



AMAR GARG & CO

CHARTERED ACCOUNTANTS

Office No. 135, F.F., JMD Megapolis IT Park,
Sector-48, Sohna Road, Gurugram-122018(Hr.)
Mobile :9818798008, 0124-4146787
E-mail :gargje@yahoo.com
:amargarg78@gmail.com

INDEPENDENT AUDITOR'S REPORT

To the Members of

Baghaulti Sugar & Distillery Limited (A Company under corporate insolvency resolution process vide NCLT order)

Report on the Audit of the standalone Financial Statements

Opinion

We were engaged to audit the accompanying financial statements of M/s Baghaulti Sugar & Distillery Limited (A Company under corporate insolvency resolution process vide NCLT order), which comprise the balance sheet as at March 31, 2023, and the statement of profit & loss (including other comprehensive income), statement of changes in equity and statement of cash flow for the year then ended and notes to the standalone financial statement, including a summary of significant accounting policies and other explanatory information for the year then ended.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. 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 thereunder and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibility under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the entity in accordance with the code of Ethics issued by ICAI together with the ethical requirements that are relevant to our audit of financial statements under the provisions of the Act and Rules made there under and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion on the financial statements

1. Basis for Qualified Opinion

We draw attention to the fact that "Corporate Insolvency Resolution Process (CIRP) has been initiated in respect of the Corporate Debtor M/s Baghaulti Sugar & Distillery Limited under the Insolvency and Bankruptcy Code 2016 (IBC) vide the order of the Hon'ble National Company Law Tribunal, Allahabad Bench dated 07th February 2020 and Mr. Vivek Raheja has been appointed as Resolution Professional under Insolvency and Bankruptcy Code 2016 ("Code").

Further, as informed, the operations of the company are closed down since 2016. Also, the Company has accumulated losses and its net worth has been fully eroded, the Company has incurred a net cash loss during the current year and previous year(s) and the Company's outside liabilities exceeded its assets substantially as at the balance sheet date. The financial statements



of the Company for the financial year ending 31st March, 2023 continues to be prepared on a going concern basis.

However, there exists material uncertainty about the Company's ability to continue as going concern since the same is dependent upon the resolution plan to be approved by CoC/NCLT. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. The financial statements do not adequately disclose this fact. Since the outcome of Corporate insolvency resolution process is uncertain, we are unable to comment on the impact on the carrying value of the assets of the Company and any other consequential impact that may arise in this regard on the accompanying financial statements.

2. CWIP amounting to Rs. 123,21,17,667/- on account of the Distillery plant has been shown in the financial statement since long i.e. prior to 2016. In the absence of proper details and technical evaluation of the same, we are unable to comment on the valuation of said CWIP and the resultant impact of the same on the financial statement of the company
3. Stores and spares amounting to Rs.1,52,00,908/- is being shown under Inventory. The said item has been appearing in the books since long, however, no proper stock records are available with the company. In the absence of the same, we are unable to comment on the actual valuation of the said stores and spares and the resultant impact of the same on the financial statement of the company.
4. Further, attention is invited to the fact that the net worth of the Company has been completely eroded. Despite the fact that the business operations of the company are already closed down since 2016, the Company has not carried out any techno-economic assessment of its fixed assets during the year ended 31st March, 2023 and hence identification of impairment loss and provision thereof in terms of Ind AS 38 "Impairment of Assets", if any, has not been made. The consequential impact of the same, if any, on the financial statements is presently not ascertainable.
5. Attention is invited that "Post the Corporate Insolvency Resolution Process (CIRP) initiation date i.e. 07th February 2020, the Company has not provided for any interest on the loans outstanding as payable as on date". The consequential impact, if any, on the financial statements is not ascertainable. Hence, we are unable to comment on the adequacy /or otherwise of the amount recognized as interest in the accompanying financial statements.
6. Attention is further invited that "the balances of trade receivables, trade payables, advances to employees, capital advances, other advances and other current liabilities are subject to confirmation and reconciliation. Their balances are reflected in the Balance Sheet as appearing in the books, pending reconciliation, the net effect is unascertainable."
Due to the non-availability of confirmations and reconciliations of the aforementioned account balances, we are unable to comment on the impact of the adjustments, if any, arising from the reconciliation and settlement of account balances on the financial statements.
7. In accordance with the Insolvency and Bankruptcy Code ("Code"), the Resolution Professional ("RP") has to receive, collate and admit the claims submitted by the creditors as a part of the Corporate Insolvency Process (CIRP). Such claims can be submitted to the RP till the approval of the resolution plan by the Committee of Creditors ("CoC"). Pending the final outcome of the CIRP, no accounting impact in the books of accounts has been made in respect of excess, short, or non-receipts of claims for operational and financial creditors. Hence, we are unable to comment on the possible financial impacts of the same, if any, on the financial statements.
8. Attention is further invited that "the company has not recognized any deferred tax assets in terms of Ind As 12 "Income Taxes" despite having huge accumulated business losses/ unabsorbed depreciation due to the reason that business operations of the company are closed down since



2016 and there is material uncertainty regarding Company's ability to continue as a going concern".

Due to the non-recognition of deferred tax assets by the company despite the huge unabsorbed business losses/ unabsorbed depreciation being shown on income tax return, we are unable to ascertain consequential impact of any outcome under CIRP as a going concern on the accompanying financial statement of the company.

Information Other than the Financial Statements and Auditor's Report Thereon

In view of on-going CIR process, the RP is responsible for the preparation of the other information. The other information comprises the information included in the management Discussion and Analysis, Board's Report including Annexure to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report there on. These reports are expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion there on.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the 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. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Hon'ble National Company Law Tribunal - Allahabad Bench has passed its Order dated 07th February 2020 ("NCLT Order"), and corporate insolvency resolution process ("CIR Process") has been initiated for the Company in accordance with the provisions of the Insolvency and Bankruptcy Code, 2016 and the related rules and regulations issued there under (collectively, "I & B Code") with effect from 07th February 2020. Mr. Vivek Raheja, (Registration No.- IBBI/IPA-001/IP.P00055/2017-18/10133), was appointed as Interim Resolution Professional in terms of the NCLT Order and, subsequently, he was appointed as Resolution Professional by the Committee of Creditors in its meeting held on 05th March 2020 as per the provisions of the Code ("Resolution professional").

In view of on-going CIR process, The RP 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 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 Indian Accounting Standards specified under Section 133 of the Act, read with relevant Rules issued thereunder. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.



Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has 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 Company's ability 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 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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the 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 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 standalone financial statements of the current period. 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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. (A) As required by section 143 (3) of the Act, we report that:
 - a) We have sought all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books'
 - c) The standalone Balance Sheet, the standalone Statement of Profit and Loss (including other comprehensive income), the standalone Cash Flow Statement and the standalone Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - d) In our opinion the aforesaid Standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
 - e) In the term of section 17 (1) (b) of the Insolvency and Bankruptcy Code, 2016 ("the Code"), the powers of the board of directors have been suspended and be exercised by the RP of the Company. However, for the Financial Year 2022-23, written representation from directors has been taken on record by the Board of Directors. Accordingly, we confirm that none of the directors is disqualified as on March 31, 2023 from being appointed as a director in the terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B";
- (B) 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 information and explanations given to us:
 - a. The Company has disclosed the impact of pending litigations as at March 31, 2023 on its financial position in its standalone financial statements - Refer Note 21 to the standalone financial statements;
 - b. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts and on derivative contracts, if any;
 - c. There has been no delay in transferring the amounts that were due to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2023;
 - d.



i. The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or
- provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

ii. The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:

- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or
- provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.

iii. Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) of the Companies (Audit and Auditor's) Rules, 2014 contain any material mis-statement.

e. The company has not declared / paid any dividend during the year.

(C) With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the company has not paid any remuneration to directors.

For Amar Garg & Co.
Chartered Accountants
FRN 036856N

CA Amar Nath Garg
Proprietor
M No. 502865

UDIN:- 23502865BGXEK1557



Date:-30th Nov 2023
Place:- Gurgaon

ANNEXURE "A"

TO THE INDEPENDENT AUDITORS' REPORT ON THE STANDALONE FINANCIAL STATEMENTS OF Baghauli Sugar & Distillery Limited

(Referred to in paragraph 1, under 'Report on Other Legal and Regulatory Requirements' section of our Report of even date)

i	(a)(A)	<i>The Company has maintained the records showing particulars including quantitative details and situation of fixed assets but it is not in proper format. It does not include full particulars of quantitative details and situation of fixed assets. The maintenance of fixed assets records needs to be strengthened.</i>
	(a)(B)	The company does not have any intangible assets.
	(b)	<i>Property, Plant and Equipment have not been physically verified by the management during the year.</i>
	(c)	According to the information and explanation given to us, title deeds of the immovable properties have been mortgaged as security with lenders i.e. banks, financial institutions and others for security of the borrowings raised by the Company. On the basis of our examination of the records of the Company and the copies of the title deeds available with the Company, the title deeds of immovable properties are held in the name of the Company
	(d)	During the financial year, no revaluation of Property, Plant and Equipment or Intangible assets has been done by the company.
	(e)	No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
(ii)	(a)	The Company does not have any inventory except stores and spares disclosed in note no.6. <i>However no proper stock records of the same are available with the Company.</i>
	(b)	The Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable. However, during the earlier year the company was sanctioned working capital limits in excess of Rs. 5 crores and the same have already been classified as non performing asset by the bank. Further, the corporate insolvency resolution process ("CIR Process") has already been initiated for the Company in accordance with the provisions of the Insolvency and Bankruptcy Code, 2016 and the related rules and regulations issued there under (collectively, "I& B Code") with effect from 07th February 2020.
(iii)		The Company has not made any investments, not provided any guarantee or security and has not granted any loans or advances in nature of loan, secured or unsecured to any companies, firms, Limited Liability Partnerships or any parties, during the year and hence reporting under clause 3(iii)(a to f) of the Order is not applicable.



(iv)		According to the information and explanation given to us, the company has no loans, investments, guarantees or security where provisions of section 185 and 186 of the Companies Act, 2013 are to be complied with.
(v)		The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.
(vi)		The Central Government has prescribed maintenance of Cost Records under sub section (1) of section 148 of the Act in respect of the manufacturing activities of the Company. As per the information and explanations given by the management, the company doesn't meet the turnover criteria for the applicability of maintenance of cost records therefore the provisions of para 3(vi) of the Order are not applicable to the Company.
(vii)	(a)	According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, GST, Sales Tax/Value Added Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty and material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities though there has been delay in a few cases.
	(b)	There are no dues in respect of Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues that have not been deposited with the appropriate authorities on account of any dispute for a period of more than six months from the date they became payable (except GST payable amounting to Rs. 6,39,769/-).
	(c)	According to the information and explanations given to us by the management and relied upon by us, there are no dues of Income Tax, Custom Duty, Wealth Tax, Sales Tax, GST, Excise duty & Cess, which have not been deposited on account of any dispute except the following Statutory dues, which have not been deposited on account of dispute and same is pending before appropriate authority as already disclosed in note no.21.
(viii)		There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
(ix)	(a)	<p>As matters described in Note 12 and 13 to the financial statement and pursuance of repayment schedule stipulated in the sanction letter, the entire amount of borrowing including interest are overdue and continuing default as on March 31, 2023, therefore, we are unable to provide periods of default. Details of defaults in repayment of borrowing and interest are given below;</p> <p><i>Due to default in repayment of Term Loans and Cash Credit from banks, the banks have declared the Term Loans and Cash Credit as NPA. Accordingly notice under section 13(2) of SARFAESI Act 2002 was issued. Further Bank of Baroda approached to NCLT and pursuant to the order of the Hon'ble National Company Law Tribunal - Allahabad Bench dated 07th February 2020 ("NCLT Order"), corporate insolvency resolution process ("CIR Process") has been initiated for the Company in accordance with the provisions of the Insolvency and Bankruptcy Code, 2016 and the related rules and regulations issued there under (collectively, "I & B Code") with effect from 07th February 2020.</i></p>



		Name of Bank	Amount Payable including Interest(in Crores)
		Term Loan and working Capital Loan	
		Bank of Baroda	185.78
		Bank of India	60.93
		Union Bank of India	29.17
		Oriental Bank Of Commerce	53.6
		Government of India, Sugar development Fund (SDF)	0.91
	(b)	As per the information and explanations given to us, the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.	
	(c)	As the term loans were taken and utilized by the Company during earlier financial year, therefore, we are unable to comment on whether the same was used for the purpose for which it was taken. Further the same have already been classified as non performing asset by the bank. Further, the corporate insolvency resolution process ("CIR Process") has already been initiated for the Company in accordance with the provisions of the Insolvency and Bankruptcy Code, 2016 and the related rules and regulations issued there under (collectively, "I& B Code") with effect from 07th February 2020.	
	(d)	The Company has not raised any funds during the year and hence reporting on clause 3(ix)(d) of the Order is not applicable. However, during the earlier year the company had raised funds on short term basis from financial institutions and the same have already been classified as non performing asset by the bank. Further, the corporate insolvency resolution process ("CIR Process") has already been initiated for the Company in accordance with the provisions of the Insolvency and Bankruptcy Code, 2016 and the related rules and regulations issued there under (collectively, "I& B Code") with effect from 07th February 2020.	
	(e)	On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary or associates. The company does not have any joint ventures.	
	(f)	The Company has not raised any loans during the year and hence reporting on clause 3(ix)(f) of the Order is not applicable.	
(x)	(a)	The company did not raise any money by way of initial public offer or further public offer (including debt instruments) and terms loans during the year. Accordingly, paragraph 3(x)(a) of the Order is not applicable.	
	(b)	During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.	
(xi)	(a)	Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the year. However as per information and explanation given to us, the resolution professional has filed an application u/s 66 of the IBC,2016 against the	



		suspended directors of the company before the Hon'ble National Company Law Tribunal - Allahabad Bench in October, 2022.
	(b)	No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
	(c)	AS represented to us by the resolution professional, the company has not received any whistle blower complaints during the year (and up to the date of this report).
(xii)		The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
(xiii)		According to information and explanations given to us and based on our examination of the records of the Company, transactions with related parties are in compliance with section 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
(xiv)	(a)	The Company does not have internal audit system. The company must have an Internal Audit System commensurate with the size of the company and the nature of its business.
	(b)	As the Company does not have internal audit system the clause xiv (b) is not applicable.
(xv)		In our opinion, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
(xvi)		According to the information and explanations given to us, we are of the opinion that the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and the company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India, accordingly the provisions of clause 3(xvi) of the Order are not applicable.
(xvii)		<i>The Company has incurred cash losses of ₹ 14352.93 Thousands during the financial year covered by our audit and ₹ 9208.17 Thousands in the immediately preceding financial year.</i>
(xviii)		There has been no resignation of the statutory auditors of the Company during the year.
(xix)		<p><i>On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, we report that material uncertainty exists as on the date of the audit report indicating that company is incapable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.</i></p> <p><i>Further, The company has defaulted in repayment of Term Loans and Cash Credit from banks, and accordingly the banks have declared the Term Loans and Cash Credit as NPA. Accordingly notice under section 13(2) of SARFAESI Act 2002 was issued. Further Bank of Baroda approached to NCLT and pursuant to the order of the Hon'ble National Company Law Tribunal - Allahabad Bench dated 07th February 2020 ("NCLT Order"), corporate insolvency resolution</i></p>



		<i>process ("CIR Process") has been initiated for the Company in accordance with the provisions of the Insolvency and Bankruptcy Code, 2016 and the related rules and regulations issued there under (collectively, "I& B Code") with effect from 07th February 2020.</i>
(xx)		The Corporate Social Responsibility provisions are not applicable to the company as company does not have net worth of Rupees Five Hundred Crores or more, the turnover of the company during the year as well as immediate preceding year is below one thousand Crores and company has incurred loss during the year and is continuously incurring losses since last several years. Hence, reporting under clause 3(xx) (a) and (b) of the Order is not applicable.
(xxi)		The reporting under clause (xxi) is not applicable in respect of audit of standalone financial statements of the Company.



ANNEXURE "B" TO THE INDEPENDENT AUDITORS' REPORT:

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **BAGHAULI SUGAR AND DISTILLERY LIMITED** ("the Company") as of 31 March 2023 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management 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 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.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

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

In our opinion, the Company in all material respects, except for matters described in Basis for Qualified Opinion section has adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2023, 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 issued by the Institute of Chartered Accountants of India.

For Amar Garg & Co.
Chartered Accountants
FRN 036856N


CA Amar Nath Garg
Proprietor
M No. 502865
UDIN:- 23502865BGXEQK1557



Date:-30th Nov 2023
Place:- Gurgaon

Baghaulti Sugar & Distillery Limited
Balance Sheet as at March 31, 2023

Particulars	Note No.	As at 31st March, 2023 Amount in ('000)	As at 31st March, 2022 Amount in ('000)
I. ASSETS			
1 Non-Current Assets			
(a) Property, Plant and Equipment and Intangible Assets			
(i) Property, Plant and Equipment	3	185873.21	193870.030
(ii) Capital Work in progress	3	1232117.67	1232117.670
(b) Financial Assets			
(i) Investments	4	100.00	100.000
(ii) Others	5	768.84	729.610
(c) Other non-current assets	6	23870.76	23233.380
Total Non-Current Assets		1442730.48	1450050.690
2 Current Assets			
(a) Inventories	7	15200.95	15200.950
(b) Financial Assets			
(i) Trade receivables	8	8.50	8.500
(ii) Cash and Cash equivalents	9	28169.37	10481.590
(c) Other current assets	10	1735.48	1688.630
Total Current Assets		45114.30	27379.670
Total Assets		1487844.78	1477430.360
II. EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Equity Share Capital	11	594838.00	594838.000
(b) Other Equity	12	(4460210.76)	(4437860.990)
		(3865372.76)	(3843022.990)
2 Non-Current Liabilities			
Long term Provisions	16	640.64	828.900
		640.64	828.900
3 Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	13	1830047.65	1830047.650
(ii) Trade Payables	14	1698.61	1698.610
(iii) Other Financial Liabilities	15	3519975.71	3486840.280
(b) Provisions	16	854.93	1037.910
		5352576.90	5319624.450
Total Equity and Liabilities		1487844.78	1477430.360
Company Overview	1		
Significant Accounting Policies	2		
The accompanying notes are integral Part of the financial statements			


In terms of our separate report of even date attached

For Amar Garg & co
Chartered Accountants
Firm Registration No: 036856N


Amar Nath Garg
(Prop.)
Membership No. 502865
Place : Gurgaon
Date : 30/09/2023
UDIN:23502865BGXEK1557

For and on behalf of Board of Directors of Baghaulti Sugar & Distillery Limited

Taken On Record


Vivek Baheja
Resolution Professional
IP Registration Number:
IBBI/IPA-001/IP-P00055/2017-
18/10133


Pradeep Kumar Bishnoi
(Suspended Director)
DIN 07488754

Baghauli Sugar & Distillery Limited
Statement of Profit and Loss for the year ended March 31, 2023

Particulars	Note No.	For the year ended 31st March 2023	For the year ended 31st March 2022
		Amount in ('000)	Amount in ('000)
I Other income	17	647.69	244.61
Total Income		647.69	244.61
II EXPENSES:			
Changes in inventories of finished goods, Stock-in-Trade and work-in-progress	18	0.00	0.00
Employee benefits expense	19	3858.66	4758.60
Finance costs			
Depreciation and amortization	3	7996.82	8818.24
Other expenses	20	11141.98	4927.27
Total Expenses (II)		22997.46	18504.11
III Profit/(Loss) Before Tax (I-II)		(22349.77)	(18259.50)
IV Tax Expense:			
(1) Current Tax		0.00	0.00
(2) Deferred Tax		0.00	0.00
V Profit/(Loss) for the period (III-IV)		(22349.77)	(18259.50)
VI Other Comprehensive Income			
Items that will not be Reclassified to the Statement of Profit & Loss			11.00
VII Total Comprehensive Income for the period (V+VI)		(22349.77)	(18248.50)
VIII Earnings Per Equity Share			
Basic		(0.38)	(0.31)
Diluted		-	-
Company Overview	1		
Significant Accounting Policies	2		
The accompanying notes are integral Part of the financial statements			


In terms of our separate report of even date attached

For Amar Garg & co
Chartered Accountants
Firm Registration No: 036856N


Amar Nath Garg
(Prop.)
Membership No. 502865
Place : Gurgaon
Date : 30/09/2023
UDIN:23502865BGXEK1557

For and on behalf of Board of Directors of Baghauli Sugar &
Distillery Limited

Taken On Record


Vivek Raheja
Resolution Professional
IP Registration Number:
IBBI/IPA-001/IP-P00055/2017-
18/10133


Pradeep Kumar Bishnoi
(Suspended Director)
DIN 07488754

BAGHAULI SUGAR & DISTILLERY LTD
Cash Flow Statement for the Period ended 31st March, 2023

Particulars	Amount in ('000)	
	2022-23	2021-22
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit /(Loss) before tax as Per Statement of Profit and Loss	(22349.77)	(9441.26)
Adjustment for:		
Depreciation	7996.82	0.00
Provision for Gratuity	202.88	165.00
Provision for Leave Encashment	(69.00)	68.09
Interest Income	(601.17)	7529.53
Operating Profit before working capital changes	(14820.24)	(9452.78)
Adjustment for:		
(Increase)/ Decrease in Trade Receivable	0.00	0.00
(Increase)/ Decrease in Inventories	0.00	0.00
Increase/ (Decrease) in Trade Payable	0.00	0.00
Increase/ (Decrease) in Other Financial Liabilities	33135.44	6329.14
Increase/ (Decrease) in Provisions	(505.13)	
(Increase)/ Decrease in Financial Asset Others	(39.23)	0.00
(Increase)/ Decrease in Other non-current assets	(637.38)	(763.04)
(Increase)/ Decrease in Other Current Assets	(46.85)	31906.85
		(0.12)
Cash generated from operations	17086.61	(3886.80)
Tax paid		
Net Cash from operating activities	17086.61	(3886.80)
B CASH FLOW FROM INVESTING ACTIVITIES		
Interest Income	601.17	244.61
Net Cash from investing activities	601.17	244.61
C CASH FLOW FROM FINANCING ACTIVITIES		
Increase/ (Decrease) Short Term Borrowings	0.00	(0.00)
Increase/ (Decrease) in Long Term Borrowings	0.00	0.00
Net Cash from financing activities	0.00	(0.00)
Net Increase / (Decrease) in cash and cash equivalents	17687.78	(3642.19)
Cash and cash equivalents at beginning of period	10481.59	14123.78
Cash and cash equivalents at end of period	28169.37	10481.59
Cash and Cash Equivalent Comprises of:		
Balances in Current Accounts with Banks	436.56	1335.46
Balances in Fixed Deposits with Bank (with original maturity period of less than 3 months)	27732.68	9146.00
Cash in Hand	0.13	0.13
	28169.37	10481.59

As per terms of our separate report of even date attached

For Amar Garg & co
Chartered Accountants
Firm Registration No: 036856N



Amar Nath Garg
(Prop.)
Membership No. 502865
Place : Gurgaon
Date : 30/09/2023
UDIN:23502865BGXEQK1557

For and on behalf of Board of Directors of Baghauli Sugar & Distillery Limited

Taken On Record



Vivek Raheja
Resolution Professional
IP Registration Number:
IBBI/IPA-001/IP-P00055/2017-18/10133


Pradeep Kumar Bishnoi
(Suspended Director)
DIN 07488754

Baghauri Sugar & Distillery Limited

F.Y. 2022-23

Statement of Change in Equity

A. Equity share capital

A1 Current Reporting Period Amount in ('000)

Equity shares of Rs. 10 each issued, subscribed and fully paid	Number of shares	Amount
As at 31st March 2022	5,94,83,800	5,94,838.00
Changes in share capital during the year	-	-
As at 31st March 2023	5,94,83,800	5,94,838.00

A2 Previous Reporting Period Amount in ('000)

Equity shares of Rs. 10 each issued, subscribed and fully paid	Number of shares	Amount
As at 31st March 2021	5,94,83,800	5,94,838.00
Changes in share capital during the year	-	-
As at 31st March 2022	5,94,83,800	5,94,838.00

B. Other Equity

B1 Current Reporting Period Amount in ('000)

	Reserve & Surplus			Other Comperhansive Income	Total
	Security Premium Reserve	Storage fund for molasses	Retained Earning		
As at 31st March 2022	4,71,207.00	289.21	(49,09,527.81)	170.61	(44,37,860.99)
Profit for the period	-	-	(22,349.77)		(22,349.77)
As at 31st March 2023	4,71,207.00	289.21	(49,31,877.58)	170.61	(44,60,210.76)

B. Other Equity

B1 Previous Reporting Period Amount in ('000)

	Reserve & Surplus			Other Comperhansive Income	Total
	Security Premium Reserve	Storage fund for molasses	Retained Earning		
As at 31st March 2021	4,71,207.00	289.21	(48,91,268.31)	159.61	(44,19,612.49)
Profit for the period	-	-	(18,259.50)	11.00	(18,248.50)
As at 31st March 2022	4,71,207.00	289.21	(49,09,527.81)	170.61	(44,37,860.99)

Significant Accounting Policies and notes to financial statements form an integral Part of the Statement of change in Equity


In terms of our separate report of even date attached


For Amar Garg & co
Chartered Accountants
Firm Registration No: 036856N


Amar Nath Garg
(Prop.)
Membership No. 50286
Place : Gurgaon
Date : 30/09/2023

For and on behalf of Board of Directors of Baghauri Sugar & Distillery Limited

Taken On Record


Vivek Raheja
Resolution Professional
IP Registration Number:
IBBI/IPA-001/IP-P00055/2017-
18/10133


Pradeep Kumar Bishnoi
(Suspended Director)
DIN 07488754

Baghault Sugar & Distillery Limited

SIGNIFICANT ACCOUNTING POLICIES FORMING PART OF THE FINANCIAL STATEMENT AS AT 31ST MARCH 2023

Note 1 Company Overview

Baghault Sugar & Distillery Limited ("the Company") is a public limited company incorporated and domiciled in India and having its business of manufacturing of Sugar in the state of Uttar Pradesh. The company was incorporated on 21st April 2006 and having its registered office in Baghault, India. The company operates as a subsidiary of Sahara Prime City Limited Limited.

Note 2 Significant Accounting Policies

2.1 Basis of Preparation of Financial Statements :

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period.

Historical Cost is generally based on the fair value of the consideration given in exchange of goods and services.

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company taken into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for, leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 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, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement
- Level 2 inputs are inputs, other than quoted prices included with in Level 1, that are observable for the asset or liability, either directly or
- Level 3 inputs are unobservable inputs for the asset or liability.

2.2 Statement of Compliance

The Financials Statements Comprising Balance sheet, Statement of profit and loss, Statement of change in Equity, Cash flow statement, together with notes for the year ended March 31, 2019 have been prepared in accordance with Ind AS notified under the companies (Indian Accounting Standards) Rules, 2015 and companies (Indian Accounting Standards) Amendment Rules, 2016.

2.3 Basis of Measurement

The Financial Statements have been prepared on a historical cost convention and on accrual basis, except for the following material items that have been measured at fair value as required by relevant Ind AS:

Certain financial assets and liabilities measured at fair value.

2.4 Use of Estimates :

The preparations of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities and disclosure of contingent assets and contingent liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the financial year. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in future periods which are affected.

Application of accounting policies that require critical accounting estimates and assumption having the most significant effect on the amounts recognised in the financial statements are: "Provisions"

2.5 Property, Plant and Equipment :

(a) Property, Plant and Equipment including Leasehold rights and Development Rights on Land acquired as per Composite Scheme of Arrangement and Amalgamation approved by the Hon'ble High court of Bombay

During the Financial Year 2011-12, Property, Plant and Equipment including Leasehold rights and Development Rights on Land acquired under Composite Scheme of Arrangement and Amalgamation approved by the Hon'ble High court of Bombay is recorded at Fair Value in pursuance to the Hon'ble High court order. The fair market valuation of Leasehold rights and Development Rights on Land so acquired has been done by the valuers appointed by the management and other Property, Plant and Equipment acquired had been valued at fair market value as estimated by the management. Further all such assets are stated at the said valuation less accumulated depreciation and impairment loss if any.

(b) All other Assets:

Since there is no change in functional currency, the company has elected to continue with the carrying value for all of its Property, Plant and Equipment as recognised in its Indian GAAP financial Statements as deemed cost at the transition date, viz., Apr 1, 2017. Property, Plant and Equipment are stated at acquisition cost less accumulated depreciation and impairment loss if any. Cost includes purchase price and all incidental expenses attributable to bring the assets to its working condition for its intended use.

2.6 Depreciation/Amortization:

a. Tangible Assets

Depreciation on Property, Plant and Equipment has been provided on straight line method as per the useful life prescribed in Schedule II to the Companies Act, 2013. Accordingly, in respect of Property, Plant and Equipment acquired during the year, depreciation / amortisation is charged on a straight line basis so as to write off the cost of the assets over the useful lives and for the assets acquired prior to April 1, 2014, the carrying amount as on April 1, 2014 is depreciated over the remaining useful life of the assets. Depreciation for assets purchased/ sold during a period is proportionately charged. Assets costing less than Rs. 5,000 individually are fully depreciated in the year of purchase (on purchase basis). Leasehold Improvements are amortized over the period of the lease or the useful life of the asset, whichever is lower.

Leasehold Land amortized over the Lease period

b. Intangible Assets

Costs relating to Computer Software are depreciated and amortized on straight line basis over their useful lives of three years.

2.7 Inventories:

- i. Closing Stock of Finished Goods is valued at lower of cost or net realizable value.
- ii. Stores & Spares are valued at cost.

2.8 Leases :

Where the Company is the lessor

Lease Income is recognized in the Profit and Loss account on a straight-line basis over the lease term. Recurring costs are recognized as an expense in the Profit and Loss Account. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the Profit and Loss Account.

Where the Company is the lessee

Finance leases, which effectively transfer to the Company substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term and disclosed as leased assets. Lease payments are apportioned between the finance charges and reduction of the lease liability based on the implicit rate of return. Finance charges are charged directly against income.

If there is no reasonable certainty that the Company will obtain the ownership by the end of the lease item, capitalized leased assets are depreciated over the shorter of the estimated useful life of the asset or the lease term.

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the Profit and Loss Account on an equitable straight-line basis over the lease term.

2.9 (a) Impairment of non financial assets:

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 recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups 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.

Impairment losses, including impairment on inventories, are recognised in the statement of profit and loss. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

(b) Impairment of financial assets:

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the life time expected credit losses, if the credit risk on the financial asset has increased significantly since initial recognition.

2.10 Income Tax :

Income tax expense for the year comprises of current tax and deferred tax. It is recognised in the Statement of Profit and Loss except to the extent it relates to a business combination or to an item which is recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable/receivable on the taxable income/ loss for the year using applicable tax rates at the Balance Sheet date, and any adjustment to taxes in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes.

A deferred tax liability is recognised based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted, or substantively enacted, by the end of the reporting period. Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

2.11 Provisions, Contingent Liabilities and Contingent Assets :

Provisions

A provision is recognized when an enterprise has a present obligation (legal or constructive) as result of past event and it is probable that an outflow of embodying economic benefits of resources will be required to settle a reliably assessable obligation. Provisions are determined based on best estimate required to settle each obligation at each balance sheet date. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

2.12 Earnings Per Share (EPS) :

Basic Earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividend relative to a fully paid equity share during the reporting period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

2.13 Cash Flow Statement :

i) Cash flow is reported using the indirect method prescribed in Ind AS 7 – “Statement of Cash Flows” notified in the relevant Provision of Companies Act 2013, whereby net profit before tax is adjusted for effects of transaction of a non-cash nature and any deferral or accruals of past or future cash receipts or payments. The cash flow from revenue generating, investing and financing activities of the Company is segregated.

ii) Cash & Cash Equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

2.14 Financial Instruments:

i) Financial Assets

a. Initial Recognition and Measurement

All financial assets and liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognised using trade date accounting.

b. Subsequent Measurement

i) Financial assets carried at amortized cost

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

ii) Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flow that are solely payments of principal and interest on the principal amount outstanding.

iii) Financial assets at fair value through profit or loss (FVTPL)

A financial asset which is not classifying in any of the above categories are measured at FVTPL.

c) Impairment of Financial Assets

In accordance with IND AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).

The company applies simplified approach for debt instrument and trade receivables. Simplified approach recognizes impairment loss allowance based on lifetime expected credit loss at each reporting date, right from its initial recognition.

For other assets, the company uses 12 month expected credit loss (ECL) to provide for impairment loss where there is no significant increase in significant risk. If there is significant increase in credit risk full lifetime ECL is used.

ii) Financial Liabilities

A) Initial recognition and measurement

All financial liabilities are recognized at fair value and in case of loans, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

B) Subsequent measurement

Financial liabilities are carried at amortised cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

iii) Derecognition of Financial Instruments

Financial assets is derecognised on expiry of the contractual rights to the cash flows from financial assets expires or transfer of the financial asset and the transfer qualifies for derecognition under IND AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expired or completes its life.

2.15 RECENT ACCOUNTING DEVELOPMENTS

Standards issued but not yet effective:

In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind AS 7, 'Statement of cash flows' and Ind AS 102, 'Share-based payment.' The amendments are applicable to the Company from April 1, 2017.

Amendment to Ind AS 7:

The amendment to Ind AS 7 requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement. The effect on the financial statements is being evaluated by the Company.

Amendment to Ind AS 102:

The amendment to Ind AS 102 provides specific guidance to measurement of cash-settled awards, modification of cash-settled awards and awards that include a net settlement feature in respect of withholding taxes. It clarifies that the fair value of cash-settled awards is determined on a basis consistent with that used for equity settled awards. Market-based performance conditions and non-vesting conditions are reflected in the 'fair values', but non-market performance conditions and service vesting conditions are reflected in the estimate of the number of awards expected to vest. Also, the amendment clarifies that if the terms and conditions of a cash-settled share-based payment transaction are modified with the result that it becomes an equity-settled share-based payment transaction, the transaction is accounted for as such from the date of the modification. Further, the amendment requires the award that includes a net settlement feature in respect of withholding taxes to be treated as equity-settled in its entirety. The cash payment to the tax authority is treated as if it was part of an equity settlement. The effect on the financial statements is being evaluated by the Company.

2.16 Exceptions to retrospective application of other Ind AS

i) Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with Previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is an objective evidence that those estimates were in error. The company has not made any changes to estimates made in accordance with Previous GAAP.

ii) Ind AS 109- Financial Instruments (Classification and measurement of financial asset)

Classification and measurement of financial assets shall be made on the basis of facts and circumstances that exist at the date of transition to Ind AS.

Note No.3: Property, Plant and Equipment										Amount in ('000)	
	NAME OF ASSETS	GROSS BLOCK			DEPRECIATION			NET BLOCK			
		AS AT 31.03.2022	ADDITIONS DURING THE PERIOD	DEDUCTION /ADJUSTMENT	AS AT 31.03.2023	UPTO 31.03.2022	FOR THE YEAR UPTO 31.03.2023	AS AT 31.03.2023	AS AT 31.03.2022		
A.	Tangible assets										
	Land & Site Development	28088.36	0.00	0.00	28088.36	0.00		28088.36		28088.36	
	Leasehold Land	10317.95	0.00	0.00	10317.95	7260.08	373.37	2684.50		3057.87	
	Residential Building	32754.34	0.00	0.00	32754.34	20286.17	1250.60	11217.57		12468.17	
	Factory Buildings	146490.00	0.00	0.00	146490.00	101522.45	4243.21	40724.34		44967.55	
	Plant & Machinery	1430639.45	0.00	0.00	1430639.45	1359083.60	23.87	71531.98		71555.85	
	Co genration system/Power Plant	112700.44	0.00	0.00	112700.44	79999.00	2087.07	30614.37		32701.44	
	Furniture & Fixtures	3070.88	0.00	0.00	3070.88	2898.21	13.51	159.16		172.67	
	Office Equipments-dist	8470.98	0.00	0.00	8470.98	8048.15	1.35	421.48		422.83	
	Light Vehicles	1285.11	0.00	0.00	1285.11	1211.23	3.84	70.04		73.88	
	Heavy Vehicles	2579.07	0.00	0.00	2579.07	2481.28		97.79		97.79	
	Cycles	8.60	0.00	0.00	8.60	8.60		0.00		0.00	
	Computers	5664.73	0.00	0.00	5664.73	5401.11		263.62		263.62	
	TOTAL	1782069.91	0.00	0.00	1782069.91	1588199.87	7996.82	185873.21		193870.03	
B)	Capital Work in Progress*	1232117.67	0.00	0.00	1232117.67	0.00	0.00	1232117.67		1232117.67	

Note:

1) Due to implementation of Ind AS w.e.f. 01-04-2015, the Company has elected to continue with the carrying value for all of Property, Plant and Equipment, as recognised in its Indian GAAP financial as deemed cost at the transition date. Accordingly, Gross block shown under Indian GAAP as on 31-03-2015 has become Gross Block as on 01-04-2015 in Ind AS.

* On account of Capital work in progress relating to the installation of Distillery Plant during earlier financial years.

Note No. 4: Investments

Particulars	As at 31st March, 2023	As at 31st March, 2022
	Amount in ('000)	Amount in ('000)
Investments		
(i) In Government securities		
6 years National Savings Certificate (Partially Pledged with Government authorities)	100.00	100.00
Total	100.00	100.00

Note 5: Other Non Current Financial Assets

Particulars	As at 31st March, 2023	As at 31st March, 2022
	Amount in ('000)	Amount in ('000)
Fixed deposit with bank		
(Non current portion with original maturity period of more than 12 months)		
For Molasses storage fund (Earmarked)	422.64	295.00
Pledge with bank against bank guarantee to U.P. Commercial Tax Dept.	104.80	104.80
Interest Accrued on National Saving Certificates	73.41	43.83
Interest accrued on FDR	167.99	285.98
Total	768.84	729.61

Note No. 6: Other Non Current Assets

Particulars	As at 31st March, 2023	As at 31st March, 2022
	Amount in ('000)	Amount in ('000)
Other Non Current Assets		
Fast Tag	0.40	0.40
Security deposits	60.06	60.06
GST Receivable	23704.14	23066.76
Duty & taxes paid under protest	106.16	106.16
Unsecured considered doubtful		
Capital advances	54426.67	54426.67
Advance for purchase of land	2484.97	2484.97
Total	56911.64	56911.64
Less: Provisions for doubtful advances	(56911.64)	(56911.64)
Net	0.00	0.00
Total	23870.76	23233.38

Note No. 7: Inventory

Particulars	As at 31st March, 2023	As at 31st March, 2022
	Amount in ('000)	Amount in ('000)
INVENTORIES		
Raw Materials(Packing Material)	-	-
Work -in-progress		
Sugar		
Finished goods		
Molasses	0.04	0.04
Stores and spares	15200.91	15200.91
By-products	-	-
Total	15200.95	15200.95

Note No. 8: Trade Receivables

Particulars	As at 31st March, 2023	As at 31st March, 2022
	Amount in ('000)	Amount in ('000)
Trade Receivables		
Unsecured considered good		
Outstanding from 1-2 Years		8.50
Outstanding from 2-3 Years	8.50	
Unsecured considered doubtful		
Outstanding from More than 3 Years	7348.98	7348.98
Less: Provisions for doubtful Receivables (Refer Footnote)	(7348.98)	(7348.98)
Total	8.50	8.50

FootNote**Allowance for Doubtful Receivables:**

Particulars	As at 31st March, 2023	As at 31st March, 2022
	Amount in ('000)	Amount in ('000)
Opening Balance	7348.98	7348.98
Add: Allowance during the year		
Less: Reversal of allowances no longer required		
Total	7348.98	7348.98

Note No. 9: Cash and Cash Equivalents

Particulars	As at 31st March, 2023	As at 31st March, 2022
	Amount in ('000)	Amount in ('000)
CASH AND CASH EQUIVALENTS		
Balances with banks		
Current accounts	436.56	1335.46
Fixed Deposits with Bank	27732.68	9146.00
Cash on hand	0.13	0.13
Total	28169.37	10481.59
Other Bank Balances		
Fixed deposit with Bank Pledge as bank gurantee	104.80	104.80
For Molasses storage fund (Earmarked)	422.64	295.00
Interest Accrued on National Saving Certificates	167.99	43.83
Interest accrued on FDR	0.00	285.98
Total	695.43	729.61
Total Cash and Bank Balance	28864.80	11211.21
Less: Fixed deposit with Bank maturing after 12 months from Balance sheet date and pledge against Bank gurantee along with Interest accrued classified as Other Non Current Financial Assets. (Refere Note No 4)	(695.43)	(729.61)
Cash and Cash Equivalents	28169.37	10481.59

Note No. 10: Other Current Assets

Particulars	As at 31st March, 2023	As at 31st March, 2022
	Amount in ('000)	Amount in ('000)
Other Current Assets		
Unsecured considered good		
Advance to Employee (Outstanding for more than 3 years)	1172.56	1172.68
Other than Capital advances	396.75	396.75
Advance indirect taxes	0.10	0.03
TDS Rec	46.90	0.00
Sahara India Karyakarta Grauity Fund Trust	119.17	119.17
Unsecured considered doubtful		
Other than Capital advances	17138.47	17138.470
Less: Provisions for doubtful advances	(17138.47)	(17138.470)
Total	1735.48	1688.63

Note No. 11: Equity Share Capital

Particulars	As at 31st March, 2023	As at 31st March, 2022
	Amount in ('000)	Amount in ('000)
EQUITY SHARE CAPITAL		
AUTHORISED		
63000000 shares of par value of Rs 10/- each (previous year 63000000 shares of par value of Rs 10/- each)	6300000.00	6300000.00
ISSUED, SUBSCRIBED AND FULLY PAID-UP		
5,94,83,800 shares of par value of Rs 10/- each (previous year 5,94,83,800 shares of par value of Rs 10/- each) [All the shares are held by Sahara Prime City Ltd - Holding Company]	594838.00	594838.00
TOTAL	594838.00	594838.00

a) Reconciliation of shares outstanding at the beginning and at the end of the reporting period

Particulars	Amount in ('000)		
	As at 31st March 2023	As at 31st March 2022	
	No. of Shares	No. of Shares	Amount
At the beginning of the period	59483800	59483800	594838.00
Issued during the period			
Outstanding at the end of the period	59483800.00	59483800.00	594838.00

b) SHARES HELD BY PROMOTORS

Particulars	As at 31st March 2023			As at 31st March 2022	
	No. of Shares	% of Holding	% Change during the year	No. of Shares	% of Holding
Sahara Prime City Limited	5,94,83,800	100	Nil	5,94,83,800	100
					Nil

c) Details of shareholders holding more than 5% shares in the company

Particulars	As at 31st March 2023		As at 31st March 2022	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Sahara Prime City Limited	5,94,83,800	100	5,94,83,800	100

d) The holders of the equity shares are entitled to receive dividend as declared from time to time, and are entitled to voting rights proportionate to their share holding at the meetings of shareholders.

In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

e)

Note No. 12: Other Equity

Particulars	Attributable to equity shareholders of the company			
	Security Premium Reserve	Storage fund for molasses	Retained Earning	Other Comprehensive Income
As at 31st March 2022	471207.00	289.21	(4909527.81)	170.61
Profit for the period	-	-	(22349.77)	(22349.77)
As at 31st March 2023	471207.00	289.21	(4931877.58)	170.61
				(4460210.76)

*To meet the cost of construction of molasses storage tank as required under Uttar Pradesh Sheera Niyantran (sansodhan) Adesh, 1974 and said storage fund is represented by investment in the form of fixed deposits with bank.

Note No. 13: Borrowings-(Short Term)

Particulars	As at 31st March, 2023	As at 31st March, 2022
	Amount in ('000)	Amount in ('000)
<u>Loans repayable on demand</u>		
(I) Term Loan From Banks		
Secured		
Bank of Baroda	783561.00	783561.00
Bank of India	214409.52	214409.52
Union Bank of India	355810.23	355810.23
Punjab National Bank	163291.51	163291.51
Government of India, Sugar development Fund (SDF)	9148.05	9148.05
(II) Working capital loans		
Secured		
Cash Credit from banks		
Bank of Baroda	135628.40	135628.40
Bank of India	56498.94	56498.94
Union Bank of India		
(III) Unsecured		
Shri Subrata Roy Sahara	111700.00	111700.00
(0.5% 1,11,700(previous year 1,11,700) compulsorily convertible debentures of Rs.1,000/-		
	1830047.65	1830047.65

Nature of securities for Term Loans:

Against all the aforesaid secured loans we had provided primary security by creating first pari passu charge on all present and future fixed assets of the company (Including land admeasuring 41.10 hect.) and further the said loans have been also guaranteed by the director.

Terms and condition of Term Loans are

i) Term loans sanctioned as per CDR package to the company of Rs.10759/- Lacs by Bank of Baroda, Rs. 3840/- Lacs by Bank of India, Rs. 3474/- Lacs by Punjab National Bank and Rs. 2774/- Lacs by Union bank of India.

ii) The terms of repayment of long term loans are as follows :-

Term loan**Critical Capex**

Bank charged interest @ 11.25% on capital expenditure loan (CAPEX).

Repayment of Critical capex is proposed in 24 structured quaterly Installment commencing from 30th June 2012.

Repayment of Critical capex is proposed in 24 structured quaterly Installment commencing from 30th June 2012.

Financial year	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
Principal repayment % (P.A.)	6%	16%	18%	20%	20%	20%

FITL

Bank charged interest @ 7.75% on Funded interest term loan (FITL).

Repayment of FITL is proposed in 28 structured quaterly Installment commencing from 30th June 2012.

Financial year	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
Principal repayment % (P.A.)	6%	12%	16%	16%	16%	17%	17%

Other loan

Bank charged interest @ 10.75% on Term Loan (TL) and Working capital term loan (WCTL).

Repayment of other loan is proposed in 28 structured quaterly Installment commencing from 30th June 2012.

Financial year	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
Principal repayment % (P.A.)	6%	12%	16%	16%	16%	17%	17%

Nature of securities for Working Capital:

1. Working capital loan has been obtained from consortium of banks by creating First Pari passu charge against Pledge of Sugar stock, hypothecation of stock of Molasses and stores spares.

2. All the credit facilities viz. Term Loan and Working capital from banks have been declared as Non Performing Assets NPA

Note No. 14: Trade Payables

Particulars	As at 31st March, 2023	As at 31st March, 2022
	Amount in ('000)	Amount in ('000)
Trade Payables		
(i) MSME		
(ii) Others (Outstanding more than three years)	1698.61	1698.61
Total	1698.61	1698.61

Note No. 15: Other Current Financial Liabilities

Particulars	As at 31st March, 2023	As at 31st March, 2022
	Amount in ('000)	Amount in ('000)
<u>Payable to Related Parties:</u>		
Sahara Prime City Limited (Holding Co)	775348.04	775348.04
Sahara Q Shop Unique Products Range Limited	1057241.93	1057241.93
Sahara India Mass Communication Limited	3.50	3.50
<u>Other Payables</u>		
Security Payable	502.89	502.89
Payable to suppliers of capital goods	7892.43	7892.43
Advance from customers and others	59198.94	33146.32
Earnest money deposit from Resolution Applicant	3.10	1.54
Contribution from COC for CIRP cost	2.12	1.54
Retention money	773.05	773.05
Tds Payable	627.48	20.08
Other Statutory Liabilities #	980.47	647.98
Interest Payable on Term Loan	1415514.65	1415514.65
Interest Payable on Cash Credit	177927.42	177927.42
Expenses payable	13832.97	7690.00
Other payables	10126.72	10128.91
Total	3519975.71	3486840.28

Note No. 16: Provisions

Particulars	As at 31st March, 2023	As at 31st March, 2022
	Amount in ('000)	Amount in ('000)
<u>Non Current</u>		
<u>Provision for employees' benefits</u>		
(a) Provision for Gratuity	595.00	754.00
(b) Provision for Leave Encashment	45.64	74.90
	640.64	828.90
<u>Current</u>		
<u>Provision for employees' benefits</u>		
(a) Provision for Gratuity	544.00	671.00
(b) Provision for Leave Encashment	310.93	366.91
Total	854.93	1037.91

Note No.17: Other Income

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
	Amount in ('000)	Amount in ('000)
Interest income		
Fixed deposits with banks	601.17	244.61
Other Non Operating Income		
Other Incomes		
Miscellaneous Income	46.52	
Total	647.69	244.61

Note No.18: Change in Inventory

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
	Amount in ('000)	Amount in ('000)
Changes in inventories of finised goods, Stock-in-Trade and work-in-progress		
A. Opening Stock		
I Finished Goods		
Molasses	0.04	0.04
II Work in progress		
Sugar		
Total	0.04	0.04
B.Closing Stock		
I Finished Goods		
Molasses	0.04	0.04
II Work in progress		
Sugar		
Total	0.04	0.04
Net (increase) / decrease (A-B)	0.00	0.00

Note No. 19: Employee Benefit Expenses

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
	Amount in ('000)	Amount in ('000)
EMPLOYEE BENEFITS EXPENSE		
Salaries,wages and bonus	3679.27	4484.18
Contribution to provident and other funds	73.58	146.47
Bonus	105.81	127.95
Total	3858.66	4758.60

Note No. 20: Other Expenses

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
	Amount in ('000)	Amount in ('000)
OTHER EXPENSES		
Payment to Auditors (a)	100.00	150.00
Electricity Expenses	209.47	369.44
Power and fuel	183.40	173.69
<u>Repair and Maintenance</u>	0.00	
Plant & Machinery	53.47	0.00
Other	0.00	
Insurance	212.77	329.68
Provision for Gratuity	202.88	165.00
Bank Charges	11.09	4.08
Lease Rent	75.30	0.00
Postage & Telephone	5.65	20.91
Office & Travelling expenses	93.98	120.91
Stores Consumption	0.00	0.00
Provision for Leave Encashment	(69.00)	68.09
Professional & consultancy charges	7695.70	1198.94
Security Charges	2324.33	2324.33
Publication Exp	42.34	0.00
Miscellaneous Expenses	0.60	2.20
Total	11141.98	4927.27

(a)	Payment to statutory auditor	2022-23	2021-22
		Amount in ('000)	Amount in ('000)
	Statutory audit fee	100.00	150.00
	Total payment to statutory auditor	100.00	150.00

BAGHAULI SUGAR & DISTILLERY LIMITED

F.Y. 2022-23

21 Contingent Liabilities & Capital Commitments:

i)Contingent Liabilities

Contingent liabilities not provided for in books as the company has filed appeals in respect of:

- a) Demand of Central Excise duty by Excise authority for various financial years: 2022-23 ₹44,278.68thousand (2021-22) ₹ 44,278.68 thousands)
- b) One Case is pending against the company before the State Dispute Redressal Commission,U.P. regarding payment of cane price. Amount involved is ₹125.00 thousands out of which the company has already paid ₹106.16 thousands.
- c) Financial creditors have claimed interest on loan only upto CIRP commencement date i.e. 7th February 2020 as per provisions under Insolvency and Bankruptcy Code, 2016 (IBC). Interest from 01/04/2022 to 31/03/2023 has not been accrued in the books of accounts. Company is of the view that Resolution Plan is under consideration of the Committee of Creditors (CoC) and liability has been taken as per the provisions of IBC

- 22** Stores & spare parts have been carried at cost. Necessary provision have been made & charged to Profit & Loss account in case of identified obsolete & non usable items.

23 The Disclosure required under Ind AS -19 – Employee Benefits are given below:-

a) Defined Contribution Plan

	Amount in ('000)	
	<u>2022-23</u>	<u>2021-22</u>
Employers' Contribution towards Provident Fund	₹73.58	₹146.47

b) Defined Benefit Plan

i) Gratuity

Company is having Gratuity benefit plans for its employees but is presently not funded. Further, gratuity liability for the year 2022-23 has been provided during the year as per Actuary Valuation as per IND AS 19 (Employee Benefits).

The Actuary Valuation of the Gratuity Liability as ascertained by Independent Actuary is as under: -

Total expenses recognised in the Statement of Profit & Loss

		Amount in ('000)	
		F.Y. 2022-23	F.Y. 2021-22
A	Components of Employer Expenses		
1	Current Service Cost	134	177.00
2	Interest Cost	82.00	82.00
3	Interest income (+)	Nil	Nil
4	Net interest on net defined benefit liability	98	82.00
7	Past service cost (+)	Nil	Nil
8	Settlement gains (+) or losses (-)	-31	Nil
9	Total Expenses recognised in the Statement of Profit & Loss A/C	203	259.00

		Amount in ('000)	
		F.Y. 2022-23	F.Y. 2021-22
B	Actual Contribution and Benefits Payments for period Ending		
1	Actual Benefit Payments	0.00	240.00
2	Actual Contributions	Nil	Nil

Net Asset/ (Liability) recognised in the Balance Sheet as at 31/03/2023

		Amount in ('000)	
		31.03.2023	31.03.2022
	Funded Status		
1.	Present value of Defined Benefit Obligation	1139	1425.00
2.	Fair value of plan assets	Nil	Nil
3.	Funded Status [Surplus/(deficit)]	(1139.00)	(1425.00)
4.	Present value of unfunded obligations (+)	Nil	Nil
5	Fair value of reimbursement right recognised as an asset (+)	Nil	Nil
6	Impact of minimum funding requirement (+) or asset ceiling (-)	Nil	Nil
	Net asset/(liability) recognised in balance sheet	1139.00	1425.00

Changes in Present Value of the defined benefit obligation and Plan Assets are as follows:

		Amount in ('000)	
		31.03.2023	31.03.2022
	Asset / Liabilities		
1.	Present value of obligation	1139.00	1425.00
2.	Fair value of plan Assets	Nil	Nil
3.	Net Asset/(Liability) recognised in balance sheet	1139.00	1425.00

Current service Cost represents the cost associated with the benefit accruals for the current accounting period. Total Employer expenses is the expenses under IND AS19 inclusive of current service cost, actuarial gain/loss and net interest.

The financial assumptions employed for the calculations are as follows:-

As at	31.03.2023	31.03.2022
Discount Rate per annum Compound	7.40%	6.90%
Rate of increase salaries	5.00%	5.00%
Rate of return on plan Assets	Nil	Nil
Withdrawal Rates	Varying between 8% per annum to 1%per annum depending on age of the employees	Varying between 8% per annum to 1%per annum depending on age of the employees

ii) Leave Encashment

Company is having Leave Encashment benefit plans for its employees but is presently not funded.

The Actuary Valuation of the Leave Encashment Liability as ascertained by Independent Actuary is as under: -

Total expenses recognised in the Statement of Profit & Loss

		Amount in('000)	
		F.Y. 2022-23	F.Y. 2021-22
A	Components of Employer Expenses		
1	Current Service Cost	78.62	132.32
2	Interest Cost	30.88	24.11
3	Interest income (+)	Nil	Nil
4	Net interest on net defined benefit liability	Nil	24.11
7	Past service cost (+)	Nil	Nil
8	Settlement gains (+) or losses (-)	-178.50	Nil
9	Total Expenses recognised in the Statement of Profit & Loss A/C	69	156.43

		F.Y. 2022-23	F.Y. 2021-22
B	Actual Contribution and Benefits Payments for period Ending		
1	Actual Benefit Payments	Nil	Nil
2	Actual Contributions	Nil	Nil

Net Asset/ (Liability) recognised in the Balance Sheet as at 31/03/2023

		Amount in('000)	
		31.03.2023	31.03.2022
	Funded Status		
1.	Present value of Defined Benefit Obligation	356.77	441.82
2.	Fair value of plan assets	Nil	Nil
3.	Funded Status [Surplus/(deficit)]	(356.77)	(441.82))

4.	Present value of unfunded obligations (+)	Nil	Nil
5	Fair value of reimbursement right recognised as an asset (+)	Nil	Nil
6	Impact of minimum funding requirement (+) or asset ceiling (-)	Nil	Nil
	Net asset/(liability) recognised in balance sheet	356.77	441.82

Changes in Present Value of the defined benefit obligation and Plan Assets are as follows:

Amount in('000)

		31.03.2023	31.03.2022
	Asset / Liabilities		
1.	Present value of obligation	356.77	441.82
2.	Fair value of plan Assets	Nil	Nil
3.	Net Asset/(Liability) recognised in balance sheet	356.77	441.82

Current service Cost represents the cost associated with the benefit accruals for the current accounting period. Total Employer expenses is the expenses under IND AS19 inclusive of current service cost, actuarial gain/loss and net interest.

The financial assumptions employed for the calculations are as follows: -

As at	31.03.2023	31.03.2022
Discount Rate per annum Compound	7.40%	6.45%
Rate of increase salaries	5.00%	5.00%
Rate of return on plan Assets	Nil	Nil
Withdrawal Rates	Varying between 8% per annum to 1% per annum depending on age of the employees	Varying between 8% per annum to 1% per annum depending on age of the employees

24. Borrowing Cost

Borrowing Cost i.e. interest & other charges incurred on term loan taken from banks for erection & installation of Distillery unit has not been capitalised to Capital Work in Progress due to suspension of work in distillery unit as per Ind AS 23.

25. Related Parties Disclosures:

a) Holding Company	Sahara Prime City Limited
b) Individuals owning directly/indirectly control or significant influence over the company	Shri Subrata Roy Sahara
c) Key Management Personnel	Shri. P.K. Bishnoi (Director)

Transactions with Related Parties:**(As identified and certified by the management)****Amount ('000)**

Name of Party	Nature of Transaction	Transaction During the Year	Balance as at 31.03.2023
ShriSubrata Roy Sahara	Interest on Debenture	0 (0)	2935.79 (2935.79)
Sh. P.K. Bishnoi	Managerial Remunerations	960.00 (960.00)	722.60 485.68
Sahara Prime City Limited	Advance Received	0 (0)	775348.04 (775348.04)

Previous year figures have been given in brackets.*26. Earnings per Share****Amount ('000)**

Particulars	2022-23	2021-22
a) Profit/ (Loss) after tax attributable to equity shareholders	(22349.77)	(18248.50)
b) Basic / Weighted average number of equity shareholders	59483.80	59483.80
c) Face Value of Equity Share	10	10
d) Basic Earnings/ (Loss) Per Share (₹)	(0.38)	(.31)

27. Provision for Income tax has not been made as there was no taxable income.**28.** Income Tax assessments have been completed up to the Assessment year 2014-15.**29. Impairment of Assets**

In accordance with the Ind AS 36 on Impairment of Assets, the Company, during the year, while carrying on exercise of identifying the assets that may have been impaired, in respect of each Cash generating unit, management has observed that there is no impairment loss during the year.

30. Additional Information as required per clause 5 of General Instructions for preparation of Statement of Profit & Loss (with reference to Part II- Form of Statement of Profit & Loss) has been duly complied with/disclosed in the Statement to the extent applicable. Also miscellaneous expenses do not include any items of expenses which exceeds 1% of the total revenue or ₹1,00,000 whichever is higher.

31. The balances of trade receivables, trade payables, advances to employees, capital advances, other advances and other current liabilities are subject to confirmation and reconciliation. Their balances are reflected in the Balance Sheet as appearing in the books, pending reconciliation, the net effect is unascertainable.

32. The company has not recognized any deferred tax assets in terms of Ind As 12 "Income Taxes" despite having huge accumulated business losses/ unabsorbed depreciation due to the reason that business operations of

the company are closed down since 2016 and there been material uncertainty regarding Company's ability to continue as a going concern.

33. Income & Expenditure in Foreign Company

Particulars	2022-23				2021-22			
a) Value of imports calculated on C/F basis by the company during the year.	Nil				Nil			
b) Expenditure in foreign Company during the financial Year on account of royalty, know how, professional and consultation fee, interest and other matter.	Nil				Nil			
c) Value of imported & indigenous raw material & spare parts components consumed:								
	2022-23				2021-22			
	Raw Materials		Spare Parts Components		Raw Materials		Spare Parts Components	
	₹	%	₹	%	₹	%	₹	%
i) Imported	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
ii) Indigenous	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) Amounts remitted in Foreign Currency on account of Dividend, etc.	Nil				Nil			
e) Earnings in Foreign Currency	Nil				Nil			

34. ACCOUNTING RATIOS:

Particulars	Numerator	Denominator	As on 31st March 2023	As on 31st March 2022	Variance	Reason for variance (if variance is more than 25%)
Current Ratio	Current Assets	Current Liabilities	0.28	2.10	87%	Due to increase in Current Liability
Debt Equity Ratio	Total Debt	Net Worth	0.91	0.91	NA	NA
Debt Service Coverage Ratio	(Net Profit After Taxes+ Interest on Debt+ Depreciation and Amortisation Expenses+ Loss on Sale of Fixed Assets)	(Interest on Debt+ Repayments of Long-Term Debts)	NA	NA	NA	NA
Return On Equity Ratio	Net Profit After Tax	Average Stakeholder's Equity	(0.04)	(0.03)	25%	NA
Inventory Turnover Ratio	Revenue From Operations	Average Inventory	NA	NA	NA	NA
Trade Receivables Turnover Ratio	Revenue From Operation (Net Credit Sales)	Average Trade Receivables	NA	NA	NA	NA

Trade Payables Turnover Ratio	Net Credit Purchase	Average Trade Payables	NA	NA	NA	NA
Net Capital Turnover Ratio	Revenue From Operation	Working Capital	NA	NA	NA	NA
Net Profit Ratio	Net Profit After Taxes	Net Sales	NA	NA	NA	NA
Return On Capital Employed	Earnings Before Interest and Taxes	Capital Employed	NA	NA	NA	NA
Return On Investment	Income From Investment	Investment	NA	NA	NA	NA

35. Other Statutory Information

- (i) The company hold the valid title deed of all the immovable property (other than leasehold property)
- (ii) The company does not have any investment property.
- (iii) The company has not undertaken any revaluation of its property, plants or equipment during the year.
- (iv) The company does not have any Intangible Assets.
- (v) The company has not granted loans or advances in nature of Loan to any of the promoters, directors,KMPs and other related parties during the year.
- (vi) At the year-end Capital-Work-in Progress of Rs**123,21,17,667** , whose completion is overdue for More than 3 years.
- (vii) The Company does not have any Intangible Assets under development at the year end.
- (viii) The Company do not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
- (ix) The company has borrowing from Banks since the company is under IBC, the quarterly return or statements of current assets or not required to be filled with Banks.
- (x) The company is in IBC process, but Banks not declared as wilful defaulter.
- (xi) The Company do not have any transactions with companies struck off.
- (xii) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period,
- (xii) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(xiv) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

(xv) The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961

(xvi) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.

36. Previous period figures have been re-grouped, re-arranged and re-cast wherever it was felt necessary to make the figures comparable with current year figures.


For and on behalf of Board of Directors of Baghaulti Sugar &
Distillery Limited

For Amar Garg & co
Chartered Accountants
Firm Registration No: 036856N


Amar Nath Garg
(Prop.)
Membership No.502865
Place : Gurgaon
Date : 30/09/2023
UDIN:23502865BGXEQK1557



Taken on Record


Vivek Raheja
(Resolution Professional)
IP Registration Number:
IBBI/IPA-001/IP-P00055/2017-
18/10133


Pradeep Kumar Bishnoi
(Suspended Director)
DIN 07488754