operations of the Company we were 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. 1,678 lakhs are fairly stated as at 31 March 2020 in the standalone financial statements. (Refer note 11(f) and note 53 to the standalone financial statements).*
8. *The Company has recognized an impairment loss of Rs. 35,400 lakhs on property, plant and equipment as at 31 March 2020. As per Ind AS 36 'Impairment of Assets', impairment loss is to be recognized at the excess of carrying amount of assets / cash generating unit (CGU) over their recoverable value. The Company has not determined the recoverable amount as per the requirements of Ind AS 36 'Impairment of Assets' and has not provided us the basis for determining the impairment loss of Rs. 35,400 lakhs. Therefore, we are unable to conclude on the adequacy of impairment loss recognized by the Company and whether the property, plant and equipment are fairly stated in the standalone financial statements. (Refer note 3(g) to the standalone financial statements).*
9. *Loan to related parties (refer note 15 to the standalone financial statements) includes Rs. 108,246 lakhs due from Ballarpur International Holdings BV ("BIH") and Rs. 6,359 lakhs due from Sabah Forest Industries ("SFI"), a step-down subsidiary of the Company, which is under resolution process in Malaysia. The Company has created provision for expected credit loss of Rs. 36,249 lakhs and Rs. 1,908 lakhs as at 31 March 2020 towards the receivable from BIH and SFI respectively. We have not been provided with the basis for determining the provision for expected credit loss. Therefore, we are unable to conclude on the adequacy of the provision for expected credit loss and the recoverability of the balance receivables from BIH and SFI.*
10. *The Company has carried forward deferred tax assets (net) of Rs. 11,924 lakhs from earlier years. Based on the information and explanations and the supporting evidences provided to us, we are unable to ascertain the realization of these deferred tax assets pending the CIRP. (Refer note 9 to the standalone financial statements).*
11. *The Company has availed and utilized ineligible input credit of Goods & Service Tax amounting to Rs. 282 lakhs as at 31 March 2020. The Company has availed and utilized input credit of Rs. 282 lakhs on inward supplies of goods and services whereas the liability to the vendor has not been settled for more than 180 days (time limit specified in the second proviso to sub-section (2) of section 16 of Central Goods and Service Tax Act, 2017) as at 31 March 2020. Accordingly, as*



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- per Rule 37 of Central Goods and Service Tax (CGST) Rules, 2017, the Company is required to reverse the input credit and settle such input credit as outward tax liability.*
12. *We have not been provided with the bank reconciliation statement for 4 bank accounts maintained by the Company having a carrying amount of Rs. 8 Lakhs as at 31 March 2020. The consequential impact, if any, is not ascertainable. (Refer note 13(a) to the standalone financial statements).*
13. *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 continues the process of obtaining confirmations and reconciliation of the balances. The impact of the same is not ascertainable at present. (Refer note 54 to the standalone financial statements).*
14. *During the year, the Company has 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 Company has estimated the liability to be Rs. 1,516 Lakhs. However, pending receipt of demand from APTRANSCO, the Company has not recognized the liability as at 31 March 2020 and has considered the same as contingent liability. (Refer note 41(a)(ii) to the standalone financial statements).*

Management's / Resolution Professional's responsibility for the standalone financial statements

In accordance with the Code, the Hon'ble National Company Law Tribunal, Mumbai ("NCLT") on 17 January 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 27 May 2020. In view of the pendency of the CIRP, the power and responsibilities of the Board of Directors were suspended and vest with the Resolution Professional ("RP") under the provisions of the Code.

The Company's management / Resolution Professional is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements 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, read with Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the

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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 standalone financial statements, management / Resolution Professional is 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 / Resolution Professional either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. (Refer note 38 to the standalone financial statements).

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 standalone financial statements

Our responsibility is to conduct an audit of the standalone financial statements of the Company in accordance with Standards on Auditing specified under section 143(10) of the Act and to issue an auditor's report. However, because of the matters 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 standalone financial statements.

We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements 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 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 section 143 (11) of the Act, we give in Annexure 'A' to this Report, 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, based on our audit 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 were necessary for the purposes of our audit.*



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- (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) *in our opinion, proper returns adequate for the purposes of our audit have been received from Unit Kamalapuram which has not been visited by us;*
- (d) *the balance sheet, the statement of profit and loss, the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account;*
- (e) *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 standalone 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;*
- (f) *The matters described in the basis for disclaimer of opinion section above, in our opinion, may have an adverse effect on the functioning of the Company.*
- (g) *The powers of the board of directors are suspended 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.*
- (h) *The reservations relating to maintenance of accounts and other matters connected therewith are as stated in the basis for disclaimer of opinion section above.*
- (i) *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.*
- (j) *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, the Company has not paid any remuneration to its directors during the year; and*
- (k) *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. *the Company has disclosed the impact of pending litigation on its financial position. (Refer note 41 to the standalone financial statements);*



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- ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- iii. there has been no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund by the Company during the year.

for Sharp & Tannan
Chartered Accountants
Firm's Registration No. 003792S



V. Viswanathan
Partner

Membership no. 215565
UDIN: 20215565AAAAACJ4245

Place: Chennai
Date: 08 December 2020

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ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph I under 'report on other legal and regulatory requirements' section of our report to the members of Ballarpur Industries Limited ("the Company") of even date]

- (i) (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
- (b) The Company has a program of physical verification of its property, plant and equipment ("PPE") to cover all the items of PPE in phased manner over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its PPE. Pursuant to the program, certain PPE pertaining to Shree Gopal Unit were physically verified by the management during the year and according to the information and explanations given to us, no discrepancies were noticed on such verification. *However, the PPE pertaining to Unit Kamalapuram and corporate office have not been physically verified during the year.*
- (c) According to the information and explanations given to us, the records of the Company examines by us, representations provided by the management and the examination of the scanned copies of the title deeds of the immovable properties pledged as security with the lenders towards borrowings, we report that the title deeds of the of the immovable properties are held in the name of the Company at the balance sheet date, except the following:

Type of assets	Total no. of instances	Cost as at 31 March 2020 (Rs. in lakhs)	Book value as at 31 March 2020 (Rs. in lakhs)	Remarks
Leaschold land	1	9	6	Refer note below

Note: In respect of land that have been taken on lease and disclosed as PPE in the standalone financial statements, the lease arrangement is yet to be registered in the name of the company.

We were unable to physically verify the title deeds since these were pledged as securities with the lenders towards the borrowings.

- (ii) As explained to us, inventories of Unit Shreegopal have been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable. As explained to us, the discrepancies



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noticed on verification between the physical stock and the book records were not material. *Inventories at Unit Kamalapuram have not been physically verified by the Company during the year.*

- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act. Accordingly, paragraph 3(iii) of the Order is not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not advanced any loan, made any investment, given any guarantee or provided any security to which the provisions of section 185 and 186 of the Act are applicable. Accordingly, paragraph 3(iv) of the Order is not applicable to the Company.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits during the year and does not have any unclaimed deposits as at 31 March 2020. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.
- (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. We have broadly reviewed the cost records maintained by the Company and are of the opinion that, prima facie, the prescribed cost records have been made and maintained by the Company. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, except for dues in respect of employees' state insurance, goods and services tax, *the Company is generally not regular in depositing undisputed statutory dues of provident fund, income-tax, cess, professional tax and welfare fund during the year with appropriate authorities and there have been serious delays in a large number of cases.* According to the information and explanations given to us, statutory dues outstanding as at 31 March 2020 for a period of more than six months from the date they became payable is given below:

Nature of undisputed dues	Period to which the amount relates	Amount in Rs. lakhs
Provident Fund	May 2016 to August 2019	1,167
Pension Fund	May 2016 to August 2019	353



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Labour Welfare Fund	December 2018 to August 2019	2
Professional Tax	June 2016 to August 2019	39
Income-tax deducted at source	January 2019 to August 2019	815
Gram Panchayat Tax	2015-16 to 2019-20	129
Value Added Tax	2002-03 to 2007-08	1,399
Central Sales Tax	2016-18	32

- (b) According to the information and explanations given to us and the records of the Company examined by us, the particulars of income tax, sales tax, service tax, duty of customs, duty of excise and value added tax as at 31 March 2020 which have not been deposited with statutory authorities on account of a dispute pending are given in *Appendix I* to this report.
- (viii) In our opinion and according to the information and explanations given to us and records of the Company examined by us, *the Company has defaulted in repayment of loans or borrowing to banks, financial institutions and debenture-holders. During the year the Company has been admitted into CIRP and the Company has accrued additional liability of Rs. 27,742 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 31 March 2020 (refer note 37 to the standalone financial statements). Details of loan wise period of default is not made available to us and accordingly we are unable to report on the requirements of paragraph 3(viii) of the Order (also refer point no. 3 of the basis for disclaimer of opinion paragraph in our audit report of even date). Refer note 20(b) to the standalone financial statements for the lender wise break up of borrowings outstanding as at 31 March 2020.*
- (ix) In our opinion and according to the information and explanations given to us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) or term loans during the year. Accordingly, paragraph 3(ix) of the Order is not applicable to the Company.
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company, and no material frauds on the Company by its officers or employees has been noticed or reported during the year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has not paid or provided for, managerial remuneration during the year. Accordingly, paragraph 3(xi) of the Order is not applicable to the Company.



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- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us and the records of the Company examined by us, all transactions with the related parties are in compliance with section 188 and section 177 of the Act where applicable and the details have been disclosed in the standalone financial statements as required by the applicable accounting standard.
- (xiv) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable to the Company.
- (xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with them during the year. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable to the Company.

for Sharp & Tannan
Chartered Accountants
(Firm's registration no. 003792S)

V. Viswanathan
Partner

Membership no. 215565
UDIN: 20215565AAAACJ4245

Place: Chennai
Date: 08 December 2020

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ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT (Continued.)

Appendix I to Annexure A: The particulars of income tax, sales tax, duty of customs, duty of excise, value added tax as at 31 March 2020 which have not been deposited with statutory authorities on account of a dispute

Name of the statute	Period to which the amount relates	Forum where disputes are pending	Amount involved (Rs. In lakhs)	Amount disputed and not paid (Rs. In lakhs)
AP Revenue Recovery Act, 1864	1986-1988	District Collector, Warangal	476	476
AP Tax on Entry of goods, 2001	2013-2015	Before Appellate Deputy Commissioner (CT) Secunderabad	111	97
Electricity Act, 2003	Since 2002	Supreme Court of India	2,589	2,332
The Central Excise Act, 1944	2012-2013	CESTAT, Hyderabad	724	724
The Central Excise Act, 1944	2005-2009	CESTAT, Chandigarh	91	91
The Central Excise Act, 1944	2013-2014	Commissioner, Panchkula	6	6
The Central Excise Act, 1944	2017-2018	Assistant Commissioner, Yamuna nagar	12	12
The Central Excise Act, 1944	April 2009 to Dec 2009	Commissioner, Panchkula	20	20
The Central Excise Act, 1944	April 2011 to May 2011	Assistant Commissioner, Yamuna nagar	5	5
The Central Excise Act, 1944	November 2010 to March 2011	CESTAT, New Delhi	15	15
The Central Excise Tariff Act, 1985	1996-1997	Assistant Commissioner, Yamuna nagar	17	17
The Central Excise Tariff Act, 1985	1996-1997	Joint Commissioner, Panchkula	11	11
The Central Excise Tariff Act, 1985	2004-2010	CESTAT, Chandigarh	70	62
The Central Sales Tax Act, 1956	2001-2002	Appellate Deputy Commissioner, Secunderabad	29	15
The Central Sales Tax Act, 1956	2014-2015	CTO Samarangam Chowk Circle, Vijayawada	48	37
The Central Sales Tax Act, 1956	2014-2015	Deputy Commissioner (ST) (Large Taxpayer Unit), Secunderabad	75	66
The Central Sales Tax Act, 1956	2015-2016	Deputy Commissioner (CT) (Large Taxpayer Unit), Secunderabad	4	4
The Central Sales Tax Act, 1956	1994-1995	High Court, Nainital	12	12

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Name of the statute	Period to which the amount relates	Forum where disputes are pending	Amount involved (Rs. In lakhs)	Amount disputed and not paid (Rs. In lakhs)
The Central Sales Tax Act, 1956	1997-1998	Trade Tax Tribunal, Saharanpur	2	2
The Central Sales Tax Act, 1956	2002-2003	Trade Tax Tribunal, Saharanpur	1	1
The Central Sales Tax Act, 1956	2014-2015	DCCT, Kerala Commercial Taxes Department	3	3
The Central Sales Tax Act, 1956	2014-2015	DCCT, Saharanpur	3	3
The Central Sales Tax Act, 1956	2015-2016	DCCT, Saharanpur	2	2
Sales Tax	1989-1995	Punjab Sales Tax Tribunal, Chandigarh	802	728
Goods and Services Act, 2016	April 2014 to June 2017	Commissioner - GST	913	913
The Customs Act, 1962	2012-2013	Commissioner Custom (Appeals), Jam Nagar	33	29
The Customs Act, 1962	2012-2013	Commissioner Custom (Appeals), Kandla	38	31
UP VAT Act, 2008	2001-2002	Trade Tax Tribunal, Saharanpur	2	2
UP VAT Act, 2008	2016-2017	DCCT, Saharanpur	5	5
Income Tax Act, 1961	AY 1993-1994	High Court	168	168
Income Tax Act, 1961	AY 2003-2004	High Court	770	770
Income Tax Act, 1961	AY 2005-2006	High Court	2,536	2,536
Income Tax Act, 1961	AY 2006-2007	High Court	1,205	1,205
Income Tax Act, 1961	AY 2007-2008	High Court	725	725
Income Tax Act, 1961	AY 2008-2009	High Court	146	146
Income Tax Act, 1961	AY 2008-2009	Supreme Court of India	3,955	3,955
Income Tax Act, 1961	AY 1991-1992	Supreme Court of India	574	574
Income Tax Act, 1961	AY 2006-2009	Income Tax Appellate Tribunal	110	110
Income Tax Act, 1961	AY 2009-2010	Income Tax Appellate Tribunal	963	963
Income Tax Act, 1961	AY 2011-2012	Income Tax Appellate Tribunal	754	754
Income Tax Act, 1961	AY 2012-2013	Income Tax Appellate Tribunal	78	78
Income Tax Act, 1961	AY 2013-2014	Income Tax Appellate Tribunal	245	245

Note: The above amounts do not include penalty and interest.

SHARP & TANNAN

LETTER No. : _____

SHEET No. : _____

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 2(i) under 'report on other legal and regulatory requirements' section of our report to the members of Ballarpur Industries Limited 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 ('the Company') as at 31 March 2020 in conjunction with our audit of the standalone financial statements of the Company as of and for the year ended on that date.

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

The Company's 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.

Because of the matter described in disclaimer of opinion paragraph below, 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.



SHARP & TANNAN

LETTER No. : _____

SHEET No. : _____

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 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.

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 31 March 2020, due to the reasons stated in note 55 to the standalone financial statements.

We have considered the disclaimer reported above in determining the nature, timing and extent of audit tests applied in our audit of the standalone financial statements of the Company, and the disclaimer has affected our opinion on the standalone financial statements of the Company and we have issued a disclaimer of opinion on the standalone financial statements (refer basis for disclaimer of opinion' paragraph in our audit report of even date).

for Sharp & Tannan
Chartered Accountants
(Firm's Registration No. 003792S)

V. Viswanathan
Partner

Membership no. 215565
UDIN: 20215565AAAAACJ4245

Place: Chennai
Date: 08 December 2020

BALLARPUR INDUSTRIES LIMITED
STANDALONE BALANCE SHEET AS AT 31 MARCH 2020

Particulars	Note No.	₹ in Lakhs	
		As at 31 March 2020	As at 31 March 2019
ASSETS			
(1) Non-Current Assets			
(a) Property, Plant and Equipment	3	178,774	177,245
(b) Capital work-in-progress	4	57	226
(c) Other intangible assets	5	0	1,003
(2) Financial assets			
(i) Investments	6	92,965	94,553
(ii) Loans	7	433	352
(iii) Others	8	157	460
(c) Deferred tax assets (net)	9	11,924	11,924
(e) Other non-current assets	10	155	66
(3) Current Assets			
(a) Inventories	11	1,678	5,307
(b) Financial assets			
(i) Trade receivables	12	4	1,126
(ii) Cash and cash equivalents	13	185	419
(iii) Bank balances other than (ii) above	14	46	59
(iv) Loans	15	76,942	20,252
(v) Others	16	14	301
(c) Other current assets	17	3,669	3,634
(d) Assets classified as held for sale	49	0	39,978
Total Assets		367,003	356,949
EQUITY AND LIABILITIES			
Equity			
(1) Equity share capital	18	25,871	25,871
(2) Other equity	19	(148,074)	(19,258)
Liabilities			
(1) Non-Current Liabilities			
(a) Financial liabilities			
(i) Borrowings	20		
(ii) Other financial liabilities	21	96,689	13,902
(b) Provisions	22	2,888	2,783
(c) Other non-current liabilities	23		25,350
(2) Current Liabilities			
(a) Financial liabilities			
(i) Borrowings	20	98,187	94,348
(ii) Trade payables	24		
a) Total outstanding dues of micro and small enterprises		2,095	1,944
b) Total outstanding dues of creditors other than micro and small enterprises		21,675	19,752
(iii) Other financial liabilities	25	248,216	133,720
(b) Other current liabilities	26	10,952	50,217
(c) Provisions	27	2,482	2,215
(d) Current tax liabilities (net)	28	6,022	6,195
Total Equity and Liabilities		367,003	356,949

*0% represent amount below ₹ 50,000/-

Significant Accounting Policies and Notes accompanying Standalone Ind AS Financial Statements

1-56

As per our report of even date attached

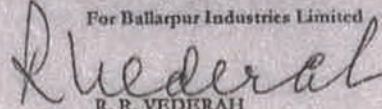
For Sharp & Tannan
Chartered Accountants
(Firm's registration no. 003792S)



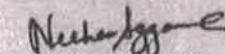
V. Viswanathan
Partner
Membership No. 215565

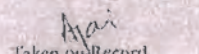
Place: Chennai
Date: 08 December 2020

For Ballarpur Industries Limited

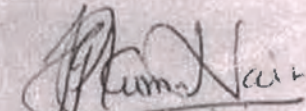


R. R. VEDERAH
Chairman
DIN: 00012252

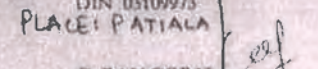

NEEHAR AGGARWAL
Chief Executive Officer

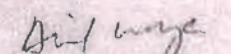

ANUJ JAIN
Resolution Professional
Reg. No. IBB/I/A-001/IP-P001-2/2017-18/10306

Place: Gurugram
Date: 08 December 2020



PADMARUMAR NAIR
Director
DIN: 03109973

PLACE: PATIALA

R. RAJAGOPAL
Deputy Chief Financial Officer


AKHIL MAHAJAN
Company Secretary

BALLARPUR INDUSTRIES LIMITED

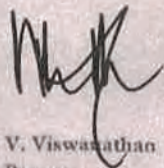
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2020

Particulars	Note No.	₹ in Lakhs	
		2019-20	2018-19
Revenue from operations	29	30,192	45,541
Other income	30	3,402	6,670
Total Income		33,594	52,211
Expenses			
Cost of materials consumed	31	11,099	18,237
Purchase of stock in trade	32	2,592	44
Changes in inventories of finished goods, work-in-progress and stock-in-trade	33	1,562	233
		15,253	18,514
Employee benefits expense	34	5,373	6,811
Finance costs	35	47,217	24,216
Depreciation and amortisation expense	3, 5 & 48	4,563	6,348
Other expenses	36	54,488	22,166
Total Expenses		126,894	78,055
Profit/ (loss) before exceptional items and tax		(93,300)	(25,844)
Exceptional items	39	35,368	37,707
Profit/ (loss) before tax		(128,668)	(63,551)
Tax expense:			
(1) Current tax	47	-	-
(2) Deferred tax	9	-	-
Profit/ (loss) for the year		(128,668)	(63,551)
Other Comprehensive Income			
A (i) Items that will not be reclassified to profit or loss		(132)	17
(ii) Income tax on the above		-	-
B (i) Items that will be reclassified to profit or loss		-	(8,300)
(ii) Income tax on the above		-	-
Other comprehensive income for the year		(132)	(8,283)
Total comprehensive income for the year		(128,800)	(71,834)
Earnings per equity share	45		
(1) Basic (₹)		(9.95)	(4.91)
(2) Diluted (₹)		(9.95)	(4.91)

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

As per our report of even date attached

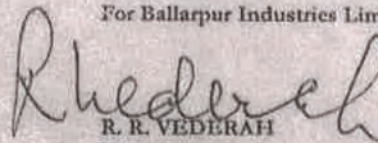
For Sharp & Tannan
Chartered Accountants
(Firm's registration no. 003792S)

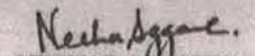

V. Viswanathan
Partner


Membership No. 215565

Place: Chennai
Date: 08 December 2020

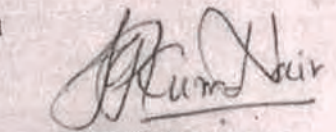
For Ballarpur Industries Limited

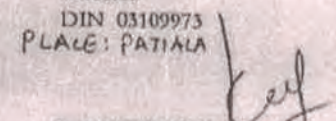

R. R. VEDERAH
Chairman
DIN 00012252

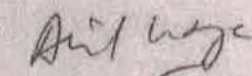

NEEHAR AGGARWAL
Chief Executive Officer


Taken on Record
ANUJ JAIN
Resolution Professional
Reg. No.: IBBI/IPA-001/IP-P00142/2017-18/10306

Place: Gurugram
Date: 08 December 2020


PADMAKUMAR NAIR
Director
DIN 03109973
PLACE: PATIALA


R. RAJAGOPAL
Deputy Chief Financial Officer


AKHIL MAHAJAN
Company Secretary

BALLARPUR INDUSTRIES LIMITED
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2020

Particulars	₹ in Lakhs	
	2019-20	2018-19
Cashflow from operating activities		
Profit/(Loss) before tax	(1,28,666)	(63,551)
Adjustment for:		
Depreciation and amortization expense	4,563	6,348
Finance costs (net)	47,217	24,216
Interest income	(38)	(536)
Unrealised gain on foreign exchange (net) as other income	(3,034)	(2,574)
Bad debts and other balances written off / Allowances for doubtful debts & advances	43,284	569
Deposited liabilities and excess provision of earlier years written back	(3)	(2,636)
Inventory written off	183	1,265
Exceptional items	15,368	17,707
Gain on cancellation of Lease Agreement (Refer note 3d)	(50)	
(Profit) / Loss on sale of property plant and equipment	2	74
Operating profit before working capital changes	(1,176)	882
Adjustment for working capital		
(Increase)/decrease in trade receivable	1,075	(504)
(Increase)/decrease in loans, advances and other current assets	(309)	3,550
(Increase)/decrease in inventory	1,261	(1,201)
Increase/(decrease) in liabilities and provisions	1,160	(349)
Cash generated from / (used in) operations	2,011	2,378
Direct taxes (paid) / refund (net)	(83)	400
Net cash generated from / (used in) operating activities	1,928	2,778
Cashflow from investing activities		
Payment for acquisition of property, plant and equipment and intangible assets	(356)	(279)
Proceeds on disposal of property, plant and equipment	26	1,515
Interest received	15	532
(Increase) / Decrease in other bank balances (Refer note (e) below)	316	(450)
Net cash generated from / (used in) investing activities	1	1,318
Cashflow from financing activities		
Proceeds from / (Repayment of) borrowings (net)	(559)	(3,070)
Receipt/(Payment) for buy back (optional/convertible)	-	58
Payment of Lease liabilities including interest	(80)	
Interest paid (net) (Refer note (d) below)	(1,498)	(1,584)
Dividend paid (including payment to investor education and protection fund)	(17)	(11)
Net cash generated from / (used in) financing activities	(2,163)	(4,607)
Net increase / (decrease) in cash and cash equivalents	(234)	(511)
Cash and cash equivalents at the beginning of the year	419	930
Cash and cash equivalents at the end of the year	185	419

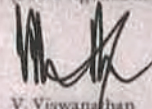
Notes:

- (a) The cash flow statement 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 14).
 (d) Interest paid (net) includes consultancy charges paid towards financial services received by the Company.
 (e) Cash and cash equivalents include cash and bank balances. Refer note 13 for components of cash and cash equivalents.
 (f) Figures in brackets indicate cash outflow.

Significant Accounting Policies and Notes accompanying Standalone Ind AS Financial Statements form an integral part of the Cash Flow Statement. 1-56

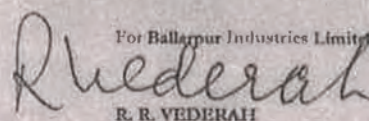
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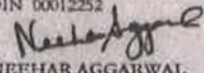
For Sharp & Tanna
Chartered Accountants
(Firm's registration no. 0037925)



V. Viswanathan
Partner
Membership No. 215365

Place: Chennai
Date: 08 December 2020


For Ballarpur Industries Limited


R. R. VEDERAH
Chairman
DIN 00012252

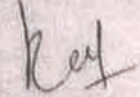

NEEHAR AGGARWAL
Chief Executive Officer

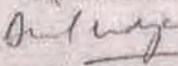

Taken on Record
ANUJ JAIN
Resolution Professional
Reg. No.: 1B11/1PA-001/IP-1001/2/2012-18/1936

Place: Gurgaon
Date: 08 December 2020


PADMAKUMAR NAIR
Director
DIN 03109273

PLACE: PATIALA


R. RAJAGOPAL
Deputy Chief Financial Officer


AKHIL MAHAJAN
Company Secretary

BALLARPUR INDUSTRIES LIMITED
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2020
A. EQUITY SHARE CAPITAL

Particulars	Balance at the beginning of the year	Changes in equity share capital during the year	Balance at the end of the year
	25,871	-	25,871
	25,871	-	25,871

B. OTHER EQUITY

Particulars	General Reserve	Securities Premium Account	Participating Share Capital Redemption Reserve	Deliberate Redemption Reserve	General Reserve	Reserved Earnings	Other Comprehensive Income		Total
							Re-measurement of the net defined benefit Plans	Gain/(Loss) on Equity Instruments	
Balance as at 1st April 2018	1,315	115,833	7,385	2,101	80,809	(33,786)	(46)	12,578	1,85,000
Less for the year	-	-	-	-	-	(62,541)	17	(8,300)	(8,283)
Other comprehensive income for the year	-	-	-	-	-	(28,698)	(376)	(8,300)	(1,25,658)
Balance as at 31 March 2019	1,315	115,833	7,385	2,101	80,809	(23,277)	(376)	(8,300)	(1,25,658)
Less for the year	-	-	-	-	-	(28,698)	(376)	(8,300)	(1,25,658)
Other comprehensive income for the year in: prior on adoption of Ind AS 116 (Refer note 4)	-	-	-	-	-	(16)	-	-	(16)
Balance as at 31 March 2020	1,315	115,833	7,385	2,101	80,809	(345,941)	(708)	(8,300)	(145,074)

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

As per our report of even date attached.

For Sharp & Thomson
 Chartered Accountants

Mem's registration no. 0917925.

(Signature)
 Y. Thyagarajan
 Partner
 Membership No. 215565

For Ballarpur Industries Limited

R. R. VEDEGAN
 Chairman
 DIN: 00012352

(Signature)
 NEEHAR AGGARWAL
 Chief Executive Officer

Taker on Record
 ANUJ JAIN
 Resolution Professional
 Reg. No.: FBR/TPA-001/TP-FCR/42/2017-18/15306
 Place: Coimbatore
 Date: 08 December 2020

(Signature)
 PADMANUMAR NAIR
 Director
 DIN: 03109273

PLACE: P. A. N. A. L. A.

R. RAJAGOPAL
 Deputy Chief Financial Officer

(Signature)
 ARHIL MAHAJAN
 Company Secretary

Place: Chennai
 Date: 08 December 2020

Ballarpur Industries Limited

Notes accompanying the financial statements

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 Ballarpur, 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 and amounts in the financial statements are presented in Indian rupee rounded off to lakhs.

The Financial Statements for the year ended 31 March 2020 were approved by the Board of Directors for issue on 08 December 2020.

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 financial statements (FS) 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.

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

Ballarpur Industries Limited

Notes accompanying the financial statements

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 Company 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 recognised in the period in which the results are known. Key sources of estimation of uncertainty at the date of standalone 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 and are discussed below;

(a) Impairment

The Company 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 Company 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

Ballarpur Industries Limited

Notes accompanying the financial statements

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 Company'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 Company 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 Company uses judgement in making these assumptions and

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selecting the inputs to the impairment calculation, based on the Company'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 Company 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.

2.5 Property, plant and equipment (PPE)

An item of PPE is recognized as an asset if 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. 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 derecognised. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred. Trial run expenses (net of revenue) are capitalised.

PPE is stated at original cost net of tax/duty credits availed, if any, 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 Company's accounting 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".

2.6 Intangible assets

Intangible assets including software costs and product development expenditure are recognized when it is probable that associated future economic benefits would flow to the enterprise and the cost of the asset can be measured reliably.

Intangible assets are stated at original cost of acquisition net of tax/duty credits availed, less accumulated amortization and accumulated impairment losses, if any. Costs include expenditure that is directly attributable to the acquisition of the intangible assets. Recognition of cost 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".

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2.7 Research and Development Costs

Expenditure on research activities is recognised as an expense in the year in which it is incurred. Product Development costs incurred on new product development / new projects are recognised 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 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 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 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 recognised in the statement of profit and loss. During the period of development, the asset is tested for impairment annually.

2.8 Depreciation and amortization of PPE and intangible assets

Depreciation/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/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

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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 lives and residual values are reviewed regularly and when necessary revised. No further charge of depreciation / amortization is recognised 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.

2.9 Impairment of PPE and intangible assets

As at each reporting date, the Company reviews the carrying values of its PPE 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 recognised 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 recognised 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

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carrying amount does not exceed the carrying amount that would have been determined had no impairment loss is recognised for the asset (or cash generating unit) in prior years.

A reversal of an impairment loss (other than impairment loss allocated to goodwill) is recognised immediately in the Statement of Profit or Loss.

Goodwill and intangible assets with indefinite life are tested for impairment each year

2.10 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 recognised for any initial or subsequent write down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised 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 recognised. A gain or loss not previously recognised by the date of the sale of the non current asset (or disposal group) is recognised 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 recognised.

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.

2.11 Leases

Effective 01 April 2019, the Company adopted Ind AS 116 "Leases" applied to all lease contracts existing on 01 April 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application. Consequently, the company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the lessee's incremental borrowing rate at the date of initial application. Accordingly, comparatives for the year ended 31 March 2019 have not been restated.

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As a lessee

The Company's lease asset classes primarily consist of leases for land and office buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the company assesses whether:

- (1) the contract involves the use of an identified asset
- (2) the company has substantially all of the economic benefits from use of the asset through the period of the lease and
- (3) the company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognises a right-of-use asset (ROU) and a corresponding lease liability for all lease arrangements except for leases with a term of twelve months or less (short term leases) and leases of low value assets.

The ROU assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of the leases. Lease liabilities are re-measured with a corresponding adjustment to the related right of use asset if the group changes its assessment if whether it will exercise an extension or a termination option. Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The remeasurement normally also adjusts the leased assets.

As a lessor

Leases for which the company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

For operating leases, rental income is recognized on a straight-line basis over the term of the relevant lease.

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2.12 Investment in subsidiaries, joint ventures and associates

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

2.13 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

(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.

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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

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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) 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.

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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 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 recognised in the statement of profit and loss.

(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.

(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.

2.14 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

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Other bank balances includes balances and deposits with banks that are restricted for withdrawal and usage.

2.15 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 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, 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 Company 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.

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(iv) Defined contribution plan – post employment benefit

The Company'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 Company'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 recognised based on actuarial valuation at the present value of the obligation as on the reporting date.

2.16 Inventories

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

Inventories are stated at the lower of cost, determined on weighted average basis, and net realizable value. However, Raw material, Stores, Spares parts and chemicals are not written down below cost, if the finished product in which they will be incorporated are expected to be sold at or above cost.

Costs comprise direct material 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.

2.17 Provisions, Contingent Liabilities and Contingent Assets

i) Provisions

Provisions are recognised in the balance sheet when the Company 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 recognised in the

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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 Company 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

2.18 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.

2.19 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

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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 Company'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 asset 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 reflect 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 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.

2.20 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

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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 the 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 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 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 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 has been established

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2.21 Foreign currency transactions

The Company'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 Company'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 recognised 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 Company 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.

2.22 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.

2.23 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.

Ballarpur Industries Limited

Notes accompanying the financial statements

2.24 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting to the Chief Operating Decision Maker (CODM) of the Company. The CODM is responsible for allocating resources and assessing performance of the operating segments.

BALLARPUR INDUSTRIES LIMITED
Notes accompanying the financial statements

3 Property, Plant and Equipment

Particulars	₹ in Lakhs									
	Leasehold land	Freehold land	Buildings	Plant and Equipments	Furniture and Fixtures	Vehicles	Office Equipment	Computers	Railway Sidings	Total
Gross Block										
As at 1 April 2018	9	112,602	32,877	195,890	1,048	343	100	12	62	342,943
Additions	-	-	-	73	1	-	-	-	-	74
Disposals	-	1,647	-	8	2	92	-	-	-	1,749
Re-classified to Asset held for sale	-	39,970	-	12	-	-	-	-	-	39,982
As at 31 March 2019	9	70,985	32,877	195,943	1,047	251	100	12	62	301,286
Additions	-	-	-	466	1	-	-	-	-	467
Re-classified from Asset held for sale (Also refer note 49 & 3(c) below)	-	39,951	-	-	-	-	-	-	-	39,951
Disposals	-	-	-	-	0	-	-	-	-	0
Re-classified to Asset held for sale	-	-	-	-	-	3	-	-	-	3
As at 31 March 2020	9	110,936	32,877	196,409	1,048	248	100	12	62	341,701
Accumulated depreciation										
Upto 31 March 2018	2	-	6,067	76,814	966	251	99	11	40	84,250
Depreciation for the year	1	-	717	4,440	6	15	0	0	2	5,181
Impairment for the year	-	-	879	33,766	52	-	-	-	-	34,697
On disposals	-	-	-	7	1	75	-	-	-	83
Re-classified to Asset held for sale	-	-	-	4	-	-	-	-	-	4
Upto 31 March 2019	3	-	7,663	115,009	1,023	191	99	11	42	124,041
Depreciation for the year	0	-	612	2,862	3	10	0	0	2	3,489
Impairment for the year	-	5,000	10,000	20,400	-	-	-	-	-	35,400
On disposals	-	-	-	-	0	-	-	-	-	0
Re-classified to Asset held for sale	-	-	-	-	-	3	-	-	-	3
As at 31 March 2020	3	5,000	18,275	138,271	1,026	198	99	11	44	162,927
Net carrying value										
As at 31 March 2019	6	70,985	25,214	80,934	24	60	1	1	20	177,245
As at 31 March 2020	6	105,936	14,602	58,138	22	50	1	1	18	178,774

(a) "0" represent amount below ₹ 50,000/-

(b) The lease agreement in respect of 13.19 acres of land in possession of the company is yet to be executed in favour of the company.

(c) Refer note 20 for property, plant and equipment pledged as security against borrowing facilities availed by the Company.

(d) The Company has leased certain plant and equipment and buildings on operating leases for which lease rental of ₹ 87 Lakhs is recognised in the Statement of Profit and Loss. (Refer note 48.1)

(e) 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 (BGGPPL), a step down subsidiary.

(f) Refer note 41 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

BALLARPUR INDUSTRIES LIMITED
Notes accompanying the financial statements

3 Property, Plant and Equipment (Contd.)

(g) Impairment of Assets

The Company's operations were affected due to inadequate working capital facilities which resulted in shut downs and losses in earlier years. During the year the property, plant and equipment was tested for impairment based on value-in-use determined by management's internal assessment and an impairment loss of ₹ 35,400 lakhs is recognized and included in exceptional items in the statement of profit or loss.

4 Capital work in progress

Particulars	₹ in Lakhs	
	As at 31 March 2020	As at 31 March 2019
Opening balance	270	65
Additions	161	256
Capitalized during the year	374	51
Closing balance	57	270

5 Other intangible assets

Particulars	₹ in Lakhs					
	As at 31 March 2020			As at 31 March 2019		
	Product development expense	Others	Total	Product development expense	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	2,847	8,338	11,185	2,153	7,865	10,018
Amortization for the year	625	378	1,003	694	473	1,167
Disposals	-	-	-	-	-	-
Closing balance	3,472	8,716	12,188	2,847	8,338	11,185
Net carrying value	-	0	0	625	378	1,003

- (a) There are no intangible assets that have been pledged as security for the borrowings of the Company.
 (b) Refer note 41 for disclosure of contractual commitments for the acquisition of other intangible assets.
 (c) "0" represent amount below ₹ 50,000/-

BALLARPUR INDUSTRIES LIMITED
Notes accompanying the financial statements

6 Non-current investments

Particulars	As at 31 March 2020		As at 31 March 2019	
	No. of shares	₹ in Lakhs	No. of shares	₹ in Lakhs
Unquoted investments				
A Investments measured at cost				
(a) Investments in fully paid equity shares of subsidiaries				
(i) Avantha Agritech Limited	990,000	40	990,000	40
(ii) Ballarpur International Holdings B.V.	168,679,093	76,048	168,679,093	76,048
(iii) Bilt Graphic Paper Products Limited	50,000	5	50,000	5
(iv) Ballarpur Speciality Paper Holdings B.V.	18,000	12	18,000	12
(b) Investments in fully paid equity shares of Joint Venture				
(i) Premier Tissues (India) Limited [Refer note 20 (f)] (Net of provision of ₹ Nil (Previous year ₹ 2,934 Lakhs))	-	-	5,620,427	1,588
			76,105	77,693
B Investments designated as measured at fair value through OCI				
(a) Investment in fully paid equity shares of other companies				
(i) Blue Horizon Investments Limited	5,000	3	5,000	3
(ii) Avantha Power & Infrastructure Limited	8,654,186	-	8,654,186	-
		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
		16,857		16,857
		92,965		94,553

i) Details of unquoted investments

Particulars	As at 31 March 2020	As at 31 March 2019
(a) Aggregate amount of unquoted investments Book value	92,965	94,553
(b) Aggregate amount of impairment in value of investments	-	2,934

ii) In view of the ongoing Corporate Insolvency Resolution Process ("CIRP"), investments as at 31 March 2020 have not been tested for impairment.

BALLARPUR INDUSTRIES LIMITED
Notes accompanying the financial statements

7 Financial Assets: Loans - Non current

Particulars	₹ in Lakhs	
	As at 31 March 2020	As at 31 March 2019
Unsecured, considered good Security Deposits	433	352
	<u>433</u>	<u>352</u>

8 Other financial assets - Non current

Particulars	₹ in Lakhs	
	As at 31 March 2020	As at 31 March 2019
Unsecured, considered good Bank deposits with maturity period more than 12 months [Refer note (a) below]	157	460
	<u>157</u>	<u>460</u>

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

9 Deferred tax assets / (liabilities) (net)

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

Particulars	₹ in Lakhs	
	As at 31 March 2020	As at 31 March 2019
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)	-	-
	<u>20,064</u>	<u>20,064</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	8,140
	<u>8,140</u>	<u>8,140</u>
Net deferred tax assets / (liabilities)	<u>11,924</u>	<u>11,924</u>

BALLARPUR INDUSTRIES LIMITED
Notes accompanying the financial statements

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

(b) Movement in deferred tax assets and liabilities

2019-20		₹ in Lakhs	
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

2018-19		₹ in Lakhs	
Particulars	Opening Balance	Recognized in profit or loss	Closing Balance
(i) Expenses allowable on payment basis (Section 43B of Income Tax Act, 1961)	8,673	8,887	17,560
(ii) Unabsorbed tax depreciation	7,916	(5,412)	2,504
(iii) Unused tax losses (Business losses)	9,629	(9,629)	-
(iv) Difference between written down value of PPE and intangible assets as per books of account and as per Income Tax Act, 1961	(14,294)	6,154	(8,140)
	11,924	-	11,924

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

Particulars	₹ in Lakhs		
	As at 31 March 2020		
	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
b) Tax losses (revenue in nature) (unabsorbed depreciation loss on which no deferred tax asset is created)	16,879	5,898	Not Applicable

(d) Considering the ongoing CIRP, 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.

BALLARPUR INDUSTRIES LIMITED
Notes accompanying the financial statements

10 Other non current assets

Particulars	₹ in Lakhs	
	As at 31 March 2020	As at 31 March 2019
Capital advances	125	17
Less: Allowance for doubtful advances	14	14
	111	3
Balances with government authorities	44	63
	<u>155</u>	<u>66</u>

11 Inventories

Particulars	₹ in Lakhs	
	As at 31 March 2020	As at 31 March 2019
Raw materials [Refer note (a) below]	1	671
Stores and spares [Refer note (b) below]	1,627	1,976
Chemicals [Refer note (c) below]	16	845
Packing material [Refer note (d) below]	-	219
Work in progress	13	339
Finished goods	21	1,257
	<u>1,678</u>	<u>5,307</u>

- (a) Includes raw material-in-transit of ₹ Nil (Previous year ₹ 23 Lakhs)
- (b) Includes stores & spares-in-transit of ₹ 15 Lakhs (Previous year ₹ 28 Lakhs)
- (c) Includes chemicals-in-transit of ₹ 1 Lakh (Previous year ₹ 101 Lakhs)
- (d) Includes packing material-in-transit of ₹ Nil (Previous year ₹ 0 Lakhs)
- (e) During the year, ₹ Nil (Previous year ₹ 103 Lakhs) was recognised as expense towards write down of inventories (Refer note 36).
- (f) On account of the lockdown and other restrictions imposed due to COVID-19 pandemic, the management has not performed physical count of inventories as at 31 March 2020. (Refer note 53)

BALLARPUR INDUSTRIES LIMITED
Notes accompanying the financial statements

12 Trade receivables

Particulars	₹ in Lakhs	
	As at 31 March 2020	As at 31 March 2019
Considered good		
Due from others [Refer note (a) below]	4	1,126
	<u>4</u>	<u>1,126</u>
Considered Doubtful		
Due from others	80	65
Less: Allowance for expected credit loss	80	65
	<u>-</u>	<u>-</u>
	<u>4</u>	<u>1,126</u>

(a) Includes ₹ Nil (As at 31 March 2019 - ₹ 329 Lakhs) secured by way of security deposits received from the customers.

(b) The trade receivables are unsecured apart from note (a) above.

13 Cash and cash equivalents

Particulars	₹ in Lakhs	
	As at 31 March 2020	As at 31 March 2019
Balances with Banks :		
- in current accounts [Refer note (a) below]	182	417
Cash on hand	3	2
	<u>185</u>	<u>419</u>

(a) Bank reconciliation statements as at 31 March 2020 have not been prepared for 4 bank accounts having a carrying amount of ₹ 8 Lakhs since the bank statements were not available for these bank accounts.

14 Other bank balances

Particulars	₹ in Lakhs	
	As at 31 March 2020	As at 31 March 2019
Earmarked balance with banks in unpaid dividend Account	27	42
Bank deposits with original maturity exceeding three months but less than twelve months	19	17
	<u>46</u>	<u>59</u>

BALLARPUR INDUSTRIES LIMITED
Notes accompanying the financial statements

15 Financial Assets : Loans - Current

Particulars	₹ in Lakhs	
	As at 31 March 2020	As at 31 March 2019
Unsecured, considered good		
Loan to related parties [Refer note 25(a) and note 44(d)(xxi)]	118,671	19,320
Less: Allowance for expected credit loss	42,211	-
	<u>76,460</u>	<u>19,320</u>
Security Deposits	422	872
Others	71	66
Less: Allowance for expected credit loss	11	6
	<u>60</u>	<u>60</u>
	<u>76,942</u>	<u>20,252</u>

16 Other financial assets - Current

Particulars	₹ in Lakhs	
	As at 31 March 2020	As at 31 March 2019
Unsecured, considered good		
Interest accrued on deposits	14	4
Insurance Receivables	-	257
Scrap Receivables	-	40
	<u>14</u>	<u>301</u>

17 Other current assets

Particulars	₹ in Lakhs	
	As at 31 March 2020	As at 31 March 2019
Prepaid expenses	83	97
Advances to employees	93	69
Advances to trade creditors	2,501	2,728
Less: Allowance for doubtful advances	145	145
	<u>2,356</u>	<u>2,583</u>
Balance with government authorities	1,137	885
	<u>3,669</u>	<u>3,634</u>

BALLARPUR INDUSTRIES LIMITED
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18 Equity share capital

Particulars	₹ in Lakhs	
	As at 31 March 2020	As at 31 March 2019
Authorised share capital		
1,500,000,000 (31 March 2019: 1,500,000,000) equity shares of ₹ 2/- each	30,000	30,000
10,000,000 (31 March 2019: 10,000,000) preference shares of ₹ 100/- each	10,000	10,000
	40,000	40,000
Issued share capital		
1,293,705,501 (31 March 2019: 1,293,705,501) equity shares of ₹ 2/- each	25,874	25,874
Subscribed and paid-up share capital		
1,293,705,501 (31 March 2019: 1,293,705,501) equity shares of ₹ 2/- each	25,874	25,874
Less: Forfeited shares - 249,745 (31 March 2019: 249,745) equity shares of ₹ 2/- each	5	5
1,293,455,756 (31st March 2019: 1,293,455,756) equity shares of ₹ 2/- each	25,869	25,869
Add: Amount originally paid up on forfeited shares	2	2
	25,871	25,871

(a) Reconciliation of number of shares

Particulars	As at 31 March 2020		As at 31 March 2019	
	Nos	₹ in Lakhs	Nos	₹ in Lakhs
At the beginning of the year	1,293,455,756	25,871	1,293,455,756	25,871
Add: Issued during the year	-	-	-	-
At the end of the year	1,293,455,756	25,871	1,293,455,756	25,871

(b) Terms and Rights attached to Equity Shares

The Company has one class of equity shares having a par value of ₹ 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 31 March 2020		As at 31 March 2019	
	Nos	Holding %	Nos	Holding %
(i) Avantha Holdings Limited	311,932,718	24.12%	322,689,019	24.95%
(ii) Life Insurance Corporation of India	85,550,701	6.61%	85,550,701	6.61%
(iii) Finquest Financial Solutions Private Lin	-	-	125,112,182	9.67%
(iv) ICICI Bank Limited	155,469,351	12.02%	156,399,579	12.09%

BALLARPUR INDUSTRIES LIMITED

Notes accompanying the financial statements

18 Equity share capital (Contd.)

(e) Others

- (i) The Company has not reserved any shares for issue under options as at 31 March 2020 (As at 31 March 2019 : Nil shares)
- (ii) The Company has not allotted any bonus shares in the immediately preceding five year ended 31 March 2020. (previous period of five years ended 31 March 2019: 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 31 March 2020 is Nil. (previous period of five years ended 31 March 2019 - Nil)
- (v) Calls unpaid as at 31 March 2020 - ₹ Nil. (31 March 2019 : ₹ Nil)

19 Other equity

Particulars	₹ in Lakhs	
	As at 31 March 2020	As at 31 March 2019
Capital reserve	1,515	1,515
Securities premium reserve	115,833	115,833
Preference share capital redemption reserve	7,385	7,385
Debenture redemption reserve	2,101	2,101
General reserve	80,809	80,809
Retained earnings	(345,961)	(217,277)
Items of Other Comprehensive Income (OCI)		
Re-measurement of the net defined benefit plans	(708)	(576)
Equity instruments through OCI	(748)	(748)
Debt instruments through OCI	(8,300)	(8,300)
	(148,074)	(19,258)

(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.
- (iv) Debenture redemption reserve
The Company has issued debentures and created DRR out of the profits of the Company in terms of the Companies (Share capital and Debenture) Rules, 2014 (as amended).

BALLARPUR INDUSTRIES LIMITED
Notes accompanying the financial statements

19 Other equity (Contd.)

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

(iv) Debenture redemption reserve (Contd.)

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	₹ in Lakhs		
	Remeasurement of net defined benefit plans	Equity instruments through OCI	Total
As at 1 April 2018	(593)	(748)	(1,341)
Remeasurement gain/(loss) on net defined benefit plans	17	-	17
Income tax effect	-	-	-
As at 31 March 2019	(576)	(748)	(1,324)
Remeasurement gain/(loss) on net defined benefit plans	(132)	-	(132)
Income tax effect	-	-	-
As at 31 March 2020	(708)	(748)	(1,456)

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

Particulars	₹ in Lakhs	
	Debt instruments through OCI	Total
As at 1 April 2018	-	-
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 31 March 2019	(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 31 March 2020	(8,300)	(8,300)

BALLARPUR INDUSTRIES LIMITED
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20 Borrowings

Particulars	₹ in Lakhs	
	As at 31 March 2020	As at 31 March 2019
Non Current Borrowings		
Redeemable non convertible debentures	-	-
Term loans		
Bank	-	-
Financial institutions	-	-
	<hr/>	<hr/>
	-	-
Current borrowings		
Working capital loans	98,187	94,348
	<hr/>	<hr/>
	98,187	94,348

- (a) Pursuant to the commencement of CIRP, the following claims from financial creditors as at 17 January 2020, have been admitted by the Resolution Professional ("RP") (Also refer note 37):

		₹ in Lakhs
(i) S. No	Name of Bank / Financial Institution	Amount admitted
1	IDBI Bank Ltd.	85,015
2	Suraksha Asset Reconstruction Company Limited (SARC)	46,275
3	Orbit Investment Securities Plc	32,890
4	Axis Bank Limited	20,780
5	Varanium India Opportunity	18,756
6	Finquest Financial Solutions Limited (Finquest)	17,474
7	Kotak Mahindra Bank Ltd	14,657
8	Punjab National Bank (E-OBC)	13,883
9	LIC of India	12,523
10	Phoenix ARC Pvt. Ltd.	9,168
11	HDFC Bank Ltd.	8,850
12	Exim Bank	8,128
13	DBS Bank Ltd	7,009
14	Deutsche Bank	6,356
15	IndusInd Bank Ltd.	6,193
16	The Hongkong and Shanghai Banking Corporation Ltd.	4,849
17	Federal Bank	4,465
		<hr/>
		317,271

- (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 has been admitted by RP and disclosed under contingent liability. (Refer note 41)
- (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 41)
- (c) The company had issued a corporate guarantee of ₹ 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. Accordingly, the claim is disclosed under contingent liability. (Refer note 41)
- (d) The company had issued a corporate guarantee dated 28 March 2016 of ₹ 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-à-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 ₹ 11,152 Lakhs in accordance with the provisions of the Insolvency and Bankruptcy Code 2016 and the rules framed thereunder. Further, IndusInd bank has filed an application before 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 is disclosed as contingent liability as on 31 March 2020. (Refer Note 41)

BALLARPUR INDUSTRIES LIMITED
Notes accompanying the financial statements

20 Borrowings (Contd.)

- (b) Borrowings From Banks and Financial Institutions as at 31 March 2020 based on the claims admitted by RP as part of CIRP is as follows:

₹ in Lakhs

S. No	Name of Bank / Financial Institution	Current maturities of long term borrowings	Short term borrowings	Interest accrued on borrowings [Refer note (i) below]	Liability on behalf of related party (Refer note 25)	Total
1	IDBI Bank Ltd.	9,575	36,538	24,856	16,735	87,704
2	Suraksha Asset Reconstruction Company Limited (SARC)	36,129	-	12,298	-	48,427
3	Orbit Investment Securities Plc	-	-	-	35,167	35,167
4	Axis Bank Limited	-	12,500	8,730	-	21,230
5	Varanium India Opportunity	-	-	-	20,095	20,095
6	Finquest Financial Solutions Limited	4,599	6,979	6,495	-	18,073
7	Kotak Mahindra Bank Ltd	-	7,648	7,425	-	15,073
8	Punjab National Bank (E-	-	7,892	6,412	-	14,304
9	LIC of India	8,402	-	4,470	-	12,872
10	Phoenix ARC Pvt. Ltd.	6,412	-	3,032	-	9,444
11	HDFC Bank Ltd.	-	6,231	2,978	-	9,209
12	Exim Bank	6,109	-	2,227	-	8,336
13	DBS Bank Ltd	-	4,874	2,322	-	7,196
14	Deutsche Bank	-	4,208	2,268	-	6,476
15	Indusind Bank Ltd.	-	5,652	691	-	6,343
16	The Hongkong and Shanghai Banking Corporation Ltd.	-	2,815	2,167	-	4,982
17	Federal Bank	-	2,850	1,737	-	4,587
		71,226	98,187	88,108	71,997	329,518

Notes:

- (i) The above balances are based on the financial creditors claims admitted by the RP after considering the interest till the insolvency commencement date i.e 17 January 2020. Further, the Management has consider the interest for the period 18 January 2020 to 31 March 2020 and has taken the effect of reinstatement of borrowings in foreign currency.
- (ii) Detailed bank wise, loan wise reconciliation of the claims admitted by the RP is in progress and hence segregation of secured and unsecured borrowing, and details of security are not provided.
- (iii) 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%.
- (c) **Balance Confirmation Pending from Banks and Financial Institutions**

The confirmations and reconciliation of certain 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 54)

Bank balances and borrowings as at 31 March 2019 aggregating to ₹ 82,031 Lakhs are subject to confirmation and consequent reconciliation, if any.

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20 Borrowings (Contd.)

(d) 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 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'), an additional liability of ₹ 27,742 Lakhs, representing the difference between the financial creditors claims admitted by the RP and the carrying amount of borrowings (including interest accrued), has been accrued as at 31 March 2020 (refer note 37 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 31 March 2020 are not ascertainable.

The particulars of default in repayment of borrowings and payment of interest as at 31 March 2019 is as follows:

Particulars	Repayment of Principal		Payment of interest	
	Default outstanding amount	Period of default in days	Default outstanding amount	Period of default in days
Exim Bank	3,966	60 - 517 days	1,183	1 - 609 days
Finquest Financial Solutions Private Limited assigned from State Bank of India (earlier known as State Bank of Travancore) w.e.f. 17th Dec., 2018	1,562	9 - 920 days	1,768	1 - 943 days
IDBI Bank	1,875	1 - 731 days	2,128	182 - 790 days
Phoenix Arc Pvt Ltd	912	6 - 93 days	1,573	1 - 609 days
Life Insurance Corporation of India	-	-	3,178	63 - 793 days
	8,315		9,830	

(e) Assignment of borrowings

During the previous year, the ICICI Bank has assigned the borrowing with principal amount of ₹ 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 ₹ 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 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 has invoked the said pledge and charge. Consequently, the Company has recognized a gain of ₹ 32 Lakhs resulting from disposal of the investment in M/s. Premier Tissues (India) Limited as an exceptional item.

(g) During the year 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 31 December 2019 to transfer the said brands / trademarks to SARL for a consideration of ₹ 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 for the year ended 31 March 2020.

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21 Other financial liabilities - Non current

Particulars	₹ in Lakhs	
	As at 31 March 2020	As at 31 March 2019
Security deposits	114	357
Due to related parties [Refer note 44(d)(xxi), (xxii) and (xxiii)]	96,575	13,545
	<u>96,689</u>	<u>13,902</u>

22 Non-current provisions

Particulars	₹ in Lakhs	
	As at 31 March 2020	As at 31 March 2019
Provisions for employee benefits		
Provision for gratuity [Refer note (a) below]	2,246	2,200
Provision for compensated absences [Refer note (a) below]	642	583
	<u>2,888</u>	<u>2,783</u>

- (a) Actuarial valuation has not been carried out for gratuity and compensated absences obligation as at 31 March 2020 towards Kamalapuram Unit and Head Office. Provision has been created as at 31 March 2020 based on management's internal estimation for these cases. (Also refer note 43)

23 Other liability - Non Current

Particulars	₹ in Lakhs	
	As at 31 March 2020	As at 31 March 2019
License fees received in advance [Refer note 44(d)(xxii)]	-	25,350
	<u>-</u>	<u>25,350</u>

24 Trade payables

Particulars	₹ in Lakhs	
	As at 31 March 2020	As at 31 March 2019
(a) Total outstanding dues of micro and small enterprises [refer note (c) below]	2,095	1,944
(b) Total outstanding dues of creditors other than micro and small enterprises		
Others	21,656	19,722
Related parties (Refer note 44)	19	30
Total	<u>23,770</u>	<u>21,696</u>

- (a) "0" represent amount below ₹ 50,000/-

- (b) All trade payables are non interest bearing and payable or settled within the normal operating cycle of the

- (c) The disclosures under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) are as under:

Particulars	₹ in Lakhs	
	2019-20	2018-19
Principal amount remaining unpaid to any supplier at the end of year	2,095	1,944
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	90
Interest amount paid by the buyer in terms of section 16 of the MSMED Act,	-	-
Payment amount made to the supplier (other than interest) beyond the appointed day during the year	1,947	1,742
Interest amount paid by the buyer under MSMED Act, 2006 (other than Section 16)	-	-

BALLARPUR INDUSTRIES LIMITED
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24 Trade payables (Contd.)

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

Particulars	₹ in Lakhs	
	2019-20	2018-19
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	111
Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act	527	201
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	-	-

25 Other financial liabilities - Current

Particulars	₹ in Lakhs	
	As at 31 March 2020	As at 31 March 2019
Current maturities of long term borrowings (Refer note 20)	71,226	71,226
Bank book overdrawn	3	14
Interest accrued and due on borrowings [Refer note 37(b)]	88,108	45,902
Security deposits	577	353
Unpaid dividends	28	45
Payables for capital goods	18	11
Payable to employees	7,008	6,911
Liability For Compulsory / Optional Buyback	235	235
Interest accrued on security deposits	35	34
Liability incurred on behalf of related party (Refer note (a) below)	71,997	-
Due to related parties (refer note 44)	8,981	8,989
	248,216	133,720

- (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 ₹ 47,153 Lakhs. Further, the amount is recoverable from BIH and accordingly a receivable of ₹ 47,153 Lakhs was recognized and netted off with the liability to lenders [Refer note 44(f)].

During the year 2019-20, further corporate guarantee ("CG") and stand-by letter of credit ("SBL") issued by the company with respect to BIH, has been invoked by the lenders of BIH. Accordingly the Company has recognised additional liability of ₹ 24,844 Lakhs and recognized additional receivable of ₹ 24,844 Lakhs from BIH. Further, as part of the corporate insolvency resolution process, claims have been submitted by these lenders aggregating to ₹ 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, SBL and the corresponding receivables from BIH (₹ 71,997 Lakhs) is reclassified and included in 'Loans to Related parties' under Note 15 & 44(f).

26 Other current liabilities

Particulars	₹ in Lakhs	
	As at 31 March 2020	As at 31 March 2019
Advance received from customers		
License fees & other advances from related party	1,370	2,410
Advance from other parties	300	422
Statutory payables	8,733	7,436
Advance received towards sale of land		
From related party [Refer note 44(d)(xxiii)]	-	39,400
From Others	549	549
	10,952	50,217

BALLARPUR INDUSTRIES LIMITED
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27 Current provisions

Particulars	₹ in Lakhs	
	As at 31 March 2020	As at 31 March 2019
Provisions for employee benefits		
Provision for gratuity [Refer note (a) below]	1,977	1,501
Provision for compensated absences [Refer note (a) below]	346	559
Other provisions [Refer note (b) below]	159	155
	<u>2,482</u>	<u>2,215</u>

(a) Actuarial valuation has not been carried out for gratuity and compensated absences obligation as at 31 March 2020 towards Kamalapuram Unit and Head Office. Provision has been created as at 31 March 2020 based on management's internal estimation for these cases. (Also refer note 43)

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

(i) Movement in provisions

Particulars	₹ in Lakhs	
	Provision for disputed sales tax / VAT liability	Total
As at 1 April 2018	150	150
Additional provision during the year	5	5
As at 31 March 2019	<u>155</u>	<u>155</u>
Additional provision during the year	4	4
As at 31 March 2020	<u>159</u>	<u>159</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 41.

28 Current tax liabilities (Net)

Particulars	₹ in Lakhs	
	As at 31 March 2020	As at 31 March 2019
Provision for current taxes	11,958	11,958
Less: Tax paid (including TDS)	5,936	5,853
	<u>6,022</u>	<u>6,105</u>

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29 Revenue from operations

Particulars	₹ in Lakhs	
	2019 - 20	2018 - 19
Revenue from sale of products		
Paper	23,472	44,921
Others	3,005	37
Revenue from service rendered	3,488	-
	29,965	44,958
Other operating revenue		
Scrap sale	221	575
Export incentives	6	8
	227	583
	30,192	45,541

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

(a) Reconciliation of revenue from contract with customers

Particulars	₹ in Lakhs	
	2019 - 20	2018 - 19
Revenue from contract with customers as per contract price (net of discounts/rebates/incentives)*	29,965	44,958
Other operative revenue	227	583
Revenue from operations	30,192	45,541

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

(b) Disaggregation of revenue from contracts with customers is the same as disclosed in note 46 pursuant to Ind AS 108 'Operating Segments'.

(c) Contract balances

Particulars	₹ in Lakhs	
	As at 31 March 2020	As at 31 March 2019
Trade receivables	84	1,191
Contract assets	-	-
Contract liabilities (Advance received from customers)	1,670	1,782

(d) The Company has recognized allowance for expected credit loss amounting to ₹ 80 Lakhs towards trade receivable (Previous year: ₹ 65 Lakhs) (Refer note 12).

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

Particulars	₹ in Lakhs	
	2019 - 20	2018 - 19
Contract liability as at the beginning of the year	1,782	451
Advance received during the year	124	1,668
Invoices raised on satisfaction of performance obligation	186	337
Amount write back during the year	50	-
Contract liability as at the end of the year	1,670	1,782

(f) Other disclosures

- Company normal payment terms is twenty four days and Company also received security deposit from their customer on the basis of their sales plan.
- There is no significant financing component in any transaction with the customers.
- The Company does not have any remaining performance obligation as contracts entered for sale of goods are for shorter duration.
- Other details with respect to performance obligation, transaction price, etc are disclosed in Note 2.20.

BALLARPUR INDUSTRIES LIMITED

Notes accompanying the financial statements

30 Other income

Particulars	₹ in Lakhs	
	2019 - 20	2018 - 19
Interest Income	28	536
Rent and license fees [Refer note (a) below]	140	9
Corporate guarantee charges [Refer note 41(a) and 47(d)(viii)]	90	820
Other non operating income	97	95
Foreign exchange gains (net)	3,034	2,574
Unclaimed liabilities and excess provisions of earlier years written back	13	2,636
	3,402	6,670

(a) Includes ₹ 50 Lakhs gain on cancellation of lease agreement during the current year. (Refer note 48).

31 Cost of materials consumed

Particulars	₹ in Lakhs	
	2019 - 20	2018 - 19
Bamboo	786	1,431
Wood and wood species	5,314	8,072
Chemicals	4,119	7,333
Wood pulp	246	304
Packing materials	634	1,097
	11,099	18,237

32 Purchase of stock in trade

Particulars	₹ in Lakhs	
	2019 - 20	2018 - 19
Stock in trade	2,592	44
	2,592	44

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

Particulars	₹ in Lakhs	
	2019 - 20	2018 - 19
Stocks at the beginning of the year		
Finished goods (including stock in trade)	1,257	1,564
Work in progress	339	265
	1,596	1,829
Stocks at the end of the year		
Finished goods (including stock in trade)	21	1,257
Work in progress	13	339
	34	1,596
Changes in inventories of finished goods, work-in-progress and stock-in-trade	1,562	233

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34 Employee benefits expense

Particulars	₹ in Lakhs	
	2019 - 20	2018 - 19
Salaries and wages	4,560	5,971
Contribution to provident and other funds [Refer note 43(a)]	365	356
Staff welfare expenses	448	484
	5,373	6,811

35 Finance costs

Particulars	₹ in Lakhs	
	2019 - 20	2018 - 19
Interest expenses [Refer note 20(d)]	52,727	25,152
Other borrowing costs	1,019	261
Net loss / (gain) in foreign currency transactions and translation [Refer note (a) below]	92	25
Interest income other than those reported in other income [Refer note (b) below]	(6,621)	(1,222)
	47,217	24,216

(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 44(d)].

36 Other expenses

Particulars	₹ in Lakhs	
	2019 - 20	2018 - 19
Consumption of stores and spares	1,005	1,174
Power and fuel	6,658	14,714
Repair and Maintenance		
Buildings	90	73
Plant and machinery	755	731
Others	69	75
Other manufacturing expenses	444	436
Rent	2	279
Rates and taxes	362	1,787
Insurance	105	125
Legal and professional charges [Refer note (a) below]	385	709
Office & other expenses	976	941
Sales commission	41	128
Expenditure on Corporate Social Responsibility activities (Refer note 40)	-	-
Selling expenses	3	7
Bad debts and allowance for impairment of financial assets (net)	42,664	90
Allowance for doubtful advances on non financial assets (net)	-	159
Inventory written off [includes write down of inventory - ₹ Nil (Previous year - ₹ 103 Lakhs)]	183	217
Balances written off (net)	619	320
Loss on sale of Property, plant and equipment (net)	2	74
Carriage and freight charges	117	117
Directors sitting fees	8	10
	54,488	22,166

BALLARPUR INDUSTRIES LIMITED
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36 Other expenses (contd.)

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

Particulars	₹ in Lakhs	
	2019 - 20	2018 - 19
Statutory audit fee	49	34
Limited Review	13	8
Other services (including certification fees)	-	0
Reimbursement of expenses	3	1
	65	43

"0" represent amount below ₹ 50,000/-

37 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") has 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 has appointed Mr. Anuj Jain (IBBI/IPA-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.
- (b) Pursuant to commencement of CIRP, the RP has received various claims submitted by the financial creditors, operational creditors, employees and other creditors. The Company observed a difference of ₹ 27,742 Lakhs between the carrying amount of borrowings (including interest accrued) in the books of account and the financial creditors claims admitted by the RP. The Company has accrued this difference of ₹ 27,742 Lakhs as at 31 March 2020 and charged finance cost in statement of profit or loss. The overall obligations and liabilities regarding other claims submitted by operational creditors, employees and others shall be determined during the CIRP. Pending final outcome of this, no accounting impact in the books of accounts has been made in respect of excess, short, or non-receipts of claims for operational creditors, employees and other creditors.

38 Going concern

The Company's net worth is negative as on the reporting date and it continues to incur heavy losses. There is persistent severe strain on the working capital and this has resulted in considerable decline in the level of operations of the Company. As stated in note 37, pursuant to commencement of CIRP, the Board of Directors of the Company stand suspended and the management of the Company vest in the RP. The RP is expected to make every endeavour to protect and preserve the value of the property of the Company and manage the operations of the Company as a going concern. Pending outcome of the CIRP, the standalone financial statements have been prepared on a going concern basis.

39 Exceptional items

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

Exceptional loss for the previous year 2018-19 represents loss arising from impairment in the carrying value of property, plant and equipment of ₹ 34,697 Lakhs, impairment of investments held by the company in Premier Tissues (India) Limited of ₹ 2,934 Lakhs and loss on sale of surplus assets amounting to ₹ 76 Lakhs.

40 Corporate social responsibility expenses

- (a) Gross amount required to be spent by the Company during the year is ₹ Nil (previous year ₹ Nil)
- (b) Details of corporate social responsibility expenses

Particulars	2019 - 20			2018 - 19		
	In cash	Yet to be paid in cash	Total	In cash	Yet to be paid in cash	Total
(i) Construction / acquisition of assets	-	-	-	-	-	-
(ii) Purposes other than (i) above	-	-	-	-	-	-
	-	-	-	-	-	-

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43 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	
	2019 - 20	2018 - 19
Employer's contribution to provident fund	182	158
Employer's contribution to superannuation fund	46	45
Employer's contribution to pension scheme	137	153
	365	356

(b) Defined benefit plan

i) 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 Company has taken actuarial valuation of the gratuity obligation pertaining to Shreegopal Unit. The actuarial valuation of gratuity obligation pertaining to Kamalapuram Unit and Head Office have not been done as at 31 March 2020 and provision has been recognized based on management's internal estimation. The provision as at 31 March 2020 created based on management's internal estimation is ₹ 924 Lakhs. Further, disclosure pursuant to Ind AS 19 "Employee Benefits" is not provided since actuarial valuation is not done for Kamalapuram Unit and Head Office. The disclosure pursuant to Ind AS 19 for the financial year 2018-19 is given.

ii) Amounts recognized in balance sheet

Particulars	₹ in Lakhs
	As at 31 March 2019
	Gratuity
Present value of defined benefit obligation	
- wholly funded	-
- wholly unfunded	3,701
	3,701
Less: Fair value of plan assets	-
Amount recognized as a liability / (asset)	3,701
Net liability / (asset) - current	1,501
Net liability / (asset) - non-current	2,200

iii) Reconciliation of opening and closing balances of the present value of the obligations

Particulars	₹ in Lakhs
	2018 - 19
	Gratuity
Opening balance of present value of obligation	3,412
Current service cost	132
Net interest on obligation	256
Re-Measurement (or actuarial) (gain) / loss arising from:	-
- change in demographic assumptions	(21)
- change in financial assumptions	27
- experience variance (i.e. actual experience vs assumptions)	0
Past service cost	-
Benefits paid	(105)
Closing balance of present value of obligation	3,701

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43 Disclosure pursuant to Ind AS 19 "Employee Benefits" (Contd.)

(b) Defined benefit plan (Contd.)

iv) Amount recognized in statement of profit and loss

Particulars	₹ in Lakhs	
	2018 - 19	Gratuity
a) Statement of profit or loss		
Current service cost	132	
Past service cost	-	
Net interest income / (cost) on the net defined benefit liability (assets)	256	
Total expenses recognized in profit or loss	388	
Included in employee benefits expense	132	
Included in finance cost	256	
b) Other Comprehensive Income (OCI):		
Actuarial (gain) / losses		
- change in demographic assumptions		(21)
- change in financial assumptions		27
- experience variance (i.e. actual experience vs assumptions)		0
- others		-
		6

v) Sensitivity analysis

Particulars	Changes in assumptions	₹ in Lakhs	
		As at 31 March 2019	
		Impact on defined benefit obligation due to increase in assumption	Impact on defined benefit obligation due to decrease in assumption
Discount rate	+/- 1%	(128)	142
Salary growth rate	+/- 1%	152	(138)
Attrition rate	+/- 50%	15	(16)
Mortality rate	+/- 10%	7	(7)

Expected cash flows over the next (valued on undiscounted basis)

Particulars	₹ in Lakhs	
	As at 31 March 2019	
1 year	1,502	
2 to 5 years	1,496	
6 to 10 years	1,064	
More than 10 years	1,218	

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

The Company has taken actuarial valuation of the compensated absences obligation pertaining to Shreegopal Unit. The actuarial valuation of compensated absences obligation pertaining to Kamalapuram Unit and Head Office have not been done as at 31 March 2020 and provision has been recognized based on management's internal estimation. The provision as at 31 March 2020 created based on management's internal estimation is ₹ 296 Lakhs.

BALLARPUR INDUSTRIES LIMITED**Notes accompanying the financial statements****44 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.)
 - Ballarpur Paper Holdings B.V. (Subsidiary of BILT Paper B.V.)
 - Bilt Graphic Paper Products Limited (Subsidiary of Ballarpur Paper Holdings B.V.)
 - Sabah Forest Industries Sdn. Bhd. (Subsidiary of Ballarpur Paper 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) (w.e.f 18 July 2019)

(b) Key Management Personnel (KMP)

- | | |
|---|---|
| (i) Mr. B. Hanharan (upto 15 October 2019) | (vii) Mr. Amarendra Pratap Singh (upto 06 October 2019) |
| (ii) Mr. Gautam Thapar (upto 15 October 2019) | (viii) Ms. Payal Chawla (upto 19 August 2019) |
| (iii) Mr. R.R. Vederah | (ix) Mr. Krishan Verma (upto 27 August 2019) |
| (iv) Mr. Sanjay Mohan Labroo (upto 12 May 2019) | (x) Dr. Padmakumar Nair (w.e.f. 15 October 2019) |
| (v) Mr. Amarjit Singh Dulat (upto 15 May 2019) | (xi) Ms. Yashashree Gurjar (w.e.f. 15 October 2019) |
| (vi) Mr. Sudhir Mathur (upto 15 May 2019) | (xii) Mr. Neehar Aggarwal (CEO) |

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

- (i) Subsidiaries (including step down subsidiaries)
- | | |
|---|--------------------------------------|
| 1) Avantha Agritech Limited | - Subsidiary |
| 2) Ballarpur International Holdings B.V. | - Subsidiary |
| 3) Ballarpur Speciality Paper Holdings B.V. | - Subsidiary |
| 4) Premier Tissues (India) Limited | - Subsidiary (upto 07 November 2018) |
| 5) Bilt Paper B.V. | - Step-down subsidiary |
| 6) Ballarpur Paper Holdings B.V. | - Step-down subsidiary |
| 7) Bilt Graphic Paper Products Limited | - Step-down subsidiary |
| 8) Sabah Forest Industries Sdn. Bhd. | - Step-down subsidiary |
| 9) Bilt General Trading FZE | - Step-down subsidiary |
- (ii) Joint Venture
- Premier Tissues (India) Limited
from 08 November 2018 to 17 July 2019 [Refer note 20(f)]
- (iii) Other related parties
- 1) Bilttech Building Elements Limited
 - 2) CG Power and Industrial Solutions Limited (upto 08 October 2019)
 - 3) Avantha Holdings Limited
 - 4) Avantha Realty Limited
 - 5) Varun Prakashan Private Limited
 - 6) BILT Industrial Packaging Company Limited
 - 7) Solaris Chemtech Industries Limited (upto 27 December 2018)
 - 8) Karam Chand Thapar & Bros. Ltd-PF Trust
 - 9) Arizona Printers & Packers Private Limited
 - 10) Avantha Power and Infrastructure Limited
 - 11) Global Green Company Limited
 - 12) UHL Power Company Limited
 - 13) Newquest Insurance Broking Services Limited

BALLARPUR INDUSTRIES LIMITED
Notes accompanying the financial statements

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

(d) Details of related party transactions

Particulars	₹ in Lakhs	
	2019 - 20	2018 - 19
(i) Purchase of goods and services		
1) Subsidiaries		
Bilt Graphic Paper Products Limited	71	105
Premier Tissues India Limited	-	30
	<u>71</u>	<u>135</u>
2) Other related parties		
Biltech Building Elements Limited	80	56
Newquest Insurance Broking Services Limited	16	-
	<u>96</u>	<u>56</u>
	<u>167</u>	<u>191</u>
(ii) Sale of goods and services		
1) Subsidiaries		
Bilt Graphic Paper Products Limited	19	68
	<u>19</u>	<u>68</u>
	<u>19</u>	<u>68</u>
(iii) Deputation charges recovered from		
1) Subsidiaries		
Bilt Graphic Paper Products Limited	368	811
	<u>368</u>	<u>811</u>
	<u>368</u>	<u>811</u>
(iv) Interest income		
1) Subsidiaries		
Ballarpur International Holdings B.V	6,621	1,222
	<u>6,621</u>	<u>1,222</u>
	<u>6,621</u>	<u>1,222</u>
(v) Interest expense		
1) Other related parties		
Karam Chand Thapar & Bros. Ltd-PF Trust	39	63
	<u>39</u>	<u>63</u>
	<u>39</u>	<u>63</u>
(vi) Rental Income		
1) Subsidiaries		
Bilt Graphic Paper Products Limited	89	-
	<u>89</u>	<u>-</u>
	<u>89</u>	<u>-</u>
(vii) Brand Royalty Income		
1) Subsidiaries		
Bilt Graphic Paper Products Limited	3	-
	<u>3</u>	<u>-</u>
	<u>3</u>	<u>-</u>

BALLARPUR INDUSTRIES LIMITED
Notes accompanying the financial statements

44 Disclosure of related parties / related party transactions pursuant to Ind AS 24 'Related Party Disclosures' (Contd.)

(d) Details of related party transactions

Particulars	₹ in Lakhs	
	2019 - 20	2018 - 19
(viii) Corporate guarantee income		
1) Subsidiaries		
Ballarpur International Holdings B.V	90	820
	90	820
	<u>90</u>	<u>820</u>
(ix) Rental expense		
1) Other related parties		
Avantha Realty Limited	-	276
	-	276
	<u>-</u>	<u>276</u>
x) Advances received from related parties		
1) Subsidiaries		
Bilt Graphic Paper Products Limited *	354	71
	354	71
2) Other related parties		
Avantha Holding Limited	-	1,360
Avantha Power & Infrastructure Limited	10	-
	10	1,360
	<u>364</u>	<u>1,431</u>
* During the year, the Company has received payment of ₹ 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 ₹ 68 Lakhs to M/s. Bilt Graphic Paper Products Limited. [Refer note 44(d)(xiv) below].		
(xi) Advances given to related parties		
1) Subsidiaries		
Bilt Graphic Paper Products Limited	20	39
Bilt Paper B.V.	2	10
Ballarpur Paper Holdings B.V	18	759
Ballarpur International Holdings B.V [Refer note 44(g)(v)]	20,062	617
Ballarpur Specialities Paper Holdings B.V	1	-
	20,103	1,425
	<u>20,103</u>	<u>1,425</u>
(xii) Reimbursement of Expenses paid		
1) Subsidiaries		
Bilt Graphic Paper Products Limited	5	13
	5	13
	<u>5</u>	<u>13</u>
(xiii) Reimbursement of Expenses Recovered		
1) Subsidiaries		
Bilt Graphic Paper Products Limited	3	30
Avantha Agritech Limited	44	35
	47	65
2) Other related parties		
Biltech Building Elements Limited	3	3
	3	3
	<u>50</u>	<u>68</u>

BALLARPUR INDUSTRIES LIMITED
Notes accompanying the financial statements

44 Disclosure of related parties / related party transactions pursuant to Ind AS 24 'Related Party Disclosures' (Contd.)

(d) Details of related party transactions

Particulars	₹ in Lakhs	
	2019 - 20	2018 - 19
(xiv) Repayment of Advances to related parties		
1) Subsidiaries		
Bilt Graphic Paper Products Limited (Refer note 44(d)(x) above)	68	-
	<u>68</u>	<u>-</u>
	<u>68</u>	<u>-</u>
(xv) Director's sitting fees		
1) Key management personnel		
Mr. Gautam Thapar	1	1
Mr. RR Vederah	2	1
Mr. Amarendra Pratap Singh	1	2
Mr. Amarjit Singh Dulat	1	2
Ms. Payal Chawla	0	1
Mr. Sudhir Mathur	0	2
Mr. Sanjay Mohan Labroo	-	0
Mr. Krishan Varma	1	-
Dr. Padmakumar Nair	1	-
Ms. Yashashree Gurjar	1	-
	<u>8</u>	<u>9</u>
	<u>8</u>	<u>9</u>
"0" represent amount below ₹ 50,000/-		
(xvi) Contribution to PF		
1) Other related parties		
Karam Chand Thapar & Bros. Ltd-PF Trust	548	591
	<u>548</u>	<u>591</u>
	<u>548</u>	<u>591</u>
(xvii) Loan and interest recoveries		
1) Other related parties		
Karam Chand Thapar & Bros. Ltd-PF Trust	113	151
	<u>113</u>	<u>151</u>
	<u>113</u>	<u>151</u>
(xviii) Repayment of loans by related parties		
1) Other related parties		
Global Green Company Limited	4	-
	<u>4</u>	<u>-</u>
	<u>4</u>	<u>-</u>
(xix) Waiver of dues from related parties		
1) Subsidiaries		
Avantha Agritech Limited	-	320
	<u>-</u>	<u>320</u>
	<u>-</u>	<u>320</u>
2) Other related parties		
Avantha Power and Infrastructure Limited	-	103
Solaris Chemtech Industries Limited	-	1,974
	<u>-</u>	<u>2,077</u>
	<u>-</u>	<u>2,397</u>

BALLARPUR INDUSTRIES LIMITED

Notes accompanying the financial statements

44 Disclosure of related parties / related party transactions pursuant to Ind AS 24 'Related Party Disclosures' (Contd.)

(d) Details of related party transactions

Particulars	₹ in Lakhs	
	2019 - 20	2018 - 19
(xx) Payment for services of KMP (net of recoveries from subsidiaries)		
Mr. B. Hariharan [Refer note (a) below and note 44(g)(vii)]	-	-
	-	-
	-	-
(a) The Company created provision for post-employment and other long term benefits based on actuarial valuation for the company as a whole and accordingly the post-employment and other long term benefits attributable to key management personnel is not readily available.		
(xxi) Settlement of balances due to / (due from) / Reversal		
1) Subsidiaries		
Bilt Graphic Paper Products Limited [Refer note (c) below]	(17,393)	17,393
Avantha Agritech Limited [Refer note (b) below]	-	6,204
Ballarpur International Holdings B.V [Refer note (c) below]	17,393	(17,393)
	-	-
	-	6,204
2) Other related parties		
Avantha Holding Limited [Refer note (a) below]	-	4,813
Varun Prakashan Private Limited [Refer note (a) below]	-	(4,813)
Avantha Realty Limited [Refer note (b) below]	-	(6,204)
	-	(6,204)
	-	-

(a) During the year 2018-19, Company had entered into a Tripartite Settlement agreement with related parties, pursuant to which receivables amounting ₹ 4,813 Lakhs due from Varun Prakashan Private Limited had been settled against amount payable to Avantha Holding Limited.

(b) During the year 2018-19, Company had entered into a Tripartite Settlement agreement with related parties, pursuant to which payable amounting ₹ 6,204 Lakhs to Avantha Agritech Limited had been settled against the amount due from Avantha Realty Limited.

(c) During the year 2018-19, in terms of Tripartite Settlement agreement entered between the Company and its subsidiaries / step down subsidiary an amount of ₹ 17,393 Lakhs due to step down subsidiary (BGPPL) was set off against the amount recoverable from the subsidiary (BIH), subject to relevant approvals from regulatory bodies. During the year 2019-20, since approval was not received from certain stakeholders, this transaction was reversed by the Company.

(xxii) License fees from / Reversal

1) Subsidiaries		
Bilt Graphic Paper Products Limited [Refer note (a) below]	(26,400)	26,400
	(26,400)	26,400
	(26,400)	26,400

(a) During the year 2018-19, Company had granted right to use "BILT" logo and other trademarks registered in the name of the Company to its step down subsidiary, BILT Graphic Paper Products Limited for a term of twenty five years for a consideration of ₹ 26,400 Lakhs, which has been offset against the amount payable to step down subsidiary (BGPPL). During the year 2019-20, since approval was not received from certain stakeholders, this transaction was reversed by the Company.

BALLARPUR INDUSTRIES LIMITED
Notes accompanying the financial statements

44 Disclosure of related parties / related party transactions pursuant to Ind AS 24 'Related Party Disclosures' (Contd.)

(d) Details of related party transactions

(xxiii) Advance against sale of land

1) Subsidiaries

During the year 2018-19 the Company had entered into an "Agreement to Sell" with Bilt Graphic Paper Products Limited (BGPPL), a step down subsidiary, and has agreed to transfer all its rights title and interest in Choudwar land, in partial settlement of amounts aggregating ₹ 39,400 Lakhs, due to the step down subsidiary. During the year 2019-20, since approval was not received from certain stakeholders, this transaction was reversed by the Company.

(e) Balances due to related parties

Particulars	₹ in Lakhs	
	As at 31 March 2020	As at 31 March 2019
(i) Subsidiaries		
1) Bilt Graphic Paper Products Limited (Refer note below)	96,575	52,945
	96,575	52,945
(ii) Other related parties		
1) Avantha Power and Infrastructure Limited	10	-
2) Avantha Holdings Limited	3,487	3,487
3) Avantha Realty Limited	6,847	6,847
4) Karam Chand Thapar & Bros. Ltd-PF Trust	641	786
5) CG Power and Industrial Solutions Limited	-	7
6) NewQuest Insurance Broking Services Limited	6	-
	10,991	11,127
	107,566	64,072

(f) Balances due from related parties

Particulars	₹ in Lakhs	
	As at 31 March 2020	As at 31 March 2019
(i) Subsidiaries		
1) Sabah Forest Industries Sdn. Bhd.	6,359	5,926
2) Ballarpur Paper Holding B.V.	1,116	1,020
3) Ballarpur International Holdings B.V. [Refer note 25(a)]	108,246	56,473
4) Bilt Paper B.V.	13	10
5) Ballarpur Specialities Paper Holdings B.V.	1	-
6) Avantha Agritech Limited	11	-
	115,746	63,429
(ii) Joint Ventures		
1) Premier Tissues (India) Limited	-	85
	-	85
(iii) Other related parties		
1) BILT Industrial Packaging Company Limited	858	858
2) Global Green Company Limited	372	376
3) Arizona Printers & Packers Private Limited	1	1
4) UHL Power Company Limited	473	473
5) Bilttech Building Elements Limited	1,200	1,213
	2,904	2,921
	118,650	66,435

BALLARPUR INDUSTRIES LIMITED

Notes accompanying the financial statements

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

(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) There have been no write back of dues to related parties during the year (2018-19 - ₹ Nil) other than the waiver as reported in the related party transactions.
- (iv) There have been no write off of dues from related parties during the year (2018-19 - ₹ Nil).
- (v) Apart from above related party balances, the Company had also granted to the lender a corporate guarantee in respect of loan availed by Ballarpur International Holdings B.V. (BIH BV) a wholly owned subsidiary of the company (Outstanding Corporate Guarantee as at 31st March, 2020 ₹ Nil (Previous year ₹ 14,262 Lakhs). The Company had also executed an indemnity and undertaking for stand-by-letter of credit facility in respect of loan availed by BIH BV (Outstanding amount as at 31st March, 2020 ₹ Nil (Previous year ₹ 5,983 Lakhs).
During the year, the corporate guarantee and stand-by-letter of credit was invoked by the lenders, along with interest which is recognized as receivable from BIH BV and disclosed under advance given to related parties. [Refer note 41 & 44(d)(xi)].
- (vi) For the year ended 31 March 2020, the Company has recognized provision for Expected credit loss of receivables relating to amounts due from related parties ₹ 42,211 (2018-19 - ₹ Nil). This assessment is undertaken each financial year examining the financial position of the related party and the market in which the related party operates.
- (vii) During the year, the Company has paid ₹ 368 Lakhs (Previous year ₹ 811 Lakhs) to Mr. B. Hariharan on behalf of Bilt Graphic Paper Products Limited (BGPPL), a step-down subsidiary of the Company, towards services rendered by him to BGPPL. The same is set off against the amounts due to BGPPL.

45 Basic and diluted earnings per share (EPS) computed in accordance with Ind AS 33 'Earnings Per Share'

Particulars		2019 - 20	2018 - 19
Loss as per statement of profit or loss (₹ in Lakhs)	[A]	(128,668)	(63,551)
Weighted average number of shares outstanding (Nos)	[B]	1,293,455,756	1,293,455,756
Basic and diluted earnings per share (₹)	[A]/[B]	(9.95)	(4.91)
Face value per equity share (₹)		2	2

46 Disclosure pursuant to Ind AS 108 'Operating Segments'

(a) Factors used in identifying segments

The Company's operating segments are established on the basis of those components of the company that are 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 have been identified taking into account nature of products & services, the differing risks and returns and the internal business reporting systems.

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".

BALLARPUR INDUSTRIES LIMITED
Notes accompanying the financial statements

46 Disclosure pursuant to Ind AS 108 'Operating Segments' (Contd.)

(b) Segment information		₹ in Lakhs		
		2019 - 20		
Particulars	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 39)	(35,400)	-	(35,400)	
	(78,287)	(3,196)	(81,483)	
C Reconciliation of segment results with profit / (loss) before tax				
Segment results			(81,483)	
Finance cost			(47,217)	
Exceptional items [gain/(loss)] (Refer note 39)			32	
Profit / (loss) before tax			(128,668)	
D Specified amounts included in segment results				
Interest income	25	3	28	
Depreciation and amortization	3,656	907	4,563	
Inventory written off	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 (net)	2	-	2	
Exceptional items (Refer note 39)	35,400	-	35,400	

Particulars		₹ in Lakhs		
		2018 - 19		
Particulars	Uncoated Paper	Others	Total	
	A Segment revenue			
External customers	44,958	-	44,958	
Inter-Segment	-	-	-	
Total revenue	44,958	-	44,958	
B Segment results				
Segment results before interest income and exceptional items	1,272	(3,436)	(2,164)	
Interest income	533	3	536	
Exceptional items [gain/(loss)] (Refer note 39)	(37,707)	-	(37,707)	
	(35,902)	(3,433)	(39,335)	

BALLARPUR INDUSTRIES LIMITED
Notes accompanying the financial statements

46 Disclosure pursuant to Ind AS 108 'Operating Segments' (Contd.)

(b) Segment information

Particulars	₹ in Lakhs		
	2018 - 19		
	Uncoated Paper	Others	Total
C Reconciliation of segment results with profit / (loss) before tax			
Segment results			(39,335)
Finance cost			(24,216)
Profit / (loss) before tax			(63,551)
D Specified amounts included in segment results			
Interest income	533	3	536
Depreciation and amortization	5,444	904	6,348
Inventory written off (Includes write down value)	217	-	217
Bad debts and impairment of financial assets (net of reversal)	249	-	249
Loss on sale of property, plant and equipment	74	-	74
Exceptional items (Refer note 39)	37,707	-	37,707

(c) Segment assets and liabilities

Particulars	₹ in Lakhs		
	As at 31 March 2020		
	Uncoated Paper	Others	Total
Segment assets	235,147	26,579	261,726
Unallocable corporate assets			
Cash and cash equivalents			185
Other bank balances			203
Deferred tax assets (net)			11,924
Investments			92,965
Total assets	235,147	26,579	367,003
Segment liabilities	301,355	12,416	313,771
Unallocable corporate liabilities			
Current borrowings			98,187
Current maturities of non current borrowings			71,226
Current tax liabilities (net)			6,022
Total liabilities	301,355	12,416	489,206
Additions to non-current assets	362	-	362

Particulars	₹ in Lakhs		
	As at 31 March 2019		
	Uncoated Paper	Others	Total
Segment assets	221,514	28,020	249,534
Unallocable corporate assets			
Cash and cash equivalents			419
Other bank balances			519
Deferred tax assets (net)			11,924
Investments			94,553
Total assets	221,514	28,020	356,949

BALLARPUR INDUSTRIES LIMITED
Notes accompanying the financial statements

46 Disclosure pursuant to Ind AS 108 'Operating Segments' (Contd.)

(c) Segment assets and liabilities (Contd.)

Particulars	As at 31 March 2019		
	Uncoated Paper	Others	Total
Segment liabilities	167,827	10,830	178,657
Unallocable corporate liabilities			
Current borrowings			94,348
Current maturities of non current borrowings			71,226
Current tax liabilities (net)			6,105
Total liabilities	167,827	10,830	350,336
Additions to non-current assets	282	-	282

(d) Geographical information

(i) Revenue from external customers

Particulars	₹ in Lakhs	
	2019 - 20	2018 - 19
India	29,555	44,354
Outside India	410	604
	29,965	44,958

(ii) The entire non-current assets of the Company are located in India

(iii) The amount of revenues from external customers attributed to individual foreign countries are not material.

(iv) Customer information

The Company 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 and ₹ 9,480 Lakhs in year 2018-19.

47 Income taxes

(a) Components of income tax expense / (income)

Particulars	₹ in Lakhs	
	2019 - 20	2018 - 19
Income tax recognized in statement of profit or loss		
(i) Current tax:		
Current income tax charge	-	-
Adjustment in respect to previous years	-	-
	-	-
(ii) Deferred tax:[refer note 9]		
Relating to origination and reversal of temporary differences	-	(15,041)
Deferred tax asset recognized on unused tax losses and depreciation	-	15,041
	-	-
Income tax recognized in other comprehensive income		
(i) Current tax:		
Remeasurement gain/(loss) on net defined benefit plans	-	-
Gain/(loss) on changes in fair value of equity instruments through OCI	-	-
Gain/(loss) on changes in fair value of debt instruments through OCI	-	-
	-	-

(b) 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.

BALLARPUR INDUSTRIES LIMITED**Notes accompanying the financial statements****48 Transition to Ind AS 116 'Leases'**

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 Leases which replaces the existing lease standard, Ind AS 17 Leases and other interpretations. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single lease accounting model for lessees.

The Company has adopted Ind AS 116, effective annual reporting period beginning April 1, 2019 and applied the standard to its leases, retrospectively, with the cumulative effect of initially applying the standard, recognised on the date of initial application (April 1, 2019). Accordingly, the Company has not restated comparative information, instead, the cumulative effect of initially applying this standard has been recognised as an adjustment to the opening balance of retained earnings as

Company as a lessee

The Company has also used the practical expedient provided by the standard when applying Ind AS 116 to leases previously classified as operating leases under Ind AS 17 and therefore, has not reassessed whether a contract, is or contains a lease, at the date of initial application, relied on its assessment of whether leases are onerous. The Company has used a single discount rate to a portfolio of leases with similar characteristics.

On transition, the Company recognised a lease liability measured at the present value of the remaining lease payments. The right-of-use asset is recognised at its carrying amount as if the standard had been applied since the commencement of the lease, but discounted using the lessee's incremental borrowing rate as at April 1, 2019.

Accordingly, a right-of-use asset of ₹ 614 Lakhs and lease liability of ₹ 630 Lakhs has been recognised on transition. The cumulative effect on transition in retained earnings net of taxes is ₹ 16 Lakhs (including the deferred tax of ₹ Nil). The weighted average incremental borrowing rate of 11% has been applied to lease liabilities recognised in the balance sheet at the date of initial application.

However, at the end of year, above lease has been mutually cancelled and Company has derecognized the right of use assets of ₹ 543 Lakhs against lease liability of ₹ 593 Lakhs and has booked the gain arising on derecognition of ₹ 50 Lakhs in the Statement of Profit and Loss. (Refer note 30)

On application of Ind AS 116, the nature of expenses has changed from lease rent in previous periods to depreciation cost for the right-of-use asset, and finance cost for interest accrued on lease liability.

Company as a lessor

The Company is not required to make any adjustments on transition to Ind AS 116 for leases in which it acts as a lessor.

48.1 Disclosure Pursuant to Ind AS 116 'Leases'**(a) Where the Company is a lessee**

		₹ in Lakhs
1)	Particulars	As at 31 March 2020
	Building:	
	Gross Block	
	Opening balance as on 01 April 2019 at the time of transition	614
	Additions	-
	Deletion	(614)
	Closing balance	-
	Accumulated amortization	
	Opening balance as on 01 April 2019 at the time of transition	-
	Amortization for the year	71
	Deletion	(71)
	Closing balance	-
	Net carrying value as at 31 March 2020	-

2) Interest on lease liabilities is ₹ 67 Lakhs for the year ended on 31 March 2020.

3) The Company incurred ₹ 2 Lakhs for the year ended 31 March, 2020 towards expenses relating to short-term leases and leases of low-value assets. The total cash outflow for leases is ₹ 89 Lakhs for the year ended 31 March 2020, including cash outflow ₹ 2 Lakhs of short-term leases and leases of low-value assets.

4) Lease contracts entered by the Company majorly pertains for buildings taken on lease to conduct its business in the ordinary course. The Company does not have any lease restrictions and commitment towards variable rent as per the contract.

BALLARPUR INDUSTRIES LIMITED
Notes accompanying the financial statements

48.1 Disclosure Pursuant to Ind AS 116 'Leases' (Contd.)

(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 ₹ 90 Lakhs (Previous year ₹ 9 Lakhs) including contingent rent/sublease receipt of ₹ Nil (Previous year ₹ Nil).

Annual undiscounted lease payments receivable is as under:

Particulars	₹ in Lakhs		
	Upto 1 year	More than 1 year	Total
Lease payments receivables	165	-	165

49 Assets held for sale

Particulars	₹ in Lakhs	
	As at 31 March 2020	As at 31 March 2019
Non Current Assets		
Property, Plant and Equipments		
Freehold Land [Also refer note (i) and (ii) below]	-	39,970
Plant and Machinery	-	8
Vehicles	0	-
Total	0	39,978

- (i) Out of the total freehold land, 0.28 acres of land was sold during the current year having net carrying value amounting to ₹ 19 Lakhs.
- (ii) Freehold land classified as "Assets held for sale" in the previous year have been reclassified as "Property Plant and Equipment" consequent to the initiation of CIRP against the Company. Pending conclusion of the CIRP, the recoverable amount of the freehold land is not determined as required by Ind AS 105 and it has been reclassified to PPE at its carrying value in the books of account.

"0" represent amount below ₹ 50,000/-

50 Financial instruments

(a) Capital management

The Company's objective when managing capital is to:

- '- Safeguard its ability to continue as a going concern, 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.

Since the Company is under CIRP, it could not take any step to maintain or adjust the capital structure during the year and this shall be finalised when resolution plan is implemented.

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.

BALLARPUR INDUSTRIES LIMITED
Notes accompanying the financial statements

50 Financial instruments (Contd.)

(a) Capital management (Contd.)

The gearing ratio is as follows:

Particulars	₹ in Lakhs	
	As at 31 March 2020	As at 31 March 2019
Loans and borrowings	225,572	165,574
Less: cash and cash equivalents	185	419
Net debt	225,387	165,155
Equity	(122,203)	6,613
Capital and net debt	103,184	171,768
Gearing ratio	2.18	0.96

(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.

Corporate Insolvency Resolution Process (CIRP) has been initiated in case of the Company under the Provisions of the Insolvency and Bankruptcy Code, 2016 (the Code). Pursuant to the order, the management of affairs of the Company and powers of board of directors of the Company stand vested with the Interim Resolution Professional (IRP)/RP appointed by the NCLT. The framework and the strategies for effective management will be established post implementation of Resolution Plan. Presently, the financial management activities are restricted to management of current assets and liabilities of the Company and the day to day cashflow and its associated risk are as under:

(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. The Company does not hold any collateral on the balance outstanding. The ageing of trade receivables is as below:

Particulars	Past due		Total
	upto 6 months (including amounts not due)	more than 6 months	
Trade receivables			
As at 31 March 2020			
Secured by security deposits	-	-	-
Unsecured	4	80	84
	<u>4</u>	<u>80</u>	<u>84</u>
Provision for expected credit loss			80
	<u>4</u>	<u>80</u>	<u>4</u>
As at 31 March 2019			
Secured by security deposits	326	3	329
Unsecured	725	137	862
	<u>1,051</u>	<u>140</u>	<u>1,191</u>
Provision for expected credit loss			65
	<u>1,051</u>	<u>140</u>	<u>1,126</u>

BALLARPUR INDUSTRIES LIMITED**Notes accompanying the financial statements****50 Financial instruments (Contd.)****(b) Financial risk management objectives and policies (Contd.)****(1) Credit Risk (Contd.)**

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.

Reconciliation of Loss Allowance

Particulars	₹ in Lakhs	
	2019 - 20	2018 - 19
Provision as at the beginning of the year (Refer note 12 & 15)	71	56
(a) Allowance for the year	42,664	90
(b) Provision used during the year	(433)	(75)
Provision as at the end of the year (Refer note 12 & 15)	42,302	71

(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.

The Company is under CIRP. The Company depends upon timely receipt from sales and delay in sales realisation as well as vendor payments can severely impact the current level of operation. Liquidity crises had led to default in repayment of principal and interest to lenders. Since the Company is under CIRP, it is not required to meet any loan or interest obligation till the resolution plan is implemented.

The Company monitors rolling forecasts of the liquidity position to ensure it has sufficient cash to meet operational needs.

Maturity profile of financial liabilities

The table below provides regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

Particulars	₹ in Lakhs					
	As at 31 March 2020			As at 31 March 2019		
	< 1 year	> 1 year	Total	< 1 year	> 1 year	Total
Borrowing (including interest accrued thereon)	329,518	-	329,518	211,476	-	211,476
Dues to related parties	9,000	96,575	105,575	9,019	13,545	22,564
Other trade payables	23,751	-	23,751	21,666	-	21,666
Security deposit (including interest accrued thereon)	612	114	726	387	357	744
Other financial liabilities	7,292	-	7,292	7,216	-	7,216
	370,173	96,689	466,862	249,764	13,902	263,666

BALLARPUR INDUSTRIES LIMITED
Notes accompanying the financial statements

50 Financial instruments (Contd.)

(b) Financial risk management objectives and policies (Contd.)

(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.

Particulars	₹ in Lakhs	
	As at 31 March 2020	As at 31 March 2019
Monetary liabilities		
United States Dollar	\$ 73,381	1,205
Euro	€ 0	0
Great Britain Pounds	£ -	7
Monetary assets		
United States Dollar	\$ 115,477	16,071
Arab Emirates Dirham	DH -	29

"0" represent amount below ₹ 50,000/-

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:

Particulars	₹ in Lakhs	
	As at 31 March 2020	As at 31 March 2019
Sensitivity to a 5% increase		
United States Dollar	\$ 2,105	743
Euro	€ (0)	(0)
Great Britain Pounds	£ -	(0)
Arab Emirates Dirham	DH -	1
Sensitivity to a 5% decrease		
United States Dollar	\$ (2,105)	(743)
Euro	€ 0	0
Great Britain Pounds	£ -	0
Arab Emirates Dirham	DH -	(1)

"0" represent amount below ₹ 50,000/-

Summary of exchange difference accounted in statement of profit and loss:

Particulars	₹ in Lakhs	
	As at 31 March 2020	As at 31 March 2019
Currency fluctuations		
Net foreign exchange (gain) / losses shown as finance cost	92	25
Net foreign exchange (gain) / losses shown as other income	(3,034)	(2,574)
	(2,942)	(2,549)

BALLARPUR INDUSTRIES LIMITED
Notes accompanying the financial statements

50 Financial instruments (Contd.)

(b) Financial risk management objectives and policies (Contd.)

(3) Market risk (Contd.)

(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 20. Since the Company is under CIRP, it could not meet interest obligation during the year.

Exposure to interest rate risk

The interest rate profile of the Company's interest-bearing borrowings is as follows:

Particulars	₹ in Lakhs	
	As at 31 March 2020	As at 31 March 2019
Floating rate borrowings		
Borrowings	177,987	126,875
	<u>177,987</u>	<u>126,875</u>

The Company 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.

The sensitivity analyses below have been determined based on the exposure to interest rates for non-derivative instruments at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

Particulars	₹ in Lakhs	
	As at 31 March 2020	As at 31 March 2019
Change of +0.50%	(890)	(634)
Change of -0.50%	890	634

The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market environment.

(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 31 March 2020. 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.

BALLARPUR INDUSTRIES LIMITED
Notes accompanying the financial statements

51 Fair value measurement

(a) Financial assets by category

Particulars	Note No.	₹ in Lakhs					
		As at 31 March 2020			As at 31 March 2019		
		FVPL	FVOCI	Amortised Cost	FVPL	FVOCI	Amortised Cost
(i) Investments	6	-	16,860	-	-	16,860	-
(ii) Trade receivables	12	-	-	4	-	-	1,126
(iii) Cash and cash equivalents	13	-	-	185	-	-	419
(iv) Other bank balances	8 & 14	-	-	203	-	-	519
(v) Loans (including security deposit)	7 & 15	-	-	77,375	-	-	20,604
(vi) Other financial assets	16	-	-	14	-	-	301
		-	16,860	77,781	-	16,860	22,969

(b) Financial liabilities by category

Particulars	Note No.	₹ in Lakhs					
		As at 31 March 2020			As at 31 March 2019		
		FVPL	FVOCI	Amortised Cost	FVPL	FVOCI	Amortised Cost
(i) Long term borrowings (including current maturities)	20 & 25	-	-	71,226	-	-	71,226
(ii) Short term borrowings	20	-	-	98,187	-	-	94,348
(iii) Interest accrued on borrowings	25	-	-	88,108	-	-	45,902
(iv) Trade payables	24	-	-	23,770	-	-	21,696
(v) Other financial liabilities	21 & 25	-	-	185,571	-	-	30,494
		-	-	466,862	-	-	263,666

(c) Fair value of Hierarchy

Particulars	Note No.	Carrying Amount	Fair value hierarchy			Total
			Level 1	Level 2	Level 3	
			₹ in Lakhs			
Financial assets and liabilities measured at fair value- recurring fair value						
Financial assets						
As at 31 March 2020						
(i) Investments	6	16,860	-	-	16,860	16,860
As at 31 March 2019						
(i) Investments	6	16,860	-	-	16,860	16,860
Financial liabilities						
As at 31 March 2020						
		-	-	-	-	-
As at 31 March 2019						
		-	-	-	-	-

BALLARPUR INDUSTRIES LIMITED
Notes accompanying the financial statements

51 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	
₹ in Lakhs						
Assets and liabilities which are measured at amortised cost for which fair values are disclosed						
Financial assets						
As at 31 March 2020						
(i) Trade receivables	12	4	-	-	4	4
(ii) Cash and cash equivalents	13	185	-	-	185	185
(iii) Other bank balances	8 & 14	203	-	-	203	203
(iv) Loans (including security deposit)	7 & 15	77,375	-	-	77,375	77,375
(v) Other financial assets	16	14	-	-	14	14
Financial liabilities						
As at 31 March 2020						
(i) Long term borrowings (including current maturities)	20 & 25	71,226	-	-	71,226	71,226
(ii) Short term borrowings	20	98,187	-	-	98,187	98,187
(iii) Interest accrued on borrowings	25	88,108	-	-	88,108	88,108
(iv) Trade payables	24	23,770	-	-	23,770	23,770
(v) Other financial liabilities	21 & 25	185,571	-	-	185,571	185,571
Financial assets						
As at 31 March 2019						
(i) Trade receivables	12	1,126	-	-	1,126	1,126
(ii) Cash and cash equivalents	13	419	-	-	419	419
(iii) Other bank balances	8 & 14	519	-	-	519	519
(iv) Loans (including security deposit)	7 & 15	20,604	-	-	20,604	20,604
(v) Other financial assets	16	301	-	-	301	301
Financial liabilities						
As at 31 March 2019						
(i) Long term borrowings (including current maturities)	20 & 25	71,226	-	-	71,226	71,226
(ii) Short term borrowings	20	94,348	-	-	94,348	94,348
(iii) Interest accrued on borrowings	25	45,902	-	-	45,902	45,902
(iv) Trade payables	24	21,696	-	-	21,696	21,696
(v) Other financial liabilities	21 & 25	30,494	-	-	30,494	30,494

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
Notes accompanying the financial statements

51 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 amount.

- 52 The Company had during the year entered into a 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.

The financial statements for the current year are not comparable with previous year on account of the change in operations as stated above.

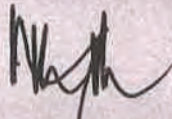
- 53 The pandemic caused by COVID-19 disease impacted adversely the economy. It also impacted every component of the business of the Company including sales, liquidity, supply chain management and production due to nation wide lockdown from 24 March 2020. The Company has considered impact of present 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 31 March 2020 could not be completed due to the lockdown and other restrictions imposed by COVID-19 pandemic.

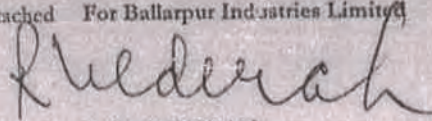
- 54 The confirmations and reconciliation of certain secured and unsecured loans, balances with banks, trade receivables, due to / from related parties, trade and other payables and loans and advances are pending. The management is in the process of obtaining confirmations and reconciliation of balances and ascertaining the impact of which is not
- 55 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 2019-20.
- 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 Ballarpur Industries Limited

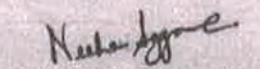
For Sharp & Tannan
Chartered Accountants
(Firm's registration no. 03792S)



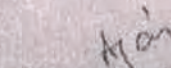
V. Viswanathan
Partner
Membership No. 215565



R. R. VEDERAH
Chairman
DIN 00012252



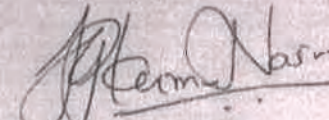
NEEHAR AGGARWAL
Chief Executive Officer



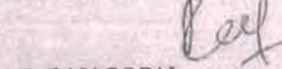
Taken on Record
ANUJ JAIN
Resolution Professional
Reg. No.: IBBI/IPA-001/IP-P00142/2017-18/10306

Place: Chennai
Date: 08 December 2020

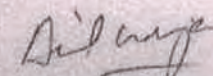
Place: Gurugram
Date: 08 December 2020



PADMAKUMAR NAIR
Director
DIN 03109973
PLACE: PATIALA



R. RAJAGOPAL
Deputy Chief Financial Officer



AKHIL MAHAJAN
Company Secretary

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 its joint venture, comprising the consolidated balance sheet as at 31st March, 2020, 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 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 an audit opinion on these 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 31st March, 2023, but still there exists material uncertainty related to going concern of the Group as we are unable to obtain sufficient and appropriate audit evidence to conclude on the appropriateness of the use of going concern assumption in the preparation of consolidated financial 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 outstanding put options. Accordingly, the Parent's erstwhile auditors were unable to quantify the impact, on the standalone Financial statement and hence we are also unable to quantify this impact on Consolidated Financial Statement (Refer note no. 47 to the consolidated financial statements).

3. 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:

a. With respect to the financial creditors, the Parent had recognized additional liability of Rs. 27,742 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, 2020. The erstwhile auditors of Parent were not provided with reconciliation along with reasons for this difference in order to ascertain the completeness and valuation of liabilities recognized by the Parent and accordingly we are also not able to ascertain the same on the Consolidated Financial Statements. (Refer note 25(d) to consolidated financial statement)

4. Provision for gratuity and compensated absences pertaining to the Corporate Office and Kamalapuram Unit had been determined by the Parent's management on an adhoc basis as at 31st March, 2020. 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 31st March, 2020 is not in compliance with Ind AS 19 and the erstwhile auditors of Parent were unable to conclude on the adequacy of the provision for gratuity and compensated absences as at 31st March, 2020 on the standalone financial statements and hence we are also not able to conclude on adequacy on the consolidated financial statements. The provision for gratuity and the provision for compensated absences which has been determined on an adhoc basis as at 31st March, 2020 is Rs. 924 lakhs and Rs. 296 lakhs respectively. (Refer note no. 48 to the consolidated financial statements).

5. The Parent had not performed impairment assessment of its investments as at 31st March, 2020 in line with the requirements of Ind AS 109 'Financial Instruments' and Ind AS 36 'Impairment of Assets'. Accordingly, the erstwhile auditors of Parent were unable to conclude on the carrying value of investments and the consequential impact, if any, on the Standalone financial statements and accordingly we are also not able to conclude the same on the consolidated financial statement. (Refer note no. 9 to the consolidated financial statements).

6. The Parent had reclassified the land situated at Choudwar, Odisha, from 'Assets held for sale to Property, Plant and Equipment. Ind AS 105 on 'Non-current assets held for sale and discontinued operations' which 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 the erstwhile auditors of Parent were unable to ascertain on the financial impact of the same on the standalone financial statement and hence, we are also not able to ascertain the financial impact of the same on the consolidated financial statements. (Refer note 56 to the consolidated financial statements)

7. On account of the COVID-19 related lockdown restrictions, management was unable to perform the physical count of inventories as at 31st March, 2020. Further, on account of the suspension of the operations of the Parent, the erstwhile auditors of Parent were 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, the erstwhile auditors of Parent were unable to conclude whether inventories of Rs. 1,678 lakhs were fairly stated as at 31st March, 2020 by the Parent and accordingly we are unable to conclude whether the inventories are fairly stated in the consolidated financial statements. (Refer note no. 14(f) and 59 to consolidated financial statements).

8. The Parent had recognized an impairment loss of Rs. 35,400 lakhs on Property, Plant and Equipment as at 31st March, 2020. As per Ind AS 36 'Impairment of Assets', impairment loss is to be recognized at the excess of carrying amount of assets/cash generating unit (CGU) over their recoverable value. The Parent had not determined the recoverable amount as per the requirements of Ind AS 36 'Impairment of Assets' and had not provided the erstwhile auditors of Parent the basis for determining the impairment loss of Rs. 35,400 lakhs. Therefore, the erstwhile auditors of Parent were unable to conclude on the adequacy of impairment loss recognized by the Parent and according we are also unable to conclude whether the Property, Plant and Equipment are fairly stated in the Consolidated financial statements. (Refer note no. 4(g) consolidated financial statements).

9. Loan by the Parent to related parties includes Rs. 108,246 lakhs due from Ballarpur International Holdings BV ("BIH") and Rs. 6,359 lakhs due from Sabah Forest Industries ("SFI"), a step-down subsidiary of the Parent, which is under resolution process in Malaysia. The Parent had created provision for expected credit loss of Rs. 36,249 lakhs and Rs. 1,908 lakhs as at 31st March, 2020 towards the receivable from BIH and SFI respectively. The erstwhile auditors of Parent had not been provided with the basis for determining the provision for expected credit loss. Therefore, the erstwhile auditors of Parent were unable to conclude on the adequacy of the provision for expected credit loss and the recoverability of the balance receivables from BIH and SFI and accordingly we are also unable to conclude on the same in the consolidated financial statements.

10. The Parent had carried forward deferred tax assets (net) of Rs. 11,924 lakhs from earlier years. Based on the information and explanations and the supporting evidences provided to the erstwhile auditors of the Parent, they were unable to ascertain the realization of these deferred tax assets. (Refer note no. 12 to the consolidated financial statements) and accordingly we are also unable to ascertain the realization of these deferred tax assets in the consolidated financial statements.

11. The Parent had availed and utilized ineligible input credit of Goods & Service Tax amounting to Rs. 282 lakhs as at 31st March, 2020. The Company had availed and utilized input credit of Rs. 282 lakhs on inward supplies of goods and services whereas the liability to the vendor had not been settled for more than 180 days (time limit specified in the second proviso to sub-section (2) of section 16 of Central Goods and Service Tax Act, 2017) as at 31st March, 2020. Accordingly, as per Rule 37 of Central Goods and Service Tax (CGST) Rules, 2017, the Parent was required to reverse the input credit and settle such input credit as outward tax liability. (Refer note no.46(xv) to the consolidated financial statements)

12. The erstwhile auditors of Parent had not been provided with the bank reconciliation statements for 4 bank accounts maintained by the Parent having a carrying amount of Rs. 8 Lakhs as at 31 March 2020. The consequential impact, if any, is not ascertainable. (Refer note no. 16(a) to the consolidated financial statements).

13. Confirmation of balances had not been received by the erstwhile auditors of Parent in respect of certain loans and advances, balances with banks, borrowings (including interest accrued thereon), dues to/from related parties, trade and other payables. (Refer note no. 25 to the consolidated financial statements).

14. During the year, 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. However, pending receipt of demand from APTRANSCO, the Parent had not recognized the liability as at 31st March, 2020 and had considered the same as contingent liability. (Refer note no. 46(iv) to the consolidated financial statements). As we have also not been provided with the receipt of the demand from APTRANSCO, the said amount has been disclosed as contingent liability in the consolidated financial statements of the Group.

15. In the case of step-down subsidiary company Bilt Graphic Paper Products Limited ("BGPPL"), the auditors of subsidiary had not been provided with the direct confirmation of balances from lenders for the balances outstanding as on 31st March, 2020 subsequent to accounting for the impact of the amendment to Master Restructuring Agreement. (Refer Note No.44 to the consolidated financial statements) The impact of the same on the standalone financial statement is not ascertainable and accordingly we are also not able to ascertain the impact of this in the consolidated financial statements.

16. The Financial Statements of 3 step down foreign subsidiaries (Mirabelle Trading Pte. Ltd., Sabah Forest Industries and Bilt Graphic Trading FZE) which have a total assets base of Rs. 2,91,037 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. (Refer note no. 46(xvi) to the consolidated financial statements)

17. In case of step-down subsidiary company Bilt Graphic Paper Products Limited ("BGPPL"), dues from related parties includes Rs. 44,723 lakhs net due from Sabah Forest Industries ("SFI"), a fellow subsidiary of BGPPL, which is under resolution process in Malaysia. BGPPL had created provision for expected credit loss of Rs. 13,424 lakhs as at 31st March, 2020 towards the receivable from SFI. The auditors of BGPPL had not been provided with the basis for determining the provision for expected credit loss. Therefore, the auditor of BGPPL was unable to conclude on the adequacy of the provision for expected credit loss and the recoverability of the balance receivables from SFI and accordingly we are also unable to conclude on the adequacy of the provision for expected credit loss and the recoverability of the balance receivables from SFI in the consolidated financial statements. The impact of the same on the consolidated financial statements cannot be determined. (Refer note no. 46(xvii) to the consolidated financial statements).

18. One of the step-down subsidiary BGPPL has entered into Master restructuring arrangement with the lenders wherein one of the

non-assenting lender IDBI bank has filed a case in Supreme Court. The said matter is subjudice in the supreme court. (Refer note 44 of consolidated financial statements). The Impact could not be determined by the auditor of the BGPPL and hence we have also not been able to determine the impact on the consolidated financial statements.

19. During the year two erstwhile related parties of BGPPL, CG Power and Industrial Solutions Limited (CG PISL) and CG Power Solutions Limited (CG PSOL), had initiated legal suit against the company before Bombay High Court for Rs. 81,123 Lakh pertaining to the transactions originating from earlier years before the auditors of the subsidiary were appointed as auditors of the said subsidiary. Further the affairs of the erstwhile related parties are being investigated by Serious Fraud Investigation Office (SFIO). As a part of investigation, SFIO has been seeking information from BGPPL on transactions and other matters which are being furnished by BGPPL. The auditors of the BGPPL were unable to determine the impact of the pending legal claim and the outcome of the investigation by SFIO and hence we are also unable to determine the impact of the pending legal claim and the outcome of the investigation by SFIO on these consolidated financial statements. (Refer note no. 46 to the consolidated financial statements)

20. 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. However, we were not provided with 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.66 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 60 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 March 31, 2023 but still there exist 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.

- BILT Graphic Paper Products Limited (BGPPL) - As at the year end, the accumulated losses of the Company exceed its share capital and has a net outflow of cash during the financial year 2019-20 and the immediately preceding previous year. The manufacturing units at Ballarpur and Bhigwan continued to operate at 80% capacity and generated an EBITDA of Rs.42,659 Lakhs and Rs.13,672 Lakhs in the

financial year 2019-20 respectively. The net profit of the Company continued to be impacted by the working capital constraints and delay in settlement with its lenders. However, the performance of the Company is likely to be impacted in the financial year 2020-21 due to COVID 19 and is likely to result in reduced cash flows. The ability of the Company to continue as a going concern is dependent on the following:

- The ability of the Company to operate at optimal capacity and revival of demand in the post COVID environment.
- Realisation of receivables from Sabah Forest Industries (SFI); and
- The Successful outcome of the cases surrounding the MRA.

Based on evaluation of the projected cash flows from operations, potential savings in finance costs arising upon signing of the "Master Restructuring Agreement" with its lenders, realisation of advances paid to SFI for purchases and sale of other noncore assets, the management is confident of overcoming the aforesaid challenges and expects to meet its obligations as and when they arise for at least next one year.

- Ballarpur Paper Holdings B.V. (BPH) - During the year the Company has total comprehensive loss of Rs. 56370.22 Lakhs (Previous year total comprehensive loss of Rs. 1,48,940.77Lakhs. As at 31st March, 2020, the accumulated loss (including other comprehensive loss) of the Company was Rs. 2,25,957.84Lakhs (Previous year Rs. 1,69,587.61Lakhs). which have fully eroded the net worth of the Company and the Company's current liabilities exceeded it's current assets by Rs. 1,08,098.65Lakhs (Previous year Rs. 72,260.77 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.

- Ballarpur International Holdings B.V. (BIH) - During the year the Company has total comprehensive loss of Rs. 1,86,075.72Lakhs (Previous year total comprehensive loss of Rs. 4,099.82Lakhs). As at 31st March, 2020, the accumulated losses (including other comprehensive loss) of the Company is Rs. 2,07,281.04Lakhs (Previous Year Rs. 21,205.31Lakhs). which have fully eroded the net worth of the Company and the Company's current liabilities exceeded it's current assets by Rs. 1,08,125.76Lakhs (Previous Year Rs. 1,14,067.78Lakhs). The management believes that, negative working capital would not cause economic difficulties. In view of the Management's expectation of above the financial statements have been prepared on a going concern basis.

- Ballarpur Speciality Paper Holdings B.V. (BSPH) - During the year the Company has Total Comprehensive loss of Rs. 26.92Lakhs (Previous year Total Comprehensive Income of Rs. 27.80Lakhs). As at 31st March, 2020, the accumulated losses (including other comprehensive loss) of the Company is Rs. 288.98Lakhs (Previous Year Rs. 262.05Lakhs). which have fully eroded the net worth of the Company and the Company's current liabilities exceeded it's current assets by Rs.276.25Lakhs (Previous Year Rs.249.33Lakhs). 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. 2,53,962.96Lakhs (Previous year total comprehensive Income of Rs. 32,088.27Lakhs). As at 31st March, 2020, the accumulated (losses)/ Profit (including other comprehensive

sive loss) of the Company was Rs. (1,97,349.96Lakhs) (Previous Year Rs. 78,868.43Lakhs) which have fully eroded the net worth of the Company and the Company's current liabilities exceeded its current assets by Rs. 75,933.48Lakhs (Previous Year Rs. 14,812.68Lakhs). 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.

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 Graphic Paper Products Ltd. India

Ballarpur Paper Holdings B.V.

BILT Paper B.V.

Sabah Forest Industries Sdn. Bhd.

Mirabelle Trading Pte. Ltd

BILT General Trading FZE

Emphasis of Matter

a) We draw attention to note no. 49 (e, f, g & h) 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., Ballarpur Speciality Paper Holdings B.V., Ballarpur International Holdings B.V. (BIH) and Ballarpur Paper Holdings is not modified in respect of this matter.

b) We draw attention to note. no. 49 (e, f, g & h) the consolidated financial statements, which states that the auditors of the 4 foreign subsidiary companies 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 31st March, 2020, are accordingly not ascertainable and cannot be commented upon. The opinion of auditors of Bilt Paper B.V., Ballarpur Speciality Paper Holdings B.V., Ballarpur International Holdings B.V. (BIH) and Ballarpur Paper Holdings B.V.'s Auditors is not modified in respect of this matter.

Information other than the consolidated financial statements and auditor's report thereon

The Parent's management and Board of Directors is responsible for the other information. The other information comprises Board's Report including its annexures but does not include the consolidated financial statements and our auditor's report thereon. Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

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

The Parent's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 (the 'Act') with respect to the preparation and presentation of these consolidated financial 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 including its joint venture in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies and the joint venture included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and of its joint venture and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. In preparing the consolidated financial statements, the respective management and Board of Directors of the companies included in the Group and its joint venture are responsible for assessing the ability of Group and its joint venture to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or cease operations, or has no realistic alternative but to do so. The respective Board of Directors of the companies included in the Group and its joint venture are also responsible for overseeing the financial reporting process of the Group and its joint venture.

Auditor's responsibility for the audit of the consolidated financial statements

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are

also responsible for expressing our opinion on whether the Group and joint venture company incorporated in India have adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its joint venture to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its joint venture to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its joint venture to express an opinion on the consolidated financial statements. For the financial year 2019-20, we have not audited any of the entities including the Parent comprising the group. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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 and provisions of the Act that are relevant to our audit of consolidated financial statements in India under the Act, and we have fulfilled our other ethical responsibilities in accordance with the code of ethics and the requirements under the Act.

Other Matters

1. The Financial Statements of Parent for the FY 2019-20 were audited by the erstwhile auditor who had issued Disclaimer of Opinion vide their report dated 8th December, 2020. We were appointed as statutory auditor for Consolidated Financial Statements on 7th August, 2023 due to casual vacancy of erstwhile auditor caused pursuant to Resolution Plan approved by Hon'ble National Company Law Tribunal, Mumbai Bench vide its order dated 31st March, 2023 which provides that, on the closing date (i.e; 60 days from the approval of resolution plan), the statutory auditor of the corporate debtor shall be deemed to have vacated its office and a person nominated by the Resolution Applicant, shall be designated and appointed as the Statutory Auditor of the corporate Debtor on the same day.

2. We did not audit the financial statements/Information of 5 subsidiaries (1 domestic step down subsidiary, 2 foreign subsidiaries and 2 step down foreign subsidiaries), included in the consolidated Ind AS financial statements, whose financial statements reflect total assets (before Consolidation adjustments) of Rs. 10,95,979 lakhs as at 31st March 2020, total revenue (before Consolidation adjustments) of Rs. 3,13,754 lakhs and net cash outflows (before Consolidation adjustments) of Rs. 4340 Lakhs for the year ended on that date, as considered in the consolidated Ind AS financial statements.

The financial statements/information of the above-mentioned subsidiaries has been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it related to the amounts and disclosures included in respect of these subsidiaries and our report in terms of subsection (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries is based solely on the reports of such other auditors.

3. We did not audit the financial statements/Information of 1 domestic subsidiary, whose financial statements reflect total assets (before Consolidation adjustments) of Rs. 671 Lakhs as at 31st March, 2020, total revenue (before Consolidation adjustments) of Rs. 518 Lakhs and net cash outflow (before Consolidation adjustments) of Rs. 2 Lakhs for the year ended on that date, as considered in the consolidated financial statements of the Group. The financial statements of the 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 is 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 is not material to the Group.

4. The financial statements/information of 3 step-down foreign subsidiaries 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. 2,91,037

Lakhs as at 31st March 2020, 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 subsidiaries are not audited 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 note no. 16 of Disclaimer of Opinion Paragraph of our Report)

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditors' Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by Section 143 (3) of the Act, we report that:

(a) As described in the basis for disclaimer of Opinion paragraph, 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 during the financial year 2019-20 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.

In case of one of the step-down Indian subsidiary BGPPL as reported by the auditor of respective subsidiary none of the Director is disqualified as on 31st March, 2020 from being appointed as director in terms of section 164(2) of the Act.

(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 'B',

which is based on the auditors reports of the Parent and its subsidiary companies and joint venture incorporated in India

(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, the Parent as well as step-down Indian subsidiary has not paid any remuneration 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. the consolidated financial statements disclose the impact of pending litigation on the consolidated financial position of the Group and its joint venture – Refer Note 46 to the financial statement.

II. the Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

III. there has been no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund by the Parent, applicable subsidiary companies and joint venture to the extent incorporated in India.

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

**Parag Hangekar
Partner
M. No. 110096
UDIN: 24110096BKCXFY2073**

**Place: Mumbai
Date: March 20,2024**

ANNEXURE 'A'

TO THE INDEPENDENT AUDITOR'S REPORT

The Annexure A referred to in Independent Auditors' Report to the members of the Group on the Consolidated Financial Statements for the year ended 31st March, 2020 we report that:

Referred to in paragraph 1 under 'Report on other legal and regulatory requirements' section of our report of even date to the members of Ballarpur Industries Limited.

With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 ('CARO') issued by Central Government in terms of Section 143(11) of the Act, to be included in Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Group and based on our consideration of CARO reports issued by respective auditors of the Parent, subsidiaries and joint venture companies included in consolidated financial statements, we report that:

i. There have been qualifications by the respective auditors in the Companies (Auditor's Report) Order (CARO) reports of the companies included in the consolidated financial statements, the details of companies and paragraph number of the CARO report containing qualifications is indicated below:

Sr. No.	Name of the Component	Corporate Identity Number (CIN)	Type of Component	Respective clause number(s) of CARO report of the component
1	Bilt Graphic Paper Products Limited	U21000MH2007PLC172382	Step down Subsidiary	(iii) (b)
2	Bilt Graphic Paper Products Limited	U21000MH2007PLC172382	Step down Subsidiary	(iii) (c)
3	Bilt Graphic Paper Products Limited	U21000MH2007PLC172382	Step down Subsidiary	(vi)
4	Bilt Graphic Paper Products Limited	U21000MH2007PLC172382	Step down Subsidiary	(viii)

ANNEXURE 'B'

**TO THE INDEPENDENT AUDITOR'S REPORT
[Referred to in paragraph 1(g) 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" or the 'Holding Company') its subsidiary companies (the Parent and its subsidiaries together referred to as the "Group") for the year ended 31st March, 2020, which includes internal financial controls over financial reporting of its joint venture company, which are companies incorporated in India.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Parent, its subsidiary companies and its joint venture company incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting 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 of the Parent, its subsidiary companies and its joint venture company which are incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note issued by ICAI and the Standards on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls.

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 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 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.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

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 31st March, 2020.

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.

Other Matters

Our aforesaid report under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to one subsidiary incorporated in India, is based solely on the corresponding report furnished to us by the auditor of the subsidiary company incorporated in India.

The auditor of one of the subsidiary incorporated in India has given unmodified opinion with respect to Internal Financial Control over Financial Reporting of the subsidiary.

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

**Parag Hangekar
Partner
M. No. 110096
UDIN: 24110096BKCXFY2073**

**Place: Mumbai
Date: March 20,2024**

BALLARPUR INDUSTRIES LIMITED

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts in Lakhs, except where otherwise stated)

		₹ in Lakhs	
Particulars	Note	As at 31 March 2020	As at 31 March 2019
ASSETS			
(1) Non-current Assets			
(a) Property, Plant and Equipment	4	6,35,278	6,51,234
(b) Capital work-in-progress	5	1,656	632
(c) Right of Use Assets	4	2,039	
(d) Other intangible assets	6	531	1,886
(e) Biological assets other than bearer plants	7	-	39
(f) Investments accounted for using the equity method	8	-	1,656
(g) Financial assets			
(i) Investments	9	3	3
(ii) Others	11	1,220	1,184
(h) Deferred tax assets (net)	12	13,224	16,814
(i) Other non-current assets	13	11,936	13,807
(2) Current assets			
(a) Inventories	14	42,177	44,687
(b) Financial assets			
(i) Investments	10	206	7,262
(ii) Trade receivables	15	48,301	15,831
(iii) Cash and cash equivalents	16	6,457	26,984
(iv) Bank balances other than (ii) above	17	2,231	1,829
(v) Loans	18	728	4,521
(vi) Others	19	20,845	521
(c) Current tax assets (Net)	20	3	1
(d) Other current assets	21	16,797	33,056
(e) Assets associated with group of assets classified as held for sale and discontinued operations	56	2,24,167	2,78,697
Total Assets		10,27,799	11,00,644
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	22	25,871	25,871
(b) Other equity	23	(2,52,213)	(99,645)
Equity attributable to the owners of the Company		(2,26,342)	(73,774)
(c) Non-Controlling Interest	24	(1,02,374)	(37,919)
Liabilities			
(1) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	25	5,12,634	4,27,133
(ii) Lease Liabilities	26	2,020	-
(iii) Other financial liabilities	27	1,069	4,145
(b) Provisions	28	10,591	8,992
(c) Other non-current liabilities	29	19	20
(2) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	25	1,39,472	1,22,523
(ii) Lease Liabilities	26	226	-
(iii) Trade payables	30		
a) Dues of micro and small enterprises		3,721	3,732
b) Dues of other than micro and small enterprises		63,929	92,074
(iv) Other financial liabilities	31	4,16,857	4,91,978
(b) Other current liabilities	32	30,111	32,881
(c) Provisions	33	7,772	7,069
Current tax liabilities(net)	34	7,811	7,166
(e) Liabilities associated with group of assets classified as held for sale and discontinued operations	56	1,60,283	14,624
Total Equity and Liabilities		10,27,799	11,00,644

Significant Accounting Policies and Notes to Consolidated Ind AS Financial Statements

1-68

As per our report of even date attached

For Ballarpur Industries Limited

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

Sd/-
Parag Hangekar
Partner
Membership No: 110096

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

Sd/-
Parashiva Murthy B S
Director
Din: 00011584

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

Place: Mumbai
Date: March 20 2024

Place: Mumbai
Date: March 20 2024

Place: Mumbai
Date: March 20 2024

Place: Jalandhar
Date: March 20 2024

BALLARPUR INDUSTRIES LIMITED

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2020

		₹ in Lakhs	
Particulars	Note	2019 - 20	2018 - 19
Revenue from operations	35	3,27,450	3,64,306
Other income	36	8,170	4,777
Total Income		3,35,620	3,69,083
Expenses			
Cost of materials consumed	37	1,74,118	1,91,749
Purchase of stock in trade	37a	2,625	363
Changes in inventories of finished goods, stock-in-trade and work-in-progress	38	(4,327)	(3,634)
		1,72,416	1,88,478
Employee benefits expense	39	25,213	27,188
Finance costs	40	1,12,088	84,255
Depreciation and amortisation expense	41	23,281	26,555
Excise duty		-	-
Other expenses	42	74,702	85,918
Total Expenses		4,07,700	4,12,394
Profit/ (loss) before share in Profit & Loss of Associates & J/Vs exceptional items and tax		(72,080)	(43,311)
Share in Profit & Loss of Associates & J/Vs		32	69
Profit/ (loss) before exceptional items and tax		(72,048)	(43,242)
Exceptional items	43	1,33,530	36,941
Profit/ (loss) before tax		(2,05,579)	(80,183)
Tax expense:			
(1) Current tax	52	38	(1,586)
(2) Deferred tax	12	3,590	4,938
(3) current tax Provision relating to earlier years		6	-
		3,634	3,352
Profit/ (loss) for the year from continuing operations		(2,09,213)	(83,535)
Profit/ (loss) for the year from discontinuing operations before tax	56	(39,472)	(23,635)
Tax expense on discontinued operation		-	-
Profit/ (loss) for the year from discontinuing operations after tax		(39,472)	(23,635)
Profit/ (loss) for the year		(2,48,685)	(1,07,170)
Other Comprehensive Income			
A Items that will not be reclassified to profit or loss (net of tax)		(932)	(191)
B Items that will be reclassified to profit or loss (net of tax)		(17,457)	(13,743)
Other Comprehensive Income for the year		(18,389)	(13,934)
Total comprehensive income for the year		(2,67,074)	(1,21,104)
Net Profit attributable to			
(a) Owners of the Company		(1,88,989)	(93,095)
(b) Non - Controlling Interest		(59,696)	(14,075)
Other Comprehensive Income attributable to			
(a) Owners of the Company		(22,041)	(9,185)
(b) Non - Controlling Interest		3,652	(4,749)
Total Comprehensive Income attributable to			
(a) Owners of the Company		(2,11,029)	(1,02,279)
(b) Non - Controlling Interest		(56,045)	(18,824)
Earnings per equity share (for continuing operation):			
(1) Basic (₹)	50	(12.41)	(6.09)
(2) Diluted (₹)	50	(12.41)	(6.09)
Earnings per equity share (for discontinuing operation):			
(1) Basic (₹)	50	(2.48)	(1.11)
(2) Diluted (₹)	50	(2.48)	(1.11)
Earnings per equity share			
(1) Basic (₹)	50	(14.89)	(7.20)
(2) Diluted (₹)	50	(14.89)	(7.20)

Significant Accounting Policies and Notes to Consolidated Ind AS Financial Statements

As per our report of even date attached

For Ballarpur Industries Limited

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

Sd/-
Parag Hangekar
Partner
Membership No: 110096

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

Sd/-
Parashiva Murthy B S
Director
Din: 00011584

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

Place: Mumbai
Date: March 20 2024

Place: Mumbai
Date: March 20 2024

Place: Mumbai
Date: March 20 2024

Place: Jalandhar
Date: March 20 2024

BALLARPUR INDUSTRIES LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2020

A. Equity share capital

Particulars	₹ in Lakhs	
	Balance at the beginning of the year	Changes in equity share capital during the year
For the year ended 31 March 2019	25,871	-
For the year ended 31 March 2020	25,871	-

B. Other equity

Particulars	Capital Reserve	Amount towards shares to be allotted	Equity Component of Compulsorily Redeemable Preference Shares	Share Premium Reserve	Preference Share Capital Redemption Reserve	Debt Redemption Reserve	Subordinate perpetual Capital Securities	Capital reserve on consolidated	General Reserve	Retained Earnings	Items of Other Comprehensive Income			Share of OCI in Associates & JVS	Total Other Equity	Non controlling interest	Total
											Foreign currency translation reserve	Re-measurement of the net defined benefit plans	Gain/(Loss) on Equity Instruments				
Balance as at 1 April 2018	1,515	44,109	45,227	1,15,024	7,385	11,704	1,30,121	16,539	80,810	(9,93,438)	(49,901)	(782)	(2,737)	-	5,576	(13,652)	(8,076)
Loss for the year	-	-	-	-	-	-	-	-	(93,095)	-	-	-	-	-	(93,095)	(14,075)	(1,07,170)
Other comprehensive income for the year	-	-	-	-	-	-	-	-	-	-	(9,071)	(113)	-	(1)	(9,185)	(4,749)	(13,934)
Exchange difference	-	-	-	-	-	-	8,996	-	-	-	-	-	-	-	8,996	-	8,996
Distribution for the year	-	-	-	-	-	-	-	-	-	(8,962)	-	-	-	-	(8,962)	(5,443)	(14,405)
Equity component of compulsorily redeemable preference shares	-	-	(4,720)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Amount towards shares to be allotted under MRA	-	(1,728)	-	-	-	-	-	-	-	-	-	-	-	-	(4,720)	-	(4,720)
Derecognition of Goodwill due to loss of control	-	-	-	-	-	-	-	3,473	-	-	-	-	-	-	(1,728)	-	(1,728)
Balance as at 31 March 2019	1,515	42,381	40,507	1,15,024	7,385	11,704	1,39,117	20,012	80,810	(4,95,495)	(58,972)	(895)	(2,737)	(1)	(93,645)	(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)	(6,168)	3,652	(2,517)
Exchange difference	-	-	-	-	-	-	1,0615	-	-	-	-	-	-	-	10,615	-	10,615
Impact on adoption of Ind AS 116	-	-	-	-	-	-	-	-	(109)	-	-	-	-	-	(109)	-	(109)
Addition and adjustments for sale/strike off and changes in control of subsidiaries/JV/Associates during the year (net)	2,309	-	-	-	-	-	-	-	(347)	6	-	-	-	3	1,971	-	1,971
Distribution for the year	-	-	-	-	-	-	-	-	(13,845)	-	-	-	-	-	(13,845)	(8,410)	(22,255)
Adjustment of Non-controlling Interest	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Equity component of compulsorily redeemable preference shares	-	-	30,236	-	-	-	-	-	-	-	-	-	-	-	30,236	-	30,236
Amount towards share to be allotted under MRA	-	13,721	-	-	-	-	-	-	-	-	-	-	-	-	13,721	-	13,721
PTIL Loss Adjustment with Other Equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Derecognition of Goodwill due to loss of control	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at March 31, 2020	3,824	56,102	70,743	1,15,024	7,385	11,704	1,49,732	20,012	80,810	(6,98,785)	(64,202)	(1,825)	(2,737)	-	(2,52,213)	(1,02,374)	(3,54,587)

Significant Accounting Policies and Notes to Consolidated Ind AS Financial Statements 1-68

As per our report of even date attached

For Ballarpur Industries Limited

For **Batliboi & Purohit**

Chartered Accountants

Firm Registration No.: 101048W

Sd/-

Parag Hangekar

Partner

Membership No: 110096

Place: Mumbai

Date: March 20 2024

Sd/-

Punit Bajaj

Company Secretary

Mem. No.: A- 58392

Place: Mumbai

Date: March 20 2024

Sd/-

Parashiva Murthy B S

Director

Dir: 00011584

Place: Mumbai

Date: March 20 2024

Sd/-

Hardik B. Patel

Whole-Time Director

Chief Financial Officer

Dir: 00590663

Place: Jalandhar

Date: March 20 2024

BALLARPUR INDUSTRIES LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2020

Particulars	₹ in Lakhs	
	2019 - 20	2018 - 19
Cashflow from operating activities		
Loss before tax from continuing operations	(2,05,579)	(80,183)
Adjustment for:		
Depreciation and amortization expense	23,281	26,555
Finance costs (net)	1,12,088	84,255
Interest income	(279)	(940)
Share in profit of joint venture	(32)	(69)
Gain on Sale or fair valuation of investment	(322)	(142)
Gain on Sale or fair valuation of investment	35	-
Exceptional items	1,33,530	36,941
Bad debts written off / Provision for doubtful debts	3,067	991
Unspent liabilities and excess provision of earlier years written back	(255)	(2,823)
Inventory written off	260	1,350
Balances written off	619	1,209
Assets discarded	296	127
(Profit) / Loss on sale of property plant and equipment	2	81
Operating profit before working capital changes	66,711	67,352
Adjustment for working capital		
(Increase)/decrease in trade receivable	(36,197)	(7,573)
(Increase)/decrease in loans, advances and other current assets	(373)	14,538
(Increase)/decrease in inventory	2,250	(12,287)
Increase/(decrease) in liabilities and provisions	63,769	7,906
Cash generated from / (used in) operations	96,160	69,936
Direct taxes (paid) /refund(net)	599	2,124
Net cash generated from / (used in) operating activities of continuing operations	96,759	72,060
Net cash generated from / (used in) operating activities of discontinued operations	952	13,385
Net cash generated from / (used in) operating activities	97,711	85,445
Cashflow from investing activities		
Payment for acquisition of property, plant and equipment, biological assets and intangible	(14,847)	(3,143)
Proceeds on disposal of property, plant and equipment	-	1,550
Interest received	267	1,382
(Increase) / Decrease in other bank balances (Refer note (c) below)	(402)	(595)
(Increase) / Decrease in investment	(35,539)	(7,120)
Net cash generated from / (used in) investing activities of continuing operations	(50,520)	(7,926)
Net cash generated from / (used in) investing activities of discontinued operations	(352)	(34)
Net cash generated from / (used in) investing activities	(50,872)	(7,960)
Cashflow from financing activities		
Proceeds from / (Repayment of) borrowings (net)	(16,655)	(27,756)
Proceeds/repayment of buy back (optional / convertible/alloted of share)	-	58
Interest paid (net)	(45,160)	(35,972)
Dividend paid (including payment to investor education and protection fund)	(17)	(11)
Net cash generated from / (used in) financing activities of continuing operations	(61,832)	(63,681)
Net cash generated from / (used in) financing activities of discontinued operations	10,597	99
Net cash generated from / (used in) financing activities	(51,235)	(63,582)
Net increase / (decrease) in cash and cash equivalents	(4,397)	13,903
Cash and cash equivalents at the beginning of the year	26,984	13,883
Impact of foreign currency translation reserve	28	(387)
Cash and cash equivalents at the end of the year	22,615	27,399
Cash and cash equivalents from continuing operations	6,457	26,984
Cash and cash equivalents from discontinued operations	16,158	415
Total cash and cash equivalents	22,615	27,399

BALLARPUR INDUSTRIES LIMITED**CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2020**

Notes:

- (a) The cash flow statements 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, intangibles asset under development capital advances and liability toward capital purchases.
- (c) Other bank balances represent bank balances earmarked for specific purpose deposits with banks with a maturity exceeding 3 months (Note 17)
- (d) The cash flow pertaining to sales tax deferral is considered as part of cash flow from operating activities.
- (e) Cash and cash equivalents include cash and bank balances. Refer Note 16 for components of cash and cash equivalents from continuing operations.

Significant Accounting Policies and Notes to Consolidated Ind AS Financial Statements 1-68

As per our report of even date attached

For Ballarpur Industries Limited

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

Sd/-
Parag Hangekar
Partner
Membership No: 110096

Place: Mumbai
Date: March 20 2024

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

Place: Mumbai
Date: March 20 2024

Sd/-
Parashiva Murthy B S
Director
Din: 00011584

Place: Mumbai
Date: March 20 2024

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

Place: Jalandhar
Date: March 20 2024

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO CONSOLIDATED FINANCIAL

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 31 March 2020 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 31 March 2020, Avantha Holdings Limited holds 24.12% of the Equity shares of the Company, and has the ability to influence the Group's operations.

The Financial Statements for the year ended 31 March, 2020 were approved by the Board of Directors for issue on.....

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

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO CONSOLIDATED FINANCIAL

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 recognised 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.

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(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 noncontrolling 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 recognised 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 recognised 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 postacquisition 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.

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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 intragroup 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 recognised 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, 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 confirm to the Group's accounting policies.

Name of the Company	Country of Incorporation	Proportion of ownership interest either directly or through subsidiary as on	
		31.03.2020	31.03.2019
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. (ii)	Netherlands	62.21%	62.21%
Ballarpur Paper Holdings B.V. (iii)	Netherlands	62.21%	62.21%
BILT Graphic Paper Products Limited. (iv)	India	60.22%	60.22%
Sabah Forest Industries Sdn. Bhd. (iv)	Malaysia	61.02%	61.02%
Bilt General Trading (FZE) (v)	UAE	100%	100%
Mirabelle trading Pte Ltd (w.e.f. 18-07-2019)	Singapore	100%	-
Joint Venture			
Premier Tissues (India) Limited(i)	India	-	50%

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- (i) Associates upto 17 July 2019.
- (ii) Held through Ballarpur International Holdings B.V.
- (iii) Held through BILT Paper B.V. (formerly known as Ballarpur International Graphics Paper Holdings B.V.)
- (iv) Held through Ballarpur Paper Holdings B.V.
- (v) 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 derecognised. 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 recognised as an expense in the year in which it is incurred. Product Development costs incurred product development / projects are recognised 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;

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- 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 recognised 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 recognised 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.

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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 recognised 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 recognised 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 recognised for the asset (or cash generating unit) in prior years.

A reversal of an impairment loss (other than impairment loss allocated to goodwill) is recognised 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 recognised for any initial or subsequent write down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised 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 recognised. A gain or loss not previously recognised by the date of the sale of the non current asset (or disposal group) is recognised 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 recognised.

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

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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 recognised 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 recognised as a receivable. The difference between the gross receivable and the present value of receivable is recognised as unearned finance income. Lease income is recognised 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 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 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.

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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 recognised 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 recognised over the term of the borrowings in the statement of profit and loss.

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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 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 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 recognised 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 recognised 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 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 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.

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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 recognised 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 recognised 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 recognised 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.

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO CONSOLIDATED FINANCIAL

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 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 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 asset 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 reflect 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 recognised 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.

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO CONSOLIDATED FINANCIAL

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 15.

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 recognised 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 recognised 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.

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO CONSOLIDATED FINANCIAL

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.

BALLARPUR INDUSTRIES LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2020

4 Property, plant and equipment

Particulars											₹ in lakhs	
	Leasehold land	Freehold land	Buildings	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipment	Computers	Railway Sidings, Trolley Lines, Tramway & tipping tups	Total	Right of Use Assets	
Gross Block												
As at 1 April 2018	29,936	1,30,435	1,21,283	7,19,332	1,487	733	1,122	539	62	10,04,929	-	
Additions	-	-	10	2,544	1	-	4	18	-	2,577	-	
Exchange difference capitalized	-	-	-	4,803	-	-	-	-	-	4,803	-	
Disposal	-	1,647	11	223	14	103	11	1	-	2,010	-	
Adjustment	-	-	-	-	-	-	-	-	-	-	-	
Re-classified to Assets held for sale (refer note 56)	-	39,970	-	16,412	-	-	-	-	-	56,382	-	
Derecognition due to loss of control of subsidiary	-	280	1,192	3,135	54	53	35	50	-	4,799	-	
As at 31 March 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 56 & (c) below)	-	39,951	-	-	-	-	-	-	-	39,951	-	
Re-classified to Asset held for sale	-	-	-	-	-	3	-	-	-	3	-	
Transfer to UKPL (Refer Note no. (b))	-	-	-	-	-	14	-	11	-	26	-	
As at March 31, 2020	29,936	1,28,489	1,19,944	7,13,570	1,427	560	1,133	611	62	9,95,730	2,394	
Accumulated depreciation												
Upto 31 March 2018	915	-	20,970	2,29,343	1,305	490	924	516	40	2,54,503	-	
Depreciation for the year	485	-	3,674	19,804	30	42	46	11	2	24,094	-	
Impairment	-	-	2,006	35,146	52	-	-	-	-	37,204	-	
On disposal	-	-	3	70	13	79	10	0	-	175	-	
Re-classified from Assets held for sale (refer note 56 & (c) below)	-	-	-	15,834	-	-	-	-	-	15,834	-	
Derecognition due to loss of control of subsidiary	-	-	341	1,397	42	47	34	46	-	1,908	-	
Upto 31 March 2019	1,400	-	26,305	2,66,992	1,332	406	926	481	42	2,97,884	-	
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	-	
Disposal	-	-	149	661	1	-	3	-	-	814	72	
Re-classified to Asset held for sale	-	-	-	-	-	3	-	-	-	3	-	
Transfer to UKPL (Refer Note no. (b))	-	-	-	-	-	6	-	10	-	17	-	
As at March 31, 2020	1,879	5,000	44,811	3,05,474	1,353	432	967	494	44	3,60,452	355	
Net book value												
As at 31 March 2019	28,536	88,538	93,785	4,39,917	88	171	154	25	20	6,51,234	-	
As at 31 March 2020	28,057	1,23,489	75,133	4,08,096	74	128	165	117	18	6,35,278	2,039	

Notes:

- "0" represent amount below ₹ 50,000/-
- The lease agreement in respect of 13.19 acres of land in possession of the company is yet to be executed in favour of the company.
- Refer note 25 for property, plant and equipment pledged as security against borrowing facilities availed by the Company.
- The Company has leased certain plant and equipment and buildings on operating leases for which lease rental of Rs. 87 Lakhs is recognised in the Statement of Profit and Loss. (Refer note 53)
- 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 (BGPPL), a step down subsidiary.
- Refer note 46 for disclosure of contractual commitments for the acquisition of property, plant and equipment.
- Impairment of Assets

Holding Company

The Company's operations were affected due to inadequate working capital facilities which resulted in shut downs and losses in earlier years. During the year the property, plant and equipment was tested for impairment based on value-in-use determined by management's internal assessment and an impairment loss of ₹ 35,400 lakhs is recognized and included in exceptional items in the statement of profit or loss.

BILT Graphic Paper Products Limited (BGPPL)

The Company has tested the property, plant and equipment (PPE) for impairment as at the end of the reporting period

The Company has identified the following Cash Generating Units (CGUs) for impairment testing;

- Ballarpur Unit
- Bhigwan Unit
- Ashti Unit

The recoverable amount of the PPE at Ballarpur and Bhigwan Unit exceeded the carrying amount of the PPE at the respective Units and accordingly there is no impairment of PPE at these CGUs. Ashti Unit has been shut since 2017 and the PPE at the Ashti Unit were utilised for limited purposes to support other CGUs. Since the Ashti Unit is non-operational, the recoverable amount of the CGU was determined based on an independent fair valuation of the PPE by M/s. Sapien Services Private Limited. The fair value of the PPE is determined based on the 'depreciated replacement cost' of the CGU and considering that plant has been shut for last 4 years, relevant factors such as non-maintenance factor, additional technical obsolescence factor, etc., have been considered in the fair valuation. Based on such fair valuation, the recoverable amount determined at ₹ 7,360 lakhs was lower than the carrying amount and an impairment loss of ₹ 6,521 lakhs is recognized for the year ended 31 March 2020. The impairment loss is included under 'Exceptional Item' in the statement of profit or loss.

BALLARPUR INDUSTRIES LIMITED**Notes accompanying the consolidated financial statements****5 Capital work in progress**

Particulars	₹in Lakhs	
	As at 31 March 2020	As at 31 March 2019
Opening balance	632	830
Additions	3,369	1,881
Capitalized during the year	2,345	2,003
Assets written off	-	73
Derecognition due to loss of control	-	3
Closing balance	1,656	632

6 Other intangible assets

Particulars	₹in Lakhs					
	As at 31 March 2020			As at 31 March 2019		
	Product development expense	Others	Total	Product development expense	Others	Total
Gross Block						
Opening balance	7,861	9,138	16,999	7,861	9,168	17,029
Additions	-	18	18	-	-	-
Transfer to UKPL (Refer Note no. (b))	-	1	1	-	-	-
Loss of Control of Subsidiary	-	-	-	-	30	30
Closing Balance	7,861	9,155	17,016	7,861	9,138	16,999
Accumulated amortization						
Opening balance	6,633	8,480	15,113	4,706	7,969	12,675
Amortization for the year	934	439	1,373	1,927	534	2,461
Transfer to UKPL (Refer Note no. (b))	-	1	1	-	-	-
Loss of Control of Subsidiary	-	-	-	-	23	23
Closing balance	7,567	8,918	16,485	6,633	8,480	15,113
Net carrying value as at the end of year	294	237	531	1,228	658	1,886

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

(b) Refer note 46 for disclosure of contractual commitments for the acquisition of property, plant and equipment and/or other intangible assets.

7 Biological assets other than bearer plants

Particulars	₹in Lakhs	
	As at 31 March 2020	As at 31 March 2019
Cost		
Balance as at the beginning of the year	39	34
Additions	0	5
Transfer to UKPL (Refer Note no. (b))	(39)	-
Balance as at the end of the year	-	39
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	-	39

BALLARPUR INDUSTRIES LIMITED**Notes accompanying the consolidated financial statements****8 Investments accounted for using the equity method**

Particulars	Face Value Per Share	₹ in Lakhs			
		As at 31 March 2020		As at 31 March 2019	
		No. of shares	₹ in Lakhs	No. of shares	₹ in Lakhs
Unquoted investments					
Investments accounted for using Equity Method					
(a) Investments in fully paid equity shares of joint venture					
(i) Premier Tissues (India) Limited [refer note 25(f)]	₹ 10.00	-	-	56,20,427	1,588
Add: Share in profit/(loss) of joint venture					69.00
Add: Share in OCI of joint venture					(1.00)
					1,656
(i) Details of unquoted investments					
Particulars			As at 31 March 2020	As at 31 March 2019	
(a) Aggregate amount of unquoted investments					
Book value			-	1,656	
Market value (Fair value)			-	1,656	

9 Non-current investments

Particulars	Face Value Per Share	₹ in Lakhs			
		As at 31 March 2020		As at 31 March 2019	
		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 Limited	₹ 10.00	3,98,80,940	-	3,98,80,940	-
(b) Investment in government securities					
6-year National Savings Certificate	₹ 5000.00		-	1	-
			3	3	
a) Details of unquoted investments					
Particulars			As at 31 March 2020	As at 31 March 2019	
(a) Aggregate amount of unquoted investments					
Book value			3	3	
Market value (Fair value)			3	3	
(b) In view of the ongoing Corporate Insolvency Resolution Process ("CIRP"), investments as at 31 March 2020 have not been tested for impairment					

10 Current investments

Particulars	Face Value Per Share	₹ in Lakhs			
		As at 31 March 2020		As at 31 March 2019	
		No. of shares	₹ in Lakhs	No. of shares	₹ in Lakhs

BALLARPUR INDUSTRIES LIMITED

Notes accompanying the consolidated financial statements

Quoted investments

A Investments measured at fair value through profit or loss

(a) Investment in mutual funds						
(i) Edelweiss Liquid Fund -Direct Plan Growth	₹ 2558.00	7,914	203	3,02,209	7,262	
(ii) Edelweiss Overnight Fund -Direct Plan Growth	₹ 1035.00	308	3	-	-	
			206		7,262	
			206		7,262	

a) Details of Quoted investments

Particulars	₹ in Lakhs	
	As at 31 March 2020	As at 31 March 2019
(a) Aggregate amount of unquoted investments		
Book value	206	7,262
Market value (Fair value)	206	7,262

11 Other financial assets - Non current

Particulars	₹ in Lakhs	
	As at 31 March 2020	As at 31 March 2019
Unsecured, considered good		
Security Deposits	1,063	1,027
Bank deposits with maturity period more than 12 months [Refer Note (a) below]	157	157
	1,220	1,184

(a) Bank Deposits includes deposits held as security against guarantees given by the Company of 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 31 March 2020	As at 31 March 2019
A Deferred tax assets		
(i) Expenses allowable on payment basis (Section 43B of Income Tax Act,	33,955	31,117
(ii) Unabsorbed tax depreciation	46,914	47,195
(iii) Unused tax losses (Business losses)	3,990	13,682
(iv) Unused tax credits (MAT Credit)	15,985	18,018
(v) Other items of temporary difference	8,821	8,354
	1,09,665	1,18,366
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.	96,441	1,01,552
	96,441	1,01,552
Presentation in Balance Sheet		
Deferred tax assets (net)	13,224	16,814
Deferred tax liabilities (net)	13,224	16,814
	13,224	16,814

BALLARPUR INDUSTRIES LIMITED

Notes accompanying the consolidated financial statements

(a) Movement in deferred tax assets and liabilities

2019-20					₹ in Lakhs
Particulars	Opening Balance	Reclassified from Other non current assets	Recognized in profit or loss	Recognized in OCI	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	-	(3,590)	-	13,224

2018-19					₹ in Lakhs
Particulars	Opening Balance	Recognized in profit or loss	Recognized in OCI	Derecogniti on due to loss of control of	Closing Balance
(i) Expenses allowable on payment basis (Section 43B of Income Tax Act, 1961)	17,710	13,440	-	(33)	31,117
(ii) Unabsorbed tax depreciation	46,046	1,312	-	(163)	47,195
(iii) Unused tax losses (Business losses)	29,441	(15,759)	-	-	13,682
(iv) Unused tax credits (MAT credit entitlement)	18,062	-	-	(44)	18,018
(v) Difference between written down value of PPE and intangible assets as per books of account and as per Income Tax Act.	(97,933)	(4,211)	-	592	(1,01,552)
(vi) Other items of temporary difference	8,075	280	-	(1)	8,354
	21,401	(4,938)	-	351	16,814

(b) Deferred tax assets recognized on unabsorbed depreciation and unused tax losses and tax credits

The Holding Company (BILT) Considering the ongoing CIRP, 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.

12 Deferred tax assets / (liabilities) (net) (Ctnd..)

(b) Deferred tax assets recognized on unabsorbed depreciation and unused tax losses and tax credits (Ctnd..)

Further, Step Down Subsidiary, BILT Graphic Paper Product Limited (BGPPL) has recognized deferred tax assets of ` 1,301 Lakhs (previous year ` 4,891 Lakhs) in excess over the taxable temporary differences (deferred tax liabilities) the recoverability of which is dependent on future taxable profits in excess of the profit arising from the reversal of deferred tax liabilities.

The BGPPL's operations have stabilised over the last two years. The significant loss for the financial year 2019-20 is on account of exceptional items (Refer note 43) and loss allowance of receivables from related parties (Refer note 49). The BGPPL is taking various initiatives to optimize its operations and is confident that the BGPPL will be able to generate sufficient future taxable profits, in excess of the profit arising from the reversal of deferred tax liabilities, against which the aforesaid deferred tax assets can be realised.

BALLARPUR INDUSTRIES LIMITED**Notes accompanying the consolidated financial statements****13 Other non current assets**

Particulars	₹ in Lakhs	
	As at 31 March 2020	As at 31 March 2019
Capital advances	359	
Less: Provision for Expected Credit Loss	14	345
Prepaid expenses		358
Withholding tax recoverable		9,418
Balances with government authorities		4,391
	11,936	13,807

14 Inventories

Particulars	₹ in Lakhs	
	As at 31 March 2020	As at 31 March 2019
Raw materials (Refer note (a) below)	8,093	14,453
Work in progress	7,374	4,589
Finished goods (including stock-in-trade)	11,875	10,333
Stores and spares (Refer note (b) below)	10,934	10,235
Chemicals (Refer note (c) below)	2,963	3,985
Packing material (Refer note (d) below)	938	1,092
	42,177	44,687

- (a) Includes raw material-in-transit of ` 665 Lakhs (Previous year ` 5,080 Lakhs)
- (b) Includes stores & spares-in-transit of ` 226 Lakhs (Previous year ` 440 Lakhs)
- (c) Includes chemicals-in-transit of ` 440 Lakhs (Previous year ` 743 Lakhs)
- (d) Includes packing material-in-transit of ` 29 Lakhs (Previous year ` 28 Lakhs)
- (e) During the year, Rs. Nil (Previous year Rs. 103 Lakhs) was recognised as expenses towards write down of inventories (Refer Note 42)
- (f) On account of the lockdown and restrictions imposed due to COVID-19 pandemic, the management has not performed physical count of inventories as at 31 March 2020. (Refer note 59)

BALLARPUR INDUSTRIES LIMITED**Notes accompanying the consolidated financial statements****15 Trade receivables**

Particulars	₹ in Lakhs	
	As at 31 March 2020	As at 31 March 2019
Considered good		
Due from related parties	2,930	3,815
Due from others (Refer note (a) below)	45,371	12,016
	48,301	15,831
Considered Doubtful		
Due from others	4,125	1,633
Less: Allowance for expected credit loss (ECL)	4,125	1,633
	-	-
	48,301	15,831

(a) Includes ` 972 Lakh (As at 31 March 2019 - ` 1911 Lakhs) secured by way of security deposits received from the customers.

(b) The trade receivables are unsecured apart from note (a) above.

16 Cash and cash equivalents

Particulars	₹ in Lakhs	
	As at 31 March 2020	As at 31 March 2019
Balances with Banks :		
- On current accounts [Refer note (a) & (b) below]	6,445	8,589
- Bank deposits with original maturity of less than three months	-	18,382
Cash on hand	12	13
	6,457	26,984

(a) Bank reconciliation statements as at 31 March 2020 have not been prepared for 4 bank accounts having a carrying amount of ` 8 Lakhs since the bank statements were not available for these bank accounts.

(b) Includes amount deposited in Trust and Retention account as on 31 March 2020 ` 3,496 Lakhs (31 March 2019 - ` 4,739 Lakhs).

17 Other bank balances

Particulars	₹ in Lakhs	
	As at 31 March 2020	As at 31 March 2019
In margin money, security for borrowings, guarantees and other commitments	2,139	141
In deposit accounts exceeding three months but less than twelve months	65	1,646
Earmarked Balance with Banks in unpaid dividend accounts	27	42
	2,231	1,829

18 Loans - current

Particulars	₹ in Lakhs	
	As at 31 March 2020	As at 31 March 2019
Unsecured, considered good		
Loans to related parties (net)	209	3,050
Security Deposits	459	1,178
Others	60	299
Less: Provision for Expected Credit Loss	-	(6)
	728	4,521

BALLARPUR INDUSTRIES LIMITED**Notes accompanying the consolidated financial statements****19 Other financial assets - current**

Particulars	₹ in Lakhs	
	As at 31 March 2020	As at 31 March 2019
Unsecured, considered good		
Interest accrued on deposits	88	76
Insurance Receivables (Refer Note (a) below)	-	263
Scrap Receivables	40	83
Advances to related parties	2,805	99
Advances to others (Refer Note (b) below)	17,939	-
Less: Expected Credit Loss	(27)	-
	20,845	521

(a) Insurance receivable represents claims lodged with the insurance companies towards loss of inventory, etc. The Group is confident regarding the recovery of the loss from the insurers and accordingly the claim is recognized as a receivable.

(b) includes amount receivable Rs. 1,500 Lakhs against sale of business of unit Sewa (Refer note 56)

20 Current tax assets (net)

Particulars	₹ in Lakhs	
	As at 31 March 2020	As at 31 March 2019
Income tax paid (included TDS)	3	6
Provision for current taxes	-	5
	3	1

21 Other current assets

Particulars	₹ in Lakhs	
	As at 31 March 2020	As at 31 March 2019
Prepaid expenses	1,187	455
Advances to employees	113	96
Balance with government authorities	7,098	12,174
Advances to Related Parties		
Less: Provision for Expected Credit Loss	781	11,709
Advances to trade creditors		
Less: Provision for Expected Credit Loss	7,618	8,601
Other current assets	-	21
	16,797	33,056

BALLARPUR INDUSTRIES LIMITED**Notes accompanying the consolidated financial statements****22 Equity share capital**

Particulars	₹ in Lakhs	
	As at 31 March 2020	As at 31 March 2019
Authorised share capital		
1,50,00,00,000 (31 March 2019: 1,50,00,00,000) equity shares of ` 2/-	30,000	30,000
1,00,00,00,000 (31 March 2019: 1,00,00,00,000) preference shares of ` 100/-	10,000	10,000
	40,000	40,000
Issued share capital		
1,29,37,05,501 (31 March 2019: 1,29,37,05,501) equity shares of ` 2/- each	25,874	25,874
Subscribed and paid-up share capital		
1,29,37,05,501 (31 March 2019: 1,29,37,05,501) equity shares of ` 2/-	25,874	25,874
Less: Forfeited shares - 2,49,745 (31 March 2019: 2,49,745) equity shares of ` 2/- each	5	5
1,29,34,55,756 (31st March 2019: 1,29,34,55,756) equity shares of ` 2/- each	25,869	25,869
Add: Amount originally paid up on forfeited shares	2	2
	25,871	25,871

(a) Reconciliation of number of shares

Particulars	As at 31 March 2020		As at 31 March 2019	
	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 company has one class of equity shares having a par value of ` 2 per share. Each shareholder is eligible for one vote per share held. There are no restrictions attached for any specific shareholder. In the event of liquidation of the company, the holders of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

(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		As at	
	Nos	Holding %	Nos	Holding %
(i) Avantha Holdings Limited	31,19,32,718	24.12%	32,26,89,019	24.95%
(ii) Life Insurance Corporation of India	8,55,50,701	6.61%	8,55,50,701	6.61%
(iii) Finquest Financial Solutions Pvt Limited	-	0.00%	12,51,12,182	9.67%
(iv) ICICI Bank Limited	15,54,69,351	12.02%	15,63,99,579	12.09%

BALLARPUR INDUSTRIES LIMITED

Notes accompanying the consolidated financial statements

22 Equity share capital (Ctnd..)

(e) Others

- (i) The Company has not reserved any shares for issue under options as at 31 March 2020 (As at 31 March 2019 : Nil shares)
- (ii) The Company has not allotted any bonus shares in the immediately preceding five year ended 31 March 2020. (previous period of five years ended 31 March 2019: 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 31 March 2020 is Nil. (previous period of five years ended 31 March 2019 - Nil)
- (v) Calls unpaid as at 31 March 2020 - ` Nil. (31 March 2019 : ` Nil)
- (vi) The Company has given effect to the Master Restructuring Agreement (MRA) with lenders during the year 2017-18 as per which the Company has agreed to allot equity shares to the lenders (Refer note 44 for detailed terms of the MRA). However the Company has not allotted the shares as at 31st March 2020 and has presented the balances as a separate item under other equity (Refer Note 23). The aforesaid requirement to allot equity shares is by way of conversion of loan outstanding and interest accrued thereon

23 Other equity

Particulars	₹ in Lakhs	
	As at 31 March 2020	As at 31 March 2019
Capital reserve	3,824	1,515
Securities premium reserve	1,15,024	1,15,024
Preference share capital redemption reserve	7,385	7,385
Debenture redemption reserve	11,704	11,704
Subordinate perpetual Capital Securities	1,49,732	1,39,117
Amount towards shares to be allotted under Master Restructuring Agreement	56,102	42,381
Equity component of compulsorily redeemable preference shares(refer note 25)	70,743	40,507
Capital reserve on consolidation	20,012	20,012
General reserve	80,810	80,810
Retained Earnings	(6,98,785)	(4,95,495)
Items of Other Comprehensive Income (OCI)		
Re-measurement of the net defined benefit Plans	(1,825)	(895)
Equity instruments through OCI	(2,737)	(2,737)
Foreign currency translation reserve	(64,202)	(58,972)
Share of OCI in Associates / JVs	-	(1)
	(2,52,213)	(99,645)

(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.

BALLARPUR INDUSTRIES LIMITED

Notes accompanying the consolidated financial statements

23 Other equity (Ctnd..)

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

(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 in paying up unissued shares to be issued to shareholders as fully paid bonus shares.

(iii) Debenture redemption reserve

The holding company (BILT) and BILT Graphic Paper Products Limited (BGPPL), a step-down subsidiary, has issued debentures and created DRR out of their profits in terms of the Companies (Share capital and Debenture) Rules, 2014 (as amended). The Companies are required to maintain a DRR of 25% of the value of debentures issued, either by a public issue or on a private placement basis. The amounts credited to the DRR may not be utilised by the companies except to redeem debenture.

(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.

(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 Company.

(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 Company in the course of business combinations and the consideration paid for such combinations.

BALLARPUR INDUSTRIES LIMITED

Notes accompanying the consolidated financial statements

23 Other equity (Ctnd..)

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

(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) 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

Particulars	₹ in Lakhs			
	Remeasurement of net defined benefit plans	Equity instruments through OCI	Share of OCI in Associates / JVs	Total
As at 1 April 2018	(782)	(2,737)	-	(3,519)
Remeasurement gain/(loss) on net defined benefit	(113)	-	-	(113)
Share of OCI in Associates/JVs	-	-	(1)	(1)
Income tax effect	-	-	-	-
As at 31 March 2019	(895)	(2,737)	(1)	(3,633)
Remeasurement gain/(loss) on net defined benefit plans	(930)	-	-	(930)
Share of OCI in Associates/JVs	-	-	-	-
Income tax effect	-	-	-	-
As at 31 March 2020	(1,825)	(2,737)	(1)	(4,563)

Particulars	₹ in Lakhs	
	Foreign currency translation reserve	Total
As at 31 March 2018	(49,901)	(49,901)
Exchange differences in translating the financial statements of foreign subsidiaries	(9,071)	(9,071)
As at 31 March 2019	(58,972)	(58,972)
Exchange differences in translating the financial statements of foreign subsidiaries	-	-
As at 31 March 2020	(58,972)	(58,972)

Particulars	₹ in Lakhs	
	As at 31 March 2020	As at 31 March 2019
Items that will not be reclassified to profit or loss	(4,563)	(3,633)
Items that will be reclassified to profit or loss	(58,972)	(58,972)
	(63,535)	(62,605)

BALLARPUR INDUSTRIES LIMITED

Notes accompanying the consolidated financial statements

24 Non-controlling interest

Particulars	₹ in Lakhs	
	2019 - 20	2018 - 19
Balance at the beginning of the year	(37,919)	(13,652)
Share of loss for the year	(59,696)	(14,075)
Share of other comprehensive income		
Re-measurement of the net defined benefit Plans	-	(77)
Foreign currency translation reserve	3,651	(4,672)
Distribution to subordinated perpetual capital securities	(8,410)	(5,443)
	(1,02,374)	(37,919)

(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 minority interests	
		As at 31 March 2020	As at 31 March 2019	2019 - 20	2018 - 19
(i) BILT Graphic Paper Products Limited	India	39.78%	39.78%	(98,849)	(2,812)
(ii) BILT Paper B.V.	Netherlands	37.79%	37.79%	(99,267)	4,185
(iii) Ballarpur Paper Holdings B.V.	Netherlands	37.79%	37.79%	(21,967)	(7,763)
(iv) Sabah Forest Industries Sdn. Bhd.	Malaysia	38.98%	38.98%	(7,359)	(6,953)

(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.	
	2019 - 20	2018 - 19	2019 - 20	2018 - 19	2019 - 20	2018 - 19	2019 - 20	2018 - 19
Revenue	2,97,069	3,15,432	11,396	11,215	-	500	143	1,376
Profit / loss for the year	(2,48,489)	(7,068)	(2,62,680)	11,075	(58,129)	(20,543)	(18,878)	(17,836)
Other comprehensive income	(801)	(192)	8,717	21,013	1,759	5,649	28	(831)
Total comprehensive income	(2,49,290)	(7,260)	(2,53,963)	32,088	(56,370)	(14,894)	(18,850)	(18,667)
Profit / (loss) allocated to non-controlling interest	(98,849)	(2,812)	(99,267)	4,185	(21,967)	(7,763)	(7,359)	(6,953)
Dividend to non-controlling interest	-	-	-	-	-	-	-	-

Summarized balance sheet

Particulars	BILT Graphic Paper		BILT Paper B.V.		Ballarpur Paper Holdings		Sabah Forest Industries Sdn.	
	2019 - 20	2018 - 19	2019 - 20	2018 - 19	2019 - 20	2018 - 19	2019 - 20	2018 - 19
Current assets (a)	99,247	2,05,561	6	33,848	824	4,726	2,24,036	18,056
Current liabilities (b)	1,00,762	1,82,945	75,939	48,660	1,08,923	76,987	1,96,271	1,82,967
Net current assets/(liabilities) (c = a - b)	(1,515)	22,616	(75,933)	(14,812)	(1,08,099)	(72,261)	27,765	(1,64,911)
Non-current assets (d)	4,64,472	5,19,065	2,70,916	4,75,398	2,38,359	2,57,619	-	-
Non-current liabilities (e)	5,69,315	4,63,246	-	-	1,21,303	1,20,031	32,970	24,749
Net non current assets / (liabilities) (f = d - e)	(1,04,843)	55,819	2,70,916	4,75,398	1,17,056	1,37,588	(32,970)	(24,749)
Net assets / (liabilities) (c+f)	(1,06,358)	78,435	1,94,982	4,60,586	8,957	65,327	(5,205)	(1,89,660)

Summarized balance sheet

Particulars	BILT Graphic Paper		BILT Paper B.V.		Ballarpur Paper Holdings		Sabah Forest Industries Sdn.	
	2019 - 20	2018 - 19	2019 - 20	2018 - 19	2019 - 20	2018 - 19	2019 - 20	2018 - 19
Cash flow from operating activities	61,931	61,503	-	-	(5)	912	(2,989)	19,544
Cash flow from investing activities	3,764	(9,370)	-	-	-	-	-	4
Cash flow from financing activities	(70,028)	(54,328)	-	-	-	(915)	2,490	99
Total cash flow	(4,333)	(2,195)	-	-	(5)	(3)	(499)	19,647

(c) Change in Group's ownership interest in a subsidiary without ceding control

During the year 2017-18, BILT Graphic Paper Products Limited (BGPP), a stepdown subsidiary, has allotted 18,268,771 shares to Avantha Holdings Limited on a private placement basis as part of the overall debt restructuring. On account of this the Group's stake in the company has been reduced from 62.21% to 60.22%. Amount of ₹ 884 Lakhs (Loss), being proportionate share on the total comprehensive income, has been transferred to non-controlling interest.

BALLARPUR INDUSTRIES LIMITED**Notes accompanying the consolidated financial statements****25 Borrowings**

Particulars	₹ in Lakhs	
	As at 31 March 2020	As at 31 March 2019
Non current borrowings		
Secured		
Non convertible debentures	1,45,360	1,00,699
Compulsorily redeemable preference shares	26,075	13,695
Term loans		
Bank	37,102	52,439
Financial institutions	2,97,592	2,54,505
Unsecured		
Zero coupon convertible bonds	4,778	3,982
Deferred payment liabilities	1,727	1,813
	5,12,634	4,27,133
Current borrowings		
Secured		
Working capital loans	40,546	23,047
Unsecured		
Working capital loans	98,926	99,476
	1,39,472	1,22,523

- (a) Pursuant to the commencement of CIRP, the following claims from financial creditors as at 17 January 2020, have been admitted by the Resolution Professional ('RP') (Also refer note 60):

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

BALLARPUR INDUSTRIES LIMITED

Notes accompanying the consolidated financial statements

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 holding Company on behalf of subsidiaries has been admitted by RP and disclosed under contingent liability. (Refer note 46)
 - (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) The holding 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. Accordingly, the claim is disclosed under contingent liability. (Refer note 46)
 - (d) The holding 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-à-vis corporate guarantee issued by the holding 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 the Insolvency and Bankruptcy Code 2016 and the rules framed thereunder. Further, IndusInd bank has filed an application before 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 is disclosed as

BALLARPUR INDUSTRIES LIMITED

Notes accompanying the consolidated financial statements

25 Borrowings (Contd.)

(b) Borrowings From Banks and Financial Institutions as at 31 March 2020 based on the claims admitted by RP as part of CIRP is as follows:

S. No	Name of Bank / Financial Institution	Current maturities of long term borrowings	Short term borrowings	Interest accrued on borrowings [Refer note (i) below]	Liability on behalf of related party (Refer note 25)	Total
1	IDBI Bank Ltd.	9,575	36,538	24,856	16,735	87,704
2	Suraksha Asset Reconstruction Company Limited (SARC)	36,129	-	12,298	-	48,427
3	Orbit Investment Securities Plc	-	-	-	35,167	35,167
4	Axis Bank Limited	-	12,500	8,730	-	21,230
5	Varanium India Opportunity	-	-	-	20,095	20,095
6	Finquest Financial Solutions Limited	4,599	6,979	6,495	-	18,073
7	Kotak Mahindra Bank Ltd	-	7,648	7,425	-	15,073
8	Punjab National Bank (E-OBC)	-	7,892	6,412	-	14,304
9	LIC of India	8,402	-	4,470	-	12,872
10	Phoenix ARC Pvt. Ltd.	6,412	-	3,032	-	9,444
11	HDFC Bank Ltd.	-	6,231	2,978	-	9,209
12	Exim Bank	6,109	-	2,227	-	8,336
13	DBS Bank Ltd	-	4,874	2,322	-	7,196
14	Deutsche Bank	-	4,208	2,268	-	6,476
15	Indusind Bank Ltd.	-	5,652	691	-	6,343
16	The Hongkong and Shanghai Banking Corporation Ltd.	-	2,815	2,167	-	4,982
17	Federal Bank	-	2,850	1,737	-	4,587
		71,226	98,187	88,108	71,997	3,29,518

Notes:

- The above balances are based on the financial creditors claims admitted by the RP after considering the interest till the insolvency commencement date i.e 17 January 2020. Further, the Management has consider the interest for the period 18 January 2020 to 31 March 2020 and has taken the effect of reinstatement of borrowings in foreign currency.
- Detailed bank wise, loan wise reconciliation of the claims admitted by the RP is in progress and hence segregation of secured and unsecured borrowing, and details of security are not provided.
- 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%.

(c) Balance Confirmation Pending from Banks and Financial Institutions

The confirmations and reconciliation of certain 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 64)

Bank balances and borrowings as at 31 March 2019 aggregating to Rs. 82,031 Lakhs are subject to confirmation and consequent reconciliation, if any.

BALLARPUR INDUSTRIES LIMITED

Notes accompanying the consolidated financial statements

25 Borrowings (Contd.)

(d) Default in repayment of borrowings and payment of interest

The holding company has defaulted in repayments of borrowings and payment of interest to the lenders. During the year the holding 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'), an additional liability of Rs. 27,742 Lakhs, representing the difference between the financial creditors claims admitted by the RP and the carrying amount of borrowings (including interest accrued), has been accrued as at 31 March 2020 (refer note 60). The Holding Company 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 are not ascertainable.

The particulars of default in repayment of borrowings and payment of interest as at 31 March 2019 is as follows:

Particulars	₹ in Lakhs			
	Repayment of Principal		Payment of interest	
	Default outstanding amount	Period of default in days	Default outstanding amount	Period of default in days
Exim Bank	3,966	60 - 517 days	1,183	1 - 609 days
Finquest Financial Solutions Private Limited assigned	1,562	9 - 920 days	1,768	1 - 943 days
IDBI Bank	1,875	1 - 731 days	2,128	182 - 790 days
Phoenix Arc Pvt Ltd	912	6 - 93 days	1,573	1 - 609 days
Life Insurance Corporation of India	-	-	3,178	63 - 793 days
	8,315		9,830	

(e) Assignment of borrowings

During the previous year, the ICICI Bank has assigned the borrowing with principal amount of ` 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 ` 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 Ballarpur Industries Limited ("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 has invoked the said pledge and charge. Consequently, the Company has recognized a gain of ` 32 Lakhs resulting from disposal of the investment in M/s. Premier Tissues (India) Limited as

(g) During the year M/s. Suraksha Assets Reconstruction Limited ('SARL') invoked its pledge on certain brands / trademarks, pledged by Ballarpur Industries Limited ("the Company"), 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 ` 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 for the year ended 31 March 2020.

BALLARPUR INDUSTRIES LIMITED

Notes accompanying the consolidated financial statements

25 Borrowings (Ctnd..)

(h) Non convertible debentures

Rate of interest	₹ in Lakhs	
	As at 31 March	As at 31 March 2019
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	65,374
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	35,325
	1,45,360	1,00,699
Less: Current maturities	-	-
	1,45,360	1,00,699

(a) Above amount is inclusive of interest accrued for the period 01st April 2017 to 31st March 2020.

(b) Securities and terms of repayment

- Redeemable non convertible debentures of ₹ 78,255 Lakhs are secured by way of first pari passu charge on movable fixed assets and all immovable properties of the Group, both present and future, Second pari passu charge on current assets of the Company, both present and future (except receivables from Sabah Forest Industries Sdn Bhd (related party), Second Charge on Sabah Forest Industries Sdn Bhd (related party), Pledge over 70% shares of the Company provided that existing priority facility shall have a first priority over the rights and Corporate Guarantee of Ballarpur Paper Holding B.V. (BPH) and are repayable on 31 March 2027.
- Redeemable non convertible debentures of ₹ 67,105 Lakhs are secured by way of Second pari passu charge on movable fixed assets and all immovable properties of the Group, both present and future, first pari passu charge on current assets of the Group, both present and future (except receivables from Sabah Forest Industries Sdn Bhd (related party), Pledge over 70% shares of Group provided that existing priority facility shall have a first priority over the rights and Corporate Guarantee of Ballarpur Paper Holding B.V. (BPH) and are repayable on 31 March 2027.
- Further the non convertible debentures are also secured by way second pari passu charge on receivables from Sabah Forest Industries Sdn Bhd, a step-down subsidiary.
- 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) ("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.
- 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 31 March 2020	As at 31 March 2019
Non-current borrowings	26	26,075	13,695
Equity portion	24	70,743	40,507
		96,818	54,202

Compulsorily redeemable preference shares are unsecured. Refer note 44 for other details of compulsorily redeemable preference shares

(j) Secured external commercial borrowing

Terms of repayment	Interest	₹ in Lakhs		Security
		As at 31 March 2020	As at 31 March 2019	
The loan is repayable in 9 semi annual instalments starting by end of 36 months from the utilisation date.	3.30% + LIBOR initially	-	13,452	The Loan is secured by way of a first pari-passu charge over all moveable fixed assets of the Group.
The loan is repayable in 8 semi annual instalments starting by end of 30 months from the utilisation date.	2.7% + LIBOR initially	-	13,566	
		-	27,019	
Less: Current maturities		-	27,019	
		-	-	

Pursuant to the amended and restated 'Master restructuring agreement' (MRA), External commercial borrowing has been converted in RTL1, NCD and Equity Shares during the current year. (Refer note 44)

BALLARPUR INDUSTRIES LIMITED

Notes accompanying the consolidated financial statements

25 Borrowings (Ctnd..)

(k) Secured borrowings from banks and financial institutions

As at 31 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 Company's movable fixed assets and all immovable properties of the Company, both present and future; (b) Second pari-passu charge on Company'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 Company provided that existing priority facility shall have a first priority over the rights (e) Corporate Guarantee of BPH. (a step-down subsidiary)
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		

BALLARPUR INDUSTRIES LIMITED

Notes accompanying the consolidated financial statements

25 Borrowings (Ctnd..)

(k) Secured borrowings from banks and financial institutions

As at 31 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 Company's movable fixed assets and all immovable properties of the Company, both present and future; (b) First pari-passu charge on Company'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 Company provided that existing priority facility shall have a first priority over the rights (e) Corporate Guarantee of BPH. (a step-down subsidiary)
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 Company's movable fixed assets and all immovable properties of the Company, both present and future; (b) Second pari-passu charge on Company'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 the Company;
33	Finquest Financial Solutions Private Limited *4			2,800	2,800	16.00%	(a) First pari-passu charge on Company's movable fixed assets and all immovable properties of the Company, both present and future; (b) Second pari-passu charge on Company's current assets, both present and future (except on SFI Receivable); (c) First charge on Pledge over shares of the Company ; (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

*³ This represents fee towards cash flow monitoring fees agreed with the lender (Refer Note 44).

*⁴ This represents loans assigned by the Group 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 Ballarpur Industries Limited (Ultimate Holding Company).

Refer note (i) for maturity profile and note 44 for repayment terms as per Master Restructuring Agreement (MRA).

BALLARPUR INDUSTRIES LIMITED

Notes accompanying the consolidated financial statements

25 Borrowings (Ctnd..)

(k) Secured borrowings from banks and financial institutions

As at 31 March 2019

S. No	Name of Bank / Financial Institution	Rupee Term Loan	Funded interest term loan	Priority Loan	₹ in Lakhs			Maturity	
					Total	Rate of interest	Details of security		
1	Exim Bank	6,109	-	-	6,109	Base Rate + 1.50% initially	The Loan is secured by way of a first pari-passu charge over all movable fixed assets of the company both present and future.	Repayable in 21 equal quarterly instalments ending on October 2019.	
2	Finquest Financial Solutions Private Limited assigned from State Bank of India (Earlier known as State Bank of Travancore) w.e.f. 17th Dec., 2018	4,599	-	-	4,599	Base Rate + 1.50% initially	The Loan is secured by way of a first pari-passu charge over all movable fixed assets of the company both present and future.	Repayable in 32 equal quarterly instalments ending on June 2022.	
3	Phoenix Arc Private Limited	6,412	-	-	6,412	12.80%	The Loan is secured by way of a first pari-passu charge over all movable fixed assets of the company.	Repayable in 20 equal quarterly instalments ending on 26 September 2021.	
4	IDBI Bank	9,575	-	-	9,575	Base Rate + 2% initially	The Loan is secured by way of a first pari-passu charge over freehold immovable property of units Kamalapuram & Shreegopal.	Repayable in 27 equal quarterly instalments ending on June 2022.	
5	Suraksha Asset Reconstruction Pvt. Ltd. assigned from ICICI Bank w.e.f. 28th Aug 2018	27,500	-	-	27,500	Base Rate + 1.92% initially	The Loan is secured by way of a first pari-passu charge over all movable fixed assets of the company.	Repayment schedule to be agreed mutually with Suraksha Asset Reconstruction Pvt. Ltd.	
6	Suraksha Asset Reconstruction Pvt. Ltd. assigned from ICICI Bank w.e.f. 28th Aug 2018	8,319	-	-	8,319	Base Rate + 2.60% initially	The Loan is secured by way of a first pari-passu charge over all movable fixed assets of the company.	Repayment schedule to be agreed mutually with Suraksha Asset Reconstruction Pvt. Ltd.	
7	Suraksha Asset Reconstruction Pvt. Ltd. assigned from ICICI Bank w.e.f. 28th Aug 2018	310	-	-	310	Base Rate + 6% initially		Repayment schedule to be agreed mutually with Suraksha Asset Reconstruction Pvt. Ltd.	
8	EARC Trust - SC 309 (earlier from Acton Global Pvt Ltd)	13,465	1,114	-	14,579		(i) First pari-passu charge on Borrower's movable fixed assets and all immovable properties of the Borrower, both present and future;		
9	EARC Trust - SC 268 (earlier from Axis Bank)	80,845	6,692	-	87,537		(ii) Second pari-passu charge on Borrower's current assets, both present and future (except receivables from Sabah Forest Industries Sdn Bhd, a step-down subsidiary);		
10	Deutsche Bank	1,840	152	-	1,992				
11	Clix Capital Services Private Limited	8,356	692	-	9,048				
12	EARC Trust - SC 267 (earlier from ICICI Bank)	38,675	3,201	-	41,876	9%. Further, the interest rate	(iii) Second pari-passu charge on Borrower's movable fixed assets and all immovable properties of the Borrower, both present and future;		
13	EARC Trust - SC 244 (earlier from IDFC)	20,497	1,697	-	22,194	is also linked to the 1 year			
14	Goldman Sachs	16,316	1,350	-	17,666	MCLR of Axis	(iv) First pari-passu charge on Borrower's current assets, both present and future (except receivables from Sabah Forest Industries Sdn Bhd, a step-down subsidiary);		
15	EARC Trust - SC 307 (earlier from State Bank of India)	20,568	1,704	-	22,272	Bank Limited with an annual reset option to Lenders	(v) Receivables from Sabah Forest Industries Sdn Bhd (a step-down subsidiary) is secured by Second pari-passu charge		
16	EARC Trust - SC 299 (earlier from Yes Bank)	18,072	1,496	-	19,568		(vi) The Existing Priority Facility, the New Priority Facilities, the RTL I Facility, the NCD Facility, the FITL Facility and the WC Facility shall be secured by a pledge over the Pledged Shares and the corporate guarantee provided by 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		
17	EARC Trust - SC 356 (earlier from DBS Bank)	6,489	538	-	7,027		Pledged Shares and the RTL I Facility, the NCD Facility, the		
18	HDFC Bank Limited	2,833	233	-	3,066				
19	IDBI Bank Limited	21,334	1,752	-	23,086				
20	Kotak Mahindra Bank Limited	6,801	560	-	7,361				
21	Ecap Equities Ltd (earlier from Invesco MF)	1,829	151	-	1,980				
21	EC Special Situations Fund (earlier from Invesco MF)	1,447	120	-	1,567				
21	Edelweiss India Special Situations Fund (earlier from Invesco MF)	852	70	-	922				
Total c/f					3,23,043	21,523	-	3,44,565	

BALLARPUR INDUSTRIES LIMITED

Notes accompanying the consolidated financial statements

25 Borrowings (Ctnd..)

(k) Secured borrowings from banks and financial institutions (Ctnd..)

		₹ 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	Maturity
Total b/f		3,23,043	21,523	-	3,44,565			
22	ECL Finance Limited	-	-	10,000	10,000	16.50%	(i) First pari-passu charge on movable fixed assets and all immovable properties of BGPPL, both present and future; (ii) Second pari-passu charge on BGPPL's current assets, both present and future; (iii) First charge on Receivables from Sabah Forest Industries Sdn Bhd	Refer note (e) below for maturity profile of the borrowings and note 44 for repayment terms as per MRA
23	Finquest Financial Solutions Private Limited.	-	-	3,850	3,850	16%	(i) First pari-passu charge on movable fixed assets and all immovable properties of the BGPPL, both present and future; (ii) Second pari-passu charge on BGPPL's current assets, both present and future; (iii) Second charge on Receivables from Sabah Forest Industries Sdn Bhd	
24	IDBI	13,827			13,827	4.8% + LIBOR	The loan is secured by way of corporate guarantee of holding company Ballarpur Industries Limited.	Repayable in three annual equal installments ending in October, 2021.
25	Credit-Agricole	38,028			38,028	4.8% + LIBOR	The Loan was secured by corporate guarantee of holding company 'Ballarpur Industries Ltd' & lender has invoked the corporate guarantee.	Repayable in three annual equal installments ending in January, 2021. The lender has initiated the acceleration of period clause for recovery of outstanding loan.
26	ICICI Bank Limited	5,754			5,754	2.5% plus EUROBOR	The loan is secured by way of SBLC from Indusind Bank.	Repayable in three annual equal installments ending in March, 2019. The lender has granted the roll over till 12th April, 2019.
27	DBS Bank	9,392			9,392	3.25% + LIBOR	The loan is secured by way of first preferential charge over shares of Sabah Forest Industries Sdn. Bhd. (SFI), a stepdown subsidiary.	Any proceeds which are transferred or paid to the Company by SFI (including any proceeds from a disposal of all or any part of SFI's assets or business), in any manner whatsoever, shall be applied in the following order: i) First, in or towards discharging any fees owing to the ECL. (ii) Second, any interest payable in respect of the DBS BPH Credit Agreement and (iii) third, the DBS BPH Credit Agreement Liabilities and the Edelweiss Credit Agreement Liabilities, pari passu and without any preference between them, and (iv) fourth, liabilities under the DBS BGPPL Guarantee.
Total c/f		3,90,044	21,523	13,850	4,25,416			

BALLARPUR INDUSTRIES LIMITED

Notes accompanying the consolidated financial statements

25 Borrowings (Ctd..)(k) Secured borrowings from banks and financial institutions (Ctd..)
As at 31 March 2019

₹ 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	Maturity	
	Total b/f	3,90,044	21,523	13,850	4,25,416				
28	EC Holdings PTE Limited	15,851			15,851	13%	The loan is secured by way of pledge of 68.1% share capital of SFI and unconditional & irrevocable guarantee of Bilt Paper BV..	The loan is repayable in 12 equal quarterly installments starting by end of 15 month from the date of agreement 08th March, 2017 i.e. 08th June 18 ending on 07th June 22.	
29	Standard Chartered Bank (USD 25 Million)	5,224			5,224	LIBOR + 5%	The loan is secured by way of first pari passu charge over the current assets, fixed assets, land and receivables of Sabah Forest Industries Sdn. Bhd.	The loan is repayable by 10 equal semi-annual installments commencing from 8 February 2013.	
30	Standard Chartered Bank (USD 20 Million)	5,224			5,224	LIBOR + 3.20%	The loan is secured by way of first pari passu charge over the current assets, fixed assets, land and receivables of Sabah Forest Industries Sdn. Bhd.	The loan is repayable by 8 equal semi-annual installments commencing from 4 January 2014.	
31	RABO Bank (USD 50 Million)	5,224			5,224	LIBOR + 3.58%	The loan is secured by way of first pari passu charge over the current assets, fixed assets, land and receivables of Sabah Forest Industries Sdn. Bhd.	The loan is repayable by 8 equal semi-annual installments commencing from 15 March 2013.	
32	RABO Bank (USD 25 Million)	7,137			7,137	LIBOR + 3.65%	The loan is secured by way of first pari passu charge over the current assets, fixed assets, land and receivables of Sabah Forest Industries Sdn. Bhd.	The loan is repayable by 5 equal semi-annual installments commencing from 28 September 2014.	
33	ICICI Bank (USD 50 Million)	21,443			21,443	LIBOR + 3.94%	The loan is secured by way of first pari passu charge over the current assets, fixed assets, land and receivables of Sabah Forest Industries Sdn. Bhd.	The loan is repayable by 19 unequal quarterly installments commencing from 28 December 2013.	
34	ICICI Bank (USD 25 Million)	14,759			14,759	LIBOR + 4.02%	The loan is secured by way of first pari passu charge over the current assets, fixed assets, land and receivables of Sabah Forest Industries Sdn. Bhd.	The loan is repayable by 24 unequal quarterly installments commencing from 31 January 2014.	
	Less: Current maturities	4,64,907	21,522	13,850	5,00,279				
		1,88,824	110	4,400	1,93,334				
		2,76,083	21,412	9,450	3,06,945				

BALLARPUR INDUSTRIES LIMITED**Notes accompanying the consolidated financial statements****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	
	2019-20	2018-19
Financial year 2019-20	NA	70,370
Financial year 2020-21	21,165	31,301
Financial year 2021-22	43,435	38,803
Financial year 2022-23	53,588	42,698
Financial year 2023-24	56,454	45,857
Financial year 2024-25	56,707	46,072
Financial year 2025-26	62,371	50,657
Financial year 2026-27	57,960	47,105
Financial year 2027-28	4,179	3,558
	3,55,859	3,76,421

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-20	Amount of redemption as on Mar-19
31 March 2034	40,874	23,406
31 March 2035	49,999	28,628
	90,873	52,034

- (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	
		2019-20	2018-19
Avantha International Assets B.V.	Zero Coupon	4,778	3,982
Less: Current maturities		-	-
		4,778	3,982

BALLARPUR INDUSTRIES LIMITED**Notes accompanying the consolidated financial statements**

The balance outstanding as at 31 March 2019 was due for conversion in the financial year ending 2021-22.

(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	
	2019-20	2018-19
VAT & CST collected in 2010-11 payable in 7 equal annual instalments from 2029. (Interest free)	98	90
VAT & CST collected in 2011-12 payable in 7 equal annual instalments from 2030. (Interest free)	346	317
VAT & CST collected in 2012-13 payable in 7 equal annual instalments from 2031. (Interest free)	258	317
VAT & CST collected in 2013-14 payable in 7 equal annual instalments from 2032. (Interest free)	261	321
VAT & CST collected in 2014-15 payable in 7 equal annual instalments from 2033. (Interest free)	221	269
VAT & CST collected in 2015-16 payable in 7 equal annual instalments from 2034. (Interest free)	279	256
VAT & CST collected in 2016-17 payable in 7 equal annual instalments from 2035. (Interest free)	199	183
VAT & CST collected in 2017-18 payable in 7 equal annual instalments from 2036. (Interest free)	65	60
	1,727	1,813
Less: Current maturities	-	-
	1,727	1,813

(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

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.

BALLARPUR INDUSTRIES LIMITED

Notes accompanying the consolidated financial statements

The Particulars of amounts deposited for non-assenting lenders is as follows:

Terms of repayment	Ageing of amount deposited			
	Amount deposited	Upto 3 months	3 to 6 months	6 to 12 months
Kotak Mahindra Bank Limited	1,472	174	176	351
	1,472	174	176	351

Terms of repayment	Ageing of amount deposited		
	more than 12 months	6 to 12 months	more than 12 months
Kotak Mahindra Bank Limited	771	351	771
	771	351	771

The particulars of amount deposited for non-assenting lenders as at 31 March 2019 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
HDFC Bank Limited	320	71	73	145	31
IDBI Bank Limited	2,405	536	548	1,092	229
Kotak Mahindra Bank Limited	768	171	175	349	73
	3,493	778	796	1,586	333

(p) Working capital loans

The working capital loan carry interest at 9% p.a (As at 31 March 2019 - interest at 9% p.a)

25 Borrowings (Ctnd..)

(q) Secured term loans

In Ballarpur International Holdings B.V. (BIH), term loan of USD 24.5 million has been obtained from JP Morgan Chase Bank (rate of interest 1.5% + LIBOR) is secured by corporate guarantee of holding company 'Ballarpur Industries Ltd'. The loan was drawn down on 13 July, 2015 and is being repaid during the financial year ending March 2019.

In Ballarpur International Holdings B.V. (BIH), 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 holding company 'Ballarpur Industries Ltd'. 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 Ballarpur Industries Limited via letter dated 28.06.2019. Now ,the loan has become payable to Ballarpur Industries Limited.

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In Ballarpur International Holdings B.V. (BIH), 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 holding company 'Ballarpur Industries Ltd'. 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 (BILT) 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 BPBV's pledged shares held by The Company 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), BIH 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. Company 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 Company 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 company has defaulted on payment. The loan was secured by the Stand by Letter of Credit issued (SBLC) by Indusind Bank Limited in Ballarpur Industries Ltd. The bank has invoked the SBLC. Now, the loan has become payable to Ballarpur Industries Limited.

Unsecured term loans

In Ballarpur International Holdings B.V., in accordance with the Subscription and Participation Agreement signed between the Company, Ballarpur Industries Limited and Avantha International Assets B.V. (AIA) (earlier held by JP Morgan Special Situations Asia Corporation), the Company has issued Zero Coupon Convertible bonds. The conversion rights under the agreement provides the right to a holder to convert them into Conversion Shares, 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 notes are yet to be converted.

(r) Short Term Borrowings

- a) In Ballarpur International Holdings B.V. (BIH), BIH has obtained short term facility from Indusind Bank equivalent to USD 30 Million (rate of interest 2.5 % plus EUROBOR) 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 subsidiary SFI.
- ii) Conversion of CCD held by Ballarpur Paper Holdings B.V. (the step-down subsidiary) 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.

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- b) In Ballarpur Paper Holdings B.V. (BPHBV), term loan of USD 15 million has been obtained in May'2016 from DBS Bank (rate of interest 3.25% + Libor) out of which USD 1,500,000 principal amount has been repaid in the March'17. The loan is secured by the corporate guarantee of BILT Paper B.V. The loan was originally repayable in two equal installments, first being due within 11 weeks of agreement date (i.e. August' 2016) and rest on termination date (i.e. 3 months from the agreement date i.e. August'2016)

In Ballarpur Paper Holdings B.V. (BPHBV), term loan of USD 23 million has been obtained from EC Holdings Pte Ltd. and EISAF-II Pte Ltd (rate of interest 13%). The loan is secured by the corporate guarantee of BILT Paper B.V. and 70% shares of borrower's company is being pledged against the facility obtained. The amount is to be repaid in quarterly installment of 6.66% of original amount borrowed starting from the quarter Jun'18 to Dec'20 and the balance 26.74% is repayable in Mar'21. Consequent to default in servicing of debt, The lender's invoked the voting rights of the pledged Shares on 25 February 2021.

In Ballarpur Paper Holdings B.V. (BPHBV), the BPHBV has obtained of USD 23.50 Million from Ballarpur International Holdings B.V. (rate of interest 1.9% p.a.). The loan was repayable in single installment after 35 months of the disbursement or the date of repayment of JPM Loan amount. During the previous year, the total loan amount has been squared off with the amount of loan given to BGGPL Ltd in full. subsequently the same has been reversed as the Company could not obtained the necessary regulatory approval. Further the loan is secured by Conversion of CCD held by Ballarpur Paper Holdings B.V. (the Holding Company) 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) Assets hypothecated/mortgaged as security for the borrowings of the Company

Pursuant to Debt Restructuring Scheme (Refer Note 44), during the previous year 2017-18 there had been change in the lenders to whom the assets of the Company are pledged as security. The assets of the Company pledged to lenders as on 31 March 2020 broadly are as follow:

- 1) All movable fixed assets and all immovable properties both present and future including assets associated with group of assets classified as held for sale and discontinued operations;
- 2) All current assets both present and future.
- 3) The Company has also pledged the Shares of Ballarpur Paper Holdings B.V (BPH) (Holding Company).

26 Lease Liabilities

Particulars	₹in Lakhs	
	As at 31 March 2020	As at 31 March 2019
Lease Liabilities Non Current	2,020	-
Lease Liabilities Current	226	-
	2,246	-

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Notes accompanying the consolidated financial statements

27 Other financial liabilities

Particulars	₹in Lakhs	
	As at 31 March 2020	As at 31 March 2019
Security Deposit	1,069	4,145
Due to Related Parties (Refer note 49)	-	-
	1,069	4,145

28 Provisions - Non current

Particulars	₹in Lakhs	
	As at 31 March 2020	As at 31 March 2019
Provisions for employee benefits		
Provision for gratuity (Refer note 48 & a below)	7,163	5,920
Provision for leave encashment [Refer note (a) below]	3,428	3,072
	10,591	8,992

- (a) Actuarial valuation has not been carried out for gratuity and compensated absences obligation as at 31 March 2020 towards Kamalapuram Unit and Head Office. Provision has been created as at 31 March 2020 based on management's internal estimation for these cases. (Also refer note 48)

29 Other non current liability

Particulars	₹in Lakhs	
	As at 31 March 2020	As at 31 March 2019
Other Liabilities	19	20
	19	20

30 Trade payables

Particulars	₹in Lakhs	
	As at 31 March 2020	As at 31 March 2019
Due to		
(a) Due to Micro and small enterprises [refer note (c) below]	3,721	3,732
b) Due to other than micro and small enterprises		
Related Parties (Refer note 49)	691	2,607
Others	63,238	89,467
	63,929	92,074
Total (a + b)	67,650	95,806

(a) "0" represent amount below ₹ 50,000/-

(b) All trade payables are non interest bearing and payable or settled within the normal operating cycle of

(c) The disclosures under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act)

BALLARPUR INDUSTRIES LIMITED**Notes accompanying the consolidated financial statements**

Particulars	₹ in Lakhs	
	As at 31 March 2020	As at 31 March 2019
Principal amount remaining unpaid to any supplier at the end of year	3,721	3,732
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	477
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	7,123
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	290
Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act	922	698
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	-	-

31 Other financial liabilities

Particulars	₹ in Lakhs	
	As at 31 March 2020	As at 31 March 2019
Current maturities of long term debt (Refer note 25)	1,16,815	2,78,414
Current Maturities Of loan from related party	593	(0)
Bank book overdrawn	42	2,210
Interest accrued but not due on borrowings (Refer note 60)	1,93,681	1,37,031
Security deposits	4,499	1,536
Payables for capital goods	1,453	2,116
Payable to employee	11,726	17,733
Liability for compulsory / optional buyback	235	235
Unpaid dividends	28	45
Derivative financial instruments (Interest Swap)	-	49
Interest accrued on security deposits	249	264
Due to related parties	13,816	30,414
Retention money	-	-
Liability incurred on behalf of related party [refer note (a) below]	71,997	-
Other payables	1,724	21,931
	4,16,857	4,91,978

- (a) Current maturities includes Rs. Nil Lakhs (as at 31 March 2019 Rs. 49,659 Lakhs) due to lenders who did not opt to the MRA. Refer note 44.

BALLARPUR INDUSTRIES LIMITED**Notes accompanying the consolidated financial statements****32 Other current liabilities**

Particulars	₹ in Lakhs	
	As at 31 March 2020	As at 31 March
Advance received from customers		
From Related Party (Refer note 49)	549	1,564
From Others	2,662	1,952
Statutory dues	9,941	8,354
Other Payable		
Advance against sale of land	-	549
Advance against sale of discontinued operations	16,959	20,462
	30,111	32,881

33 Provisions - current

Particulars	₹ in Lakhs	
	As at 31 March 2020	As at 31 March
Provisions for employee benefits :		
Provision for gratuity (Refer note 48)	2,705	1,924
Provision for leave encashment	1,161	1,453
Others provisions (Refer note below)	3,906	3,692
	7,772	7,069

Disclosures pursuant to Ind AS 37 'Provisions, contingent liabilities and contingent assets'**(a) Movement in provisions**

Particulars	₹ in Lakhs			
	Anti-dumping duty	Water cess	Provision for disputed sales tax / VAT liability	Total
As at 1 April 2018	44	2,516	150	2,710
Reclassifications	-	-	-	-
Additional provision during the year	-	1,144	5	1,149
Provision used / reversed during the year	(27)	(140)	-	(167)
As at 31 March 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 31 March 2020	44	3,703	159	3,907

(b) Nature of provision**(i) Anti-dumping duty**

Liability provided for Anti-dumping duty was against import of Latex. During the financial year 2004-05 and 2005-06, Latex was imported against different Bill of Entries, which fell under the tariff heading 'CTH 4002 1100'. During the assessment, statutory authorities treated the goods under the Heading 4002.19 'Styrene Butadiene Rubber' of different series and levied anti-dumping duty vide Notification no. 100/2004-Cus dated 26 September 2004.

(ii) Water cess

Provision for Water Cess / Charges refers to liability for water supply charges from Wardha River to the Collector, Chandrapur that is expected to be paid in future.

(iii) 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.

(iv) Disclosures in respect of contingent liabilities is given in note 46.

BALLARPUR INDUSTRIES LIMITED**Notes accompanying the consolidated financial statements****34 Current tax liability (net)**

Particulars	₹ in Lakhs	
	As at 31 March 2020	As at 31 March 2019
Provision for current taxes (net of income taxes paid)	7,811	7,166
	7,811	7,166

35 Revenue from operations

Particulars	₹ in Lakhs	
	2019 - 20	2018 - 19
Sale of products*		
Paper (including coated)	3,14,645	3,58,417
Others	7,614	1,158
	3,22,259	3,59,575
Other operating revenue		
Mega project benefit	1,335	811
Scrap sale	643	963
Other operating income	257	226
Export incentive	2,956	2,731
	5,191	4,731
	3,27,450	3,64,306

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

(a) Reconciliation of revenue from contract with customers	₹ in Lakhs	
Particulars	2019 - 20	2018 - 19
Revenue from contract with customers as per contract price (net of discounts/rebates/incentives)*	3,22,259	3,59,575
Other operative revenue	5,191	4,731
Revenue from operations	3,27,450	3,64,306

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

(b) Disaggregation of revenue from contracts with customers is the same as disclosed in note 46 pursuant to Ind AS 108 'Operating Segments'.

(c) Contract balances

Particulars	2019 - 20	2018 - 19
Trade receivables	52,427	17,464
Contract assets	-	-
Contract liabilities (Advance received from customers)	3,211	3,516

(d) The Company has recognized allowance for expected credit loss amounting to Rs. 2,542 Lakhs towards trade receivable (Previous year: Rs. 65 Lakhs) (Refer note 15).

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

BALLARPUR INDUSTRIES LIMITED**Notes accompanying the consolidated financial statements****35 Revenue from operations (Ctnd..)**

Particulars	2019 - 20	2018 - 19
Contract liability as at the beginning of the year	3,516	3,182
Advance received during the year	257	3,003
Invoices raised on satisfaction of performance obligation	215	2,669
Amount write back/adjust during the year	254	-
Contract liability as at the end of the year	3,734	3,516

- (f) Other disclosures
- (i) Company 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) The Company does not have any remaining performance obligation as contracts entered for sale of goods are for shorter duration.
- (iv) Other details with respect to performance obligation, transaction price, etc are disclosed in Note

36 Other income

Particulars	₹in Lakhs	
	2019 - 20	2018 - 19
Gain on foreign currency fluctuations (net)	6,512	454
Rent and license fee [Refer note (a) below]	110	101
Gain on Sale of Investment(net)	322	-
Unspent liabilities and excess provisions of earlier years written back	255	2,823
Interest income	279	940
Other non operating income	692	459
	8,170	4,777

(a) Includes Rs. 50 Lakhs gain on cancellation of lease agreement during the current year. (Refer note 53).

37 Cost of material consumed

Particulars	₹in Lakhs	
	2019 - 20	2018 - 19
Bamboo	6,197	6,690
Wood and wood species	47,800	50,958
Chemicals	61,031	62,288
Wood pulp	51,372	62,973
Packing materials	7,708	8,356
Others	10	484
	1,74,118	1,91,749

37a Purchase of stock-in-trade

Particulars	2019 - 20	2018 - 19
Stock-in-trade	2,625	363
	2,625	363

BALLARPUR INDUSTRIES LIMITED**Notes accompanying the consolidated financial statements****38 Changes in inventories of finished goods, stock-in-trade and work-in-progress**

Particulars	₹ in Lakhs	
	2019 - 20	2018 - 19
Stocks at the beginning of the year		
Finished goods (including stock in trade)	10,333	6,760
Work in progress	4,589	4,961
	14,922	11,721
Stocks at the end of the year		
Finished goods (including stock in trade)	11,875	10,333
Work in progress	7,374	4,589
	19,249	14,922
Net (increase)/decrease in stocks	(4,327)	(3,201)
Adjustment for loss of control in subsidiaries	-	(433)
Net (increase)/decrease in stocks	(4,327)	(3,634)

39 Employee benefits expense

Particulars	₹ in Lakhs	
	2019 - 20	2018 - 19
Salaries and wages	22,762	24,674
Contribution to provident and other funds (Refer note 48)	1,086	1,098
Staff welfare expenses	1,365	1,416
	25,213	27,188

40 Finance costs

Particulars	₹ in Lakhs	
	2019 - 20	2018 - 19
Interest expenses (Refer note 25)	1,15,532	82,953
Other borrowing costs	2,876	1,579
Net loss / (gain) in foreign currency transaction and translation	523	167
Less: Interest earned:-	(6,843)	(444)
	1,12,088	84,255

- (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
- (d) Interest expenses includes Rs. 807 Lakhs towards cash flow monitoring fees claimed by ECL Finance Limited (Refer Note 44).

41 Depreciation and amortisation expense

Particulars	₹ in Lakhs	
	2019 - 20	2018 - 19
Depreciation on property, plant and equipment	21,481	24,095
Amortization of intangible assets	1,373	2,460
Amortization of Right of use Assets	427	-
	23,281	26,555
Adjustment pertaining to discontinued operations	-	-
	23,281	26,555

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42 Other expenses

Particulars	₹ in Lakhs	
	2019 - 20	2018 - 19
Consumption of stores and spare parts	7,363	7,225
Power and fuel	37,674	48,094
Rent	13	912
Repairs to buildings	347	474
Repairs to machinery	5,598	4,933
Repairs others	526	440
Loss on foreign currency fluctuations (net)	4	9
Insurance	455	315
Rates and taxes	3,536	2,286
Other manufacturing expenses	1,137	831
Office & other expenses	4,898	6,282
Bank charges	248	295
Commission on Sale	1,175	1,176
Selling expenses	31	398
Bad Debts and allowance for impairment of financial assets (net)	3,067	991
Inventory written off	260	302
Balances written off (net)	619	1,209
Loss on sale of PPE (net)	2	81
Fair valuation loss on Investment (net)	35	-
Assets discarded	296	127
Carriage and freight	4,320	5,407
Director sitting fees	69	94
Legal and professional charges [Refer note (a) below]	3,030	3,946
Miscellaneous Expenses	-	89
	74,702	85,918

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

Particulars	₹ in Lakhs	
	2019 - 20	2018 - 19
Statutory auditors		
Statutory audit fee	139	103
Limited Review	13	8
Other services (including certification fees)	28	23
Reimbursement of expenses	14	11
	194	145

43 Exceptional Items

Exceptional Items at Ballarpur Industries Limited

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

Exceptional loss for the previous year 2018-19 represents loss arising from impairment in the carrying value of property, plant and equipment of ₹ 34,697 Lakhs, impairment of investments held by the company in Premier Tissues (India) Limited of ₹ 2,934 Lakhs and loss on sale of surplus assets amounting to ₹ 76 Lakhs.

Exceptional Items at BILT Graphic Paper Products Limited (BGPPL)

Exceptional items for the financial year 2019-20 includes exceptional loss of ₹ 98,266 Lakhs (Previous year ₹ 12,507 Lakhs) and exceptional gain of ₹ Nil (Previous year ₹ 13,576 Lakhs).

Exceptional loss for the financial year 2019-20 represents loss arising on impairment in the carrying value of Property, Plant and Equipment of ₹ 6,521 Lakhs [Refer note 4], net loss of ₹ 249 Lakhs towards settlement reached with lenders during the year towards settlement/assignment of borrowings, and loss arising from execution of amendment to 'Master restructuring agreement' aggregating ₹ 91,496 Lakhs.

Exceptional gain for the financial year 2018-19 represents gain arising on One time settlement of loans by lender aggregating ₹ 13,576 Lakhs and is net of exceptional loss arising on impairment in the carrying value of Property Plant and equipment of ₹ 2,507 Lakhs and allowance for amount due

BALLARPUR INDUSTRIES LIMITED

Notes accompanying the consolidated financial statements

44 Debt restructuring

Debt restructuring at BILT Graphic Paper Products Limited (BGPPL)

The Company 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 Company 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 Company under the provisions of the Insolvency & Bankruptcy Code, 2016. The Company had appealed to the Hon'ble High Court of Delhi and obtained a stay on RBI's directive to IDBI Bank for taking the Company 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 Company's legal counsel, the Company had given effect to the MRA in the financial statements for the year ended 31 March 2018.

The MRA envisaged the following restructuring scheme:

- 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 Company as (a) Rupee Term Loan ("RTL"), (b) Non-convertible debentures ("NCD"), (c) Compulsorily redeemable preference shares ("CRPS") and (d) Equity shares.
- 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 Company.
- 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 Company 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 Company 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

- unsecured borrowing facilities from DBS Bank (since assigned to EARC TrustSC-356) were revised by an aggregate amount (including interest) of ` 218 lakhs which resulted in an increase in the RTL 1 loan by ` 80 lakhs, NCD by ` 45 lakhs, CRPS by ` 64 lakhs, FITL by ` 7 lakhs and Equity share capital by ` 22 lakhs.
- the Company had entered into a settlement agreement with Finquest Financial Solutions Private Limited ("FFSPL") as per which FFSPL agreed to accept a reduced value of ` 5412 lakhs towards settlement of the total outstanding dues as on COD (before restructuring) resulting in a reduction in RTL 1 loan by ` 6,086 lakhs, NCD by ` 3,500 lakhs, CRPS by ` 1,356 lakhs, FITL by ` 503 lakhs, interest accrued on the restructured borrowings of ` 985 Lakhs, equity component of CRPS - ` 4,769 lakhs and other equity by ` 1,750 lakhs and an exceptional gain of ` 13,575 lakhs during the financial year 2018-19.
- the Company repaid ` 5,833 lakhs (including interest of ` 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 ` 49,659 Lakhs.

During the financial year 2019-20

- During the year IDBI has assigned their loan to EARC Trust - SC 382. The Company 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 (Refer note 38). and resulted in reduction in the RTL 1 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.
- During the year, the Company has paid OTS Lenders by ` 12,715 lakhs (excluding reversal of foreign exchange loss of ` 422 lakhs)
- 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.
- As OTS Lenders were not settled within the stipulated timelines, the lenders and the Company 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 Company 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 Company 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:

Debt Restructuring Scheme (Contd.)

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

BALLARPUR INDUSTRIES LIMITED

Notes accompanying the consolidated financial statements

* 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 Company has complied with the relevant requirements of Master Directions on ECB issued by RBI and accordingly accounted for restructuring of outstanding as at 31 March 2020.

The financial obligation as above is restructured as follows

" in Lakhs

Facility	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	#####	1,51,413
Funded Interest term loans (FITL)*	854	3,110	3,963
	30,529	#####	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 company is eligible for performance linked sweat equity shares of the company to the extent of 7.5% of the issued and paid up equity share capital of the company at the time of issuance of equity shares based on pre agreed milestones in three tranches. As on 31 March 2020, the Company 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. (Refer note 44).
- Priority loans aggregating ` 30,050 Lakhs obtained by the Company 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 Company 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 Company 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 Company 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 Company, 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 Company 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 Company. During the year, the Company 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.

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Notes accompanying the consolidated financial statements

45 Going concern

(a) Holding Company ("BILT")

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 60, pursuant to commencement of CIRP, the Board of Directors of the Company stand suspended and the management of the Company vested with the RP. The RP is expected to make every endeavour to protect and preserve the value of the property of the Company and manage the operations of the Company as a going concern. Pending outcome of the CIRP, the standalone financial statements have been prepared on a going concern basis.

Going Concern at BILT Graphic Paper Products Limited (BGPPL)

As at the year end, the accumulated losses of the Company exceed its share capital and have a net outflow of cash during the current year and the immediately preceding previous year. The manufacturing units at Ballarpur and Bhigwan continue to operate at 80% capacity and generated an EBITDA of ` 42,659/- Lakhs and ` 13,672/- Lakhs in the current year respectively. The net profit of the Company continued to be impacted by the working capital constraints and delay in settlement with its lenders. However, the performance of the Company is likely to be impacted in the financial year 2020-21 due to COVID 19 and is likely to result in reduced cash flows.

The ability of the Company to continue as a going concern is dependent on the following;

- a) The ability of the Company to operate at optimal capacity and revival of demand in the post COVID environment.
- b) Realisation of receivables from Sabah Forest Industries (SFI); and.
- c) The Successful outcome of the cases surrounding the MRA.

Based on evaluation of the projected cash flows from operations, potential savings in finance costs arising upon signing of the "Master Restructuring Agreement" with its lenders, realisation of advances paid to SFI for purchases and sale of other noncore assets, the management is confident of overcoming the aforesaid challenges and expects to meet its obligations as and when they arise for at least next one year.

Going Concern at Ballarpur Paper Holdings B.V. (BPH)

During the year the Company has total comprehensive loss of Rs. 5,637,022,187/- (Previous year total comprehensive loss of Rs. 1,489,407,7380. As at 31st March, 2020, the accumulated losses (including other comprehensive loss) of the Company was Rs. 22,595,784,006/- (Previous year Rs. 16,958,761,818/-). which have fully eroded the net worth of the Company and the Company's current liabilities exceeded its current assets by Rs. 10,809,865,697/- (Previous year Rs. 7,226,077,466/- 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.

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

During the year the Company has total comprehensive loss of Rs. 18,607,572,094/- (Previous year total comprehensive loss of Rs. 409,982,357/-). As at 31st March, 2020, the accumulated losses (including other comprehensive loss) of the Company was Rs. 20,728,104,068/- (Previous Year Rs. 2,120,531,974/-). which have fully eroded the net worth of the Company and the Company's current liabilities exceeded its current assets by Rs. 10,812,576,764/- (Previous Year Rs. 11,406,778,917/-). 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.

Going Concern at Ballarpur Speciality Paper Holdings B.V. (BSPH)

Further, during the year the Company has Total Comprehensive loss of Rs. 2,692,359/- (Previous year Total Comprehensive Income of Rs. 2,780,596/-). As at 31st March, 2020, the accumulated losses (including other comprehensive loss) of the Company was Rs. 28,898,323/- (Previous Year Rs. 26,205,964/-). which have fully eroded the net worth of the Company and the Company's current liabilities exceeded its current assets by Rs.27,625,520/- (Previous Year Rs.24,933,161/-). 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.

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

During the year the Company has total comprehensive loss of Rs. 25,396,296,807/- (Previous year total comprehensive Income of Rs. (3208,827,257/-). As at 31st March, 2020, the accumulated (losses)/ Profit (including other comprehensive loss) of the Company was Rs.(19,734,996,070)/- (Previous Year Rs. 7,886,843,590/-) which have fully eroded the net worth of the Company and the Company's current liabilities exceeded its current assets by Rs. 7,593,348,919/- (Previous Year Rs. 1,481,268,223/-). As the management believes that, negative working capital would not cause economic difficulties. In view of the Management's expectation of above the financial statements have been prepared on a going concern basis.

BALLARPUR INDUSTRIES LIMITED

Notes accompanying the consolidated financial statements

46 Contingent Liabilities and commitments

Particulars	₹ in Lakhs	
	As at 31 March 2020	As at 31 March 2019
(a) Contingent liabilities		
Claims against the Company not acknowledged as debts [Refer note (i) below]	1,19,068	1,43,462
Corporate guarantees issued by the Company on behalf of subsidiaries (Refer note (i)&(ii))	6,93,483	1,56,902
Guarantees issued by the Group to banks towards farmers' loans	-	-
Indemnity and undertaking executed for stand-by Letter of credit facility on behalf of one of the subsidiaries (Refer note (i))	-	19,868
Guarantees	200	-
Letter Of Credit Outstanding	-	-
	8,12,751	3,20,232
(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	276
	475	276

Other Contingent Liabilities and commitments

- (i) During the year ended 31 March 2020, the Company 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 Company 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 Company. The Same is reported as a contingent liability as at 31 March 2020. Based on the assessment by the Company's counsel these claims are untenable as the Company has a fairly strong case. During the year 2016-17, considering the overall exposure, various receivables from and payables to related parties have been adjusted/set off in the books of account of the company based on the understanding with related parties which has now been disputed by CG Group.
- (ii) Further, 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 company which are being furnished. It is not possible to predict the outcome of the pending litigations with accuracy, the Company believes, based on legal opinions received, that it has meritorious defences to the claims. The management believe the pending actions will not require outflow of resources embodying economic benefits and will not have a material adverse effect upon the results of the operations, cash flows or financial condition of the Company.
- (iii) During the year, 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 [Refer note 25].
- (iv) During the year, 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 ₹ 1,516 Lakhs. Since no demand is received from APTRANSCO, the liability is not accrued as at 31 March 2020 and the same is reported as contingent liability.
- (v) During the year, 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 ongoing CIRP, the Company is unable to pursue further appeals in higher forums. The liability towards these cases amounting to ₹ 111 Lakhs is considered as contingent liability as
- (vi) The Company has jointly granted with Ballarpur Paper Holdings B.V. to the lender a corporate guarantee of INR 1500 Million on behalf of Bilt Graphic Paper Product Limited.
- (vii) The company has granted to the lender a corporate guarantee of INR 1500 Million on behalf of Ballarpur Paper Holding B.V.
- (viii) The Company has jointly granted with Ballarpur Paper Holdings B.V. to the lender a corporate guarantee of INR 1500 Million on behalf of Bilt Graphic Paper Product Limited.
- (ix) The Company has granted to the lender a corporate guarantee of USD 75 Million on behalf of Sabha Forest Industries Sdn Bhd.
- (x) The Company has jointly granted with Ballarpur Paper Holdings B.V. to the lender a corporate guarantee of INR 1500 Million on behalf of Bilt Graphic Paper Product Limited.
- (xi) The Company has jointly granted with Bilt Paper B.V to the lender a corporate guarantee of INR 1500 Million on behalf of Bilt Graphic Paper Product Limited.
- (xii) The Company has granted to the lenders a corporate guarantee of INR 40,280.40 Million on behalf of BILT Graphics Paper Products Limited.
- (xiii) The Company has granted a corporate guarantee of INR 400 Million to the lender on behalf of BILT Graphics Paper Products Limited.
- (xiv) The Company has granted a corporate guarantee of USD 215 Million to the lender of associates companies.
- (xv) The Parent had availed and utilized ineligible input credit of Goods & Service Tax amounting to Rs. 282 lakhs as at 31st March, 2020. The Company had availed and utilized input credit of Rs. 282 lakhs on inward supplies of goods and services whereas the liability to the vendor had not been settled for more than 180 days (time limit specified in the second proviso to sub-section (2) of section 16 of Central Goods and Service Tax Act, 2017) as at 31st March, 2020. Accordingly, as per Rule 37 of Central Goods and Service Tax (CGST) Rules, 2017, the Parent was required to reverse the input credit and settle such input credit as outward tax liability
- (xvi) The Financial Statements of 3 step down foreign subsidiaries (Mirabelle Trading Pte. Ltd., Sabah Forest Industries and BILT General Trading (FZE) which have a total assets base of Rs. 2,91,037 lakhs and which are material to the group are unaudited.

BALLARPUR INDUSTRIES LIMITED

Notes accompanying the consolidated financial statements

- (xvii) In case of step down subsidiary company Bilt Graphic Paper Products Limited ("BGPPL"), dues from related parties includes Rs.44,723 lakhs net due from Sabah Forest Industries("SFI"),a fellow subsidiary of BGPPL,which is under resolution process in Malaysia.BGPPL had created provision for expected credit loss of Rs 13,424 lakhs as at 31st March, 2020 towards the receivable from SFI.

47 Put Options

The Parent had written options in favour of investors of Bilt Paper B.V, a step down subsidiary of the Parent, which requires the Parent to comply with 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 exercise period has commenced and the option holders have not exercised the option as at 31 March 2020. Pending conclusion of the CIRP proceedings, the Parent is unable to determine the potential outflow arising from exercise of the option by the holder and has accordingly not recognised any liability in these financial statements for the option. Also as per the Resolution plan approved by the Hon'ble National Company Law Tribunal Bench, Mumbai on 31.03.2023 there is no Provision for the 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	
	2019 - 20	2018 - 19
Employer's contribution to provident fund	573	497
Employer's contribution to superannuation fund	70	71
Employer's contribution to pension scheme	443	530
	1,086	1,098

(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 Parent has taken actuarial valuation of the gratuity obligation pertaining to Shreegopal Unit. The actuarial valuation of gratuity obligation pertaining to Kamalapuram Unit and Head Office have not been done as at 31 March 2020 and provision has been recognized based on management's internal estimation. The provision as at 31 March 2020 created based on management's internal estimation is ₹ 924 Lakhs. Further, disclosure pursuant to Ind AS 19 "Employee Benefits" is not provided since actuarial valuation is not done for Kamalapuram Unit and Head Office. The disclosure pursuant to Ind AS 19 for the

ii) Amounts recognized in balance sheet

Particulars	₹ in Lakhs	
	As at 31 March 2020	As at 31 March 2019
	Gratuity	Gratuity
Present value of defined benefit obligation		
- wholly funded	1,258	986
- wholly unfunded	4,660	7,119
	5,918	8,105
Less: Fair value of plan assets	273	261
Amount recognized as a liability / (asset)	5,645	7,844
Net liability / (asset) - current	-	1,924
Net liability / (asset) - non-current	5,645	5,920

BALLARPUR INDUSTRIES LIMITED**Notes accompanying the consolidated financial statements****iii) Reconciliation of opening and closing balances of the present value of the obligations**

Particulars	₹in Lakhs			
	2019 - 20		2018 - 19	
	Gratuity (funded)	Gratuity (unfunded)	Gratuity (funded)	Gratuity (unfunded)
Opening balance of present value of obligation	1,015	3,875	770	6,478
Current service cost	70	255	60	351
Interest on obligation	73	282	58	482
Acquisition	-	-	-	3
Re-Measurement (or Actuarial) (gain) / loss arising from:	-	-	-	-
- change in demographic assumptions	(3)	268	(14)	(62)
- change in financial assumptions	99	234	20	101
- experience variance (i.e. Actual experience vs assumptions)	76	119	142	233
Past service cost	-	-	-	-
Benefits paid	(43)	(373)	(50)	(397)
Less: Reclassified under held for sale	(29)	-	-	-
Less: Derecognition due to loss of control	-	-	-	(70)
Closing balance of present value of obligation	1,258	4,660	986	7,119

Disclosure pursuant to Ind AS 19 'Employee Benefits' (Ctnd..)**(b) Defined benefit plan (Ctnd..)****iv) Reconciliation of opening and closing balances of the fair value of plan assets**

Particulars	₹in Lakhs			
	2019 - 20		2018 - 19	
	Gratuity (funded)	Gratuity (unfunded)	Gratuity (funded)	Gratuity (unfunded)
Opening balance of fair value of plan assets	261	-	209	-
Investment Income	19	-	16	-
Contributions/Effects of business combinations or disposals	35	17	94	148
Benefits Paid	(43)	(17)	(50)	(148)
Return on plan assets, excluding amount recognised in net interest expense	1	-	(8)	-
Closing balance of fair value of plan assets	273	-	261	-

Expected contribution to the Gratuity Fund for FY 2019-20 - ` 804 lakhs

BALLARPUR INDUSTRIES LIMITED**Notes accompanying the consolidated financial statements****v) Amount recognized in statement of profit and loss**

Particulars	₹ in Lakhs			
	2019 - 20		2018 - 19	
	Gratuity (funded)	Gratuity (unfunded)	Gratuity (funded)	Gratuity (unfunded)
a) <u>Statement of profit or loss</u>				
Current service cost	70	255	60	351
Past service cost	-	-	-	-
Loss / (Gain) on settlement	-	-	-	-
Net interest income / (cost) on the net defined benefit liability (Assets)	54	282	42	482
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	102	833
b) <u>Other Comprehensive Income (OCI):</u>				
Actuarial (gain) / losses				
- change in demographic assumptions	(3)	268	(14)	(62)
- change in financial assumptions	99	234	20	101
- experience variance (i.e. Actual experience vs assumptions)	76	119	142	233
Return on plan assets, excluding amount recognised in net interest expense	(1)	-	8	-
	171	621	156	272
Remeasurement of defined benefit obligation pertaining to discontinued operations (Refer Note 56)	-	6	-	(237)
Total expenses recognized in OCI - [B]	171	627	156	35
Total expenses recognized in Statement of profit and loss [A+B]	295	1,164	258	868

BALLARPUR INDUSTRIES LIMITED

Notes accompanying the consolidated financial statements

48 Disclosure pursuant to Ind AS 19 'Employee Benefits' (Ctnd..)**(b) Defined benefit plan (Ctnd..)****vi) Principal assumptions****Economic assumptions**

Particulars	As at 31 March 2020		As at 31 March 2019	
	Gratuity (funded)	Gratuity (unfunded)	Gratuity (funded)	Gratuity (unfunded)
Discount rate	6.50%	6.50%	7.30%	7.30%
Salary growth rate	5.00%	5.00%	5.00%	0.00% - 5.00%

Demographic assumptions

Particulars	As at 31 March 2020		As at 31 March 2019	
	Gratuity (funded)	Gratuity (unfunded)	Gratuity (funded)	Gratuity (unfunded)
Retirement age (years)	60-58	60-58	60-58	60-58
Mortality Rate (as % of IALM 2012-14)	100.00%	100.00%		
Mortality Rate (as % of IALM 2006-2008)	0.00%	0.00%	100.00%	100.00%
Withdrawal/Attrition rate	0.00%	0.00%		
Upto 30 years	0.50%	0.5-12%	0.50%	0.50%
From 31 years to 44 years	2.00%	2-3%	2.00%	2.00%
More than 44 years	1.00%	1-10%	1.00%	1.00%

vii) Maturity Profile of Defined Benefit ObligationWeighted average duration (based on discounted cashflow)

Particulars	As at 31 March 2020	As at 31 March 2019
Gratuity (in years)	5 to 12	4 to 12

BALLARPUR INDUSTRIES LIMITED

Notes accompanying the consolidated financial statements

Disclosure pursuant to Ind AS 19 'Employee Benefits' (Ctnd..)

(b) Defined benefit plan (Ctnd..)

viii) Maturity Profile of Defined Benefit Obligation (Ctnd..)

Expected cash flows over the next (valued on undiscounted basis) ` in Lakhs

Particulars	As at 31 March 2020		As at 31 March 2019	
	Gratuity (funded)	Gratuity (unfunded)	Gratuity (funded)	Gratuity (unfunded)
1 year	68	661	48	1,876
2 to 5 years	226	1,945	197	2,532
6 to 10 years	589	1,985	462	2,298
More than 10 years	1,875	3,197	1,718	6,357

ix) Sensitivity Analysis

` in Lakhs

Particulars	Changes in assumptions	As at 31 March 2020		As at 31 March 2019	
		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	475	(546)
Salary growth rate	+/- 1%	479	(430)	(572)	506
Attrition rate	+/- 50%	82	(115)	(63)	70
Mortality rate	+/- 10%	9	(9)	(22)	22

x) 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 Company is exposed to various risks in provision the gratuity benefit which are as follows:

1) Interest rate risk

The plan exposes the Company 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 Company 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 Company has used certain mortality and attrition assumptions in valuation of the liability. The Company 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.

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

The Parent has taken actuarial valuation of the compensated absences obligation pertaining to Shreegopal Unit. The actuarial valuation of compensated absences obligation pertaining to Kamalapuram Unit and Head Office have not been done as at 31 March 2020 and provision has been recognized based on management's internal estimation. The provision as at 31 March 2020 created based on management's internal estimation is ` 296 Lakhs.

BALLARPUR INDUSTRIES LIMITED

Notes accompanying the consolidated financial statements

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

(a) Details of related parties with whom transactions were carried out during the year

(i) Key management personnel (KMP)

- | | |
|--|--|
| 1) Mr. B. Hariharan (upto 15 October 2019) | 10) Dr. Padmakumar Nair (w.e.f. 15 October 2019) |
| 2) Mr. Gautam Thapar (upto 15 October 2019) | 11) Ms. Yashashree Gurjar (w.e.f. 15 October 2019) |
| 3) Mr. R.R. Vederah | 12) Mr. Neehar Aggarwal (CEO) |
| 4) Mr. Sanjay Mohan Labroo (upto 12 May 2019) | 13) Mr. Yogesh Agarwal |
| 5) Mr. Amarjit Singh Dulat (upto 15 May 2019) | 14) Mr. Prakash Sundaraj Gopalan |
| 6) Mr. Sudhir Mathur (upto 15 May 2019) | 15) Mr. Sharad Sanjay Sen |
| 7) Mr. Amarendra Pratap Singh (upto 06 October 2019) | 16) Mr. Mukesh Chandra Madhukar |
| 8) Ms. Payal Chawla (upto 19 August 2019) | 17) Mr. S.K. Khandelwal (resigned w.e.f. 30-09-2019) |
| 9) Mr. Krishan Verma (upto 27 August 2019) | 18) Ms. Suchita Bhandari (resigned w.e.f 30-11-2019) |

(ii) Enterprise over which KMP is able to exercise control with whom the Group has entered into transactions during the year

- | | |
|---|--|
| 1) Saraswati Travels Private Limited | 14) Global Green Company Limited |
| 2) SMI New Quest India Private Limited | 15) Avantha International Asset B.V |
| 3) Biltech Building Elements Limited | 16) Avantha International Holding B.V |
| 4) CG Power and Industrial Solutions Limited
(formerly known as Crompton Greaves Limited) (upto 08 October 2019) | 17) TAF Asset 2 BV |
| 5) Avantha Holdings Limited | 18) MTP New Ocean (Mauritius) Limited |
| 6) Imerys Newquest (India) Private Limited. | 19) Korba West Power Company Limited |
| 7) Avantha Realty Limited | 20) CG Middle East FZE |
| 8) Mirabelle Trading Pte. Limited. | 21) Salient Business Solutions Limited |
| 9) Varun Prakashan Private Limited | 22) Avantha Technologies Limited |
| 10) BILT Industrial Packing Company Limited | 23) Jhabua Power Limited |
| 11) Solaris Chemtech Industries Limited | 24) Karam Chand Thapar & Bros. Ltd-PF Trust |
| 12) UHL Power Company Limited | 25) JCT Mills Ltd |
| 13) Avantha Power and Infrastructure Limited | 26) New Quest Insurance Broking Services Limited |
| | 27) Arizona Printers and Packers Private Limited |

BALLARPUR INDUSTRIES LIMITED**Notes accompanying the consolidated financial statements****# Disclosure of related parties / related party transactions pursuant to Ind AS 24 'Related Party Disclosures'****(b) Details of related party transactions**

Particulars	₹ in Lakhs	
	2019 - 20	2018 - 19
(i) Purchase of goods and services		
Biltech Building Elements Limited	326	266
SMI New Quest India Private Limited	5,417	5,638
CG Power and Industrial Solutions Limited	-	2
Imerys Newquest (India) Private Limited	9,829	9,701
Global Green Company Limited	1	2
Newquest Insurance Broking Services Limited	16	-
	15,590	15,609
	15,590	15,609
(ii) Sale of goods and services		
SMI New Quest India Private Limited	283	280
Biltech Building Elements Limited	97	89
Avantha Holdings Limited	53	48
Imerys Newquest (India) Private Limited	844	800
Global Green Company Limited	30	70
	1,306	1,287
	1,306	1,287
(iii) Rental expense		
Avantha Realty Limited	31	338
	31	338
	31	338

BALLARPUR INDUSTRIES LIMITED**Notes accompanying the consolidated financial statements****# Disclosure of related parties / related party transactions pursuant to Ind AS 24 'Related Party Disclosures'****(b) Details of related party transactions (Ctnd..)**

Particulars	₹in Lakhs	
	2019 - 20	2018 - 19
(iv) Rental income		
SMI New Quest India Private Limited	41	90
Avantha Holdings Limited	8	8
Imerys Newquest (India) Private Limited	0	-
Biltech Building Elements Limited	2	3
	52	101
	52	101
(v) Interest expense		
Karam Chand Thapar & Bros. Ltd-PF Trust	39	63
	39	63
	39	63
(vi) Reimbursement of expenses paid		
1) Other related parties		
Global Green Company Limited	-	-
	-	-
	-	-
(vii) Reimbursement of expenses recovered (Including employee deputation charges recovered)		
1) Other related parties		
Biltech Building Elements Limited	7	4
Imerys Newquest (India) Private Limited	6	8
Avantha Holdings Limited	2	6
	15	18
	15	18

BALLARPUR INDUSTRIES LIMITED**Notes accompanying the consolidated financial statements**

(viii) Advances given to related parties

1) Other related parties

Varun Prakahsan P. Ltd.

-	1,000	
-		1,000
-		1,000

(x) Director's sitting fees

Mr. Gautam Thapar

1 1

Mr. RR Vederah

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

2 -

Ms. Yashashree Gurjar

2 -

12 1

12 1

(xi) Payment of PF and loan recoveries

Karam Chand Thapar & Bros. Ltd-PF Trust

2,045	1,756	
2,045		1,756
2,045		1,756

(xii) Loan and Interest recovery

1) Other related parties

Karam Chand Thapar & Bros. Ltd-PF Trust

465	476	
465		476
465		476

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

(b) Details of related party transactions (Ctnd..)

₹ in Lakhs

Particulars	2019 - 20	2018 - 19
(xiii) Repayment of loans by related parties		
Global Green Company Limited	4	-
	4	-
	4	-
(xiv) Waiver of dues from related parties		
1) Other related parties		
Avantha Power and Infrastructure Limited	-	103
Solaris Chemtech Industries Limited	-	1,974
	-	2,077
		2,077
(xv) Payment for services of KMP		
B.Hariharan	-	811
Mr. Yogesh Agarwal	857	-
	857	811
	857	811

BALLARPUR INDUSTRIES LIMITED**Notes accompanying the consolidated financial statements****# Disclosure of related parties / related party transactions pursuant to Ind AS 24 'Related Party Disclosures'****(b) Details of related party transactions (Ctnd..)**

Particulars	₹ in Lakhs	
	2019 - 20	2018 - 19
(xvi) Advance receivables		
Avantha International Assets B.V.	256	-
	256	-
	256	-
(xvii) Other Payable		
CG Middle East FZE	3,741	-
CG Power and Industrial Solutions Ltd.	5,827	-
	9,568	-
	9,568	-
(xviii) Impairment loss on investment		
Avantha International Assets B.V.	1	-
TAF Asset 2 B.V.	3	-
	4	-
	4	-
(xix) Provision for expected credit loss		
Avantha International Assets B.V.	25	-
	25	-
	25	-
(xx) Advances Payables		
Avantha International Asset B.V.	211	-
	211	-
	211	-
(xxi) Assignment of dues to/from		
Avantha Holdings Limited [Refer note (d) (vii)]	-	4,813
Varun Prakashan Private Limited [Refer note (d) (vii)]	-	(4,813)
	-	-
	-	-

BALLARPUR INDUSTRIES LIMITED

Notes accompanying the consolidated financial statements

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

(c) Balances due to/from related parties

Particulars	₹ in Lakhs			
	As at 31 March 2020		As at 31 March 2019	
	Due to	Due from	Due to	Due from
1) Korba West Power Company Limited	-	-	0	-
2) Avantha Power and Infrastructure Limited	10	-	-	-
3) Avantha Realty Limited	7,403	-	7,375	-
4) Avantha Holdings Limited	-	533	356	-
5) Karam Chand Thapar & Bros. Ltd-PF Trust	952	-	921	-
6) CG Power and Industrial Solutions Limited	-	-	5,466	-
7) CG Middle East FZE	-	-	3,476	-
8) Saraswati Travels Private Limited	119	-	123	-
9) SMI New Quest India Private Limited	898	-	2,440	-
10) MTP New Ocean (Mauritius) Limited	-	-	703	-
11) Imerys New Quest (India) Private Limited	1,247	-	1,085	-
12) BILT Industrial Packaging Company Ltd	-	858	-	858
13) Global Green Company Limited	-	372	-	390
14) Arizona Printers & Packers Pvt. Ltd	-	1	-	1
15) UHL Power Company Limited	-	473	-	473
16) Varun Prakashan Private Ltd	-	1,000	-	1,000
17) Biltech Building Elements Limited	-	1,269	-	1,314
18) Mirabelle Trading Pte. Ltd.	-	-	-	11,004
19) New Quest Insurance Broking Services Limited	6	-	-	-
20) Avantha International Asset B.V	-	-	-	68
21) Avantha International Holdings B.V	-	-	-	1
22) TAF Asset 2 B.V	-	-	-	3
23) Premier Tissue India Limited	-	-	-	88
	10,636	4,506	21,945	15,200

(d) 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.
 - There have been no write back of dues to related parties during the year (2018-19 - ` Nil) other than the waiver as reported in the related party transactions.
 - There have been no write off of dues from related parties during the year (2018-19 - ` Nil).
 - For the year ended 31 March 2020, the Company has recognized provision for Expected credit loss of receivables relating to amounts due from related parties ` 42,211 (2018-19 - ` Nil). This assessment is undertaken each financial year examining the financial position of the related party and the market in which the related party operates.
 - During the year the company has recognised a loss allowance of ` 1,25,609 Lakhs (including ` 1,000 recognised in profit/(loss) from discontinuing operations) on receivables from related party. (2018-19 - ` 10,166 Lakhs).
 - Refer note 46 for guarantees issued by the Group on behalf of related parties
 - Balances due to and due from related parties (other than interest bearing loans) are unsecured, interest free and will be settled in cash. There are no guarantees provided or received for any related party receivables or payables.
 - During the year 2018-19, Company had entered into a Tripartite Settlement agreement with related parties, pursuant to which receivables amounting ` 4,813 Lakhs due from Varun Prakashan Private Limited had been settled against amount payable to Avantha Holding Limited.
- In Bilt Paper B.V., certain Balances of Related Parties and other Parties shown in other Payables are subject to reconciliation/confirmation and also the said Company 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.
 - In Ballarpur Speciality Paper Holdings B.V., certain Balances of Related Parties and other Parties shown in other Payables are subject to reconciliation/confirmation and also the said Company 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.
 - In Ballarpur International Holdings B.V. (BIH), certain Balances of Related Parties and other Parties shown in other Payables are subject to reconciliation/confirmation and also the said Company 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.
 - In Ballarpur Paper Holdings B.V., certain Balances of Related Parties and other Parties shown in other Payables are subject to reconciliation/confirmation and also the said Company 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.

BALLARPUR INDUSTRIES LIMITED**Notes accompanying the consolidated financial statements****50 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 31 March 2020	As at 31 March 2019
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 31 March 2020	As at 31 March 2019
Loss for the year from continuing operations (` Lakhs)	[A]	(2,09,213)	(83,535)
Share of non-controlling interest (` Lakhs)	[B]	(48,696)	(4,814)
Loss from continuing operations attributable to the owners of the Company (` Lakhs)	[C=A-B]	(1,60,517)	(78,721)
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]	(12.41)	(6.09)
Face value per equity share (`)		2	2

(c) From discontinued operations

Particulars		As at 31 March 2020	As at 31 March 2019
Loss for the year from discontinued operations (` Lakhs)	[A]	(39,472)	(23,635)
Share of non-controlling interest (` Lakhs)	[B]	(7,348)	(9,261)
Loss from discontinued operations attributable to the owners of the Company (` Lakhs)	[C=A-B]	(32,123)	(14,374)
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)	(1.11)
Face value per equity share (`)		2	2

(d) From total operations (continuing and discontinued operations)

Particulars		As at 31 March 2020	As at 31 March 2019
Loss for the year (` Lakhs)	[A]	(2,48,685)	(1,07,171)
Share of non-controlling interest (` Lakhs)	[B]	(56,045)	(14,075)
Loss from attributable to the owners of the Company (` Lakhs)	[C=A-B]	(1,92,640)	(93,096)
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]	(14.89)	(7.20)
Face value per equity share (`)		2	2

BALLARPUR INDUSTRIES LIMITED

Notes accompanying the consolidated financial statements

51 Disclosure pursuant to Ind AS 108 'Operating Segments'

(a) Factors used in identifying segments

The Group's operating segments are established on the basis of those components of the Group that are evaluated regularly by the Group's 'Chief Operating Decision Maker'(CODM), in deciding how to allocate resources and in assessing performance. These have been identified taking into account nature of products and services, the differing risks and returns and the internal business reporting systems.

The Group had reported 'Paper', 'Paper products & office supplies' and 'Pulp' as three operating segments under Ind AS 108 upto financial year 2016-17. On account of discontinuation of the 'Paper products & office supplies' segment and recent changes in the operations, the manner in which the CODM reviews the operations of the Group has changed. At present the CODM reviews the operations as 'coated paper' and 'uncoated paper', identified in the manner stated above. The segment disclosures for the year 2017-18 has been made in line with the revised operating segments and the comparatives for the year 2016-17 has been restated to align with the revised operating segments.

The accounting policies adopted for segment reporting are in line with the accounting policy of the Group.

- (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".

(b) Segment information

Particulars	2019-20			
	Uncoated Paper	Coated Paper	Others	Total
₹ in Lakhs				
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	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/(Loss) in Joint Ventures				32
Profit / (Loss) before tax				(2,05,579)

BALLARPUR INDUSTRIES LIMITED**Notes accompanying the consolidated financial statements****51. Disclosure pursuant to Ind AS 108 'Operating Segments' (Ctnd..)****(b) Segment information (Ctnd..)**

Particulars	2019-20			
	Uncoated Paper	Coated Paper	Others	Total
₹ in Lakhs				
D Specified amounts included in segment results				
Interest revenue	254	20	5	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

Particulars	2018-19			
	Uncoated Paper	Coated Paper	Others	Total
₹ in Lakhs				
A Segment revenue				
External customers (Gross)	2,07,128	1,48,184	4,263	3,59,575
Inter-Segment	-	-	27	27
Total revenue (Gross)	2,07,128	1,48,184	4,290	3,59,602
Less: Excise duty	-	-	-	-
Total revenue (net)	2,07,128	1,48,184	4,290	3,59,602
Less: Elimination of inter segment revenue	-	-	(27)	(27)
External customers (net)	2,07,128	1,48,184	4,263	3,59,575
B Segment results				
Segment results before interest income and exceptional items	31,735	11,891	(3,622)	40,004
Interest income	922	-	18	940
Exceptional items (Net) (Refer note 43)	(28,826)	(4,879)	(3,236)	(36,941)
	3,831	7,012	(6,840)	4,003
C Reconciliation of segment results with profit / (loss) before tax				
Segment results				4,003
Finance cost				(84,255)
Share of Profit in Joint Venture				69
Profit / (Loss) before tax				(80,183)
D Specified amounts included in segment results				
Interest revenue	922	-	18	940
Depreciation and amortization	19,995	5,512	1,048	26,555
Bad debts, provision for expected credit loss, doubtful debts and advances (net)	547	12	38	597
Loss on sale of property, plant and equipment	74	-	7	81
Assets discarded	73	52	2	127
Exceptional items (Net) (Refer note 43)	28,826	4,879	3,236	36,941

BALLARPUR INDUSTRIES LIMITED**Notes accompanying the consolidated financial statements****51 Disclosure pursuant to Ind AS 108 'Operating Segments' (Ctnd..)****(c) Segment assets and liabilities**

` in Lakhs

Particulars	As at 31st March 2020				As at 31st March 2019			
	Uncoated Paper	Coated Paper			Uncoated Paper	Coated Paper		
Segment assets	5,29,181	2,25,747	26,579	7,81,507	5,07,773	2,30,554	29,071	7,67,398
Unallocable corporate assets								
Cash and cash equivalents				6,457				26,984
Other bank balances				2,231				1,829
Deferred tax assets				13,224				16,814
Current tax assets (net)				3				1
Investments				209				8,921
Assets associated with group of assets classified as held for sale and discontinued operations				2,24,167				2,78,697
Total assets	5,29,181	2,25,747	26,579	10,27,799	5,07,773	2,30,554	29,071	11,00,644
Segment liabilities	3,80,934	25,704	13,996	4,20,634	3,22,878	28,719	12,693	3,64,290
Unallocable corporate liabilities								
Non current borrowings (excluding deferred payment liabilities)				5,10,907				4,25,320
Current borrowings				1,39,472				1,22,523
Current maturities of non current borrowings				1,17,408				2,78,414
Deferred tax liabilities (net)				-				-
Current tax liabilities (net)				7,811				7,166
Liabilities associated with group of assets classified as held for sale and discontinued				1,60,283				14,624
Total liabilities	3,80,934	25,704	13,996	13,56,515	3,22,878	28,719	12,693	12,12,337
Additions to non-current assets	2,263	1,015		3,278	3,100	106	1	3,207

(d) Disclosure pursuant to Ind AS 108 'Operating Segments' (Ctnd..)**(d) Geographic information**

(i) Revenue from external customers

` in Lakhs

Particulars	As at 31 March 2020	As at 31 March 2019
India	2,53,266	2,91,797
Outside India	68,993	67,778
	3,22,259	3,59,575

(ii) The amount of revenues from external customers attributed to individual foreign countries is not material.

(iii) Customer information

There are no single external customer where the revenues from transactions with them amount to 10 per cent or more of Company's total revenue.

BALLARPUR INDUSTRIES LIMITED**Notes accompanying the consolidated financial statements****52 Income taxes****(a) Components of income tax expense / (income)**

Particulars	` in Lakhs	
	As at 31 March 2020	As at 31 March 2019
Income tax recognized in statement of profit or loss		
(i) Current tax:		
Current income tax charge	38	(1,586)
Adjustment in respect to previous years	6	-
	44	(1,586)
(ii) Deferred tax:(Refer note 12)		
Relating to origination and reversal of temporary differences	(6,383)	(9,509)
Deferred tax asset recognized on unused tax losses and depreciation	9,973	14,447
	3,590	4,938
Income tax recognized in Other comprehensive income		
(i) Deferred tax:		
Remeasurements of defined benefit plans	-	-
	-	-

(b) The Holding company does not have taxable income for the current and previous year. Except one subsidiary, none of the subsidiaries have taxable income for the current year. Accordingly calculation of effective tax rate and reconciliation of income tax expense to the accounting profit is not relevant and hence not applicable.

BALLARPUR INDUSTRIES LIMITED

Notes accompanying the consolidated financial statements

53 Transition to Ind AS 116 'Leases'

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 Leases which replaces the existing lease standard, Ind AS 17 Leases and other interpretations. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single lease accounting model for lessees.

The Company has adopted Ind AS 116, effective annual reporting period beginning April 1, 2019 and applied the standard to its leases, retrospectively, with the cumulative effect of initially applying the standard, recognised on the date of initial application (April 1, 2019). Accordingly, the Company has not restated comparative information, instead, the cumulative effect of initially applying this standard has been recognised as an adjustment to the opening balance of retained earnings as on April 1, 2019.

Company as a lessee

The Company has also used the practical expedient provided by the standard when applying Ind AS 116 to leases previously classified as operating leases under Ind AS 17 and therefore, has not reassessed whether a contract, is or contains a lease, at the date of initial application, relied on its assessment of whether leases are onerous. The Company has used a single discount rate to a portfolio of leases with similar characteristics.

On transition, the Company recognised a lease liability measured at the present value of the remaining lease payments. The right-of-use asset is recognised at its carrying amount as if the standard had been applied since the commencement of the lease, but discounted using the lessee's incremental borrowing rate as at April 1, 2019.

Accordingly, a right-of-use asset of ₹ 2,973 Lakhs and lease liability of ₹ 3,082 Lakhs has been recognised on transition. The cumulative effect on transition in retained earnings net of taxes is ₹ 109 Lakhs (including the deferred tax of ₹ Nil). The weighted average incremental borrowing rate of 11% has been applied to lease liabilities recognised in the balance sheet at the date of initial application.

However, at the end of year, above lease has been mutually cancelled and Company has derecognized the right of use assets of ₹ 543 Lakhs against lease liability of ₹ 593 Lakhs and has booked the gain arising on derecognition of ₹ 50 Lakhs in the Statement of Profit and Loss. (Refer note 30)

On application of Ind AS 116, the nature of expenses has changed from lease rent in previous periods to depreciation cost for the right-of-use asset, and finance cost for interest accrued on lease liability.

Company as a lessor

The Company is not required to make any adjustments on transition to Ind AS 116 for leases in which it acts as a lessor.

53.1 Disclosure Pursuant to Ind AS 116 'Leases'

(a) Where the Company is a lessee

		₹ in Lakhs
		As at 31 March 2020
1)	Particulars	
	Building:	
	Gross Block	
	Opening balance as on 01 April 2019 at the time of transition	2,973
	Additions	35
	Deletion	(614)
	Closing balance	<u>2,394</u>
	Accumulated amortization	
	Opening balance as on 01 April 2019 at the time of transition	-
	Amortization for the year	427
	Deletion	(71)
	Closing balance	<u>355</u>
	Net carrying value as at 31 March 2020	<u>2,039</u>

2) Interest on lease liabilities is ₹ 325 Lakhs for the year ended on 31 March 2020.

3) The Company incurred ₹ 11 Lakhs for the year ended 31 March, 2020 towards expenses relating to short-term leases and leases of low-value assets. The total cash outflow for leases is ₹ 593 Lakhs for the year ended 31 March 2020, including cash outflow ₹ 11 Lakhs of short-term leases and leases of low-value assets.

4) Lease contracts entered by the Company majorly pertains for buildings taken on lease to conduct its business in the ordinary course. The Company does not have any lease restrictions and commitment towards variable rent as per the contract.

(b) Where the Company is a lessor

Operating leases:

Lease income recognised in the statement of profit and loss for the year is ₹ 149 Lakhs (Previous year ₹ 113 Lakhs) including contingent rent/sublease receipt of ₹ Nil (Previous year ₹ Nil).

Annual undiscounted lease payments receivable is as under:

				₹ in Lakhs
				More than five years
Particulars	Upto 1 year	More than 1 year		
Lease payments receivables	391	1,103	917	

BALLARPUR INDUSTRIES LIMITED

Notes accompanying the consolidated financial statements

54 Financial instruments

Capital management

The Group manages its capital to ensure the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balances.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirement of the financial covenants. The funding requirement is met through a mixture of equity, internal accrual, long term borrowings and short term borrowings. The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. (only continuing operations)

Particulars	₹in Lakhs	
	As at 31 March 2020	As at 31 March 2019
Loans and borrowings	6,52,106	9,30,520
Less: cash and cash equivalents	6,457	6,457
Net debt	6,45,648	9,24,062
Equity	(2,26,342)	(2,26,343)
Capital and net debt	4,19,306	6,97,719
Gearing ratio	1.54	1.32

54 Financial instruments (Ctnd..)

(i) 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. 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	Ageing analysis Credit ratings	Diversification of bank deposits, credit limits and
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing
Market risk- foreign exchange	Recognized financial assets and liabilities denominated in Indian	Cash Flow forecasting Sensitivity analysis	Forward Contracts
Market risk- interest rate	Borrowings at variable rates	Sensitivity analysis	Optimisation of borrowing costs by replacing high cost debt with low cost debt
Market risk-security prices	Investment in quoted and unquoted securities	Sensitivity analysis	Monitoring of invested entities and Portfolio

(ii) Financial Risk Management

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. The Group does not hold any collateral on the balance outstanding. The ageing of trade receivables is as below:

Particulars	Past due		Total
	upto 6 months (including amounts not due)	more than 6 months	
₹in Lakhs			
Trade receivables			
As at 31 March 2020			
Secured by security deposits	968	4	972
Unsecured	51,375	80	51,455
	52,343	84	52,427
Provision for expected credit loss			4,125
	52,343	84	48,301
Trade receivables			
As at 31 March 2019			
Secured by security deposits	1,860	52	1,912
Unsecured	10,177	5,375	15,552
	12,037	5,427	17,464
Provision for expected credit loss			1,633
	12,037	5,427	15,831

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.

Reconciliation of Allowance for Expected Credit Loss

Particulars	2019 - 20	2018 - 19
Provision as at the beginning of the year (refer note 15 & 18)	1,639	1,332
(a) Allowance for expected credit loss	2,486	646
(b) Provision used / reversed during the year	-	(322)
(c) Transferred to discontinued operations	-	-
(d) Derecognition due to loss of control of Subsidiary	-	(17)
Provision as at the end of the year (refer note 15 & 18)	4,125	1,639

54 Financial instruments (Ctnd..)

(iii) 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 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 it has sufficient cash to meet operational needs and service its borrowings.

Maturity profile of financial liabilities

The table below provides regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

Particulars	As at 31 March 2020			As at 31 March 2019		
	< 1 year	> 1 year	Total	< 1 year	> 1 year	Total
Borrowing (including interest accrued thereon)	1,39,472	5,12,634	6,52,106	5,37,968	4,27,133	9,65,101
Dues to related parties	33,021	-	33,021	33,021	-	33,021
Other trade payables	67,650	-	67,650	93,199	-	93,199
Security deposit (including interest accrued thereon)	4,499	1,069	5,568	1,800	4,145	5,945
Other financial liabilities	4,15,673	-	4,15,673	44,319	-	44,319
	6,60,315	5,13,703	11,74,018	7,10,307	4,31,278	11,41,585

BALLARPUR INDUSTRIES LIMITED**Notes accompanying the consolidated financial statements****54 Financial instruments (Ctnd..)****(iv) 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.

Particulars	₹ in Lakhs	
	As at 31 March 2020	As at 31 March 2019
Monetary liabilities		
United States Dollar	\$ 1,73,469	50,873
Euro	€ 898	637
Great Britain Pounds	£ 16	14
Japanese Yen	¥ 58	52
Monetary assets		
United States Dollar	\$ 1,63,717	3,145
Euro	€ 28	36
Arab Emirates Dirham	DH 13	175

The following table demonstrates the sensitivity in the USD, Euro, GBP, AED and other currencies to the

Particulars	₹ in Lakhs			
	As at 31 March 2020		As at 31 March 2019	
	5% increase	5% decrease	5% increase	5% decrease
United States Dollar	\$ (488)	(488)	(2,386)	2,386
Euro	€ (44)	(44)	(30)	30
Great Britain Pounds	(1)	(1)	(1)	1
Japanese Yen	¥ (3)	(3)	(3)	3
Arab Emirates Dirham	DH 1	1	9	(9)

BALLARPUR INDUSTRIES LIMITED

Notes accompanying the consolidated financial statements

54 Financial instruments (Ctnd..)

Financial risk management objectives and policies (Ctnd..)

(iv) Market risk (Ctnd..)

1) Foreign exchange risk and sensitivity (Ctnd..)

Summary of exchange difference accounted in statement of profit and loss:

Particulars	₹ in Lakhs	
	2019-20	2018-19
Currency fluctuations		
Net foreign exchange (gain) / losses shown as finance cost	523	168
Net foreign exchange (gain) / losses shown as other income	(6,507)	(454)
Net foreign exchange (gain) / losses shown as other expense	-	9
Derivatives		
Interest rate swaps (gain) / losses shown as finance cost	-	-
	(5,984)	(277)

2) 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.

Exposure to interest rate risk

The interest rate profile of the Group's interest-bearing borrowings is as follows:

Particulars	₹ in Lakhs	
	As at 31 March 2020	As at 31 March 2019
Floating rate borrowings		
INR borrowings	6,20,022	5,53,673
USD borrowings	39,418	97,699
MYR borrowings	-	2,193
EURO borrowings	572	
	6,60,012	6,53,565

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.

The sensitivity analyses below have been determined based on the exposure to interest rates for non-derivative instruments at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

Particulars	₹ in Lakhs	
	As at 31 March 2020	As at 31 March 2019
INR borrowings		
Change of +0.50%	(3,100)	(2,768)
Change of -0.50%	3,100	2,768
USD borrowings		
Change of +0.50%	(197)	(488)
Change of -0.50%	197	488
USD borrowings		
Change of +0.50%	(3)	-
Change of -0.50%	3	-
MYR borrowings		
Change of +0.50%	-	(11)
Change of -0.50%	-	11

The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market environment.

BALLARPUR INDUSTRIES LIMITED

Notes accompanying the consolidated financial statements

54 Financial instruments (Ctnd..)

Financial risk management objectives and policies (Ctnd..)

(iv) Market risk (Ctnd..)

3) 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 31 March 2020. Therefore, sensitivity analysis for market risk is not disclosed.

4) Price Risk

The Group does not have significant equity investments that are publicly traded and investments in unlisted securities are of strategic importance

BALLARPUR INDUSTRIES LIMITED

Notes accompanying the consolidated financial statements

54 Fair value measurement**(a) Fair value of Hierarchy**

Particulars	Note	As at 31 March 2020			As at 31 March 2019			₹ in Lakhs
		FVPL	FVOCI	Amortised Cost	FVPL	FVOCI	Amortised Cost	
(i) Investments	9 & 10	206	3	-	7,262	3	-	
(ii) Trade receivables	15	-	-	48,301	-	-	15,831	
(iii) Cash and cash equivalents	16	-	-	6,457	-	-	26,984	
(iv) Other bank balances	17	-	-	2,231	-	-	1,829	
(v) Loans (including security deposit)	18 & 10	-	-	728	-	-	5,548	
(vi) Other financial assets	11 & 19	-	-	22,065	-	-	4,822	
		206	3	79,783	7,262	3	55,014	

(b) Financial liabilities by category

Particulars	Note	As at 31 March 2020			As at 31 March 2019			₹ in Lakhs
		FVPL	FVOCI	Amortised Cost	FVPL	FVOCI	Amortised Cost	
(i) Long term borrowings (including current maturities)	25 & 31	-	-	6,29,449	-	-	7,05,547	
(ii) Short term borrowings	25	-	-	1,39,472	-	-	1,22,523	
(iii) Interest accrued on borrowings	31	-	-	1,93,681	-	-	1,37,031	
(iv) Trade payables	30	-	-	67,650	-	-	95,806	
(v) Other financial liabilities	27 & 31	-	-	1,07,431	49	-	80,629	
		-	-	11,37,682	49	-	11,41,536	

BALLARPUR INDUSTRIES LIMITED**Notes accompanying the consolidated financial statements****54 Fair value measurement (Ctnd..)****(a) Fair value technique and hierarchy**

Particulars	Note	Carrying amount	Fair value hierarchy			₹ in Lakhs
			Level 1	Level 2	Level 3	Total
Financial assets and liabilities measured at fair value- recurring fair value measurements						
Financial assets						
As at 31 March 2020						
(i) Investments		209	206	-	3	209
As at 31 March 2019						
(i) Investments		7,265	7,262	-	3	7,265
Financial liabilities						
As at 31 March 2020						
(i) Derivative financial instruments		-	-	-	-	-
As at 31 March 2019						
(i) Derivative financial instruments		49	-	-	49	49
Assets and liabilities which are measured at amortised cost for which fair values are disclosed						
Financial assets						
As at 31 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)		728	-	-	728	728
(v) Other financial assets		22,065	-	-	22,065	22,065
Financial liabilities						
As at 31 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
Financial assets						
As at 31 March 2019						
(i) Trade receivables		15,831	-	-	15,831	15,831
(ii) Cash and cash equivalents		26,984	-	-	26,984	26,984
(iii) Other bank balances		1,829	-	-	1,829	1,829
(iv) Loans (including security deposits)		5,548	-	-	5,548	5,548
(v) Other financial assets		4,822	-	-	4,822	4,822
Financial liabilities						
As at 31 March 2019						
(i) Long term borrowings (including current maturities)		7,05,547	-	-	7,05,547	7,05,547
(ii) Short term borrowings		1,22,523	-	-	1,22,523	1,22,523
(iii) Interest accrued on borrowings		1,37,031	-	-	1,37,031	1,37,031
(iv) Trade payables		95,806	-	-	95,806	95,806
(v) Other financial liabilities		80,629	-	-	80,629	80,629

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Notes accompanying the consolidated financial statements

54 Fair value measurement (Ctn'd.)

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.

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

The fair value of borrowings with floating rate of interest are considered to be close to their carrying amount.

55 Fair value measurement

(a) Fair value of financial liabilities measured at amortized cost

Particulars	Note	₹in Lakhs			
		As at 31 March 2020		As at 31 March 2019	
		Fair value	Carrying amount	Fair value	Carrying amount
(i) Long term borrowings (including current maturities)	25 & 31	6,29,449	6,29,449	7,05,547	7,05,547
(ii) Short term borrowings	25	1,39,472	1,39,472	1,22,523	1,22,523
(iii) Interest accrued on borrowings	31	1,93,681	1,93,681	1,37,031	1,37,031
(iv) Trade payables	30	67,650	67,650	95,806	95,806
(v) Other financial liabilities	27 & 31	1,07,431	1,07,431	80,629	80,629
		11,37,682	11,37,682	11,41,536	11,41,536

(b) Other assumptions used in the estimation of fair values

(i) 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.

(ii) The fair value of trade payables and other current financial liabilities approximate their carrying amount due to the short-term nature of these instruments.

(iii) The fair value of borrowings with floating rate of interest are considered to be close to their carrying amount.

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Notes accompanying the consolidated financial statements

56 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 into with the lenders during financial year 2017-18 (Refer note 44) the 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 year 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 delay in the closure of the previous bid, the receiver initiated the re-bidding process. The company expects no reduction in the bid value as confirmed by the Receiver and Manager

56 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	
	As at 31 March 2020	As at 31 March 2019
Assets		
Property, Plant and Equipment	1,53,133	1,75,885
Biological assets other than bearer plants	53,340	52,521
Inventories	13	3,138
Trade receivables	708	170
Cash and cash equivalents	16,158	415
Loans (current and non current)	310	1,324
Others financial assets (Current and non current)	-	24
Other assets (current and non current)	505	4,672
Total (A)	2,24,167	2,38,149
Liabilities		
Borrowings (Current and non current)	79,144	-
Non Current Provisions	-	951
Trade payables		
a) Dues of micro and small enterprises	-	28
b) Dues of other than micro and small enterprises	44,227	9,319
Other financial liabilities	34,708	3,410
Other current liabilities and provisions	2,204	916
Total (B)	1,60,283	14,624
Net Assets/Liabilities directly associated with discontinued operations (A-B)	63,884	2,23,525

BALLARPUR INDUSTRIES LIMITED**Notes accompanying the consolidated financial statements****(c) Statement of profit and loss of the discontinued operations:**

Particulars	₹ in Lakhs	
	2019-20	2018-19
Revenue from operations	2,117	10,784
Other income	585	763
	2,702	11,547
Less: Expenses (Refer note (a) below)	42,462	35,182
Profit/ (loss) before tax	(39,760)	(23,635)
Tax expense:	-	-
Profit/ (loss) from a discontinued operations	(39,760)	(23,635)
Gain /(loss) on disposal of discontinued operation	289	-
	(39,471)	(23,635)
Tax expense:	-	-
Remeasurement of DBO Recognized in OCI (net of tax)	(6)	-
Items that will be reclassified to profit or loss in OCI (net of tax)	28	-

(a) Expenses include Rs. 16,776 (Previous year ` 900 Lakhs) towards impairment and write down of assets to fair value less costs to sell

(d) Remeasurement of defined benefit obligation amounting to ` (38) lakhs (net of tax ` 237) is recognized in Other Comprehensive Income. (previous year ` 122 Lakhs (net of tax ` Nil)

(e) Net cash flows form discontinued operations

Particulars	₹ in Lakhs	
	2019-20	2018-19
Cash flow from operating activities	952	13,385
Cash flow from investing activities	(352)	(34)
Cash flow from financing activities	10,597	99

(f) Assets held for sale

Particulars	₹ in Lakhs	
	2019-20	2018-19
Non Current Assets		
Property, Plant and Equipments		
- Freehold Land (refer note 1 & 2 below)	-	39,970
- Plant and Machinery (refer note 56 (a)(i))	-	578
Assets held for Sale (Net)	-	40,548

1 Out of the total freehold land, 0.28 acres of land was sold during the current year having net carrying value amounting to Rs. 19 Lakhs.

2 Freehold land classified as "Assets held for sale" in the previous year have been reclassified as "Property Plant and Equipment" consequent to the initiation of CIRP against the Company. Pending conclusion of the CIRP, the recoverable amount of the freehold land is not determined as required by Ind AS 105 and it has been reclassified to PPE at its carrying value in the books of accounts.

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57 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	166%	(1,22,203)	68%	(63,551)	90%	(8,283)	70%	(71,834)
Indian Subsidiary A Premier Tissues India Limited	0%	-	0%	(4)	0%	(12)	0%	(16)
Avantha Agritech Limited	1%	(910)	0%	(257)	0%	(3)	0%	(260)
BILT Graphic Paper Products Limited.	144%	(1,06,357)	8%	(7,068)	2%	(192)	7%	(7,260)
Foreign Subsidiaries Ballarpur International Holdings B.V.	181%	(1,33,768)	9%	(8,040)	-43%	3,940	4%	(4,100)
Ballarpur Speciality Paper Holdings B.V.	0%	(276)	0%	47	0%	(19)	0%	28
Bilt Paper B.V.	-264%	1,94,982	-12%	11,075	-229%	21,014	-31%	32,088
Mirabelle Trading Pte Ltd.	0%	(279)	0%	-	0%	-	0%	-
Ballarpur Paper Holdings B.V.	-12%	8,957	22%	(20,543)	-62%	5,649	15%	(14,894)
Sabah Forest Industries Sdn. Bhd.	7%	(5,205)	19%	(17,836)	9%	(831)	18%	(18,667)
Bilt General Trading	0%	150	0%	-	0%	10	0%	10
Total subsidiaries		(42,706)		(42,626)		29,555		(13,072)
Non controlling interest in all subsidiaries	51%	(37,919)	15%	(14,075)	52%	(4,749)	18%	(18,824)
Consolidation adjustments and eliminations		6,851		(36,396)		(33,991)		(70,387)
Total	100%	(73,774)	100%	(93,097)	100%	(9,185)	100%	(1,02,282)

58 (a) Fire incident

during the previous year on 23 April 2018, inventories valuing ` 272 Lakhs and plant and equipment with carrying value of ` 8 Lakhs were damaged by a fire incident that broke out in one of the Units of the Group. The salvage value, if any, has not been determined as on date and will be determined upon completion of survey and insurance process. It is expected that the insurance proceeds will be sufficient for recouping the loss of inventories and plant and equipment. This event occurred after the balance sheet date do not affect the figures stated in the financial statements and thus requires no adjustment.

BALLARPUR INDUSTRIES LIMITED

Notes accompanying the consolidated financial statements

- (b) 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		Amount
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

59 COVID -19

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 31 March 2020 could not be completed due to the lockdown and other restrictions imposed by COVID-19 pandemic.

A countrywide lockdown was announced on 24 March 2020 due to COVID 19 pandemic and the production was temporarily suspended until 11 May 2020. Despite the challenges faced due to COVID 19 pandemic, the manufacturing units at Ballarpur and Bhigwan resumed operations with effect from 12 May 2020 and have been operating since then with minor disruptions. The manufacturing unit at Ashti continues to be shut.

The Company's production, despatches, sales and market collections remained largely unaffected during the year ended March 31, 2020. The Company has taken pro-active measures due in terms of mobilization of its critical work force, adopting stringent social distancing procedures and safety measures to overcome the manpower challenges faced by the Company to lockdown.

The Company has made an assessment of its capital and financial resources including liquidity position and its ability to service debt and other financing arrangements for next one year. Though there is no impact of COVID 19 as at the year-end, the Company is continuously engaged with its lenders on steps to be taken to overcome the challenges arising due to COVID 19 in servicing its debt obligations in the next 12 months.

The Company has assessed the recoverability of the carrying values of its assets such as property plant and equipment, inventory, trade receivables, investments and other current assets as at the balance sheet date and has concluded that there is no notable impact of COVID 19 thereon.

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60 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") has initiated Corporate Insolvency Resolution Process ("CIRP") against the Parent 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 Parent in accordance with the provisions of the Code. Subsequently, Hon'ble NCLT vide its Order dated 27 May, 2020 has appointed Mr. Anuj Jain (IBBI/PA-001/IP-P00142/2017-2018/10306) as Resolution Professional ("RP") of the Parent. Pursuant to the Insolvency Commencement Order and in line with the provisions of the Code, the powers of the Board of Directors were suspended and the same were exercised by IRP/RP from the respective appointment dates.
- (b) Pursuant to commencement of CIRP, the RP had received various claims submitted by the financial creditors, operational creditors, employees and other creditors. The Parent observed a difference of ₹ 27,742 Lakhs between the carrying amount of borrowings (including interest accrued) in the books of account and the financial creditors claims admitted by the RP. The Parent has accrued this difference of ₹ 27,742 Lakhs as at 31 March 2020 and charged finance cost in statement of profit or loss. The Resolution Professional (RP) has finally admitted all the claims of Rs. 16,057 Lakhs toward the operational creditors, Employees and other creditors and with respect to Financial Creditors claims of Rs. 27,742 Lakhs.
- (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 50,87,50,000 to the allottees as mentioned herein on a private placement basis:

S. No.	Name of Allottees	No of Equity Shares	Amount (INR)
1.	Finquest Financial Solutions Private Limited ("SRA")	27792021	27,79,20,210
2.	Supersoil Construction Private Limited ("Financial Investor")	21485666	21,48,56,660
3.	Finquest Financial Solutions Private Limited ("Assenting Financial Creditor")	257979	25,79,790
4.	IDBI Bank Limited ("Assenting Financial Creditor")	1339334	1,33,93,340
	Total	50875000	50,87,50,000

iii. Allotment of Non-Convertible Debentures to SRA and Investors on 12th June 2023 as part of Upfront Cash Infusion:

S. No.	Name of the Allottee(s)	No. of NCDs	Amount (INR)
1	Finquest Financial Solutions Private Limited ("SRA")	99	99,00,00,000
2	Hypnos Fund Limited	95	95,00,00,000
	Total	194	1,94,00,00,000

iv. Reconstitution of the Board of Directors:

a. Upon achieving the Closing Date, i.e., on 12 June 2023, in terms of Clause 6.3 of the Resolution Plan, Shri Rajeev Ranjan Vederah, Shri Yashashree Padmakar Gurjar and Shri Padmakumar Nair are deemed to have resigned and vacated the office as Directors of the Company. The Board of Directors has been reconstituted with Mr. Hardik Patel (Whole time Director/CFO), Mr. BSP Murthy (Non-Executive Director), Mr. Ruchit Patel (Non-Executive Director), Mr. DG Ranjan (independent director), Mr. Shaukat H. Merchant (independent director) and Ms. Bina D. Trivedi (independent director). Mr. Punit Amarpal Singh Bajaj has been appointed as the Company Secretary of the Company (w.e.f. 1 July, 2023).

b. The shareholding of the existing Promoter and Promoters' Group shareholding stand extinguished and cease to be classified as promoters of the Corporate Debtor.

v. Distribution of Funds:

The Resolution Applicant along with foreign Financial Investors infused an amount of INR 2,43,27,76,870/- 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 May 29, 2023 and the Resolution Plan, which is distributed as below:

S. No.	Name of Sub-Account	Distribution Amount (in INR)
1	UNPAID CIRP COSTS SUB ACCOUNT	79,78,90,245
2	WORKMEN DUES SUB ACCOUNT	9,00,00,000
3	EMPLOYEES DUES SUB ACCOUNT	49,00,000
4	GOVERNMENT DUES SUB ACCOUNT	32,00,000
5	DISSENTING FCS SUB ACCOUNT	49,49,39,732
6	ASSENTING FCS SUB ACCOUNT	99,09,39,048
7	MC COSTS SUB ACCOUNT	5,09,07,844

vi. The SRA along with its Financial Investors- Hardik Patel and Hypos Funds (FPI) infused a second tranche of funds aggregating to INR 34,72,89,788/- on 8th September 2023 for fulfillment 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 the Allottee(s)	No. of NCDs	Amount (INR)
1	Hardik B Patel	12,72,89,788	12,72,89,788
2	Belgrave Investment Fund	17,00,00,000	17,00,00,000
3	Hypnos Fund Limited	5,00,00,000	5,00,00,000
Total		34,72,89,788	34,72,89,788

d) Pending actions for implementation:

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

BALLARPUR INDUSTRIES LIMITED

Notes accompanying the consolidated financial statements

61 Disclosures pursuant to Ind AS 10, 'Events after the reporting period'

(a) Bilt Graphic Paper Products Limited

- (i) On 15th June 2020, Company has converted 3,00,00,000 Nos. of Compulsory convertible debentures (CCD) in equity shares by allotting 15,00,00,000 equity shares of face value 10 each at a premium of 10 per share to Ballapur Paper Holding B.V.
- (ii) As per the terms and conditions of the restated 'Master restructuring agreement' (MRA) were agreed between the lenders and the Company by March 2020, however, due to announcement of countrywide lockdown on 24 March, 2020 due to Covid 19 pandemic and finalisation of the terms and conditions of the moratorium requested by the Company on 31 March 2020, Restated MRA was not executed by 31 March 2020. Finally the restated MRA was executed on 07 December 2020. Since all the terms and conditions 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.
- (iii) On 22 May 2022, a fire occurred in wood depot maintained by Unit Ballapur of the Company, The fire had destroyed wood valuing approximately Rs. 2,758 Lakhs. The same is covered under insurance and claim is being lodged. This being a non adjusting subsequent event, no adjustment is made in these financial statement.
- (iv) Serious Fraud Investigation Office (SFIO) had launched an investigation into the affairs of M/s CG Power and Industrial Solutions Limited and fifteen related/group companies, including Bilt Graphic Paper Products Limited, under section 212(1)(c) of the Companies Act 2013. In this regard, SFIO has sought certain information/documents from the company which are being furnished.
- (v) Subsequent to the reporting period, considering the exceptional financial performance of the Company for the financial year 2022-23, the Company, vide a circular resolution of the Board of Directors dated 18 May 2023, have authorised to pay:
 - (a) A one-time lumpsum aggregating to Rs. 1,075 lakhs to 2 erstwhile directors of the Company; and
 - (b) A one-time lumpsum reward of Rs. 3,25 lakhs to the whole time director in addition to the salary and other benefits to him.
 Further, the shareholders of the Company, vide a resolution in the Extra Ordinary General held on 29 May 2023, has approved the payment to the whole-time director as per the requirements of the Companies Act, 2013.
- (vi) On 15th November 2021, The High Court of Sabah and Saravak had passed order for winding up of Sabah Forest Industries SDN. BHD. (SFI), a fellow subsidiary of the Company. SFI has also appealed the winding up orders in the Court of Appeal of Malaysia on 10th December-2021. The Company on a prudent basis has considered the Order in its assessment of expected credit loss provision for advance recoverable from SFI as at 31st March 2021.

(b) Bilt International Holding B.V

- (i) Bilt Paper BV (BPBV), Subsidiary of BIH and erstwhile Parent Company of Ballapur Paper Holdings BV (BPH), had pledged 70% of its shareholding in BPH with certain lenders towards financial facilities provided by the lenders to BPH. In February 2021, the pledge was invoked by the lenders and the voting rights attached to the pledged shares has been transferred to the lenders. The Company has reassessed the relationship status and concluded that BPBV ceased to control the BPH consequent to invocation of the pledge in February 2021. The current Management of the Parent is under the process of assessing the legality of this transaction and would be taking final decision regarding this matter in due course of time.

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62 Government grants / subsidies

(a) Government Grant (World Bank -India Development Market)

Company 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. Company has recognised as income in the Statement of Profit & Loss to match with depreciation.

(b) Packaged Scheme of Incentive (PSI) – Maharashtra

The Company's manufacturing facility at P.O. Ballarpur, District Chandrapur has been granted "Mega Project Status" under IPS-2007 and Entitlements certificate no.DI/PSI-2007/Mega (Exp.) Project/EC-117/2011/C-10034 dated 03.11.2011 for the period from 01.12.2009 to 30.11.2018 and this period is further extended vide letter no.DI/PSI-2007/EC-117/2016/C-9874 dt.21.11.2016 till 30 November 2023.

Entitlements under the scheme consists of the following:

- (i) Electricity Duty exemption for the period of 9 years from the date of commencement of commercial production (from 1 December 2009 to 11 November 2018).
- (ii) 100% exemption from payment of Stamp duty.
- (iii) VAT and CST payable to the Government (on sales made from Ballarpur plant, starting from 10 September 2009 till 30 November 2018, which is further extended till 30 November 2023).

Particulars	₹ in Lakhs	
	As at 31 March 2020	As at 31 March 2019
Government grants recognised in the financial statements	1,336	1,487

63 The Parent had during the year entered into a 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.

The financial statements for the current year are not comparable with previous year on account of the change in operations as stated above.

64 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.

65 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 2019-20.

66 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

Notes accompanying the consolidated financial statements

- 67 Ballapur Industries Limited ("BILT/Company") has been acquired by Finquest Financial Solutions Private Limited on an "as-is where-is" basis, pursuant to a resolution plan approved by the Hon'ble NCLT vide order dated 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 Company's Financial Statements for the financial years 2019-20, 2020-21, 2021-22 & 2022-23 have not been prepared, audited, approved & Filed with the jurisdictional registrar of companies ("ROC"), as is required under the relevant provisions of the Companies Act, 2013 ("Companies Act") and requisite documentation & information to enable preparation of the same is not currently available. Accordingly, fulfilling these compliance requirements involves certain inherent limitations for the Current Board of Directors & Management of the Company ("Inherent Limitations"). The directors of the company are required to approve the accounts of the company for the financial years ended 31st March 2020. 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 either in the management of the Company or perusing or scrutinising 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 are signing the said financial statements without incurring any responsibility or liability for the same or any part thereof. The New Board & KMPs 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") furnished to them by or on behalf of the Resolution Professional. The New Board and KMPs have approved and signed the Subject Accounts on the basis 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 which have also been disclosed to the New Board and KMPs, 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 (iv) are not in any way fraudulent or misleading. 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
- With respect to the financial statements for the company for FY 31st March 2020 the same is being signed by Mr. Hardik B. Patel, Mr. BSP Murthy, Mr. Ruchit Patel, Mr. DG Ranjan, Mr. Shaukat H. Merchant and Ms. Bina D. Trivedi, Director of the Company ("Director") and Mr. Punit A. Bajaj, Company Secretary of the company (collectively "New Board and KMPs"), solely for the purpose of ensuring compliance by the Company with applicable laws, and subject to the following disclaimers:
- i. The KMPs 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 KMPs and the KMPs have assumed the same to be correct while signing the financial statements in good faith in order to cure/regularise the non-compliance of the Company with respect to its filing requirements under the Companies Act, 2013, including to make its status 'Active Compliant' in the MCA portal which is required for implementation of the Resolution Plan;
 - iii. The KMPs, while signing the financial statements for the year ended 31st March 2020 (which pertains to the tenure prior to their date of appointment as a KMP 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 Directors are not making any representations regarding accuracy, veracity or completeness of the data or information in the said financial statements."

The New Board and KMPs further disclaim all responsibility as to matters regarding: (i) recording, disclosing and dissemination of matters set out in, and record-keeping and preservation of, the Books and Records; (ii) matters that require specific disclosure in the Subject Accounts, including (without limitation) identification of related parties and related party transactions; and (iii) matters concerning maintenance of internal controls, systems and processes; The New Board and KMPs 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 the Subject Accounts.

BALLARPUR INDUSTRIES LIMITED

Notes accompanying the consolidated financial statements

68 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 Ballarpur Industries Limited

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

Sd/-
Parag Hangekar
Partner
Membership No: 110096

Place: Mumbai
Date: March 20 2024

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

Place: Mumbai
Date: March 20 2024

Sd/-
Parashiva Murthy B S
Director
Din: 00011584

Place: Mumbai
Date: March 20 2024

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

Place: Jalandhar
Date: March 20 2024



BALLARPUR INDUSTRIES LIMITED

CIN: L21010MH1945PLC010337

Registered Office: PO Ballarpur Paper Mills, Chandrapur Ballarpur - 442 901, Maharashtra.

E-mail: sectdiv@bilt.com ; **Telephone:** +91 (022) 4000 2600

Website: www.bilt.com

NOTICE OF THE 75th ANNUAL GENERAL MEETING

Notice is hereby given that the Seventy-Fifth Annual General Meeting ("AGM") of the members of Ballarpur Industries Limited ("the Company") will be held on Tuesday, September 10, 2024 at 11.00 a.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, 2020, 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, 2020, together with the reports of the Board of Directors and Auditors thereon, be and are hereby approved and adopted."

2. To appoint the Statutory Auditors and to fix their remuneration

To consider and, if thought fit, to pass the following Resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 including any statutory modification(s) or re-enactment(s) thereof, for the time being in force and pursuant to the recommendations of the Audit Committee and Board of Directors of the Company, M/s. Batliboi & Purohit, Chartered Accountants (Firm Registration No. 101048W), be and are hereby appointed as the Statutory Auditors of the Company, for a term of 5 (five) consecutive 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 on such remuneration as may be decided by the Board of Directors in consultation with the Statutory Auditors of the Company.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorised to take such steps as may be necessary to give effect to this resolution."

SPECIAL BUSINESS:

3. Appointment of Mr. Hardik B. Patel (DIN: 00590663) as a Director of the Company

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 149 and 152 of the Companies Act, 2013 (the "Act") and other applicable provisions of the Act, Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Regulations"), applicable provisions of the Insolvency and Bankruptcy Code, 2016 (the 'IB Code, 2016'), the rules and regulations made thereunder and any other applicable provisions of SEBI Regulations, if any, as amended from time to time, in accordance with the Articles of Association of the Company and the order dated March 31, 2023 passed by Hon'ble National Company Law Tribunal, Mumbai Bench, approving Resolution Plan in the Corporate Insolvency Resolution Process of the Company as per IB Code, 2016 (the 'NCLT Order'), based on the recommendation and approval of the Monitoring Committee (constituted vide 'NCLT Order'), Mr. Hardik B. Patel (DIN: 00590663), who was appointed as an Director of the Company with effect from June 12, 2023 to hold office upto the date of the next general meeting of the members of the Company and in respect of whom the Company has received a notice in writing from a member under section 160 of the Act proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company.

RESOLVED FURTHER THAT any Director of the Company, the Chief Financial Officer or the Company Secretary of the Company, be and are hereby severally authorized to do all such acts, deeds and things as may be found necessary to give effect to this resolution."

4. Appointment of Mr. Hardik B. Patel (DIN: 00590663) as a Chairman and Whole-Time Director of the Company

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of sections 149, 152, 196, 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), read with Schedule V thereto and

Remuneration of Managerial Personnel) Rules, 2014, the SEBI (Listing Obligation & Disclosures Requirement) Regulations, 2015 ("SEBI Regulations") (including any amendment, statutory modification or re-enactment thereof for the time being in force), applicable provisions of the Insolvency and Bankruptcy Code, 2016 (the 'IB Code, 2016'), in accordance with the Articles of Association of the Company and the order dated March 31, 2023 passed by Hon'ble National Company Law Tribunal, Mumbai Bench, approving Resolution Plan in the Corporate Insolvency Resolution Process of the Company as per IB Code, 2016 (the 'NCLT Order'), based on the recommendation and approval of the Monitoring Committee (constituted vide 'NCLT Order'), approval of the members of the Company be and is hereby accorded to the appointment of Sri Hardik B. Patel (DIN: 00590663) as Chairman and Whole-time Director of the Company for a period of 3 (Three) years from June 12, 2023 to June 11, 2026, not 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 Sri Hardik B. Patel (DIN: 00590663), within the limits specified in the Act, including any statutory amendment, modifications or re-enactment thereof.

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."

5. Appointment of Mr. Parashiva Murthy B S (DIN: 00011584) as the Non-Executive, Non-Independent Director of the Company

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 149 and 152 of the Companies Act, 2013 (the "Act") and other applicable provisions of the Act, Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Regulations"), applicable provisions of the Insolvency and Bankruptcy Code, 2016 (the 'IB Code, 2016'), the rules and regulations made thereunder and any other applicable provisions of SEBI Regulations, if any, as amended from time to time, in accordance with the Articles of Association of the Company and the order dated March 31, 2023 passed by Hon'ble National Company Law Tribunal, Mumbai Bench, approving Resolution Plan in the Corporate Insolvency Resolution Process of the Company as per IB Code, 2016 (the 'NCLT Order'), based on the recommendation and approval of the Monitoring Committee (constituted vide 'NCLT Order'), Mr. Parashiva Murthy B S (DIN: 00011584), who was appointed as an Director of the Company with effect from June 12, 2023 to hold office upto the date of the next general meeting of the members of the Company and in respect of whom the Company has received a notice in writing from a member under section 160 of the Act proposing his candidature for the office of Director, be and is hereby appointed as a Director (Non-Executive, Non-Independent) of the Company, liable to retire by rotation.

RESOLVED FURTHER THAT any Director of the Company, the Chief

Financial Officer or the Company Secretary of the Company, be and are hereby severally authorized to do all such acts, deeds and things as may be found necessary to give effect to this resolution."

6. Appointment of Mr. Yeddala Kesava Reddy (DIN: 10586100) as a Director

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT Mr. Yeddala Kesava Reddy (DIN: 10586100), who was appointed as an Additional Director of the Company pursuant to Section 161 of the Companies Act, 2013 (the Act) and Articles of Association of the Company, with effect from June 10, 2024, by the Board of Directors, based on the recommendation of the Nomination and Remuneration Committee, and who holds office subject to the approval of shareholders in terms of Regulation 17(1C) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, with effect from the date of this Meeting.

RESOLVED FURTHER THAT any Director of the Company, the Chief Financial Officer or the Company Secretary of the Company, be and are hereby severally authorized to do all such acts, deeds and things as may be found necessary to give effect to this resolution."

7. Appointment of Mr. Yeddala Kesava Reddy (DIN: 10586100) 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. Yeddala Kesava Reddy (DIN: 10586100) as Whole-time Director, designated as 'Executive Director' of the Company for a period of 3 (Three) years from June 10, 2024 to June 9, 2027, 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. Yeddala Kesava Reddy (DIN: 10586100), 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. Yeddala Kesava Reddy (DIN: 10586100) as Whole time Director of the Company, the Company has no profits or its profits are inadequate, Mr. Yeddala Kesava Reddy (DIN: 10586100) 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."

8. Appointment of Mr. Kulandaipaian Thangaraju (DIN: 10721302) as an Independent Director

To consider and if thought fit, to pass the following resolution as a **Special Resolution:**

"RESOLVED THAT Mr. Kulandaipaian Thangaraju (DIN: 10721302), who was appointed as an Additional Director of the Company pursuant to Section 161 of the Companies Act, 2013 ('the Act') and Articles of Association of the Company, with effect from July 31, 2024, by the Board of Directors, and who holds office subject to the approval of shareholders in terms of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') and who is eligible for appointment and who has consented to act as a Director of the Company and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of a Director, be and is hereby appointed as a Director of the Company.

RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Act (including any statutory modification or re-enactment thereof for the time being in force) read with Schedule IV to the Act, the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended from time to time, Regulation 17 and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), as amended and the Article of Association of the Company, Mr. Kulandaipaian Thangaraju (DIN: 10721302), who meets the criteria for independence as provided in Section 149(6) of the Act and the Rules framed thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations, and who has submitted a declaration to that effect, be and is hereby appointed, as an Independent Director of the Company, not liable to retire by rotation, for a term of 5 (Five) years commencing

July 31, 2024 and ending on July 30, 2029."

9. Appointment of Mr. Panchapakesan Swaminathan (DIN: 00901560) as an Independent Director

To consider and if thought fit, to pass the following resolution as a **Special Resolution:**

"RESOLVED THAT Mr. Panchapakesan Swaminathan (DIN: 00901560), who was appointed as an Additional Director of the Company pursuant to Section 161 of the Companies Act, 2013 ('the Act') and Articles of Association of the Company, with effect from July 31, 2024, by the Board of Directors, and who holds office subject to the approval of shareholders in terms of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') and who is eligible for appointment and who has consented to act as a Director of the Company and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of a Director, be and is hereby appointed as a Director of the Company.

RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Act (including any statutory modification or re-enactment thereof for the time being in force) read with Schedule IV to the Act, the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended from time to time, Regulation 17 and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), as amended and the Article of Association of the Company, Mr. Panchapakesan Swaminathan (DIN: 00901560), who meets the criteria for independence as provided in Section 149(6) of the Act and the Rules framed thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations, and who has submitted a declaration to that effect, be and is hereby appointed, as an Independent Director of the Company, not liable to retire by rotation, for a term of 5 (Five) years commencing July 31, 2024 and ending on July 30, 2029."

10. 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 K.G. Goyal & Co., Cost Accountants, Jaipur (Firm Registration No. 000017), 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, 2021, amounting to Rs. 35,000/- (Rupees Thirty-Five 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

11. Change of Registered Office outside the local limits but within the same jurisdiction of Registrar of Companies

To consider and if thought fit, to pass the following resolution as a **Special Resolution:**

“RESOLVED THAT pursuant to the provisions of Section 12 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force), consent of the members be and is hereby accorded for shifting the Registered Office of the Company from outside the local limits but within the same jurisdiction of Registrar of Companies from P O Ballarpur Paper Mills Chandrapur, Ballarpur – 442 901, Maharashtra, India to 602, 6th Floor, Boston House, Suren Road, Andheri East, Mumbai, Maharashtra - 400 093, India.

RESOLVED FURTHER THAT the Board of Directors of the Company (which term shall be deemed to include any Committee of the Board which may have been constituted or hereinafter constitute to exercise the powers conferred on the Board by this resolution) be and is hereby authorized to take such steps as may be necessary and generally to do all acts, deeds and things as may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid resolution.”

Place: Mumbai
Date: August 19, 2024

Registered Office:

PO Ballarpur Paper Mills, Chandrapur Ballarpur -
442 901, Maharashtra.
CIN: L21010MH1945PLC010337
sectdiv@bilt.com
www.bilt.com

By Order of the Board of Directors
For **Ballarpur Industries Limited**

Punit Bajaj
Company Secretary
Membership No.: ACS - 58392

Note to Members

The National Company Law Tribunal (“NCLT”), Mumbai Bench, vide its order dated January 27, 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 27, 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 comprise of Mr. Hardik B. Patel, the Whole-Time Director and Chief Financial Officer, Mr. Parashiva Murthy B S, Director, Ruchit B. Patel, Director, Shaukat H. Merchant, Independent Director, Bina D. Trivedi, Independent Director and Mr. Duraiswamy G. Rajan, Independent Director ("**New Board**"). Mr. Punit A. Bajaj, is appointed as the Company Secretary of the Company by the New Board (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 and are not currently available. Further accounts of the Company for the financial year ending March 31, 2020 ("**Subject Accounts**"), which pertain to the period prior to the Closing Date and the date of appointment of New Board, are required to be approved, audited and filed.

However, the Board 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) fulfil 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 Whole-Time Director and Chief Financial Officer, Mr. Parashiva Murthy B S, Director and Mr. Punit A. Bajaj, Company Secretary of the Company, 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, 2020 ("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, Mr. Parashiva Murthy B S, Director and Mr. Punit A. Bajaj, Company Secretary of the Company have each signed the Subject Accounts on the basis that the available Books and Records believing that the same are: (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 3(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. 27,742 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, 2020.

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, 2020. 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. 108,246 lakhs due from Ballarpur International Holdings BV ("BIH") and Rs. 6,359 lakhs due from Sabah Forest Industries ("SFI"); a step-down subsidiary, which is under resolution process in Malaysia. The Company had created provision for expected credit loss of Rs. 36,249 lakhs and Rs. 1,908 lakhs as at 31st March, 2020 towards the receivable from BIH and SFI respectively.

d. The Company had carried forward deferred tax assets (net) of Rs. 11,924 lakhs from earlier years.

e. The erstwhile auditors of the Company had not been provided with the bank reconciliation statements for 4 bank accounts maintained by the Company having a carrying amount of Rs. 8 Lakhs as at 31 March 2020. The consequential impact, if any, is not ascertainable.

f. Confirmation of balances had not been received by the erstwhile 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.

g. In the case of step-down subsidiary company BILT Graphic Paper Products Limited ("BGPPL"), the auditors of subsidiary had not been provided with the direct confirmation of balances from lenders for the balances outstanding as on 31st March, 2020 subsequent to accounting for the impact of the amendment to Master Restructuring Agreement. The impact of the same on the standalone financial statement is not ascertainable and accordingly not able to ascertain the impact of this in the consolidated financial results of the group.

h. The Financial Statements of 3 step down foreign subsidiaries (Mirabelle Trading Pte. Ltd., Sabah Forest Industries and Bilt Graphic Trading FZE) which have a total assets base of Rs. 2,90,907 lakhs and which are material to the group are unaudited.

i. In case of step-down subsidiary company BILT Graphic Paper Products Limited ("BGPPL"), dues from related parties includes Rs. 44,723 lakhs net due from Sabah Forest Industries ("SFI"), a fellow subsidiary of BGPPL, which is under resolution process in Malaysia. BGPPL had created provision for expected credit loss of Rs. 13,424 lakhs as at 31st March, 2020 towards the receivable from SFI. The auditors of BGPPL had not been provided with the basis for determining the provision for expected credit loss. Therefore, the auditor of BGPPL was unable to conclude on the adequacy of the provision for expected credit loss and the recoverability of the balance receivables from SFI and accordingly it is not possible to conclude on the adequacy of the provision for expected credit loss and the recoverability of the balance receivables from SFI in the consolidated financial results of the Group. The impact of the same on the consolidated financial results cannot be determined.

j. During the year two erstwhile related parties of BGPPL, CG Power and Industrial Solutions Limited (CG PISL) and CG Power Solutions Limited (CG PSOL), had initiated legal suit against the company before Bombay High Court for Rs. 81,123 Lakh pertaining to the transactions originating from earlier years before the auditors of the subsidiary were appointed as auditors of the said subsidiary. Further, the affairs of the erstwhile related parties are being investigated by Serious Fraud Investigation Office (SFIO). As a part of investigation, SFIO has been seeking information from BGPPL on transactions and other matters which are being furnished by BGPPL. The auditors of the BGPPL were unable to determine the impact of the pending legal claim and the outcome of the investigation by SFIO and hence the New Board is also unable to determine the impact of the pending legal claim and the outcome of the investigation by SFIO on these consolidated financial results of the Group.

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 has 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 3(ii) above, and for the matters that are not available as detailed in paragraph 3(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 the 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;

(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 3(ii) above, and for the matters that are not available as detailed in paragraph 3(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 the 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;

For the reasons set out in the preceding paragraphs, the New Board and KMPs are submitting the 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) the Board Report or any matter stated herein (including, for sake of clarity, the Director's Responsibility Statement set out herein) and the Subject Accounts.

**Sd/-
Hardik B. Patel
Whole Time Director & CFO**

NOTES FOR 75TH 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 businesses under Item Nos. 3 to 11 of the Notice is annexed hereto. The Board of Directors ('the Board') have considered and decided to include Item Nos. 3 to 11 given above in the 75th Annual General Meeting ('AGM'), as they are unavoidable in nature.

2. 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 and September 25, 2023 ("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 and October 7, 2023 ("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 till September 30, 2024. 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 P O Ballarpurpaper Mills Chandrapur, Ballarpur, Maharashtra, India, 442901. 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.

3. 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.

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.

4. 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.

5. 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.

6. 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').

7. In compliance with the aforesaid Circulars, Notice of the AGM along with the Annual Report 2019-20 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.bilt.com 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.

8. The Register of members and share transfer books of the Company will remain closed from Wednesday, September 4, 2024 to Tuesday, September 10, 2024 (both days inclusive) for the purpose of AGM.

9. **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.bilt.com 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.

10. 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.bilt.com

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>).

11. **Tuesday, September 3, 2024** 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.

12. Equity Shares of the Company are available for dematerialisation both with NSDL and Central Depository Services (India) Limited ('CDSL'). ISIN is **INE294A01037**.

13. 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.

14. 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.

15. 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, M/s. MCS Share Transfer Agent Limited for assistance in this regard. In view of the above, members are advised to dematerialize shares held by them in physical form.

16. 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.

17. 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.

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.

18. 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 reduce 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://www.bilt.com>.

19. 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.

20. 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.

21. 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 secdiv@bilt.com. The same will be replied by the Company suitably.

22. 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 secdiv@bilt.com.

23. Members are requested to quote Folio No. or Client ID and DP ID Nos. in all communications with the Company.

24. 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.

25. E-voting (voting through electronic means):

i. The businesses as set out in the Notice may be transacted through electronic voting system. In compliance with the provisions of section 108 of the Act read with The Companies (Management and Administration) Rules, 2014, standard 8 of the Secretarial Standard on General Meetings, regulation 44 of the Listing Regulations and pursuant to the MCA Circulars for General Meetings and the SEBI Circulars for General Meetings, the Company is pleased to offer the facility of voting through electronic means, to all its members to enable them to cast their votes electronically. The Company has made necessary arrangements with National Securities Depository Limited ('NSDL') to facilitate the members to cast their votes from a place other than venue of the AGM ('remote e-voting'). The facility for voting shall be made available during the AGM through electronic voting and the members participating in the

AGM who have not cast their votes by remote e-voting shall be able to exercise their right during the AGM. The facility of casting votes by a member using remote e-voting as well as venue e-voting system on the date of the AGM will be provided by NSDL.

In terms of provisions of section 107 of the Act, as the Company is providing the facility of remote e-voting to the members, there shall be no voting by show of hands at the AGM.

ii. Pursuant to MCA and SEBI Circulars, physical attendance of the members at the AGM venue is not required and AGM can be held through VC / OAVM.

iii. iv. v. Pursuant to MCA and SEBI Circulars, physical attendance of the members at the AGM venue is not required and AGM can be held through VC / OAVM. The members can join the AGM through VC / OAVM mode 15 (fifteen) minutes before the scheduled time of the AGM and within 15 (fifteen) minutes after the scheduled time of the commencement of the AGM by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC / OAVM will be made available to atleast 1,000 (one thousand) members on first come first served basis. This will be in addition to large members (members 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 AGM without restriction on account of first come first served basis.

iv. The attendance of the members attending the AGM through VC / OAVM will be counted for the purpose of reckoning the quorum under section 103 of the Act.

v. A person whose name is recorded in the Register of Members / List of Beneficial Owners maintained by the Depositories as on Tuesday, September 3, 2024, being the cut-off date, shall be entitled to avail the facility of remote e-voting or e-voting during the AGM. Persons who are not members as on the cut-off date, but have received this Notice, should treat receipt of this Notice for information purpose only.

vi. The members who have cast their votes by remote e-voting prior to AGM may also attend the AGM, but shall not be entitled to cast their votes again.

vii. The members whose names appear in the Register of Members / List of Beneficial Owners as on Tuesday, September 3, 2024 are entitled to vote on the resolutions set forth in the Notice. Eligible members who have acquired shares after sending the Notice electronically and holding shares as on the cut-off date may approach the Company for seeking assistance for issuance of the User Id and Password for exercising their right to vote by electronic means.

viii. Once the vote on a resolution is cast by the Member, he/she shall not be allowed to change it subsequently or cast the vote again.

ix. 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.

26. 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:

i. 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 Company/RTA.

ii. 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/RTA. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (below) (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**

iii. Alternatively shareholder/members may send a request to evoting@nsdl.co.in or sectdiv@bilt.com for procuring user id and password for e-voting by providing above mentioned documents.

iv. 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 in order to access e-Voting facility.

27. Instructions for members for remote voting, e-voting during AGM and joining the AGM through VC / OAVM are as under:

- The remote e-voting period begins on 9:00 a.m. (IST) on Saturday, September 7, 2024 and ends on 5:00 p.m. (IST) on Monday, September 9, 2024. 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. Tuesday, September 3, 2024, 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 September 3, 2024.
- Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting.
- Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9th December, 2020, under Regulation 44 of the Listing Regulations, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the

demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.





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 in order 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.	<ol style="list-style-type: none"> 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. 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 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. Shareholders/Members can also download NSDL Mobile App 'NSDL Speede' facility by scanning the QR code mentioned below for seamless voting experience. <p style="text-align: center;">NSDL Mobile App is available on</p> <div style="display: flex; justify-content: center; gap: 20px;">   </div> <div style="display: flex; justify-content: center; gap: 20px; margin-top: 10px;">   </div>

<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> 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 /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. 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. 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. 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 also able to directly access the system of all e-Voting Service Providers.
<p>Individual Shareholders (holding securities in demat mode) login through their depository participants</p>	<p>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. 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 demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at 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 22 55 33

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?

- 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, 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.
- 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***
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- Password details for shareholders other than Individual shareholders are given below:
 - If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - 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.
 - How to retrieve your 'initial password'?
 - 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'.
- If you are unable to retrieve or have not received the 'Initial password' or have forgotten your password:
 - 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.
 - Physical User Reset Password?** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - 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.
 - Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
- After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
- Now, you will have to click on "Login" button.
- 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.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

- 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.
- 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".
- Now you are ready for e-Voting as the Voting page opens.
- 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 also "Confirm" when prompted.
- Upon confirmation, the message "Vote cast successfully" will be displayed.
- You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
- Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

- 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.co.in. 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.
- 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.
- 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 on: 022 - 4886 7000 and 022 - 2499 7000 or send a request to Mr. Abhishek Mishra at evoting@nsdl.co.in.
- A member can opt for only one mode of voting i.e. either through remote e-voting or during the AGM. If a member cast votes by both modes, then voting done through remote e-voting shall prevail.
- 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 for conducting the e-voting and remote e-voting process in a fair and transparent manner.
- 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.
- 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.
- The results declared along with the Scrutinizer's Report, will be posted on the website of the Company www.bilj.com 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.
- 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.

28. 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 **at least 7 (seven) days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at secdiv@bilt.com. 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 secdiv@bilt.com. 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

The Members of the Company in their 72nd Annual General Meeting ("AGM") held on 26 September 2017, had appointed M/s Sharp & Tannan, Chartered Accountants, Chennai (Firm Registration No. 003792S), as the Statutory Auditors of the Company for a period of 5 years to hold office from the conclusion of the said AGM till the conclusion of the 77th AGM. Accordingly, M/s Sharp & Tannan had continued as Statutory Auditors during the Financial Year 2020 but have only audited the Standalone Financial Statements of the Company and the Consolidated Financial Statements of the Company were not audited.

As per the terms of the Approved Resolution Plan, the statutory auditor of the Company shall be deemed to have vacated its office, and, a person nominated by the Resolution Applicant, shall be designated and appointed as the statutory auditor of the Corporate Debtor on the same day when the existing statutory auditors deemed to have vacated the office. Accordingly, subsequent to the order of the Hon'ble NCLT approving the resolution plan, the Statutory Auditors M/s Sharp & Tannan were deemed to have vacated their office. However, for the sake of completion of audit of consolidated financial statements of the Company and with an intention to complete the pending non-compliances and lapses by the erstwhile management, the Company had engaged the services of M/s. Batliboi & Purohit, Chartered Accountants (Firm Registration No. 101048W) as the Statutory Auditors of the Company for completion of pending audit of the Consolidated Financial Statements of the Company for the financial years 2019-20, 2020-21, 2021-22 and 2022-23 and for completion of audit of both standalone and consolidated financial statements for the remaining tenure. Accordingly, the appointment of M/s. Batliboi & Purohit, Chartered Accountants (Firm Registration No. 101048W) is hereby proposed for approval of the members of the company for a term of 5 (five) consecutive 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. The New Board accordingly recommends the Ordinary Resolution as mentioned at item no. 2 of this Notice for your approval.

Pursuant to applicable provisions of the Companies Act, 2013, 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 & 4

Appointment of Mr. Hardik B. Patel (DIN: 00590663) as a Director of the Company

&

Appointment of Mr. Hardik B. Patel (DIN: 00590663) as a Chairman and Whole-Time Director of the Company

Members are requested to note that 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 by the Monitoring Committee (constituted pursuant to approved resolution plan for Implementation of Resolution Plan), Mr. Hardik B. Patel who is at present acting as Chairman of the Finquest Group has been appointed as Chairman and Whole-Time Director of the Company, pursuant to the provisions of Section 149, 152, 196, 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013 ('the 'Act'), the Monitoring Committee at its meeting dated June 12, 2023, has recommended the appointment of Mr. Hardik B. Patel (DIN: 00590663) as Chairman and Whole-time Director of the Company, with a remuneration of Rs 0.00 (Nil) per annum, for a period of 3 (three) years from June 12, 2023 to June 11, 2026, not liable to retire by rotation, subject to the approval of members of the Company.

Brief Profile of the appointee is given below:

Mr. Hardik B. Patel, aged 42 years, is a Masters in Business Administration from Crummer Graduate School of Business, Florida, USA. He is the founder and Promoter of FINQUEST Group of Companies and has worked with pre-eminent investment banks and asset advisory firms such as Merrill Lynch, PCE Investment Bankers and Fidelity Investments in the USA. Mr. Hardik Patel specializes in developing bespoke client specific solutions including creating prudent asset allocation techniques and building model portfolios.

Mr. Hardik B. Patel does not hold any Equity Share in the Company in his individual name.

Mr. Hardik B. Patel is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Whole-Time Director of the Company.

Broad particulars of the terms of appointment and remuneration payable to Mr. Hardik B. Patel are as under:

- a. Salary: Rs 0.00 (Nil) per annum
- b. Perquisites and Allowances: Nil
- c. Contribution to provident fund, superannuation or annuity fund, gratuity etc.: Nil
- d. Remuneration based on net profits: Nil
- e. Increment / Incentive / ESOP etc.: Nil
- f. Reimbursement of Expenses: Nil
- g. 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.
- iv. The Executive Chairman shall not be liable to retire by rotation.

Mr. Hardik B. Patel is founder and promoter of Finquest Group of

Companies, has business experience of 2 decades. Under his leadership, Finquest Group has successfully acquired manufacturing units of marquee brands like Reid & Taylor, Digjam and Premiere Tissues.

The Board considers that his association would be of immense benefit to the Company and it is desirable to avail services of Mr. Hardik B. Patel as a Whole-time Director.

Brief profile of Mr. Hardik B. Patel and disclosure(s) / information(s) under the Listing Regulations and the Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India are set out in Annexure to the Notice of AGM.

Mr. Hardik B. Patel satisfies all the conditions set out in Part – I of the Schedule V to the Act as also conditions set out under Section 196(3) of the Act for being eligible for appointment as whole-time director.

The above may be treated as a written memorandum setting out the terms of appointment of Mr. Hardik B. Patel under Section 190 of the Act.

Except Mr. Hardik B. Patel and their respective relatives, none of the other directors or key managerial personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the resolution as set out at Item No. 3 & 4 of the Notice AGM.

The Board recommends the ordinary resolution set out at Resolution No. 3 & 4 of the Notice of AGM to the Members of the Company for their consideration and approval, by way of an Ordinary Resolution.

Item No. 5

Appointment of Mr. Parashiva Murthy B S (DIN: 00011584) as the Non-Executive, Non-Independent Director of the Company

Members are requested to note that 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 by the Monitoring Committee (constituted pursuant to approved resolution plan for Implementation of Resolution Plan), the Monitoring Committee at their meeting held on June 12, 2023, approved the appointment of Mr. Parashiva Murthy B S (DIN: 00011584) as Non-Executive Non-Independent Director of the Company with effect from June 12, 2023, liable to retire by rotation.

Accordingly, in terms of the provisions of the Companies Act, 2013 and Regulation 17(1C) of SEBI Listing Regulations, it is proposed to obtain approval of the Members / shareholders by way of Ordinary Resolution for appointment of Mr. Parashiva Murthy B S (DIN: 00011584) as Non-Executive Non-Independent Director of the Company on the terms, conditions and remuneration as mentioned below.

Mr. Parashiva Murthy B S is neither disqualified from being appointed as a Director in terms of Section 164 of the Act nor is debarred from holding the office of Director by virtue of any SEBI order or any other authority and has given all the necessary declarations and confirmation including her consent to be appointed on the Board of the Company.

Brief profile of Mr. Parashiva Murthy B S and disclosure(s) /

information(s) under the Listing Regulations and the Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India are set out in Annexure to the Notice of AGM.

A notice in writing under Section 160 of the Act has been received from a member signifying the intention to propose the name of Mr. Parashiva Murthy B S as a candidate for the office of Director.

Except Mr. Parashiva Murthy B S, none of the Directors or Key Managerial Personnel or their relatives are in any way concerned or interested in passing of this resolution.

The Board of Directors recommends the resolution regarding appointment of Mr. Parashiva Murthy B S, as Non-Executive Non-Independent Director of the Company for consideration and approval of the Members of the Company by way of an Ordinary Resolution as set out at Item No. 5 of the Notice AGM.

Item No. 6 & 7

Appointment of Mr. Yeddala Kesava Reddy (DIN: 10586100) as a Whole Time Director and approval of the terms of remuneration thereof

&

Appointment of Mr. Yeddala Kesava Reddy (DIN: 10586100) as a Whole Time Director and approval of the terms of remuneration thereof

Mr. Yeddala Kesava Reddy has been associated with the Company's activities since last 10 Year in various capacities and is having in-depth exposure in different aspects of the Company's Operations. Pursuant to the provisions of Section 178 of the Companies Act, 2013 ('the Act'), the Nomination and Remuneration Committee and the Board of Directors, at their respective meetings held on June 10, 2024, had unanimously recommended, subject to approval of the shareholders, the appointment of Mr. Yeddala Kesava Reddy (DIN: 10586100) as Whole-time Director, designated as Executive Director of the Company, for a period of 3 (three) years from June 10, 2024 to June 9, 2027, whose office shall be liable to retirement by rotation and on the such other terms and conditions including remuneration as set out herein below:

Mr. Yeddala Kesava Reddy (DIN: 10586100), 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.

1. Term of office:

Name	Designation	Period
Mr. Yeddala Kesava Reddy (DIN: 10586100)	Executive Director	3 years from June 10, 2024 to June 9, 2027

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.

2. Remuneration:

The Whole Time Director shall be paid remuneration of Rs. 1,75,000 (Rupees One Lakh Seventy-Five only) per month including perquisites

and allowances and others as stated below:

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. Health Insurance: The Company shall provide group medical health for the Executive Director.

b. Contribution to provident fund, superannuation or annuity fund, gratuity etc.: Nil

c. Remuneration based on net profits: Nil

d. Increment / Incentive / ESOP etc.: Nil

e. 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.

iv. The Executive Chairman shall not be liable to retire by rotation.

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. Yeddala Kesava Reddy as Whole-time Director in accordance with the provisions of the Companies Act, 2013, rules thereunder or any amendments made therein.

3. Minimum Remuneration:

In the absence of inadequacy of profits in any financial year, Mr. Yeddala Kesava Reddy, Whole-time Director may be paid aforesaid remuneration by way of salary as minimum remuneration subject to the limits specified in item A of Section II of Part II of Schedule V to Companies Act, 2013, as applicable.

However, remuneration in excess of the limits prescribed in Schedule V to the Companies Act, 2013 as mentioned above may be paid, if the resolution passed by the shareholders, is a special resolution. Therefore, approval of the Shareholders by special resolution is

is sought for payment of remuneration to Whole-time Director, for a period of 3 years.

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:

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.

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.

4. 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> <th>Revenue</th> </tr> </thead> <tbody> <tr> <td>2017-18</td> <td>(1,210)</td> <td>3,690</td> </tr> <tr> <td>2018-19</td> <td>(1,071)</td> <td>3,274</td> </tr> <tr> <td>2019-20</td> <td>(2,487)</td> <td>3,643</td> </tr> </tbody> </table>	Year / Period	Net Profit / (Loss)	Revenue	2017-18	(1,210)	3,690	2018-19	(1,071)	3,274	2019-20	(2,487)	3,643
Year / Period	Net Profit / (Loss)	Revenue											
2017-18	(1,210)	3,690											
2018-19	(1,071)	3,274											
2019-20	(2,487)	3,643											
5. Foreign Investments or collaborations, if any.	The Company has made various investment in oversea subsidiaries and step-down subsidiaries as disclosed in financial statements.												
II. Information about Appointee:													
1. Background details	Mr. Yeddala Kesava Reddy (DIN: 10586100) aged 59 years, is a Bachelor of Law and PGDPM (Personnel Management). He is having expertise in Human Resources and Industrial Relation, administration, general management and Government liasoning and is having an experience of over 30 years in manufacturing industry. He is working with the Company since last 10 Year in various capacities and presently acting as a Head-Human Resource / Administration and Legal of the Shree Gopal Unit of the Company. Mr. Yeddala Kesava Reddy is not on the Board of any Company except Ballarpur Industries Limited.												
2. Past remuneration	Not Applicable												
3. Recognition or Awards	--												

4. Job Profile and his suitability	Mr. Yeddala Kesava Reddy, 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 Whole-time Director and as a shareholder to the extent of his shareholdings in the Company. Mr. Yeddala Kesava Reddy 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 the flagship entity BILT, and the other under its step-down subsidiary BILT Paper. 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. Through this structure, BILT addresses the following basic portfolio of businesses: <ul style="list-style-type: none"> • Writing and printing paper. • 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, 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.
2. Steps taken/proposed to be taken for improvement	
3. Expected increase in Productivity/Profits	

The above may be treated as an abstract of the draft agreements between the Company and Mr. Yeddala Kesava Reddy to Section 190 of the Companies Act, 2013.

Mr. Yeddala Kesava Reddy 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. Yeddala Kesava Reddy 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. 6 & 7 of the Notice of AGM to the Members of the Company for approval by the members.

Item No. 8

Appointment of Mr. Kulandaipaian Thangaraju (DIN: 10721302) as an Independent Director

The Board at its meeting held on July 31, 2024 appointed Mr. Kulandaipaian Thangaraju (DIN: 10721302) as an Additional Director as well as an Independent Director ("ID") w.e.f. July 31, 2024 for the first term of 5 (five) consecutive years subject to approval of members by way of a special resolution.

As per regulation 17(1C) of the Listing Regulations, approval of members for appointment of person on the Board should be taken at the next General Meeting or within a period of 3 (three) months from the date of appointment, whichever is earlier. Further, as per regulation 25(2A) of Listing Regulations, the appointment of an ID shall be subject to approval of members by way of a special resolution.

As per the provisions of section 149(13) read with explanation to section 152(6) of the Act, the period of office of an ID will not be liable to retire by rotation at an Annual General Meeting.

The Company has received a Notice in writing from a member of the Company under section 160 of the Act, proposing his candidature for the office of ID. He meets the criteria of independence as provided in section 149(6) of the Act and regulation 16(1)(b) of the Listing Regulations and is not disqualified from being appointed as a Director in terms of section 164 of the Act and has given his consent to act as a Director. He has declared that he is not restrained from acting as a Director by virtue of any order passed by SEBI or any such authority.

He fulfils the conditions for appointment as an ID as specified in the Act and the rules framed thereunder and the Listing Regulations and is independent of the management.

He has also confirmed that he is in compliance with rules of The

Companies (Appointment and Qualification of Directors) Rules, 2014, with respect to the registration with the data bank of IDs maintained by The Indian Institute of Corporate Affairs. He will comply with the statutory provisions w.r.t. passing the online proficiency self-assessment test within the stipulated time frame.

The Board reviewed the skills and capabilities of Mr. Kulandaipaian Thangaraju vis-a-vis the role and capabilities required as decided by the Board based on the evaluation of balance of skills, knowledge and experience of the existing Board and considered appropriate, to recommend the appointment of Mr. Kulandaipaian Thangaraju as an ID, for a term of 5 (five) consecutive years w.e.f. July 31, 2024. In the opinion of the Board, he possesses appropriate skills, knowledge and expertise required for the efficient functioning of the Company, more particularly in the areas of business and management and technical aspects.

In the opinion of the Board, the Company will benefit from his valuable experience, knowledge and counsel.

Accordingly, it is proposed to appoint Mr. Kulandaipaian Thangaraju as an ID of the Company, not liable to retire by rotation for a term of 5 (five) consecutive years w.e.f. July 31, 2024.

Copy of the letter for appointment setting out the terms and conditions applicable to an ID as applicable to Mr. Kulandaipaian Thangaraju is available on the Company's website www.bilt.com and shall be available for inspection, during the normal business hours, upto the date of AGM, basis the request being sent by member on sectdiv@bilt.com or bajaj.punit@bilt.com, mentioning their name, Folio no. / DP ID and Client ID with a self-attested copy of their PAN Card or Aadhar Card attached to the email.

The resolution contained in Item No. 8 of the accompanying Notice, accordingly, seeks approval of members for appointment of Mr. Kulandaipaian Thangaraju as an ID on the Board of the Company on the terms and conditions as specified in the draft letter of appointment.

Save and except Mr. Kulandaipaian Thangaraju himself and his relatives, none of the Directors, Key Managerial Personnel of the Company and their relatives are in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 8 of the Notice.

The Board recommends the passing of the resolution as a Special Resolution as set out at Item No. 8 of the Notice.

Item No. 9

Appointment of Mr. Panchapakesan Swaminathan (DIN: 00901560) as an Independent Director

The Board at its meeting held on July 31, 2024 appointed Mr. Panchapakesan Swaminathan (DIN: 00901560) as an Additional Director as well as an Independent Director ("ID") w.e.f. July 31, 2024 for the first term of 5 (five) consecutive years subject to approval of members by way of a special resolution.

As per regulation 17(1C) of the Listing Regulations, approval of members for appointment of person on the Board should be taken at the next General Meeting or within a period of 3 (three) months from the date of appointment, whichever is earlier. Further, as per

regulation 25(2A) of Listing Regulations, the appointment of an ID shall be subject to approval of members by way of a special resolution.

As per the provisions of section 149(13) read with explanation to section 152(6) of the Act, the period of office of an ID will not be liable to retire by rotation at an Annual General Meeting.

The Company has received a Notice in writing from a member of the Company under section 160 of the Act, proposing his candidature for the office of ID. He meets the criteria of independence as provided in section 149(6) of the Act and regulation 16(1)(b) of the Listing Regulations and is not disqualified from being appointed as a Director in terms of section 164 of the Act and has given his consent to act as a Director. He has declared that he is not restrained from acting as a Director by virtue of any order passed by SEBI or any such authority.

He fulfils the conditions for appointment as an ID as specified in the Act and the rules framed thereunder and the Listing Regulations and is independent of the management.

He has also confirmed that he is in compliance with rules of The Companies (Appointment and Qualification of Directors) Rules, 2014, with respect to the registration with the data bank of IDs maintained by The Indian Institute of Corporate Affairs. He will comply with the statutory provisions w.r.t. passing the online proficiency self-assessment test within the stipulated time frame.

The Board reviewed the skills and capabilities of Mr. Panchapakesan Swaminathan vis-a-vis the role and capabilities required as decided by the Board based on the evaluation of balance of skills, knowledge and experience of the existing Board and considered appropriate, to recommend the appointment of Mr. Panchapakesan Swaminathan as an ID, for a term of 5 (five) consecutive years w.e.f. July 31, 2024. In the opinion of the NRC and the Board, he possesses appropriate skills, knowledge and expertise required for the efficient functioning of the Company, more particularly in the areas of business and management and financial aspects.

In the opinion of the Board, the Company will benefit from his valuable experience, knowledge and counsel.

Accordingly, it is proposed to appoint Mr. Panchapakesan Swaminathan as an ID of the Company, not liable to retire by rotation for a term of 5 (five) consecutive years w.e.f. July 31, 2024.

Copy of the letter for appointment setting out the terms and conditions applicable to an ID as applicable to Mr. Panchapakesan Swaminathan is available on the Company's website www.bilt.com and shall be available for inspection, during the normal business hours, upto the date of AGM, basis the request being sent by member on sectdiv@bilt.com or bajaj.punit@bilt.com, mentioning their name, Folio no. / DP ID and Client ID with a self-attested copy of their PAN Card or Aadhar Card attached to the email.

The resolution contained in Item No. 9 of the accompanying Notice, accordingly, seeks approval of members for appointment of Mr. Panchapakesan Swaminathan as an ID on the Board of the Company on the terms and conditions as specified in the draft letter of appointment.

Save and except Mr. Panchapakesan Swaminathan himself and his

relatives, none of the Directors, Key Managerial Personnel of the Company and their relatives are in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 9 of the Notice.

The Board recommends the passing of the resolution as a Special Resolution as set out at Item No. 9 of the Notice.

Item No. 10

Ratification of Remuneration to Cost Auditors

K.G. Goyal & Co., Cost Accountants, Jaipur (Firm Registration No. 000017), were appointed as the Cost Auditors for auditing the cost records being maintained by the Company for the financial year 2020-21, 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 2020 – 2021, 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. 6 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. 11

Change of Registered Office outside the local limits but within the same jurisdiction of Registrar of Companies

The New Board has proposed to shift the Registered Office of the Company from its current location at P O Ballarpur Paper Mills Chandrapur, Ballarpur – 442 901, Maharashtra, India to 602, 6th Floor, Boston House, Suren Road, Andheri East, Mumbai, Maharashtra - 400 093, India.

This change is being proposed to facilitate better administrative control, ease of access, and to enhance operational efficiencies. The new location is well-equipped with modern infrastructure and is better suited for the Company's current and future business needs.

The proposed shift of the Registered Office is within the same jurisdiction of the Registrar of Companies and is in accordance with the provisions of Section 12 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force). The New Board believes that this change will contribute to the overall benefit of the Company and its stakeholders. The proposed resolution requires the approval of the members by way of a Special Resolution.

The New Board accordingly recommends the Ordinary Resolution as mentioned at item no. 11 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.

Annexure

Details of Directors seeking appointment at the 75th Annual General Meeting

The following are the particulars of Directors who are proposed to be appointed at the meeting pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS-2):

Name of the Director	Mr Hardik B Patel	Mr. Parashiva Murthy B S
DIN	00590663	00011584
Age	42 Years	59 Years
Brief Profile including Experience, Qualification and Areas of Specialisation	<p>Mr. Hardik B. Patel aged 42, has a master's degree in business administration from Crummer Graduate School of Business, Florida, USA. He is the founder and Promoter of FINQUEST and has worked with pre-eminent investment banks and asset advisory firms such as Merrill Lynch, PCE Investment Bankers and Fidelity Investments in the USA. Sri Patel specializes in developing bespoke client specific solutions including creating prudent asset allocation techniques and building model portfolios.</p> <p>He is on the Board of Rubfila International Limited, Premier Tissues (India) Limited, Finquest Securities Private Limited, Finquest Financial Solutions Private Limited, Krihaan Texchem Private Limited, Digjam Limited and many family promoted companies.</p>	<p>Mr. Parashiva Murthy B S aged 58, is an Engineering graduate and a professional cost accountant from Institute of Cost Accountants of India having more than 3 decades of Industry experience which includes working with IDBI Bank (formerly Industrial Development Bank of India), BPL Group and Kennametal Group. While working with IDBI for more than 23 years, Mr. Murthy has worked in various capacities with his last role as General Manager, heading the Stressed Asset Vertical of IDBI Bank. Mr. Murthy has been on board of many Corporates as Independent Director. He has deep insight knowledge on credit appraisal process of a Bank and Financial Institution.</p> <p>He is on the Board of Finquest Financial Solutions Private Limited as Non-Executive Non-Independent Director.</p>
Terms & Conditions of Appointment	Appointment as Chairman and Whole Time Director	Appointment as Non-Executive and Non-Independent Director
Date of First Appointment on the Board	June 12, 2023	June 12, 2023

Term / Tenure of Appointment	For Three Years w.e.f. June 12, 2023 to June 11, 2026	Up to the date of the next general meeting of the members of the Company
Details of remuneration sought to be paid	Nil	Nil
Last drawn remuneration, if applicable	Not Applicable	Not Applicable
Shareholding in the company held either himself or on a beneficial basis for any other persons	Nil	Nil
Disclosure of relationships with Directors and KMPs	Sri Hardik B. Patel is person related to Finquest Financial Solutions Private Limited and hold common directorship in both the Companies. Except above, Sri Hardik B. Patel is not related to any Directors or Key Managerial Personnel of the Company	Sri Parashiva Murthy B S is presently acting as Non-Executive Director of Finquest Financial Solutions Private Limited. Except above, Sri Parashiva Murthy B S is not related to any Directors or Key Managerial Personnel of the Company
The number of meetings of the Board attended during the FY 2024		
Directorship held in other listed entities as on March 31, 2024	2	Nil
Names of listed entities in which the person also holds the directorship and the membership of Committees of the board	<ol style="list-style-type: none"> 1. Digjam Limited Holds Directorship as well as Membership of Audit Committee, and Stakeholders Relationship Committee 2. Rubfila International Limited Holds Directorship as well as Membership of Nomination and Remuneration Committee 	Nil
Names of listed entities from which the person has resigned in the past three years	Nil	Nil

Name of the Director	Mr. Yeddala Kesava Reddy	Mr. Kulandaipaian Thangaraju	Mr. Panchapakesan Swaminathan
DIN	10586100	10721302	00901560
Age	59 Years	64 Years	59 Years
Brief Profile including Experience, Qualification and Areas of Specialisation	<p>Mr. Yeddala Kesava Reddy (DIN: 10586100), is a Bachelor of Law and PGDPM (Personnel Management). He is having expertise in Human Resources and Industrial Relations, administration, general management and Government liaisoning and is having an experience of over 30 years in manufacturing industry. He is working with the Company since last 10 Year in various capacities and presently acting as a Head-Human Resource Administration and Legal of the Shree Gopal Unit of the Company.</p> <p>Mr. Yeddala Kesava Reddy is not on the Board of any Company except Ballarpur Industries Limited.</p>	<p>Mr. Kulandaipaian Thangaraju (DIN: 10721302), is a B. Tech (Production Technology), P.G.D (Business Administration) & (Computer Application). Mr. K. Thangaraju is a Seasoned Professional with working experience of more than 38 years in Paper and Product Industry. He has 38 years of Paper manufacturing experience with Tamil Nadu Newsprint and Papers Limited (TNPL), where he has worked in various capacities with his last role as Chief General Manager (Production), handling entire production and planning across all the plants of the TNPL. Mr. K. Thangaraju was Executive Committee Member of Indian Pulp and Paper Technical Association (IPPTA) for the period of two years (01-04-2015 to 31-03-2017), where he has Chaired multiple technical sessions.</p> <p>Mr. K. Thangaraju is not on the Board of any Company except Ballarpur Industries Limited.</p>	<p>Mr. P. Swaminathan - is a Chartered and Cost Accountant with 25 years of experience. Prior to setting up his own financial consultancy services, he had worked with Ernst & Young, Allsec Financials Ltd and his last employment was with Allsec Technologies Limited as Chief Financial Officer. He successfully handled the seed funding, private equity and finally the IPO of the company.</p> <p>He is on the Board of Digjam Limited as Independent Director.</p>
Terms & Conditions of Appointment	<ul style="list-style-type: none"> Remuneration shall be as mentioned in the resolution and explanatory statement attached to Notice of 75th AGM. 	<ul style="list-style-type: none"> Not liable to retire by rotation Entitled to receive sitting fees for attending board and committee meetings 	<ul style="list-style-type: none"> Not liable to retire by rotation Entitled to receive sitting fees for attending board and committee meetings
Date of First Appointment on the Board	June 10, 2024	July 31, 2024	July 31, 2024
Term / Tenure of Appointment	3 Years	5 Years	5 Years

Details of remuneration sought to be paid	Please refer notes of Notice of 75 th AGM		
Last drawn remuneration, if applicable	Not Applicable	Not Applicable	Not Applicable
Shareholding in the company held either himself or on a beneficial basis for any other persons	Nil	Nil	Nil
Disclosure of relationships with Directors and KMPs	None	None	None
The number of meetings of the Board attended during the FY 2024	Not Applicable	Not Applicable	Not Applicable
Directorship held in other listed entities as on March 31, 2024	None	None	Digjam Limited
Names of listed entities in which the person also holds the directorship and the membership of Committees of the board	None	None	Digjam Limited
Names of listed entities from which the person has resigned in the past three years	Nil	Nil	Nil



ADDRESS FOR CORRESPONDENCE
THE COMPANY SECRETARY
Ballarpur Industries Limited, First India Place, Tower C,
602, Boston House, Chakala, Andheri (E), Mumbai – 400 053,
Maharashtra, India
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