

# BHARAT AGRI FERT & REALTY LTD.

Manufacturers : Single Superphosphate (Powder & Granulated)  
Registered Off. : 301, Hubtown Solaris, N.S. Phadke Marg, Andheri (E), Mumbai - 400 069.  
Tel. : 6198 0100 / 2682 0490 Fax : 2682 0498 E-mail : bfilshivsai@gmail.com  
Factory & Resort : Kharivali Village, Tal.: Wada, Dist.: Palghar, Maharashtra Pin. 421303.  
www.bharatrealty.co.in / www.anchaviyo.com E-mail : bfil1318@yahoo.in / bfil1318@gmail.com  
CIN - L24100MH1985PLC036547



**1<sup>st</sup> March, 2023**

To,  
The Secretary,  
**BSE Limited**  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai - 400 001.

**Security ID: BHARATAGRI**

**Security Code: 531862**

**Sub: Outcome of Board Meeting held on 1<sup>st</sup> March, 2023**

Pursuant to the provisions of Regulation 30 and Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the Board of Directors of the Company at their Meeting held on 1<sup>st</sup> March, 2023 has:

1. Considered and approved the Unaudited Consolidated Financial Results of the Company for the Quarter and Nine months ended 31<sup>st</sup> December, 2022. The Statutory Auditors have carried out Limited Review for the said quarter.
2. The board has also discussed on the matters given below:
  - a. The management has signed Settlement MOU on February 24, 2023 and received Rs.9 Crore as repayment of entire loan amount from Mol Chem Ltd (Associate Concern) . Further 26% equity held in Mol Chem Ltd will be returned back on getting credit of sale consideration. These funds will be utilized as working capital for fertilizer division during the year 2023-24.
  - b. The Company has renewed SSP fertilizer marketing tie up with SPIC (Greenstar Fertilizers Ltd) for 25000 M.T for the year 2023-24 and also in the process of marketing tie up with Indian Potash Ltd for 30000 M.T in addition to 15000 M.T SSP sales through company's own marketing network and expects revenue of Rs.80-85 Crore subject to renewal of NBS policy of Department of Fertilizer (DOF).
  - c. The Company is having pleasure in informing that 197<sup>th</sup> meeting of Ministry of Environment and Forest Department (MoEF) has been held, for proposed G Tower of Ground + 6 level parking + 52 floor residential floor (2/3 BHK) at Shiv Sai Paradise, Phase II, Majiwada and consent from MoEF along with Commencement Certificate from Thane



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Municipal Corporation is awaited to start construction work shortly. The management expects Project revenue of Rs.700-800 Crore (approx) over a period of 5-6 years.

An extract of the Unaudited Consolidated Financial Results along with the Limited Review Report for the Quarter and Nine months ended 31<sup>st</sup> December, 2022 is enclosed herewith.

The meeting of the Board of Directors commenced at 5:00 P.M. and concluded at 5:45 P.M.

Kindly find the same in order and acknowledge.

Thanking You.

Yours faithfully,

**For Bharat Agri Fert & Realty Limited**

**Yogendra Patel**  
**Managing Director**  
**DIN: 00106864**



Encl: A/a.

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## STATEMENT OF UN-AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31st DECEMBER, 2022

Sr.	Particulars	Rs. In lakhs					
		Quarter Ended			Nine Months Ended		Year Ended
		31-12-2022	30-09-2022	31-12-2021	31-12-2022	31-12-2021	31-03-2022
	Un-Audited	Un-Audited	Un-Audited	Un-Audited	Un-Audited	Audited	
<b>1</b>	<b>Revenue from Operations</b>						
(a)	Revenue from Operations	555.33	651.62	570.35	2179.54	1702.75	2301.47
(b)	Other income	39.30	37.28	328.32	91.38	366.11	336.99
	<b>Total revenues</b>	<b>594.63</b>	<b>688.90</b>	<b>898.67</b>	<b>2,270.92</b>	<b>2,068.86</b>	<b>2,638.46</b>
<b>2</b>	<b>Expenses</b>						
(a)	Cost of materials consumed	555.10	278.21	334.18	1205.14	567.17	588.57
(b)	Changes in inventories of finished goods, stock-in-trade and work-in-	(422.08)	(52.81)	(208.99)	(562.56)	(208.34)	(56.49)
(c)	Employee benefits expense	119.77	143.95	93.97	358.65	357.77	469.54
(d)	Finance costs	96.31	87.26	55.51	246.65	141.16	207.55
(e)	Depreciation and amortization	88.24	82.26	75.39	244.48	198.11	272.51
(f)	Other expenses	488.46	443.51	302.94	1377.38	756.50	1099.78
	<b>Total expenses</b>	<b>925.80</b>	<b>982.38</b>	<b>652.99</b>	<b>2,869.74</b>	<b>1,812.36</b>	<b>2,581.46</b>
<b>3</b>	<b>Profit/(loss) before exceptional items and tax (1-2)</b>	<b>(331.17)</b>	<b>(293.48)</b>	<b>245.67</b>	<b>(598.82)</b>	<b>256.49</b>	<b>57.00</b>
<b>4</b>	<b>Exceptional items</b>	-	-	-	-	-	-
<b>5</b>	<b>Profit / (loss) before tax (3-4)</b>	<b>(331.17)</b>	<b>(293.48)</b>	<b>245.67</b>	<b>(598.82)</b>	<b>256.49</b>	<b>57.00</b>
<b>6</b>	<b>Tax expenses</b>						
(a)	Current tax	-	-	-	-	-	-
(b)	Deferred tax	3.41	(0.76)	0.65	2.50	5.70	5.30
(c)	Short provision of Tax of Earlier Years	-	(10.60)	-	-	-	0.92
<b>7</b>	<b>Profit (Loss) for the period (5-6)</b>	<b>(334.58)</b>	<b>(282.13)</b>	<b>245.02</b>	<b>(601.32)</b>	<b>250.79</b>	<b>50.78</b>
<b>8</b>	<b>Profit (Loss) of associate concerns</b>	-	-	<b>(2.61)</b>	-	<b>(7.60)</b>	<b>(7.60)</b>
<b>9</b>	<b>Profit (Loss) after tax and share of profit(loss) of associate concerns</b>	<b>(334.58)</b>	<b>(282.13)</b>	<b>242.41</b>	<b>(601.32)</b>	<b>243.19</b>	<b>43.18</b>
<b>10</b>	<b>Other Comprehensive Income</b>						
(a)	Items that will not be reclassified to profit or loss	-	-	-	-	-	16.46
(b)	Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-	-
<b>11</b>	<b>Total Comprehensive Income for the period (7+8)</b>	<b>(334.58)</b>	<b>(282.13)</b>	<b>242.41</b>	<b>(601.32)</b>	<b>243.19</b>	<b>59.64</b>
<b>12</b>	<b>Paid up Share Capital</b>	<b>528.55</b>	<b>528.55</b>	<b>528.55</b>	<b>528.55</b>	<b>528.55</b>	<b>528.55</b>
<b>13</b>	<b>Earnings per equity share</b>						
(1)	Basic	(6.33)	(5.34)	4.59	(11.38)	4.60	0.82
(2)	Diluted	(6.33)	(5.34)	4.59	(11.38)	4.60	0.82



*M. K. Kulkarni*

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## SEGMENT REPORTING FOR THE QUARTER AND NINE MONTHS ENDED 31st DECEMBER 2022

Sn	Particulars	Consolidated Results					Rs. In Lakhs
		Quarter ended			Nine Months ended		Year ended
		31-12-2022 Un-Audited	30-09-2022 Un-Audited	31-12-2021 Un-Audited	31-12-2022 Un-Audited	31-12-2021 Un-Audited	31-03-2022 Audited
1	<b>Gross Segment Revenue</b>						
	Construction	0.38	-	-	0.38	-	-
	Fertiliser	202.47	387.99	351.22	1,227.52	1,255.90	1,576.16
	Resort	352.47	263.64	219.13	951.63	446.84	725.31
	Others	-	-	-	-	-	-
		<b>555.33</b>	<b>651.62</b>	<b>570.35</b>	<b>2,179.54</b>	<b>1,702.75</b>	<b>2,301.47</b>
	Less: Inter Segment Revenue	-	-	-	-	-	-
	<b>Net Segment Revenue</b>	<b>555.33</b>	<b>651.62</b>	<b>570.35</b>	<b>2,179.54</b>	<b>1,702.75</b>	<b>2,301.47</b>
2	<b>Segment Results</b>						
	Construction	(13.22)	(28.55)	272.11	(90.93)	244.81	195.81
	Fertiliser	(96.31)	(15.27)	118.20	19.61	404.89	424.37
	Resort	(114.39)	(150.97)	(91.04)	(261.12)	(257.22)	(321.86)
	Others	(10.95)	(12.47)	1.88	(20.79)	2.51	(37.07)
		<b>(234.87)</b>	<b>(207.26)</b>	<b>301.15</b>	<b>(353.23)</b>	<b>394.99</b>	<b>261.25</b>
	Less: Interest Expense	96.31	87.26	55.51	246.65	141.16	207.55
	Add: Interest Income (Unallocable)	0.01	1.05	0.04	1.06	2.65	3.30
	<b>Profit/(Loss) before tax and</b>						
	<b>Exceptional items</b>	<b>(331.17)</b>	<b>(293.48)</b>	<b>245.67</b>	<b>(598.82)</b>	<b>256.49</b>	<b>57.00</b>
	Exceptional Items	-	-	-	-	-	-
	<b>Profit/(Loss) before Tax</b>	<b>(331.17)</b>	<b>(293.48)</b>	<b>245.67</b>	<b>(598.82)</b>	<b>256.49</b>	<b>57.00</b>
	Share of profit (loss) on Investments in Associates	-	-	(2.61)	-	(7.60)	(7.60)
3	<b>Segment Assets</b>						
	Construction	4,315.18	3,804.19	4,156.76	4,315.18	4,156.76	4,124.27
	Fertiliser	2,362.89	2,586.70	2,665.36	2,362.89	2,665.36	2,542.11
	Resort	1,946.91	1,913.21	1,493.31	1,946.91	1,493.31	1,663.00
	Others	1,614.05	1,649.43	1,637.38	1,614.05	1,637.38	1,605.09
		<b>10,239.03</b>	<b>9,953.53</b>	<b>9,952.80</b>	<b>10,239.03</b>	<b>9,952.80</b>	<b>9,934.47</b>
4	<b>Segment liabilities</b>						
	Construction	1,044.87	495.02	491.82	1,044.87	491.82	495.48
	Fertiliser	2,261.99	2,324.79	2,397.96	2,261.99	2,397.96	2,559.33
	Resort	868.19	776.40	429.36	868.19	429.36	450.24
	Others	600.08	523.78	384.63	600.08	384.63	364.19
		<b>4,775.12</b>	<b>4,119.99</b>	<b>3,703.77</b>	<b>4,775.12</b>	<b>3,703.77</b>	<b>3,869.24</b>

- The above un-audited consolidated results for the quarter and nine months ended December 31, 2022 have been reviewed by the Audit committee and approved by the Board of Directors at their respective meetings held on March 01, 2023. The Standalone un-audited results for the quarter and nine months ended December 31, 2022 were approved in the board meeting held on February 14, 2023.
- The management has signed Settlement MOU on February 24, 2023 and received Rs.9 Crore as repayment of entire loan amount from Mol Chem Ltd (Associate Concern) . Further 26% equity held in Mol Chem Ltd will be returned back on getting credit of sale consideration. These funds will be utilised as working capital for fertiliser division during the year 2023-24
- The Company has renewed SSP fertiliser marketing tie up with SPIC ( Greenstar Fertilisers Ltd) for 25000 M.T for the year 2023-24 and also in the process of marketing tie up with Indian Potash Ltd for 30000 M.T in addition to 15000 M.T SSP sales through company's own marketing network and expects revenue of Rs.80-85 Crore subject to renewal of NBS policy of Department of Fertilizer (DOF).
- The Company is having pleasure in informing that the meeting of Ministry of Environment and Forest Department (MoEF) has been held, for proposed G Tower of Ground + 6 level parking + 52 floor residential floor (2/3 BHK) at Shiv Sai Paradise, Phase II, Majiwada and consent from MoEF along with Commencement Certificate from Thane Municipal Corporation is awaited to start construction work shortly. The management expects Project revenue of Rs.700-800 Crore (approx) over a period of 5-6 years.
- The figures for the previous periods have been re-grouped/re-arranged wherever considered necessary.

For Bharat Agri Fert & Realty Ltd

Place : Mumbai  
 Date : 01/03/2023

Yogendra D Patel  
 Chairman & Mg. Director





# VERMA MEHTA & ASSOCIATES

Chartered Accountants

104, Creative Industries Premises, Sunder Nagar, Kalina, Santacruz (East), Mumbai - 400 098.  
Tel.: 2666 6359 • Fax : 6693 5131 E-mail : vmaca92@gmail.com / ho@vmaca.co.in

## INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM CONSOLIDATED FINANCIAL RESULTS TO THE BOARD OF DIRECTORS OF **BHARAT AGRI FERT AND REALTY LIMITED**

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of **BHARAT AGRI FERT AND REALTY LIMITED** (the "Parent"), and its share of the net loss after tax of its associate for the quarter and nine months ended December 31, 2022 (the "Statement"), pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India ("ICAI"). A review of interim financial information consists of making inquiries, primarily of Parent's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We have also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the Listing Regulations, to the extent applicable.

### 4. Basis of Qualified Review Conclusion:

Attention is drawn to:

#### a) Loan given to an Associate Company - Mol Chem Ltd

As per the agreement dated 28<sup>th</sup> May 2015, the Company had given loan to M/s Mol Chem Ltd aggregating to Rs.8.25 Crore. The loan was repayable over a period of five years. Delays/defaults were observed in payment of interest and in view of this the Company had amended agreement. However, same was not complied by M/s Mol Chem Ltd. In view of this, the said loan was recalled on 31/08/2019. The Loan amount is Rs.8.99 Crores as at 31<sup>st</sup> December 2022. The management of Company has informed that, all necessary steps are taken by the Company. However, there is no recovery of the said loan even though a significant amount of



time has lapsed. Company has not made any provision in respect of the said outstanding loan.

b) Carrying value of old overdue trade receivables is Rs.10.74 Crores as at 31<sup>st</sup> December 2022. The Company has not made any provision regarding the said old overdue trade receivables.

**c) Old overdue advances:**

The Company has given advances to certain parties aggregating to Rs.1.05 Crores as at 31<sup>st</sup> December 2022. Certain material amount of out of these advances are old and overdue. Company's management is of the opinion that, the intended material/services are received from certain parties for which expenses will be booked after receipt of bills. In respect of certain parties material/services will be received in future and accordingly no provision is necessary in this regard.

**d) Society Maintenance Charges (SMC):**

Outstanding Society maintenance charges receivable aggregating to Rs.0.26 Crores as at 31<sup>st</sup> December 2022 are very old and the Company has not made provision in this regard.

e) The amount of subsidy receivable from the financial year ended 31<sup>st</sup> March 2015 to 31<sup>st</sup> March 2018 is Rs.0.21 Crores as at 31<sup>st</sup> December 2022 the Company has not made provision in this regard.

f) The carrying value of deposits which are not confirmed is Rs.12 lakhs as at 31<sup>st</sup> December 2022. The Company has not made provision in this regard.

g) The carrying value of the stores, spares and packing material inventory is Rs.112.33 lacs as at 31<sup>st</sup> December 2022. The requisite /requested data of non-moving and slow- moving inventory is not provide by the Company. The Company has not made any provision for non-moving and slow- moving stores, spares and packing material inventory.

h) The Company has not complied with interest provision to be made on unsecured loans received. In view of this, the Company has not complied with Ind AS 109 in this regard.

i) The Company has not complied with provision for Expected Credit Loss (ECL) . In view of this, the Company has not complied with Ind AS 109 in this regard.

j) The Company has not complied with fair valuation of investments made in mutual funds having carrying value of Rs.24.00 lacs as at 31<sup>st</sup> December 2022. In view of this, the Company has not complied with Ind AS 109 in this regard.

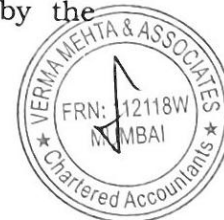
k) The Company has not transferred the unpaid dividend aggregating to Rs.6.38 lacs as at 31<sup>st</sup> December 2022 to the Investor Education and Protection Fund as stipulated by SEBI.

l) The Company has made payment for the purpose of purchase of Transfer Developments Rights (TDR) from M/s Hubtown Limited (erstwhile Akruiti City Limited) on 19/09/2014 for a sum aggregating to Rs.9.66 Crores. The



Company has informed that, TDR is transferred in it's name and it has received short TDR for area 332.180 sq. mtrs. aggregating to Rs.1.36 Crores. The Company has not filed any claim for the said short receipt of TDR. The Company has purchased corporate office from M/s Hubtown Limited (erstwhile Akruti City Limited) and has contended ultimately to adjust the short receipt of TDR by way of maintenance of its corporate office at Andheri payable to M/s Hubtown Limited (erstwhile Akruti City Limited). The Company has not made any provision for short TDR for area 332.180 sq. mtrs. aggregating to Rs.1.36 Crores as at 31<sup>st</sup> March 2022. The Company has not given any accounting impact/has not made any provision in respect of the short receipt of TDR as above.

- m) The Resort Segment of the Company has incurred significant amount of loss in the December 2022 and the earlier reporting periods. The Company has not carried out impairment study as required by Ind AS "Impairment of Assets" 36 of the Property Plant Equipment related to the Resort Segment of the Company. The Company has not made provision in this regard.
- n) The Fertiliser Segment of the Company has incurred significant amount of loss in the December 2022 and the earlier reporting periods. The Capacity utilisation is less than 10% in the December 2022 and the earlier reporting periods. The Company has not carried out impairment study as required by Ind AS "Impairment of Assets" 36 of the Property Plant Equipment related to the Fertiliser Segment of the Company. The Company has not made provision in this regard.
- o) The Company has not laid down Standard Operating Procedures (SOPs) in the respect of any of the Accounting and directly & indirectly related accounting functions. This results in major weakness in the Accounting and related accounting functions and consequently the Interim and other Financial Statements.
- p) The Company has not deducted provident fund from the salary payments of the employees, more particularly from the salaries pertaining to the Resort Segment. As provident fund itself is not deducted, consequently employers contribution is also not deposited by the Company.
- q) The scope of the Internal Audit is not forming the part of the minutes of Audit Committee and Board directors (BOD) minutes. The Company has not provided any response to the observations of the Internal Audit Reports till September 2022 quarter. The Company has not provided any response to the internal audit observations for the June 2022 quarter, September 2022 quarter and for the December 2022 quarter. The Internal Audit function is not commensurate with the size of the Company and is weak.
- r) The Property, Plant, Equipment (PPE) accounted in the previous reporting period and input credit (subject to eligibility) is accounted for in subsequent accounting periods. This results in incorrect carrying value of PPE and Accumulated Depreciation in the both the reporting periods and also other regulatory filings. Due to this, the said incorrect accounting has further legal implications.
- s) Large number of invoices/bills particularly of the Resort Division are not in the name of the Company. Instances of these are also observed in other segments also. These having further legal implications.
- t) The Reverse Charge Mechanism Liability (RCM) is not provided by the Company.



- u) Inventory of the Resort division is not maintained in Tally.
- v) The Company has paid Rs.5.58 Crores for the purpose of approval of sanction/approval of the proposed "G" Tower. The Company has accounted for these expenses as Real Estate Inventory. However, no documentary evidence is provided in this regard.
- w) The Company accounts for subsidiary on the basis of sales to dealer, however, subsidy payment is on the basis of sale to the customer by the dealer. The Company has not made provision in this regard.
- x) **Confirmations of certain trade receivables, trade payables & other receivables:**  
Balances of certain trade receivables, trade payables & other receivables are subject to confirmations and reconciliations. Management has stated that, all known liabilities are duly provided by the Company.
- y) **Mol Chem State of Affairs:**
  - i. The Management of the company has observed irregularities and default in repayment terms as per Exit MOU with Mol Chem Ltd. and all suitable action for recovery of loan have been taken.
- z) The financial information of the associates are not prepared as per Indian Accounting Standards (Ind AS). Apart from violation of Ind AS, it also violation of Companies Act, 2013.

The Matters as per the sr. a) to k) as stated above have been qualified in the preceding quarter ended 30<sup>th</sup> September 2022 and the Matters as per the sr. a) to g) as stated above have been qualified in the preceding quarter ended 30<sup>th</sup> June 2022.

In absence of the adequate audit evidence, we are unable to comment on quantum of provision to be made in respect of sr. nos. (a) to (z) above.

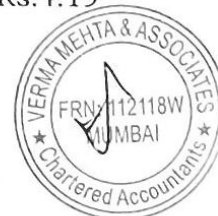
#### 5. **Qualified Conclusion:**

Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the financial information certified by the Board of Directors referred to in paragraph 7 below, *except effect/ possible effect as stated in Basis of Qualified Review Conclusion paragraph above*, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

#### 6. **Emphasis of Matter:**

We draw attention to the following matters:

- a) The outstanding subsidy receivable amount as at 31<sup>st</sup> December 2022 pertaining to the financial year 22-23 (Till 31<sup>st</sup> December 2022) is Rs.4.19





Crores as at 31<sup>st</sup> December 2022. The management has contended that, the amount is recoverable and considered good.

- b) The Company has weak internal control in respect of the following:
1. Accounting of Property Plant Equipment (PPE) with regard to regulatory aspects, location the date of accounting and the date of put to use.
  2. Maintenance of inventory records in tally of certain items of the inventory.
  3. Maintenance of the Appropriate documentary evidence- bills, purchase, expenses invoices having more than significant amounts with regard to the Business of the Company.
  4. Bills, purchase, expenses invoices and vouchers having more than significant amounts. Payment voucher is considered as bill/invoice, which is incorrect.
  5. Reconciliation of resort sales as per the software vis a vis resort sales as per the books of accounts.
  6. Input GST credit accounted for in the Books of accounts.
  7. Booking of the expenses as per the matching concept and the Provision for outstanding liabilities.
  8. Accounting for cash expenses.
  9. Tax Deducted at Source (TDS) in respect of various head.
  10. Bank payments are accounted for using journal vouchers.
  11. Accounting in the appropriate accounting heads e.g. Capital and Revenue expenditure.

**c) Transfer Developments Rights & Real Estate Expenses:**

The Company has made payment for the purpose of purchase of Transfer Developments Rights (TDR) from M/s Hubtown Limited (erstwhile Akruiti City Limited) on 19/09/2014 for a sum aggregating to Rs.9.66 Crores. The Company has informed that, TDR is transferred in it's name and it has received short TDR for area 332.180 sq. mtrs. aggregating to Rs.1.36 Crores. The Company has not filed any claim for the said short receipt of TDR. The Company has purchased corporate office from M/s Hubtown Limited (erstwhile Akruiti City Limited) and has contended ultimately to adjust the short receipt of TDR by way of maintenance of its corporate office at Andheri payable to M/s Hubtown Limited (erstwhile Akruiti City Limited). The Company is intending to use the said TDR and other TDRs purchased in the proposed development of the real estate business. Carrying value of the said TDR aggregating to Rs.9.66 Crores and real estate construction expenses aggregating to Rs.32.44 Crores (including TDR purchased) as at 31<sup>st</sup> December 2022 depends on the Company's ability to further fund the proposed development of reality business & other business segments.

**d) Society Common Area Maintenance Charges Receivables (SCAMCR)- "C" Building:**

The Company had recognised income on account of SCAMCR aggregating to Rs.0.16 Crores as at 31<sup>st</sup> March 2014. The Company had recognised income on account of the SCAMCR aggregating to Rs. 0.52 Crores till 31<sup>st</sup> December 2021 in the quarter ended 31/12/2021. The Company had reversed SCAMCR aggregating to Rs. 0.09 Crores in the March 2022 and Rs.0.21 Crores in the June 2022 quarter pursuant to the Memorandum of Understanding (MOU)



signed on 21<sup>st</sup> April 2022. Further, the Company has yet not realised the outstanding amount Rs.2.00 lakhs out of total revenue recognised Rs. 0.38 Crores (Revised amount after reversal as aforesaid). The Company has explained that the expenses with regard to MOU with the Housing Co-operative Societies are accounted for by it. However, the Company has not provided any details and underlying documents for the same. The Company has further informed that, no legal case is filed by the Company in this regard. The Company has not provided any documentary evidence regarding the recoverability or other wise of the amount due.

**e) Sub judice matters:**

The Company has informed that, certain matters are sub judice as at 31<sup>st</sup> December 2022. The summary in brief is as under:

Sn.	Particulars	Amt. Rs.(in Crores)
1	Amount deposited in protest with Maharashtra State Electricity Distribution Company Limited (MSEDCL)-Refer to point i. below @	0.53
2	Maintenance Charges payable*	0.33

@ The Company has not provided any documentary evidence in this regard.

\* The Company has not provided any liability in view of note "2" above.

**i. In respect of the Amount deposited in protest with MSEDCL:**

Pursuant to the matter referred in the paragraph c) s.no. 1 above:

MSEDCL officials visited Bharat Agri Fert & Realty Ltd ("The Company") factory at Wada on 21/05/2016 for inspection and made observation that, MSEDCL connection was in the name of Wada Alums & Acids Pvt Ltd and manufacturing activity is going on in the name of the Company and put allegation of transfer or extending unauthorized supply of electricity from one unit to another unit.

Accordingly, MSEDCL issued notice and order for payment of Rs.106 lacs against which the Company had filed appeal with The Chief Electrical Inspector and deposited Rs.53 lakhs (50% of the liability) with Chief Electric Inspector (CEI) office.

Upon various hearing, the Company received refund order of the amount paid dated 23<sup>rd</sup> January 2018. However, MSEDCL filed appeal in Mumbai High Court which is in Pre-admission stage.

In respect of the above, the Company has further clarified that, The Company Wada Alums & Acids Pvt Ltd had merged with erstwhile Bharat Fertilizer Industries Ltd, currently known as Bharat Agri Fert & Realty Ltd vide Mumbai High Court Merger Order on 15.06.2007. In view of this and other matters in this regard the management of the Company is hopeful about refund of the said amount deposited.



- f) The above stated matters has significantly affected the company's cash flows and ability to raise further funds. This has an impact on Company's business, which further depends upon outcome of the above matters.

Our opinion is not modified in respect of this matter.

## 7. Other Matters

(a) The Statement includes the results of the following entities:  
Associate:

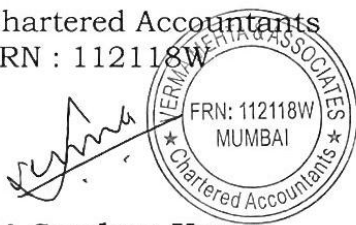
The statement includes the result of an Associate-Mol Chem Limited and the share of loss in the associate company is Rs.7.07 lacs for the quarter ended 31<sup>st</sup> December 2022.

However, it is pertinent to note that, the carrying value of the Mol Chem Limited investment was NIL as at 31<sup>st</sup> March 2022. In view this, no further adjustment can be done in carrying value of investment in M/s Mol Chem Limited in the Consolidated Results as at 31.12.2022

Our opinion on the Consolidated Financial Results is not modified in respect of the above matters with respect to our reliance on the interim financial information certified by the Board of Directors other than non-preparation of the financial information as per Ind AS, as referred in point 4 z) of the Qualified Opinion Paragraph as stated above.

## For Verma Mehta & Associates

Chartered Accountants  
FRN : 112118W



**CA Sandeep Verma**

Partner

Membership No.: 045711

UDIN : 23045711 BGTZHK 3343

Place : Mumbai

Date : 01<sup>st</sup> March 2023