



# JAI BALAJI INDUSTRIES LIMITED

Ref : JBIL/SE/2023-24

Date: 26<sup>th</sup> August, 2023

To  
The Manager  
**Listing Department,**  
**National Stock Exchange of India Limited**  
"EXCHANGE PLAZA", C-1, Block G  
Bandra – Kurla Complex, Bandra (E)  
Mumbai – 400 051  
(Company's Scrip Code: JAIBALAJI)

To  
The Manager,  
**Dept. of Corporate Services**  
BSE Limited  
Phiroze Jeejeebhoy Towers  
Dalal Street,  
Mumbai – 400 001  
(Company's Scrip Code: 532976)

Dear Sir,

Sub: **Submission of the Notice for the 24<sup>th</sup> Annual General Meeting & Annual Report for the Financial Year 2022-23**

Pursuant to Regulation 30 and 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, kindly find enclosed herewith the Annual Report of the Company for the Financial Year 2022-2023 along with the Notice convening the 24<sup>th</sup> Annual General Meeting of the Company to be held on Thursday, 21<sup>st</sup> September, 2023 at 12:30 p.m. through Video Conferencing ("VC") or other audio visual means ("OAVM"), to transact the business as mentioned in the Notice of the AGM.

The same is for your kind information and record.

Thanking you.  
Yours faithfully,

For **JAI BALAJI INDUSTRIES LIMITED**

**AJAY KUMAR TANTIA**  
**Company Secretary**

Encl.: as above

**Regd. Office :** 5, Bentinck Street, 1st Floor, Kokata- 700 001.

Phone : +91-33-2248 9808, 2248 8173, Fax : +91-33-2243 0021/2210 7893/2242 6263

E-mail : [info@jaibalajigroup.com](mailto:info@jaibalajigroup.com), Website : [www.jaibalajigroup.com](http://www.jaibalajigroup.com)

CIN - L27102WB1999PLC089755





**JAI BALAJI INDUSTRIES LIMITED**



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**24<sup>th</sup> ANNUAL REPORT**

2022-2023

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In this Annual Report, we have disclosed forward-looking information to help investors to comprehend our prospects and take informed investment decisions. This report is based on certain forward-looking statements that we periodically make to anticipate results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe that we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

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### Notice to the Shareholders

NOTICE IS HEREBY GIVEN THAT the Twenty Fourth Annual General Meeting of the Members of Jai Balaji Industries Limited will be held through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM"), on Thursday, 21st September, 2023 at 12:30 pm to transact the following businesses:

#### ORDINARY BUSINESS

##### Item No. 1

To receive, consider and adopt the:-

- (a) Audited Standalone Financial Statement of the Company for the financial year ended 31st March, 2023 together with the Report of the Board of Directors and the Auditors thereon.
- (b) Audited Consolidated Financial Statement of the Company for the financial year ended 31st March, 2023 together with the Report of the Auditors thereon.

##### Item No. 2

To appoint a Director in place of Shri Rajiv Jajodia (DIN-00045192), who retires by rotation and being eligible, offers himself for re-appointment.

##### Item No. 3

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **ORDINARY RESOLUTION**:

**"RESOLVED THAT** pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and all other applicable provisions of the Act (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), M/s. Das & Prasad, Chartered Accountants (FRN: 303054E) be and is hereby appointed as the Statutory Auditors of the Company, in place of the retiring Statutory Auditor M/s. S.K. Agrawal and Co. Chartered Accounts LLP (FRN: 306033E) to hold office from the conclusion of 24th Annual General Meeting until the conclusion of the 29th Annual General Meeting, at such remuneration apart from reimbursement of out-of-pocket expenses and taxes as applicable, and terms and condition as set out in the explanatory statement to this Notice."

#### SPECIAL BUSINESS

##### Item No. 4

To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as an **ORDINARY RESOLUTION**:

**"RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and

Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment (s) thereof for the time being in force), the consolidated remuneration amounting to Rs. 1,50,000 (excluding applicable taxes and reimbursement of out-of-pocket expenses, if any) as recommended by the Audit Committee and approved by the Board of Directors at its meeting held on 14th August, 2023 payable to M/s Mondal & Associates, Proprietor Mr. Amiya Mondal, being the Cost Auditor of the Company, having office at 45, Akhil Mistry Lane, Kolkata - 700 009 for conducting the audit of the cost records of the Company and providing Cost Audit Report and all such reports, annexures, records, documents etc., for the financial year 2023-24, that may be required to be prepared and submitted by the Cost Auditors under applicable statute, be and is hereby ratified and confirmed."

##### Item No. 5

To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as a **SPECIAL RESOLUTION**:

**"RESOLVED THAT** in supersession of the earlier resolutions passed under Section 186 and 372A of the Companies Act 2013 and the Companies Act, 1956 respectively and pursuant to the provisions of Section 186 of the Companies Act 2013 ('the Act') read with the Companies (Meetings of Board and its Powers) Rules, 2014 and other applicable provisions, if any, of the Act (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and subject to such approvals, consents, sanctions and permissions as may be necessary, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall include, any committee constituted by Board or any other person(s) authorised by the Board to exercise the powers conferred on the Board by this resolution) to (i) give any loan to any person or other body corporate; (ii) give any guarantee or provide any security in connection with a loan to any other body corporate or person and (iii) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, whether Indian or overseas as they may in their absolute discretion deem beneficial and in the interest of the Company, however the aggregate of the loans and investments, so far made in and the amount for which guarantees or securities have so far been provided to all persons or bodies corporate along with additional investments, loans, guarantees or securities proposed to be made or given or to be provided by the Company, from time to time, in future, upto a maximum aggregate amount of Rs. 1500 Crores (Rupees Fifteen Hundred Crores only) over and above the limit of 60% of the paid-up share capital, free reserves and securities premium account of the Company or 100% of the free reserves and securities premium account of the Company, whichever is more, as prescribed under the Section 186 of the Companies Act, 2013."



### Notice to the Shareholders (Contd.)

“RESOLVED FURTHER THAT the Board be and is hereby authorised to take from time to time all decisions and steps in respect of the above loans, guarantees, securities and investment including the timing, amount and other terms and conditions of such loans, guarantees, securities and investment and varying the same either in part or in full as it may deem appropriate, and to do and perform all such acts, deeds, matters and things as may be necessary, proper or desirable in order to give effect to the aforesaid resolution.”

“RESOLVED FURTHER THAT the Board be and is hereby authorised to decide and finalise the terms and conditions as it may deem fit and to execute all such documents, instruments and writings as may be required and to do all acts, deeds and things as it may in its absolute discretion deem necessary to give effect to this resolution and to settle any question, difficulty or doubt that may arise in this regard and also to delegate to the extent permitted by law, all or any of the powers herein conferred to the Board or any other officer of the Company.”

#### Item No. 6

To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as a **SPECIAL RESOLUTION**:

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any of Companies Act, 2013 (“Act”), the Companies (Appointment and Qualification of Directors) Rules, 2014 read with Schedule IV to the Act and Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulations, 2015 (“SEBI Listing Regulations”), as amended from time to time (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and on the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors, Smt. Swati Bajaj (DIN: 01180085) who was appointed as an Independent Director of the Company with effect from 13th August, 2018 for a term of 5 (Five) years and who is eligible for re-appointment and meets the criteria for independence as provided in Section 149(6) of the Act along with the rules framed thereunder and Regulation 16(1)(b) of SEBI Listing Regulations and has submitted a declaration to that effect and in respect of whom the Company has received a notice in writing from a Member of the Company under Section 160(1) of the Act proposing her candidature for the office of director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for the second term for 5 (Five) consecutive years with effect from 13th August, 2023.”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts,

deeds and things as may be deemed proper and expedient to give effect to this Resolution.”

#### Item No. 7

To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as a **SPECIAL RESOLUTION**:

“RESOLVED THAT, pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any of Companies Act, 2013 (“Act”), the Companies (Appointment and Qualification of Directors) Rules, 2014 read with Schedule IV of the Act and Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulations, 2015 (“SEBI Listing Regulations”), as amended from time to time (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Smt. Mamta Jain (DIN: 10264921), who was appointed by the Board of Directors as an Additional Director (in the category of Independent Director) of the Company w.e.f 14th August, 2023 based on the recommendation of the Nomination and Remuneration Committee and pursuant to Section 161(1) of the Act and who qualifies for being appointed as an Independent Director and in respect of whom a notice in writing under Section 160 of the Act has been received by the Company from a member, proposing her candidature for the office of director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a term of 5 (Five) consecutive years with effect from 14th August, 2023 till 13th August, 2028.”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds and things as may be deemed proper and expedient to give effect to this Resolution.”

#### Item No. 8

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **SPECIAL RESOLUTION**:

“RESOLVED THAT pursuant to the recommendation of the Nomination & Remuneration Committee and approval of the Board and pursuant to the provisions of Sections 196, 197 and other applicable provisions, if any of Companies Act, 2013 (“Act”), the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any Statutory modification(s) or re-enactment(s) thereof for the time being in force) read with Schedule-V of the Act, and also subject to the approval of the necessary statutory authorities, if required, approval of the members of the Company be and is hereby accorded to the re-appointment of Shri Bimal Kumar Choudhary (holding DIN: 08879262), as Executive Director of the Company for a period of 3 (Three) years with effect from 15th September, 2023 to 14th September, 2026, liable to



### Notice to the Shareholders (Contd.)

retire by rotation, on upon the terms and conditions of appointment as set out in the agreement of the reappointment, as approved by the Board of Directors of the Company and the Nomination & Remuneration Committee and as set out in the Explanatory Statement annexed hereto.”

“**RESOLVED FURTHER THAT** the Board of Directors and the Nomination & Remuneration Committee of the Company be and are hereby authorized to alter and vary such terms of reappointment and remuneration from time to time as may be mutually agreed to between the Board of Directors and Shri Bimal Kumar Choudhary subject to the limits contained in the Act.”

“**RESOLVED FURTHER THAT** in case of losses or inadequate profits or for any other reasons as stated in Schedule V of the Act, remuneration shall be paid to Shri Bimal Kumar Choudhary, Executive Director of the Company, not exceeding the ceiling for the time being laid down in Schedule V of the Act and as may be decided by the Board

of Directors of the Company and subject to such sanctions and approvals as may be necessary.”

“**RESOLVED FURTHER THAT** the Board be and is hereby authorised to file necessary forms with the Registrar of Companies and to take further steps to give effect to this resolution and to do all such act, deeds and things as may be necessary and incidental thereto for the said purpose.”

Registered Office:  
5, Bentinck Street,  
Kolkata - 700 001

Place : Kolkata  
Date : 14th August, 2023

By Order of the Board  
For **Jai Balaji Industries Limited**

Sd/  
**Ajay Kumar Tantia**  
Company Secretary



### Notice to the Shareholders (Contd.)

#### Notes :-

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, as amended setting out the material facts concerning item of Special Business of the Notice to be transacted at the Twenty Fourth Annual General Meeting ('the meeting') is annexed hereto and forms part of this Notice. The relevant details, pursuant to Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('SEBI Listing Regulations') and Secretarial Standard - 2 on General Meetings, issued by The Institute of Company Secretaries of India, in respect of Director retiring by rotation seeking appointment/ re-appointment at this Annual General Meeting ('Meeting' or 'AGM') is furnished as **Annexure 1** to this Notice.

2. In accordance with the provisions of the Act, the Ministry of Corporate Affairs ('MCA'), *inter-alia*, vide its General Circular No.02/2022 dated May 05, 2022 read with General Circulars No. 14/2020 dated April 08, 2020, 17/2020 dated April 13, 2020, 20/2020 dated May 05, 2020, and subsequent circulars issued in this regard, the latest being 10/2022 dated December 28, 2022 (collectively referred to as '**MCA Circulars**') and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 and Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023 issued by Securities and Exchange Board of India (collectively referred to as '**SEBI Circulars**') has permitted the holding of the AGM through Video Conferencing ('VC') or through Other Audio -Visual Means ('OAVM'), upto September 30, 2023 **without the physical presence of the Members at a common venue.**

In compliance with the aforementioned Circulars and applicable provisions of the Act, MCA & SEBI circulars, the 24th AGM of the Company is held through VC/OAVM on Thursday, 21st September, 2023 at 12:30 p.m. (IST).

The proceedings of the AGM will be deemed to be conducted at the Registered Office of the Company at 5, Bentinck Street, Kolkata - 700 001, which shall be the deemed venue for the AGM.

3. PURSUANT TO SECTION 105 OF THE COMPANIES ACT, 2013 A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON THEIR BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. SINCE THIS AGM IS BEING HELD PURSUANT TO THE MCA CIRCULARS THROUGH VC/OAVM, PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH. ACCORDINGLY, THE

FACILITY FOR APPOINTMENT OF PROXIES BY THE MEMBERS UNDER SECTION 105 OF THE ACT WILL NOT BE AVAILABLE FOR THIS AGM AND HENCE THE PROXY FORM, ATTENDANCE SLIP AND ROUTE MAP OF AGM ARE NOT ANNEXED TO THIS NOTICE.

However, in terms of the provisions of Section 112 and 113 of the Act read with the said Circulars, Institutional Investors/Corporate Members intending to authorize their representatives to participate and vote at the meeting are requested to send a certified copy of the Board resolution/authorization letter together with attested specimen signature of the duly authorized signatory(ies) to the Scrutinizer and the Company by an email at [jaibalaji@jaibalajigroup.com](mailto:jaibalaji@jaibalajigroup.com) on or before 14th September, 2023 till 5.00 P.M. without which the vote shall not be treated as valid.

4. Participation of members through VC/OAVM will be reckoned for the purpose of quorum for the AGM as per Section 103 of the Act.
5. In case of joint holders attending the Meeting, the member whose name appears as the first holder in the order of names as per Register of Members will be entitled to vote.
6. Pursuant to the provisions of Section 91 of the Companies Act, 2013, the Register of Members and Share Transfer Books of the Company will remain closed from Friday, 15th September, 2023 to Thursday, 21st September, 2023 (both days inclusive).
7. Members may join the Twenty Fourth AGM in VC/OAVM mode from 12:00 noon i.e. 30 minutes before the time scheduled to start the AGM and the Company may close the window for joining the VC/OAVM 15 minutes after the scheduled time to start the AGM by following the procedure enclosed with the Notice.
8. Members may note that the VC/OAVM provided by CDSL, allows participation of at least 1000 Members on a first-come-first-served basis. The large shareholders (i.e. shareholders holding 2% or more shareholding), promoters, institutional investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination & Remuneration Committee and Stakeholders Relationship Committee, Auditors, etc. can attend the 24th AGM without any restriction on account of first-come-first-served principle.
9. Members holding shares in physical mode are requested to intimate any change in their address by writing to the Registrar and Share Transfer Agent (RTA), Maheshwari Datamatics Private Limited (MDPL) at their Corporate Office 23, R. N. Mukherjee Road, 5th Floor, Kolkata - 700001, email id : [mdpldc@yahoo.com](mailto:mdpldc@yahoo.com) and Members holding shares in demat mode are requested to intimate any change in their address or bank mandates to their respective Depository Participants. Any such changes





### Notice to the Shareholders (Contd.)

- effected by the Depository Participants will automatically reflect in the Company's subsequent records.
10. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified from time to time.
  11. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to write to the Company's Registrar and Share Transfer Agents, MDPL, at their Corporate Office 23, R. N. Mukherjee Road, 5th Floor, Kolkata - 700001, email id : mdpldc@yahoo.com enclosing their share certificates to enable the Company to consolidate their holdings into single folio.
  12. Pursuant to Section 88 of the Companies Act, 2013 the Register of Members is required to be maintained in form MGT-1. In this respect, Members holding shares in physical form are requested to inform/update the following additional details to the RTA, Maheshwari Datamatics Private Limited, Corporate Office: 23, R. N. Mukherjee Road, 5th Floor, Kolkata - 700001, email id: mdplc@yahoo.com, who have not yet so updated:
    - a. E-mail id (of the first holder)
    - b. PAN
    - c. Unique Identification Number (AADHAR NO.)
    - d. Father's /Mother's/Spouse's Name
    - e. Occupation
    - f. In case the member is a minor, Name of the Guardian and date of birth of the Member
    - g. CIN (In case the member is a body corporate)
  13. Members are requested to quote the Folio/Client ID & DP ID Nos. in all correspondences.
  14. i) Pursuant to the aforesaid MCA Circulars and SEBI Circulars in view of the prevailing situation, the Notice of the 24th AGM of the Company inter alia indicating the process and manner of e-voting is being sent only by email, to all the Shareholders whose Email IDs are registered with the Company/Depository Participant(s) for communication purposes to the Shareholders and to all other persons so entitled. Therefore, Members, whose email address is not registered with the Company or with their respective Depository Participant(s), and who wish to receive the soft copy of Notice of the 24th AGM of the Company and all other communications sent by the Company, from time to time, can get their email address registered.
    - ii) Further, in terms of the applicable provisions of the Act, SEBI Listing Regulations read with the related MCA and SEBI Circulars, the Notice calling the AGM will be uploaded at the Company's website, at [www.jaibalajigroup.com](http://www.jaibalajigroup.com). The same can also be accessed from the websites of the Stock Exchanges i.e BSE Limited at [www.bseindia.com](http://www.bseindia.com) and National Stock Exchange of India Limited at [www.nseindia.com](http://www.nseindia.com) respectively. The AGM Notice is also disseminated on the website of CDSL i.e. [www.evotingindia.com](http://www.evotingindia.com).
    - iii) Copies of the Annual Report for the financial year 2022-23 and Notice of AGM is being sent only by e-mail to the Members and to all other persons so entitled and who have registered their email addresses with the Depository Participant (DP)/Company's Registrar and Transfer Agent (RTA) or the Company for this purpose.
    - iv) The Members are requested to notify immediately changes, if any, in their registered address: (i) to the Company's Registrar & Share Transfer Agent, Maheshwari Datamatics Private Limited, E-mail: [mdpldc@yahoo.com](mailto:mdpldc@yahoo.com) in respect of the Shares held in Physical Form and (ii) to their Depository Participants (DPs) in respect of Shares held in Dematerialized Form.
    - v) Any person who has acquired shares and become a member of the Company after dispatch of this Notice and holding shares as on the cut-off date i.e 14th September, 2023 may obtain electronic copy of the Notice of the 24th AGM by sending a request to the Company at [jaibalaji@jaibalajigroup.com](mailto:jaibalaji@jaibalajigroup.com) or Company's RTA i.e Maheshwari Datamatics Private Limited at [mdpldc@yahoo.com](mailto:mdpldc@yahoo.com).
  15. To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with Company's Registrars and Transfer Agents, MDPL, in case the shares are held by them in physical.
  16. All the documents referred to in the accompanying Notice will be made available for electronic inspection without any fee by the Members of the Company from the date of circulation of this Notice upto the conclusion of this Annual General Meeting. Members seeking to inspect such documents can send an email to [jaibalaji@jaibalajigroup.com](mailto:jaibalaji@jaibalajigroup.com).
  17. Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 and The Register of Contracts and Arrangements in which Directors are interested under Section 189 of the Companies Act, 2013 will also be made available for electronic inspection during the Annual General Meeting. Members seeking





### Notice to the Shareholders (Contd.)

to inspect such documents can send an e-mail to [jaibalaji@jaibalajigroup.com](mailto:jaibalaji@jaibalajigroup.com).

18. The Shareholders, seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company at least 7(Seven) days before the meeting through Email on [jaibalaji@jaibalajigroup.com](mailto:jaibalaji@jaibalajigroup.com). The same will be replied by/on behalf of the Company suitably.

19. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in demat mode are, therefore requested to submit PAN details to their Depository Participant.

Members holding shares in physical mode are also requested to submit their PAN and bank account details to the Company's Registrar and Share Transfer agent, Maheshwari Datamatics Private Limited, Address: 23, R. N. Mukherjee Road, 5th Floor, Kolkata - 700001, email id: [mdpldc@yahoo.com](mailto:mdpldc@yahoo.com).

20. Securities and Exchange Board of India (SEBI) has mandated that for registration of transfer of securities, the transferee(s) as well as transferor(s) shall furnish a copy of their PAN Card to the Company for registration of transfer of securities. Also, as per SEBI notification number SEBI/LAD-NRO/GN/2018/24 dated June 08, 2018 for amendment to SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015, requests for effecting transfer of securities of listed companies shall not be processed unless the securities are held in the demat form with a depository, except in case of transmission or transposition of securities.

21. Members are requested to note that dividends not encashed or claimed within 7 (Seven) years from the date of transfer to the Company's Unpaid Dividend Account, has been transferred to the fund established by the Central Government, namely the Investor Education and Protection Fund (IEPF). Further, once the unclaimed dividend is transferred to IEPF, no further claim shall be entertained by the Company in respect thereof. Details of dividend remained unclaimed by the Members for the past year which have been transferred to IEPF are readily available for view by the Members on the Company's Website.

Pursuant to the provisions of Section 124(6) of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, including the statutory modification(s) or re-enactment(s) thereof, for the time being in force ("IEPF Rules, 2016"), equity shares of the Company in respect of which dividend amounts have not been claimed/encashed for the last seven consecutive years or more are requested to be transferred by the

Company to the Demat Account of the Investor Education and Protection Fund Authority ("IEPFA"). Accordingly, equity shares which were due to be so transferred, have been transferred by the Company to the Demat Account of IEPFA. The voting rights on such shares shall remain frozen till the rightful owner claims the shares. Shares which are transferred to the Demat Account of IEPFA can be claimed back by the shareholder from IEPFA by following the procedure prescribed under the aforesaid rules. Details of shares transferred to the Demat Account of IEPFA have been uploaded by the Company on its website at [www.jaibalajigroup.com](http://www.jaibalajigroup.com).

22. Section 72 of Companies Act, 2013 extends the nomination facility to individual shareholders of the Company. Therefore, the shareholders holding share certificate in physical form and willing to avail this facility may make nomination in Form SH-13 as per Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014 which may be sent on request. In case of demat holding, the shareholders should approach their respective Depository Participant for their nomination. Blank forms will be made available on request. The same can also be downloaded from the Company's website [www.jaibalajigroup.com](http://www.jaibalajigroup.com) under the head 'Investor Relations'.

23. Subject to casting of requisite number of votes in favour of the resolution(s), the resolution(s) shall be deemed to be passed on the date of Annual General Meeting of the Company.

24. a) Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India ("ICSI") and Regulation 44 of Listing Regulations read with MCA Circulars and SEBI Circular, the Company is providing remote e-Voting facility to its Members in respect of the businesses proposed to be transacted at the 24th AGM and facility for those Members participating in the AGM to cast vote through e-Voting system during the AGM. The instructions for e-voting are enclosed with the notice. The Company has engaged the services of Central Depository Services (India) Limited (CDSL), who will provide the e-voting facility of casting votes to a Shareholder using remote e-voting system (e-voting from a place other than venue of the AGM) ("remote e-voting") as well as e-voting during the proceeding of the AGM ("e-voting at the AGM").

**Members are requested to carefully read the instructions of e-voting before exercising their vote.**

b) The remote e-voting facility will be made available during the following period:



### Notice to the Shareholders (Contd.)

Commencement of remote e-voting: From 10:00 a.m. on Monday, 18th September, 2023

End of remote e-voting: Up to 5:00 p.m. on Wednesday, 20th September, 2023

**During this period, members holding share either in physical or dematerialized mode as on the cut-off date viz., Thursday, 14th September, 2023 may exercise their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter. A person who is not a Member as on the cut-off date should accordingly treat this notice for information purposes only.**

- c) Any person, who acquires shares of the Company and becomes Member of the Company after the dispatch of the Notice but on or before the cut-off date for e-voting i.e **Thursday, 14th September, 2023**, he/she may write to the Registrar requesting for user id and password or email at mdpldc@yahoo.com. However, if a member is already registered with CDSL for remote e-voting then he/she can use his/her existing User ID and password for casting the vote.
- d) The Members who have cast their vote by remote e-Voting prior to the AGM may attend /participate in the AGM through VC/OAVM but shall not be entitled to cast their vote on such resolution again.
- e) The voting rights of Members shall be in proportion to their share in the paid up equity share capital of the Company as on the cut- off date being 14th September, 2023.
- f) A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-Voting or casting vote through e-Voting system during the meeting.
- g) The Board of Directors has appointed M/s. MKB & Associates, Company Secretaries in practice, Kolkata

(FRN: P2010WB042700) as the Scrutinizer to scrutinize the entire e-voting process in a fair and transparent manner.

- h) The Scrutinizer shall after the conclusion of e-Voting at the 24th AGM, first download the votes cast at the AGM and thereafter unblock the votes cast through remote e-Voting and shall make a consolidated scrutinizer's report of the total votes cast in favour or against, invalid votes, if any, and whether the resolution has been carried or not, and such Report shall then be sent to the Chairman or a person authorized by him, within two working days from the conclusion of the 24th AGM, who shall then countersign and declare the result of the voting forthwith.
  - i) The results of e-voting will be communicated to the Stock Exchange where equity shares of the Company are listed viz. the BSE Limited and National Stock Exchange Limited. Further, the results so declared along with the Scrutinizer's Report shall also be placed on the website of the Company as well as on the website of CDSL immediately after declaration of results by the Chairman or any person authorized by him in writing.
25. Any query/grievances connected with the voting and joining virtual meeting may be addressed to the Company Secretary, Jai Balaji Industries Limited, 5, Bentinck Street, Kolkata – 700 001 or at 033-2248 9808 or at jaibalaji@jaibalajigroup.com.

Registered Office:  
5, Bentinck Street,  
Kolkata - 700 001

Place : Kolkata  
Date : 14th August, 2023

By Order of the Board  
For **Jai Balaji Industries Limited**

Sd/-  
**Ajay Kumar Tantia**  
Company Secretary



### Annexure to the Notice (Contd.)

#### Annexure to the Notice

### EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013.

#### Item No. 3

In terms of SEBI listing Regulations, and based on recommendation of Audit committee, the Board of Directors of the Company at its meeting held on 14th August, 2023 has approved and recommended to the shareholders, the appointment of M/s. Das & Prasad, Chartered Accountants (FRN: 303054E) as Statutory Auditors of the Company for a period of 5 (five) years from the conclusion of the ensuing Annual General Meeting (AGM) of the Company till the conclusion of 29th AGM of the Company in place of the present Statutory Auditor M/s. S.K. Agrawal And Co. Chartered Accounts LLP (FRN: 306033E) who will complete their term at the conclusion of this ensuing AGM of the Company. On the recommendation of the Audit Committee, the Board also recommends for the approval of the members, the remuneration of the Auditor (including limited review) as Rs. 25,00,000/- for the Financial year 2023-24. The proposed fees are in line with the industry benchmarks. The fees for any other professional work including certifications will be in addition to the audit fee as mentioned above and will be decided by the management in consultation with the Auditors. The Board of Directors are authorized to fix the remuneration for the remaining tenure of their appointment in consultation with the Audit Committee.

There has been no significant change in the remuneration payable to the proposed auditor as compared to the fees paid to the retiring auditor in the previous financial year.

The Committee considered various parameters like capability to serve a diverse and complex business landscape as that of the Company, audit experience in the Company's operating segments, market standing of the firm, clientele served, technical knowledge etc., and found them to be best suited to handle the scale, diversity and complexity associated with the audit of the financial statements of the Company.

#### Brief Profile of Statutory Auditor:

M/s. Das & Prasad is a distinguished Chartered Accountant Firm with a rich legacy, founded by the esteemed Late Shri Gwal Das Agarwal and Late Shri Hanuman Prasad Agarwal in the year 1958. The firm's legacy thrived under the guidance of the Late Bishwanath Agarwala and has evolved into a thriving establishment with a current team of 6 partners based in Kolkata. Boasting a widespread presence in Kolkata, Mumbai, and Bhubaneswar, the firm serves clients both nationally and internationally through its associate concerns. The firm is peer-reviewed by ICAI and holds a valid Peer Review Certificate.

The firm's proficiency extends to internal audit and related assurance services. It has expertise in the fields of internal audit & related services. It commits & focuses on all assignment with unwavering commitment and tailored

capabilities to achieve the precise management objectives of its esteemed clients. It also offers comprehensive range of services, including auditing and assurance encompassing information system audit, forensic audit, tax and legal consultancy, valuations, digital transformation, and management advisory services across the financial landscape.

With over 65 years of demonstrated expertise, M/s. Das & Prasad has honed its skills in developing and implementing robust financial controls and performance reporting for a diverse clientele that includes Public Sector Undertakings, Banks, Private Sector Entities, and Trusts.

The firm has an exceptional team of over 125 dedicated professionals, each equipped with well-defined roles and objectives aligned with the firm's overarching vision and mission. Exemplifying integrity, respect, and unwavering performance in their work, these professionals are well-versed in the highest standards and ethics prevalent in the professional domain.

The Board of Directors, therefore, recommends the Resolution under item no. 3 to be passed as an Ordinary Resolution by the members.

None of the Directors, Key Managerial Personnel and their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolution.

#### Item No. 4

On the basis of the recommendation of the Audit Committee, the Board of Directors of the Company at its meeting held on 14th August, 2023 has approved the re-appointment of the Cost Auditors of the Company, M/s Mondal & Associates, Proprietor Mr. Amiya Mondal, to conduct audit of the cost records of the Company and providing Cost Audit Report and all such reports, annexures, records, documents etc., for the financial year 2023-24, that may be required to be prepared and submitted by the Cost Auditors under applicable statute at a consolidated remuneration of Rs 1,50,000 (excluding applicable taxes and reimbursement of out-of pocket expenses, if any).

In terms of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, remuneration payable to the Cost Auditors has to be approved by the Board and subsequently to be ratified by the members of the Company.

Accordingly, consent of the members is sought for ratification of the remuneration payable to the Cost Auditors of the Company for the Financial Year 2023-24.

The Board of Directors, therefore, recommends the Resolution under item no. 4 to be passed as an Ordinary Resolution by the Members.





### Annexure to the Notice (Contd.)

None of the Directors, Key Managerial Personnel and their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolution.

#### Item No. 5

In terms of the provisions of section 186 read with the Rules framed thereunder and other applicable provisions, if any, of the Companies Act, 2013, no Company shall directly or indirectly, without prior approval by means of special resolution passed at a general meeting, give any loan to any person or other body corporate, give any guarantee or provide any security in connection with a loan to any other body corporate or person and acquire by way of subscription, purchase or otherwise the securities of any other body corporate exceeding sixty per cent of its paid-up share capital, free reserves and securities premium account or one hundred per cent of its free reserves and securities premium account, whichever is more.

As a part of its growth strategy, the Company has a vision to expand its steel capacity by means of various investments and acquisitions worldwide. It continues to scan forward and backward integration of opportunities for enhancing its steelmaking operations in India. The Company is operating in a dynamic business environment and its operations are increasing day by day. Therefore, in order to capitulate the various opportunities of the prevailing industry, the Company may be required to give loans to any person or other body corporate and/ or give guarantee and/ or provide security in connection with a loan to any other body corporate or person and to make investment or acquire by way of subscription, purchase or otherwise the securities of any other body corporate, including subsidiaries, in excess of the limits prescribed under the Companies Act, 2013 and the rules made thereunder, at any point of time when the exigencies arise.

It is therefore proposed to obtain an enabling approval of the shareholders by means of a Special Resolution, authorising the Board to exercise the aforesaid powers to invest/ to give loan/ guarantees or provide security, upto a maximum aggregate amount of 1500 crores (Rupees Fifteen Hundred crores only) outstanding at any point of time, over and above the permissible limit under Section 186(2) of the Companies Act, 2013 (presently being 60% of the Company's paid-up share capital, free reserves and securities premium account or 100% of Company's free reserves and securities premium account, whichever is more).

This enhancement in limit is required considering the Company's future organic and inorganic growth plans.

The above proposal is in the interest of the Company and the Board recommends the Resolution under item no. 5 to be passed as an Special Resolution by the Members.

None of the Directors or Key Managerial Personnel or their relatives are in any way concerned with or interested, financially or otherwise in the resolution. The Board recommends this resolution to be passed as Special Resolution.

#### Item No. 6

Smt. Swati Bajaj (DIN : 01180085) was appointed as an independent director of the Company with effect from 13th August, 2018 for a period of five years pursuant to Section 149 of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 ("the Appointment Rules"), and in accordance with the approval granted by the members of the Company at the AGM held on 20th September 2018. Smt. Swati Bajaj has contributed immensely during the deliberations at the meetings of the Board held during her tenure. She brings to the Board her rich experience and insights. The Company continues to benefit immensely from her experience and guidance.

#### BRIEF PROFILE

Smt. Swati Bajaj is a graduate with Honours in Accountancy, and also a Company Secretary in Practice and possesses experience of over 20 years in handling Company Law, SEBI Laws and FEMA matters. Smt. Bajaj is enrolled as an Insolvency Professional with the Insolvency and Bankruptcy Board of India. She is an Assistant Editor for 'Guide to Company Law Procedures, Rules, Compliance and Governance under Companies Act, 2013, by M.C. Bhandari, 23rd Edition' and also a faculty with Institute of Company Secretaries of India. She is also an Ex-Committee Member of Institute of Company Secretaries of India.

The Nomination and Remuneration Committee (NRC) at its meeting held on 4th August, 2023, has recommended the re-appointment of Smt. Swati Bajaj as the Independent Director of the Company for the second term based on the report of her performance evaluation as an Independent Director.

The Board, taking into account the recommendation of NRC, considers that, given the experience and contributions made by Smt. Bajaj during her tenure, her continued association with the Company would be of immense benefit and it is desirable to avail services from her in the capacity of an Independent Director. Accordingly the Board at its meeting held on 4th August, 2023 proposed to re-appoint her as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5 (Five) consecutive years on the Board with effect from 13th August, 2023 subject to the approval of Members of the Company at the ensuing Annual General Meeting.

Smt. Bajaj is not debarred or disqualified from being appointed or for continuing as Director of Companies by the Securities Exchange Board of India (SEBI)/ Ministry of Corporate Affairs (MCA) or any such Statutory Authority.

In terms of Section 160 of the Act, the Company has received a notice in writing from a member proposing the candidature of Smt. Swati Bajaj for the office of Director.

Further, the Company has received the declaration from Smt. Bajaj to the effect that she fulfills all criteria for independence stipulated in the Act and the SEBI LODR. In the opinion of the NRC and the Board, Smt. Bajaj is



### Annexure to the Notice (Contd.)

independent of the management of the Company and she fulfils the requirements as specified under Section 149(6) of the Companies Act, 2013 (the 'Act') and the relevant Rules made thereunder and Regulation 16(1)(b) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "SEBI LODR") as amended from time to time.

Relevant details in terms of Regulation 36 (3) of SEBI LODR and the Secretarial Standard on the General Meetings are annexed to this Notice.

The Board, therefore, recommends the resolution under item No. 6 to be passed as a Special resolution by the members.

Except Smt. Swati Bajaj and her relatives, none of the other Directors, Key Managerial Personnel and their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolution as set out in item no. 6.

#### Item No. 7

The Board of Directors of the Company, based on the recommendation of the Nomination and Remuneration Committee, appointed Smt. Mamta Jain (DIN - 10264921), as an Additional Director (Category-Non Executive Independent) of the Company with effect from 14th August, 2023, in terms of Sections 149 and 161(1) of the Companies Act, 2013 to hold office upto the date of this Annual General Meeting and further recommended her appointment as an Independent Director of the Company, not liable to retire by rotation, to hold office for a period of 5 years from the date of her appointment, in terms of the provisions of Sections 149, 152 and all other applicable provisions, if any, of the Companies Act, 2013, and the rules made therein (as amended from time to time) read with Schedule IV of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR /Listing Regulations), including any statutory modification(s) or re-enactment(s) thereof for the time being in force. The Board is highly optimistic that her association will render benefits to the Company.

#### BRIEF PROFILE

Smt. Mamta Jain, aged 34 years, is a Practising Chartered Accountants. She is a Fellow member of the Institute of Chartered Accountants of India (FCA) and also Associate member of the Institute of Company Secretary of India (ACS). She is proficient in the field of Accounts and Taxation and having an experience of 10 years. She has a Diploma in Risk and Insurance Management (DIRM) and has also done Certificate Course on Concurrent Audit of Bank (CCCAB) and Forensic Accounting and Fraud Detection (FAFD).

Smt. Jain has confirmed her eligibility as specified under Section 149(6) of the Companies Act, 2013 (the 'Act') and the relevant Rules made thereunder and under Regulation 16(1)(b) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "SEBI LODR") as amended from time to time.

Smt. Jain is not debarred or disqualified from being appointed or for continuing as Director of Companies by the Securities

Exchange Board of India (SEBI)/ Ministry of Corporate Affairs (MCA) or any such Statutory Authority.

Further Smt. Jain has undertaken registration in the Independent Director's data bank; and is not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact her ability to discharge her duties with an independent judgment and without any external influence.

In terms of Section 160 of the Act, the Company has received a notice in writing from a member proposing the candidature of Smt. Jain for the office of Director.

The NRC had assessed, evaluated and determined the balance of skills, knowledge and experience required for appointment as an Independent Director on the Board of the Company and accordingly recommended the Board for the appointment of Smt. Jain as the independent Director of the Company.

Relevant details in terms of Regulation 36 (3) of SEBI LODR and the Secretarial Standard on the General Meetings are annexed to this Notice.

The Board of Directors, therefore, recommend the Resolution under item no. 7 to be passed as a Special Resolution by the Members.

None of the Directors, Key Managerial Personnel and their relatives are concerned or interested, financially or otherwise in the proposed Resolution as set out in item no. 7.

#### Item No. 8

On the recommendation of Nomination & Remuneration Committee, and subject to approval of the members and such other authorities as may be required, the Board of Directors of the Company ("the Board") at its meeting held on 14th August, 2023 has re-appointed Shri Bimal Kumar Choudhary (DIN: 08879262) as the Executive Director of the Company in accordance with the provisions of Sections 196, 197, 198, 203, Schedule V, and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and other applicable provisions, if any, for a period of 3 (three) years with effect from 15th September, 2023 to 14th September, 2026 at a remuneration of Rs. 21,36,000/- per annum and on such terms and conditions as set out in the agreement entered into between the Company and Shri Bimal Kumar Choudhary for obtaining such services as may be beneficial for the working of the Company, including any advisory services.

#### BRIEF PROFILE

Shri Bimal Kumar Choudhary, aged about 70 years is presently on the Board of the flagship company of our group, Jai Balaji Industries Limited as an Executive Director. He is a B.E. (Mechanical) from Motilal Nehru Regional Engineering College (NIT), Allahabad and has also done diploma in Electrical and Metallurgical engineering from Jamshedpur Technical Institute, Jamshedpur.



### Annexure to the Notice (Contd.)

Shri B.K. Choudhary has a wide experience of more than 40 years in steel industry. He has worked for around 19 years with Tata Steel Limited, formerly Tata Iron and Steel Company Limited (TISCO). Amongst other companies, he has also worked with Malvika Steel (MSL) for nearly a decade.

He has expertise in Corporate Finance, Audit, internal Audit and Control. Apart from his contribution to the business activities, his expert supervision of administration, especially in human resources and financial planning, has enabled us to efficiently utilise manpower, establish cordial industrial relations, exceed operational industry benchmarks, and maintain financial prudence in the spirit of the company. His contribution helped establishing the Company as a major Corporate House in the steel sector.

Relevant details relating to the re - appointment of Shri B. K. Choudhary as required by the Act, Listing Regulations and Secretarial Standards issued by the Institute of Company Secretaries of India are provided as "Annexure" to this Notice.

Considering his expertise the Board is of the opinion that his knowledge will help the company in long run and will add value to the organization. The Board based on the recommendation of the Nomination and Remuneration Committee proposes to re-appoint Shri B. K. Choudhary, as an Executive director of the Company on such terms and conditions as set out in the Agreement entered into between the Company and Shri B. K. Choudhary for a period of 3 (three) years from 15th September, 2023 to 14th September,

2026 for obtaining such services as may be beneficial for the working of the Company, including any advisory services.

The statement of particulars as per Part B of Section II of Part II of Schedule V of the Companies Act, 2013 is provided as "Annexure" to this Notice.

The other terms and conditions of re-appointment as drafted in the agreement entered into with the Executive Director shall be available for inspection through electronic mode in the manner as prescribed in note no. 17 of this Notice.

Shri B. K. Choudhary has furnished the consents/declarations for his re-appointment as required under the Act, Rules, and the Listing Regulations. He satisfies all the conditions as set out in Part I of Schedule V and also under Section 196 of the Act, for being eligible to be re-appointed as the Executive Director of the Company. He is not disqualified from being re-appointed as the Executive Director in terms of Section 164 of the Act.

The Board of Directors recommends the Resolution as set out in Item No. 8 of this Notice to be passed as Special resolution by the members of the Company.

Except Shri B. K. Choudhary and his relatives, none of the Directors, Key Managerial Personnel, or their relatives, in any way, concerned or interested, financially or otherwise, except to the extent of their respective shareholding in the Company, if any, in the proposed Special Resolution as set out in Item No. 8 of this Notice.

The statement of particulars as per Part B of Section II of Part II of Schedule V of the Companies Act, 2013 are as follows:-

I. GENERAL INFORMATION OF THE COMPANY				
1) Nature of Industry	Iron & Steel Industry			
2) Date or expected date of Commencement of commercial production	Year 2000			
3) In case of new Company, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable			
4) Financial performance based on given indicators	(₹ in lacs)			
	Particulars	Financial Year ended 31st March, 2023	Financial Year ended 31st March, 2022	Financial Year ended 31st March, 2021
	Total Income	6,16,056.41	4,72,237.15	2,79,600.86
	Profit/(Loss) before tax	10,493.30	4,806.55	(7,581.88)
	Profit/(Loss) after tax	5,783.59	4,806.55	(7,581.88)
5) Foreign investments or collaborators	NIL			





### Annexure to the Notice (Contd.)

II. INFORMATION ABOUT	SHRI BIMAL KUMAR CHOUDHARY
1) Background details	<p>Shri Bimal Kumar Choudhary, son of Late Ram Janki Choudhary, is presently the Executive Director of the Company. He is, aged about 70 years, is a B.E. (Mechanical) from Motilal Nehru Regional Engineering College (NIT), Allahabad and has also done diploma in Electrical and Metallurgical engineering from Jamshedpur Technical Institute, Jamshedpur.</p> <p>Shri B. K. Choudhary has a wide experience of more than 40 years in steel industry. He has worked for around 19 years with Tata Steel Limited, formerly Tata Iron and Steel Company Limited (TISCO). Amongst other companies, he has also worked with Malvika Steel (MSL) for nearly a decade.</p>
2) Past Remuneration	Rs. 21,36,000/- per annum w.e.f 1st April, 2023
3) Recognition or awards	Shri Bimal Kumar Choudhary is well known among industry circle for his expertise and knowledge of steel industry.
4) Job profile and his suitability	<p>Shri Bimal Kumar Choudhary has an in-depth knowledge of iron &amp; steel industry as whole. He has expertise in Corporate Finance, Accounts, Corporate Governance, Planning, System &amp; Procedures, Audit, Internal Audit and Control &amp; general administration.</p> <p>He helped the company tap it's potential and enabled it to grow and expand phenomenally to what we know it as today.</p>
5) Remuneration proposed	Rs. 21,36,000/- per annum (more particularly described in the agreement dated 14th August, 2023).
6) Comparative remuneration profile with respect to industry, size of the Company, profile of position and person	The remuneration proposed is commensurate with the growth in turnover and profits of the Company and in line with the industry benchmarks.
7) Pecuniary relationship directly or indirectly with the Company or relationship with the Managerial Personnel	Does not have any pecuniary relationship directly or indirectly with the Company
<b>III. OTHER INFORMATION OF THE COMPANY</b>	
1) Reasons of inadequate profits or loss	<ul style="list-style-type: none"> <li>- Fall in demand in the steel product,</li> <li>- High cost of raw material and cost of production.</li> <li>- Rising imports from other countries at cheaper rates and other economic factors</li> </ul>
2) Steps taken or to be taken for improvement	Continuous efforts are being taken by the Management to improve the profitability and enhance productivity, cost reduction and sales growth.
3) Expected increase in productivity and profits in measurable terms	The management expects that with the continuous efforts the productivity and profits will grow at a realistic rate.



**Annexure to the Notice (Contd.)**

**Annexure to the notice pursuant to Regulation 36(3) of the SEBI  
(Listing Obligation & Disclosure Requirements) Regulations, 2015**

**Brief Profile of the Directors seeking appointment/re-appointment at the Twenty Fourth Annual General Meeting**

<b>Name of Director</b>	<b>Smt. Swati Bajaj</b>	<b>Smt. Mamata Jain</b>
<b>DIN</b>	01180085	10264921
<b>Date of Birth</b>	14.12.1975	22.02.1989
<b>Age</b>	48 years	34 years
<b>Qualification</b>	Smt. Bajaj is a B. Com (Hons.) graduate, and an Associate Company Secretary from the Institute of Company Secretaries of India. She has also done Diploma in Business Finance from Institute of Chartered Financial Analysts of India and enrolled as an Insolvency Professional with the Insolvency and Bankruptcy Board of India	Smt. Jain is B. COM (Hons) graduate, a Fellow member of the Institute of Chartered Accountants of India (FCA) and also Associate member of the Institute of Company Secretaries of India (ACS). She has a Diploma in Risk and Insurance Management (DIRM) and has also done Certificate Course on Concurrent Audit of Bank (CCCAB) and Forensic Accounting and Fraud Detection (FAFD).
<b>Experience (including expertise in Specific functional areas)/ brief Resume</b>	She has a wide experience in all Company Law related matters, NCLT representations, SEBI Laws, Foreign Company and incorporation of subsidiary in India, FEMA and Insolvency and Bankruptcy Code, 2016	She has a vast experience in Accounts, Taxation and Company Law matters.
<b>Skills and Capabilities</b>	She is proficient in Company Law related matters, NCLT representations, SEBI Laws FEMA and Insolvency and Bankruptcy Code, 2016.	She is proficient in the field of Accounts and Taxation and having an experience of 10 years.
<b>Date of Appointment as Director</b>	13.08.2018	14.08.2023
<b>Terms and Conditions of appointment/Re-appointment</b>	As disclosed in the explanatory Statement at item No.6.	As disclosed in the explanatory Statement at item No.7
<b>Existing and proposed Remuneration (including sitting fees, if any)</b>	Will be paid sitting fee for attending meetings of Board and Committees	Will be paid sitting fee for attending meetings of Board and Committees
<b>Chairman/Member of the Committees of the Board of Directors of the Company</b>	NIL	NIL
<b>Directorship held in any other listed entity</b>	NIL	NIL
<b>Resignation from any other Listed Companies in past 3 (years)</b>	NIL	NIL
<b>Chairman/Member in the Committees of the Board of Directors of other Listed Entity in which he/ she is a Director</b>	NIL	NIL
<b>No. of Equity Shares held in the Company</b>	NIL	NIL
<b>Inter-se Relation-ships between Director</b>	Not related to any Director/ Key Managerial Personnel	Not related to any Director/ Key Managerial Personnel



### Annexure to the Notice (Contd.)

Name of Director	Shri Bimal Kumar Choudhary	Shri Rajiv Jajodia
DIN	08879262	00045192
Date of Birth	30.12.1952	03.04.1965
Age	71 years	58 years
Qualification	He is a B. E. (Mechanical) from Motilal Nehru Regional Engineering College (NIT), Allahabad and has also done diploma in Electrical and Metallurgical engineering from Jamshedpur Technical Institute, Jamshedpur	He is a B. Com (Hons.) graduate
Experience (including expertise in Specific functional areas)/ brief Resume	He has wide experience in Steel Industry.	He has wide experience in Steel Industry.
Skills and Capabilities	He has expertise in Corporate Finance, Audit, internal Audit and Control.	He has an expertise in Iron & Steel Industry, accounts and Finance and decision making.
Date of Appointment as Director	15.09.2020	01.07.1999
Terms and Conditions of appointment/Re-appointment	As disclosed in the Explanatory Statement at item No. 8	Re-appointment on retirement by rotation
Existing and proposed Remuneration (including sitting fees, if any)	As disclosed in the Explanatory Statement at item No. 8	Re-appointment on retirement by rotation
Chairman/Member of the Committees of the Board of Directors of the Board of Director of the Company	Corporate Social Responsibility Committee - <b>Member</b>	Corporate Social Responsibility Committee - <b>Member</b>
Directorship held in any other listed entity	NIL	NIL
Resignation from any other Listed Companies in past 3 (years)	NIL	NIL
Chairman/Member in the Committees of the Board of Directors of other Listed Entity in which he/she is a Director	NIL	NIL
No. of Equity Shares held in the Company	NIL	15,68,333
Inter-se Relationships between Director	Not related to any Director/ Key Managerial Personnel	<b>Shri Rajiv Jajodia</b> is the brother of Shri Sanjiv Jajodia. Shri Aditya Jajodia and Shri Gaurav Jajodia are his brother's son.





**Annexure to the Notice (Contd.)**

**THE INTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER :**

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their accounts/ websites of Depositories/Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating

seamless authentication but also enhancing ease and convenience of participating in e-voting process.

**I. Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode**

In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

**Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:**

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL Depository	<ol style="list-style-type: none"> <li>1) Users who have opted for CDSL Easi/Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi/Easiest are requested to visit cdsl website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab.</li> <li>2) After successful login the Easi/Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers’ website directly.</li> <li>3) If the user is not registered for Easi/Easiest, option to register is available at cdsl website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li> <li>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>
Individual Shareholders holding securities in demat mode with NSDL Depository	<ol style="list-style-type: none"> <li>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> Select “Register Online for IDeAS “Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a>.</li> </ol>



**Annexure to the Notice (Contd.)**

Type of shareholders	Login Method
	3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants (DP)</b>	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL**

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or or contact at toll free no. 1800 22 55 33
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30

**II. Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.**

Login method for e-Voting and joining virtual meetings for Physical shareholders and shareholders other than individual holding in Demat form.

- 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- 2) Click on “Shareholders” module.
- 3) Now enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,

- b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
  - 5) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.



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6) If you are a first-time user follow the steps given below:

	<b>For Physical shareholders and other than individual shareholders holding shares in Demat.</b>
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul>
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> <li>If both the details are not recorded with the depository or company, please enter the member id/folio number in the Dividend Bank details field.</li> </ul>

7) After entering these details appropriately, click on "SUBMIT" tab.

8) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

9) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

10) Click on the EVSN for the relevant <Jai Balaji Industries Limited > on which you choose to vote.

11) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

12) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

13) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

14) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

15) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

16) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

17) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.

### **III. Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
- It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested





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specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; jaibalaji@jaibalajigroup.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

#### **IV. Instructions for shareholders attending the AGM/EGM through VC/OAVM & E-Voting during meeting are as under:**

1. The procedure for attending meeting & e-Voting on the day of the AGM/ EGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM/EGM.
4. Shareholders are encouraged to join the Meeting through Laptops/IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at jaibalaji@jaibalajigroup.com. These queries will be replied to by the company suitably by email.

8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM/EGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the EGM/ AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the EGM/ AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

#### **V. Process for those shareholders whose Email/Mobile No. are not registered with the Company/Depositories.**

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to **Company/RTA email id**.
2. For Demat shareholders - Please update your email id & mobile no. with your respective **Depository Participant (DP)**
3. **For Individual Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.**

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call toll free no. 1800 22 55 33.



### Directors' Report

*Dear Members*

The Board of Directors (Board) are pleased to present the Twenty Fourth Annual Report of your Company together with the Standalone and Consolidated Audited Financial Statements for the year ended 31<sup>st</sup> March, 2023.

#### FINANCIAL RESULTS

(₹ in lacs)

Particulars	Standalone		Consolidated	
	Financial Year ended 31 <sup>st</sup> March, 2023	Financial Year ended 31 <sup>st</sup> March, 2022	Financial Year ended 31 <sup>st</sup> March, 2023	Financial Year ended 31 <sup>st</sup> March, 2022
Revenue from Operations	6,12,507.47	4,69,250.39	6,12,507.47	4,69,250.39
Other Income	3,548.94	2,986.76	3,548.94	2,986.76
<b>Total Revenue</b>	<b>6,16,056.41</b>	<b>4,72,237.15</b>	<b>6,16,056.41</b>	<b>4,72,237.15</b>
Profit/Loss before Finance Cost, Depreciation and Amortization expenses and tax	29,174.46	23,819.47	29,173.89	23,819.18
Less: Finance Costs	8,888.42	9,880.46	8,888.42	9,880.46
Less: Depreciation and Amortization Expenses	9,792.74	9,132.46	9,792.74	9,132.46
<b>Profit/(Loss) before exceptional items and Tax</b>	<b>10,493.30</b>	<b>4,806.55</b>	<b>10,492.73</b>	<b>4,806.26</b>
Exceptional items	—	—	—	—
<b>Profit/(Loss) before Tax</b>	<b>10,493.30</b>	<b>4,806.55</b>	<b>10,492.73</b>	<b>4,806.26</b>
Less : Tax expense				
Current Tax	—	—	—	—
Deferred Tax	—	—	—	—
MAT Reversal	4,709.71	—	4,709.71	—
<b>Profit/Loss after tax</b>	<b>5,783.59</b>	<b>4,806.55</b>	<b>5,783.02</b>	<b>4,806.26</b>
Other Comprehensive Income	(38.26)	137.74	(38.26)	137.74
<b>Total Comprehensive Income</b>	<b>5,745.33</b>	<b>4,944.29</b>	<b>5,744.76</b>	<b>4,944.00</b>
Earnings per share (Nominal value per share Rs. 10/-)				
Basic	4.49	4.35	4.49	4.35
Diluted	4.11	4.35	4.11	4.35

#### FINANCIAL PERFORMANCE AND STATE OF COMPANY'S AFFAIRS

The Standalone & Consolidated Revenue of the Company (comprising of sales and other income) for the financial year under review was Rs. 6,16,056.41 lacs as compared to Rs. 4,72,237.15 lacs during the previous financial year. The Consolidated net profit for the financial year under review was Rs. 5,783.02 lacs as compared to net profit of Rs. 4,806.26 lacs during the previous financial year.

Your company is committed to its vision to emerge as an efficient producer of iron and steel products. Your Company's striving efforts for improvement in operational efficiency and reduction of production cost has resulted in increase in revenue from operations of the Company during the year. It seeks to enhance Domestic Steel Consumption and ensure high quality steel production and create a technologically advanced and globally competitive steel industry. Your

company is focused on increasing capacity utilisation of all units, reducing cost and improving operational efficiency.

It is committed to its vision to emerge as an efficient producer of iron & steel products. It has focused on increasing capacity utilisation of all units, reducing cost and improving operational efficiency.

#### JBG Hexa Bond Cement

During the year under review, your company launched a product named JBG Hexa Bond Cement - Hindustan ki Neev". The high-quality, durable, and sustainable solution for our country's construction needs and building structures that can stand the test of time. This high-quality, durable cement is specially formulated to provide a strong and reliable bond. In addition to its exceptional strength, JBG HEXA Bond is also easy to work with. It sets quickly, providing you with a solid foundation in no time making it the ideal choice to



### Directors' Report (Contd.)

strengthen our country's foundation for a better tomorrow. Our cement is manufactured by using the latest technology and carefully selected raw materials, ensuring that every bag of JBG HEXA Bond meets the highest standards of strength, quality and durability to your construction projects. It's also highly resistant to weather, heat, and moisture, making it the perfect choice for outdoor construction projects. At JBG, we understand the importance of sustainability in construction and that is why we're committed to reducing our carbon footprint and using eco-friendly materials in our manufacturing process. Choosing JBG HEXA Bond, is not only getting a high-quality product but also making a positive impact on the environment.

#### OPERATIONS

Your Company has an integrated steel plant and manufactures different products in Steel sector.

Your Company's cumulative product wise actual production details are given hereunder:

The actual production of Sponge Iron was 2,52,290 MT during the year 2022-23 as compared to 2,14,563 MT during the year 2021-22. For Pig Iron, the actual production was 4,80,856 MT and 4,38,461 MT during the year 2022-23 and 2021-22 respectively. The actual production of Steel Bars/Rods was 2,14,955 MT during the year 2022-23 as compared to 1,57,132 MT during the year 2021-22. For Billet/MS Ingot, the actual production was 1,76,038 MT and 1,01,778 MT during the year 2022-23 and 2021-22 respectively. The actual production of Ferro Alloys was 1,03,286 MT during the year 2023-22 as compared to 1,05,698 MT during the year 2021-22 (In the previous year Ferro Alloy included third party Conversion production of 13518 MT HC Ferro Chrome). In case of Ductile Iron Pipe, the actual production was 2,12,636 MT and 1,53,839 MT during the year 2022-23 and 2021-22 respectively. For Sinter, the actual production was 7,04,481 MT and 6,12,443 MT during the year 2022-23 and 2021-22 respectively. The actual production of Coke was 3,67,522 MT during the year 2022-23 as compared to 345671 MT during the year 2021-22.

#### SUBSIDIARIES AND JOINT VENTURE COMPANIES

##### Subsidiaries

As on the date of reporting, your Company has two wholly owned subsidiaries namely Jai Balaji Steels (Purulia) Limited & Jai Balaji Energy (Purulia) Limited.

##### ■ Jai Balaji Energy (Purulia) Limited

A Wholly Owned Subsidiary of your Company since 1<sup>st</sup> November, 2010. It did not commence commercial production as on the date of reporting but has incurred miscellaneous expenditure of Rs.36,286/- during the year under review. The net loss for the year 2022-23 is Rs. 36,286/-.

##### ■ Jai Balaji Steels (Purulia) Limited

A Wholly Owned Subsidiary of your Company since 1<sup>st</sup> November, 2010. It did not commence commercial

production as on the date of reporting but has incurred miscellaneous expenditure of Rs.22,185/- during the year under review. The net loss for the year 2022-23 is Rs. 22,185/-.

#### Note :

1. The Board of Directors of the Company vide its meeting held on 22nd July, 2022 approved the amalgamation of the two wholly owned subsidiaries with the Company pursuant to Sections 230 to 232 of the Companies Act, 2013 ("Scheme"), subject to receipt of requisite statutory and regulatory approvals for better and more efficient management, economies of scale including reduction in overhead expenses relating to management and administration.
2. Your Company has incorporated a subsidiary Company named "Kesarisuta Industries Uganda Limited" in Uganda in July 2023. The primary objective of the Company would be selling ductile iron pipes and related products.

#### Joint Ventures

Your Company continues to have two joint venture (JV) companies namely, Andal East Coal Company Private Limited and Rohne Coal Company Private Limited as on 31st March, 2023.

##### ■ Andal East Coal Company Private Limited

'Andal East Coal Company Private Limited' which is under liquidation was formed in 2009-10, in which your Company along with Bhushan Steel Limited and Rashmi Cement Limited are venture partners. The said Joint Venture Company was formed in terms of allocation of Andal Non-Coking Coal Block in the State of West Bengal by Ministry of Coal, Government of India.

##### ■ Rohne Coal Company Private Limited

'Rohne Coal Company Private Limited' was formed in 2008-09, in which your Company along with JSW Steel Limited & Bhushan Power & Steel Limited are venture partners. The said Joint Venture Company was formed in terms of allocation of Rohne Coking Coal Block in the State of Jharkhand by Ministry of Coal, Government of India.

The Hon'ble Supreme Court vide its Order dated 24th September, 2014 has cancelled number of coal blocks allotted to various companies. These include two coal blocks under development viz. Andal East in West Bengal and Rohne in Jharkhand allocated to the Company jointly with other parties.

None of the Companies have become or ceased to be the Joint Ventures and Associate Company during the year under review.

#### DIVIDEND

In lieu of requirement of funds for total fixed expenses and operations of the Company, your Directors do not





### Directors' Report (Contd.)

recommend a dividend for the financial year ended 31st March, 2023.

The Dividend Distribution Policy formulated by the Company is available on the website of the Company at [https://jaibalajigroup.com/wp-content/uploads/2021/12/Dividend\\_Distribution\\_Policy.pdf](https://jaibalajigroup.com/wp-content/uploads/2021/12/Dividend_Distribution_Policy.pdf).

#### TRANSFER TO RESERVES

The Board of Directors has decided to retain the entire amount of profit for the Financial Year 2022-23 in the statement of profit and loss.

#### MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

No material changes and commitments have occurred after the close of the year till the date of this report which may affect the financial position of the Company.

#### SHARE CAPITAL AND PREFERENTIAL ISSUE

The Authorized Share Capital of the Company as at 31st March, 2023 stands at Rs. 1,85,00,00,000 and the paid up share capital of the Company as at 31st March, 2023 stands at Rs. 1,45,45,02,860.

During the financial year under review the Company has convened two Extra-Ordinary General Meetings on 18th May, 2022 and on 11th January, 2023.

1) The following resolutions were passed at the Extra-Ordinary General Meeting held on Wednesday, 18th May, 2022:

- Issue and allotment of upto 5,00,00,000 (Five crore) Warrants, at a price of Rs. 52/- (Rupees Fifty two only) per warrant determined in accordance with SEBI (ICDR) Regulations ("Issue Price"), with a right to the warrant holders to apply for and be allotted 1 (One) Equity Share of the face value of Rs. 10/- (Rupees Ten only) each of the Company ("Equity Shares") at a premium of Rs.42/- (Rupees forty two only) per equity share for each warrant, in one or more tranches, within 18 (Eighteen) months from the date of allotment of the warrants, for total amount upto Rs. 2,60,00,00,000/- (Rupees Two hundred sixty crore only), for cash, to promoters/promoter group and other than promoters/promoter group on a preferential basis.
- Increase in the existing Authorised Share Capital of Rs. 1,25,00,00,000/- (Rupees One Hundred and Twenty Five Crores only) divided into 12,50,00,000 (Twelve Crores Fifty Lacs) equity shares of Rs. 10/- (Rupees Ten only) each to Rs. 1,65,00,00,000/- (Rupees One Hundred and Sixty Five Crores only) divided into 16,50,00,000 (Sixteen Crores Fifty Lacs) equity shares of Rs. 10/- (Rupees Ten only) each by

creation of 4,00,00,000 (Four Crores) equity shares of Rs. 10/- (Rupees Ten only) each ranking pari-passu with the existing equity shares.

Post approval of the shareholders for issue & allotment of 5,00,00,000 (Five Crores) Warrants, the Board of Directors of Jai Balaji Industries Limited ("the Company") at its meeting held on 27th May, 2022 allotted 5,00,00,000 (Five Crores) Warrants to promoters/promoter group on preferential basis. Subsequent to the aforesaid preferential allotment the Board considered and approved the conversion of 3,50,00,000 warrants into Equity shares of face value of Rs.10/- each out of total 5,00,00,000 warrants in the following manner during the year under review :-

Sl No.	No. of Warrants Converted in to Equity Shares	Date of Conversion
1.	87,50,000	22nd July, 2022
2.	87,50,000	27th August, 2022
3.	87,50,000	17th October, 2022
4.	87,50,000	21st November, 2022

Consequent to the aforesaid allotment upon conversion of warrants, the paid-up equity capital of the Company has increased from Rs. 1,10,45,02,860/- consisting of 11,04,50,286 Equity Shares of Rs.10/- each to Rs. 1,45,45,02,860/- consisting of 14,54,50,286 Equity Shares of Rs.10/- each as on 31st March, 2023.

2) The following resolutions were passed at the Extra-Ordinary General Meeting held on Wednesday, 11th January, 2023:

- Increase in the existing Authorised Share Capital of Rs. 1,65,00,00,000/- (Rupees One Hundred and Sixty Five Crores only) divided into 16,50,00,000 (Sixteen Crores Fifty Lacs) equity shares of Rs. 10/- (Rupees Ten only) each to Rs. 1,85,00,00,000/- (Rupees One Hundred and Eighty Five Crores only) divided into 18,50,00,000 (Eighteen Crores Fifty Lacs) equity shares of Rs. 10/- (Rupees Ten only) each by creation of 2,00,00,000 (Two Crores) equity shares of Rs. 10/- (Rupees Ten only) each ranking pari-passu with the existing equity shares.
- Issue and allotment of upto 2,20,00,000 (Two Crores Twenty Lakhs) Warrants, at a price of Rs. 45/- (Rupees Forty Five only) per warrant determined in accordance with SEBI (ICDR) Regulations ("Issue Price"), with a right to the warrant holders to apply for and be allotted 1 (One) Equity Share of the face value of Rs. 10/- (Rupees Ten only) each of the Company ("Equity Shares") at a premium of Rs.35/- (Rupees Thirty five only) per equity share for each warrant, in one or more tranches, within 18 (Eighteen) months from the date of allotment of



### Directors' Report (Contd.)

the warrants, for total amount upto Rs. 99,00,00,000/- (Rupees Ninety Nine Crores only), for cash, to promoters/ promoter group on a preferential basis.

Post approval of the shareholders for issue & allotment of 2,20,00,000 (Two Crores twenty lakhs) Warrants, the Board of Directors of Jai Balaji Industries Limited ('the Company') at its meeting held on 20th January, 2023 allotted 2,20,00,000 (Two Crores twenty lakhs) Warrants to promoters/promoter group on preferential basis.

Subsequent to the resolutions passed at the EGMs on 18th May, 2022 and 11th January, 2023 w.r.t increase in Authorised Share Capital (ASC) of the Company, the new ASC for the financial year ended 31st March, 2023 stands to 1,85,00,00,000 (Rupees One hundred Eighty Five Crores)

Further the Company has passed the following special resolutions through postal ballot on 5th April, 2023:-

- Adoption of new set of Memorandum of Association of the Company in line with Companies Act, 2013 and also effecting alterations in the existing MOA of the Company by substitution/addition/deletion of certain clauses.
- Replacing the existing Articles of Association of the Company with the amended and restated Articles of Association of the Company and to delete the regulations as set forth in Chapter II and III forming part of the existing Articles of Association of the Company.
- Payment of the remuneration to Shri Bimal Kumar Choudhary (DIN: 08879262), as Executive Director of the Company, w.e.f 1st April, 2023 for the remaining tenure of his current appointment.
- Continuation of holding of office by Shri Bimal Kumar Choudhary (DIN: 08879262), as the Executive Director of the Company after attaining the age of 70 years.

#### CHANGE IN NATURE OF BUSINESS, IF ANY

During the year, there was no change in the nature of business of the Company or its subsidiaries.

#### DEPOSITS

During the year under review, your Company has not accepted any deposits from the public. Further, no amount of deposit remained unpaid or unclaimed at the end of the year i.e. as on 31st March, 2023. Subsequently, no default has been made in repayment of deposits or payment of interest thereon during the year.

#### CONSOLIDATED FINANCIAL STATEMENTS

While consolidating the accounts of the Company, the financials of its joint venture companies namely Andal East Coal Company Pvt. Ltd. (AECCL) and Rohne Coal Company Ltd. (RCCPL) are not consolidated. The Hon'ble Supreme Court vide its Order dated 24th September, 2014 has cancelled number of coal blocks allotted to various companies. These include two coal blocks under development viz. AECCL in

West Bengal and RCCPL in Jharkhand allocated to the company jointly with other parties.

Pursuant to Section 129(3) of the Companies Act, 2013 and rules made therein, a statement containing salient features of the financial statement of the subsidiaries and joint ventures of the Company is provided in Form AOC-1 attached as "Annexure-A" to the Board's Report and other details of the subsidiaries and joint ventures are also provided in the said Annexure.

As per the provisions of Section 136 of the Act, the standalone financial statements of the Company, consolidated financial statements along with relevant documents and separate audited accounts in respect of subsidiaries, are available on the website of the Company viz., "www.jaibalajigroup.com". These documents are also available for inspection at the Registered Office of the Company during business hours.

#### DIRECTORS AND KEY MANAGERIAL PERSONNEL

##### a. Changes in Directors and KMP

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Company's Articles of Association, Shri Rajiv Jajodia (DIN: 00045192) is liable to retire by rotation at the 24th Annual General Meeting and being eligible offers himself for re-appointment. Based on the recommendations of the Nomination and Remuneration Committee, the Board recommends the re-appointment of Shri Rajiv Jajodia (DIN: 00045192) as director liable to retire by rotation.

The following appointments and re-appointments of Key Managerial Personnel took place during the year under review :

- I. Based on the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors of the Company at its meeting held on 27th May, 2022 and pursuant to the provisions of Sections 196, 197 and other applicable provisions of the Companies Act, 2013 and rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule - V of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the members of the Company at the 23rd Annual General Meeting held on 27th September, 2022 has approved the
  - Re-appointment of Shri Aditya Jajodia (DIN 00045114) as Managing Director of the Company for a further period of 5 (five) years commencing from 22nd day of July, 2022 to 21st July, 2027 at a remuneration of Rs. 8,50,000 per month and upon the terms and conditions of the appointment as set out in the agreement of the re-appointment, as approved by the Board of Directors of the Company and the Nomination & Remuneration Committee.



### Directors' Report (Contd.)

- Re-appointment of Shri Sanjiv Jajodia (DIN 00036339) as Whole-time Director of the Company for a further period of 3 (three) years w.e.f 30th day of June, 2023 to 29th June, 2026 at a remuneration of Rs. 7,00,000 per month and upon the terms and conditions of the appointment as set out in the agreement of the re-appointment, as approved by the Board of Directors of the Company and the Nomination & Remuneration Committee.
- II. Based on the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors of the Company at its meeting held on 13th August, 2022 and pursuant to the provisions of Sections 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 and rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule - V of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the members of the Company at the 23rd Annual General Meeting held on 27th September, 2022 has approved the
- Appointment of Shri Rajiv Jajodia (DIN 00045192) as Whole-time Director of the Company for a period of 3 (three) years w.e.f 1st day of September, 2022 to 31st August, 2025 at a remuneration of Rs. 7,00,000 per month and upon the terms and conditions of the appointment as set out in the agreement of the appointment, as approved by the Board of Directors of the Company and the Nomination & Remuneration Committee.
  - Appointment of Shri Gaurav Jajodia (DIN 00028560) as Whole-time Director of the Company for a period of 3 (three) years w.e.f 1st day of September, 2022 to 31st August, 2025 at a remuneration of Rs. 7,00,000 per month and upon the terms and conditions of the appointment as set out in the agreement of the appointment, as approved by the Board of Directors of the Company and the Nomination & Remuneration Committee.

Further Shri Bimal Kumar Choudhary, Executive Director of the Company has attained the age of 70 years during the year under review. Therefore, on recommendation of the Nomination & Remuneration Committee, the Board of Directors of the Company at its meeting held on 24th February, 2023 has proposed the continuation of Shri Bimal Kumar Choudhary as the Executive Director of the Company subject to the consent of the members by way of special resolution, as required for continuation of holding of existing office by Shri Bimal Kumar Choudhary after attaining the age of 70 years during the current tenure under the provisions of Section 196 (3) (a) read with Schedule V of the Companies Act, 2013. Subsequently the members has approved the same

by passing a special resolution through Postal Ballot on 5th April, 2023.

None of the directors are disqualified for being appointed as Directors, as specified in Section 164(2) of the Companies Act, 2013 and Rule 14(1) of the Companies (Appointment and Qualification of Directors) Rules, 2014.

In terms of the Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, all independent directors of the Company have registered with IICA (Manesar) as an Independent Director for a period of five years/for life-time to continue to hold the office as an Independent Director in any company.

During the year under review, there has been no other change in the Key Managerial Personnel of the Company.

#### b. Remuneration of Directors

The Board of Directors of the Company, on the recommendation of Nomination and Remuneration Committee and Audit Committee has approved:-

- the payment of Rs. 8,50,000/- per month to Mr. Aditya Jajodia as remuneration with effect from 1st April, 2022 for his remaining tenure from 1st April, 2022 to 21st July, 2022. Thereafter the members of the Company at the 23rd Annual General Meeting held on 27th September, 2022 has approved the re-appointment of Mr. Aditya Jajodia (DIN:00045114) as the Managing Director of the Company for a further period of 5 (five) years commencing from 22nd day of July, 2022 to 21st July, 2027 at a remuneration of Rs. 8,50,000 per month.
- the payment of Rs. 7,00,000/- per month to Mr. Sanjiv Jajodia as remuneration with effect from 1st April, 2022 for the remaining tenure of his current appointment i.e from 1st April, 2022 to 29th June, 2023. The members of the Company at the 23rd Annual General Meeting held on 27th September, 2022 has approved the re-appointment of Shri Sanjiv Jajodia (DIN 00036339) as Whole-time Director of the Company for a further period of 3 (three) years w.e.f 30th day of June, 2023 till 29th June, 2026 at a remuneration of Rs. 7,00,000 per month.
- the payment of Rs. 7,00,000/- per month as remuneration to Mr. Rajiv Jajodia, who was appointed as the Whole-time Director of the Company with effect from 1st September, 2022.
- the payment of Rs. 7,00,000/- per month as remuneration to Mr. Gaurav Jajodia, who was appointed as the Whole-time Director of the Company with effect from 1st September, 2022.

Details pertaining to their remuneration have been provided in the copy of Annual Return available on the website of the Company under the web link:<https://www.jaibalajigroup.com/annual-return/>





### Directors' Report (Contd.)

#### c. Statement of declaration given by Independent directors

Pursuant to the provisions of Section 149 of the Act, all the Independent Directors have furnished the requisite declarations under Section 149(7) that each of them meet the criteria of independence as provided in Section 149(6) of the Act along with Rules framed thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations. There has been no change in the circumstances affecting their status as independent directors of the Company.

#### d. Separate Meeting of Independent Directors of the Company

Details of Separate meeting of Independent Directors held in terms of Schedule IV of the Companies Act, 2013 and Regulation 25(3) of the Listing Regulations are given in Corporate Governance Report.

#### e. Familiarization programme for Independent Directors

In terms of Regulation 25 of the Listing Regulations, the Company is required to conduct various programmes for the Independent Directors of the Company to familiarize them with their roles, rights, responsibilities in the Company, nature of Industry in which the Company operates, business model of the Company etc.

The details of such familiarisation programmes are available at the website of the Company at <https://jaibalajigroup.com/familiarization-programmes-impacted-to-independent-directors/>

#### COMMITTEES OF THE BOARD

The Company has various Board level committees in accordance with the requirement of Companies Act, 2013. The Board has the following committees as under:

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders' Relationship Committee
- Management (Finance) Committee
- Corporate Social Responsibility Committee
- Internal Complaints Committee
- Risk Management Committee

All the recommendations made by the above mentioned Committees are taken into consideration and are approved by the Board as and when required.

#### MEETINGS OF THE BOARD HELD DURING THE YEAR

The Board meets at regular intervals to discuss and decide on business policy and strategy apart from other Board Business. During the year under review, 12 (Twelve) meetings were convened and held on 21st April, 2022; 27th May, 2022; 22nd July, 2022; 13th August, 2022; 27th August, 2022; 17th October, 2022; 14th November, 2022; 21st November, 2022; 15th December, 2022; 20th January, 2023; 13th February,

2023 and 24th February, 2023 the details of which are given in the Corporate Governance Report. The intervening gap between the meetings was well within the period prescribed under the Companies Act, 2013 as well as Listing Regulations.

A detailed report on the Board, its Committees, its composition, detailed charter including terms of reference, number of Board and Committee meetings held and attendance of the directors at each meeting is provided in the report on the Corporate Governance, which forms part of this report. Further, composition of the various committees of the Board is also hosted on the website of the company viz [www.jaibalajigroup.com](http://www.jaibalajigroup.com)

#### BOARD EVALUATION

The Board carried out an annual performance evaluation of its own performance, the performance of the Independent Directors individually as well as the evaluation of the working of the committees of the Board. The performance evaluation of all the directors was carried out by the Nomination and Remuneration Committee. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors. Details of the same are given in the Report on Corporate Governance annexed hereto.

#### SECRETARIAL STANDARD

The Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

#### DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134 (3) (c) and (5) of the Act, the Board of Directors, to the best of their knowledge and ability, state and confirm that:-

1. In the preparation of annual accounts for the financial year ended 31st March, 2023, the applicable accounting standards have been followed along with proper explanation relating to material departures;
2. We have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on 31st March, 2023 and of the profit of the Company for the year ended on that date;
3. We have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. The annual accounts for the financial year ended 31st March, 2023, have been prepared on a going concern basis;
5. Internal financial controls to be followed by the Company were laid down and that such internal financial controls were adequate and were operating effectively;



### Directors' Report (Contd.)

6. Proper systems were devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### NOMINATION AND REMUNERATION POLICY

The Board of Directors have adopted and approved a Nomination and Remuneration policy which includes the terms and conditions for appointment and payment of remuneration to the Directors and Key Managerial Personnel (KMP) and other senior management personnel including criteria for determining qualifications, positive attributes, independence of a director as per Schedule IV of the Companies Act, 2013. The said policy has been made available on the website of the Company "[www.jaibalajigroup.com](http://www.jaibalajigroup.com)" under the weblink <https://jaibalajigroup.com/wp-content/uploads/2021/02/nomination-remuneration-policy.pdf>. The same is attached as "Annexure - B" and forms integral part of this Report.

#### CORPORATE SOCIAL RESPONSIBILITY (CSR)

In accordance with the requirements of Section 135 of Companies Act, 2013 and rules made there under, your Company has a Corporate Social Responsibility Committee. The terms of reference of the Corporate Social Responsibility Committee is provided in the Corporate Governance Report. The Corporate Social Responsibility Policy (CSR Policy) formulated under recommendation of Corporate Social Responsibility Committee is available under the web link <https://jaibalajigroup.com/wp-content/uploads/2021/02/corporate-social-responsibility-policy.pdf>.

Further, as per the requirement of Section 135 of the Companies Act, 2013, the companies specified therein are required to spend at least two percent of the average net profits made during the three immediately preceding financial years towards CSR activities.

The said requirement of spending at least two percent of the average net profits made during the three immediately preceding financial years towards CSR activities becomes applicable to your Company for the financial year 2022-2023. The brief outline of the Corporate Social Responsibility (CSR) activities of the Company as adopted by the Board and the initiatives undertaken on CSR activities during the year are set out in "Annexure - C" of this Report in the format prescribed in the Companies (Corporate Social Responsibility) Rules, 2014. Other details regarding the CSR Committee, are given in the Report on Corporate Governance annexed hereto.

However, CSR and Sustainable Development has always been one of the leading priorities of the Company and the Company continues to undertake a wide range of CSR activities to contribute towards welfare and betterment of the society. The Company has always strived and endeavoured towards spending of CSR both in letter and spirit in the past years even when the provisions were not applicable on your company in view of losses.

#### VIGIL MECHANISM/WHISTLE BLOWER POLICY

The Company has adopted a Whistle Blower Policy to provide a formal mechanism to the Directors and employees to report their concern about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy and also report instances of leak of unpublished price sensitive information. The policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee. Your company hereby affirms that no Director/employee has been denied access to the Chairman of the Audit Committee.

The details of the Whistle Blower Policy is available on your Company's website viz., "[www.jaibalajigroup.com](http://www.jaibalajigroup.com)" under the weblink <https://jaibalajigroup.com/wp-content/uploads/2021/02/whistle-blower-policy.pdf>.

#### PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All contracts, arrangements and transaction entered into by the Company with related parties during the financial year 2022-2023 were in the ordinary course of business and on an arm's length basis. During the year, the company did not enter into any transaction, contract or arrangement with related parties that could be considered material in accordance with the Company's policy on dealing with related party transactions. Accordingly, the disclosure in Form AOC-2 in terms of Section 134 of the Companies Act, 2013 is not applicable. There have been no materially significant Related Party Transactions entered into by the Company during the year under review. All related party transactions are mentioned in Note No.43 of the Notes to Financial Statements. There are no other transactions of the Company apart from those mentioned above in Note no. 43 with any person or entity belonging to the promoter/promoter group which hold(s) 10% or more shareholding in the Company.

Prior omnibus approval is obtained for RPTs which are of a repetitive nature and entered in the ordinary course of business and are at arm's length. All RPTs are placed before the Audit Committee and the Board for review and approval on a quarterly basis.

The Company has formulated a policy on related party transactions for purpose of identification and monitoring of such transactions. The policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and related parties. During the year under review, the Policy has been amended to incorporate the regulatory amendments in the SEBI Listing Regulations. The updated Policy can be accessed on the Company's website at [https://jaibalajigroup.com/wp-content/uploads/2022/05/Related\\_Party\\_Policy.pdf](https://jaibalajigroup.com/wp-content/uploads/2022/05/Related_Party_Policy.pdf)



### Directors' Report (Contd.)

#### RISK MANAGEMENT

The Company has formulated a Risk Management Policy. The said policy is reviewed by the Audit Committee and the Board of Directors on regular basis. The Risk Management Committee of the Board has been constituted to enhance the focus on risk identification and mitigation and to comply with the statutory provisions.

The policy contains a detailed framework of risk assessment by evaluating the probable threats taking into consideration the business line of the Company, monitoring the risks so assessed and managing them well within time so as to avoid hindrance in its growth objectives that might in any way threaten the existence of your Company. The details of the same are covered in the Corporate Governance Report forming part of this report.

#### INTERNAL AUDIT AND INTERNAL FINANCIAL CONTROL AND ITS ADEQUACY

As per Section 134(5)(e) of the Companies Act, 2013, the Directors have an overall responsibility for ensuring that the Company has implemented a robust system and framework of internal financial controls.

JBIL has laid down an adequate system of internal controls, policies and procedures for ensuring orderly and efficient conduct of the business, including adherence to the company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records and timely preparation of reliable financial disclosures. The internal financial controls are adequate and operating effectively. Effectiveness of internal financial controls is ensured through management reviews, controlled self-assessment and independent testing by the internal Audit Team.

The members of the Audit Committee of your Company are well versed with the financial management. Pursuant to the provisions of Section 138 of the Act read with Rule 13 of 'The Companies (Accounts) Rules 2014', your Company has appointed M/s Agrawal Tondon & Co., Chartered Accountants, of Room No - 7, 1st Floor, 59, Bentinck Street, Kolkata - 700 069, as the Internal Auditor of the Company who also evaluates the functioning and quality of internal controls and reports its adequacy and effectiveness through periodic reporting.

The Internal Auditor submits detailed reports periodically to the management and the Audit Committee. The Audit Committee actively reviews the adequacy and effectiveness of the internal audit functions of your Company and monitors the implementation of the same. The Committee also calls for comments of the internal auditors about the Company's internal controls, scope of audit as and when required which gives them an additional insight on the assessment of such controls. Such adequate internal control system helps in identification of potential operation processes.

#### BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORTING

Regulation 34(2) of the Listing Regulations, inter alia, provides that the annual reports of the top 1000 listed entities based on market capitalisation (calculated as on March 31st of every financial year), shall include a Business Responsibility Sustainability Report (BRSR). As on 31st March, 2022, the Company is not amongst the top 1000 listed entities based on market capitalization at NSE and BSE.

Therefore, the requirement of submitting a Business Responsibility Sustainability Reporting is not applicable to your Company for the financial year 2022-23.

#### AUDITORS AND AUDITORS' REPORT

##### STATUTORY AUDITORS

M/s S. K. Agrawal & Co. Chartered Accountants LLP would be completing his tenure as Statutory Auditors of the Company on the conclusion of ensuing Annual General Meeting (24th AGM). Pursuant to the applicable provisions of the Act, on the recommendation of the Audit Committee of the Board, it is proposed to appoint M/s Das & Prasad, Chartered Accountants of 4, Chowringee Lane, Block No.3, 8th Floor, Suit No. 8F, Kolkata - 700016 having FRN: 303054e as the Statutory Auditors of the Company to hold office from the conclusion of the 24th AGM until the conclusion of the 29th AGM. The Company has received a letter from M/s Das & Prasad, Chartered Accountants confirming that they are eligible for appointment as Statutory Auditors of the Company under Section 139 of the Act and meet the criteria for appointment specified in Section 141 of the Act.

Necessary resolution for the appointment of M/s Das & Prasad, Chartered Accountants as the Statutory Auditors is included in the Notice of the ensuing AGM.

The reports given by the Auditors, M/s. S. K. Agrawal & Co. Chartered Accountants LLP, Chartered Accountants with an unmodified opinion on the audited standalone and consolidated financial statements of the Company for the year ended 31st March, 2023 forms a part of this Annual Report.

The Auditors in their report have stated two points in the para relating to "Emphasis of matter" of the Independent Auditors Report with respect to:-

1. the outstanding balances of trade receivables, trade payables and loans and advances which are subject to confirmation and subsequent adjustments, if any.
2. the settlement and restructuring of various credit facilities and gain on such settlement and restructuring for Rs. 1,93,510.90 lacs that has been transferred to Capital Reserve for the year ended 31st March, 2023.

The response of your directors on them is as follows:-

1. With respect to point 1 of the para Emphasis of Matter, the clarification/details of the same is provided in Note No. 54 of the financial statement.





### Directors' Report (Contd.)

- With respect to point 2 of the para Emphasis of Matter, the clarification/details of the same is provided in Note No. 58 of the financial statement.

During the year under review, the Auditors had not reported any fraud under Section 143(12) of the Companies Act, 2013, therefore no detail is required to be disclosed under 134(3)(ca) of the Act.

#### COST AUDITORS

Pursuant to Section 148(2) of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, as amended, the cost audit record maintained by the Company is required to be audited. M/s. Mondal & Associates, Cost Accountants, has been the Cost Auditor of the Company for the F.Y. 2022-23. The Board of Directors, on the recommendation of the Audit Committee, re-appointed M/s. Mondal & Associates, Cost Accountants, Kolkata for conducting the cost audit of the Company for Financial Year 2023-2024 at their meeting held on 14th August, 2023.

As required under the Companies Act, 2013, the remuneration payable to the Cost Auditors for the financial year 2023-24 is required to be ratified by the members of the Company. Accordingly, resolution seeking members ratification for remuneration to be paid to Cost Auditors is included in the Notice convening Annual General Meeting.

Your Company has filed the Cost Audit Report for the financial year 2021-22 with the Registrar of Companies, Ministry of Corporate Affairs in the XBRL mode during the year under review.

#### SECRETARIAL AUDITOR

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the company appointed M/s MKB & Associates, Practising Company Secretary, to undertake the Secretarial Audit of the Company for the financial year 2022-2023. The Secretarial Audit Report for the financial year ending 31st March, 2023 forms part of the Board's Report as "Annexure-D".

The Secretarial Auditors' Report to the shareholders for the year under review does not contain any qualification, reservation, adverse remark or disclaimer.

The Company has also undertaken an audit for the FY 2022-23 pursuant to SEBI Circular No. CIR/CFD/CMO/1/27/2019 dated February 08, 2019 for all applicable compliances as per the Securities and Exchange Board of India Regulations and Circular/ Guidelines issued thereunder. The Report (Annual Secretarial Compliance Report) has been duly submitted to the Stock Exchanges for the financial year ended March 31, 2023.

#### COPY OF ANNUAL RETURN

A copy of the Annual Return of the Company pursuant to Section 92(3) and 134(3)(a) of the Companies Act, 2013 has been placed on the website of the Company under the web link: <https://www.jaibalajigroup.com/annual-return/>

#### DECLARATION ON FUNDS RAISED THROUGH PREFERENTIAL ALLOTMENT AND UTILISATION OF SUCH FUNDS DURING THE YEAR UNDER REVIEW

The Board at its meeting held on 21st April, 2022 has considered and approved the issue and allotment of upto 5,00,00,000 convertible Warrants at a price of Rs.52/- each. The object of the issue was to utilize the proceeds to meet the funding requirements for the growth in business of the Company, working capital requirements, repayment of debt and/or for general corporate purpose. Thereafter pursuant to approval of the members vide Extra-Ordinary General Meeting held on 18th May, 2022 the Board at its meeting held on 27th May, 2022 has allotted 5,00,00,000 warrants on preferential basis convertible into one fully paid equity share of face value of Rs. 10/- each at a premium of Rs. 42/- per equity share for each warrant, in one or more tranches, within a period of 18 months from the date of allotment of the warrants, in accordance with the SEBI (ICDR) Regulations.

The Company has realized 25% upfront money amounting to Rs. 65,00,00,000/- on or before the allotment of convertible warrants i.e 27th May, 2022. Thereafter, on conversion of 3,50,00,000 warrants out of the total 5,00,00,000 warrants into Equity Shares, the Company has also realized the balance 75% allotment monies amounting to Rs. 1,36,50,00,000/- from the respective allottees during the year under review.

The proceeds realized from the afore-said issue and conversion were utilized and channelized towards the objects and purpose as stated in the Letter of offer of the Preferential issue and there was no deviation in the utilization of funds during the year under review.

Further the Board at its meeting held on 15th December, 2022 has again considered and approved the issue and allotment of upto 2,20,00,000 convertible warrants at a price of Rs. 45/- each which was subsequently approved by the members of the Company at an Extra-Ordinary General Meeting held on 11th January, 2023. The object of the issue was repayment of debt and for general corporate purpose. Pursuant to the approval of the members the Board at its meeting held on 20th January, 2023 has allotted 2,20,00,000 warrants on preferential basis convertible into one fully paid equity share of face value of Rs. 10/- each at a premium of Rs. 35/- per equity share for each warrant, in one or more tranches, within a period of 18 months from the date of allotment of the warrants, in accordance with the SEBI (ICDR) Regulations. Also the Company has realized 25% upfront money amounting to Rs. 24,75,00,000/- on or before the allotment of convertible warrants i.e 20th January, 2023 which was utilized for the objects as specified in the Letter of Offer of



### Directors' Report (Contd.)

the issue and there was no deviation as such during the year under review.

#### **PARTICULARS OF LOANS GUARANTEES AND INVESTMENTS**

Particulars of Loans, Guarantees and Investments as on the financial year ended 31st March, 2023 as covered under the provisions of Section 186 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 are given in Note No. 6, 14, and 43 of the notes to Financial Statements provided in the Annual Report.

#### **SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS OF THE COMPANY**

No significant or material orders have been passed by any regulators or Courts or Tribunals impacting the going concern of the Company and its future operations.

#### **TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND**

Pursuant to provisions of the Companies Act, 2013, the declared dividends, which are unpaid or unclaimed for a period of seven years, shall be transferred by the Company to the Investor Education and Protection Fund (IEPF) established by the Central Government.

Accordingly, the unpaid or unclaimed dividend remaining unpaid or unclaimed for a period of seven years from the date they became due for payment, have been transferred to the IEPF established by the Central Government and no balance of such amount is lying with the Company as on date.

Pursuant to section 124(6) of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more, shall be transferred by the Company to IEPF. Accordingly all such shares have been transferred by the Company to IEPF and no such shares are underlying with the Company as on date. Any person whose unclaimed or unpaid amount, along with shares, if any, has been transferred by the Company to IEPF Authority may claim their refunds from the IEPF Authority by accessing the following link: <http://www.iepf.gov.in/IEPF/refund.html>.

#### **CORPORATE GOVERNANCE**

Maintaining high standards of Corporate Governance has been fundamental to the business of your Company since its inception. The Company constantly endeavors to follow the corporate governance guidelines and best practices sincerely and disclose the same transparently. The Board is conscious of its inherent responsibility to disclose timely and accurate

information on the Company's operations, performance, material corporate events as well as on the leadership and governance matters relating to the Company. The Company has complied with the requirements of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 regarding corporate governance. A report on the Corporate Governance practices and the Auditors' Certificate on compliance of mandatory requirements thereof are given as an annexure to this report.

#### **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

A detailed report on the Management Discussion & Analysis is provided as a separate section in the Annual Report.

#### **PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

The relevant information on conservation of energy, technology absorption and foreign exchange earnings and outgo as stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of Companies (Accounts) Rules, 2014 are given in "Annexure - E" forming part of this Annual Report.

#### **PARTICULARS OF EMPLOYEES AND OTHER RELATED DISCLOSURES**

Disclosures pertaining to remuneration and other details as required under section 197(12) read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are annexed to this report as "Annexure - F".

The statement containing names of employees in terms of remuneration drawn and their other details as required to be furnished under Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided in a separate annexure forming part of this report. Further, the report and the accounts are being sent to the Members excluding the aforesaid annexure. In terms of Section 136 of the Act, the said annexure is open for inspection at the Registered Office of the Company. Any Member interested in obtaining a copy of the same may write to the Company Secretary.

#### **CONSTITUTION OF INTERNAL COMPLAINTS COMMITTEE IN ACCORDANCE WITH THE PROVISIONS OF THE PREVENTION OF SEXUAL HARASSMENT ACT AND POLICY ON PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE**

An Internal Complaints Committee (ICC) has been constituted in accordance with the provisions of the Prevention of Sexual Harassment Act to redress complaints received regarding sexual harassment and all the provisions regarding the constitution are complied with.



### Directors' Report (Contd.)

The Company has a zero tolerance towards sexual harassment at the workplace and has adopted a Policy on "Prevention of Sexual Harassment of Women at Workplace" and matters connected therewith or incidental thereto covering all the aspects as contained under "The Sexual Harassment of Women at Workplace (Prohibition, Prevention and Redressal) Act, 2013".

The role of ICC is not restricted to mere redressal of complaints but also encompasses prevention and prohibition of sexual harassment.

During the year under review, the Company has organized an Awareness/Orientation Programme for its female employees on 13th February, 2023, to create awareness among them regarding their fundamental rights and give insight of the law relating to Prevention of Sexual Harassment of woman at work place. The Company have not received any Complaints pertaining to Sexual Harassment.

#### POLICY ON PREVENTION OF INSIDER TRADING

Your Company has adopted a Code for Prevention of Insider Trading with a view to regulate trading in equity shares of the Company by the Directors and designated employees of the Company. The said Code of Conduct is available on the website of the Company at <https://jaibalajigroup.com/wp-content/uploads/2021/02/policy-for-insider-trading.pdf>. The Code requires preclearance for dealing in Company's shares and prohibits the purchase or sale of shares in your company by the Directors and designated employees, while they are in possession of unpublished price sensitive information and also during the period when the Trading Window remains closed.

#### LISTING

The equity shares of your Company are listed on the National Stock Exchange of India Limited (NSE) and the BSE Limited (BSE).

Both NSE and BSE have nationwide trading terminals which enable the shareholders/investors to trade in the shares of your Company from any part of the country without any difficulty.

#### ACKNOWLEDGEMENT

Your Company continues its relentless focus on strengthening competition in all its businesses. It is the endeavour of your Company to deploy resources in a balanced manner so as to secure the interest of shareholders in the best possible manner in short, medium and long terms.

Your Directors take this opportunity to appreciate their suppliers, vendors, investors, financial institutions/banks, Central Government, State Government, all regulatory and government authorities and all other business associates for their continued support and co-operation extended by them to the Company.

Your Directors also wish to place on record their appreciation to all the employees at all levels for their commendable teamwork, professionalism and enthusiastic contribution towards the working of the Company.

On behalf of the Board of Directors

Sd/-

**Aditya Jajodia**

*Chairman & Managing Director*

(DIN : 00045114)

Place: Kolkata

Date: 14th August, 2023



**ANNEXURE - "A"**

**Form AOC - I**

(Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

**Statement containing salient features of the financial statement of subsidiaries/  
associate companies/ joint ventures as at 31.03.2023**

**Part "A": Subsidiaries**

(₹ in Lakhs except share data)

	<b>Particulars</b>	<b>01</b>	<b>02</b>
1.	Name of the subsidiary	Jai Balaji Energy (Purulia) Limited	Jai Balaji Steels (Purulia) Limited
2.	The date since when subsidiary was acquired	1 <sup>st</sup> November 2010	1 <sup>st</sup> November 2010
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	—	—
4.	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.	Indian Rupees	Indian Rupees
5.	Share Capital	5.00	5.00
6.	Reserves & Surplus	(4.57)	(4.46)
7.	Total Assets	0.49	0.60
8.	Total Liabilities (excluding Share Capital and Reserves and Surplus)	0.06	0.06
9.	Investments	—	—
10.	Turnover	—	—
11.	Profit/Loss before taxation	(0.36)	(0.22)
12.	Provision for taxation	—	—
13.	Profit/Loss after taxation	(0.36)	(0.22)
14.	Proposed Dividend	Nil	Nil
15.	% of shareholding	100	100

**Note:**

- Jai Balaji Energy (Purulia) Limited and Jai Balaji Steels (Purulia) Limited have not yet commenced commercial production.

(Contd.)



### Part "B": Associates and Joint Ventures

(₹ in Lakhs except share data)

1.	Name of the Associate/Joint Ventures	Rohne Coal Company Private Limited	Andal East Coal Company Private Limited
2.	Latest audited Balance Sheet Date	N.A.	N.A.
3.	Shares of Associate/Joint Ventures held by the company on the year end		
	Number of shares		
	Equity	69,000	3,19,290
	Preference	2,363,914	-
	Amount of Investment (Refer Note 4)	24.33	3.19
	Extend of Holding %	6.9%	32.79%
4.	Description of how there is significant influence	Joint Venture Agreement	Joint Venture Agreement
5.	Reason why the Associate/Joint Venture Company is not consolidated	Refer Note 3	Refer Note 3
6.	Networth attributable to Shareholding as per latest audited Balance Sheet	N.A.	N.A.
7.	Profit / (Loss) for the year		
	i. Considered in Consolidation	N.A.	N.A.
	ii. Not Considered in Consolidation	N.A.	N.A.

#### Notes:

- Commercial production has not been commenced by the Joint Venture Company.
- The Company does not have any associate company.
- While consolidating the accounts of the Company, the financials of its joint venture company Andal East Coal Company Pvt. Ltd. (AECCPL) are not consolidated as in view of the management it is inappropriate to follow the principle of consolidation in case the joint venture is under severe long term restriction to transfer funds to the venture. Further, financials of its another joint venture company Rohne Coal Company Pvt. Ltd. (RCCPL) are not consolidated as the Financial Statement of RCCPL were not received by the Company.
- The Hon'ble Supreme Court vide its Order dated 24th September, 2014 has cancelled number of coal blocks allotted to various companies. These include two coal blocks under development viz. AECCPL in West Bengal and RCCPL in Jharkhand allocated to the company jointly with other parties. The Company has prudently brought down the value of investment in joint venture companies to nominal value of Rs. 1 per share. However the Company had submitted claims w.r.t the cancellation of coal blocks which are still pending.

#### For and on behalf of the Board

**Sd/- Aditya Jajodia**  
Chairman & Managing  
Director  
DIN : 00045114

**Sd/- Sanjiv Jajodia**  
Wholetime Director & CFO  
DIN : 00036339

**Sd/- Rajiv Jajodia**  
Wholetime  
Director  
DIN : 00045192

Date : 30<sup>th</sup> May, 2023  
Place : Kolkata

**Sd/- Ajay Kumar Tantia**  
Company Secretary



## Nomination and Remuneration Policy

### PREFACE

We, at Jai Balaji group have always considered our human resources as the levers of the organisation's growth. Jai Balaji Industries Limited ("the Company") has been built on the commitment, dedication, hard work and loyalty of its employees. The Board is committed to transparent, fair and sound policies for determining appropriate remuneration at all levels of the Company.

As we are growing, personal and professional development of the directors and employees becomes important to motivate them as also to ensure efficient functioning of the organization.

### VISION

Effective people management for creating competitive advantage for all stakeholders and creating a transparent system for determining the appropriate level of remuneration to Directors, Key Managerial Personnel (KMP) and other senior management employees.

### OBJECTIVE

- To attract, nurture and retain the best talent by inculcating a culture of learning, performing, developing creativity and teamwork;
- To ensure reasonable remuneration to the Directors, KMP and other employees so as to motivate them of the quality required to run the Company successfully;
- To ensure that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks.

### MONITORING OF THE POLICY

The implementation of the Nomination and Remuneration Policy shall be monitored by the Nomination and Remuneration committee of the Board constituted as per the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### PURPOSE OF THE COMMITTEE

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to the remuneration of the directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of performance of independent directors and the board of directors;
- Devising a policy on diversity of board of directors;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
- Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

- Recommend to the board, all remuneration, in whatever form, payable to senior management.

### ROLES AND RESPONSIBILITIES OF THE COMMITTEE

#### Nomination

The Nomination and Remuneration Committee shall identify potential candidates with appropriate qualification, knowledge, expertise and experience.

When considering candidates, the Committee strives to achieve a balance of knowledge, experience and accomplishment such that the Company reflects a diversity of talent, age, skill, expertise and perspective. While evaluating a Director, KMP or other senior management employees for recommending to the Board, the Committee shall take into consideration various criteria that are in the best interests of the Company and its stakeholders, some of which are given hereunder:

- Educational qualifications and experience of the candidate so as to be in terms with the applicable laws, rules, regulations as laid down in the Companies Act, 2013, listing regulations and other applicable acts;
- Willingness of a person to act as such;
- The candidate should reflect the highest standards of integrity, ethics and character, and value such qualities in other;
- The candidate should have the ability to devote sufficient time to the business and affairs of the Company;
- Demonstrate the capacity and desire to represent, fairly and equally, the best interests of the Company's stockholders as a whole;
- Access the present as well as future needs of the Company. Further, while nominating Directors, it must be ensured that the Board is structured in a way that:
  - ✦ it has proper understanding of and expertise to deal with the present as well as emerging business issues
  - ✦ exercises independent judgement
  - ✦ encourage enhanced performance of the business as a whole.

Accordingly, the process of the Committee for identifying nominees shall reflect the Company's practice of re-nominating incumbent directors and employees who continue to satisfy the Committee's criteria, whom the Committee believes to continue to make important contributions towards the growth, reputation and well being of the Company as a whole and who consents to continue their service with the Company.

Further, in addition to the above criteria, the appointment of Independent Directors of the Company shall also be guided by the following Terms and Conditions in compliance with schedule IV to the Companies Act, 2013.





- The appointment of Independent Directors shall be independent of the company management. While selecting Independent Directors the Board shall ensure that there is appropriate balance of skills, experience and knowledge in the Board so as to enable the Board to discharge its functions and duties effectively;
- The appointment of Independent Directors shall be approved at the meeting of the Shareholders;
- The appointment of Independent Directors shall be formalised through a letter of appointment stating the requisite details as per the requirements of schedule IV of the Companies Act, 2013;
- The Independent Directors shall be appointed for a fixed term of upto five years or such lesser term as may be decided mutually between the Board and the Directors and shall be eligible for re-appointment for a further term of upto five years on passing a special resolution by the Company. Further, no Independent Director shall hold office for more than two consecutive terms. However, they shall be eligible for re-appointment after the expiration of cooling period of three years of ceasing to become an Independent Director;
- The Independent Directors shall be responsible for complying with the duties as specified under section 166 of the Companies Act, 2013. Further, their liabilities shall also be limited to the respective provisions of the Companies Act, 2013 and rules made there under;
- Independent Directors shall be expected to ensure compliance with the Code of Conduct as laid down by the Company;
- Independent Directors shall be paid sitting fees subject to the provisions of the Companies Act, 2013 and rules made there under as well as the terms of this policy.

### Remuneration

The committee shall:

- meet at least once in a year.
- ensure that the quorum of either two members or one third of the members of the committee, whichever is greater, including at least one independent director is present.
- ensure that the compensation to the Board, KMP and other senior management employees is reasonable and sufficient to attract, retain and motivate quality directors and KMPs;
- approve any significant changes in the executive director's contract;
- determine payment of sitting fees for directors for attending meetings of the Board;
- ensure that there is balance between fixed pay and incentive based pay (if any) in the remuneration to be paid to the Directors, KMPs and other senior management employees.

### Director Remuneration

The Company may pay remuneration by way of salary, perquisites and allowances (fixed component) and commission

(variable component) to Managing and Whole-time Directors. Salary shall be paid within the range approved by the Shareholders. Commission, if any, shall be calculated with reference to net profits of the Company in a particular financial year and shall be determined by the Board of Directors at the end of the financial year based on the recommendations of the Nomination and Remuneration Committee, subject to overall ceilings stipulated in Sections 197 read with Schedule V of the Companies Act, 2013.

### Non-executive Director Remuneration

The non-executive directors shall be paid sitting fees for attending meetings of the Board based on the limits prescribed under the Companies Act, 2013.

### Senior Management Remuneration

The salary of other senior management employees shall be competitive and based on the individual's qualification, experience, responsibilities and performance and shall be governed by the HR policy of the Company.

### Determining criteria for performance evaluation of the Board and Individual Directors

The Board shall evaluate its own performance based on the following criteria :

- Composition of the Board in compliance with the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- Frequency of meetings held during the year and matters taken up thereat;
- Ability of the Board to take uniform decisions for the betterment of the Company taking into consideration the individual views of all the Directors comprising it;
- Its wisdom and judgement to help the Company prosper;
- Ability of the Board to evaluate risk and devise suitable measures to mitigate them etc.

The Board shall evaluate the performance of individual directors (including independent directors) based on the following criteria:

- Attendance of the individual directors and level of participation at the meetings of the Board and committees thereof and the general meetings;
- Contribution in long term strategic planning;
- Professional conduct and independence;
- Level of commitment etc.

The above list is illustrative.

Such performance evaluation of Directors (including independent directors) shall be done by the entire Board of Directors (excluding the director being evaluated).

In case of Independent Director, the Board shall determine whether to extend or continue the term of appointment of the Independent Director on the basis of the report of performance evaluation carried by the Board.

In addition to the above, the Board shall also evaluate the performance of various Board level Committees.



### ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

[Pursuant to Section 135 of the Companies Act, 2013 and  
The Companies (Corporate Social Responsibility Policy) Rules, 2014]

**1. Brief outline on CSR policy of the Company:**

Over the years, Jai Balaji Industries Limited have been focusing on sustainable business practices encompassing economic, environmental and social imperatives that not only cover business, but also the communities around us.

The policy provides for undertaking any activity prescribed under Schedule VII to the Companies Act, 2013 to attain the goal of sustainable and overall development of the society wherein the Company is carrying out its business operations.

**3. Composition of the Committee :**

Sl. No.	Name of Director	Designation/Nature of Directorship	No. of meetings of CSR Committee held during the year	Number of meeting of CSR Committee attended during the year
1	Mr. Shailendra Kumar Tamotia	Independent Non-Executive Director (Chairman)	2	2
2	Mr. Rajiv Jajodia	Executive Director (Member)	2	2
3	Ms. Bimal Kumar Choudhary	Executive Director (Member)	2	2

**3. Provide the web-link(s) where Composition of CSR Committee, CSR Policy and CSR Projects approved by the board are disclosed on the website of the company: " www.jaibalajigroup.com"**

**4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable : Not Applicable**

**5. (a) Average net profit of the Company as per sub-section (5) of section 135:**

The average Net Profit for the Company in the Financial Year calculated as per Section 198 of the Act during the three immediately preceding financial year amounts to Rs. 2439.76 lacs.

**(b) Two percent of average net profit of the company as per sub-section (5) of section 135 : Rs. 48.79 lacs**

**(c) Surplus arising out of the CSR projects or programmes or activities of the previous financial year : NIL**

**(d) Amount required to be set off for the financial year, if any : NIL**

**(e) Total CSR obligation for the financial year [(b)+(c)-(d)] : 48.79 lacs**

**6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project) : ₹ 50.00 Lakhs**

**(b) Amount spent in Administrative overheads : N.A**

**(c) Amount spent on Impact Assessment, if applicable. : N.A**

**(d) Total amount spent for the Financial Year [(a)+(b)+(c)] : ₹ 50.00 Lakhs**



(e) CSR amount spent or unspent for the Financial Year :

Total amount spent for the financial year (in ₹ Lakhs)	Amount unspent (in ₹ Lakhs)				
	Total amount transferred to unspent CSR Account as per sub-section (6) of Section 135	Amount transferred to any fund specified under schedule VII as per second proviso to sub-section (5) of section 135.			
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
50.00 lacs	N.A.				

(f) Excess amount for set off :

Sl. No.	Particular	Amount (in ₹ Lakhs)
(1)	(2)	(3)
i.	Two percent of average net profit of the company as per sub-section (5) of section 135	48.79 lacs
ii.	Total amount spent for the Financial Year	50.00 lacs
iii.	Excess amount spent for the Financial Year [(ii)-(i)]	1.20 lacs
iv.	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	NIL
v.	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	1.20 lacs

7 Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years : N.A

1	2	3	4	5	6	7	8
Sl. No.	Preceding financial year(s)	Amount transferred to unspent CSR account under sub-section (6) of Section 135 (In ₹ Lakhs)	Balance amount in unspent CSR account under sub-section (6) of Section 135 (1) (In ₹ Lakhs)	Amount spent in the financial year (In ₹ Lakhs)	Amount transferred to a fund as specified under Schedule VII as per second proviso to sub-section (5) of Section 135, if any	Amount remaining to be spent in succeeding financial years (In ₹ Lakhs)	Deficiency, if any
					Amount (In ₹ Lakhs)	Date of transfer	

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial year : N.A

9. Specify the reason(s), if the company has failed to spend two percent of the average net profit as per section 135(5) : N.A

Date : 14<sup>th</sup> August, 2023  
Place : Kolkata

Sd/-  
Aditya Jajodia  
Chairman & Managing  
Director

Sd/-  
Shailendra Kumar Tamotia  
CSR Committee





#### FORM NO. MR - 3

#### SECRETARIAL AUDIT REPORT

#### FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2023

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

To

The Members,

#### JAI BALAJI INDUSTRIES LIMITED

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **JAI BALAJI INDUSTRIES LIMITED** (hereinafter called "the Company"). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct/statutory compliances and expressing our opinion thereon.

The Company's Management is responsible for preparation and maintenance of secretarial and other records and for devising proper systems to ensure compliance with the provisions of applicable laws and regulations.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of the secretarial audit and considering the relaxations granted by Ministry of Corporate Affairs and Securities and Exchange Board of India, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2023, generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2023, to the extent applicable, according to the provisions of:

- i) The Companies Act, 2013 (as amended) (the Act) and the Rules made thereunder;
- ii) The Securities Contracts (Regulation) Act, 1956 and Rules made thereunder;
- iii) The Depositories Act, 1996 and Regulations and Bye-laws framed thereunder;
- iv) The Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct investment and External Commercial Borrowings;
- v) The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act") or by SEBI, to the extent applicable:
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011

- b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations 2015
- c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
- d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2021
- e) The Securities and Exchange Board of India (Issue and listing of Non-Convertible securities) Regulations, 2021
- f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018
- i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- vi) Other than fiscal, labour and environmental laws which are generally applicable to all manufacturing companies, the following laws/acts are also, inter alia, applicable to the Company:
  - a) The Mines Act, 1952 and the rules, regulations made there-under.
  - b) Mines and Minerals (Development & Regulation) Act, 1957 and the rules made there-under.

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India.

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

#### We further report that:

- a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There has been no changes in the composition of the Board of Directors during the period under review.
- b) Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda



were sent atleast seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

- c) None of the directors in any meeting dissented on any resolution and hence there was no instance of recording any dissenting member's view in the minutes.

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

We further report that during the audit period, the Company has passed special resolution for:

- (a) Increase in authorised share capital from Rs. 1,25,00,00,000/- to Rs. 1,65,00,00,000/-;
- (b) Preferential Issue of upto 5,00,00,000 (Five crore) warrants on Private Placement Basis in one or more tranches;
- (c) Re-appointment of Shri Aditya Jajodia (DIN: 00045114) as the Managing Director of the Company for a period of five years w.e.f. 22nd July, 2022;
- (d) Approval of remuneration paid to Shri Aditya Jajodia w.e.f. 01.04.2022 for the remaining tenure of his appointment i.e. from 1st April, 2022 to 21st July, 2022;
- (e) Re-appointment of Shri Sanjiv Jajodia (DIN: 00036339) as the Whole-time director of the Company for a period of 3 years w.e.f. 30th June, 2023;
- (f) Approval of remuneration to be paid to Shri Sanjiv Jajodia with effect from 01.04.2022 for the remaining tenure of

his appointment i.e. from 1st April, 2022 to 29th June, 2023;

- (g) Appointment of Shri Rajiv Jajodia (DIN : 00045192) as the Whole-time director of the company for a period of 3 years w.e.f 1st September, 2022;
- (h) Appointment of Shri Gaurav Jajodia (DIN : 00028560) as the Whole-time director of the company for a period of 3 years w.e.f 1st September, 2022;
- (i) Increase in authorised share capital of the Company from Rs. 1,65,00,00,000/- to Rs. 1,85,00,00,000/-;
- (j) Preferential Issue of upto 2,20,00,000 (Two crore twenty lakhs) warrants on Private Placement Basis in one or more tranches;

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

**For MKB & Associates**  
Company Secretaries  
FRN No.: P2010WB042700

**Sd/-**  
**Raj Kumar Banthia**  
Partner

Membership No.: 17190  
COP No.: 18428

Place: Kolkata  
Date: 14th August, 2023  
UDIN: A017190E000777499

To,  
The Members,

**JAI BALAJI INDUSTRIES LIMITED**

Our report of even date is to be read along with this letter.

1. It is management's responsibility to identify the Laws, Rules, Regulations, Guidelines and Directions which are applicable to the Company depending upon the industry in which it operates and to comply and maintain those records with same in letter and in spirit. Our responsibility is to express an opinion on those records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the process and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of the financial records and the Books of Accounts of the Company.

4. Wherever required, we have obtained the Management's Representation about the compliance of Laws, Rules, Regulations, Guidelines and Directions and happening events, etc.
5. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For MKB & Associates**  
Company Secretaries  
FRN No.: P2010WB042700

**Sd/-**  
**Raj Kumar Banthia**  
Partner

Membership No.: 17190  
COP No.: 18428

Place: Kolkata  
Date: 14th August, 2023  
UDIN: A017190E000777499



### ANNEXURE - "E"

## Annexure to Directors' Report

INFORMATION PURSUANT TO SECTION 134(3)(M) OF THE COMPANIES ACT, 2013 READ WITH RULE 8 OF COMPANIES (ACCOUNTS) RULES, 2014, PERTAINING TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2023

### A. Conservation of energy:

i. Steps taken for conservation of energy and steps taken by the Company for utilizing alternate sources of energy:

1. Used various VVVF Drives to save energy at various places.
2. Use of LED Lighting everywhere in the plant in place of Conventional Light.
3. Installation of High Mast with LED Lights additionally.

Impact of the steps taken for conservation of energy:.

1. Energy saving by using LED light is up to 50%.
2. Energy saving by installation of new VVVF Drives.

Continuous efforts are being made to identify & implement energy conservation measures at all stages of production process so as to ensure efficient conduct of day to day operations.

ii. Capital investment on energy conservation equipment:

No Capital Investment has been made for energy conservation equipment. Expenditure incurred for energy audit, purchase of capacitor banks, LED lights, timers for lighting, drives etc. are not capital in nature.

### B. Technology absorption:

i. Efforts made towards technology absorption:

Continuous efforts are being made to streamline production process, improve machine availability and performance and to achieve highest standards of quality and quantity benchmark.

ii. The benefits derived like product improvement, cost reduction, product development or import substitution:

As a result of above efforts, there was improvement in product quality, better and easier availability of materials and saving in process cost.

iii. In case of imported technology (imported during the last five years reckoned from the beginning of the financial year):

- a. The details of technology imported : Nil
- b. The year of import : Not Applicable
- c. Whether the technology been fully absorbed : Not Applicable
- d. If not fully absorbed, areas where absorption has not taken place, and the reasons thereof : Not Applicable
- iv. Expenditure incurred on Research and Development : Nil

### C. Foreign exchange earnings and outgo:

Details of Foreign Exchange earned in terms of actual inflows and outgo in terms of actual outflows during the year under reporting:

(₹ in Lacs)

Particulars	2022-23	2021-22
Inflows	38,457.98	21,686.67
Outgo	9,022.20	5,623.00



### ANNEXURE - "F"

DETAILS PURSUANT TO SECTION 197(12) READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2023

- i) **The ratio of remuneration of each Director to the median remuneration of the employees of the Company for the financial year:**

Name	Ratio of remuneration of each Director to median remuneration of employees
Shri Aditya Jajodia, Managing Director	45.77 times
Shri Sanjiv Jajodia, Whole Time Director	37.69 times
Shri Rajiv Jajodia, Whole Time Director	21.99 times
Shri Gaurav Jajodia, Whole Time Director	21.99 times
Shri Bimal Kumar Choudhury, Executive Director	NIL

Note : Shri Bimal Kumar Choudhary has not drawn any remuneration during the year under review. The independent and non-executive directors of the Company are paid sitting fees. Thus the amount paid to them is not considered for the above purpose.

- ii) **The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:**

Due to losses incurred by the Company in the previous financial years the Chairman & Managing Director, and Chief Financial Officer did not draw any remuneration during the year 2021-22. The remuneration of the Company Secretary has been increased by 8 % in the financial year under review.

- iii) **The percentage increase in the median remuneration of employees in the financial year:**

Median remuneration of employees in the financial year has been increased by 4.62%.

- iv) **The number of permanent employees on the rolls of the Company:**

There were 3675 employees on the rolls of the Company as on 31st March, 2023.

- v) **Average percentage increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentage increase in the managerial remuneration and justification thereof and exceptional circumstances for increase in the managerial remuneration if any:**

Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year was 10.34% whereas average increase in the managerial remuneration was 8%. The salary increase is based on compensation philosophy of the organisation which takes into account internal as well as external factors.

There are no exceptional circumstances for increase in the managerial remuneration.

- vi) **It is hereby confirmed that the remuneration is as per the remuneration policy of the Company.**





## Report of the Directors on Corporate Governance

Corporate Governance is a means by which Business Corporations are directed, administered and controlled. The essence of any good corporate governance practice is to allow the board and the management the freedom to drive their organisation forward while exercising their freedom within a framework of effective accountability. Good corporate governance implies optimum utilisation of resources and ethical behaviour of the enterprise so as to promote the investors' trust and create long term shareholders value and enhance interest of other stakeholders.

The Company's philosophy on corporate governance oversees business strategies and ensures fiscal accountability, ethical corporate behaviour and fairness to all stakeholders.

The Company recognises that good corporate governance is a continuous exercise. The Company's philosophy is aimed at ethical corporate citizenship and transparency. It is believed that good corporate governance is not something which regulators have to impose on management, it should come from within. We acknowledge our individual and collective responsibilities to manage our business activities with integrity. Our Code inspires us to set high standards of governance which not only meet applicable legislation but go beyond in many areas of our functioning.

In accordance with Regulation 34(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), 2015 ("The Listing Regulations") read with disclosure requirements relating to the Corporate Governance Report contained in Schedule V of the SEBI (Listing Obligations and Disclosure Requirements), 2015, the details of compliance by the Company with the norms on Corporate Governance are as under:

### 1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Jai Balaji Industries Limited (the Company) believes in and adheres to good corporate governance practices, implements policies and guidelines, communicates and trains all its stakeholders to develop a culture of compliance at every level of the organization. The Company believes that the governance process must aim at managing the affairs without undue restraints for efficient conduct of its business, so as to meet the aspirations of shareholders, employees and society at large. It envisages the attainment of the highest levels of transparency, accountability and equity, in all facets of its operation, and all its interactions with the stakeholders including shareholders, employees, customers, government and suppliers. The Company believes that

establishing good corporate governance practices in each and every function of the organization leads to increased operational efficiencies and sustained long term value creation for all stakeholders. The Company's philosophy is aimed at assisting the management of the Company in the efficient conduct of the business and in meeting its obligations to all its stakeholders.

The Board is responsible for and committed to sound principles of Corporate Governance in the Company. The Board plays a crucial role in overseeing how the management serves the short and long-term interests of shareholders and other stakeholders. This belief is reflected in our governance practices, under which we strive to maintain an effective, informed and independent Board. We keep our governance practices under continuous review and benchmark ourselves to best practices across the globe.

The Company's governance framework is based on the following principles:

- Appropriate composition and size of the Board, with each member bringing in expertise in their respective domains;
- Availability of information to the members of the Board and Board Committees to enable them to discharge their fiduciary duties;
- Timely disclosure of material operational and financial information to the stakeholders;
- Systems and processes in place for internal control
- Proper business conduct by the Board, Senior Management and Employees.
- Transparency in the functioning and practices of the Board.
- Equitable treatment and rights of the shareholders.
- Maintenance of ethical culture within and outside the organization

### 2. BOARD OF DIRECTORS

As on 31st March, 2023, the Board consists of 10 directors, comprising of:

- 4 Promoter Executive Directors;
- 1 Non-Promoter Executive Director; and
- 5 Independent Non-Executive Directors

### Report of the Directors on Corporate Governance (Contd.)

The detailed composition of the Board as on 31st March, 2023 is tabled below:

Name of Directors	DIN	Category
Shri Aditya Jajodia	00045114	Promoter Executive Director (Chairman & Managing Director)
Shri Sanjiv Jajodia	00036339	Promoter Executive Director (Whole-time Director & Chief Financial Officer)
Shri Rajiv Jajodia	00045192	Promoter Executive Director (Whole-time Director)
Shri Gaurav Jajodia	00028560	Promoter Executive Director (Whole-time Director)
Shri Bimal Kumar Choudhary	08879262	Non Promoter Executive Director
Shri Shailendra Kumar Tamotia	01419527	Non-Executive Independent Director
Shri Ashim Kumar Mukherjee	00047844	Non-Executive Independent Director
Smt. Seema Chowdhury	07158338	Non-Executive Independent Woman Director
Smt. Rakhi Bajoria	07161473	Non-Executive Independent Woman Director
Smt. Swati Bajaj	01180085	Non-Executive Independent Woman Director

Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the Listing Regulations read with Section 149(6) of the Act along with rules framed thereunder. In terms of Regulation 25(8) of the Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the Listing Regulations and that they are independent of the management.

The Independent Directors of the Company do not participate in the day-to-day functioning of the Company and do not engage in any business dealing or other relationships with the group (other than in situations permitted by the applicable regulations) in order to act in the best interest of the stakeholders with independent decisions.

Appointment Letter of the present Independent Directors setting out their terms and conditions, roles, functions, duties and responsibility of appointment as per the provisions of Companies Act, 2013 and Regulation 25 of the Listing Regulations has been hosted on the Company's Website under the web link <https://jaibalajigroup.com/directors-appointment-re-appointment-resignation/> in adherence to Regulation 46(2) of the Listing Regulations.

As per declarations received by the Company, none of the independent directors/non-promoter directors are related to each other or to the promoters. Further, Shri Rajiv Jajodia and Shri Sanjiv Jajodia are related as brothers and Shri Aditya Jajodia and Shri Gaurav Jajodia are their brother's son.

#### ■ Particulars of attendance of each director at Board Meetings and at last Annual General Meeting

The notice along with the agenda for each meeting along with explanatory notes were communicated to the Board of Directors, Committee Members and Shareholders in

advance as per the provisions of Companies Act, 2013, Listing Regulations and Secretarial Standards (SS1 & SS2) issued by the Institute of Company Secretaries of India.

During the financial year 2022-2023, 12 (Twelve) meetings of the Board were held viz., 21st April, 2022; 27th May, 2022; 22nd July, 2022; 13th August, 2022; 27th August, 2022; 17th October, 2022; 14th November, 2022; 21st November, 2022; 15th December, 2022; 20th January, 2023; 13th February, 2023 and 24th February, 2023. The maximum time gap between two consecutive board meetings did not exceeded one hundred and twenty days and the necessary quorum were present at all the meetings.

The attendance of each Director at the Board meetings held during the financial year 2022-2023 and at the last Annual General Meeting held on 27th September, 2022 are as follows:

Name of Directors	No. of Board Meeting Attended	Attendance at the last AGM
Shri Aditya Jajodia	12	Yes
Shri Sanjiv Jajodia	12	Yes
Shri Rajiv Jajodia	12	Yes
Shri Gaurav Jajodia	12	Yes
Shri Shailendra Kumar Tamotia	10	Yes
Smt. Seema Chowdhury	12	Yes
Smt. Rakhi Bajoria	12	Yes
Shri Ashim Kumar Mukherjee	12	Yes
Smt. Swati Bajaj	12	Yes
Shri Bimal Kumar Choudhary	12	Yes

The Company Secretary was present at all meetings of the Board of Directors and at the last Annual General Meeting.

During FY 2022-2023, information as mentioned in Part A of Schedule II of the Listing Regulations, has been placed before the Board for its consideration.



### Report of the Directors on Corporate Governance (Contd.)

#### ■ Particulars of Number of other Directorship and Committee Membership/Chairmanship

The Number of directorship and committee membership/ chairmanship held by each director in other companies as on 31st March, 2023 is tabled below:

Name of Directors	Number of directorship held in other companies		Number of committee position held in Public Limited Companies***		List of Directorship held in Other Listed Companies and Category of Directorship
	Public Limited Companies*	Others**	Committee Membership(s)	Committee Chairmanship(s)	
Shri Aditya Jajodia	6	4	–	–	–
Shri Sanjiv Jajodia	6	1	1	–	–
Shri Rajiv Jajodia	4	4	1	–	–
Shri Gaurav Jajodia	2	1	1	–	–
Shri Bimal Kumar Choudhary	–	–	–	–	–
Shri Shailendra Kumar Tamotia	–	–	–	–	–
Smt. Seema Chowdhury	–	–	–	–	–
Smt. Rakhi Bajoria	–	–	–	–	–
Shri Ashim Kumar Mukherjee	–	–	–	–	–
Smt. Swati Bajaj	–	3	–	–	–

\*It does not includes directorship in foreign companies, companies registered under Section 8 of the Companies Act, 2013 and Private limited companies and includes alternate directorships in public limited companies (excluding Jai Balaji Industries Limited).

\*\*Directorship of any private limited companies (including alternate directorship), foreign companies and companies under section 8 of the Companies Act, 2013 have been considered.

\*\*\*Membership(s)/Chairmanship(s) of only the Audit Committee and Stakeholders' Relationship Committee in all Public Limited Companies (excluding Jai Balaji Industries Limited) have been considered.

Pursuant to Regulation 17A of the Listing Regulations, none of the directors serve as a director in more than seven listed entities. Further, none of the Independent Directors of the Company serves in more than seven listed entities and none of the whole-time directors of the Company serves as an independent director in more than three listed entities.

None of the directors serve as a member in more than ten committees or act as a Chairperson of more than five committees across all the listed entities in which they serve as a director pursuant to Regulation 26 of the Listing Regulations.

Directors informed the Company whenever there is change in directorship or committee membership in any other

company in which he is director or committee member. The Board duly took note of the declaration received from the Director in the Board Meetings. All members of the Board and senior management affirm compliance with the code of conduct of board of directors and senior management on annual basis. Further, senior management have made disclosures to the board of directors relating to all material, financial and commercial transactions, where they have personal interest that may have a potential conflict with the interest of the listed entity at large, if any.

The facts and figures as stated above are based on the declarations received from the directors for the financial year ended 31st March, 2023.



### Report of the Directors on Corporate Governance (Contd.)

#### List of Core Skills / Expertise / Competencies of directors

A chart or matrix setting out the list of core skills / expertise / competencies identified by the Board of Directors as required in the context of its business (es) and sector (s) for it to function effectively are as under :

Sl. No.	Attributes	Description
(1)	Industry	(a) Experience in and knowledge of the industry in which the Company operates. (b) Experience and knowledge of broader industry environment and business planning.
(2)	Strategy and Planning	Appreciation of long-term trends, strategic choices and experience in guiding and leading management teams to make decisions in uncertain environments.
(3)	Professional	Expertise in professional areas such as Technical, Accounting, Finance, Legal, Human Resources, Marketing, etc.
(4)	Governance	Experience in developing governance practices, serving the best interests of all stakeholders, maintaining board and management accountability, building long-term effective stakeholder engagements and driving corporate ethics and values.
(5)	Behavioural	Knowledge and skills to function well as team members, effective decision making processes, integrity, effective communication, innovative thinking.

Directors	Attributes				
	Industry	Strategy and Planning	Professional	Governance	Behavioural
Shri Aditya Jajodia	Yes	Yes	Yes	Yes	Yes
Shri Sanjiv Jajodia	Yes	Yes	Yes	Yes	Yes
Shri Rajiv Jajodia	Yes	Yes	Yes	Yes	Yes
Shri Gaurav Jajodia	Yes	Yes	Yes	Yes	Yes
Shri Bimal Kumar Choudhary	Yes	Yes	Yes	Yes	Yes
Shri Shailendra Kumar Tamotia	Yes	Yes	Yes	Yes	Yes
Shri Ashim Kumar Mukherjee	Yes	Yes	Yes	Yes	Yes
Smt. Seema Chowdhury	–	Yes	Yes	Yes	Yes
Smt. Rakhi Bajoria	–	Yes	Yes	Yes	Yes
Smt. Swati Bajaj	–	Yes	Yes	Yes	Yes

#### ■ Performance Evaluation of Board

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17(10), 19(4) and Part D of Schedule II of the Listing Regulations, a Board Evaluation Policy has been framed and approved by the Nomination and Remuneration Committee (NRC) and by the Board.

The Board of Directors has carried out an annual evaluation of its own performance, board committees, and individual directors pursuant to the provisions of the Companies Act, 2013 and the Listing Regulations.

The performance of the board was evaluated by the board after seeking inputs from all the directors on the basis of

criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of criteria such as the composition of committees, effectiveness of committee meetings, etc.

The above criteria are broadly based on the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India on January 5, 2017.

The performance of non-independent directors, the board as a whole and the Chairman of the Company were





## Report of the Directors on Corporate Governance (Contd.)

evaluated by the Independent Directors, taking into account the views of executive directors and non-executive directors.

The Board and the Nomination and Remuneration Committee reviewed the performance of individual directors on the basis of criteria such as the contribution of the individual director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

The performance evaluation of independent directors was done by the board of directors excluding the ones whose evaluation was to be carried out including the fulfilment of the independence criteria as specified in the Listing Regulations and independence of independent directors from the management.

The Directors expressed their satisfaction with the evaluation process.

### ■ Separate Meeting of Independent Directors

During the year 2022-23, as per requirement of Schedule IV of the Companies Act, 2013 and Regulation 25(3) of the Listing Regulations, a separate meeting of Independent Directors was held on 13th February, 2023 without the presence of non-independent directors and members of the management. The meeting was conducted by Independent Directors to:

- ✦ Evaluate the performance of Non-Independent Directors and the Board of Directors as a whole.
- ✦ Evaluate the performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors.
- ✦ Evaluate the quality, content and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

### ■ Familiarisation Programme for Independent Directors

In Compliance with Regulation 25(7) of the Listing Regulations, the Company has conducted familiarisation cum induction programme for the independent directors on 13th February, 2023.

The familiarisation programme for our Directors is customised to suit the individual interest and area of expertise of the Independent Directors. The induction programme included one-to-one interactive sessions with the Managing Director. Such programmes/presentations provide an opportunity to the Independent Directors to interact with the Senior Management of the Company and help them to understand the Company's strategy, business model, operations, service and product offerings,

markets, organization structure, finance, human resources, technology, quality, facilities and risk management and such other areas as may arise from time to time.

The Independent Directors were made aware and updated on the various operations carried on by the Company during the year and about the recent amendments notified by MCA.

The IDs have in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014, confirmed that they have enrolled themselves in the Independent Directors' Databank maintained with the Indian Institute of Corporate Affairs along with the declaration given under sub-section (7) of section 149 of the Companies Act.

Apart from the induction programme, the Company also update the Independent Directors at the Board/Committee meetings to familiarise the Directors with the Company's strategy, their rights and responsibilities, business performance, operations, finance, risk management framework, human resources and other related matters.

The details on the Company's Familiarisation Programme imparted to Independent Directors can be accessed at <https://jaibalajigroup.com/familiarization-programmes-imparted-to-independent-directors/>

### ■ Independent director databank registration

The IDs have in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014, confirmed that they have enrolled themselves in the Independent Directors' Databank maintained with the Indian Institute of Corporate Affairs.

## 3. BOARD COMMITTEES

The Board Committees play a vital role in strengthening the Corporate Governance practices and focus effectively on the issues and ensure expedient resolution of the diverse matters. The idea behind the Committees of the Board is to tap the specific talents, skills and knowledge of individual directors to inform and educate the full board on particular areas of concern. The Committees also make specific recommendations to the Board on various matters when required. All observations, recommendations and decisions of the Committees are placed before the Board for information or for approval.

As on 31st March, 2023, the Company had following committees - Audit Committee, Nomination & Remuneration Committee, Stakeholders' Relationship Committee, Corporate Social Responsibility Committee, Management (Finance) Committee, Risk Management Committee and Internal Complaints Committee.



### Report of the Directors on Corporate Governance (Contd.)

The Committees operate under the direct supervision of the Board, and Chairpersons of the respective Committees report to the Board about the deliberations and decisions taken by the Committees. The recommendations of the Committees are submitted to the Board for approval. During the year under review, all recommendations of the Committees were approved by the Board. The minutes of the meetings of all Committees of the Board are placed before the Board for noting. The Chairperson of the Audit Committees, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Risk Management Committee were present at the previous Annual General Meeting.

The role, composition and terms of reference of all committees including the number of meetings held during the financial year ended 31st March, 2023 and the related attendance are as follows:

#### \* AUDIT COMMITTEE

The Company has constituted an Audit Committee in compliance with Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations which is entrusted with the primary objective to monitor and provide effective supervision of the Management's financial reporting process, to ensure accurate and timely disclosures with the highest levels of transparency, integrity and quality of financial reporting.

#### Terms of Reference:

The terms of reference of the Audit Committee include the role as stipulated and review of information as laid in Part C of Schedule II of Listing Regulations. The brief description of the terms of reference of the Audit Committee in line with the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements), 2015 are as follows:

- \* Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- \* Recommendation for appointment, remuneration and terms of appointment of the auditors of the company;
- \* Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- \* Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval with particular reference to:
  - a) matters required to be included in the directors' responsibility statement to be included in the Board's Report in terms of Clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
  - b) changes if any, in accounting policies and practices and reasons for the same
  - c) major accounting entries involving estimates based on the exercise of judgement by management;
  - d) significant adjustments made in the financial statements arising out of audit findings;
  - e) compliance with listing and other legal requirements relating to financial statements;
  - f) disclosure of any related party transaction;
  - g) modified opinion(s) in the draft audit report;
- \* Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- \* Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- \* Reviewing and monitoring the auditor's independence and performance and effectiveness of audit process;
- \* Approval or any subsequent modification of transactions of the company with related parties;
- \* Scrutiny of inter-corporate loans and investments;
- \* Valuation of undertakings or assets of the company, wherever it is necessary;
- \* Evaluation of internal financial controls and risk management systems;
- \* Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- \* Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- \* Discussion with internal auditors of any significant findings and follow up there on;
- \* Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- \* Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- \* To look into the reasons for substantial defaults in the payment to the depositors, debenture holders,



### Report of the Directors on Corporate Governance (Contd.)

shareholders (in case of non-payment of declared dividends) and creditors;

- \* To review the functioning of the whistle blower mechanism;
- \* Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- \* Carrying out any other functions as mentioned in the terms of reference of the Audit Committee.
- \* Reviewing the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
- \* To consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

In addition, the Audit Committee also mandatorily reviews the following:

- \* Management discussion and analysis of financial condition and results of operation;
- \* Management letters/letters of internal control weaknesses issued by the Statutory Auditors;
- \* Internal Audit Reports relating to internal control weaknesses; and
- \* The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
- \* Statement of deviations:
  - a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to the stock exchange(s) in terms of Regulation 32(1)
  - b) Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

The Audit Committee have authority to investigate any activity within its terms of reference, seek information from any employee, obtain outside legal or professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary. The scope of activity of the Committee is also in consonance with the provisions of Section 177 of the Companies Act, 2013.

#### • Composition of the Committee

As on 31st March, 2023, the committee consists of 4 Members, comprising:

Name of the members	Category
Shri Ashim Kumar Mukherjee (Chairman)	Non-Executive Independent Director
Shri Aditya Jajodia	Promoter Executive Director
Shri Shailendra Kumar Tamotia	Non-Executive Independent Director
Smt. Rakhi Bajoria	Non-Executive Independent Director

Shri Ajay Kumar Tantia, Company Secretary acts as the Secretary to the committee. All the members of the Committee are financially literate and have knowledge on accounting or financial management.

The Composition of the Committee is hosted on the website of the Company under the web link [https://jaibalajigroup.com/wp-content/uploads/2022/05/Composition\\_of\\_Committees.pdf](https://jaibalajigroup.com/wp-content/uploads/2022/05/Composition_of_Committees.pdf).

#### • Attendance of the Members at the meetings during the year

During the financial year 2022-23, the Committee met 5 times i.e. on 27th May, 2022; 22nd July, 2022; 13th August, 2022; 14th November, 2022 and 13th February, 2023 and not more than one hundred and twenty days elapse between two meetings. The necessary quorum was present at all the meetings with at least two independent directors.

Particulars of attendance of each member of the Committee is stated herein below:

Name of the members	No. of meetings attended
Shri Ashim Kumar Mukherjee	5
Shri Aditya Jajodia	5
Shri Shailendra Kumar Tamotia	4
Smt. Rakhi Bajoria	5

Shri Sanjiv Jajodia, Chief Financial Officer of the Company was invited at the meetings of the Committee and he attended all the meetings. Further, the Audit Committee invites, as and when it considers appropriate, the statutory auditors and the internal auditors to be present at the meetings of the Committee. The representatives of the Cost Auditor attend



### Report of the Directors on Corporate Governance (Contd.)

the Audit Committee meeting when the Cost Audit Report is tabled for discussion.

Shri Ajay Kumar Tantia, the Company Secretary acts as the Secretary to the Audit Committee.

Shri Ashim Kumar Mukherjee, the Chairman of the Audit Committee was present at the Twenty Third Annual General Meeting of the Company held on 27th September, 2022.

#### ■ NOMINATION & REMUNERATION COMMITTEE

The Company has a Nomination and Remuneration Committee constituted pursuant to the provisions of Regulations 19 read with Part D of Schedule II of the Listing Regulations and Section 178 of the Act.

##### Terms of Reference:

The terms of reference include matters included in Section 178 (2) to (4) of Companies Act, 2013 read with Part D of Schedule II of the Listing Regulations. The brief terms of reference of the Committee include the following:

- \* Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to the remuneration of the directors, key managerial personnel and other employees;
- \* For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
  - a. use the services of an external agencies, if required;
  - b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - c. consider the time commitments of the candidates.
- \* Formulation of criteria for evaluation of performance of independent directors and Board of directors;
- \* Devising a policy on diversity of board of directors;
- \* Identifying persons who are qualified to become directors and who may be appointed in Senior Management in accordance with the criteria laid down and recommend to the Board of directors their appointment and removal.
- \* Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent director.

- \* To recommend to the board, all remuneration, in whatever form, payable to senior management.
- \* To ensure that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
- \* To ensure that relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
- \* To ensure that Remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.
- \* To carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification, as may be applicable;

#### ● Composition of the Committee

The Committee comprised of three non-executive directors of the Company as members as on 31st March, 2023 :

Name of the Members	Category
Shri Ashim Kumar Mukherjee (Chairman)	Non-Executive Independent Director
Shri Shailendra Kumar Tamotia	Non-Executive Independent Director
Shri Rajiv Jajodia	Non-Executive Independent Director

The performance of Independent Directors are evaluated on various parameters but not limited to - attendance, preparedness for meetings, updation on developments, participation, engaging with management, ensuring integrity of financial statements and internal control, ensuring risk management and mitigation etc.

The Composition of the Committee is hosted on the website of the Company under the web link [https://jaibalajigroup.com/wp-content/uploads/2022/05/Composition\\_of\\_Committees.pdf](https://jaibalajigroup.com/wp-content/uploads/2022/05/Composition_of_Committees.pdf).

#### ● Attendance of the Members at the meetings

During the year under review, the member of the committee met thrice viz 21st April, 2022; 27th May, 2022; and 13th August, 2022. The necessary quorum was present at all the meetings.





### Report of the Directors on Corporate Governance (Contd.)

Number of meetings attended by each of the member of the Committee is detailed hereunder:

Name of the Members	No. of meetings attended
Shri Ashim Kumar Mukherjee	3
Shri Shailendra Kumar Tamotia	1
Shri Rajiv Jajodia*	3
Shri Rakhi Bajoria**	-

\*Shri Rajiv Jajodia resigned from the membership of the committee with effect from 1st September, 2022.

\*\* Smt Rakhi Bajoria was a inducted as a member of the Nomination & remuneration committee with effect from 1st September, 2022.

Shri Ashim Kumar Mukherjee, the Chairman of the committee was present at the last Annual General Meeting to answer the queries of the shareholders.

#### ● Performance Evaluation Criteria for Independent Director

The performance evaluation criteria for independent directors is determined by the Nomination and Remuneration Committee. An indicative list of factors on which evaluation was carried out includes attendance, participation and contribution by a director, commitment, acquaintance with business, effective deployment of knowledge and expertise, integrity and maintenance of confidentiality and independence of judgement.

#### ● Remuneration Policy

The Board has, on the recommendation of the Nomination and Remuneration Committee framed a policy on remuneration of Directors and Senior Management Employees. The Company's remuneration policy is directed towards rewarding performance based on periodic review of the achievements. The remuneration policy has been disclosed in the Annual Report as "Annexure-B" to the Directors Reports.

#### ● Criteria of making payments:

Overall remuneration paid to the Board, Key Managerial Personnels' and other senior management employees are reasonable and sufficient to attract, retain and motivate them aligned to the requirements of the Company (taking into consideration the challenges faced by the Company and its future growth imperatives). The remuneration package of the Executive Directors is determined by the Nomination and Remuneration Committee in accordance with the Remuneration policy of the Company. The recommendations of the Committee are considered and approved by the Board, subject to the approval of the members of the Company.

#### ● Executive Directors:

Shri Aditya Jajodia, Managing Director, Shri Sanjiv Jajodia, Whole-time Director, Shri Rajiv Jajodia, Whole-time Director and Shri Gaurav Jajodia, Whole Time Director of the Company are Promoter Executive Directors. The terms and conditions of their appointment are as per the

resolutions passed by the Board and Shareholders of the Company.

The Board on recommendation of the Nomination and Remuneration Committee vide its meeting held on 21st April, 2022 approved the payment of remuneration to following Executive Directors-

- \* payment of monthly remuneration of Rs. 8,50,000/- to Shri Aditya Jajodia w.e.f 01.04.2022 for the remaining tenure of his appointment i.e from 1st April, 2022 till 21st July, 2022.
- \* payment of monthly remuneration of Rs. 7,00,000/- to Shri Sanjiv Jajodia w.e.f 01.04.2022 for the remaining tenure of his appointment i.e from 1st April, 2022 till 29th June, 2023.

Further subsequent to the approval of the members at the Annual General Meeting of the Company held on 27th September, 2022 the remuneration approved on appointment /re-appointments of directors are as follows:

- \* appointed Shri Rajiv Jajodia (DIN: 00045192) as the Whole-time Director of the Company for a period of 3 (three) years with effect from 1st September, 2022 to 31st August, 2025 at a monthly remuneration of Rs.7,00,000 per month (Salary - Rs. 3,50,000/- Perquisites and other allowances -Rs. 3,50,000/-)
- \* appointed Shri Gaurav Jajodia (DIN: 00028560) as the Whole-time Director of the Company for a period of 3 (three) years with effect from 1st September, 2022 to 31st August, 2025 at a monthly remuneration of Rs.7,00,000 per month (Salary - Rs. 3,50,000/- Perquisites and other allowances - Rs. 3,50,000/-)
- \* re-appointment of Shri Aditya Jajodia as the Managing Director of the company for a period of 5 (five) years with effect from 22nd July, 2022 to 21st July, 2027 at a monthly remuneration of Rs. 8,50,000 per month (Salary - Rs. 4,25,000/ Perquisites and other allowances - Rs. 4,25,000/)
- \* re-appointment of Shri Sanjiv Jajodia as the Whole-time Director of the company for a period of 3 (three) years from 30th June, 2023 to 29th June, 2026 at a monthly remuneration of Rs. 7,00,000 per month (Salary- Rs. 3,50,000/- Perquisites and other allowances - Rs. 3,50,000/-)

During the Financial Year 2023-2024 the members of the Company through Postal Ballot dated 5th April, 2023 approved the remuneration of Rs. 21,36,000/- p.a. to be paid to Shri Bimal Kumar Choudhary from 1st April, 2023 to remaining tenure of his current appointment.

The current tenure of the office of Shri Bimal Kumar Choudhary, Non - Promoter Executive Director is for a period of 3 (three) years with effect from 15th September, 2020 till 14th September, 2023. Accordingly the Board members at their meeting held on 14th August, 2023 has approved re-appointment of Shri Bimal kumar Choudhary for further period of 3 years with effect from 15th September, 2023 till 14th September, 2026 at a monthly remuneration of Rs. 21,36,000/- p.a. subject to approval of shareholders.

### Report of the Directors on Corporate Governance (Contd.)

No part of remuneration is linked with the performance of the respective director. Further there is no separate provision for notice period & payment of severance fees. The Company does not have any scheme for grant of Stock Options to its Directors, Managing Directors or other employees.

#### ● Non-Executive Directors:

Non - Executive Directors are not entitled to any remuneration apart from the sitting fees for attending meetings of the Board. At present no sitting fees is paid for attending Committee meetings. The Company also reimburses the out-of-pocket expenses incurred by the Directors for attending meetings. The Company pays sitting fee to its non-executive Directors as permissible under the Companies Act, 2013.

The details of sitting fees (including TDS) paid to the Non - Executive Directors for the financial year 2022-23 are as follows:

(₹)

Particulars	Sitting Fees (including TDS)
Shri Rajiv Jajodia*	15,000
Shri Gaurav Jajodia*	15,000
Shri Shailendra Kumar Tamotia	15,000
Smt. Seema Chowdhury	25,000
Smt. Rakhi Bajoria	25,000
Shri Ashim Kumar Mukherjee	25,000
Smt. Swati Bajaj	25,000
<b>Total</b>	<b>1,45,000</b>

\*Shri Rajiv Jajodia and Shri Gaurav Jajodia ceases to be a Non - Executive Director w.e.f. 1st September, 2022

The Non-Executive Directors do not have any other pecuniary relationship or transactions with the Company. Further none of them hold any shares or convertible instruments of the Company as on 31st March, 2023.

#### ■ STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Board of Directors of the Company has constituted a Stakeholders Relationship Committee of the Board in terms of the requirements of Section 178 of the Companies Act, 2013 and Rules framed thereunder read with Regulation 20 of the Listing Regulations. Stakeholders' Relationship Committee looks into various aspects of interest of shareholders, debenture holders and other security holders.

#### Terms of Reference:

The terms of reference include matters included in Section 178 of Companies Act, 2013 read with Part D of Schedule II of the Listing Regulations. The brief terms of reference of the Committee include the following:

- \* Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.

- \* Review of measures taken for effective exercise of voting rights by shareholders.
- \* Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- \* Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.
- \* To review and note all matters relating to the registration of transfer and transmission of shares and debentures, transposition of shares, sub-division of shares, issue of duplicate share certificates or allotment letters and certificates for debentures in lieu of those lost/misplaced;
- \* To review dematerialisation and rematerialisation of the shares of the Company;
- \* To comply with all such directions of SEBI, Stock Exchanges, Ministry of Corporate Affairs & other regulatory bodies w.r.t. shareholders'/investors' rights and market regulations, from time to time.

#### ● Composition of the Committee

The Committee comprised of 3(Three) members as on 31st March, 2023, out of which the Chairman of the Committee is a non-executive director of the Company. Details of members are stated hereunder:

Name of the Members	Category
Shri Shailendra Kumar Tamotia (Chairman)	Non-Executive Independent Director
Shri Aditya Jajodia	Promoter Executive Director
Shri Gaurav Jajodia	Promoter Executive Director

The Composition of the Committee is hosted on the website of the Company under the weblink [https://jaibalajigroup.com/wp-content/uploads/2022/05/Composition\\_of\\_Committees.pdf](https://jaibalajigroup.com/wp-content/uploads/2022/05/Composition_of_Committees.pdf)

#### Compliance Officer

Shri Ajay Kumar Tantia, Company Secretary is the Compliance Officer of the Company. The Company Secretary acts as the Secretary to the Committee.

#### ■ Attendance of the Members at the meetings

During the financial year 2022-23, the Committee met 4 times i.e. on 27th May, 2022; 13th August, 2022; 14th November, 2022 and 13th February, 2023 and not more than one hundred and twenty days elapse between two meetings.

Number of meetings attended by each of the member of the Committee is detailed hereunder:

Name of the Members	No. of meetings attended
Shri Shailendra Kumar Tamotia	3
Shri Aditya Jajodia	4
Shri Gaurav Jajodia	4



### Report of the Directors on Corporate Governance (Contd.)

Shri Shailendra Kumar Tamotia, the Chairman of the committee was present at the last Annual General Meeting to answer the queries of the shareholders.

● **The details of investor complaints received, pending or solved during the year**

Number of shareholders complaints pending as on 1st April, 2022	:	NIL
Number of shareholders complaints received during the year ended 31st March, 2023	:	NIL
Number of shareholders complaints not solved to the satisfaction of the shareholders	:	NIL
Number of shareholders complaints pending as on 31st March, 2023	:	NIL

It is confirmed that there was no request for registration of share transfers/transmission lying pending as on 31st March, 2023 and that all request for issue of new certificates, sub-division or consolidation of shareholding, etc, received up to 31st March, 2023, if any, have been processed. The Company has an efficient system in place to record and process all requests for dematerialization and re-materialization of shares in the Company through National Securities Depository Limited (NSDL)/ Central Depository Services (India) Limited (CDSL).

Status of Investor Complaints was also placed before the Board and was filed with the Stock Exchanges wherein the equity shares of the Company are listed pursuant to Regulation 13 of the Listing Regulations.

■ **RISK MANAGEMENT COMMITTEE**

The Company's risk management framework identifies and evaluates business risks and opportunities. The Company recognises that these risks need to be managed and mitigated to protect its shareholders and other stakeholders' interest, to achieve its business objectives and enable sustainable growth. The risk frame work is aimed at effectively mitigating the Company's various business and operational risks, through strategic actions. Risk management is embedded in our critical business activities, functions and processes. The risks are reviewed for the change in the nature and extent of the major risks identified since the last assessment. It also provides control measures for risks and future action plans. The Company has devised a policy on Risk Management which is hosted on the Company's Website viz. "www.jaibalajigroup.com" under the web-link <https://jaibalajigroup.com/wp-content/uploads/2021/02/risk-management-policy.pdf>

The Committee comprises of 3 (Three) members as on 31st March, 2023, out of which the Chairman of the Committee is a non-executive independent director of the Company.

● **Terms of Reference:**

The terms of reference include matters included in Part C of Schedule II of the Listing Regulations. The brief terms of reference of the Committee include the following:

- (1) To formulate a detailed risk management policy this shall include:
  - (a) A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
  - (b) Measures for risk mitigation including systems and processes for internal control of identified risks.
  - (c) Business continuity plan.
- (2) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- (3) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- (4) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- (5) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- (6) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

The Risk Management Committee coordinates its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the board of directors.

● **Composition of the Committee**

The Committee comprised of 3(Three) members as on 31st March, 2023, out of which the Chairman of the Committee is a non-executive Independent director of the Company. Details of members are stated hereunder:

Name of the Members	Category
Shri Ashim Kumar Mukherjee (Chairman)	Non-Executive Independent Director
Shri Aditya Jajodia	Promoter Executive Director
Shri Gaurav Jajodia	Promoter Executive Director

The Composition of the Committee is hosted on the website of the Company under the weblink [https://jaibalajigroup.com/wp-content/uploads/2022/05/Composition\\_of\\_Committees.pdf](https://jaibalajigroup.com/wp-content/uploads/2022/05/Composition_of_Committees.pdf)



### Report of the Directors on Corporate Governance (Contd.)

- Compliance Officer**

Shri Ajay Kumar Tantia, Company Secretary is the Compliance Officer of the Company. The Company Secretary acts as the Secretary to the Committee.

- Attendance of the Members at the meetings**

During the financial year 2022-23, the Committee met twice i.e. on 27th May, 2022 and 14th November, 2022 and not more than one hundred and eighty days elapse between two meetings.

Number of meetings attended by each of the member of the Committee is detailed hereunder:

Name of the Members	No. of meetings attended
Shri Ashim Kumar Mukherjee (Chairman)	2
Shri Aditya Jajodia	2
Shri Gaurav Jajodia	2

Shri Ashim Kumar Banerjee, the Chairman of the committee was present at the last Annual General Meeting to answer the queries of the shareholders.

- MANAGEMENT (FINANCE) COMMITTEE**

This Committee periodically reviews the finance function associated with operations of the Company. It spreads the burden of financial management, thereby also potentially improving the quality and enables more democratic control of the organisation's finances. There was no change in the terms of reference of the Committee during the financial year 2022-23.

- Composition of the Committee and attendance at the meetings**

Name of the Members	Category	No. of meetings attended
Shri Aditya Jajodia (Chairman)	Promoter Executive Director	1
Shri Sanjiv Jajodia	Promoter Executive Director	1
Shri Rajiv Jajodia	Promoter Executive Director	1

The Composition of the Committee is hosted on the website of the Company under the weblink [https://jaibalajigroup.com/wp-content/uploads/2022/05/Composition\\_of\\_Committees.pdf](https://jaibalajigroup.com/wp-content/uploads/2022/05/Composition_of_Committees.pdf)

During the year under review, the members of the committee met on 18th April, 2022. The necessary quorum was present at the meetings as all the members have attended the meetings.

Shri Ajay Kumar Tantia, Company Secretary of the Company also attended the meetings of the Committee.

- CORPORATE SOCIAL RESPONSIBILITY COMMITTEE**

The Company has constituted a Corporate Social Responsibility Committee pursuant to the provisions of Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility) Rules, 2014.

- Terms of reference of the committee**

- To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company in areas or subject as specified in Schedule VII of the companies Act, 2013;
- To recommend the amount of expenditure to be incurred on such activities; and
- To monitor the Corporate Social Responsibility Policy of the Company from time to time.

As per the requirements of section 135(5) of the Companies Act, 2013 the Company is required to spend at least two percent of its average net profits made during the three immediately preceding financial years towards CSR Activities.

However, CSR and Sustainable Development has always been one of the leading priorities of the Company and the Company continues to undertake a wide range of CSR activities to contribute towards welfare and betterment of the society. Therefore, as a good corporate practice and for better governance, the Company shall continue to strive towards spending for CSR the way it has been doing in past years.

The CSR policy of the Company is hosted on the website of the Company i.e. <https://jaibalajigroup.com/wp-content/uploads/2021/02/corporate-social-responsibility-policy.pdf>

During the financial year under review the Committee met 2 times i.e on 27th May, 2022 and on 14th November, 2022.

- Composition of the Committee and Attendance of the Members at the meetings**

Name of the Members	Category	No. of meetings attended
Shri Shailendra Kumar Tamotia (Chairman)	Independent Non-Executive Director	1
Shri Bimal Kumar Choudhary	Executive Director	2
Shri Rajiv Jajodia	Promoter Executive Director	2





### Report of the Directors on Corporate Governance (Contd.)

Shri Ajay Kumar Tantia, the Company Secretary of the Company also attended the meetings of the Committee.

The Composition of the Committee is hosted on the website of the Company under the weblink [https://jaibalajigroup.com/wp-content/uploads/2022/05/Composition\\_of\\_Committees.pdf](https://jaibalajigroup.com/wp-content/uploads/2022/05/Composition_of_Committees.pdf)

#### ■ Internal Complaints Committee

In pursuance of the Section 4 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and rules framed thereunder, the Board of directors of the Company formulated the Internal Complaints Committee. Further, a policy on prevention of sexual harassment of women at the workplace was duly approved and adopted by the Company and is available on the website of the Company under the weblink <https://jaibalajigroup.com/wp-content/uploads/2021/02/safety-of-women.pdf>. The basic procedure followed in the Committee is complying with the natural justice and fair play to the aggrieved person and providing protection to women at workplace.

The Committee comprised of 4(Four) members as on 31st March, 2023, out of which the Chairman of the Committee is the Presiding Officer.

Name of the Members	Category
Smt. Ruma Basu*	Presiding Officer
Smt. Priti Todi	Outside member
Shri Ajay Kumar Tantia**	Member
Shri Raj Kumar Sharma	Member

\*Appointed w.e.f. 14.02.2023 on completion of tenure of Smt. Indira Agarwal.

\*\*Appointed w.e.f. 14.11.2022 on completion of tenure of Shri Bivash Chakraborty.

Number of meetings attended by each of the member of the Committee is detailed hereunder:

Name of the Members	No. of meetings attended
Smt. Indira Agarwal	1
Smt. Ruma Basu	-
Smt. Priti Todi	1
Shri Ajay Kumar Tantia	1
Shri Raj Kumar Sharma	1

During the financial year under review the members of the Committee met on 13th February, 2023 for noting details of the complaints received/resolved by the Committee during the year and all the members attended the meeting. The Company has also held an awareness programme for the female employees of the organisation on 13th February, 2023.

In line with the requirements of Section 21 of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and rules made thereunder, further details of Complaints received/resolved by the Committee during the year is stated hereunder:

No. of Complaints of Sexual Harassment received during the year	: NIL
No. of Complaints disposed off during the year	: NIL
No. of cases pending for more than 90 days	: NIL
No. of Complaints pending as on end of the financial year	: NIL
No. of workshops or awareness programme against sexual harassment carried out	: 1 (one)
Nature of action taken by the employer	: NIL

#### 4. Particulars of Senior Management

Sl No.	Name of Senior Management	Designation
1.	Ajay Kumar Tantia	Company Secretary & Compliance Officer
2.	Raj Kumar Sharma	General Manager - Finance
3.	Vijay Kumar Bagri	General Manager - Finance
4.	Sushil Kumar Nevatia	Vice President - DIP
5.	Alok Pandey	Associate Vice President - HR & Admin
6.	Sanjay Kumar Agarwal	Associate Vice President - Accounts
7.	Babu Swadesh Sharma	Senior President - Plant Head (Unit -III)
8.	Pawan Kumar Shah	Vice President - Ferro
9.	Sujoy Kanti Bagchi	President - Sales & Marketing

There were no changes in the particulars of Senior Management from the close of the previous financial year.



### Report of the Directors on Corporate Governance (Contd.)

#### 5. GENERAL BODY MEETINGS

##### ■ Annual General Meeting

The date, day, location, and time wherein the last three Annual General Meetings were held are as follows:

Financial Year	Day	Date	Time	Location	Whether any special resolution passed
2021-22	Tuesday	27.09.2022	12:30 P.M.	5, Bentinck Street, Kolkata - 700 001 (through Video Conferencing ("VC") or Other Audio-Visual Means ("OAVM"))	Yes
2020-21	Tuesday	28.09.2021	11:00 A.M.	5, Bentinck Street, Kolkata - 700 001 (through Video Conferencing ("VC") or Other Audio-Visual Means ("OAVM"))	No
2019-20	Thursday	29.10.2020	11:00 A.M.	5, Bentinck Street, Kolkata - 700 001 (through Video Conferencing ("VC") or Other Audio-Visual	Yes

#### Special Resolutions passed in the previous three AGMs

The following Special Resolutions were passed in the last three Annual General Meetings:

- **2021-22**
  - ◆ Re-appointment of Shri Aditya Jajodia (DIN: 00045114) as managing Director of the Company, for a period of 5 (five) years w.e.f. 22nd July, 2022.
  - ◆ Payment of remuneration to Shri Aditya Jajodia with effect from 01.04.2022 for the remaining tenure of his previous appointment i.e. from 1st April, 2022 to 21st July, 2022.
  - ◆ Re-appointment of Shri Sanjiv Jajodia (DIN: 00036339) as Whole Time Director of the company, for a period of 3 (three) years w.e.f. 30th June, 2023.
  - ◆ Payment of remuneration to Shri Sanjiv Jajodia with effect from 01.04.2022 for the remaining tenure of his previous appointment i.e. from 1st April, 2022 to 29th June, 2023.
  - ◆ Appointment of Shri Rajiv Jajodia (DIN: 00045192) as Whole Time Director of the company for a period of 3 (three) years w.e.f. 1st September, 2022.
  - ◆ Appointment of Shri Gaurav Jajodia (DIN: 00028560) as Whole Time Director of the company for a period of 3 (three) years w.e.f. 1st September, 2022.
- **2020-21**
  - ◆ In the AGM held during F.Y 2020-21 no special resolutions were passed.
- **2019 - 20**
  - ◆ Re-appointment of Shri Ashim Kumar Mukherjee (DIN: 00047844) who is more than 75 years of age, as Independent Director of the Company for a period of 5 years.

#### Postal Ballot

- No Special Resolution was passed through Postal Ballot during last year.

During the Financial Year 2023-2024 the Special Resolutions were passed through Postal Ballot on 05.04.2023. The Notice was sent to the members of the Company in electronic Form and members were requested to communicate their assent or dissent on the proposed resolutions through the remote e-voting system only.

The Board of Directors of the Company had appointed M/s. MKB & Associates, Company Secretaries in Practice, Kolkata (FRN: P2010WB042700), as the Scrutinizer for conducting the postal ballot process through remote e-voting in a fair and transparent manner in accordance with the provisions of the Act and the Rules made thereunder. Further the Voting Results along with the Scrutinizer Report were duly submitted to the Stock Exchanges.

The following Special Resolutions were passed through the Postal Ballot:

- ◆ Alteration in the Memorandum of Association of the company
- ◆ Adoption of amended and restated Articles of Association of the company
- ◆ Payment of remuneration to Shri Bimal Kumar Choudhary, Executive Director of the company with effect from 01.04.2023 for the remaining tenure of his appointment i.e. from 1st April, 2023 to 14th September, 2023.
- ◆ Continuation of Shri Bimal Kumar Choudhary as Executive Director of the company who had attained the age of 70 years.



### Report of the Directors on Corporate Governance (Contd.)

#### Extra-ordinary General Meeting

- During the Financial Year under review the following Extra-Ordinary General meeting were held
- A. An Extra-Ordinary General meeting was held on 18th May, 2022 at 12:30 P.M. through Video Conferencing (VC)/Other Audio Visual Means (OAVM) at 5 Bentinck Street, Kolkata - 700 001. The following special resolutions were passed by the members:
  - ◆ Increase in Authorised Capital of the Company and consequent change in Capital Clause of the Memorandum of Association of the Company
  - ◆ Issue of 5,00,00,000 Warrants at a price of Rs. 52/- (Rupees Fifty two only) per warrant, on Preferential Basis convertible into Equity Shares of the face value of Rs. 10/- (Rupees Ten only) each of the Company ("Equity Shares") at a premium of Rs.42/- (Rupees forty two only) per equity share for each warrant.
- B. An Extra-Ordinary General meeting was held on 11th January, 2023 at 11:00 A.M. at Rotary Sadan (Shripati Singhania Hall), 94/2, Chowringhee Road, Kolkata - 700 020 and the following items were passed as special resolutions:
  - ◆ Increase in Authorised Capital of the Company and consequent change in Capital Clause of the Memorandum of Association of the Company
  - ◆ Issue of 2,20,00,000 Warrants at a price of Rs. 45/- (Rupees Forty five only) per warrant, on Preferential Basis convertible into Equity Shares of the face value of Rs. 10/- (Rupees Ten only) each of the Company ("Equity Shares") at a premium of Rs.35/- (Rupees Thirty five only) per equity share for each warrant.

#### Disclosures

##### ● Related Party Disclosures

There were no materially significant transactions with the related parties, during the year, which were in conflict with the interests of the Company and that require an approval of the Company in terms of the Listing Regulations. The transactions entered into by the Company with the related parties were defined under the applicable provisions of the Companies Act, 2013 and the Listing Regulations.

All Related Party Transactions were placed before the Audit Committee for their approval. Prior Omnibus approval have been taken by the Audit committee for all related party transactions subject to their value not exceeding Rs.1 (One) crore per transaction valid upto a period of 1 (One) year from the date of such approval. Statements of Related Party Transactions were tabled before the Audit Committee on quarterly basis.

Further, the transactions entered into by the Company were on arm's length pricing basis and in the ordinary course of business with no intention to defraud the creditors and shareholders.

The Indian Accounting Standards (Ind AS 24) by the Institute of Chartered Accountants of India, have been followed while preparation of the financial statements. A comprehensive list of all related party transactions entered into by the Company forms a part of Note No. 43 to the financial statements in the Annual Report.

The Policy on Related Party Transaction is available on the website of the company viz. web link [https://jaibalajigroup.com/wp-content/uploads/2022/05/Related\\_Party\\_Policy.pdf](https://jaibalajigroup.com/wp-content/uploads/2022/05/Related_Party_Policy.pdf).

##### ● Capital Market Disclosures

There have been no instances of non-compliances by the Company on any matter related to capital markets, during the last three years and thus no penalty and/or strictures are imposed on the Company by any Stock Exchanges or SEBI or any other statutory authority during last 3 years.

##### ● Vigil Mechanism/Whistleblower policy

As per requirements of the Companies Act, 2013 and Regulation 22 of the Listing Regulations, the Company has established a Vigil Mechanism/ Whistle Blower Policy for directors and employees to enable directors and employees to report unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct. The Policy provides adequate safeguards against victimisation of Director(s)/Employee(s) or any other person who avail mechanism and also provide for direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases.

The Company hereby affirms that no Director/employee/ any other person have been denied access to the Chairperson and that no complaints were received during the year. The Whistle Blower Policy has been disclosed on the Company's website under the web link <https://jaibalajigroup.com/wp-content/uploads/2021/02/whistle-blower-policy.pdf>.

##### ● Details of Utilization of Funds Raised Through Preferential Allotment or Qualified Institutions Placement As Specified Under Regulation 32 (7A)

The Board at its meeting held on 21st April, 2022 has considered and approved the issue and allotment of upto 5,00,00,000 convertible Warrants at a price of Rs.52/- each. The object of the issue was to utilize the proceeds to meet the funding requirements for the growth in business of the Company, working capital requirements and repayment of debt and/or for general corporate purpose. Thereafter pursuant to approval of the members



### Report of the Directors on Corporate Governance (Contd.)

vide Extra-Ordinary General Meeting held on 18th May, 2022 the Board at its meeting held on 27th May, 2022 has allotted 5,00,00,000 warrants on preferential basis convertible into one fully paid equity share of face value of Rs. 10/- each at a premium of Rs. 42/- per equity share for each warrant, in one or more tranches, within a period of 18 months from the date of allotment of the warrants, in accordance with the SEBI (ICDR) Regulations.

Subsequent to the allotment of the warrants, the warrant holders have exercised the rights of conversion of warrants into Equity Shares in tranches and accordingly the Board of Directors at the following meetings considered and approved the conversion of warrants into Equity shares of face value of Rs.10 each out of the total warrants allotted on 27th May, 2022 on preferential allotment basis.

Date of Raising Funds	Amount Raised	Funds Utilised (INR)	Any Deviation
22nd July, 2022	34,12,50,000	34,12,50,000	NA
27th August, 2022	34,12,50,000	34,12,50,000	NA
17th October, 2022	34,12,50,000	34,12,50,000	NA
21st November, 2022	34,12,50,000	34,12,50,000	NA
<b>Total fund raised and utilized during the year under review</b>	<b>1,36,50,00,000</b>	<b>1,36,50,00,000</b>	

During the year under review there was no deviation in the use of proceeds from the objects stated in the offer document or explanatory statement to the notice for the extra-ordinary general meeting held on 18th May, 2022.

- **Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount : NIL**
- **Details of material subsidiaries of the listed entity -**  
The Company do not have any material subsidiary.
- **List of all Credit ratings obtained-** Under suspension.
- **A certificate from a Company Secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority.**

A certificate has been received from, a Practising Company Secretary, that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority.

The Certificate of Company Secretary in practice is annexed herewith as a part of the report.

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

Details relating to fees paid to the Statutory Auditors are given in Note 48 to the Standalone Financial Statements and Note 48 to the Consolidated Financial Statements.

- **Disclosure of Accounting Treatment**

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act 2013 (the 'Act') read with Companies (Indian Accounting Standards) Rules, as amended from time to time.

The financial statements of the Company have been audited by M/s. S. K. Agrawal and Co. Chartered Accountants LLP (formerly known as S. K. Agrawal and Co.), Statutory Auditor of the Company.

- **Code of Conduct**

The Company has in place a comprehensive Code of Conduct for all the Board Members (incorporating, inter-alia, duties of Independent Directors) and Senior Management Personnel of the Company. The Code aims at ensuring consistent standards of conduct and ethical business practices across the Company. The Company has received confirmations from all concerned regarding their adherence to the said Code. The Code has been hosted on the Company's website "www.jaibalajigroup.com" under the web link <https://jaibalajigroup.com/wp-content/uploads/2021/02/code-of-conduct-for-bm-senior-mangmt-new.pdf>.

Pursuant to the Listing Regulations, the Chairman & Managing Director of the Company confirmed compliance with the Code by all members of the Board and the Senior Management personnel and forms part of this Annual Report.

- **Insider Trading**

In order to regulate trading in securities of the Company by the Directors and designated employees, your Company has adopted a Code of Conduct for trading inlisted or proposed to be listed securities of the Company. Insider Trading Code prevents misuse of unpublished price sensitive information and it also provides for periodical disclosures and obtaining pre-clearance for trading in securities of your Company by the Directors, Designated Employees and Connected Persons of your Company. Pursuant to SEBI (Prohibition of Insider Trading) Regulations, 2015 and amendments thereto, the Company has adopted Policy for Legitimate purposes forming part of the Company's Code of Practices and Procedures for Fair Disclosure of





### Report of the Directors on Corporate Governance (Contd.)

Unpublished Price Sensitive Information as effective from 1st April, 2019. This Code is displayed on the Company's website viz "www.jaibalajigroup.com" under the web link <https://jaibalajigroup.com/wp-content/uploads/2021/02/code-of-practices-and-procedures-for-fair-disclosure-of-unpublished-price-sensitive-information.pdf>.

The Company follows highest standards of transparency and fairness in dealing with all stakeholders and ensures that no insider shall use his or her position with or without the knowledge of the Company to gain personal benefit or to provide benefit to any third party. The policy adopted on this by the Company is available on the website of the Company viz "www.jaibalajigroup.com" under the weblink <https://jaibalajigroup.com/wp-content/uploads/2021/02/policy-for-insider-trading.pdf>.

- **Management Discussion and Analysis Report**

Pursuant to Regulation 34 of the Listing Regulations, a detailed report on Management Discussion and Analysis forms a part of Directors Report.

- **Subsidiary Companies**

The Company has two wholly owned subsidiaries viz:

- a) Jai Balaji Steels (Purulia) Limited; and
- b) Jai Balaji Energy (Purulia) Limited.

Pursuant to the applicable provisions of the Companies Act, 2013 and other applicable regulations, the followings are duly complied with:

- a) The Audit Committee reviews the financial statements and in particular, the investments made by the unlisted subsidiary.
- b) Copy of the Minutes of the Board Meetings of the unlisted subsidiaries are annexed as part of detailed agenda and are placed at the meeting of the Board of Directors of the Company.
- c) A Statement containing significant transactions and arrangements entered into by the unlisted subsidiary, if any, is placed before the Company's Board.

The Board of directors of the Company has formulated a policy for determining material subsidiaries which is in line with the requirement of Regulation 16(c) of the Listing Regulations and the same is hosted on the website of the Company under the weblink <https://jaibalajigroup.com/wp-content/uploads/2021/02/policy-on-determining-material-subsiidaries.pdf>.

The Board vide its meeting held on 22nd July, 2022 approved the amalgamation of the two wholly owned subsidiaries with the Company for better and more efficient management, economies of scale including reduction in overhead expenses relating to management

and administration. The same is pending before the Hon'ble National Company Law Tribunal (NCLT), Kolkata.

- **CEO and CFO Certification**

Shri Aditya Jajodia, Chairman and Managing Director and Shri Sanjiv Jajodia, Whole-time Director and Chief Financial Officer of the Company gave annual certification on financial reporting and internal control System to the Board in terms of Regulation 17(8) of the SEBI Listing Regulations as per the format specified in Part B of Schedule II of the Listing Regulations. The annual certificate given by the Chairman and Managing Director and the Chief Financial Officer is published in this Report.

Shri Aditya Jajodia, Chairman and Managing Director and Shri Sanjiv Jajodia, Whole-time Director and Chief Financial Officer of the Company has also given quarterly certificate on financial results while placing the financial results before the Board in terms of Regulation 33(2) of the Listing Regulations.

- **Compliance with Mandatory Requirements**

The Company has complied with the mandatory requirements as stipulated under Listing Regulations, to the extent these apply, extend and possible to the Company.

- **Adoption of Non-Mandatory Requirements or Discretionary Requirements**

- ◆ **The Board**

Shri Aditya Jajodia, Chairman and Managing Director of the Company is an Executive Chairperson.

- ◆ **Shareholder rights**

The Quarterly, half-yearly and annual financial results of the Company as reviewed by the Audit Committee and then approved by the Board of Directors and all the significant events of the Company were submitted to the Stock Exchanges and updated on the website of the Company viz. "www.jaibalajigroup.com" under the weblink <https://jaibalajigroup.com/financial-results/>. These information are not sent to each shareholder personally.

- ◆ **Modified opinion(s) in audit report**

The report of the Statutory Auditors on standalone and Consolidated Financial Statements for the year under review forms part of the Annual Report and does not contains any audit qualification.

- ◆ **Reporting of Internal Auditor**

The Internal Auditor directly reports to the Audit Committee.

- ◆ **Other Compliances**

- The Board of Directors quarterly reviews the compliances



### Report of the Directors on Corporate Governance (Contd.)

and laws as applicable to the Company. They also have in place plans for orderly succession for appointment to the Board of Directors and Senior Management.

#### ◆ SUBMISSION OF CORPORATE GOVERNANCE REPORT

The Corporate Governance Report pursuant to Regulation 27 of the Listing Regulations for each quarter for the financial year 2022-23 was duly submitted to the Stock Exchanges within the stipulated time period.

#### 6. MEANS OF COMMUNICATION

##### ● Quarterly Financial Results

Prior intimation of Board Meetings in which Unaudited/ Audited Financial Results of the Company was considered, approved and were intimated to the Stock Exchanges and also disseminated on the website of the Company at “www.jaibalajigroup.com”. The aforesaid Financial Results are immediately intimated to the Stock Exchanges, after the same is approved at the Board Meeting. In terms of Regulation 10 of the Listing Regulations, the Company complies with the online filing requirements on electronic platforms of BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) viz. BSE Corporate Listing Centre and NSE Electronic Application Processing System (NEAPS), respectively.

##### ● Newspapers wherein results are normally published

The financial results and other publications of the Company are published in “The Financial Express”, (English Newspaper) and “Ek Din”

(Vernacular Newspaper as per Regulation 47 of the Listing Regulations and other applicable provisions.

##### ● Website

Pursuant to Regulation 46 of the Listing Regulations, the Company’s website “www.jaibalajigroup.com” contains a separate dedicated section ‘Investor Relations’ which is a comprehensive reference containing the up-to-date financial results, annual reports, shareholding patterns, Company’s policies, material disclosures, official news releases, presentations made to institutional investors or to the analysts, if any and other general information about the Company.

##### SEBI Complaints Redress System (SCORES):

SCORES is a web-based complaint redress system where the investor grievances received are handled. The pertinent features include: Centralised database of all complaints, online upload of Action Taken Reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaint and its current status.

Contact information of the designated official responsible for assisting and handling Investor Complaints is detailed hereunder:

The Company Secretary  
Jai Balaji Industries Limited  
5, Bentinck Street,  
Kolkata - 700 001  
Phone No.: (91)(33) 2248 9808  
E-mail: jaibalaji@jaibalajigroup.com

## Report of the Directors on Corporate Governance (Contd.)

### 7. GENERAL SHAREHOLDER INFORMATION

Annual General Meeting Day, Date & time	:	Thursday, 21st September, 2023 at 12:30 p.m.								
Venue	:	Through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM")								
Financial Calendar (tentative schedule) for the year 2023-24	:	1st April, 2023 to 31st March, 2024 The probable dates for submission of the Financial Results for the financial year 2023 - 24 :								
		<table border="1"> <tr> <td>1st Quarter Results</td> <td>On or before 14th August, 2023</td> </tr> <tr> <td>2nd Quarter Results</td> <td>On or before 14th November, 2023</td> </tr> <tr> <td>3rd Quarter Results</td> <td>On or before 14th February, 2024</td> </tr> <tr> <td>Annual Results</td> <td>On or before 30th May, 2024</td> </tr> </table>	1st Quarter Results	On or before 14th August, 2023	2nd Quarter Results	On or before 14th November, 2023	3rd Quarter Results	On or before 14th February, 2024	Annual Results	On or before 30th May, 2024
1st Quarter Results	On or before 14th August, 2023									
2nd Quarter Results	On or before 14th November, 2023									
3rd Quarter Results	On or before 14th February, 2024									
Annual Results	On or before 30th May, 2024									
Date of book closure	:	The Register of Members and Share Transfer Book shall remain closed from Friday 15th September, 2023 to Thursday 21st September, 2023 (both days inclusive)								
Date of Dividend payment	:	N.A.								
Listing of equity shares on stock exchanges	:	The Equity shares of the Company are currently listed on the following Stock Exchanges : <b>National Stock Exchange of India Limited.</b> "EXCHANGE PLAZA", 5th Floor, Plot no. C/1, G Block Bandra-Kurla Complex, Bandra (E), Mumbai - 400 051 Stock Code - JAIBALAJI <b>BSE Limited</b> 25, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001 Stock Code - 532976  Listing fees has been paid to the respective Stock Exchanges for the year 2023-24.								
Depositories		<b>National Securities Depository Limited</b> Trade world, 4th Floor, 'A' Wing Kamala Mills Compound Senapati Bapat Marg, Lower Parel Mumbai - 400 013  <b>Central Depository Services (India) Limited</b> 25th Floor, Marathon Futurex, N M Joshi Marg, Lower Parel (East), Mumbai - 400 013  Annual Custodial Fees pertaining to year 2023-24 have been duly paid.								
Demat International Security Identification Number (ISIN) in NSDL and CDSL										
For paid-up equity shares	:	INE 091G01018								
Corporate Identification Number (CIN)	:	L27102WB1999PLC089755								



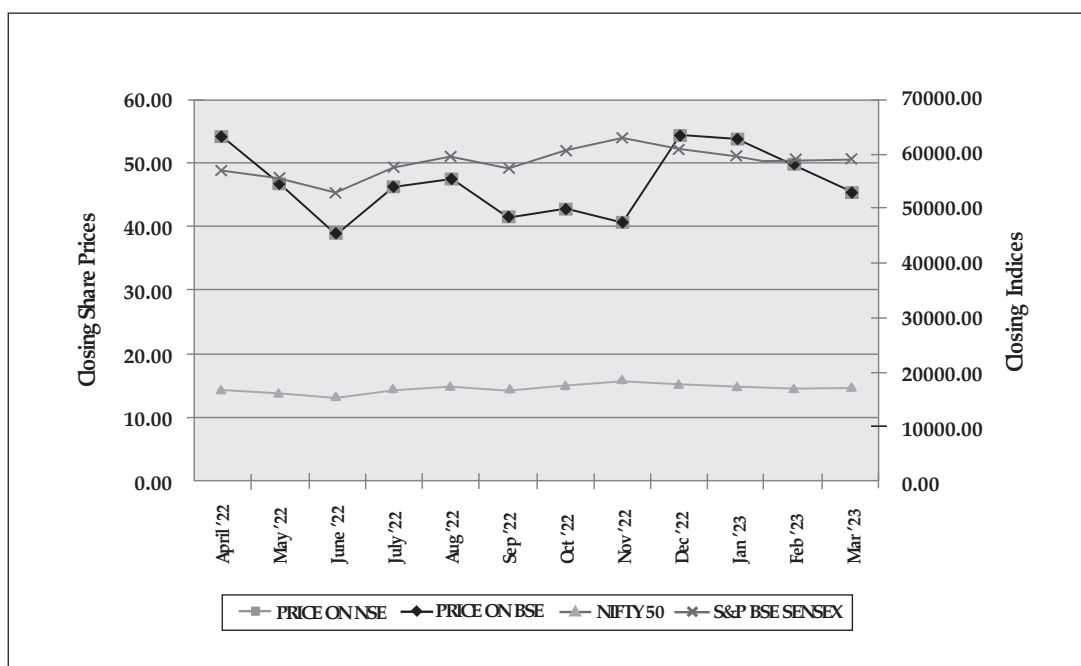
### Report of the Directors on Corporate Governance (Contd.)

#### Market Price Data

The monthly high and low market prices of the shares of the Company as recorded on the National Stock Exchange of India Limited & BSE Limited during the last financial year 2022-23 were as under:

Month	Share Price (NSE)		Share Price (BSE)	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
April '22	64.25	42.10	64.20	43.10
May '22	54.25	43.35	60.00	43.50
June '22	49.05	37.80	53.80	38.05
July '22	49.80	37.80	49.90	36.25
August '22	49.50	45.05	49.50	45.20
September '22	50.30	39.80	52.00	39.80
October '22	44.90	38.75	49.00	35.30
November '22	46.45	35.80	46.80	37.50
December '22	62.90	40.60	62.75	39.85
January '23	60.35	49.30	60.15	49.35
February '23	57.60	49.10	57.55	49.15
March '23	51.00	42.10	53.90	42.00

#### Performance in Comparison to Broad - based indices



Registrar to an issue and Share Transfer Agent

: Maheshwari Datamatics Pvt. Ltd.  
 Corporate Office : 23, R. N. Mukherjee Road,  
 5<sup>th</sup> Floor, Kolkata - 700 001  
 Phone No.: (91) (33) 2243 5029  
 E-mail: mdpldc@yahoo.com





### Report of the Directors on Corporate Governance (Contd.)

#### Share transfer system

In accordance with Regulation 40 of the SEBI Listing Regulations, as amended, the Company had stopped accepting any fresh transfer requests for securities held in physical form. Members holding shares of the Company in physical form are requested to kindly get their shares converted into demat/electronic form to get inherent benefits of dematerialisation.

The SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the listed companies to issue securities in demat form only, while processing service requests viz. Issue of duplicate securities certificate; claim from Unclaimed Suspense Account; Renewal/Exchange of securities certificate; Endorsement; Sub-division/Splitting of securities certificate; Consolidation of securities certificates/folios; Transmission and Transposition. Accordingly, Shareholders are requested to make service requests by submitting a duly filled and signed Form ISR-4, the format of which is available on the Company's website under the weblink- <https://jaibalajigroup.com/nomination-cancellation-or-variation-of-nomination-form/>. The RTA will after processing such requests issue a Letter of Confirmation to the concerned shareholder for submission to DP within 120 days from the date of issue of Letter of Confirmation for dematerialisation of shares. In case shareholder fails to submit the demat request within the aforesaid period, the RTA shall credit the shares to Suspense Escrow Demat Account of the Company. It may be noted that any service request can be processed only after the folio is KYC compliant.

With the reference to SEBI Circular No. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated March 16, 2023, SEBI has made it mandatory to furnish PAN, email address, mobile number, bank account details and nomination by holders of physical securities. This is applicable for all the security

holders in physical mode. Folios wherein any one of the said document / details are not available on or after October 01, 2023, shall be frozen by the RTA and members will not be eligible to lodge grievance or avail service request from the RTA and not eligible for receipt of any payment including dividend, interest or redemption payment in respect of such frozen folios in physical mode after April 01, 2024. The frozen folios shall be referred by RTA/Company to the administering authority under the Benami Transactions (Prohibitions) Act, 1988 and or Prevention of Money Laundering Act, 2002 if they continue to remain frozen as on December 31, 2025.

In view of the above, members holding shares in physical form are requested to send self-attested copy of valid PAN card (linked with Aadhar) or latest Demat account CML copy duly attested by DP, KYC details duly mentioned in ISR - 1 form (mobile number and email id are mandatory), ISR-2 form and Nominee Form (SH-13) immediately to the Company's Registrars & Transfer Agents i.e. M/s. Maheshwari Datamatics Private Limited ("the RTA") by post or courier. The required forms (ISR-1, ISR-2, SH-13 etc.) can be downloaded from <https://www.mdpl.in/> or send a request mail to [mdpldc@yahoo.com](mailto:mdpldc@yahoo.com) for soft copy forms.

The summary of investor complaints, dematerialisation /rematerialisation/corporate action and transfer/transmission of shares are placed before the Stakeholders' Relationship Committee of the Company periodically.

The Company obtains from a Company Secretary in practice, a yearly certificate under Regulation 40(9) of the Listing Regulations and files the same with the stock exchanges. Also, pursuant to Regulation 76 of SEBI (Depositories and Participants) Regulations, 2018, certification is issued by a Company Secretary in practice regarding dematerialisation of the shares of the Company.

#### SHAREHOLDING PATTERN AS ON 31<sup>ST</sup> MARCH, 2023

	Category	No. of Shareholders	No. of shares held	As a % age of A+B+C
A.	Promoter and Promoter Group Holding			
	Indian	20	8,13,04,046	55.90
	Foreign	0	NIL	NIL
	<b>Total Promoter Shareholding (A)</b>	<b>20</b>	<b>8,13,04,046</b>	<b>55.90</b>
B.	Public Holding			
	Institutions	1	5,300	0.00
	Non-Institutions	13,567	6,41,40,940	44.10
	<b>Total Public Shareholding (B)</b>	<b>13,568</b>	<b>6,41,46,240</b>	<b>44.10</b>
C.	Shares held by Custodian & against which Depository receipts have been issued (C)	NIL	NIL	NIL
	<b>Grand Total (A+B+C)</b>	<b>13,588</b>	<b>14,54,50,286</b>	<b>100.00</b>



### Report of the Directors on Corporate Governance (Contd.)

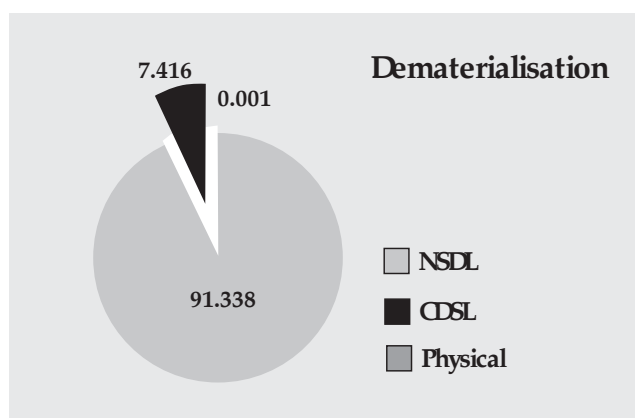
#### DISTRIBUTION OF SHAREHOLDING AS ON 31<sup>st</sup> MARCH, 2023

Range of ordinary shares held	No. of Shareholders	Percentage (%) to total shareholders	No. of Shares	Percentage (%) to share capital
Up to 500	11221	82.5802	11,54,348	0.7936
501 to 1000	987	7.2638	8,25,153	0.5673
1001 to 2,000	506	3.7239	7,87,140	0.5412
2001 to 3000	188	1.3836	4,84,398	0.3330
3001 to 4000	122	0.8979	4,38,571	0.3015
4001 to 5000	98	0.7212	4,71,433	0.3241
5001 to 10000	174	1.2805	13,32,435	0.9161
10001 and above	292	2.1490	13,99,56,808	96,2231
<b>Total</b>	<b>13,588</b>	<b>100.00</b>	<b>14,54,50,286</b>	<b>100.00</b>

#### DEMATERIALIZATION OF SHARES AND LIQUIDITY AS ON 31<sup>st</sup> MARCH, 2022

The Shares of the Company are tradable indematerialized form through both the Depository Systems in India viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Requests for dematerialization of shares can be sent directly to the Registrar and Share Transfer Agent at M/s. Maheshwari Datamatics Private Limited, 23 R.N Mukherjee Road, 5th Floor, Kolkata - 700 001. As at 31st March, 2023 a total of 14,54,47,683 equity shares of the Company, representing 99.998% of the Company's share capital were held in dematerialised form of which 13,46,59,980 representing 92.581% of the total paid-up equity share capital were held with NSDL and 1,07,87,703 representing 7.416% of the total paid-up equity share capital with CDSL.

Under the depository system, the International Securities Identification Number (ISIN) allotted to the Company's shares for fully paid-up shares is INE 091G01018.



#### OUTSTANDING GDRs/ADRs/WARRANTS OR ANY CONVERTIBLE INSTRUMENTS, CONVERSION DATE AND LIKELY IMPACT ON EQUITY

During the year under review the Company has allotted 5 crores convertible warrants at a price of Rs. 52/- (Rupees Fifty two only) per warrant on 27th May, 2022. The Warrant holders has the option of applying for and being allotted Equity Shares of the face value of Rs. 10/- (Rupees Ten only) each of the Company ("Equity Shares") at a premium of Rs.42/- (Rupees forty two only) per equity share for each warrant within 18 months from the date of allotment of the said warrants.

Further the Company has allotted 2,20,00,000 Warrants on 20th January, 2023 at a price of Rs. 45/- (Rupees Forty five only) per warrant, on Preferential Basis convertible into Equity Shares of the face value of Rs. 10/- (Rupees Ten only) each of the Company ("Equity Shares") at a premium of Rs.35/- (Rupees Thirty five only) per equity share for each warrant within 18 months from the date of allotment of the said warrants.

Accordingly the warrant holders made an application to exercise the option for partial conversion of their holdings along with the balance 75% of the consideration amount subsequent to which 3,50,00,000 warrants were converted into 3,50,00,000 Equity Shares till 31.03.2023.

#### COMMODITY PRICE RISK OR FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES

The Company does not deal in commodities and accordingly, no hedging activities for the same are carried out. Therefore, there is no disclosure to offer in terms of SEBI Circular dated November 15, 2018.

#### DISCLOSURE OF AGREEMENTS UNDER CLAUSE 5A OF PARAGRAPH A OF PART A OF SCHEDULE III OF



### Report of the Directors on Corporate Governance (Contd.)

#### SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018

The Company have not entered into any such agreement.

#### DETAILS OF UNCLAIMED SHARES

Pursuant to Regulation 39(4) read with Schedule VI of the Listing Regulations, the Company had 764 unclaimed shares of 9 shareholders in a Demat Account titled 'Jai Balaji Industries Limited - Unclaimed Shares Demat Suspense Account' opened by the Company which could not be credited to shareholder's demat account due to insufficient/incomplete/improper details furnished by them. The said shares had arisen out of the allotment made at the time of

Initial Public Issue of erstwhile M/s. Shri Ramrupai Balaji Steels Limited (since amalgamated with the Company).

Pursuant to the provisions of Section 124(6) of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, including the statutory modification(s) or re-enactment(s) thereof, for the time being in force ("IEPF Rules, 2016"), and Schedule VI of the Listing Regulations, the above equity shares of the Company have been transferred by the Company to the Demat Account of the Investor Education and Protection Fund Authority.

No Shareholders approached the Company for transfer of shares during the year.

#### PLEDGE OF EQUITY SHARES

As per declarations received, the under mentioned Promoters/Promoter Group of the Company have pledged the equity shares of the Company held by them.

Sl. No.	Name of Promoter/Promoter Group	No. of Equity Shares Pledged as on 31.03.2023	% to total holding of respective promoter in the company	% to total paid up equity share capital of the company
1.	Shri Aditya Jajodia	3,075,000	86.75%	2.11%
2.	Shri Sanjiv Jajodia	2,640,000	94.98%	1.82%
3.	Shri Rajiv Jajodia	1,550,000	98.83%	1.07%
4.	Shri Aashish Jajodia	323,000	40.66%	0.22%
5.	M/s. Enfield Suppliers Limited	11,221,233	100%	7.71%
6.	M/s. Hari Management Limited	7,044,000	100%	4.84%
7.	M/s. Jai Salasar Balaji Industries Private Limited	24,019,000	95.64%	16.51%
8.	M/s. K. D. Jajodia Steels Industries Private Limited.	2,410,000	99.99%	1.66%
	<b>Total</b>	<b>52,282,233</b>	<b>—</b>	<b>35.94%</b>



### Report of the Directors on Corporate Governance (Contd.)

#### PLANT LOCATIONS

<b>Unit I</b> Ranigunj G/1, Mangalpur Industrial Complex, Post : Baktarnagar, Dist. : Burdwan West Bengal - 713 321	<b>Unit II</b> Durgapur, Lenin Sarani, Dist.: Burdwan West Bengal - 713 210
<b>Unit III &amp; IV</b> Durgapur, Vill: Banskopa, P.O. : Rajbandh Dist.: Burdwan West Bengal - 713 212	<b>Unit V</b> Industrial Growth Centre, Borai Village & P.O. : Rasmada, Dist : Durg Chhattisgarh - 491 001

**ADDRESS FOR CORRESPONDENCE** : The Company Secretary  
Jai Balaji Industries Limited  
5, Bentinck Street, Kolkata - 700 001, India  
Tel: (91)(33) 2248 9808; Fax: (91)(33) 2243 0021  
E-mail: jaibalaji@jaibalajigroup.com; Website: www.jaibalajigroup.com

### Certificate on Corporate Governance

Pursuant to the relevant provisions of Listing Regulations regarding compliance of conditions of corporate governance, a certificate duly certified by M/s. MKB & associates, Company Secretaries is annexed with this report which forms a part of Annual Report of the Company.

For and on behalf of the Board

Place : Kolkata  
Date : 14<sup>th</sup> August, 2023

Sd/-  
**Aditya Jajodia**  
Chairman & Managing Director  
DIN: 00045114

Sd/-  
**Sanjiv Jajodia**  
Whole-time Director &  
Chief Financial Officer  
DIN: 00036339



**Report of the Directors on Corporate Governance (Contd.)****CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

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

To  
The Members,  
Jai Balaji Industries Limited

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Jai Balaji Industries Limited** (CIN: L27102WB1999PLC089755) having its Registered office at 5, Bentinck Street, Kolkata - 700 001, West Bengal (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para - C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications [including Directors Identification Number (DIN)] status at the portal [www.mca.gov.in](http://www.mca.gov.in) as considered necessary and explanations furnished to us by the Company and its officers, we certify that following are the Directors on the Board of the Company as on 31 March 2023 :

Sl. No.	DIN	Name	Designation	Date of appointment
1.	00045114	Mr. Aditya Jajodia	Chairman & Managing Director	01.07.1999
2.	00036339	Mr. Sanjiv Jajodia	Whole-time Director & Chief Financial Officer	31.05.2002
3.	00045192	Mr. Rajiv Jajodia	Whole-time Director	01.07.1999
4.	00028560	Mr. Gaurav Jajodia	Whole-time Director	20.09.2013
5.	08879262	Mr. Bimal Kumar Choudhary	Executive Director	15.09.2020
6.	01419527	Mr. Shailendra Kumar Tamotia	Independent Director	15.05.2013
7.	00047844	Mr. Ashim Kumar Mukherjee	Independent Director	02.12.2015
8.	07158338	Mrs. Seema Chowdhury	Independent Director	17.04.2015
9.	07161473	Mrs. Rakhi Bajoria	Independent Director	17.04.2015
10.	01180085	Mrs. Swati Bajaj	Independent Director	13.08.2018

We further certify that none of the aforesaid Directors on the Board of the Company for the financial year ended on 31 March 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

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

**For MKB & Associates**  
Company Secretaries  
Firm Reg No.: P2010WB042700

**Sd/-**  
**Raj Kumar Banthia**  
Partner

Membership No.: 17190  
COP No.: 18428

Place : Kolkata

Date : 14.08.2023

UDIN: A017190E000777323



### Report of the Directors on Corporate Governance (Contd.)

#### DECLARATION

As provided under Regulation 26(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, this is to confirm that all the members of the Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct for the year ended 31st March, 2023.

The said Code of Conduct is hosted on the website of the Company viz. "[www.jaibalajigroup.com](http://www.jaibalajigroup.com)".

Place : Kolkata

Date : 14<sup>th</sup> August, 2023

Sd/-

**Aditya Jajodia**

*Chairman & Managing Director*

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#### CERTIFICATE ON CORPORATE GOVERNANCE OF JAI BALAJI INDUSTRIES LTD.

To  
The Members,  
Jai Balaji Industries Limited

We have examined the compliance of conditions of Corporate Governance by **JAI BALAJI INDUSTRIES LIMITED** ("the Company") for the year ended on 31st March, 2023, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and Para C and D of Schedule V to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the Listing Regulations).

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

In our opinion and to the best of our knowledge, information and according to the explanations given to us and based on the representations made by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and Para C and D of Schedule V of the Listing Regulations.

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

For MKB & Associates  
Company Secretaries  
Firm Reg No.: P2010WB042700

Sd/-

**Raj Kumar Banthia**

*Partner*

Membership No.: 17190

COP No.: 18428

Place : Kolkata

Date : 14.08.2023

UDIN: A017190E000777477



**Report of the Directors on Corporate Governance (Contd.)**

**CEO AND CFO CERTIFICATION**  
**[Pursuant to Regulation 17(8) of SEBI**  
**(Listing Obligations and Disclosure Requirements) Regulations, 2015]**

To,  
The Board of Directors,  
Jai Balaji Industries Limited,

We, Aditya Jajodia, Chairman & Managing Director and Sanjiv Jajodia, Chief Financial Officer of Jai Balaji Industries Limited (hereinafter referred to as 'the Company'), certify that:

1. We have reviewed the Financial Statements and the Cash Flow Statement of the Company, for the financial year ended 31st March, 2023 and that to the best of our knowledge and belief:
  - i. the aforesaid statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii. the aforesaid statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
2. To the best of our knowledge and belief, no transactions entered into by the Company during the year are fraudulent, illegal or violative of the Company's Code of Conduct;
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the step that we have taken or propose to take to rectify the identified deficiencies;
4. That we have indicated to the auditors and the Audit Committee:
  - i. Significant changes, if any, in the internal control over financial reporting during the year;
  - ii. Significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements and;
  - iii. Instances of significant fraud of which we have become aware and the involvements therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Place : Kolkata  
Date : 14<sup>th</sup> August, 2023

Sd/-  
**Aditya Jajodia**  
*Chairman & Managing Director*  
DIN : 00045114

Sd/-  
**Sanjiv Jajodia**  
*Chief Financial Officer*  
DIN : 00036339

### Management Discussion and Analysis

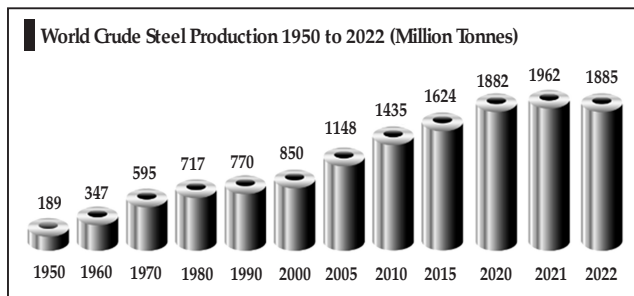
#### Global Overview

The global economy is yet again at a highly uncertain moment, with the cumulative effects of the past three years of adverse shocks – most notably, the COVID-19 pandemic and Russia’s invasion of Ukraine – manifesting in unforeseen ways. Spurred by pent-up demand, lingering supply disruptions, and commodity price spikes, inflation reached multidecade highs last year in many economies, leading central banks to tighten aggressively to bring it back toward their targets and keep inflation expectations anchored.

Steel has traditionally occupied a top spot among metals. Steel production and consumption are frequently seen as measures of a country’s economic development because it is both a raw material and an intermediary product. Therefore, it would not be an exaggeration to argue that the steel sector has always been at the forefront of industrial progress and that it is the foundation of any economy.

The year witnessed very high volatility in raw material, especially coking coal on account of the on-going geopolitical concerns and supply chain bottlenecks impacting steel price across geographies.

According to World Steel Association, demand for steel worldwide will witness a 2.3 per cent growth in 2023 and 1.7 per cent in 2024. It is further said that “Manufacturing is expected to lead the recovery, but high interest rates will continue to weigh on steel demand.



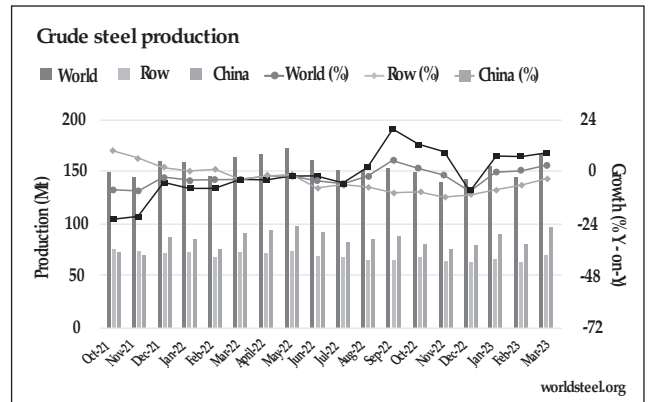
www.worldsteel.org.

As the steel industry continues to progress into 2023, we expect this level of volatility to be sustained across the entire value chain.

With an increasingly competitive environment, global steel companies are searching for ways to gain a competitive advantage. Steel companies have employed analytics for years, from process simulation to laboratory management systems to computerized maintenance management systems integrated with real-time production data. However, by using advance analytics, companies can sharpen their view to make better decisions in different areas of their business, including product costs and margins, customer insights and demand, risk management, capital investments, production and operations safety, suppliers, and global supply chain.

World crude steel production for the 63 countries reporting to the World Steel Association (world steel) was 165.1 million

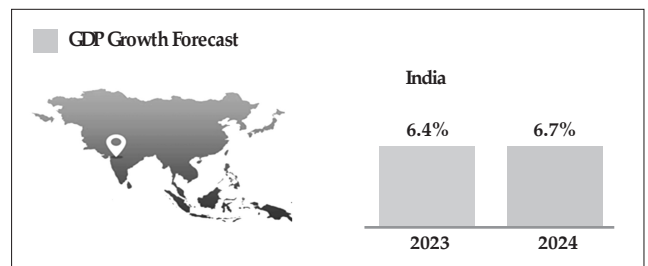
tonnes (Mt) in March 2023, a 1.7% increase compared to March 2022.



#### Indian Overview

According to Finance Ministry, India’s economy has been ranked as the fifth largest in the world from the tenth largest and is now being called a ‘Bright Spot’ in the Global Economy.

**India’s Economy to Grow by 6.4% in FY2023, Rise to 6.7% in FY2024**



Strong economic growth in the first quarter of FY 2022-23 helped India overcome the UK to become the fifth-largest economy after it recovered from repeated waves of COVID-19 pandemic shock. Rising employment and substantially increasing private consumption, supported by rising consumer sentiment, will support GDP growth in the coming months.

India has emerged as the fastest-growing major economy in the world and is expected to be one of the top three economic powers in the world over the next 10-15 years, backed by its robust democracy and strong partnerships.

Steel players in India witnessed a dip in EBITDA margins for the quarter ended December 2022 as compared to the same period last year. This was primarily due to an increase in coking coal prices and muted steel prices. According to CareEdge Advisory & Research, the domestic steel demand growth is expected to be healthy at 8-10% in FY24. This will be driven by an increase of 33% y-o-y in the government’s budgeted capex on infrastructure development and an uptick in the real estate and construction industry. On the other hand, exports have been increasing on a sequential basis from



### Management Discussion and Analysis (contd.)

December 2022 onwards, post the withdrawal of the export duty on steel products and iron pellets. This is expected to result in higher export volumes in FY24. However, the operating profit margins of steel players are expected to remain under pressure in FY24 due to elevated input costs of iron ore and coking coal. International steel prices are also expected to remain range-bound in the near term.

The growth prospects and steel industry outlook in India is favourable. Recent changes in export taxes and import duties on steel complemented by the rising demand for affordable

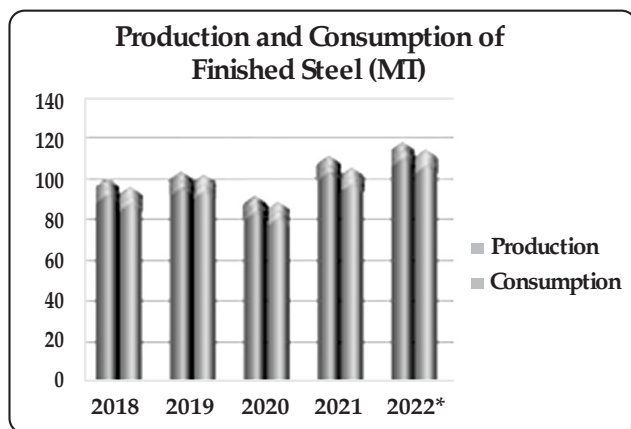
housing, infrastructure development and construction projects, has led to a pan-India need for steel metal. Moreover, the government's initiative to make India self-sufficient has made room for sustainable urban development, construction of proposed logistics parks and industrial corridors – all adding to the meteoric demand for finished steel and steel as a raw material.

Detailed information on production, consumption, import and export of total Finished Steel and production of Crude Steel for the last five years (2018-2022) are shown in the table below:

(in Million Tonne)

Item	2018	2019	2020	2021	2022*
<b>Crude Steel</b>					
Production	109.250	111.344	100.256	118.201	124.720
<b>Finished Steel</b>					
Production	100.574	104.962	92.231	11.953	118.714
Consumption	96.737	102.622	89.331	106.226	114.894
Import	7.295	7.440	4.463	5.001	5.615
Export	6.692	8.205	10.150	12.799	7.906

Source : JPC, Provisional\*, January-December, 2022



\*Provisional

#### Opportunities, threats, risks and concern

##### Opportunities

The Ministry of Steel signed 57 MoUs with 27 companies for specialty steel under the PLI scheme (Production Linked Incentive). Under the scheme the government has approved a sum of ₹6322 crore for steel sector growth. Apart from creating new jobs and contributing to making India the 3rd largest economy globally (by 2030-31), the scheme aims to create an additional capacity of 25 MT of specialty steel in the next five years. (Source: India CSR)

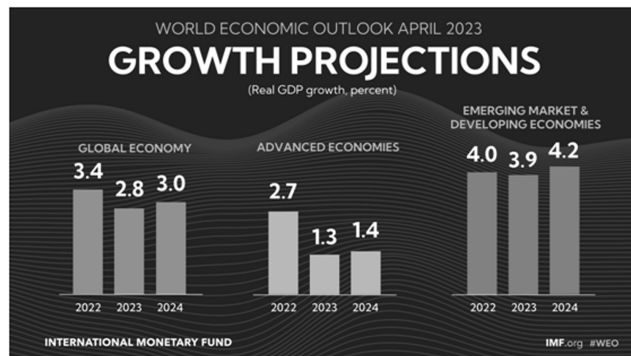
There are several opportunities present in other industries also that would directly boost the steel industry outlook.

- **Railways:** The government's initiative to redevelop 50+ existing railway stations and the plan to provide a capital of ₹2.4 lakh crore to Railways is likely to scale the need for steel.
- **Logistics:** An investment of ₹75,000 crore is planned for 100+ critical transportation infrastructure projects that will connect ports, coal, steel, fertiliser, and food grain sectors across the first and last-mile delivery network.

### Management Discussion and Analysis (contd.)

This is expected to improve connectivity and transportation services across major points, in turn leading to a rise in demand for steel.

- **City development:** Urban planning development projects will be undertaken to transform cities into sustainable cities. With the proposed ₹10,000 crore annual fund, the goal is to ramp up infrastructure development, especially in Tier II and Tier III cities. This is likely to witness a growth in steel demand, especially for steel girders in infrastructure and TMT Steel in construction among others.



#### Threats, risks and concern

The precise growth prediction for steel demand in 2023 may vary depending on factors, including global economic conditions, consumer behavior trends, and government interventions. However, the World Steel Association has released its Short Range Outlook this year, forecasting a moderate 1-2% increase in steel demand. This roughly totals 1.81 billion metric tons.

The World Steel Economics Committee, has highlighted that the following factors are causing a slowdown in the steel industries:

- Declining market confidence
- Increasing interest rates
- Lingering effects of Russia’s invasion of Ukraine
- Ongoing inflation
- Rising energy prices
- Tightening of the US monetary policy

#### Outlook

The baseline forecast is for growth to fall from 3.4 percent in 2022 to 2.8 percent in 2023, before settling at 3.0 percent in 2024. Advanced economies are expected to see an especially pronounced growth slowdown, from 2.7 percent in 2022 to 1.3 percent in 2023. In a plausible alternative scenario with further financial sector stress, global growth declines to about 2.5 percent in 2023 with advanced economy growth falling below 1 percent. Global headline inflation in the baseline is set to fall from 8.7 percent in 2022 to 7.0 percent in 2023 on the back of lower commodity prices but underlying (core)

inflation is likely to decline more slowly. Inflation’s return to target is unlikely before 2025 in most cases.

The year 2022 has been a period of major ups and downs - not only for the global equity markets but also for the global economy. With the central banks giving top priority to control inflation even at the cost of economic growth, the global economy paints a gloomy picture for the near future. Some sectors have been hit harder in the wake of impending demand slowdown.

The global steel sector is one of them. It faced a 4 percent on-year contraction in global steel production, driven by a 2 percent fall in production in China and 7 percent in the rest of the world.

India is world’s second biggest crude steel producer. Output jumped 4.2% to a record 125.3 million tonnes in 2022-23. However global demand dragged down India’s steel exports to a five-year low during the financial year that ended in March 2023.

#### Product wise Performance Analysis

Your Company has an integrated steel plant and manufactures different products in Steel sector. Your Company’s cumulative product wise actual production details are given hereunder:

The actual production of Sponge Iron was 2,52,290 MT during the year 2022-23 as compared to 2,14,563 MT during the year 2021-22. For Pig Iron, the actual production was 4,80,856 MT and 4,38,461 MT during the year 2022-23 and 2021-22 respectively. The actual production of Steel Bars/Rods was 2,14,955 MT during the year 2022-23 as compared to 1,57,132 MT during the year 2021-22. For Billet/MS Ingot, the actual production was 1,76,038 MT and 1,01,778 MT during the year 2022-23 and 2021-22 respectively. The actual production of Ferro Alloys was 1,03,286 MT during the year 2022-23 as compared to 1,05,698 MT during the year 2021-22 (Ferro Alloy Included third party Conversion production of 13518 MT HC Ferro Chrome). In case of Ductile Iron Pipe, the actual production was 2,12,636 MT and 1,53,839 MT during the year 2022-23 and 2021-22 respectively. For Sinter, the actual production was 7,04,481 MT and 6,12,443 MT during the year 2022-23 and 2021-22 respectively. The actual production of Coke was 3,67,522 MT during the year 2022-23 as compared to 3,45,671 MT during the year 2021-22.

#### Financial Performance

The Revenue from operations of the Company for the financial year under review is Rs. 6,12,507.47 lacs as compared to Rs. 4,69,250.39 lacs during the previous financial year.

The Company has made net profit of Rs. 5,783.59 lacs during the F.Y. 2022-23 as compared to a profit of Rs. 4,806.55 lacs during the F.Y. 2021-22.

Your company is committed to its vision to emerge as an efficient producer of iron and steel products. It is focused on



## Management Discussion and Analysis (contd.)

increasing capacity utilisation of all units, reducing cost and improving operational efficiency.

### Key Financial Ratio

The details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in key financial ratios, along with detailed explanations thereof along with details of change in Return on Net Worth are given in note no. 52 of the notes to Financial Statement provided in this Annual report.

### Internal Control Systems and their Adequacy

The Company maintains adequate internal control systems, which provide, among other things, reasonable assurance of recording the transactions of its operations in all material respects and of providing protection against significant misuse or loss of Company assets. Internal Control is a part of day to day management and administration of your Company. The Company has a proper and adequate system of Internal Control, commensurate with the size, scale and complexity of its operations to ensure orderly and efficient conduct of its business including adherence to corporate policies, prevention of frauds and errors, accuracy and completeness of accounting records and preparation of reliable financial information.

The Company's internal audit process covers all significant operational areas and reviews the in-system checks regularly. The internal audit report, submitted by the internal auditors, is placed before the Audit Committee of the Company's Board of Directors on a quarterly basis for review. Emphasis is placed on adequacy, reliability and accuracy of dissemination of financial data and information. Compliance issues are given utmost importance and reported regularly to the Board. The management of the Company duly considers and takes appropriate action on the recommendations made by the Internal Auditors. The Audit Committee continuously monitor the adequacy and effectiveness of the internal control environment across the company. The Audit Committee of the Company comprises of eminent professionals who are well versed with the financial management.

The Company has a defined organizational structure with proper delegation of responsibility, authority and functions, which ensures proper compliances with internal policies and applicable laws, while enforcing proper checks and balances.

### Human Resources

The Human Resources (HR) function of an organization is vital to the creation and development of good quality and dedicated human capital, essential to the Company's business and operations. JBIL always focuses in grooming and training its workforce via imparting specialized and technical training at regular intervals, which helps improve their knowledge, skills and competency to execute their assignments, effectively and efficiently. Employee incentivisation, professional growth, participation and recognition are always part of the Company's HR management, with focus on upgrading their quality of life and job satisfaction. The Company's HR policy empowers it to attract, integrate and retain the best talent, requisite to its line of business and necessary for powering its growth. The company acknowledges the employees's contribution towards leading, thinking, working, creating, processing and dealing to enhanced growth. As on March 31, 2023, the number of permanent employees on the rolls of Company, was 3675 which comprises professionals from diverse backgrounds like finance, taxation, law, management, engineering etc. The industrial relations remains healthy and cordial.

### Cautionary Statement

Statements in the Management Discussion and Analysis Report describing the Company's objectives, projections, estimates and/or expectations may be "forward-looking statements" within the meaning of applicable laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include, among others, domestic and international economic conditions affecting demand/supply and price conditions, changes in the government regulations, tax laws and other statutes and other incidental factor.

On behalf of the Board of Directors

Sd/-

**Aditya Jajodia**

Chairman & Managing Director

DIN : 00045114

Place : Kolkata

Date : 14<sup>th</sup> August, 2023



### INDEPENDENT AUDITOR'S REPORT

To The Members of JAI BALAJI INDUSTRIES LIMITED

#### Report on the audit of the Standalone Financial Statements

##### Opinion

We have audited the accompanying Standalone Financial Statements of Jai Balaji Industries Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("the Act ") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules 2015, as amended ("Ind AS ") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2023, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

##### Basis for Opinion

We conducted our audit of the Standalone Financial Statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility 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 made thereunder, 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 obtained by us is sufficient and appropriate to provide a basis for our opinion on the Standalone Financial Statements.

##### Emphasis of Matter

1. We draw attention to Note no. 54 to the Standalone Financial Statements in relation to outstanding balances of trade receivables, trade payables and loans and advances which are subject to confirmation and subsequent adjustments, if any.
2. We draw attention to Note no. 58 of the accompanying Standalone Financial Statement, which states that the company has entered into settlement and restructuring of various credit facilities and gain on such settlement and restructuring for ₹ 1,93,510.90 lacs has been transferred to Capital Reserve for the year ended 31 st March, 2023.

Our opinion is not modified in respect of this matters.

##### Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and informing our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

S. NO.	THE KEY AUDIT MATTERS	HOW THE MATTER WAS ADRESSED IN OUR AUDIT
1.	<b>LOAN CLASSIFIED as Non Performing Assets (NPA), TRANSFERRED TO ASSET RECONSTRUCTION COMPANIES (ARC)</b>	<b>OUR AUDIT PROCEDURES INCLUDE THE FOLLOWING:</b>
	(Refer Note 20 to the Standalone Financial Statements) i) The company has taken Rupee Loan from Banks and financial institutions and due to default in repayment, they had been classified as NPA. Thus, these Banks and FIs have already assigned their entire exposure to the Assets Reconstruction Companies in previous years. The Company had made payments to the above ARC's which has been adjusted against the total outstanding loan liability. ii) The Company has negotiated with Corporation Bank and Punjab National Bank (combined with erstwhile Oriental bank of Commerce) to restructure its debts. The Company had made payment to the above banks as per the repayment schedule which has been adjusted against the total outstanding loan liability.	We reviewed the correspondence of the company with the relevant Asset reconstruction companies and we have examined the agreement made with them.  We reviewed the proposal of the company with the Bank.  We obtained the understanding of these reconstruction schemes through meetings with management and review of the minutes of the Board of Directors.  We reviewed the further correspondences of the Company with the relevant Banks/ARC's.





<b>2.</b>	<b>THE COMPANY'S EXPOSURE TO LITIGATION RISK</b>	<b>OUR AUDIT PROCEDURES INCLUDE THE FOLLOWING:</b>
	<p>(Refer Note 35A to the Standalone Financial Statements)</p> <p>The Company is exposed to different laws, regulations and interpretations thereof and hence, there is a litigation risk. Consequently, the Company has significant litigation cases pending with Custom Authorities, Excise Authorities, Service tax Authorities and Income tax Authorities. Given the nature and amounts involved in such cases and the appellate forums at which these are pending, the ultimate outcome and the resultant accounting in the financial statements is subject to significant judgement, which can change over time as new facts emerge and each legal case progresses, and therefore, we have identified this as key audit matter.</p>	<p>We obtained details of completed tax assessments and demands for the year ended March 31, 2022 from management.</p> <p>We examined the assumptions used in estimating the tax provision and the possible outcome of the disputes.</p> <p>We considered legal precedence and other rulings in evaluating management's position on these tax positions.</p>
<b>3.</b>	<b>THE COMPANY HAS ISSUED CONVERTIBLE SHARE WARRANT DURING THE YEAR</b>	<b>OUR AUDIT PROCEDURES INCLUDE THE FOLLOWING:</b>
	<p>(Refer Notes 17 and 18 to the Standalone Financial Statements.)</p> <p>During the financial year 2022-2023, the Company has issued 5,00,00,000 and 2,20,00,000 convertible Share warrant on preferential basis at Rs. 52 and Rs. 45 each respectively, out of which 3,50,00,000 share warrant has been converted into equity share during the year and the balance 3,70,00,000 share warrant is pending for conversion. Consideration received towards these warrants which are pending for conversion (25% of Issue price, i.e, Rs. 52/- for 1.5 crore warrant and Rs. 45/- for 2.2 crore warrant) was depicted in 'Other Equity' which subsequently will be utilized for conversion into equity. As the conversion of Share warrants by the company during the financial year 2022-2023, has the effect of enhancing the Equity of the Company the same is considered to be a key audit matter.</p>	<p>Our audit procedure includes gaining an understanding of the process of issue of share warrants followed by the company, to include amongst others:</p> <ol style="list-style-type: none"> <li>1. Authorization by the Memorandum and Articles of Association of the Company;</li> <li>2. Passing of resolution in a validly convened and constituted Board meeting of the company.</li> <li>3. Passing of resolution in a validly convened and constituted general meeting of the company and necessary regulatory filing done by the Company. Obtaining permission from the NSE/BSE Ltd. under SEBI (Listing obligations and Disclosure requirements) Regulations, 2015.</li> <li>4. We assessed the adequacy of disclosures in the financial statements.</li> <li>5. We checked that allotment money are received in full and in a separate bank account. Also, checked the outflow of fund from the bank account of allottee on the same date.</li> </ol>

### Information Other than the Standalone Financial Statements and Auditor's Report

#### Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Annual Report does not include the Standalone Financial Statements and our auditor's report thereon. The Annual Report is 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 thereon.

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 Standalone Financial Statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read Annual Report, if we conclude that there is a material misstatement there in we are required to communicate the matter to those charged with Governance.

#### Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance, total comprehensive income, Statement of Changes in Equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. 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 Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibility 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 Standalone 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 control 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 Standalone 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 Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the Consolidated Financial Statement. We are also responsible for the direction, supervision and performance of the audit of the other Consolidated Financial Statements of such entities included in the Consolidated Financial Statement of which we are the independent auditors. For the other entities included in the Consolidated Financial Statement, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone 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 Standalone 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 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



### 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 sub-section (11) of section 143 of the Act, we give in "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, based on our audit we report that:
  - a) We have sought and obtained 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 Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
  - d) In our opinion, the aforesaid Standalone Financial Statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of the written representations received from the directors as on 31 st March 2023 taken on record by the Board of Directors, none of these directors is disqualified as on 31 st March 2023 from being appointed as a director in terms of Section 164(2) of the act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
  - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations which would impact financial position. (Refer Note 35A to the financial statement)
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There has been no delay in transferring amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

- iv. (a) The Management has represented that, to the best of its knowledge and belief, other than as referred to Note No. 6 to the Financial Statement, no funds (which are material either individually or in the aggregate) 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 person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, 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 on behalf of the Ultimate Beneficiaries;
  - (b) The Management has represented, that, to the best of its knowledge and belief, other than as referred to Note No. 24 to the Financial Statement, no funds (which are material either individually or in the aggregate) have been received by the Company from many person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, 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 on behalf of the Ultimate Beneficiaries;
  - (c) Based on the audit procedures that have been 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), as provided under (a) and (b) above, contain any material misstatement
- v. The company has not declared dividend in the previous year and nor during the current year ended March 31, 2023, since the company is not required to comply with section 123 of Companies Act, 2013.
- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

For S K Agrawal And Co. Chartered Accountants LLP

Chartered Accountants

Firm's Registration Number-306033E/E300272

Sd/-

CA J. K. Choudhury

Partner

Place: Kolkata

Date: 30.05.2023

Membership No: 009367

UDIN : 23009367BGWVBS1097





### ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Jai Balaji Industries Limited of even date)

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and relevant details of right-of-use assets.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its property, plant and equipment and right-of-use assets by which fixed assets are verified in a phased manner. According to information and explanation given to us no fixed assets were physically verified during the year and therefore no material discrepancies were noticed.
- (c) Based on our examination of the property tax receipts and lease agreement for land on which building is constructed, registered sale deed/transfer deed/conveyance deed provided to us, we report that, the title in respect of self-constructed buildings and title deeds of all other immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Company as at the balance sheet date.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, 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) As per the examination of the records of the Company and the information provided to us, the physical verification of inventory, other than stock in transit, has been conducted at reasonable intervals by the management and in our opinion the coverage and procedure of such verification by the management is appropriate having regard to the size of the Company and the nature of its operations. No discrepancy of 10% or more in the aggregate for each class of inventory were noticed during such physical verification.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, 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.
- (iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, company has not provided any security or grant any loan, advance in the nature of loan secured or unsecured to any companies, firms, Limited Liability Partnerships and other parties, during the year.
- (a) The company has not provided any loans or provided advances in the nature of loans or stood guarantee or provided security during the year to any other entity and hence reporting under clause 3(iii)(a) of the order not applicable.
- (b) According to information and explanations given to us and on the basis of our examination of the records of the Company, no investments made or loans granted during the year, therefore reporting under clause 3(iii)(b) of the Order not applicable.
- (c) According to information and explanations given to us no loans granted by the Company, therefore reporting under clause 3(iii)(c) of the Order not applicable.
- (d) As no loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date, therefore reporting under clause 3(iii)(d) of the Order not applicable.
- (e) No loan granted by the Company which has fallen due during the year or has been renewed or extended or fresh loans granted to settle the overdue of existing loans, therefore reporting under clause 3(iii)(e) of the Order is not applicable.
- (f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii)(f) of the Order is not applicable.
- (iv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no loans, investments,





guarantees, and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable and accordingly, reporting under clause 3(iv) of the Order is not applicable to the Company.

- (v) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the companies Act and the rules made there under during the year. Accordingly, clause (v) of paragraph 3 of the Order is not applicable.
- (vi) Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same and are of the opinion that, prima facie, the

prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been regular in depositing undisputed statutory dues, including Provident Fund, Employees State Insurance, Income Tax, Duty of Customs, Goods and Services Tax, Cess and other statutory dues with the appropriate authorities during the year.

According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2023 for a period of more than six months from the date of becoming payable.

- (b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2023 on account of disputes are given below :

Nature of Statute	Nature of dues	Period to which the matter pertains	Forum where matter is pending	Amount (in lakhs)	Pre-Deposit (in lakhs)	Net Amount (in lakhs)
The Central Excise Act, 1944	Excise Duty	2003-04, 2006-07 to 2017-18	Central Excise and Service Tax Appellate Tribunal, Commissioner	20,082.77	226.43	19,856.34
The Goods and Service Tax Act, 2017	GST	2017-18 to 2019-20	High Court (Kolkata, Bhilai), Commissioner (Appeal), West Bengal Appellate & Revisional Board	3,344.17	38.98	3,305.19
Customs Act, 1962	Custom Duty	2012-13	Central Excise and Service Tax Appellate Tribunal, Commissioner	362.32	0.00	362.32
The Income Tax Act, 1961	Income Tax	2009-10	DCIT/CIT(A)	5.70	0.00	5.70
The Finance Act, 1994	Service Tax	2004-05 to 2017-18	Central Excise and Service Tax Appellate Tribunal, Commissioner, High Court (Kolkata)	1,098.25	20.37	1,077.89
The Value Added Tax, 2005	Vat	2005-06, 2006-07, 2008-09, 2010-11, 2011-12, 2013-14, 2015-16, 2017-18	W.B.C.T. Appellate & Revisional Board, Large Taxpayer Unit	2,813.06	118.71	2,694.35
The Central Sales Tax Act, 1956	Central Sales Tax	2006-07, 2008-09, 2010-11 to 2013-14, 2015-16 to 2017-18	W.B.C.T. Appellate & Revisional Board, Large Taxpayer Unit	1,104.17	36.53	1,067.64
Entry Tax Act, 1976	Entry Tax	2012-13 to 2017-18	W.B.C.T. Appellate & Revisional Board	4,204.34	0.00	4,204.34



- (viii) According to the information and explanations given to us and on the basis of our examination of the books of account of the Company, 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) According to the information and explanations given to us and on the basis of our examination of the books of account of the Company, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to lender during the year.
- (b) According to the information and explanations given to us and on the basis of our examination of the books of account of the Company, the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) According to the information and explanations given to us and on the basis of our examination of the books of account of the Company, no term loans were obtained by the company during the year. Accordingly, clause 3(ix)(c) of the Order is not applicable.
- (d) According to the information and explanations given to us and on the basis of our examination of the books of account of the Company, funds raised on short term basis have, prima facie, have not been used during the year for long-term purposes by the Company.
- (e) According to the information and explanations given to us and on the basis of our examination of the books of account 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.
- (f) According to the information and explanations given to us and on the basis of our examination of the books of account of the Company, the company has not raised loans during the year on the pledge of securities held in its subsidiaries associates or joint ventures as defined under the Companies Act, 2013.
- (x) (a) The Company has not raised any money by way of initial public offer and further public offer (including debt instruments) during the year. Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) The company has issued Convertible Share Warrant on preferential basis during the year and the requirements of section 42 and section 62 of the Companies Act, 2013 have been complied with and the funds raised have been used for the purposes for which the funds were raised.
- (xi) (a) According to the information and explanations given to us and on the basis of our examination of the books of account of the Company, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government upto the date of this report.
- (c) According to the information and explanation given to us no whistle blower complaints received by the Company during the year (and up to the date of this report), hence reporting under clause 3(xi)(c) of the Order is not applicable
- (xii) According to the information and explanations given to us, the company is not a Nidhi Company. Accordingly, clause (xii) of paragraph 3 of the Order is not applicable.
- (xiii) According to the information and explanations given to us and the records examined by us, the transactions with related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable Indian Accounting Standards.
- (xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtained a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.



- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) According to the information and explanations provided to us during the course of audit, the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.
- (xvii) The company has not incurred cash losses in current financial year and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and management plans, and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that material uncertainty exists as on the date of the audit report indicating that Company is not capable 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. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- (xx) The Company has during the year spent the amount of Corporate Social Responsibility as required under subsection (5) of Section 135 of the Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.

For S K Agrawal And Co. Chartered Accountants LLP

Chartered Accountants

Firm's Registration Number-306033E/E300272

Sd/

CA J. K. Choudhury

Partner

Place: Kolkata

Membership No: 009367

Date: 30.05.2023

UDIN : 23009367BGWVBS1097

## ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Jai Balaji Industries Limited of even date)

### 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 with reference to Standalone Financial Statement of Jai Balaji Industries Limited ("the Company") as of 31st March, 2023 in conjunction with our audit of the Standalone 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 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 standalone 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 standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorization of

management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **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.

### **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an 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 S K Agrawal And Co. Chartered Accountants LLP  
Chartered Accountants  
Firm's Registration Number-306033E/E300272

Sd/

CA J. K. Choudhury

Partner

Place: Kolkata  
Date: 30.05.2023

Membership No: 009367  
UDIN : 23009367BGWVBS1097





### Balance Sheet as at March 31, 2023

(₹ in lacs)

Particulars	Notes	As at March 31, 2023	As at March 31, 2022
<b>A. ASSETS</b>			
<b>1. Non Current Assets</b>			
(a) Property, Plant and equipment	3	112,680.52	116,006.03
(b) Right-of use asset	3A	447.34	456.01
(c) Capital Work in Progress	4	6,883.37	5,225.00
(d) Intangible Assets	4A	32.03	42.64
(e) Intangible Assets Under Development	5	--	--
(f) Financial Assets			
i) Investments	6	116.44	116.44
ii) Others Financial Assets	7	6,893.26	4,236.77
(g) Deferred Tax Assets (Net)	8	29,085.14	29,085.14
(h) Other Non Current Assets	9	2,709.88	7,863.02
<b>Total Non-Current Assets</b>		<b>158,847.98</b>	<b>163,031.05</b>
<b>2. Current Assets</b>			
(a) Inventories	10	82,136.78	75,802.74
(b) Financial Assets			
i) Trade Receivable	11	22,931.05	15,613.83
ii) Cash and cash equivalents	12	2,447.44	1,319.67
iii) Bank balance (other than Cash and cash equivalents)	13	2,700.30	889.63
iv) Loans	14	312.04	296.27
v) Others Financial Assets	15	2,753.09	2,819.69
(c) Other Current Assets	16	23,869.89	37,149.94
<b>Total Current Assets</b>		<b>137,150.59</b>	<b>133,891.77</b>
<b>TOTAL ASSETS</b>		<b>295,998.57</b>	<b>296,922.81</b>
<b>B. EQUITY AND LIABILITIES</b>			
<b>1. Equity</b>			
(a) Equity Share Capital	17	14,545.03	11,045.03
(b) Other Equity	18	41,071.13	(177,320.24)
<b>Total Equity</b>		<b>55,616.16</b>	<b>(166,275.21)</b>
<b>2. Liabilities</b>			
<b>i) Non Current Liabilities</b>			
<b>(a) Financial Liabilities</b>			
(i) Borrowings	19	62,600.18	58,608.06
(ia) Lease Liabilities	19A	58.88	58.88
(b) Other Non-Current Liabilities	19B	2,922.12	--
<b>Total Non-Current Liability</b>		<b>65,581.18</b>	<b>58,666.94</b>
<b>ii. Current Liabilities</b>			
<b>(a) Financial Liabilities</b>			
(i) Borrowings	20	23,367.34	258,250.97
(ia) Lease Liabilities	19A	10.13	10.13
(ii) Trade Payables	21		
a) Total outstanding dues of micro and small enterprises		1,222.14	920.53
b) Total outstanding dues other than micro and small enterprises		88,672.88	80,948.89
iii) Others Financial Liabilities	22	19,311.58	18,520.42
(b) Other Current Liabilities	23	41,035.81	44,989.22
(c) Provision	24	1,181.35	890.92
<b>Total Current Liability</b>		<b>174,801.23</b>	<b>404,531.08</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>295,998.57</b>	<b>296,922.81</b>
<b>Significant Accounting Policies</b>			
	2		
The accompanying notes are an integral part of the financial statements.			
	3 - 59		

As per our report of even date

For and on behalf of the Board of Directors

For S. K. Agrawal And Co. Chartered Accountants LLP  
Chartered Accountants  
Firm Regn. No. 306033E/E300272

Sd/-  
CA J. K. Choudhury  
Partner  
Membership No. : 009367

Place : Kolkata  
Date : 30<sup>th</sup> May, 2023

Sd/-  
Aditya Jajodia  
Chairman & Managing  
Director  
DIN : 00045114

Sd/-  
Sanjiv Jajodia  
Wholetime Director & Chief  
Financial Officer  
DIN : 00036339

Sd/-  
Rajiv Jajodia  
Wholetime  
Director  
DIN : 00045192

Sd/-  
Ajay Kumar Tantia  
Company Secretary



### Statement of Profit and Loss for the year ended March 31, 2023

(₹ in lacs)

Particulars	Notes	Current year ended March 31, 2023	Previous year ended March 31, 2022
<b>INCOME</b>			
I. Revenue from Operations	25	612,507.47	469,250.39
II. Other Income	26	3,548.94	2,986.76
<b>III. Total Income (I +II)</b>		<b>616,056.41</b>	<b>472,237.15</b>
<b>IV. EXPENSES</b>			
Cost of Materials Consumed	27	430,397.89	333,010.27
Purchase of Stock in Trade	28	4,605.24	1,001.45
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	29	(5,045.20)	(1,561.24)
Employee Benefits Expense	30	13,162.26	10,885.62
Finance Cost	31	8,888.42	9,880.46
Depreciation and Amortisation Expense	32	9,792.74	9,132.46
Other Expenses	33	143,761.76	105,081.58
<b>Total Expenses (IV)</b>		<b>6,05,563.11</b>	<b>467,430.60</b>
<b>Profit / (Loss) before exceptional items and Tax</b>		<b>10,493.30</b>	<b>4,806.55</b>
<b>Exceptional Item</b>		<b>--</b>	<b>--</b>
<b>Profit / (Loss) before Tax (III-IV)</b>		<b>10,493.30</b>	<b>4,806.55</b>
<b>Tax Expenses:</b>			
Current Tax		--	--
Deferred tax charge / (credit)		--	--
MAT credit reversal (Refer Note 16)		4,709.71	--
<b>Total tax expense / (credit)</b>		<b>4,709.71</b>	<b>--</b>
<b>Profit/(Loss) for the year</b>		<b>5,783.59</b>	<b>4,806.55</b>
<b>Other Comprehensive Income:</b>	34		
Items that will not be reclassified subsequently to profit & Loss			
Remeasurement of defined benefit Plans		(38.26)	137.74
<b>Total Comprehensive income for the year</b>		<b>5,745.33</b>	<b>4,944.29</b>
<b>Earnings per Equity Share (Nominal Value per Share ₹10)</b>	42		
Basic EPS		4.49	4.35
Diluted EPS		4.11	4.35
<b>Significant Accounting Policies</b>	2		
The accompanying notes are an integral part of the financial statements.	3 - 59		

As per our report of even date

For and on behalf of the Board of Directors

For S. K. Agrawal And Co. Chartered Accountants LLP

Chartered Accountants

Firm Regn. No. 306033E/E300272

Sd/-

CA J. K. Choudhury

Partner

Membership No. : 009367

Place : Kolkata

Date : 30<sup>th</sup> May, 2023

Sd/-

Aditya Jajodia

Chairman & Managing Director

DIN : 00045114

Sd/-

Sanjiv Jajodia

Wholetime Director & Chief Financial Officer

DIN : 00036339

Sd/-

Ajay Kumar Tantia

Company Secretary

Sd/-

Rajiv Jajodia

Wholetime Director

DIN : 00045192

**Statement of changes in equity for the year ended March 31, 2023**

**A. Equity Share Capital**

i) Current Reporting Period

(₹ in lacs)

Balance as at April 1, 2022	Change in equity share capital due to prior period errors	Restated balance as at April 1, 2022	Change in equity share capital during the year	Balance as at March 31, 2023
11,045.03	-	11,045.03	3,500.00	14,545.03

ii) Previous Reporting Period

(₹ in lacs)

Balance as at April 1, 2021	Change in equity share capital due to prior period errors	Restated balance as at April 1, 2021	Change in equity share capital during the year	Balance as at March 31, 2022
11,045.03	-	11,045.03	-	11,045.03

**B. Other Equity**

i) Current Reporting Period

(₹ in lacs)

Particulars	Reserve & Surplus						Equity Instrument through OCI	Money received against share warrant	Total
	Capital Reserve	Amalgamation Reserve	Securities Premium Account	General Reserve	Retained Earnings	Remeasurement of the net defined benefit plans			
Balance as at April 1, 2022	8,478.60	4,400.00	52,206.01	10,325.00	(2,52,872.84)	-	143.01	-	(1,77,320.23)
Profit/(Loss) for the year	-	-	-	-	5,783.59	-	-	-	5,783.59
Remeasurement of the defined benefit plans	-	-	-	-	-	(38.26)	-	-	(38.26)
<b>Total comprehensive income for the year</b>	-	-	-	-	5,783.59	(38.26)	-	-	5,745.33
Security Premium Received	-	-	14,700.00	-	-	-	-	-	14,700.00
Transfer to Retained Earnings	-	-	-	-	(28.13)	38.26	-	-	10.13
Term loan written back and transfer to capital reserve a/c	1,93,510.90	-	-	-	-	-	-	-	1,93,510.90
	<b>1,93,510.90</b>	-	<b>14,700.00</b>	-	<b>(28.13)</b>	<b>38.26</b>	-	-	<b>2,08,221.03</b>
Amount received against share warrants	-	-	-	-	-	-	-	22,625.00	22,625.00
Allotment to Equity Share Capital	-	-	-	-	-	-	-	(18,200.00)	(18,200.00)
Transactions with owners	-	-	-	-	-	-	-	4,425.00	4,425.00
Balance as at 31.03.2023	2,01,989.50	4,400.00	66,906.01	10,325.00	247,117.38	-	143.01	4,425.00	41,071.13



ii) Previous Reporting Period

(₹ in lacs)

Particulars	Reserve & Surplus						Equity Instrument through OCI	Money received against share warrant	Total
	Capital Reserve	Amalgamation Reserve	Securities Premium Account	General Reserve	Retained Earnings	Remeasurement of the net defined benefit plans			
Balance as at April 1, 2021	6,408.50	4,400.00	52,206.00	10,325.00	(2,57,827.28)	-	143.01	-	(1,84,344.78)
Profit/(Loss) for the year	-	-	-	-	4,806.55	-	-	-	4,806.55
Remeasurement of the defined benefit plans other comprehensive income for the year	-	-	-	-	-	137.74	-	-	137.74
<b>Total comprehensive income for the year</b>	-	-	-	-	<b>4,806.55</b>	<b>137.74</b>	-	-	<b>4,944.29</b>
Security Premium Received	-	-	-	-	-	-	-	-	-
Transfer to Retained Earnings	-	-	-	-	147.88	(137.74)	-	-	10.14
Term loan written back and transfer to capital reserve a/c	2,070.11	-	-	-	-	-	-	-	2,070.11
	<b>2,070.11</b>	-	-	-	<b>147.88</b>	<b>(137.74)</b>	-	-	<b>2,080.25</b>
Amount received against share warrants	-	-	-	-	-	-	-	-	-
Allotment to Equity Share Capital	-	-	-	-	-	-	-	-	-
Transactions with owners	-	-	-	-	-	-	-	-	-
<b>Balance as at 31.03.2022</b>	<b>8,478.61</b>	<b>4,400.00</b>	<b>52,206.00</b>	<b>10,325.00</b>	<b>252,872.85</b>	<b>-</b>	<b>143.01</b>	<b>-</b>	<b>(1,77,320.24)</b>

As per our report of even date

For S. K. Agrawal And Co. Chartered Accountants LLP

Chartered Accountants

Firm Regn. No. 306033E/E300272

Sd/-

**CA J. K. Choudhury**

Partner

Membership No. : 009367

Place : Kolkata

Date : 30<sup>th</sup> May, 2023

For and on behalf of the Board of Directors

Sd/-

**Aditya Jajodia**

Chairman & Managing Director

DIN : 00045114

Sd/-

**Sanjiv Jajodia**

Wholtime Director & Chief Financial Officer

DIN : 00036339

Sd/-

**Rajiv Jajodia**

Wholtime Director

DIN : 00045192

Sd/-

**Ajay Kumar Tantia**

Company Secretary





### Cash Flow Statement for the year ended March 31, 2023

(₹ in lacs)

Particulars	Current year ended March 31, 2023	Previous year ended March 31, 2022
<b>A. Cash Flow From Operating Activities</b>		
Profit / (Loss) before Tax	10,493.30	4,806.55
Adjustments For :		
Depreciation / Amortisation	9,792.74	9,132.46
(Profit)/Loss on Sale of Property, Plant & Equipment	(25.54)	54.61
Irrecoverable Debts and Advances Written off	10,659.72	3,255.60
Capital WIP and Pre operative Expenses Written Off	–	6,729.19
Liabilities no longer required written back	(1,909.98)	(2,659.89)
Interest on Term Loans and Others	8,760.67	9,604.97
Discard of property plant and equipment	7,380.77	–
Provision for doubtful advances	11,225.49	44.65
Provision for diminution of assets	116.88	–
Allowance for expected credit losses	2,017.11	11,956.19
Miscellaneous Expenditure written off	10.36	3.60
Financial Lease Payment	10.13	10.14
Remeasurement of the net defined benefit Plans	(38.26)	137.74
(Profit) / Loss on Foreign Exchange Fluctuations	1,070.84	173.10
(Profit) / Loss on forward contract	(13.11)	–
Interest Income	(508.56)	(214.84)
<b>Operating Profit / (Loss) Before Working Capital Changes</b>	<b>59,042.57</b>	<b>43,034.07</b>
Movements in Working Capital :		
Decrease / (Increase) in Trade Receivables	(17,580.80)	9,366.87
Decrease / (Increase) in Loans and Advances and Other Current / Non Current Assets	(13,679.08)	(4,875.37)
Decrease / (Increase) in Inventories	(6,334.04)	(5,886.26)
Decrease / (Increase) in Trade Payables, Other Liabilities and Provisions	11,183.03	4,905.68
<b>Cash generated from Operating Activities</b>	<b>32,631.68</b>	<b>46,544.99</b>
Direct Taxes paid (net of refunds)	(539.85)	(270.54)
<b>Net Cash generated from Operating Activities (A)</b>	<b>32,091.83</b>	<b>46,274.45</b>
<b>B. Cash Flow From Investing Activities</b>		
Purchase of Property Plant and Equipment (Net)	(9,244.55)	(12,731.79)
Proceeds from Sale of Property, Plant and Equipment	41.67	9.99
Proceeds from maturity of fixed deposits	(2,955.25)	150.90
Interest received	400.53	135.30
<b>Net Cash generated / (used in) Investing Activities (B)</b>	<b>(11,757.60)</b>	<b>(12,435.60)</b>



### Cash Flow Statement for the year ended March 31, 2023 (Contd.)

(₹ in lacs)

Particulars	Current year ended March 31, 2023	Previous year ended March 31, 2022
<b>C. Cash Flow From Financing Activities</b>		
Proceeds from issue of equity share capital (including premium)	18,200.00	-
Money received against equity share warrants	4,425.00	-
Repayment of Borrowings	(33,294.83)	(24,934.23)
Financial Lease Payment	(10.13)	(10.14)
Interest Paid	(8,526.50)	(10,137.00)
<b>Net Cash generated (used in) Financing Activities (C)</b>	<b>(19,206.46)</b>	<b>(35,081.37)</b>
<b>Net Increase / (Decrease) In Cash and Cash Equivalents (A+B+C)</b>	<b>1,127.77</b>	<b>(1,242.52)</b>
<b>Cash and Cash Equivalents as at the beginning of the year</b>	<b>1,319.67</b>	<b>2,562.19</b>
<b>Cash and Cash Equivalents as at the end of the year</b>	<b>2,447.44</b>	<b>1,319.67</b>
<b>Components of cash and cash equivalents</b>		
Cash on hand	96.88	68.48
Balance with banks in current account	2,250.56	1,250.30
Fixed Deposits with original maturity fo three months or less	100.00	0.89
<b>Cash and Cash Equivalents as at 31st March, 2023 (Refer Note 12)</b>	<b>2,447.44</b>	<b>1,319.67</b>

#### Notes:

The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in Ind AS -7, 'Statement of Cash Flows'.

The accompanying notes are an integral part of these financial statements.

Previous year figures have been regrouped /rearranged wherever necessary to confirm to this year classification.

As per our report of even date

For S. K. Agrawal And Co. Chartered Accountants LLP

Chartered Accountants

Firm Regn. No. 306033E/E300272

Sd/-

CA J. K. Choudhury

Partner

Membership No. : 009367

Place : Kolkata

Date : 30<sup>th</sup> May, 2023

For and on behalf of the Board of Directors

Sd/-

Aditya Jajodia

Chairman & Managing

Director

DIN : 00045114

Sd/-

Sanjiv Jajodia

Wholetime Director & Chief

Financial Officer

DIN : 00036339

Sd/-

Rajiv Jajodia

Wholetime

Director

DIN : 00045192

Sd/-

Ajay Kumar Tantia

Company Secretary



### Significant Accounting Policies and Notes to financial statements for the year ended March 31, 2023

#### 1 Corporate Information

Jai Balaji Industries Limited (JBIL) is a Public Limited Company incorporated in India in 1999 under the Companies Act, 1956 with its shares listed on Bombay Stock Exchange (BSE) and National Stock Exchange (NSE). The registered office of the Company is at 5, Bentineck Street, Kolkata-700001.

The Company is primarily engaged in business of manufacturing of Iron and Steel products including Sponge Iron, Pig Iron, Ductile Iron Pipe, Ferro Chrome, Billet, TMT, Coke and Sinter with captive power plant.

The financial statements for the year ended March 31, 2023 were approved for issue by the Company's board of directors on 30th May, 2023.

#### 2 Significant Accounting Policies

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

##### a) Statement of Compliance

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act 2013 (the 'Act') and other relevant provisions of the Act.

##### b) Basis of preparation

The financial statements have been prepared under the historical cost convention with the exception of following assets and liabilities which have been measured at fair value:

- Derivative financial instruments;
- Certain financial assets and liabilities measured at fair value (Refer accounting policy regarding financial instruments);
- Employee benefit expenses (Refer accounting policy regarding employee benefit expenses)

##### c) Use of estimates

In preparing the financial statements in conformity with Ind AS, management has made estimates, judgments and assumptions which affect the application of accounting policies and the reported amounts of assets and liabilities as at the date of financial statements and the reported amounts of revenues and expenses during the period. The estimates and associated assumptions are based on historical experience and others factors that are considered to be relevant. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting are recognized prospectively. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to financial statements.

#### Critical estimates and judgements

The areas involving critical estimates or judgements are as follows:

##### ● Estimated fair value of unlisted securities

The fair value of financial instruments that are not traded in an active market is determined using valuation technique. The management uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period.

##### ● Estimation of defined benefit obligation

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

##### ● Recognition of deferred tax assets for carried forward tax losses

As the company has made substantial losses for the past years, no new deferred tax asset has been accounted for. However, the management has made estimates regarding the probability that the future taxable profits will be available against which existing deferred tax assets up to 31.03.2015 can be used.

##### ● Recognition and measurement of provisions and contingencies

The management has made key assumptions about the likelihood and magnitude of an outflow of resources.

##### ● Impairment of trade receivables

The impairment provisions for financial assets are based on assumptions about risk

### Significant Accounting Policies and Notes to financial statements for the year ended March 31, 2023 (Contd.)

of default and expected loss rates. The management uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

- Measurement of Right of Use Asset (ROUA) and Lease liabilities Refer note "g".

#### d) Current and Non-Current classification

The company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

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

All other assets are classified as non-current. A liability is current when:

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

The company classifies all other liabilities as non-current.

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

#### e. Revenue from Contracts with Customers

Revenue from contracts with customers is recognized to the extent that is probable that the economic benefits will flow to the company and revenue can be reliably measurable regardless of when payment is being received. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable

consideration on account of various discounts and schemes offered by the Company as part of the contract.

Ind AS 115 provides a single model of accounting for revenue arising from contracts with customers based on the identification and satisfaction of performance obligations. Specifically, the standard introduces a 5-step approach to revenue recognition.

Step 1: Identify the contract(s) with a customer.

Step 2: Identify the performance obligation in contract

Step 3: Determine the transaction price

Step 4: Allocate the transaction price to the performance obligations in the contract.

Step 5: Recognise revenue when [or as] the entity satisfies a performance obligation. Disaggregate revenue information:

The disaggregated revenue of the Company best depicts how the nature, amount, timing and uncertainty of revenues and cash flows are affected by industry, market and other economic factors.

Refer Note No. 25 for Disaggregate revenue information.

#### Other income

Other income is comprised primarily of interest income, insurance claim received, gain on investments and exchange gain.

##### A. Conversion Income

Revenue from sale of service is recognized when control has been transferred to the buyer usually when the delivery of goods after due process of conversion takes place, revenue is booked when all the performance obligations are satisfied.

##### B. Export Incentives

Income from export incentives such as duty drawback, Merchandise Export from India Scheme (MEIS) and Remission of duties and taxes on export products (RODTEP) are recognised on accrual basis.

##### C. Interest Income

Interest income is recognized using the Effective Interest Rate (EIR).

#### f. Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That





### Significant Accounting Policies and Notes to financial statements for the year ended March 31, 2023 (Contd.)

is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

#### The Company as a lessor

Rental income arising is accounted for on a straightline basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

#### The Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

#### Right of Use Assets

The Company recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements. The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for an lease payments made at or prior to the commencement date of the lease (i.e. the date the underlying asset is available for use) plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line-basis over the shorter of lease term and the useful life of the underlying assets.

The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable using the incremental borrowing rates. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made.

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

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

#### g. Property, Plant and Equipment

Property, Plant and Equipment represent a significant proportion of the asset base of the company. Free hold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditures that are directly attributable to the acquisition of the items.

Property, Plant and Equipment are stated at cost, less accumulated depreciation and impairment, if any. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by management.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labor, any other costs directly attributable to bringing the item to working condition for its intended use.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property plant and equipment.

Subsequent costs are included in the assets carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. Property, Plant and Equipment includes spare parts, stand by equipments and servicing equipment which are expected to be used for a period more than twelve months and meets the recognition criteria of property, plant and equipment.

Based on technical assessment made by technical expert and Management estimate the entity depreciates items of property, plant and equipment over estimated useful lives which are same as prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

- Building : 5-60 years
- Office Equipments : 5 years
- Furniture and Fixtures : 10 years
- Vehicle : 8 years
- Plant and equipments : 15-40 years
- Computers : 3-6 years



### Significant Accounting Policies and Notes to financial statements for the year ended March 31, 2023 (Contd.)

- Lease hold Land : over the period of Lease

Depreciation on property, plant and equipment is provided on straight line basis to the extent of depreciable amount on pro-rata basis over the useful life of respective assets as prescribed under Schedule II to the Companies Act, 2013, except for Moulds as stated below.

Pig Moulds for Ductile Iron Foundry works are depreciated over a period of 4 years.

Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as capital advances under other non-current assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'.

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognized.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

#### **h. Intangible Assets**

##### **Software**

Software is measured initially at cost and subsequently at cost less accumulated amortization and impairment. Software is amortised over its useful life on a straight line basis.

##### **Item Useful life**

Computer Software      5 years

#### **i. Provisions & Contingent Liability**

A provision is recognized if, as a result of a past event, the company has a present obligation (legal or constructive) that is reasonably estimable, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are not recognized for future operating losses.

Where the effect of time value of money is material, provisions are measured at the present value of management's best estimate of the required to settle the present obligation at the

end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to passage of time is recognized as interest expense.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non- occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

#### **j. Inventories**

Inventories are valued at the lower of cost and net realizable value.

- Raw materials: Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a weighted average basis.
- Finished goods and work in progress: Cost of finished goods and work-in-progress comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity.
- Stores and spares: Cost is determined on weighted average basis.
- Scrap and By Products: At net realizable value.

The Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and estimated costs necessary to make the sale.

#### **k. Earnings per share**

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

Diluted earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.



### Significant Accounting Policies and Notes to financial statements for the year ended March 31, 2023 (Contd.)

#### l. Trade Receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

#### m. Cash and bank balances

Cash and bank balances consist of:

##### ● Cash and cash Equivalent

Cash and cash equivalent in the balance sheet comprise cash on hand and in bank and short term deposits with an original maturity of three months, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash on hand, in banks and short term deposits with an original maturity of three months net of outstanding bank overdrafts as they are considered integral part of the company's cash management.

##### ● Other bank balances

This includes balances and deposits with bank that are restricted for withdrawal and usage having maturity of more than three years extending upto twelve years.

#### n. Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Company is predominantly engaged in a single reportable segment of "Iron and Steel" during the year.

#### o. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the interest costs.

#### p. Government grants and subsidies

Grants and subsidies from the government are recognized when there is a reasonable assurance that the grant/subsidy will be received and all attaching conditions will be complied with.

When the grant or subsidy relates to an expense item, it is recognized as income over the periods necessary to match them on a systematic basis to the costs, which it is intended to compensate.

Where the grant or subsidy relates to an asset, its value is deducted in arriving at the carrying amount of the related asset.

Government grants of the nature of promoter's contribution are credited to capital reserve and treated as a part of shareholder's funds.

#### q. Financial Instruments

##### Initial Recognition

The company recognizes financial assets and financial liabilities including derivatives when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, those are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date i.e., the date at which the company commits to purchase or sell the asset.

##### Subsequent Measurement

##### a. Derivative financial instruments

Derivative instruments used by the Company include forward exchange contracts. These financial instruments are utilised to hedge future transactions. The company does not hold or issue derivative financial instruments for trading purposes. All transactions in derivative financial instruments are undertaken to manage risks arising from underlying business activities.

##### b. Non-derivative financial instruments

##### (i) Financial assets carried at amortized cost:

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



### Significant Accounting Policies and Notes to financial statements for the year ended March 31, 2023 (Contd.)

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables.

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

A financial asset is subsequently measured at fair value through other comprehensive income 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 flows that are solely payments of principal and interest on the principal amount outstanding.

The company recognizes impairment losses and reversals and foreign exchange gain or loss in the Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to Profit and Loss. Interest earned while holding FVTOCI debt instrument is reported as interest income using the EIR method.

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

A financial asset which is not classified in any of the above categories is subsequently measured at fair valued through profit or loss. The company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL, which is thereafter irrevocable. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The company has not designated any debt instrument as at FVTPL.

**(iv) Financial liabilities:**

Financial liabilities are subsequently carried at amortized cost using the effective interest method except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. 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. The company's financial liabilities include trade and other payables and loans and borrowings.

Loans and Borrowings- After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

**Derecognition of Financial Instruments**

The company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers 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 expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

**Fair Value of Financial Instruments**

In determining the fair value of its financial instruments, the company uses a variety of





### Significant Accounting Policies and Notes to financial statements for the year ended March 31, 2023 (Contd.)

methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized.

#### **Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously. This legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business.

#### **r. Impairment**

##### **a. Financial assets**

Financial assets, other than those assets which are measured at fair value through profit or loss, are assessed for indicators of impairment at the end of each reporting period. The Company recognises a loss allowance for expected credit losses on financial asset. In case of trade receivables, the Company follows the simplified approach permitted by Ind AS 109-Financial Instruments for recognition of impairment loss allowance. The application of simplified approach does not require the Company to track changes in credit risk. The Company calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience.

##### **b. Non-financial assets**

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the statement of profit and loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation).

#### **s. Foreign currencies**

The functional currency of the Company is determined on the basis of the primary economic environment in which it operates. The functional currency of the Company is Indian National Rupee (INR). The transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting year, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences on monetary items are recognised in Statement of Profit and Loss in the year in which they arise except for exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings.

#### **t. Fair value measurement**

The management measures financial instruments at fair value at each balance sheet date.

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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or



### Significant Accounting Policies and Notes to financial statements for the year ended March 31, 2023 (Contd.)

- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The management uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the management determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

#### u. Employee benefits

##### i. **Short Term Benefits**

Short term employee benefit obligations are measured on an undiscounted basis and are

expensed as the related services are provided. Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognized in respect of employee's services up to the end of the reporting period.

##### ii. **Other Long Term Employee Benefits**

The liabilities for earned leaves that are not expected to be settled wholly within twelve months are measured as the present value of the expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the government securities (G-Sec) rates at the end of the reporting period that have terms approximating to the terms of related obligation. Remeasurements as the result of experience adjustment and changes in actuarial assumptions are recognized in the Statement of Profit and Loss.

##### iii. **Post-Employment Benefits**

The Company operates the following post-employment schemes:

##### **Defined Benefit Plans**

The liability or asset recognized in the Balance Sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods. The defined benefit obligation is calculated annually by Actuaries using the projected unit credit method. The liability recognized for defined benefit plans is the present value of the defined benefit obligation at the reporting date less the fair value of plan assets, together with adjustments for unrecognized actuarial gains or losses and past service costs. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. The benefits are discounted using the government securities (G-Sec) rates at the end of the reporting period that have terms approximating to the terms of related obligation. Remeasurements of the net defined benefit obligation, which comprise actuarial gains and losses, the return on plan assets



### Significant Accounting Policies and Notes to financial statements for the year ended March 31, 2023 (Contd.)

(excluding interest) and the effect of the asset ceiling, are recognized in other comprehensive income. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to the Statement of Profit and Loss.

#### Defined Contribution Plan

Contributions to defined contribution plans include provident fund contribution to government administered fund and are charged to the Statement of Profit and Loss as and when incurred. Such benefits are classified as defined contribution plans since the Company does not carry any further obligations, apart from the contributions made on monthly basis.

#### v. Taxes

Tax comprises current and deferred tax. It is recognized in profit or loss except to the extent that it relates to a business combination or to an item recognized directly in equity or in other comprehensive income.

##### ● Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognized amounts, and it is intended to realize the asset and settle the liability on a net basis or simultaneously.

##### ● Deferred tax

Deferred tax is recognized 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. Deferred tax is also recognized in respect of carried forward tax losses and tax credits. Deferred tax is not recognized for:

- ♦ temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither

accounting nor taxable profit or loss at the time of the transaction;

- ♦ taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognized using liability method, to the extent that it is probable that future taxable profits will be available against which they can be used. The company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realized. Deferred tax assets – unrecognized or recognised, are reviewed at each reporting date and are recognised/reduced to the extent that it is probable/no longer probable respectively that the related tax benefit will be realized.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority.

#### w. Investment in subsidiaries , joint ventures and associates

Investments in subsidiaries, joint ventures and associates are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries, the difference between net disposal proceeds and the carrying amounts are recognized in the Statement of Profit and Loss.

#### x. Recent accounting pronouncements

Ministry of Corporate Affairs (“MCA”) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:



### Significant Accounting Policies and Notes to financial statements for the year ended March 31, 2023 (Contd.)

Ind AS 1- Presentation of Financial Statements- This amendment requires the Company to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and the impact of the amendment is insignificant in the standalone financial statements.

Ind AS 8- Accounting Policies, Changes in Accounting Estimates and Errors - This amendment has introduced a definition of 'accounting estimates' and included amendments

to Ind AS 8 to help Company distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its standalone financial statements.

Ind AS 12- Income Taxes- This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its standalone financial statement.



### Notes to financial statements for the year ended March 31, 2023 (Contd.)

Particulars	(₹ in lacs)										Total
	Freehold Land	Factory Buildings	Railway Siding	Plant and Machinery	Electrical Installation	Furniture and Fixture	Office Equipment	Vehicle			
Gross carrying value as on April 1, 2022	4,103.89	41,088.60	4,583.27	1,86,566.29	24,540.62	217.46	1,358.87	120.38			2,62,579.38
Additions	-	739.71	388.66	11,715.09	771.23	23.31	192.06	13.36			13,843.42
Disposal/Adjustments	-	-	-	19,238.96	3,078.69	3.06	14.02	-			22,334.73
Gross carrying value as on March 31, 2023	<b>4,103.89</b>	<b>41,828.31</b>	<b>4,971.93</b>	<b>1,79,042.42</b>	<b>22,233.16</b>	<b>237.71</b>	<b>1,536.91</b>	<b>133.74</b>			<b>2,54,088.07</b>
Accumulated depreciation as on April 1, 2022	-	15,180.59	3,727.21	1,03,922.48	22,416.97	118.00	1,093.85	114.25			1,46,573.35
Depreciation for the period	-	1,186.91	267.28	7,717.74	477.98	11.43	110.20	0.49			9,772.03
Disposal/Adjustment	-	-	-	11,842.22	3,078.69	2.90	14.02	-			14,937.83
Accumulated depreciation as on March 31, 2023	-	<b>16,367.50</b>	<b>3,994.49</b>	<b>99,798.00</b>	<b>19,816.26</b>	<b>126.53</b>	<b>1,190.03</b>	<b>114.74</b>			<b>1,41,407.55</b>
Carrying value as on March 31, 2023	<b>4,103.89</b>	<b>25,460.81</b>	<b>977.44</b>	<b>79,244.42</b>	<b>2,416.90</b>	<b>111.18</b>	<b>346.88</b>	<b>19.00</b>			<b>1,12,680.52</b>
Carrying value as on April 1, 2022	4,103.89	25,908.01	856.06	82,643.81	2,123.65	99.46	265.02	6.13			1,16,006.03

Particulars	(₹ in lacs)										Total
	Freehold Land	Factory Buildings	Railway Siding	Plant and Machinery	Electrical Installation	Furniture and Fixture	Office Equipment	Vehicle			
Gross carrying value as on April 1, 2021	4,103.89	40,779.35	4,354.18	1,80,171.64	24,380.39	144.26	1,217.59	120.38			2,55,271.68
Additions	-	309.25	229.09	6,587.46	188.48	73.20	141.28	-			7,528.76
Disposal/Adjustments	-	-	-	192.81	28.25	-	-	-			221.06
Gross carrying value as on March 31, 2022	<b>4,103.89</b>	<b>41,088.60</b>	<b>4,583.27</b>	<b>1,86,566.29</b>	<b>24,540.62</b>	<b>217.46</b>	<b>1,358.87</b>	<b>120.38</b>			<b>2,62,579.38</b>
Accumulated depreciation as on April 1, 2021	-	14,009.14	3,403.59	96,997.47	21,971.37	112.40	1,005.84	114.20			1,37,614.02
Depreciation for the period	-	1,171.45	323.62	7,054.63	472.44	5.60	88.01	0.05			9,115.79
Disposal/Adjustment	-	-	-	129.62	26.84	-	-	-			156.46
Accumulated depreciation as on March 31, 2022	-	<b>15,180.59</b>	<b>3,727.21</b>	<b>1,03,922.48</b>	<b>22,416.97</b>	<b>118.00</b>	<b>1,093.85</b>	<b>114.25</b>			<b>1,46,573.35</b>
Carrying value as on March 31, 2022	<b>4,103.89</b>	<b>25,908.01</b>	<b>856.06</b>	<b>82,643.81</b>	<b>2,123.65</b>	<b>99.46</b>	<b>265.02</b>	<b>6.13</b>			<b>1,16,006.03</b>
Carrying value as on April 1, 2021	4,103.89	26,770.21	950.59	83,174.17	2,409.02	31.86	211.75	6.18			1,17,657.66

#### Notes

- Individual assets property plant and equipment has not been reclassified during the year
- Refer note 35B for disclosure of Capital and other commitment.
- Refer note 20 for information property plant and equipment pledged as security by the company.
- All the freehold Land and Building are in the name of Company.
- Refer note no : 57(g) for title deed disclosure.
- During the year the company has discarded certain Property, plant and equipment pertaining to Unit III: Durgapur and the difference between the Written Down Value (WDV) and Net Realisable Value (NAV) of ₹ 7,380.77 lacs has been charged to the Statement of Profit and Loss



### Notes to financial statements for the year ended March 31, 2023 (Contd.)

Note 3A : The details of right-of use of assets held by the company is as follows:

i) Current Reporting Period		(₹ in lacs)
Particulars	Leasehold Land	
Gross carrying value as on April 1, 2022	871.86	
Additions	-	
Disposal	-	
Gross carrying value as on March 31, 2023	871.86	
Accumulated depreciation as on April 1, 2022	415.85	
Depreciation for the period	8.67	
Disposal/ Adjustment	-	
Accumulated depreciation as on March 31, 2023	424.52	
Carrying value as on March 31, 2023	447.34	
Carrying value as on April 1, 2022	456.01	
ii) Previous Reporting Period		(₹ in lacs)
Particulars	Leasehold Land	
Gross carrying value as on April 1, 2021	871.86	
Additions	-	
Disposal	-	
Gross carrying value as on March 31, 2022	871.86	
Accumulated depreciation as on April 1, 2021	407.18	
Depreciation for the period	8.67	
Disposal/ Adjustment	-	
Accumulated depreciation as on March 31, 2022	415.85	
Carrying value as on March 31, 2022	456.01	
Carrying value as on April 1, 2021	464.68	

Net book value of leasehold land for the year ended March 31, 2023 were under finance lease

Note 4 : Capital Work-in-Progress			(₹ in lacs)
Particulars	As at March 31, 2023	As at March 31, 2022	
<b>A. Capital Work-in-Progress</b>			
Buildings	2,075.11	1,603.23	
Road	12.92	50.52	
Railway Siding	728.03	359.01	
Plant and Machinery	15,817.94	10,179.66	
Electrical Installations	956.69	913.06	
Land	1.12	1,158.81	
Stores	26.54	--	
<b>Sub Total</b>	<u>19,618.35</u>	<u>14,264.29</u>	
Less : Transferred to Fixed Assets	12,784.09	6,378.46	
Less : Amount write off	--	2,765.23	
Less : Provision for deminution value of assets	116.88	--	
<b>Total A :</b>	<u>6,717.38</u>	<u>5,120.60</u>	
<b>B. Pre-operative Expenditure Pending Allocation</b>			
Opening Balance	104.40	4,221.04	
<b>Additions</b>			
Rent and Hire	32.73	4.29	
Travelling and Conveyance	37.95	--	
Legal and Professional Charges	34.91	24.32	
Miscellaneous Expenses	330.37	492.84	
<b>Sub Total</b>	<u>435.96</u>	<u>521.45</u>	
Less : Transferred to Fixed Assets	374.37	674.13	
Less : Amount write off	--	3,963.96	
<b>Total B :</b>	<u>165.99</u>	<u>104.40</u>	
<b>Grand Total (A+B)</b>	<u>6,883.37</u>	<u>5,225.00</u>	



### Notes to financial statements for the year ended March 31, 2023 (Contd.)

Ageing of Capital Work in Progress is as follows:

i) Current Reporting Period (₹ in lacs)

Particulars	Amount in CWIP for the year ended March 31, 2023				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	6,434.68	105.04	---	---	6,539.72
Projects temporarily suspended	---	---	---	343.65	343.65
<b>Total</b>	<b>6,434.68</b>	<b>105.04</b>	<b>---</b>	<b>343.65</b>	<b>6,883.37</b>

ii) Previous Reporting Period (₹ in lacs)

Particulars	Amount in CWIP for the year ended March 31, 2022				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	4,881.35	--	--	--	4,881.35
Projects temporarily suspended	--	--	--	343.65	343.65
<b>Total</b>	<b>4,881.35</b>	<b>--</b>	<b>--</b>	<b>343.65</b>	<b>5,225.00</b>

#### Note 4A : Intangible Assets

i) Current Reporting Period (₹ in lacs)

Particulars	As at March 31, 2023
<b>Software</b>	
Gross carrying value as on April 1, 2022	149.40
Additions	1.43
Disposal	--
Gross carrying value as on March 31, 2023	150.83
Accumulated depreciation as on April 1, 2022	106.76
Depreciation for the period	12.04
Disposal/Adjustment	--
Accumulated depreciation as on March 31, 2023	118.80
Carrying value as on March 31, 2023	32.03
Carrying value as on April 1, 2022	42.64

ii) Previous Reporting Period (₹ in lacs)

Particulars	As at March 31, 2022
<b>Software</b>	
Gross carrying value as on April 1, 2021	123.52
Additions	25.88
Disposal	--
Gross carrying value as on March 31, 2022	149.40
Accumulated depreciation as on April 1, 2021	98.76
Depreciation for the period	8.00
Disposal/Adjustment	--
Accumulated depreciation as on March 31, 2022	106.76
Carrying value as on March 31, 2022	42.64
Carrying value as on April 1, 2021	24.76



### Notes to financial statements for the year ended March 31, 2023 (Contd.)

#### Note 5 : Intangible Assets Under Development

##### i) Current Reporting Period

(₹ in lacs)

Particulars	As at March 31, 2023
Software	--
Less : Amount write off	--
<b>Total:</b>	<b>--</b>

##### ii) Previous Reporting Period

(₹ in lacs)

Particulars	As at March 31, 2022
Software	20.80
Less : Amount write off	20.80
<b>Total:</b>	<b>--</b>

Ageing of Intangible Assets under development is as follows :

##### i) Current Reporting Period

(₹ in lacs)

Description	Amount in CWIP for the year ended March 31, 2022				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	--	--	--	--	--
<b>Total</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>

##### ii) Previous Reporting Period

(₹ in lacs)

Particulars	Amount in CWIP for the year ended March 31, 2021				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	--	--	--	--	--
<b>Total</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>

Ageing of Intangible Assets under development is as follows :

#### Note 6 : Non Current Investment

(₹ in lacs)

Particulars	Face Value per Share	Number of Shares as at March, 2023	Number of Shares as at March, 2022	As at March 31, 2023	As at March 31, 2022
<b>I Trade Investment</b>					
<b>Unquoted, Fully Paid up</b>					
<b>a Investment in Equity Shares</b>					
<b>i) In Subsidiary Companies</b>					
Jai Balaji Energy (Purulia) Limited	10	50,000	50,000	5.00	5.00
Jai Balaji Steels (Purulia) Limited	10	50,000	50,000	5.00	5.00
<b>Sub-Total (i)</b>				<b>10.00</b>	<b>10.00</b>
<b>ii) In Joint Venture Companies#</b>					
Andal East Coal Company Private Limited	10	319,290	319,290	3.19	3.19
Rohne Coal Company Private Limited	10	69,000	69,000	0.69	0.69
<b>b. Investment in Preference Shares</b>					
<b>i) In a Joint Venture Company#</b>					
1% Redeemable Preference Shares of Rohne Coal Company Private Limited	10	2,363,914	2,363,914	23.64	23.64
<b>Sub-Total (ii)</b>				<b>27.52</b>	<b>27.52</b>
Aggregate Value of Investments					
- Quoted				--	--
- Unquoted				37.52	37.52
<b># Refer note 50</b>					
<b>(At Fair value through Other Comprehensive Income)</b>					





### Notes to financial statements for the year ended March 31, 2023 (Contd.)

(₹ in lacs)					
Particulars	Face Value per Share	Number of Shares as at March, 2023	Number of Shares as at March, 2022	As at March 31, 2023	As at March 31, 2022
<b>II Non Trade Investment</b>					
<b>Unquoted, Fully Paid up</b>					
<b>a. Investment in Equity Instruments</b>					
Calcutta Stock Exchange Limited# (At Amortised cost)	1	2,726	2,726	71.60	71.60
<b>b. In Government Securities</b>					
National Saving Certificate (Deposited with Third Parties)				7.32	7.32
				78.92	78.92
Aggregate Value of Investments					
- Quoted				-	-
- Unquoted				78.92	78.92
Total Investment				116.44	116.44
# Refer note 51					

#### Details of Subsidiaries, Associates and Joint Ventures in accordance with Ind AS 112 "Disclosure of Interest in other entities":

Name of Company	Country of Incorporation	Proportion of Shareholding	
		As at March 31, 2023	As at March 31, 2022
<b>In Subsidiary Companies</b>			
Jai Balaji Energy (Purulia) Limited	India	100%	100%
Jai Balaji Steels (Purulia) Limited	India	100%	100%
<b>In Joint Venture Companies#</b>			
Andal East Coal Company Private Limited	India	32.79%	32.79%
Rohne Coal Company Private Limited	India	6.90%	6.90%

#### Note 7 : Other Non Current Financial Assets

(₹ in lacs)		
Particulars	As at March 31, 2023	As at March 31, 2022
<b>Unsecured, considered good</b>		
Security Deposits	5,181.71	3,668.79
[Net of Provision for Doubtful Advances of ₹ 28.41 lacs (₹ 34.65 lacs)]		
Fixed deposits with maturity of more than twelve months*	1,659.06	514.48
Interest Receivable on Deposits	52.49	53.50
<b>Total</b>	6,893.26	4,236.77

#### Notes

Fixed deposit amounting to Rs. 1259.06 Lacs (₹ 514.48 Lacs) are held as margin money



### Notes to financial statements for the year ended March 31, 2023 (Contd.)

#### Note 8 : Deferred Tax Assets / (Liabilities) (Net)

(₹ in lacs)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Deferred Tax Asset</b>		
Unabsorbed Depreciation and carry forward Business Losses	65,831.38	69,276.81
Expenses Allowed On Payment Basis/Other Timing Differences	16,031.69	11,721.70
<b>Sub Total (A)</b>	<u>81,863.07</u>	<u>80,998.51</u>
<b>Deferred Tax Liability</b>		
Timing Difference on Depreciable assets	18,949.50	21,006.83
Unrealised gains/(losses) on forward contract	4.09	--
<b>Sub Total (B)</b>	<u>18,953.59</u>	<u>21,006.83</u>
<b>Deferred Tax Assets / (Net) (A-B)</b>	<u>62,909.48</u>	<u>59,991.68</u>
<b>Less: Deferred Tax Assets not recognised (refer note below)</b>	<u>(33,824.34)</u>	<u>(30,906.54)</u>
<b>Total</b>	<u>29,085.14</u>	<u>29,085.14</u>

#### Note :

As the Company has made substantial losses for the past years no Deferred Tax Assets for the year has been accounted for. However the figure upto 31.03.2015 has been carried forward because the management is taking corrective action to improve the working so as to enable them realise the above figure.

#### Note 9 : Other Non Current Assets

(₹ in lacs)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Unsecured, considered good</b>		
Capital Advances	2,667.80	7,855.82
[Net of Provision for Doubtful Advances ₹3,696.81 lacs (₹ NIL)]		
Prepaid Expenses	42.08	7.20
<b>Total:</b>	<u>2,709.88</u>	<u>7,863.02</u>

#### Note 10 : Inventories

(₹ in lacs)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>(Valued at lower of cost and net realisable value)</b>		
Raw Materials	49,830.68	51,943.99
[Including in transit ₹10,767.78 lacs (₹16,034.59 lacs)]		
Work - in - Progress	1,962.30	1,088.96
Finished Goods	18,589.61	14,291.86
Stock-in-trade	137.63	110.79
Stores and Spares	10,065.55	6,663.40
[Including in transit ₹1,047.12 lacs (₹462.78 lacs)]		
By Products and Scrap	1,551.01	1,703.74
<b>Total:</b>	<u>82,136.78</u>	<u>75,802.74</u>

#### Note 11 : Trade Receivables

(₹ in lacs)

Particulars	As at March 31, 2023	As at March 31, 2022
Trade Receivables considered good (Unsecured)*	22,931.05	15,613.83
Trade Receivable credit impaired	37,527.19	36,044.63
	<u>60,458.24</u>	<u>51,658.46</u>
Less: Allowance for credit Losses (Refer note below)	37,527.19	36,044.63
<b>Total:</b>	<u>22,931.05</u>	<u>15,613.83</u>

\*Including receivable from related party (Refer note 43b)



### Notes to financial statements for the year ended March 31, 2023 (Contd.)

Ageing of Trade Receivables is as follows :

#### i) Current Reporting Period

(₹ in lacs)

Particulars	Outstanding for the year ended March 31, 2023 from due date of payment					Total
	Less than 6 months	6 month - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) Undisputed Trade receivables-considered good (Unsecured)	21,844.80	570.61	443.28	72.36	–	22,931.05
(ii) Undisputed Trade receivables-credit impaired	2,607.19	697.41	823.25	217.10	33,182.24	37,527.19
(iii) Undisputed Trade receivables - which have significant increase in credit risk	–	–	–	–	–	–
(iv) Disputed Trade receivables-considered good (Unsecured)	–	–	–	–	–	–
(v) Disputed Trade receivables - credit impaired	–	–	–	–	–	–
(vi) Disputed Trade receivables - which have significant increase in credit risk	–	–	–	–	–	–
<b>Total</b>	<b>24,451.99</b>	<b>1,268.02</b>	<b>1,266.53</b>	<b>289.46</b>	<b>33,182.24</b>	<b>60,458.24</b>

#### ii) Previous Reporting Period

(₹ in lacs)

Particulars	Outstanding for the year ended March 31, 2022 from due date of payment					Total
	Less than 6 months	6 month - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) Undisputed Trade receivables-considered good (Unsecured)	13,072.85	2,046.93	345.88	148.17	–	15,613.83
(ii) Undisputed Trade receivables-credit impaired	688.05	511.73	230.59	148.17	34,466.09	36,044.63
(iii) Undisputed Trade receivables - which have significant increase in credit risk	–	–	–	–	–	–
(iv) Disputed Trade receivables-considered good (Unsecured)	–	–	–	–	–	–
(v) Disputed Trade receivables - credit impaired	–	–	–	–	–	–
(vi) Disputed Trade receivables - which have significant increase in credit risk	–	–	–	–	–	–
<b>Total</b>	<b>13,760.90</b>	<b>2,558.66</b>	<b>576.47</b>	<b>296.34</b>	<b>34,466.09</b>	<b>51,658.46</b>

#### Expected Credit Loss

In determining the allowances for credit losses of trade receivables, the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in the provision matrix.

#### Note 12 : Cash and Cash Equivalents

(₹ in lacs)

Particulars	As at March 31, 2023	As at March 31, 2022
Balance with Banks :-		
Current Accounts	2,250.56	1,250.30
Fixed Deposits with Original Maturity of three months or less	100.00	0.89
Cash in hand	96.88	68.48
<b>Total:</b>	<b>2,447.44</b>	<b>1,319.67</b>

#### Note 13 : Bank Balances (Other Than Cash and Cash Equivalents)

(₹ in lacs)

Particulars	As at March 31, 2023	As at March 31, 2022
Fixed deposits with maturity of less than twelve months*	2,700.30	889.63
<b>Total:</b>	<b>2,700.30</b>	<b>889.63</b>

Notes

\*Fixed deposit amounting to ₹ 1600.30 Lacs (₹ 255.09 lacs) are held as margin money

**Notes to financial statements for the year ended March 31, 2023 (Contd.)**

**Note 14 : Current Loans**

(₹ in lacs)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Loans receivable considered goods - Unsecured</b>		
Advances recoverable in cash or in kind or for value to be received [Net of Provision for Doubtful Advances of ₹ Nil (₹ 10.00 lacs)]	312.04	296.27
<b>Total:</b>	<u>312.04</u>	<u>296.27</u>

**Note 15 : Other Current Financial Assets**

(₹ in lacs)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Unsecured, considered good</b>		
Security Deposits	2,606.28	2,781.92
Interest Receivable on Deposits	146.81	37.76
<b>Total</b>	<u>2,753.09</u>	<u>2,819.69</u>

**Note 16 : Other Current Assets**

(₹ in lacs)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Unsecured, considered good</b>		
<b>Advances recoverable in cash or kind</b>		
Advances recoverable in cash or in kind or for value to be received [Net of Provision for Doubtful Advances ₹8,309.30 lacs (₹764.38 lacs)]	21,766.45	20,065.36
<b>Other Loans and Advances</b>		
Balance with Government Authorities*	686.70	1,290.14
Advance income tax	1,225.66	685.81
Mat credit entitlement**	--	4,709.71
Subsidies and Incentives Receivable***	--	10,168.00
Sales Tax and Other Refunds Receivable	191.08	230.92
<b>Total:</b>	<u>23,869.89</u>	<u>37,149.94</u>

Notes:

\* Including cenvat amount paid under protest amounting to ₹ 115.00 lacs (₹ 115.00 lacs) and electricity duty demand paid under protest amounting to ₹ 120.95 lacs (₹ Nil)

\*\* During the year, the company has written off MAT Credit entitlement of ₹ 4,709.71 lacs on the expiry of periods available for carrying forward and utilisation of the MAT credit under Income Tax Act and also due to the fact that the Company is opting to the new tax regime under the Income Tax Act from the next financial year.

\*\*\* During the year the Company has assessed the recoverability of Industrial Promotion Assistance (IPA) subsidy receivables of ₹ 10,168.00 lacs. In the opinion of the management, there is a remote possibility of recovery of the same and therefore the entire receivable amount has been written off during the year by charging to the statement of Profit and Loss.

**Note 17 : Share Capital**

(₹ in lacs)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Authorised capital</b>		
18,50,00,000 (12,50,00,000) Equity Shares of ₹ 10/- each	18,500.00	12,500.00
<b>Issued, subscribed and fully paid-up capital</b>		
14,54,50,286 (11,04,50,286) Equity Shares of ₹ 10/- each	14,545.03	11,045.03
<b>Total:</b>	<u>14,545.03</u>	<u>11,045.03</u>





### Notes to financial statements for the year ended March 31, 2023 (Contd.)

#### Reconciliation of the number of shares

##### Equity Shares :

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	(₹ in lacs)	No. of Shares	(₹ in lacs)
Equity Shares of Rs 10/- each				
At the beginning of the year	11,04,50,286	11,045.03	11,04,50,286	11,045.03
Issued during the period*	3,50,00,000	3,500.00	--	--
At the end of the year	<u>14,54,50,286</u>	<u>14,545.03</u>	<u>11,04,50,286</u>	<u>11,045.03</u>

\* These shares were issued on conversion of share warrant

##### (i) Terms/rights attached to equity shares

The Company has only one class of ordinary shares (equity shares) having at par value of ₹10/- each. Each shareholder of ordinary shares (equity shareholders) is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to approval of the share holders in the ensuing Annual General Meeting except in the case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distributions of all preferential amounts, in the proportions to their share holdings.

##### (ii) Lock-in-of-Shares

The Equity Shares allotted to companies falling under the promoter group and others pursuant to conversion of warrants issued on preferential basis are under lock-in as follow:

Sl No	Particulars	Date of Allotment	No of Equity Shares	Lock in till
1	Promoter group	22.07.2022	62,50,000	29.04.2024
	Non-Promoter Group	22.07.2022	25,00,000	29.04.2023
2	Promoter group	27.08.2022	62,50,000	30.04.2024
	Non-Promoter Group	27.08.2022	25,00,000	30.04.2023
3	Promoter group	17.10.2022	62,50,000	31.05.2024
	Non-Promoter Group	17.10.2022	25,00,000	31.05.2023
4	Promoter group	21.11.2022	62,50,000	30.06.2024
	Non-Promoter Group	21.11.2022	25,00,000	30.06.2023

##### (iii) Details of shareholders holding more than 5% shares in the Company

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	% holding in the class	No. of Shares	% holding in the class
Enfield Suppliers Ltd.	1,12,21,233	7.71	1,12,21,233	10.16
Hari Management Ltd.	70,44,000	4.84	70,44,000	6.38
Jai Salasar Balaji Industries (P) Ltd	2,51,15,157	17.27	2,51,15,157	22.74
Hariaksh Industries Pvt. Ltd	1,00,00,000	6.88	--	--
Shri Keshrinandhan Trade Pvt. Ltd	1,00,00,000	6.88	--	--
Edelweiss Asset Reconstruction Co Ltd (for and on behalf of EARC trust SC 301)	77,55,706	5.33	80,05,706	7.25
Mahananda Securitiess Ltd	1,00,00,000	6.88	--	--
Mahesh Kumar Keyal (HUF)	64,98,000	4.47	65,00,000	5.89
	<u>8,76,34,096</u>	<u>60.27</u>	<u>5,78,86,096</u>	<u>52.42</u>

As per records of the Company, including its register of share holders/members, the above share holdings represents legal ownership of shares.

### Notes to financial statements for the year ended March 31, 2023 (Contd.)

#### (iii) Share holding of promoters

The details of the shares held by promoters are as follows:

Sl. No.	Particulars	As at March, 31, 2023			As at March, 31, 2022		
		No of shares	% of total shares	% change in Share holding during the year	No of shares	% of total shares	% change in Share holding during the year
	<b>Promoter Name</b>						
1	Aditya Jajodia	3,544,576	2.44	(0.77)	3,544,576	3.21	-
2	Sanjiv Jajodia	2,779,433	1.91	(0.61)	2,779,433	2.52	-
3	Rajiv Jajodia	1,568,333	1.08	(0.34)	1,568,333	1.42	-
4	Gaurav Jajodia	119,666	0.08	(0.03)	119,666	0.11	-
	<b>Promoter Group Name</b>						
5	Aashish Jajodia	794,366	0.55	(0.17)	794,366	0.72	-
6	Sangeeta Jajodia	293,333	0.20	(0.07)	293,333	0.27	-
7	Devendra Prasad Jajodia	260,000	0.18	(0.06)	260,000	0.24	-
8	Seema Jajodia	218,833	0.15	(0.05)	218,833	0.20	-
9	Rina Jajodia	163,666	0.11	(0.04)	163,666	0.15	-
10	Kanchan Jajodia	134,383	0.09	(0.03)	134,383	0.12	-
11	Vedang Jajodia	105,550	0.07	(0.03)	105,550	0.10	-
12	Shashi Devi Jajodia	95,883	0.07	(0.02)	95,883	0.09	-
13	Preeti Kankaria	435,301	0.30	(0.09)	435,301	0.39	-
14	Jai Salasar Balaji Industries Pvt Ltd	25,115,157	17.27	(5.47)	25,115,157	22.74	-
15	Enfield Suppliers Ltd	11,221,233	7.71	(2.45)	11,221,233	10.16	-
16	Hari Mngement Ltd	7,044,000	4.84	(1.54)	7,044,000	6.38	-
17	K.D. Jajodia Steel Industries Pvt Ltd	2,410,333	1.66	(0.52)	2,410,333	2.18	-
18	Hariaksh Industries Pvt Ltd	10,000,000	6.88	6.88	-	-	-
19	Shri Keshrinandhan Trade Pvt Ltd	10,000,000	6.88	6.88	-	-	-
20	Shri Mahatejas Vinimay Pvt Ltd	5,000,000	3.44	3.44	-	-	-

#### Note 18 : Other Equity

##### i) Current Reporting Period

(₹ in lacs)

Particulars	Reserve & Surplus						Equity Instrument through OCI	Money received against share warrant	Total
	Capital Reserve	Amalgama-tion Reserve	Securities Premium Account	General Reserve	Retained Earnings	Remeasurement of the net defined benefit plans			
Balance at the beginning of the year	8,478.60	4,400.00	52,206.01	10,325.00	(257,872.84)	-	143.01	-	(1,77,320.24)
Profit / (Loss) for the year	-	-	-	-	5,783.59	-	-	-	5,783.59
Remeasurements of the net defined benefit plans	-	-	-	-	-	(38.26)	-	-	(38.26)
<b>Total comprehensive income for the year</b>	-	-	-	-	5,783.59	(38.26)	-	-	5,745.33
Security Premium Received	-	-	14,700.00	-	-	-	-	-	14,700.00
Transfer to retained earnings	-	-	-	-	(28.13)	38.26	-	-	10.13
Term loan written back and transfer to capital reserve account (Refer note 58)	1,93,510.90	-	-	-	-	-	-	-	1,93,510.90
	1,93,510.90	-	14,700.00	-	(28.13)	38.26	-	-	2,08,221.03
Amount received against share warrants	-	-	-	-	-	-	-	22,625.00	22,625.00
Allotment to Equity Share Capital	-	-	-	-	-	-	-	(18,200.00)	(18,200.00)
Transactions with owners	-	-	-	-	-	-	-	4,425.00	4,425.00
<b>Balance at the end of the year</b>	2,01,989.50	4,400.00	66,906.01	10,325.00	(2,47,117.38)	-	143.01	4,425.00	41,071.13

(Contd.)

### Notes to financial statements for the year ended March 31, 2023 (Contd.)

#### Note 18 : Other Equity

##### i) Previous Reporting Period

(₹ in lacs)

Particulars	Reserve & Surplus						Equity Instrument through OCI	Money received against share warrant	Total
	Capital Reserve	Amalgama-tion Reserve	Securities Premium Account	General Reserve	Retained Earnings	Remeasurement of the net defined benefit plans			
Balance at the beginning of the year	6,408.49	4,400.00	52,206.01	10,325.00	(257,827.28)	-	143.01	-	(1,84,344.78)
Profit / (Loss) for the year	-	-	-	-	4,806.55	-	-	-	4,806.55
Remeasurements of the net defined benefit plans	-	-	-	-	-	137.74	-	-	137.74
<b>Total comprehensive income for the year</b>	-	-	-	-	<b>4,806.55</b>	<b>137.74</b>	-	-	<b>4,944.30</b>
Security Premium Received	-	-	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	147.88	(137.74)	-	-	10.14
Term loan written back and transfer to capital reserve account (Refer note 58)	2,070.11	-	-	-	-	-	-	-	2,070.11
	2,070.11	-	-	-	147.88	(137.74)	-	-	2,080.24
Amount received against share warrants	-	-	-	-	-	-	-	-	-
Allotment to Equity Share Capital	-	-	-	-	-	-	-	-	-
Transactions with owners	-	-	-	-	-	-	-	-	-
<b>Balance at the end of the year</b>	<b>8,478.60</b>	<b>4,400.00</b>	<b>52,206.01</b>	<b>10,325.00</b>	<b>(2,52,872.85)</b>	<b>-</b>	<b>143.01</b>	<b>0.00</b>	<b>(1,77,320.24)</b>

#### Nature and purpose of reserves:

- (a) **Capital Reserve:** Capital Reserve represents amount received from West Bengal Industrial Development Corporation as a Capital Subsidy, amount forfeited against equity warrant application money and term loan amount written back.
- (b) **Amalgamation Reserve:** Amalgamation Reserve represents amount arisen on Amalgamation of erstwhile Shri Ramrupai Balaji Steels Limited.
- (c) **Securities Premium Account:** Securities Premium represents the amount received in excess of face value of securities and forfeited of shares.
- (d) **General Reserve:** The Company has transferred a portion of the net profit of the company before declaring dividend to general reserve pursuant to the earlier provisions of Companies Act, 1956. Mandatory transfer to general reserve is not required under the Companies Act, 2013.
- (e) **Retained Earnings:** Retained earnings generally represents the undistributed profit/ amount of accumulated earnings of the Company.
- (f) **Remeasurements of Net Defined Benefit Plans:** Differences between the interest income on plan assets and the return actually received and any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans are recognised in 'Other comprehensive income' and subsequently not reclassified to the Statement of Profit and Loss.
- (g) **Equity Instruments through Other Comprehensive Income:** The fair value change of the equity instrument measured at fair value through other comprehensive income is recognised in Equity instruments through Other Comprehensive Income.
- (h) **Money Received against Share Warrant:** The Company had issued and allotted 5,00,00,000 warrants on Preferential allotment basis to companies falling under promoter group and others carrying a right to convert each warrant into an Equity Share of Rs 10/- each within a period of 18 months from the date of allotment i.e. 27th May, 2022. The warrant holders had paid ₹52/- per warrant amounting to ₹20,150.00 lacs as application money against the above warrant.  
Further The Company had issued and allotted 2,20,00,000 warrants on Preferential allotment basis to companies falling under Promoter group carrying a right to convert each warrant into a Equity Share of Rs 10/- each within a period of 18 months from the date of allotment i.e. 20th January, 2023. The warrant holders had paid 25% of the total consideration of ₹ 45/- per warrant amounting to ₹ 2,475.00 lacs as application money against the above warrants.  
Out of total allotted 5,00,00,000 warrants the company had converted 3,50,00,000 warrants into Equity Shares during the year ended 31st March, 2023.

**Notes to financial statements for the year ended March 31, 2023 (Contd.)**

**Note 19 : Non Current Borrowings**

Particulars	(₹ in lacs)	
	As at March 31, 2023	As at March 31, 2022
<b>(Secured, unless otherwise stated)</b>		
Rupee Loan from Asset Reconstruction Companies (Refer Note 20)	54,264.88	50,890.19
<b>Unsecured Loan:</b>		
Debtentures	8,335.30	7,717.87
Zero Coupon Non Convertible Debtentures (Refer Note below)		
<b>Total:</b>	<u>62,600.18</u>	<u>58,608.06</u>

**Notes:**

- 1) The Company has issued 87,39,685 Zero Coupon Unsecured Unlisted Non Convertible Debtentures at a price of ₹100 each. The Debtenture shall be redeemable at par within three months from the expiry of twelve years from the date of allotment i.e 14th November, 2015.

**Note 19A : Lease Liabilities**

Particulars	(₹ in lacs)	
	As at March 31, 2023	As at March 31, 2022
Non-current Lease Liability	58.88	58.88
Current Lease Liability (Refer Note 37)	10.13	10.13
<b>Total:</b>	<u>69.01</u>	<u>69.01</u>

**Note 19B : Other Non Current Liabilities**

Particulars	(₹ in lacs)	
	As at March 31, 2023	As at March 31, 2022
Deferred Income on loan measured at amortised cost	2,922.12	--
<b>Total:</b>	<u>2,922.12</u>	<u>--</u>

**Note 20 : Current Borrowings**

Particulars	(₹ in lacs)	
	As at March 31, 2023	As at March 31, 2022
<b>(Secured, unless otherwise stated)</b>		
Rupee Loan from Financial Institutions	--	537.16
Rupee Loan from Bodies Corporate (Unsecured)*	797.25	797.25
Rupee Loan from Asset Reconstruction Companies	17,600.09	226,590.80
<b>Loan Repayable on Demand</b>		
From Banks		
- Demand loan/Cash Credits	--	20,068.76
- From Bodies Corporate (Unsecured)	4,970.00	10,257.00
<b>Total:</b>	<u>23,367.34</u>	<u>258,250.97</u>

\* Payable to related parties (Refer note 43b)





### Notes to financial statements for the year ended March 31, 2023 (Contd.)

#### Note:

#### 1. Rupee Loan from Assets Reconstruction Company

- a). Rupee Loan from ARC are secured by 1st charge over the entire fixed assets(both present and future) and 1st charge over the entire current assets (both present and future) of the Company's units at Ranigunge and Durgapur in the state of West Bengal and Durg in the state of Chattisgarh.

The above loans are further secured as follows.

- i) Personal Guarantees of Promoter Directors of the Company.
- ii) Pledge of equity shares of the Company held by the promoters.

#### 2. Unsecured Loan

Unsecured Loan from bodies corporate has been received from a promoter group company and unsecured loan from others are interest bearing which is repayable on demand.

#### Additional Disclosure

#### Default in Repayment of Loans, its assignment/ settlement terms and conditions and its Accounting Treatment :

- 1 The entire exposure of Axix Bank,UCO Bank (lead bank), Allahabad Bank and Union Bank of India was already assigned to Edelweiss Asset Reconstruction Company Limited. For repayment of said debts, company entered into a restructuring agreement with Edelweiss Asset Reconstruction Company Limited (Edelweiss ARC) and agreed for the repayment of loan by September 2025. The company has made regular payment to Edelweiss Asset Reconstruction Company Limited as per the restructured repayment schedule. However, the differential amount of the pending restructured liability and books balance has been transferred to capital reserve during the year ended 31st March, 2023 according to the terms of settlement.
- 2 Bank of India have assigned their debts to Edelweiss Asset Reconstruction Company Limited. For repayment of said debts, company entered into a restructuring agreement with Edelweiss Asset Reconstruction Company Limited (Edelweiss ARC). As per the restructuring terms company has made the payment on regular basis to Edelweiss Asset Reconstruction Company Limited. However, the differential amount of the pending restructured liability and books balance has been transferred to capital reserve during the year ended 31 st March, 2023 according to the terms of settlement.
- 3 United Bank of India, State Bank of India, West Bengal Infrastructure Development Finance Corporation Ltd, IDBI Bank, Indian Overseas Bank and Vijaya Bank (Bank of Baroda) have also assigned their entire exposure to the Omkara Assets Reconstruction Private Limited (Omkara ARC). On the approach of the company, Omkara ARC has restructured the dues of each bank separately. As per the restructuring terms of each agreement, the company has made the payment without any delay or default. However, during the financial year company payoff the entire restructured dues pertaining to West Bengal Infrastructure Development Finance Corporation Ltd, IDBI Bank and Vijaya Bank (Bank of Baroda). The Omkara ARC has subsequently issue no dues certificate for the same. The balance books liabilities of these three banks are settled to the Capital Reserve according to the terms of settlement.

Further, the differential amount of the pending restructured liability and books balance pertaining to the restructuring of United Bank of India, State Bank of India and Indian Overseas Bank has been transferred to capital reserve during the year ended 31 st March, 2023, according to the terms of settlement. In compliance of the IND AS policy, the company has provided compulsory interest provision in the outstanding amount of Omkara ARC pertaining to dues of these three banks.

- 4 The Punjab National Bank has settled/restructured the combined dues of Punjab National Bank and erstwhile Oriental Bank Commerce under the One time Settlement scheme. During the year,the Company has paid the entire settlement amount to the bank.Accordingly the Punjab National Bank has already issued the No dues certificate for the same. After which, the company has settled the balance books liabilities of PNB and OBC to the Capital Reserve.
- 5 J.M. Financial Assets Reconstruction Company Limited have assigned their debts along with all its rights, title and interest in the financing documents, all agreements, deeds and documents related thereto and all primary and collateral and underlying security interest and /or pledges created to secure and /or guarantees issued in respect of the repayment of the loans for valuable consideration to Atirath Commercial Private Limited. However, Company has approached settled and paid off the said debt with Atirath Commercial Private Limited and subsequently received no dues certificate from them. The remaining books liability of Atirath Commercial Private Limited has settled to the Capital Reserve.
- 6 During the period under review, the company has paid the entire dues of the one-time settlement offer of Union Bank of India (Erstwhile Corporation Bank). The bank has also issued no dues certificate to the company for the same. The remaining books liability of Union Bank of India (Erstwhile Corporation Bank) has settled to the Capital Reserve.



### Notes to financial statements for the year ended March 31, 2023 (Contd.)

7 The details of liability outstanding/Debt assigned to/from various lenders and their status as on the end of the current year are as follows :

(₹ in lacs)

Name of the Bank/ARC	Liability outstanding /Debt Assigned	Payment Upto	Status	Default
Edelweiss Asset Reconstruction Company Limited	68,400.00	18,360.00	Restructured	No Default
Edelweiss Asset Reconstruction Company Limited	5,036.00	4,186.00	Restructured	No Default
Omkara Assets Reconstruction Pvt. Ltd.	30,628.00	4,950.00	Restructured	No Default
<b>Total</b>	<b>104,064.00</b>	<b>27,496.00</b>		

#### Note 21 : Trade Payable

(₹ in lacs)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Trade Payables</b>		
-Dues to Micro enterprises and Small enterprises	1,222.14	920.53
-Other than Micro enterprises and Small enterprises	88,672.88	80,948.89
<b>Total:</b>	<b>89,895.02</b>	<b>81,869.42</b>

Ageing of Trade Payables is as follows :

#### i) Current Reporting Period

(₹ in lacs)

Particulars	Outstanding for the year ended March 31, 2023 from due date of payment				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
i) Outstanding dues to MSME	1,124.47	69.01	22.35	6.31	1,222.14
ii) Others	73,376.65	1,174.91	2,264.35	11,856.97	88,672.88
iii) Outstanding dues to MSME - Disputed	--	--	--	--	--
iv) Others - Disputed	--	--	--	--	--
<b>Total</b>	<b>74,501.12</b>	<b>1,243.92</b>	<b>2,286.70</b>	<b>11,863.28</b>	<b>89,895.02</b>

#### ii) Previous Reporting Period

(₹ in lacs)

Particulars	Outstanding for the year ended March 31, 2022 from due date of payment				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
i) Outstanding dues to MSME	904.62	9.27	6.28	0.36	920.53
ii) Others	62,255.94	2,297.34	3,093.66	13,301.95	80,948.89
iii) Outstanding dues to MSME - Disputed	--	--	--	--	--
iv) Others - Disputed	--	--	--	--	--
<b>Total</b>	<b>63,160.56</b>	<b>2,306.61</b>	<b>3,099.94</b>	<b>13,302.31</b>	<b>81,869.42</b>

#### Note:

Based on the intimation received from supplier regarding their status under the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006, the required disclosure is given refer note no - 40



### Notes to financial statements for the year ended March 31, 2023 (Contd.)

#### Note 22 : Other Financial Liabilities

(₹ in lacs)

Particulars	Current year ended March 31, 2023	Previous year ended March 31, 2022
Interest Accrued and due on Borrowings**	1,184.94	1,443.78
Capital Creditors	2,806.49	1,618.96
Due to Employees	1,409.46	1,507.15
Interest Others	13,282.09	13,406.50
Security Deposit received*	620.41	539.50
Unclaimed Amount	8.19	4.53
	<u>19,311.58</u>	<u>18,520.42</u>

\*Net of TDS payable of ₹ 4.88 lacs (₹ 3.88 lacs)

\*\*Including payable to related parties amounting to 287.05 lacs (₹ 287.05 lacs) [Refer note 43b]

#### Note 23 : Other Current Liabilities

(₹ in lacs)

Particulars	As at March 31, 2023	As at March 31, 2022
- Advance from Customer	28,840.54	36,885.96
- Statutory Dues Payable	10,290.62	7,978.53
- Deferred Income on settlement of outstanding with Asset Reconstruction Company	1,781.11	-
- Other miscellaneous	123.54	124.73
<b>Total:</b>	<u>41,035.81</u>	<u>44,989.22</u>

#### Note 24 : Current Provisions

(₹ in lacs)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Provision for employee benefits:</b>		
Gratuity (Refer Note 39)	931.30	738.41
Leave Salary	250.05	152.51
<b>Total:</b>	<u>1,181.35</u>	<u>890.92</u>

#### Note 25 : Revenue from Operations

(₹ in lacs)

Particulars	Current year ended March 31, 2023	Previous year ended March 31, 2022
<b>Operating Revenue</b>		
Sale of Finished Goods	563,520.48	433,904.66
Sale of Trade Goods	4,151.01	1,019.10
Sale of By Products and Scraps	16,375.10	12,573.89
Sale of Raw Materials	19,784.41	12,273.07
	<u>603,831.00</u>	<u>459,770.72</u>
<b>Other Operating Revenue</b>		
Conversion Charges	-	4,321.72
Export Incentive received	429.57	241.97
Freight Charges	7,730.64	4,685.70
Third party inspection charges	478.23	212.08
Service and other Charges	38.03	18.20
<b>Revenue from Operations</b>	<u>612,507.47</u>	<u>469,250.39</u>

The disaggregation of the company's revenue from contracts with customers is as under :



### Notes to financial statements for the year ended March 31, 2023 (Contd.)

#### (i) Revenue as per Geography

(₹ in lacs)

Particulars	Current year ended March 31, 2023	Previous year ended March 31, 2022
Domestic	570,784.55	445,292.76
Exports	41,722.92	23,957.63
<b>Total</b>	<b>612,507.47</b>	<b>469,250.39</b>

#### (ii) The following table provides information about receivables, contract asset and contract liabilities from contract with customers:

(₹ in lacs)

Particulars	Current year ended March 31, 2023	Previous year ended March 31, 2022
Contract assets - Trade receivables	22,931.05	15,613.83
Contract liabilities - Advance from customers	28,840.54	36,885.96

#### (iii) Performance Obligation

The company recognises revenue from sale of goods at the point in time when control of the goods is transferred to the customers, generally on delivery of the goods and the performance obligation of the company is satisfied upon delivery of goods to customers.

#### (iv) Reconciliation of Revenue from operations with contract price

(₹ in lacs)

Particulars	Current year ended March 31, 2023	Previous year ended March 31, 2022
Contract Price	616,676.59	471,089.48
Less		
Sales returns	1,729.88	1,584.01
Discounts, rebate etc.	2,439.24	255.08
<b>Net revenue recognised from contracts with customers</b>	<b>612,507.47</b>	<b>469,250.39</b>

#### Note 26 : Other Income

(₹ in lacs)

Particulars	Current year ended March 31, 2023	Previous year ended March 31, 2022
<b>Interest Income :</b>		
(a) On Fixed deposits with banks	190.71	59.31
(b) On Loans and advances	317.85	130.14
(c) On Refund from Income Tax Department	–	25.39
Insurance claims received	49.53	37.75
Liabilities no longer required written back	1,909.98	2,659.89
Profit on sale of property, plant and equipment	25.54	–
Deferred income on Asset Reconstruction Company loan amortised	983.16	–
Profit on forward contract	13.11	–
Miscellaneous Income	59.06	74.28
<b>Total</b>	<b>3,548.94</b>	<b>2,986.76</b>





### Notes to financial statements for the year ended March 31, 2023 (Contd.)

#### Note 27 : Cost of Materials Consumed

(₹ in lacs)

Particulars	Current year ended March 31, 2023	Previous year ended March 31, 2022
Opening Stock	51,943.99	48,647.23
Purchases	428,284.58	336,307.03
	480,228.57	384,954.26
Less: Closing Stock	49,830.68	51,943.99
<b>Raw Materials Consumed</b>	<b>430,397.89</b>	<b>333,010.27</b>

#### Note 28 : Purchase of Stock-in-Trade

(₹ in lacs)

Particulars	Current year ended March 31, 2023	Previous year ended March 31, 2022
Silico Manganese	300.34	589.45
M. S. Round	53.03	-
TMT	175.69	-
Ferro Chrome High Carbon	52.27	-
Manganese Ore (Imported)	2,796.46	412.00
Manganese Ore	476.80	-
M. S. Billet	632.28	-
Cement	2.36	-
Structural Steel Items	116.01	-
<b>Total</b>	<b>4,605.24</b>	<b>1,001.45</b>

#### Note 29 : Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade

(₹ in lacs)

Particulars	Current year ended March 31, 2023	Previous year ended March 31, 2022
<b>Opening Stocks :</b>		
Finished Goods	14,291.86	12,002.94
Stock-in-Trade	110.79	21.49
Work-in-Progress	1,088.96	1,299.62
By Products and Scrap	1,703.74	2,310.06
	17,195.35	15,634.11
<b>Less:</b>		
<b>Closing Stocks</b>		
Finished Goods	18,589.61	14,291.86
Stock-in-Trade	137.63	110.79
Work-in-Progress	1,962.30	1,088.96
By Products and Scrap	1,551.01	1,703.74
	22,240.55	17,195.35
<b>(Increase)/Decrease in Inventories</b>	<b>(5,045.20)</b>	<b>(1,561.24)</b>



### Notes to financial statements for the year ended March 31, 2023 (Contd.)

#### Note 30 : Employee Benefits Expense

(₹ in lacs)

Particulars	Current year ended March 31, 2023	Previous year ended March 31, 2022
Salaries, Wages, Bonus & Other Benefits*	12,039.37	10,066.29
Contribution to Provident Fund & other fund	558.92	510.40
Staff Welfare Expenses	279.97	308.93
Directors remuneration**	284.00	--
<b>Total:</b>	<b>13,162.26</b>	<b>10,885.62</b>

\* Including as remuneration to key Managerial Personnel of ₹ 48.61 lacs (₹ 45.01 lacs) (Refer note 43b)

\*\* Refer note 43b

#### Note 31 : Finance Costs

(₹ in lacs)

Particulars	Current year ended March 31, 2023	Previous year ended March 31, 2022
<b>Interest Expenses</b>		
On Term loans	--	7.44
On Loan Asset Reconstruction Companies	6,246.29	5,705.49
On Others	2,514.38	3,892.04
Interest on Finance Lease liability	10.13	10.13
Finance charges	117.62	265.36
<b>Total:</b>	<b>8,888.42</b>	<b>9,880.46</b>

#### Note 32 : Depreciation and Amortisations Expenses

(₹ in lacs)

Particulars	Current year ended March 31, 2023	Previous year ended March 31, 2022
Depreciation on property, plant and equipment	9,772.03	9,115.79
Depreciation on Right to use assets	8.67	8.67
Amortisation of intangible assets	12.04	8.00
<b>Total:</b>	<b>9,792.74</b>	<b>9,132.46</b>

#### Note 33 : Other Expenses

(₹ in lacs)

Particulars	Current year ended March 31, 2023	Previous year ended March 31, 2022
Consumption of Stores and Spares	40,201.78	29,952.12
Labour Charges	9,024.25	8,259.39
Power and Fuel	27,489.63	17,733.43
Repairs and Maintenance:		
- Plant and Machinery	542.63	738.78
- Buildings	34.03	46.54
- Others	2,416.19	1,896.70
Water Charges	422.86	316.78
Equipment Hire Charges	4,253.44	4,415.01
Shifting Expenses	25.79	42.60

(Contd.)



### Notes to financial statements for the year ended March 31, 2023 (Contd.)

#### Note 33 : Other Expenses

(₹ in lacs)

Particulars	Current year ended March 31, 2023	Previous year ended March 31, 2022
Freight and Transportation	14,884.52	9,751.74
Rent and Hire*	192.19	186.39
Rates and Taxes	280.28	221.60
Insurance	527.65	433.82
Advertisement	810.21	518.24
Brokerage and Commission (Other than Sole Selling Agents)	671.20	455.18
Travelling and Conveyance	1,061.88	871.94
Telephone and Postage	124.74	78.90
Legal and Professional Charges	810.78	475.71
Auditors' fees (Refer note 48)	22.00	21.02
Director's Fees	1.50	1.45
Allowances for Expected credit losses	2,017.11	11,956.19
Provision for Doubtful Advances	11,225.49	44.65
Irrecoverable Debts and Advances Written off	10,659.72	3,255.60
Loss on Foreign Exchange Fluctuations	1,070.84	173.10
Charity and Donations	25.01	23.76
Corporate Social Responsibility (Refer note 56)	50.00	--
Security and Service Charges	575.54	505.71
Loss on Sale of Property, Plant & Equipment	--	54.61
Discard of property, plant & equipment	7,380.77	--
Provision for diminution value of assets	116.88	--
Miscellaneous Expenditure written off	10.36	3.60
Capital WIP and Pre operative Expenses Written Off	--	6,729.19
Miscellaneous Expenses	6,832.48	5,917.83
<b>Total:</b>	<b>143,761.76</b>	<b>105,081.58</b>

Including rent paid to related party (Refer Note 43.b)

#### Note 34 : Other Comprehensive Income

(₹ in lacs)

Particulars	Current year ended March 31, 2023	Previous year ended March 31, 2022
<b>Other Comprehensive Income</b>		
Items that will not be reclassified to profit or loss		
Remeasurements of the defined benefit plans	(38.26)	137.74
<b>Total:</b>	<b>(38.26)</b>	<b>137.74</b>

#### 35A Contingent liabilities

In the ordinary course of business, the Company faces claims and assertions by various parties. The Company assesses such claims and assertions and monitors the legal environment on an on-going basis with the assistance of external legal counsel, wherever necessary. The Company records a liability for any claims where a potential loss is probable and capable of being estimated and discloses such matters in its financial statements, if material. For potential losses that are considered possible, but not probable, the Company provides disclosure in the financial statements but does not record a liability in its accounts unless the loss becomes probable.



### Notes to financial statements for the year ended March 31, 2023 (Contd.)

The following is a description of claims and assertions where a potential loss is possible, but not probable. The Company believes that none of the contingencies described below would have a material adverse effect on the Company's financial condition, results of operations or cash flows.

Particulars	(₹ in lacs)	
	As at March 31, 2023	As at March 31, 2022
a) Claims against the Company not acknowledged as debts		
i) Excise, Service Tax and GST Demands under dispute/appeal	24,525.19	21,298.30
ii) Custom Demand on imported Coal/Coke	362.32	1,182.26
iii) Sales Tax /VAT/Entry Tax matters under dispute/appeal	8121.57	8,143.78
iv) Income tax matters under dispute/appeal	5.70	6.85
v) Electricity duty demand	-	1214.13
vi) Settlement of loan with Assets Reconstruction Companies	169,290.05	-
b) Custom Duty on Import of Equipment and spare parts under EPCG Scheme	16,669.00	6272.00
c) Legal Case matters under dispute/appeal	493.98	489.08
<b>35B. Capital and other commitments</b>		
Estimated amount of contracts remaining to be executed on Capital Account and not provided for	7,376.18	4,289.95

36 Due to unfavourable market conditions and other adverse industry scenario the company has made substantial losses for the past years. This has impacted the net worth of the company. However, the management is confident that the improvement in market scenario will help in improving the financial health of the company. The financial statement for the year have been prepared by the management of the Company on a going concern basis as the company is continuing its normal manufacturing during the current year and has not written off Deferred tax Assets amounting to ₹ 29,085.14 lacs provided upto 31st March, 2015.

#### 37 Leases

The Company determines whether an arrangement contains a lease by assessing whether the fulfillment of a transaction is dependent on the use of a specific asset and whether the transaction conveys the right to use that asset to the Company in return for payment. Where this occurs, the arrangement is deemed to include a lease and is accounted for either as finance or operating lease.

Leases are classified as finance leases where the terms of the lease transfers substantially all the risks and rewards of ownership to the lessee, because of the lease period of land 90 or more years then the fair value computation for finance lease will have no material difference comparing to its carrying value, so that the company considered as finance lease.

#### The Company as lessee

##### Finance Lease:

Finance Leases are capitalised at the commencement of lease, at the lower of the fair value of the property or the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in the statement of profit and loss over the period of the lease.

Particulars	(₹ in lacs)	
	Current year ended March 31, 2023	Previous year ended March 31, 2022
Payments recognised as a expenses	10.13	10.13
Future Minimum Lease payments		
- Not later than one year	10.13	10.13
- Later than one year and not more than five years	50.68	50.68
- Later than five years	604.49	614.63



### Notes to financial statements for the year ended March 31, 2023 (Contd.)

38 During the year, the Company has not recognised any income under the scheme for the following subsidies / incentives receivable from the Government of West Bengal under West Bengal Incentive Scheme aggregating to ₹ Nil (₹ Nil): Pre Goods & Service Tax (GST), the company was enjoying certain benefits under Industrial Promotion Scheme of State Government Post GST, pending notifications by the State Government on prudent basis.

(₹ in lacs)

Sl. No.	Particulars	Account to which credited	Current year ended March 31, 2023	Previous year ended March 31, 2022
a)	Industrial Promotion Assistance	Subsidy on Sales Tax / Value Added Tax under Sales & Service	Nil	Nil

### 39 Employee Benefit Obligations

#### Defined contribution plans

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

The amount recognised as an expense for the Defined Contribution Plans as under:

(₹ in lacs)

Particulars	Current year ended March 31, 2023	Previous year ended March 31, 2022
Contribution to Provident Fund and other Funds	711.64	666.67

#### Defined benefit plans

##### Gratuity

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service is entitled to gratuity on terms not less favourable than The Provisions of Payment of Gratuity Act, 1972. The scheme is funded with an insurance company in the form of a qualifying insurance policy.

The disclosures required under Indian Accounting Standard 19 'Employee Benefits' notified in the Companies (Accounting Standards) Rules 2006 are given below:

### I. Expenses recognized in the Statement of Profit & Loss :

(₹ in lacs)

Particulars	Current year ended March 31, 2023	Previous year ended March 31, 2022
Current service cost	185.04	181.90
Interest cost on benefit obligation	49.59	51.21
Expected return on plan assets	-	-
Net actuarial loss/(gain) recognised in the year	-	-
Past Service cost	-	-
<b>Total Expenses</b>	<b>234.62</b>	<b>233.11</b>





### Notes to financial statements for the year ended March 31, 2023 (Contd.)

#### II. Net Assets / (Liability) recognized in the Balance Sheet :

(₹ in lacs)

Particulars	As at March 31, 2023	As at March 31, 2022
Present value of Defined Benefits Obligation	(1,285.25)	(1049.70)
Fair value of plan assets	353.95	311.29
	<u>(931.30)</u>	<u>(738.41)</u>
<b>Net Assets / (Liability) recognized in the Balance Sheet :</b>	<b>(931.30)</b>	<b>(738.41)</b>

#### III. Change in the present value of the defined benefit obligation during the year are as follows:

(₹ in lacs)

Particulars	As at March 31, 2023	As at March 31, 2022
Present value of Defined Benefits Obligation at the beginning of the year	1,049.71	1,009.38
Current Service Cost	185.04	181.90
Interest Cost	72.32	66.26
Settlement Cost	—	—
Benefits Paid	(62.21)	(70.08)
Actuarial Loss/(Gain)	40.39	(137.75)
Plan Amendments	—	—
<b>Present value of Defined Benefits Obligation at the year end</b>	<b>1,285.25</b>	<b>1,049.71</b>

#### IV. Change in the Fair Value of Plan Assets during the year ended are as follows:

(₹ in lacs)

Particulars	As at March 31, 2023	As at March 31, 2022
Fair Value of Plan Assets at the beginning of the year	311.29	146.34
Expected Return	2.14	(0.01)
Interest Income	22.73	15.05
Contribution by Employer	80.00	220.00
Benefits paid	(62.21)	(70.08)
Actuarial Gains/(Losses)	—	—
<b>Fair Value of Plan Assets at the year end</b>	<b>353.95</b>	<b>311.29</b>

#### V. Expenses recognised in Other Comprehensive Income (OCI) for Current Year

(₹ in lacs)

Particulars	As at March 31, 2023	As at March 31, 2022
Actuarial (Gain)/Losses due to DBO Assumption changes	(12.65)	(32.91)
Actuarial (Gain)/Losses due to DBO experience	53.06	(104.84)
Return on Plan Assets (Greater)/Less than Discount Rate	(2.14)	0.01
<b>Net (Income)/Expense for the period recognized in OCI</b>	<b>38.26</b>	<b>(137.75)</b>



### Notes to financial statements for the year ended March 31, 2023 (Contd.)

#### VI. Balance Sheet Reconciliation

(₹ in lacs)

Particulars	As at March 31, 2023	As at March 31, 2022
Balance at the begning of the year	(738.41)	(863.04)
Service cost	(185.04)	(181.90)
Net interest on net defined benefit liability/(asset)	(49.59)	(51.21)
Amount recognised in OCI	(38.26)	137.74
Employer contribution	80.00	220.00
<b>Amount recognised in Balance Sheet</b>	<b>(931.30)</b>	<b>(738.41)</b>

#### VII. The principal actuarial assumptions as at the Balance Sheet date are set out as below :

(₹ in lacs)

Particulars	Current year ended March 31, 2023	Previous year ended March 31, 2022
<b>Summary of Financial Assumptions</b>		
Discount Rate	7.20%	7.10%
Salary Escalation Rate	7.00%	7.00%
<b>Summary of Demographic Assumptions</b>		
Mortality Table	Indian Assured Life Mortality (2006-08) (modified) Ultimate	Indian Assured Life Mortality (2006-08) (modified) Ultimate
Withdrawal Rate	1.80% to 6.20%	1.80% to 6.20%
Retirement Age	60 Years	60 Years

#### Sensitivity Analysis for Gratuity Liability

Particulars	Change in Assumption	Gratuity year ended March 31, 2023	Gratuity year ended March 31, 2022
<b>Sensitivity Analysis</b>			
Changes in Defined Benefit Obligations			
Salary Escalation	1%	131.27	113.84
Salary Escalation	(1%)	(114.75)	99.77
Discount Rates	1%	(116.40)	99.08
Discount Rates	(1%)	136.01	116.23

#### Note:

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.



### Notes to financial statements for the year ended March 31, 2023 (Contd.)

40. Trade payables includes amount due to Micro and Small Enterprises in terms of Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) as under: (₹ in lacs)

SL. No.	Particulars	Current year ended March 31, 2023	Previous year ended March 31, 2022
a)	Principal Amount remaining unpaid to the suppliers as at the end of the period	1,222.14	920.53
b)	Interest due on above remaining unpaid to the suppliers as at the end of the period	-	-
c)	Amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006	-	-
d)	Amount of interest due and payable for the period of delay in making payment (which have been paid beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.	-	-
e)	Amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
f)	Amount of further interest remaining due and payable even in the succeeding years.	-	-

#### 41 Segment Information

As per Ind AS 108 "operating segments", specified under section 133 of the Companies Act, 2013, the Company is predominantly engaged in a single reportable segment of Iron and Steel.

#### 42. Earnings per share (EPS) :

The following reflects the profit and share data used in the basic and diluted EPS computations :

Sl No.	Particulars		Current year ended March 31, 2023	Previous year ended March 31, 2022
A.	Profit/(Loss) after Tax	₹ in lacs	5,783.59	4,806.55
B.	Number of shares at the beginning of the year	Nos.	11,04,50,286	11,04,50,286
C.	Total equity shares outstanding at the end of the year	Nos.	14,54,50,286	11,04,50,286
D.	Weighted average number of equity shares outstanding prior to conversion into equity shares on account of	Nos.	12,88,37,272	11,04,50,286
	(i) Equity Share Warrants	Nos.	1,17,89,041	-
E.	Potential weighted average number of Equity Shares	Nos.	14,06,26,313	-
F.	Nominal Value of each Share	₹	10.00	10.00
G.	Basic Earning per Share	₹	4.49	4.35
H.	Diluted Earning per Share	₹	4.11	4.35



### Notes to financial statements for the year ended March 31, 2023 (Contd.)

#### 43. Related Party Disclosures (As per IND AS-24 - Related Party Disclosures)

a) Name of related parties and related party relationship	
<b>Subsidiary Companies</b>	Jai Balaji Steels (Purulia) Limited Jai Balaji Energy (Purulia) Limited
<b>Joint Venture Companies</b>	Rohne Coal Company Private Limited Andal East Coal Company Private Limited
<b>Key Management Personnel</b>	Mr. Aditya Jajodia, Chairman and Managing Director Mr. Sanjiv Jajodia, Wholetime Director and Chief Financial Officer Mr. Rajiv Jajodia, Wholetime Director (Non Executive Director till 31.8.2022) Mr. Gaurav Jajodia, Wholetime Director (Non Executive Director till 31.8.2022) Mr. Ajay Kumar Tantia, Company Secretary Mr. Shailendra Kumar Tamotia-Director Mrs. Seema Chowdhary-Director Mrs. Rakhi Bajoria-Director Mr. Ashim Kr. Mukherjee-Director Mrs Swati Bajaj-Director Mr. Bimal Kr. Choudhary-Director
<b>Enterprises owned or significantly influenced by key management personnel or their relatives</b>	Chandi Steel Industries Limited Jai Balaji Jyoti Steels Limited Jai Salasar Balaji Industries Private Limited Balaji Ispat Udyog Enfield Suppliers Limited Hari Management Limited Jajodia Estate Private Limited



### Notes to financial statements for the year ended March 31, 2023 (Contd.)

b. Name of related parties and related party relationship	(₹ in lacs)								
	Relationship	Particulars	Sale of Goods	Purchase of Goods	Rent paid	Remunerations, Perquisites & Others #	Balance Receivable	Balance Payable	Guarantees Obtained ##
Key Management Personnel	Aditya Jajodia	-	-	-	-	-	-	-	339,924.00 (367,968.00)
	Sanjiv Jajodia	-	-	-	-	-	-	-	339,924.00 (367,968.00)
	Rajiv Jajodia	-	-	-	-	334.06 (46.41)	-	-	339,924.00 (367,968.00)
	Gaurav Jajodia	-	-	-	-	-	-	-	339,924.00 (367,968.00)
	Other non executive Directors and Company Secretary	-	-	-	-	-	-	-	-
	Chandi Steel Industries Limited	60.87 (12.24)	135.30 (251.58)	-	-	-	-	-	-
Jai Balaji Jyoti Steels Limited	13.09 (6.63)	542.81 (526.70)	-	-	-	-	-	-	-
Jai Salasar Balaji Industries Private Limited	1,300.66 (3,1174.47)	915.07 (163.70)	-	-	-	-	1,505.60	(5,062.07)	-
Jajodia Estate Private Limited	-	-	0.81 (0.80)	-	-	-	-	-	-
Enfield Suppliers Limited	-	-	-	-	-	-	-	651.54 (651.54)	-
Hari Management Limited	-	-	-	-	-	-	-	432.76 (432.76)	-
Total	1,374.62 (3,193.34)	1,593.18 (941.98)	0.81 (0.80)	344.06 (46.41)	1,505.60	1,084.30 (7,896.27)	339,924.00 (367,968.00)	-	-

#### # Key Management Personnel Compensation:

Nature of payments	2022-23	2021-22
Short term employee benefits	332.61	45.01
Sitting Fees	1.45	1.40
<b>Total</b>	<b>334.06</b>	<b>46.41</b>

The remuneration to the Key managerial personnel does not include the provisions made for gratuity and leave as they are determined on an actuarial basis for the Company as a whole.

## Guarantees were jointly obtained from Aditya Jajodia, Sanjiv Jajodia, Rajiv Jajodia & Gaurav Jajodia.

Figures in brackets denotes previous year amounts.

#### c) Terms and conditions of transactions with related parties

All Related Party Transactions entered during the year were in ordinary course of the business and on arm's length basis. Outstanding balances at the year end are unsecured. For the year ended 31st March, 2023, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (31st March, 2022 NIL)





### Notes to financial statements for the year ended March 31, 2023 (Contd.)

#### 44 Capital Management

The Company's capital management is intended to create value for shareholders by facilitating the meeting of long-term and short-term goals of the Company.

The Company determines the amount of capital required on the basis of annual operating plans and long-term product and other strategic investment plans. The funding requirements are met through equity and other long-term/short-term borrowings. The Company's policy is aimed at combination of short-term and long-term borrowings.

The Company monitors the capital structure on the basis of total debt to equity ratio and maturity profile of the overall debt portfolio of the Company.

(₹ in lacs)

SI No.	Particulars	As at 31st March, 2023	As at 31st March, 2022
i)	Equity share capital	14,545.03	11,045.03
ii)	Other equity	41,071.13	(177,320.24)
	<b>Total Equity (a)</b>	<b>55,616.16</b>	<b>(166,275.21)</b>
i)	Borrowings	85,967.52	316,859.03
ii)	Interest accrued and due on borrowings	1,184.94	1,443.78
iii)	Current maturity of long term debt	-	-
	<b>Total debt (b)</b>	<b>87,152.46</b>	<b>318,302.81</b>
i)	Cash and cash equivalents	2,447.44	1,319.67
	<b>Total cash (c)</b>	<b>2,447.44</b>	<b>1,319.67</b>
	Net debt (b-c)	84,705.02	316,983.15
	Total capital (equity + net debt)	140,321.18	150,707.94
	Net debt to equity ratio/Capital Gearing Ratio	1.52	(1.91)

#### 45. Fair Value Measurements

##### a) Financial instruments by category

(₹ in lacs)

Particulars	As at March 31, 2023			As at March 31, 2022		
	Amortised Cost	FVTOCI	FVTPL	Amortised Cost	FVTOCI	FVTPL
<b>Financial Assets</b>						
Investments in Equity Instrument of Subsidiary	10.00	-	-	10.00	-	-
Investments in Equity Instrument of Joint Venture Companies	3.88	-	-	3.88	-	-
Investments in Preference Shares of Joint Venture Company	23.64	-	-	23.64	-	-
Investments in Equity Instrument (Others)	-	71.60	-	-	71.60	-
Investments in Government Securities	7.32	-	-	7.32	-	-
Trade receivables	22,931.05	-	-	15,613.83	-	-
Bank balance other than Cash and cash equivalents	2,700.30	-	-	889.63	-	-
Loans	312.04	-	-	296.27	-	-
Cash and cash equivalents	2,447.44	-	-	1,319.67	-	-
Other financial assets	9,646.35	-	-	7,056.46	-	-
<b>Total Financial Assets</b>	<b>38,082.02</b>	<b>71.60</b>	<b>-</b>	<b>25,220.69</b>	<b>71.60</b>	<b>-</b>
<b>Financial Liabilities:</b>						
Non Current Borrowings	62,600.18	-	-	58,608.06	-	-
Current Borrowings	23,367.34	-	-	2,58,250.97	-	-
Lease Liability	69.01	-	-	69.01	-	-
Other financial Liabilities	19,311.58	-	-	18,520.42	-	-
Trade payables	89,895.02	-	-	81,869.42	-	-
<b>Total Financial Liabilities</b>	<b>195,243.13</b>	<b>-</b>	<b>-</b>	<b>4,17,317.88</b>	<b>-</b>	<b>-</b>



### Notes to financial statements for the year ended March 31, 2023 (Contd.)

#### b) Fair value hierarchy

The table shown below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined below:

**-Level 1:** Level 1 hierarchy includes Financial Instruments measured using Quoted prices. This include listed equity instruments, mutual funds that have quoted price. The Fair Value of all equity instruments which are traded in stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

**-Level 2:** The fair value of Financial Instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

**-Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in Level 3.

#### Financial Assets and Liabilities measured at fair value as at 31st March, 2023 (₹ in lacs)

Particulars	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>				
Unlisted equity instrument	–	–	71.60	71.60
Amortised cost Financial Investments :				
Investment in Government Securities	–	7.32	–	7.32
<b>Total</b>	<b>–</b>	<b>7.32</b>	<b>71.60</b>	<b>78.92</b>

#### Financial Assets and Liabilities measured at fair value as at 31 March, 2022

Particulars	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>				
Unlisted equity instrument	–	–	71.60	71.60
Amortised cost Financial Investments :				
Investment in Government Securities	–	7.32	–	7.32
<b>Total</b>	<b>–</b>	<b>7.32</b>	<b>71.60</b>	<b>78.92</b>

#### 46 Financial Risk Management Objectives And Policies

The Company is exposed to liquidity risk, market risk, credit risk. The company's senior management oversees the management of these risks. The Company's senior management is supported by a financial risk committee that advises on financial risks and the appropriate financial risk governance framework for the Company. The financial risk committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedure and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each risk, which are summarised as below:

##### (A) Liquidity Risk

Liquidity risk is the risk that the company will face in meeting its obligations associated with its financial liabilities. The Company's approach in managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions.

The Company maintained a cautious liquidity strategy, with a positive cash balance throughout the year ended 31st March, 2023 and 31st March, 2022. Cash flow from operating activities provides the funds to service the financial liabilities on a day-to-day basis.

The following table shows the maturity analysis of the Company's financial assets and financial liabilities based on contractually agreed undiscounted cash flows along with its carrying value as at the Balance Sheet date.

**Notes to financial statements for the year ended March 31, 2023 (Contd.)**

Particulars	Note	Carrying amount	Undiscounted Amount		Total
			Within 1 year	More than 1 year	
<b>As at 31st March, 2023</b>					
<b>Financial assets</b>					
Investments in Equity Instruments (others)	6	71.60	-	71.60	71.60
Investments in Government Securities	6	7.32	-	7.32	7.32
Trade receivables	11	22,931.05	22,931.05	-	22,931.05
Bank balance other than Cash and cash equivalents	13	2,700.30	2,700.30	-	2,700.30
Loans	14	312.04	312.04	-	312.04
Cash and cash equivalents	12	2,447.44	2,447.44	-	2,447.44
Other financial assets	7 & 15	9,646.35	9,646.35	-	9,646.35
<b>Financial Liabilities</b>					
Non Current Borrowings	19	62,600.18	-	62,600.18	62,600.18
Current Borrowings	20	23,367.34	23,367.34	-	23,367.34
Other financial Liabilities	19A & 22	19,380.59	19,321.71	58.88	19,380.59
Trade payables	21	89,895.02	89,895.02	-	89,895.02

Particulars	Note	Carrying amount	Undiscounted Amount		Total
			Within 1 year	More than 1 year	
<b>As at 31st March, 2022</b>					
<b>Financial assets</b>					
Investments in Equity Instruments (others)	6	71.60	-	71.60	71.60
Investments in Government Securities	6	7.32	-	7.32	7.32
Trade receivables	11	15,613.83	15,613.83	-	15,613.83
Bank balance other than Cash and cash equivalents	13	889.63	889.63	-	889.63
Loans	14	296.27	296.27	-	296.27
Cash and cash equivalents	12	1,319.67	1,319.67	-	1,319.67
Other financial assets	7 & 15	7,056.46	7,056.46	-	7,056.46
<b>Financial Liabilities</b>					
Non Current Borrowings	19	58,608.06	-	58,608.06	58,608.06
Current Borrowings	20	258,250.97	258,250.97	-	258,250.97
Other financial Liabilities	19A & 22	18,589.43	18,530.55	58.88	18,589.43
Trade payables	21	81,869.42	81,869.42	-	81,869.42

**(B) Market Risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises interest risk and currency risk and other price risk. Financial Instrument affected by market risk include loans and borrowings in foreign currency.

**a) Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long term debt obligations with floating interest rates. The Company is not carrying its borrowings primarily at variable rate.

**b) Currency risk**

The Company is subject to the risk that changes in foreign currency values impact the company's export revenue and imports of raw material and property, plant and equipment.

The following table demonstrate the sensitivity to a reasonable possible change in USD, EURO and AUD exchange rates, with all other variables held constant. The impact on the Company's profit/(loss) is due to changes in the fair value of monetary assets and liabilities.



### Notes to financial statements for the year ended March 31, 2023 (Contd.)

(Receivable)/Payable	As at March 31, 2023	As at March 31, 2022
USD		
Increase by 5% (31st March 2022-5%)	(204.54)	(126.11)
Decrease by 5% (31st March 2022-5%)	245.13	183.60
EUR		
Increase by 5% (31st March 2022-5%)	(33.92)	-
Decrease by 5% (31st March 2022-5%)	6.60	2.98
AUD		
Increase by 5% (31st March 2022-5%)	(2.31)	-

#### (C) Credit Risk

Credit risk is the risk of financial loss arising from counter party failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses both the direct risk of default and the risk of deterioration of credit worthiness as well as concentration risks.

The Company has a policy of dealing only with credit worthy counter parties and obtaining sufficient collateral, where appropriate as a means of mitigating the risk of financial loss from defaults. Financial instruments that are subject to credit risk and concentration thereof principally consist of trade receivables, loans, receivables, investments, cash and cash equivalents, derivatives and financial guarantees provided by the company. None of the financial instruments of the company result in material concentration of credit risk.

The carrying value of financial assets represents the maximum credit risk. The maximum exposure to the credit risk was ₹ 38,116.10 lacs and ₹ 25,254.77 lacs as at March 31, 2023 and March 31, 2022 respectively, being the total carrying value of trade receivables, balances with bank, bank deposits, investments in debt securities and other financial assets.

#### 47 Foreign Currency risk

##### a) Hedged Foreign Currency Exposures :

Derivative instruments used by the Company include forward exchange contracts. These financial instruments are utilised to hedge future transactions and cash flows. The Company does not hold or issue derivative financial instruments for trading purposes. All transactions in derivative financial instruments are undertaken to manage risks arising from underlying business activities.

As at the end of the reporting period, total amount of outstanding foreign currency forward contracts is as below:

Particulars	Foreign Currency (FC)	As at March 31, 2023		As at March 31, 2022	
		in FC	(₹ in lacs)	in FC	(₹ in lacs)
Foreign currency forwards contracts	US\$	2,300,000	1,904.68	--	--
<b>Total</b>	--	--	<b>1,904.68</b>	--	--

##### b) Unhedged Foreign Currency Exposures :

Particulars	Foreign Currency (FC)	As at March 31, 2023		As at March 31, 2022	
		in FC	(₹ in lacs)	in FC	(₹ in lacs)
Receivables					
(a) Trade Receivables	US\$	4,070,372	3,346.41	2,802,131	2,124.25
	Euro	169,141	151.56	--	--
(b) Advances	US\$	905,341	744.34	539,825	398.12
	Euro	588,000	526.89	--	--
	AUD	84,147	46.25	--	--
<b>Total</b>			<b>4,815.45</b>		<b>2,522.37</b>



### Notes to financial statements for the year ended March 31, 2023 (Contd.)

Payables					
(a) Trade Payables	US\$	1,129,083	928.30	560,254	424.71
	Euro	147,210	131.91	70,350	59.56
(b) Advances	US\$	4,833,858	3,974.25	4,283,509	3,247.20
<b>Total</b>			<b>5,034.46</b>		<b>3,731.47</b>

#### 48 Statutory Auditors' Remuneration (excluding goods and service tax) and expenses : (₹ in lacs)

Payment to Auditor	Current year ended March 31, 2023		Previous year ended March 31, 2022	
	Statutory Audit fee	21.00		21.00
Fees for other Services	1.00	22.00	0.02	21.02
<b>Total</b>		<b>22.00</b>		<b>21.02</b>

#### 49. Interest in Joint Venture:

The Company has interest in following Joint Venture Companies which are in the process of setting up coal mining facilities at respective Coal blocks which they have been allotted.

Name of the Joint Venture Company	Andal East Coal Company Pvt. Ltd.*		Rohne Coal Company Pvt Ltd.*	
	Company's share in Joint Venture	32.79%	32.79%	6.90%
Country of Incorporation	India	India	India	India

\*The Hon'ble Supreme Court vide its Order dated 24th September, 2014 has cancelled number of coal blocks allotted to various companies. These include two coal blocks under development viz. Andal East in West Bengal and Rohne in Jharkhand allocated to the Company jointly with other parties. The company has prudently brought down the value of investment in joint venture companies to ₹ 1 per share. However the company had submitted claims w.r.t the cancellation of coal blocks which are still pending.

#### 50. Fair Valuation of Investments:

Ind AS 101 provides an option on transition date to consider fair value of the investment in subsidiaries or joint venture as on the date of transition as the deemed cost as cost for the purpose of Para 10 of Ind AS 27. Accordingly the Company has valued as a deemed cost. The company has prudently brought down the value of its investments in two of its joint ventures viz Andal East Coal Co Pvt Ltd and Rohne Coal Co Pvt Ltd as on 1st April, 2016 with a corresponding impact on Other Equity (Retained earnings) and also fair valued its investment of equity shares calcutta stock exchange as on 1st April 2016 to arrive at the book value with a corresponding impact on Other Equity (Retained earnings).

#### 51. Details of the Equity Shares pledged by the promoter or persons forming part of the promoter group ('Promoter Group') of the Company as on the balance sheet date:

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Total Number of Equity shares held by the promoter group	81,304,046	56,304,046
Total Number of Equity shares pledged by the promoter group	52,282,233	52,282,233
Percentage of total shares pledged to total shareholding of the promoter group	64.30%	92.86%
Percentage of total shares pledged to total outstanding shares of the Company	35.95%	47.34%





### Notes to financial statements for the year ended March 31, 2023 (Contd.)

#### 58. Ratios

The ratios for the year ended March 31, 2023 and March 31, 2022 are as follows :

Particulars	Numerator	Denominator	As at March 2023	As at March 2022	Variance (in %)	Reasons for Variance
1 Trade Receivable Turnover Ratio (Net Credit Sales/ Average Accounts Receivable) Net Sales = Revenue from operation	Net Credit Sales	Average Accounts Receivable	31.78	23.21	36.93	b
2 Trade Payable Turnover Ratio (Net Credit Purchases/ Average Trade Payables) Net Purchase = Raw materials purchase + Purchase stock in trade + Stores purchase	Net Credit Purchase	Average Trade Payable	8.52	7.02	21.43	
3 Inventory Turnover Ratio (Sales/ Average Inventory) Sales = Revenue from operation	Sales	Average Inventory	7.76	6.37	21.76	
4 Debt Service Coverage Ratio (EBIT/ (Interest expenses + Repayment of long term borrowing) EBIT = Profit before Tax + Finance Cost	EBIT	(Interest expenses + Repayment of borrowing)	2.18	1.49	46.31	b
5 Current Ratio (Current Assets/Current Liabilities)	Current Assets	Current Liabilities	0.78	0.32	144.26	b
6 Debt- Equity Ratio (Total Debts/Shareholder's Equity) Shareholder's Equity = Share Capital + other equity (excluding amalgamation reserve)	Total Debts	Shareholder's Equity	1.68	(1.86)	190.32	b
7 Operating Ratio (%) (Operating profit/Net Sales) Operating profit = Profit before tax + Finance Cost	Operating Profit	Net Sales	3.16	3.13	0.96	
8 Net Profit Ratio (%) (Net profit/Net sales) Net sales = Revenue from operation	Net Profit	Net Sales	0.94	1.04	(9.19)	
9 Total debts to total assets (Total debts/Total assets) Total debts = Long term borrowing + Short term borrowing + Lease Liabilities	Total Debts	Total Assets	0.29	1.07	(72.82)	b
10 Return on Net Worth (Profit after Tax/Total Net worth) Total Net Worth = Share Capital + other equity (excluding amalgamation reserve)	Profit after Tax	Total Net worth	0.11	(0.03)	515.87	c
11 Return on Capital Employed (Earnings before Interest and Tax/Capital Employed) Earning before Interest and Tax = Profit before Tax + Finance Cost / Capital Employed = Share Capital + other equity + long term debt	Earning before Interest and Tax	Capital Employed	0.16	(0.14)	214.29	c
12 Return on Equity (Net Profit after Taxes/ Average Shareholder's Equity) Average Shareholders Equity = (Opening share capital + Closing share capital)/2	Net Profit after Taxes	Average Shareholders Equity	0.45	0.44	3.41	
13 Net Capital Turnover Ratio* (Net Sales/Working Capital) Net sales= Revenue from operation Working Capital = Current Assets-Current Liabilities	Net Sales	Working Capital	-	-	-	
14 Return on Investment (%) (Interest received during the year/ Average Investment of Fixed Deposite) Average Fixed Deposits = (Opening Balance + Closing Balance)/2	Interest received during the year	Average Fixed Deposits	6.24	2.72	129.41	d



### Notes to financial statements for the year ended March 31, 2023 (Contd.)

#### Explanation for variance more than 25%:

- a. Mainly due to substantial increase in turnover during the year.
- b. Mainly due to substantial reduction of borrowing amount on account of restructuring of loans with ARC/Banks.
- c. Mainly due to substantial reduction of borrowing amount on account of restructuring of loans with ARC/Banks and increase in profit during the year
- d. Mainly due to substantial fixed deposits increased at the year end.

\*Net working capital is negative.

53 The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment had released draft rules for the Code on Social Security, 2020 on November 13, 2020. The Company will assess the impact and its evaluation once the subject rules are notified. The Company will give appropriate impact in its financial statements in the period in which the Code becomes effective and the related rules to determine the financial impact are published.

54 Balances of some parties (including of Trade receivables and Trade payables) and loans and advances are subject to reconciliation/confirmations from the respective parties. The management does not expect any material differences affecting the financial statement for the year.

#### 55 Disclosure of Transcations with struck off companies

The Company did not have any material transcations with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 1956 during the financial year.

#### 56 Corporate social responsibility (CSR)

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility(CSR) activities. The areas for CSR activities are eligible under rural development project. A CSR committee has been formed by the company as per the Act. The funds were primarily utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013.

Particulars	As at 31st March, 2023	As at 31st March, 2022
i) Amount required to be spent by the company during the year	48.79	-
ii) Amount of expenditure incurred	50.00	-
iii) Shortfall at the end of the year	-	-
iv) Total of previous years shortfall(cumulative)	-	-
v) Reason for shortfall	NA	NA
vi) Amount of CSR expenditure carried forward for set off	-	-
vii) Nature of CSR activities	Rural Development Project	-
viii) Details of related party transcations, e.g. contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard	-	-
ix) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision	NA	NA



### Notes to financial statements for the year ended March 31, 2023 (Contd.)

57 Other disclosure requirements as notified by MCA pursuant to amended Schedule III:

- (a) **Details of Benami Property held:** The company does not hold any Benami property, hence there were no proceedings initiated or pending against the company for holding any benami property under The Benami Transactions (Prohibitions) Act, 1988 and the Rules made thereunder, hence no disclosure is required to be given as such.
- (b) **Wilful defaulter:** The company has not been declared as wilful defaulter as at the date of the Balance Sheet or on the date of approval of the Financial Statements, hence no disclosure is required as such.
- (c) **Registration of Charges or Satisfaction with Registrar of Companies (ROC):** There were no charges against the company which are yet to be registered or satisfaction yet to be registered with ROC beyond the Statutory period, hence no disclosures is required as such.
- (d) **Compliance with Number of Layers of Companies:** The company, if applicable, has complied with the number of layers prescribed under clause 87 of Section 2 of the Companies Act, 2013 read with Companies (Restriction on Number of Layers) Rules, 2017, hence no disclosure is required as such.
- (e) **Details of Crypto Currency or Virtual Currency:** The company has not traded or invested in Crypto Currency or Virtual Currency during the Financial Year, hence no disclosure is required for the same.
- (f) **Disclosure in Relation to Undisclosed Income :** During the year the Company has not surrendered or disclosed any income 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 ). Accordingly, there are no transactions which are not recorded in the books of accounts
- (g) **Property Plant & Equipment :** Title deeds of immovable properties in the case of freehold land, (for description refer note no 3) are held in the name of the Company. In case of leasehold land (refer note no 3A) where the company is the lessee, the lease agreements are duly executed in favour of the Company (being a lessee).
- (h) **Borrowing against current assets :** Rupee Term Loans from ARCs are also secured against the Current Assets of the Company. However, since the Company has not been availing any working capital limits against the current assets, no separate disclosures are required.
- (i) **Utilisation of borrowed funds :** All the borrowed funds have been utilised for the purpose they are sanctioned for. There is no diversion in the utilisation of such funds. Thus no disclosures are required.

58 The company has restructured/settled its outstanding loans with Assets Reconstruction Companies (ARC) and Banks. The difference between the outstanding amount and settlement amount of ₹ 1,93,510.90 lacs has been credited to the Capital Reserve during the year.

59 Figures of previous years have been regrouped/rarranged/rectified wherever necessary.

As per our report of even date

For S. K. Agrawal And Co. Chartered Accountants LLP  
Chartered Accountants  
Firm Regn. No. 306033E/E300272

**CA J. K. Choudhury**  
Partner  
Membership No. : 009367

Place : Kolkata  
Date : 30.05.2023

For and on behalf of the Board of Directors

Sd/-  
**Aditya Jajodia**  
Chairman & Managing  
Director  
DIN : 00045114

Sd/-  
**Sanjiv Jajodia**  
Wholetime Director & Chief  
Financial Officer  
DIN : 00036339

Sd/-  
**Rajiv Jajodia**  
Wholetime  
Director  
DIN : 00045192

Sd/-  
**Ajay Kumar Tantia**  
Company Secretary



### INDEPENDENT AUDITOR'S REPORT

To The Members of JAI BALAJI INDUSTRIES LIMITED

#### Report on the audit of Consolidated Financial Statements

##### Opinion

We have audited the accompanying Consolidated Financial Statements of Jai Balaji Industries Limited ("the Parent"), and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group") and jointly controlled entity which comprise the Consolidated Balance Sheet as at 31st March, 2023, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements of the subsidiaries referred to below in the Other Matter section below, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March, 2023, and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

##### Basis for Opinion

We conducted our audit of the Consolidated Financial Statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the Consolidated Financial Statements under the provisions of the Act and the rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

##### Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and informing our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

S. NO.	THE KEY AUDIT MATTERS	HOW THE MATTER WAS ADRESSED IN OUR AUDIT
1.	<b>LOAN CLASSIFIED as Non Performing Assets (NPA), TRANSFERRED TO ASSET RECONSTRUCTION COMPANIES (ARC)</b>	<b>OUR AUDIT PROCEDURES INCLUDE THE FOLLOWING:</b>
	(Refer Note 20 to the Consolidated Financial Statements) i) The company has taken Rupee Loan from Banks and financial institutions and due to default in repayment, they had been classified as NPA. Thus, these Banks and FIs have already assigned their entire exposure to the Assets Reconstruction Companies in previous years. The Company had made payments to the above ARC's which has been adjusted against the total outstanding loan liability. ii) The Company has negotiated with Corporation Bank and Punjab National Bank (combined with erstwhile Oriental bank of Commerce) to restructure its debts. The Company had made payment to the above banks as per the repayment schedule which has been adjusted against the total outstanding loan liability.	We reviewed the correspondence of the company with the relevant Asset reconstruction companies and we have examined the agreement made with them. We reviewed the proposal of the company with the Bank. We obtained the understanding of these reconstruction schemes through meetings with management and review of the minutes of the Board of Directors. We reviewed the further correspondences of the Company with the relevant Banks/ ARC's.



<b>2.</b>	<b>THE COMPANY'S EXPOSURE TO LITIGATION RISK</b>	<b>OUR AUDIT PROCEDURES INCLUDE THE FOLLOWING:</b>
	<p>(Refer Note 35A to the Consolidated Financial Statements)</p> <p>The Company is exposed to different laws, regulations and interpretations thereof and hence, there is a litigation risk. Consequently, the Company has significant litigation cases pending with Custom Authorities, Excise Authorities, Service tax Authorities and Income tax Authorities. Given the nature and amounts involved in such cases and the appellate forums at which these are pending, the ultimate outcome and the resultant accounting in the Consolidated Financial Statements is subject to significant judgement, which can change over time as new facts emerge and each legal case progresses, and therefore, we have identified this as key audit matter.</p>	<p>We obtained details of completed tax assessments and demands for the year ended March 31, 2023 from management.</p> <p>We examined the assumptions used in estimating the tax provision and the possible outcome of the disputes.</p> <p>We considered legal precedence and other rulings in evaluating management's position on these tax positions.</p>
<b>3.</b>	<b>THE COMPANY HAS ISSUED CONVERTIBLE SHARE WARRANT DURING THE YEAR</b>	<b>OUR AUDIT PROCEDURES INCLUDE THE FOLLOWING :</b>
	<p>(Refer Notes 17 and 18 to the Consolidated Financial Statements.)</p> <p>During the financial year 2022-2023, the Parent Company has issued 5,00,00,000 and 2,20,00,000 convertible Share warrant on preferential basis at Rs. 52 and Rs. 45 each respectively, out of which 3,50,00,000 share warrant has been converted into equity share during the year and the balance 3,70,00,000 share warrant is pending for conversion. Consideration received towards these warrants which are pending for conversion (25% of Issue price, i.e, Rs. 52/- for 1.5 crore warrant and Rs. 45/- for 2.2 crore warrant) was depicted in 'Other Equity' which subsequently will be utilized for conversion into equity. As the conversion of share warrants by the Parent Company during the financial year 2022-2023, has the effect of enhancing the Equity of the Parent Company the same is considered to be a key audit matter.</p>	<p>Our audit procedure includes gaining an understanding of the process of issue of share warrants followed by the Parent company, to include amongst others:</p> <ol style="list-style-type: none"> <li>1. Authorization by the Memorandum and Articles of Association of the Parent Company;</li> <li>2. Passing of resolution in a validly convened and constituted Board meeting of the Parent Company.</li> <li>3. Passing of resolution in a validly convened and constituted general meeting of the Parent company and necessary regulatory filing done by the Company. Obtaining permission from the NSE/BSE Ltd. under SEBI (Listing obligations and Disclosure requirements) Regulations, 2015.</li> <li>4. We assessed the adequacy of disclosures in the Consolidated Financial Statements.</li> <li>5. We checked that allotment money are received in full and in a separate bank account. Also, checked the outflow of fund from the bank account of allottee on the same date.</li> </ol>

### Emphasis of Matter

1. We draw attention to Note No. 53 to the Consolidated Financial Statements in relation to outstanding balances of trade receivables, trade payables and loans and advances which are subject to confirmation and subsequent adjustments, if any.
2. We draw attention to Note no. 57 of the accompanying Consolidated Financial Statement, which states that the company has entered into settlement and restructuring of various credit facilities and gain on such settlement and restructuring for ₹ 1,93,510.90 lacs has been transferred to Capital Reserve for the year ended 31st March, 2023.
3. As explained in Note - 50 of the Consolidated Financial Statement, consolidation of two jointly controlled entities viz. Andal East Coal Company Pvt Ltd. & Rohne Coal Company Pvt Ltd. has not been carried out because of the following reasons:
  - a. In case of Rohne Coal Company Pvt Ltd. Financial Statement of the entity has not been received.





- b. In case of Andal East Coal Company Pvt Ltd there is a severe long-term restriction on transfer of funds by the entity to the Holding company.

Our opinion is not qualified in respect of above matters

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

The holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report but does not include the Consolidated Financial Statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report. Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements, or our knowledge obtained the audit or otherwise appears to be materially misstated. When we read Annual Report, if we conclude that there is a material misstatement of this other information, we are required to communicate the matter to those charged with Governance.

### **Management's Responsibilities for the Consolidated Financial Statements**

The Parent's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Consolidated Financial Statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statement by the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Financial Statement, the respective Board of Directors of the companies included in the Group are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

### **Auditor's Responsibility for the Audit of the Consolidated Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control 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 Group 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 Group'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 Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the Consolidated Financial Statements, including the



disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the Consolidated Financial Statement. We are also responsible for the direction, supervision and performance of the audit of the Consolidated Financial Statements of such entities included in the Consolidated Financial Statement of which we are the independent auditors. For the other entities included in the Consolidated Financial Statement, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the Consolidated Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Consolidated Financial Statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Other Matter

We did not audit the Financial Statements of two subsidiaries, whose Financial Statements together reflect total assets of ₹ 1.09 lacs as at March 31, 2023, total revenues of NIL, total net loss after tax of ₹ 0.58 lacs, total comprehensive loss of ₹ 0.58 lacs and net cash outflows of ₹ 0.70 lacs for the year ended March 31, 2023 as considered in the Consolidated Financial Statements. These Financial Statements have been audited by other auditors whose reports have been furnished

to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and jointly controlled entity, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

Our opinion on the Consolidated Financial Statements above, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors.

### 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 sub-section (11) of section 143 of the Act, based on our audit and on the consideration of report of the other auditors on separate Consolidated Financial Statements and the other financial information of the subsidiaries, associates and jointly controlled entities, incorporated in India, as noted in the 'Other Matters' paragraph we give in the "Annexure A" a statement on the matters specified in paragraph 3(xxi) of the Order.
2. As required by section 143(3) of the Act, based on our audit we report that:
  - a) We have sought and obtained 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 Group so far as it appears from our examination of those books.
  - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements
  - d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of the written representations received from the directors as on 31st March 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2023 from being appointed as a director in terms of Section 164(2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy



and operating effectiveness of the Group's internal financial controls over financial reporting.

- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended. In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Group to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations which would impact financial position. (Refer Note 35A to the Consolidated Financial Statement)
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There has been no delay in transferring amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv. (a) The Management has represented that, to the best of its knowledge and belief, other than as referred to Note No. 6 to the Consolidated Financial Statement, no funds (which are material either individually or in the aggregate) 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 person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, 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 on behalf of the Ultimate Beneficiaries;
  - (b) The Management has represented, that, to the best of its knowledge and belief, other than as referred to Note No. 24 to the Consolidated

Financial Statement, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, 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 on behalf of the Ultimate Beneficiaries;

- (c) Based on the audit procedures that have been 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), as provided under (a) and (b) above, contain any material misstatement

- v. The company has not declared divided in the previous year and nor during the current year ended March 31, 2023, therefore the company is not required to comply with section 123 of Companies Act, 2013.
- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

For **S. K. Agrawal & Co. Chartered Accountants LLP**

*Chartered Accountants*

Firm's Registration Number-306033E/E300272

**Sd/-**

**CA J. K. Choudhury**

*Partner*

Place: Kolkata

Date: 30.05.23

Membership No: 009367

UDIN : 23009367BGWVBT3726



## **Annexure 'A' to the Independent Auditor's Report**

**(Referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date on the Consolidated Financial Statements of Jai Balaji Industries Limited for the year ended 31st March 2023.)**

According to the information and explanations given to us and on the basis of our examination of the records of the Company, there have not been any qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order (CARO) reports of the companies included in the Consolidated Financial Statements. Accordingly, Clause (xxi) of Paragraph 3 is not applicable.

**For S. K. Agrawal And Co. Chartered Accountants LLP**

*Chartered Accountants*

Firm's Registration Number-306033E/E300272

**Sd/-**

**CA J. K. Choudhury**

*Partner*

Membership No: 009367

UDIN : 23009367BGWVBT3726

Place: Kolkata  
Date: 30.05.2023





## Annexure "B" To The Independent Auditor's Report

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Jai Balaji Industries Limited of even date)

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

We have audited the internal financial controls over financial reporting of Jai Balaji Industries limited (hereinafter referred to as "the Holding Company"), its subsidiary (the Holding Company and its subsidiary incorporated outside India together referred to as "the Group") as of 31st March 2023 in conjunction with our audit of the Consolidated Financial Statements of the Group for the year ended on that date.

### **Management's Responsibility for Internal Financial Controls**

The Board of Directors of the Company 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. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 judgement, including the assessment of the risks of material misstatement of the Consolidated 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 internal financial controls system over financial reporting of the Holding Company and subsidiary companies, which are companies incorporated outside India.

### **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 Consolidated 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 Consolidated Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Consolidated 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.

### Opinion

In our opinion, the Holding Company and its subsidiary companies have, in all material respects, an 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 **S. K. Agrawal And Co. Chartered Accountants LLP**

*Chartered Accountants*

Firm's Registration Number-306033E/E300272

**Sd/-**

**CA J. K. Choudhury**

*Partner*

Place: Kolkata

Date: 30.05.23

Membership No: 009367

UDIN : 23009367BGWVBT3726

Sl. No.	Name of Entities	Country of Incorporation
<b>A</b>	<b>Subsidiaries (Direct)</b>	
1	Jai Balaji Energy (Purulia) Limited	India
2	Jai Balaji Steels (Purulia) Limited	India
<b>B</b>	<b>Joint Ventures (Direct)</b>	
1	Rohne Coal Company Private Limited	India
2	Andal East Coal Company Private Limited	India



### Consolidated Balance Sheet as at March 31, 2023

(₹ in lacs)

	Notes	As at March 31, 2023	As at March 31, 2022
<b>A. ASSETS</b>			
<b>1. Non Current Assets</b>			
(a) Property, plant and equipment	3	112,680.52	116,006.03
(b) Right-of use asset	3A	447.34	456.01
(c) Capital Work in Progress	4	6,883.37	5,225.00
(d) Intangible Assets	4A	32.03	42.64
(e) Intangible Assets Under Development	5	—	—
<b>(f) Financial Assets</b>			
(i) Investments	6	106.44	106.44
(ii) Others	7	6,893.26	4,236.77
(g) Deferred Tax Assets (Net)	8	29,085.14	29,085.14
(h) Other Non Current Assets	9	2,709.88	7,863.02
		<u>158,837.98</u>	<u>163,021.05</u>
<b>2. Current Assets</b>			
(a) Inventories	10	82,136.78	75,802.74
<b>(b) Financial Assets</b>			
(i) Trade Receivables	11	22,931.05	15,613.83
(ii) Cash and cash equivalents	12	2,448.54	1,321.47
(iii) Bank balances (other than Cash and cash equivalents)	13	2,700.30	889.63
(iv) Loans	14	312.04	296.27
(v) Others	15	2,753.09	2,819.68
(c) Other Current Assets	16	23,869.89	37,149.94
		<u>137,151.69</u>	<u>133,893.56</u>
<b>TOTAL ASSETS</b>		<u>295,989.67</u>	<u>296,914.61</u>
<b>B. EQUITY AND LIABILITIES</b>			
<b>1. EQUITY</b>			
(a) Equity Share Capital	17	14,545.03	11,045.03
(b) Other Equity	18	41,062.12	(177,328.67)
		<u>55,607.15</u>	<u>(166,283.64)</u>
<b>2. LIABILITIES</b>			
<b>i) Non Current Liabilities</b>			
<b>(a) Financial Liabilities</b>			
(i) Borrowings	19	62,600.18	58,608.06
(ii) Lease Liabilities	19A	58.88	58.88
(b) Other Non Current Liabilities	19B	2,922.12	—
<b>Total Non-Current Liabilities</b>		<u>65,581.18</u>	<u>58,666.94</u>
<b>ii) Current Liabilities</b>			
<b>(a) Financial Liabilities</b>			
(i) Borrowings	20	23,367.34	258,250.97
(ii) Lease Liabilities	19A	10.13	10.13
(iii) Trade Payables	21		
(a) Total outstanding dues of micro enterprises and small enterprises		1,222.14	920.53
(b) Total outstanding dues other than micro enterprises and small enterprises		88,672.99	80,949.12
(iv) Others	22	19,311.58	18,520.42
(b) Other Current Liabilities	23	41,035.81	44,989.22
(c) Provisions	24	1,181.35	890.92
		<u>174,801.34</u>	<u>404,531.31</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>295,989.67</u>	<u>296,914.61</u>
<b>Significant Accounting Policies</b>	2		

The accompanying notes are an integral part of the consolidated financial statements. 3 - 58  
As per our report of even date

For S. K. Agrawal And Co. Chartered Accountants LLP

Chartered Accountants

Firm Regn. No. 306033E/E300272

Sd/-

CA J. K. Choudhury, Partner

Membership No. : 009367

Place : Kolkata

Date : 30<sup>th</sup> May, 2023

For and on behalf of the Board of Directors

Sd/-

Aditya Jajodia

Chairman & Managing Director

DIN : 00045114

Sd/-

Sanjiv Jajodia

Wholtime Director & Chief Financial Officer

DIN : 00036339

Sd/-

Ajay Kumar Tantia

Company Secretary

Sd/-

Rajiv Jajodia

Wholtime Director

DIN : 00045192

**Consolidated Statement of Profit and Loss for the year ended March 31, 2023**

(₹ in lacs)

	Notes	Current year ended March 31, 2023	Previous year ended March 31, 2022
<b>INCOME</b>			
I. Revenue from Operations	25	612,507.47	469,250.39
II. Other Income	26	3,548.94	2,986.76
<b>III. Total Income (I + II)</b>		<b>616,056.41</b>	<b>472,237.15</b>
<b>IV. EXPENSES</b>			
Cost of Materials Consumed	27	430,397.89	333,010.27
Purchases of Stock in Trade	28	4,605.24	1,001.45
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	29	(5,045.20)	(1,561.24)
Employee Benefits Expense	30	13,162.26	10,885.62
Finance Costs	31	8,888.42	9,880.46
Depreciation and Amortisation Expense	32	9,792.74	9,132.46
Other Expenses	33	143,762.33	105,081.87
<b>Total Expenses (IV)</b>		<b>605,563.68</b>	<b>467,430.89</b>
<b>Profit / (Loss) before Tax (III - IV)</b>		<b>10,492.73</b>	<b>4,806.26</b>
<b>Tax Expense:</b>			
Current Tax		—	—
Deferred tax charge / (credit)		—	—
MAT credit reversal (Refer note 16)		—	—
<b>Total tax expense / (credit)</b>		<b>4,709.71</b>	<b>—</b>
<b>Profit/(Loss) for the year</b>		<b>4,709.71</b>	<b>—</b>
		<b>5,783.02</b>	<b>4,806.26</b>
<b>Other Comprehensive Income</b>			
	34		
Items that will not be reclassified subsequently to profit & Loss			
— Remeasurement of the defined benefit Plans		(38.26)	137.74
<b>Total Comprehensive income for the year</b>		<b>5,744.76</b>	<b>4,944.00</b>
<b>Earnings per Equity Share (Nominal Value per Share ₹10)</b>			
— Basic EPS	42	4.49	4.35
— Diluted EPS		4.11	4.35
<b>Significant Accounting Policies</b>			
	2		
The accompanying notes are an integral part of the consolidated financial statements.	3 - 58		
As per our report of even date			

For S. K. Agrawal And Co. Chartered Accountants LLP

Chartered Accountants

Firm Regn. No. 306033E/E300272

Sd/-

**CA J. K. Choudhury**

Partner

Membership No. : 009367

Place : Kolkata

Date : 30<sup>th</sup> May, 2023

For and on behalf of the Board of Directors

Sd/-  
**Aditya Jajodia**  
Chairman & Managing  
Director  
DIN : 00045114

Sd/-  
**Sanjiv Jajodia**  
Wholetime Director & Chief  
Financial Officer  
DIN : 00036339

Sd/-  
**Rajiv Jajodia**  
Wholetime  
Director  
DIN : 00045192

Sd/-  
**Ajay Kumar Tantia**  
Company Secretary



### Consolidated Statement of changes in equity for the year ended March 31, 2023

#### A. Equity Share Capital

i) Current Reporting Period <span style="float: right;">(₹ in lacs)</span>				
Balance as at April 1, 2022	Change in equity share capital due to prior period errors	Restated balance as at April 1, 2022	Change in equity share capital during the year	Balance as at March 31, 2023
11,045.03	--	11,045.03	3,500.00	14,545.03

ii) Previous Reporting Period <span style="float: right;">(₹ in lacs)</span>				
Balance as at April 1, 2021	Change in equity share capital due to prior period errors	Restated balance as at April 1, 2021	Change in equity share capital during the year	Balance as at March 31, 2022
11,045.03	--	11,045.03	--	11,045.03

#### B. Other Equity

i) Current Reporting Period <span style="float: right;">(₹ in lacs)</span>									
Particulars	Reserve & Surplus						Equity Instrument through OCI	Money received against share warrant	Total
	Capital Reserve	Amalgamation Reserve	Securities Premium Account	General Reserve	Retained Earnings	Remeasurement of the net defined benefit plans			
Balance as at April 1, 2022	8,478.61	4,400.00	52,206.01	10,325.00	(2,52,881.30)	-	143.01	-	(1,77,328.67)
Profit/(Loss) for the year	-	-	-	-	5,783.02	-	-	-	5,783.02
Remeasurement of the defined benefit plans	-	-	-	-	-	(38.26)	-	-	(38.26)
<b>Total comprehensive income for the year</b>	-	-	-	-	5,783.02	(38.26)	-	-	5,744.76
Security Premium Received	-	-	14,700.00	-	-	-	-	-	14,700.00
Transfer to Retained Earnings	-	-	-	-	(28.13)	38.26	-	-	10.13
Term loan written back and transfer to capital reserve a/c	1,93,510.90	-	-	-	-	-	-	-	1,93,510.90
	<b>1,93,510.90</b>	-	<b>14,700.00</b>	-	<b>(28.13)</b>	<b>38.26</b>	-	-	<b>2,08,221.03</b>
Amount received against share warrants	-	-	-	-	-	-	-	22,625.00	22,625.00
Allotment to Equity Share Capital	-	-	-	-	-	-	-	(18,200.00)	(18,200.00)
<b>Transactions with owners</b>	-	-	-	-	-	-	-	4,425.00	4,425.00
<b>Balance as at 31.03.2023</b>	<b>2,01,989.51</b>	<b>4,400.00</b>	<b>66,906.01</b>	<b>10,325.00</b>	<b>(247,126.41)</b>	<b>-</b>	<b>143.01</b>	<b>4,425.00</b>	<b>41,062.12</b>



### Consolidated Statement of changes in equity for the year ended March 31, 2023

ii) Previous Reporting Period

(₹ in lacs)

Particulars	Reserve & Surplus						Equity Instrument through OCI	Money received against share warrant	Total
	Capital Reserve	Amalgamation Reserve	Securities Premium Account	General Reserve	Retained Earnings	Remeasurement of the net defined benefit plans			
Balance as at April 1, 2021	6,408.50	4,400.00	52,206.01	10,325.00	(2,57,835.46)	-	143.01	-	(1,84,352.93)
Profit/(Loss) for the year	-	-	-	-	4,806.26	-	-	-	4,806.26
Remeasurement of the defined benefit plans	-	-	-	-	-	137.74	-	-	137.74
<b>Total comprehensive income for the year</b>	-	-	-	-	4,806.26	137.74	-	-	4,944.00
Security Premium Received	-	-	-	-	-	-	-	-	-
Transfer to Retained Earnings	-	-	-	-	147.88	(137.74)	-	-	10.14
Term loan written back and transfer to capital reserve a/c	2,070.11	-	-	-	0.01	-	-	-	2,070.11
Rounding of adjustment	-	-	-	-	0.01	-	-	-	0.01
	2,070.11	-	-	-	147.89	(137.74)	-	-	2,080.26
Amount received against share warrants	-	-	-	-	-	-	-	-	-
Allotment to Equity Share Capital	-	-	-	-	-	-	-	-	-
Transactions with owners	-	-	-	-	-	-	-	-	-
<b>Balance as at 31.03.2022</b>	8,478.61	4,400.00	52,206.01	10,325.00	(252,881.31)	-	143.01	-	(1,77,328.67)

As per our report of even date

For S. K. Agrawal And Co. Chartered Accountants LLP  
Chartered Accountants  
Firm Regn. No. 306033E/E300272

Sd/-  
**CA J. K. Choudhury**  
Partner  
Membership No. : 009367

Place : Kolkata  
Date : 30<sup>th</sup> May, 2023

For and on behalf of the Board of Directors

Sd/-  
**Aditya Jajodia**  
Chairman & Managing  
Director  
DIN : 00045114

Sd/-  
**Sanjiv Jajodia**  
Wholtime Director & Chief  
Financial Officer  
DIN : 00036339

Sd/-  
**Rajiv Jajodia**  
Wholtime  
Director  
DIN : 00045192

Sd/-  
**Ajay Kumar Tantia**  
Company Secretary





### Consolidated Cash Flow Statement for the year ended March 31, 2023

(₹ in lacs)

	Current year ended March 31, 2023	Previous year ended March 31, 2022
<b>A. Cash Flow From Operating Activities</b>		
Profit / (Loss) before tax	10,492.73	4,806.26
Adjustments For :		
Depreciation and Amortization	9,792.74	9,132.46
(Profit)/Loss on sale of property, plant and equipment	(25.54)	54.61
Irrecoverable debts and advances written off	10,659.72	3,255.60
Discard of property, plant and equipment	7,380.77	—
Capital WIP and pre operative expenses written off	—	6,729.19
Liabilities no longer required written back	(1,909.98)	(2,659.89)
Interest on term loans and others	8,760.67	9,604.97
Provision for doubtful advances	11,225.49	44.65
Provision for diminution of assets	116.88	—
Allowance for expected credit losses	2,017.11	11,956.19
Miscellaneous expenditure written off	10.36	3.60
Financial lease payment	10.13	10.14
Remeasurement of the net defined benefit Plans	(38.26)	137.74
(Profit) / Loss on Foreign Exchange Fluctuations (Net)	1,070.84	173.10
(Profit)/Loss on forward contract	(13.11)	—
Interest Income	(508.56)	(214.84)
<b>Operating Profit / (Loss) Before Working Capital Changes</b>	<b>59,041.99</b>	<b>43,033.79</b>
Movements in Working Capital :		
Decrease / (Increase) in Trade receivables	(17,580.79)	9,366.87
Decrease/(Increase) in loans and advances and other current / non current assets	(13,679.08)	(4,875.37)
Decrease / (Increase) in Inventories	(6,334.05)	(5,886.28)
Decrease/(Increase) in Trade payables, other liabilities and provisions	11,182.91	4,905.82
<b>Cash generated from Operating Activities</b>	<b>32,630.98</b>	<b>46,544.83</b>
Direct taxes paid ( net of refunds)	(539.85)	(270.54)
<b>Net Cash generated from Operating Activities (A)</b>	<b>32,091.13</b>	<b>46,274.29</b>
<b>B. Cash Flow From Investing Activities</b>		
Purchase of property, plant and equipment (Net)	(9,244.55)	(12,731.79)
Proceeds from sale of property, plant and equipment	41.67	9.99
Proceeds from maturity of fixed deposits	(2,955.25)	150.90
Interest received	400.53	135.30
<b>Net Cash generated (used in) Investing Activities (B)</b>	<b>(11,757.60)</b>	<b>(12,435.60)</b>



### Consolidated Cash Flow Statement for the year ended March 31, 2023 (Contd.)

(₹ in lacs)

	Current year ended March 31, 2023	Previous year ended March 31, 2022
<b>C. Cash Flow From Financing Activities</b>		
Proceeds from issue of equity share capital(including premium)	18,200.00	–
Money received against share warrants	4,425.00	–
Repayment of borrowings	(33,294.83)	(24,934.23)
Financial lease payment	(10.13)	(10.14)
Interest paid	(8,526.50)	(10,137.00)
<b>Net Cash generated (used in) Financing Activities (C)</b>	<b>(19,206.46)</b>	<b>(35,081.37)</b>
<b>Net Increase / (Decrease) In Cash and Cash Equivalents (A+B+C)</b>	<b>1,127.07</b>	<b>(1,242.68)</b>
<b>Cash and Cash Equivalents as at the beginning of the year</b>	<b>1,321.47</b>	<b>2,564.15</b>
<b>Cash and Cash Equivalents as at the end of the year</b>	<b>2,448.54</b>	<b>1,321.47</b>
<b>Components of cash and cash equivalents</b>		
Cash in hand	97.05	68.67
Balance with banks-in current account	2,251.49	1,251.91
Fixed Deposits with original maturity of three months or less	100.00	0.89
<b>Cash and Cash Equivalents as at 31st March, 2023 (Refer Note 12)</b>	<b>2,448.54</b>	<b>1,321.47</b>

**Note:**

The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in Ind AS-7, 'Statement of Cash Flows.

The accompanying notes are an integral part of these financial statements.

Previous year figures have been regrouped/rearranged wherever necessary to confirm to this year classification.

As per our report of even date

For S. K. Agrawal And Co. Chartered Accountants LLP

Chartered Accountants

Firm Regn. No. 306033E/E300272

Sd/-

**CA J. K. Choudhury**

Partner

Membership No. : 009367

Place : Kolkata

Date : 30<sup>th</sup> May, 2023

For and on behalf of the Board of Directors

Sd/-

**Aditya Jajodia**

Chairman & Managing

Director

DIN : 00045114

Sd/-

**Sanjiv Jajodia**

Wholetime Director & Chief

Financial Officer

DIN : 00036339

Sd/-

**Rajiv Jajodia**

Wholetime

Director

DIN : 00045192

Sd/-

**Ajay Kumar Tantia**

Company Secretary

### Significant Accounting Policies and Notes to Consolidated financial statements for the year ended March 31, 2023

#### 1. Corporate Information

These consolidated financial statements comprise the Parent Company i.e. Jai Balaji Industries Limited, its Subsidiary Companies and Joint Venture Companies (referred to collectively as 'the Group'). The Parent Company is one of the largest steel producers in the private sector in Eastern India. The Parent Company has Integrated Steel Plants with five manufacturing facilities located in Durgapur and Raniganj in West Bengal and Durg in Chhattisgarh manufacturing different products in steel sector such as Sponge Iron, Pig Iron, Ductile Iron Pipe, Ferro Chrome, Billet, TMT, Coke and Sinter with captive power plant.

The Consolidated financial statement for the year ended March 31, 2023 were approved for issue by the Company's board of directors on 30th May, 2023.

#### 2. Significant Accounting Policies

The significant accounting policies applied by the group in preparation of its consolidated financial statements are listed below, such accounting policies have been applied consistent's to all periods presented in the these consolidated financial statement

##### a) Statement of Compliance

The consolidated financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under section 133 of the Companies Act, 2013 (the 'Act') and other relevant provisions of the Act.

##### b) Basis of preparation

The consolidated financial statements have been prepared under the historical cost convention with the exception of following assets and liabilities which have been measured at fair values:

- Derivative financial instruments;
- Certain financial assets and liabilities measured at fair value (Refer accounting policy regarding financial instruments);
- Employee benefit expenses (Refer accounting policy regarding employee benefit expenses)

##### c) Basis of Consolidation

The Consolidated Financial Statements of the Group have been prepared on the following basis:

- The Subsidiary Companies considered in the financial statements are as follows:

Name of the Subsidiary	Country of Incorporation	Proportion of Ownership/Interest	
		As at March 31, 2023	As at March 31, 2022
Jai Balaji Steels (Purulia) Limited.	India	100%	100%
Jai Balaji Energy (Purulia) Limited.	India	100%	100%

- In terms of Indian Accounting Standard 110- 'Consolidated Financial Statements' issued by the Institute of Chartered Accountants of India, the financial statements of the Company and its Subsidiary are combined on a line- by-line basis by adding together the book values of like items of assets, liabilities, income and expenditure, after fully eliminating intra-group balances, intra-group transactions and any unrealized profit/loss included therein. The difference of the cost to the Company its investment in Subsidiary as at the date of acquisition of stake is recognized in the financial statements as Goodwill or Capital reserve, as the case may be. Any such difference arising subsequently is adjusted against Statement of Profit and Loss.
- The difference of the cost to the Company of its investment in Subsidiary as at the date of acquisition of stake is recognized in the financial statements as Goodwill or Capital Reserve, as the case may be. Any such difference arising subsequently is adjusted against Statement of Profit and Loss.
- The Joint Venture Companies considered in the financial statements are as follows:

Name of the Joint Venture Company	Country of Incorporation	Proportion of Ownership/Interest	
		As at March 31, 2023	As at March 31, 2022
Rohne Coal Company Private Ltd*	India	6.90%	6.90%
Andal East Coal Company Private Ltd*	India	32.79%	32.79%

\* Refer Note no 2 (b)(v) below.

- In terms of Indian Accounting Standard 27 - 'Financial Reporting of Interests in Joint Venture' issued by the Institute of Chartered Accountants of India, the Company has prepared these consolidated financial statements by including the Company's proportionate interest in the Joint Venture's assets, liabilities, income and expenditure etc in the consolidated financial statements in respective line items. However, the management of the holding company believes that it is inappropriate to follow the principles of proportionate consolidation of assets, liabilities, income and expenditure to the extent of companies interest in M/s Andal East Coal Company Pvt Ltd, one of the Joint Venture Companies which is under liquidation in which the company holds 32.79% equity shares, as the above Accounting Standard imposes restriction on consolidation in case the joint venture is under severe long term restriction to transfer funds to the venture.



### Notes to Consolidated financial statements for the year ended March 31, 2023 (Contd.)

Further, figure of current year of the another Joint venture company, M/s. Rohne Coal Company Pvt Ltd (RCCPL) in which the company holds 6.90% equity shares, could not be incorporated as the Financial Statement of RCCPL were not received by the Company.

- vi) The consolidated financial statements have been prepared using uniform accounting policies for like transactions and are presented, to the extent possible, in the same manner as the Company's separate financial statements.
- vii) The financial statements of the entities used for the purpose of consolidation are drawn up for the same reporting period i.e. year ending 31st March, 2023.

#### d) Use of estimates

In preparing the consolidated financial statements in conformity with Ind AS, management has made estimates, judgments and assumptions which affect the application of accounting policies and the reported amounts of assets and liabilities as at the date of consolidated financial statements and the reported amounts of revenues and expenses during the period. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting are recognized prospectively. Changes in estimates are reflected in the consolidated financial statements in the period in which changes are made and, if material, their affects are disclosed in the notes to consolidated financial statements.

#### Critical estimates and judgments

The areas involving critical estimates or judgments are as follows:

- **Estimated fair value of unlisted securities**

The fair value of consolidated financial instruments that are not traded in an active market is determined using valuation technique. The management uses its judgment to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period.

- **Estimation of defined benefit obligation**

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is

highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

- **Recognition of deferred tax assets for carried forward tax losses**

As the Parent Company has made substantial losses for the past years, no new deferred tax asset has been accounted for. However, the management has made estimates regarding the probability that the future taxable profits will be available against which existing deferred tax assets up to 31.03.2015 can be used.

- **Recognition and measurement of provisions and contingencies**

The management has made key assumptions about the likelihood and magnitude of an outflow of resources.

- **Impairment of trade receivables**

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The management uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

- **Measurement of Right of Use Asset (ROUA) and Lease liabilities Refer note "g".**

#### e) Current and Non-Current classification

The Group presents assets and liabilities in the balance sheet based on current/non-current classification.

An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is current when:

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



### Notes to Consolidated financial statements for the year ended March 31, 2023 (Contd.)

The Group classifies all other liabilities as non-current.

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

#### f) Revenue from Contracts with Customers

Revenue from contracts with customers is recognized to the extent that is probable that the economic benefits will flow to the Group and revenue can be reliably measurable regardless of when payment is being received. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Group as part of the contract.

Ind AS 115 provides a single model of accounting for revenue arising from contracts with customers based on the identification and satisfaction of performance obligations. Specifically, the standard introduces a 5-step approach to revenue recognition.

- **Step 1:** Identify the contract(s) with a customer
- **Step 2:** Identify the performance obligation in contract
- **Step 3:** Determine the transaction price
- **Step 4:** Allocate the transaction price to the performance obligations in the contract.
- **Step 5:** Recognise revenue when [or as] the entity satisfies a performance obligation

#### Disaggregate revenue information

The disaggregated revenue of the Group best depicts how the nature, amount, timing and uncertainty of revenues and cash flows are affected by industry, market and other economic factors.

Refer Note No. 25 for Disaggregate revenue information.

#### Other income

Other income is comprised primarily of interest income, insurance claim received, gain on investments and exchange gain.

##### A. Conversion Income

Revenue from sale of service is recognized when control has been transferred to the buyer usually when the delivery of goods after due process of conversion takes place, revenue is booked when all the performance obligations are satisfied.

##### B. Export Incentives

Income from export incentives such as duty drawback, Merchandise Export from India Scheme (MEIS) and Remission of duties and taxes on export products (RODTEP) are recognised on accrual basis.

##### C. Interest Income

Interest income is recognized using the Effective Interest Rate (EIR).

#### g) Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

##### The Group as a lessor

Rental income arising is accounted for on a straightline basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

##### The Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

##### Right of Use Assets

The Group recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements. The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for a lease payments made at or prior to the commencement date of the lease (i.e. the date the underlying asset is available for use) plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of lease term and the useful life of the underlying assets:

The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable using the incremental borrowing rates. The lease liability is subsequently re-measured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made.

A lease liability is re-measured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. There measurement normally also adjusts the leased assets.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

#### h) Property, Plant and Equipment

Property, Plant and Equipment represent a significant proportion of the asset base of the Group. Free hold land is carried at historical cost. All other items of property,





### Notes to Consolidated financial statements for the year ended March 31, 2023 (Contd.)

plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditures that are directly attributable to the acquisition of the items.

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment, if any. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by management.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labor, any other costs directly attributable to bringing the item to working condition for its intended use.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Subsequent costs are included in the assets carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. When a major inspection is performed, its cost is not recognised in the carrying amount of the plant and equipment as a replacement. All other repairs and maintenance are charged to Profit or Loss during the reporting period in which they are incurred. Property, plant and equipment includes spare parts, stand by equipments and servicing equipment which are expected to be used for a period more than twelve months and meets the recognition criteria of property, plant and equipment.

On transition to Ind AS, the Group has elected to continue with the carrying value of all its property, plant and equipment recognized as at 1 April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Based on technical assessment made by technical expert and Management estimate the entity depreciates items of property, plant and equipment over estimated useful lives which are same as prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

- Building: 5-60years
- Furniture and Fixtures: 10years
- Plant and equipment: 15-40 years
- Lease hold Land : over the period of Lease
- Office Equipment: 5years
- Vehicle: 8years
- Computers: 3-6years

Depreciation on property, plant and equipment is provided on straight line basis to the extent of depreciable

amount on pro-rata basis over the useful life of respective assets as prescribed under Schedule II to the Companies Act, 2013, except for Moulds as stated below.

Pig Moulds for Ductile Iron Foundry works are depreciated over a period of 4 years.

Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as capital advances under other non-current assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'.

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognized.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

#### i) Intangible Assets

##### Software

Software is measured initially at cost and subsequently at cost less accumulated amortization and impairment. Software is amortised over its useful life on a straight line basis.

##### Item Useful life

Computer Software : 5 years

#### j) Provisions & Contingent Liability

A provision is recognized if, as a result of a past event, the Group has a present obligation (legal or constructive) that is reasonably estimable, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are not recognized for future operating losses.

Where the effect of time value of money is material, provisions are measured at the present value of management's best estimate of the required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to passage of time is recognized as interest expense.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which



### Notes to Consolidated financial statements for the year ended March 31, 2023 (Contd.)

will be confirmed only by the occurrence or non – occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

#### k) Inventories

Inventories are valued at the lower of cost and net realizable value.

- i. Raw materials: Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a weighted average basis.
- ii. Finished goods and work in progress: Cost of finished goods and work-in-progress comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Trading stock valued at cost.
- iii. Stores and spares: Cost is determined on weighted average basis.
- iv. Scrap and By Products: At net realizable value.

The Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and estimated costs necessary to make the sale.

#### l) Earnings per share

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

Diluted earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

#### m) Trade Receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

#### n) Cash and bank balances

Cash and bank balances consist of :

- **Cash and cash equivalent**

Cash and cash equivalent in the balance sheet comprise cash on hand and in bank and short term deposits with an original maturity of three months,

which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash on hand, in banks and short term deposits with an original maturity of three months net of outstanding bank overdrafts as they are considered integral part of the Group's cash management.

- **Other bank balances**

This includes balances and deposits with bank that are restricted for withdrawal and usage having maturity of more than three years extending upto twelve years.

#### o) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Group is predominantly engaged in a single reportable segment of "Iron and Steel" during the year.

#### p) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the interest costs.

#### q) Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within the credit period allowed. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. Long term trade payables are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

#### r) Government grants and subsidies

Grants and subsidies from the government are recognized when there is a reasonable assurance that the grant/ subsidy will be received and all attaching conditions will be complied with.

When the grant or subsidy relates to an expense item, it is recognized as income over the periods necessary to match them on a systematic basis to the costs, which it is intended to compensate.

Where the grant or subsidy relates to an asset, its value is deducted in arriving at the carrying amount of the related asset.



### Notes to Consolidated financial statements for the year ended March 31, 2023 (Contd.)

Government grants of the nature of promoter's contribution are credited to capital reserve and treated as a part of shareholder's funds.

#### s) Financial Instruments

##### Initial Recognition

The Group recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, those are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date i.e., the date at which the Group commits to purchase or sell the asset.

##### Subsequent Measurement

###### a. Derivative financial instruments

Derivative instruments used by the Group include forward exchange contracts. These financial instruments are utilised to hedge future transactions and cash flows and are subject to hedge accounting under Ind AS 109 "Financial instruments" wherever possible. The Group does not hold or issue derivative financial instruments for trading purpose. All transactions in derivative financial instruments are undertaken to manage risks arising from underlying business activities.

###### b. Non-derivative financial instruments

###### (i) Financial assets carried at amortized cost:

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

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising

from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables.

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

A financial asset is subsequently measured at fair value through other comprehensive income 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 flows that are solely payments of principal and interest on the principal amount outstanding.

The Group recognizes impairment losses and reversals and foreign exchange gain or loss in the Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

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

A financial asset which is not classified in any of the above categories is subsequently fair valued through profit or loss. The Group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL, which is thereafter irrevocable. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Group has not designated any debt instrument as at FVTPL.

###### (iv) Financial liabilities:

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. 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. The Group's financial liabilities include trade and other payables and loans and borrowings.



### Notes to Consolidated financial statements for the year ended March 31, 2023 (Contd.)

Loans and Borrowings- After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

#### Derecognition of Financial Instruments

The Group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers 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 Group's balance sheet when the obligation specified in the contract is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

#### Fair Value of Financial Instruments

In determining the fair value of its financial instruments, the Group uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized.

#### Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously. This legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business.

#### t) Impairment

##### a. Financial assets

Financial assets, other than those assets which are measured at fair value through profit or loss, are assessed for indicators of impairment at the end of each reporting period. The Group recognises a loss allowance for expected credit losses on financial asset. In case of trade receivables, the Group follows the simplified approach permitted by Ind AS 109- Financial Instruments for recognition of impairment loss allowance. The application of simplified approach does not require the Group to track changes in credit risk. The Group calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience.

##### b. Non-financial assets

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the statement of profit and loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation). Impairment loss has been recognized for the asset in the current years which is shown under exceptional item.

#### u) Foreign currencies

The functional currency of the Group is determined on the basis of the primary economic environment in which it operates. The functional currency of the Group is Indian National Rupee (INR). The transactions in currencies other than the entity's functional currency (foreign





### Notes to Consolidated financial statements for the year ended March 31, 2023 (Contd.)

currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting year, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences on monetary items are recognised in Statement of Profit and Loss in the year in which they arise except for exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings.

#### v) Fair value measurement

The management measures financial instruments at fair value at each balance sheet date.

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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The management uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized

within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, the management determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

#### w) Employee benefits

##### i. Short Term Benefits

Short term employee benefit obligations are measured on an undiscounted basis and are expensed as the related services are provided. Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognized in respect of employee's services up to the end of the reporting period.

##### ii. Other Long Term Employee Benefits

The liabilities for earned leaves that are not expected to be settled wholly within twelve months are measured as the present value of the expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the government securities (G-Sec) rates at the end of the reporting period that have terms approximating to the terms of related obligation. Remeasurements as the result of experience adjustment and changes in actuarial assumptions are recognized in the Statement of Profit and Loss.

##### iii. Post-Employment Benefits

The Group operates the following post-employment schemes:

##### Defined Benefit Plans

The liability or asset recognized in the Balance Sheet in





### Notes to Consolidated financial statements for the year ended March 31, 2023 (Contd.)

respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods. The defined benefit obligation is calculated annually by Actuaries using the projected unit credit method. The liability recognized for defined benefit plans is the present value of the defined benefit obligation at the reporting date less the fair value of plan assets, together with adjustments for unrecognized actuarial gains or losses and past service costs. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. The benefits are discounted using the government securities (G-Sec) rates at the end of the reporting period that have terms approximating to the terms of related obligation. Remeasurements of the net defined benefit obligation, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling, are recognized in other comprehensive income. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to the Statement of Profit and Loss.

#### Defined Contribution Plan

Contributions to defined contribution plans include provident fund contribution to government administered fund and are charged to the Statement of Profit and Loss as and when incurred. Such benefits are classified as defined contribution plans since the Group does not carry any further obligations, apart from the contributions made on monthly basis.

#### x) Taxes

Tax comprises current and deferred tax. It is recognized in profit or loss except to the extent that it relates to a business combination or to an item recognized directly in equity or in other comprehensive income.

##### ● Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognized amounts, and it is intended to realize the asset and settle the liability on a net basis or simultaneously.

##### ● Deferred tax

Deferred tax is recognized 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. Deferred tax is also recognized in respect of carried forward tax losses and tax credits. Deferred tax is not recognized for:

- ❖ temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;
- ❖ taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognized using liability method, to the extent that it is probable that future taxable profits will be available against which they can be used. The Group recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realized. Deferred tax assets – unrecognized or recognised, are reviewed at each reporting date and are recognised/reduced to the extent that it is probable/no longer probable respectively that the related tax benefit will be realized.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority.



### Notes to Consolidated financial statements for the year ended March 31, 2023 (Contd.)

#### y) Investment in subsidiaries, joint venture and associates

Investments in subsidiaries, joint ventures and associates are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries, the difference between net disposal proceeds and the carrying amounts are recognized in the Statement of Profit and Loss.

#### z) Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

**Ind AS1- Presentation of Financial Statements-** This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment

is annual periods beginning on or after April 1, 2023. The Group has evaluated the amendment and the impact of the amendment is insignificant in the consolidated financial statements.

**Ind AS8- Accounting Policies, Changes in Accounting Estimates and Errors -** This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Group has evaluated the amendment and there is no impact on its consolidated financial statements.

**Ind AS12- Income Taxes -** This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Group has evaluated the amendment and there is no impact on its consolidated financial statement.

### Notes to Consolidated financial statements for the year ended March 31, 2023 (Contd.)

Particulars	(₹ in lacs)									
	Freehold Land	Factory Buildings	Railway Siding	Plant and Machinery	Electrical Installation	Furniture and Fixture	Office Equipment	Vehicle	Total	
Gross carrying value as on April 1, 2022	4,103.89	41,088.60	4,583.27	186,566.29	24,540.62	217.46	1,358.87	120.38	262,579.38	
Additions	-	739.71	388.66	11,715.09	771.23	23.31	192.06	13.36	13,843.42	
Disposal/ Adjustments	-	-	-	19,238.96	3,078.69	3.06	14.02	-	22,334.73	
Gross carrying value as on March 31, 2023	<b>4,103.89</b>	<b>41,828.31</b>	<b>4,971.93</b>	<b>179,042.42</b>	<b>22,233.16</b>	<b>237.71</b>	<b>1,536.91</b>	<b>133.74</b>	<b>254,088.07</b>	
Accumulated depreciation as on April 1, 2022	-	15,180.59	3,727.21	103,922.48	22,416.97	118.00	1,093.85	114.25	146,573.35	
Depreciation for the period	-	1,186.91	267.28	7,717.74	477.98	11.43	110.20	0.49	9,772.03	
Disposal/ Adjustments	-	-	-	11,842.22	3,078.69	2.90	14.02	-	14,937.83	
Accumulated depreciation as on March 31, 2023	-	<b>16,367.50</b>	<b>3,994.49</b>	<b>99,798.00</b>	<b>19,816.26</b>	<b>126.53</b>	<b>1,190.03</b>	<b>114.74</b>	<b>141,407.55</b>	
Carrying value as on March 31, 2023	<b>4,103.89</b>	<b>25,460.81</b>	<b>977.44</b>	<b>79,244.42</b>	<b>2,416.90</b>	<b>111.18</b>	<b>346.88</b>	<b>19.00</b>	<b>112,680.52</b>	
Carrying value as on April 1, 2022	4,103.89	25,908.01	856.06	82,643.81	2,123.65	99.46	265.02	6.13	116,006.036	

Particulars	(₹ in lacs)									
	Freehold Land	Factory Buildings	Railway Siding	Plant and Machinery	Electrical Installation	Furniture and Fixture	Office Equipment	Vehicle	Total	
Gross carrying value as on April 1, 2021	4,103.89	40,779.35	4,354.18	180,171.64	24,380.39	144.26	1,217.59	120.38	255,271.68	
Additions	-	309.25	229.09	6,587.46	188.48	73.20	141.28	-	7,528.76	
Disposal/ Adjustments	-	-	-	192.81	28.25	-	-	-	221.06	
Gross carrying value as on March 31, 2022	<b>4,103.89</b>	<b>41,088.60</b>	<b>4,583.27</b>	<b>186,566.29</b>	<b>24,540.62</b>	<b>217.46</b>	<b>1,358.87</b>	<b>120.38</b>	<b>262,579.38</b>	
Accumulated depreciation as on April 1, 2021	-	14,009.14	3,403.59	96,997.47	21,971.37	112.40	1,005.84	114.20	137,614.02	
Depreciation for the period	-	1,171.45	323.62	7,054.63	472.44	5.60	88.01	0.05	9,115.79	
Disposal/ Adjustment	-	-	-	129.62	26.84	-	-	-	156.46	
Accumulated depreciation as on March 31, 2022	-	<b>15,180.59</b>	<b>33,727.21</b>	<b>103,922.48</b>	<b>22,416.97</b>	<b>118.00</b>	<b>1,093.85</b>	<b>114.25</b>	<b>146,573.35</b>	
Carrying value as on March 31, 2022	<b>4,103.89</b>	<b>25,908.01</b>	<b>856.06</b>	<b>82,643.81</b>	<b>2,123.65</b>	<b>99.46</b>	<b>265.02</b>	<b>6.13</b>	<b>116,006.03</b>	
Carrying value as on April 1, 2021	4,103.89	26,770.21	950.59	83,174.17	2,409.02	31.86	211.75	6.18	117,657.66	

#### Notes

- Individual assets property plant and equipment has not been reclassified during the year.
- Refer note 35b for disclosure of Capital and other commitment.
- Refer note 20 for information property plant and equipment pledged as security by the company.
- All the freehold Land and Building are in the name of Company.
- Refer note no: 56(g) for the title deed disclosure.
- During the year the company has discarded certain Property, plant and equipment pertaining to Unit III, Durgapur and the difference between the Written Down Value (WDV) and Net Realisable Value (NAV) of ₹ 7,380.77 lacs has been charged to the Statement of Profit and Loss.



### Notes to Consolidated financial statements for the year ended March 31, 2023 (Contd.)

Note 3A : The details of right-of use asset held by the company is as follows:

i) Current Reporting Period		(₹ in lacs)
Particulars	Leasehold Land	
Gross carrying value as on April 1, 2022	871.86	
Additions	-	
Disposal	-	
Gross carrying value as on March 31, 2023	<u>871.86</u>	
Accumulated depreciation as on April 1, 2022	415.85	
Depreciation for the period	8.67	
Disposal/ Adjustment	-	
Accumulated depreciation as on March 31, 2023	<u>424.52</u>	
Carrying value as on March 31, 2023	<u>447.34</u>	
Carrying value as on April 1, 2022	<u>456.01</u>	
ii) Previous Reporting Period		(₹ in lacs)
Particulars	Leasehold Land	
Gross carrying value as on April 1, 2021	871.86	
Additions	-	
Disposal	-	
Gross carrying value as on March 31, 2022	<u>871.86</u>	
Accumulated depreciation as on April 1, 2021	407.18	
Depreciation for the period	8.67	
Disposal/ Adjustment	-	
Accumulated depreciation as on March 31, 2022	<u>415.85</u>	
Carrying value as on March 31, 2022	<u>456.01</u>	
Carrying value as on April 1, 2021	<u>464.68</u>	

Net book value of leasehold land for the year ended March 31, 2023 were under finance lease

Note 4 : Capital Work-in-Progress		(₹ in lacs)	
Particulars	As at March 31, 2023	As at March 31, 2022	
<b>A. Capital Work-in-Progress</b>			
Buildings	2,075.11	1,603.23	
Road	12.92	50.52	
Railway Siding	728.03	359.01	
Plant and Machinery	15,817.94	10,179.66	
Electrical Installations	956.69	913.06	
Land	1.12	1,158.81	
Stores	26.54	-	
<b>Sub Total</b>	<u>19,618.35</u>	<u>14,264.29</u>	
Less : Transferred to Fixed Assets	12,784.09	6,378.46	
Less : Amount write off (Refer note below)	-	2,765.23	
Less : Provisin for diminution value of assets	116.88	-	
<b>Total A :</b>	<u>6,717.38</u>	<u>5,120.60</u>	
<b>B. Pre-operative Expenditure Pending Allocation</b>			
<b>Opening Balance</b>	104.40	4,221.04	
<b>Additions</b>			
Rent and Hire	32.73	4.29	
Travelling and Conveyance	37.95	-	
Legal and Professional Charges	34.91	24.32	
Miscellaneous Expenses	330.37	492.84	
	<u>435.96</u>	<u>521.45</u>	
Less : Transferred to Fixed Assets	374.37	674.13	
Less : Amount write off (Refer note below)	-	3,963.96	
<b>Total B :</b>	<u>165.99</u>	<u>104.40</u>	
<b>Grand Total (A+B)</b>	<u>6,883.37</u>	<u>5,225.00</u>	



### Notes to Consolidated financial statements for the year ended March 31, 2023 (Contd.)

Ageing of Capital Work in Progress is as follows:

i) Current Reporting Period (₹ in lacs)

Description	Amount in CWIP for the year ended March 31, 2023				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	6,434.68	105.04	—	—	6,539.72
Projects temporarily suspended	—	—	—	343.65	343.65
<b>Total</b>	<b>6,434.68</b>	<b>105.04</b>	<b>—</b>	<b>343.65</b>	<b>6,883.37</b>

ii) Previous Reporting Period (₹ in lacs)

Description	Amount in CWIP for the year ended March 31, 2022				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	4,881.35	—	—	—	4,881.35
Projects temporarily suspended	—	—	—	343.65	343.65
<b>Total</b>	<b>4,881.35</b>	<b>—</b>	<b>—</b>	<b>343.65</b>	<b>5,225.00</b>

#### Note 4A : Intangible Assets

i) Current Reporting Period (₹ in lacs)

Particulars	As at March 31, 2023
<b>Software</b>	
Gross carrying value as on April 1, 2022	149.40
Additions	1.43
Disposal	—
Gross carrying value as on March 31, 2023	<u>150.83</u>
Accumulated depreciation as on April 1, 2022	106.76
Depreciation for the period	12.04
Disposal/ Adjustment	—
Accumulated depreciation as on March 31, 2023	<u>118.80</u>
Carrying value as on March 31, 2023	<u>32.03</u>
Carrying value as on April 1, 2022	<u>42.64</u>

ii) Previous Reporting Period (₹ in lacs)

Particulars	As at March 31, 2022
<b>Software</b>	
Gross carrying value as on April 1, 2021	123.52
Additions	25.88
Disposal	—
Gross carrying value as on March 31, 2022	<u>149.40</u>
Accumulated depreciation as on April 1, 2021	98.76
Depreciation for the period	8.00
Disposal/ Adjustment	—
Accumulated depreciation as on March 31, 2022	<u>106.76</u>
Carrying value as on March 31, 2022	<u>42.64</u>
Carrying value as on April 1, 2021	<u>24.76</u>





### Notes to Consolidated financial statements for the year ended March 31, 2023 (Contd.)

#### Note 5 : Intangible Assets Under Development

##### i) Current Reporting Period

(₹ in lacs)

Particulars	As at March 31, 2023
<b>Software</b>	—
Less : Amount write off	—
<b>Total:</b>	<u>—</u>

##### ii) Previous Reporting Period

Particulars	As at March 31, 2022
<b>Software</b>	20.80
Less : Amount write off	20.80
<b>Total:</b>	<u>—</u>

Ageing of Intangible Assets under development is as follows:

##### i) Current Reporting Period

(₹ in lacs)

Description	Amount in CWIP for the year ended March 31, 2023				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	—	—	—	—	—
<b>Total</b>	—	—	—	—	—

##### ii) Previous Reporting Period

Description	Amount in CWIP for the year ended March 31, 2022				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	—	—	—	—	—
<b>Total</b>	—	—	—	—	—

#### Note 6 : Non Current Investment

(₹ in lacs)

Description	Face Value per Share	Number of Shares as at March, 2023	Number of Shares as at March, 2022	As at March 31, 2023	As at March 31, 2022
<b>I. Trade Investment</b>					
<b>Unquoted, Fully Paid up</b>					
<b>a. Investment in Equity Shares</b>					
<b>i) In Joint Venture Companies#</b>					
Andal East Coal Company Private Limited	10	319,290	319,290	3.19	3.19
Rohne Coal Company Private Limited	10	69,000	69,000	0.69	0.69
<b>b. Investment in Preference Shares</b>					
<b>i) In a Joint Venture Company#</b>					
1% Redeemable Preference Shares of Rohne Coal Company Private Limited	10	2,363,914	2,363,914	<u>23.64</u>	<u>23.64</u>
				<u>27.52</u>	<u>27.52</u>
Aggregate Value of Investments					
- Quoted				—	—
- Unquoted				27.52	27.52
<b># Refer note 50</b>					



### Notes to Consolidated financial statements for the year ended March 31, 2023 (Contd.)

Description	Face Value per Share	Number of Shares as at March, 2023	Number of Shares as at March, 2022	As at	
				March 31, 2023	March 31, 2022
(₹ in lacs)					
<b>(At Fair value through Other Comprehensive Income)</b>					
<b>II. Non Trade Investment</b>					
<b>Unquoted, Fully Paid up</b>					
<b>a. Investment in Equity Instruments</b>					
Calcutta Stock Exchange Limited#	1	2,726	2,726	71.60	71.60
<b>(At Amortised Cost)</b>					
<b>b. In Government Securities</b>					
National Saving Certificate (Deposited with Third Parties)				7.32	7.32
				78.92	78.92
Aggregate Value of Investments					
- Quoted				—	—
- Unquoted				78.92	78.92
# Refer note 51					
<b>Total Investment</b>				106.44	106.44

#### Details of Shubsidiarties, Associates and Joint Ventures in accordance with Ind AS 112 "Disclosure of Interest in other entities":

Name of Company	Country of Incorporation	Proportion of Shareholding	
		As at March 31, 2023	As at March 31, 2022
<b>In Subsidiary Companies</b>			
Jai Balaji Energy (Purulia) Limited	India	100%	100%
Jai Balaji Steels (Purulia) Limited	India	100%	100%
<b>In Joint Venture Companies#</b>			
Andal East Coal Company Private Limited	India	32.79%	32.79%
Rohne Coal Company Private Limited	India	6.90%	6.90%

#### Note 7 : Other Non Current Financial Assets

Particulars	As at	
	March 31, 2023	March 31, 2022
(₹ in lacs)		
<b>Unsecured, considered good</b>		
Security Deposits	5,181.71	3,668.79
[Net of Provision for Doubtful Advances of ₹ 28.41 lacs (₹ 34.65 lacs)]		
Fixed deposits with maturity of more than 12 months*	1,659.06	514.48
Interest Receivable on Deposits	52.49	53.50
<b>Total</b>	6,893.26	4,236.77

#### Note

Fixed deposit amounting to ₹1259.06 lacs (₹514.48 lacs) are held as margin money.



### Notes to Consolidated financial statements for the year ended March 31, 2023 (Contd.)

#### Note 8 : Deferred Tax Assets / (Liabilities) (Net)

(₹ in lacs)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Deferred Tax Asset</b>		
Unabsorbed Depreciation and carry forward business losses	65,831.38	69,276.81
Expenses allowed on payment basis/other timing differences	16,031.69	11,721.70
<b>Sub Total (A)</b>	<b>81,863.07</b>	<b>80,998.51</b>
<b>Deferred Tax Liability</b>		
Timing difference on depreciable assets	18,949.50	21,006.83
Unreleased gains/(losses) on forward contract	4.09	—
<b>Sub Total (B)</b>	<b>18,953.59</b>	<b>21,006.83</b>
<b>Deferred Tax Assets / (Net) (A - B)</b>	<b>62,909.48</b>	<b>59,991.68</b>
<b>Less: Deferred Tax Assets not recognised (refer note below)</b>	<b>(33,824.34)</b>	<b>(30,906.54)</b>
<b>Total</b>	<b>29,085.14</b>	<b>29,085.14</b>

As the Group has made substantial losses for the past few years, no Deferred Tax Assets for the year has been accounted for. However the figure upto 31.03.2015 has been carried forward because the management is taking corrective action to improve the working so as to enable them realise the above figure.

#### Note 9 : Other Non Current Assets

(₹ in lacs)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Unsecured, considered good</b>		
Capital Advances	2,667.80	7,855.82
[Net of provision for Doubtful Advances of ₹3,696.81 lacs (₹Nil)]		
Prepaid Expenses	42.08	7.20
<b>Total:</b>	<b>2,709.88</b>	<b>7,863.02</b>

#### Note 10 : Inventories

(₹ in lacs)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>(Valued at lower of cost and net realisable value)</b>		
Raw Materials	49,830.68	51,943.99
[Including in transit ₹10,767.78 lacs (₹16,034.59 lacs)]		
Work - in - Progress	1,962.30	1,088.96
Finished Goods	18,589.61	14,291.86
Stock-in-trade	137.63	110.79
Stores and Spares	10,065.55	6,663.40
[Including in transit ₹1,047.12 lacs (₹462.78 lacs)]		
By Products and Scrap	1,551.01	1,703.74
<b>Total:</b>	<b>82,136.78</b>	<b>75,802.74</b>

#### Note 11 : Trade Receivables

(₹ in lacs)

Particulars	As at March 31, 2023	As at March 31, 2022
Trade Receivables considered good (Unsecured)*	22,931.05	15,613.83
Trade Receivable credit impaired	37,527.19	36,044.63
	60,458.24	51,658.46
Less: Allowance for credit Losses (Refer note below)	37,527.19	36,044.63
<b>Total:</b>	<b>22,931.05</b>	<b>15,613.83</b>

\*Including receivable from related party (Refer note 43b)

### Notes to Consolidated financial statements for the year ended March 31, 2023 (Contd.)

Ageing of Trade Receivables is as follows :

**i) Current Reporting Period**

(₹ in lacs)

Particulars	Outstanding for the year ended March 31, 2023 from due date of payment					Total
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) Undisputed Trade receivables-considered good (Unsecured)	21,844.80	570.61	443.28	72.36	–	22,931.05
(ii) Undisputed Trade receivables - credit impaired	2,607.19	697.41	823.25	217.10	33,182.24	37,527.19
(iii) Undisputed Trade receivables - which have significant increase in credit risk	–	–	–	–	–	–
(iv) Disputed Trade receivables-considered good (Unsecured)	–	–	–	–	–	–
(v) Disputed Trade receivables - credit impaired	–	–	–	–	–	–
(vi) Disputed Trade receivables - which have significant increase in credit risk	–	–	–	–	–	–
<b>Total</b>	<b>24,451.99</b>	<b>1,268.02</b>	<b>1,266.53</b>	<b>289.46</b>	<b>33,182.24</b>	<b>60,458.24</b>

**ii) Previous Reporting Period**

(₹ in lacs)

Particulars	Outstanding for the year ended March 31, 2022 from due date of payment					Total
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good (Unsecured)	13,072.85	2,046.93	345.88	148.17	–	15,613.83
(ii) Undisputed Trade receivables - credit impaired	688.05	511.73	230.59	148.17	34,466.09	36,044.63
(iii) Undisputed Trade receivables - which have significant increase in credit risk	–	–	–	–	–	–
(iv) Disputed Trade receivables - considered good (Unsecured)	–	–	–	–	–	–
(v) Disputed Trade receivables - credit impaired	–	–	–	–	–	–
(vi) Disputed Trade receivables - which have significant increase in credit risk	–	–	–	–	–	–
<b>Total</b>	<b>13,760.90</b>	<b>2,558.66</b>	<b>576.47</b>	<b>296.34</b>	<b>34,466.09</b>	<b>51,658.46</b>

Expected Credit Loss:

In determining the allowances for credit losses of trade receivables, the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in the provision matrix.

**Note 12 : Cash and Cash Equivalents**

(₹ in lacs)

Particulars	As at March 31, 2023	As at March 31, 2022
Balance with Banks :-		
On Current Accounts	2,251.49	1,251.91
Fixed deposits with original maturity of three months or less	100.00	0.89
Cash on hand	97.05	68.67
<b>Total:</b>	<b>2,448.54</b>	<b>1,321.47</b>

**Note 13 : Bank Balances (Other Than Cash and Cash Equivalents)**

(₹ in lacs)

Particulars	As at March 31, 2023	As at March 31, 2022
Fixed deposits with maturity of less than 12 months*	2,700.30	889.63
<b>Total:</b>	<b>2,700.30</b>	<b>889.63</b>

Notes : \*Fixed deposit amounting to ₹1600.30 lacs (₹255.09 lacs) are held as margin money.



### Notes to financial statements for the year ended March 31, 2023 (Contd.)

#### Note 14 : Current Loans

(₹ in lacs)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Loans receivable considered goods - Unsecured</b>		
Advances recoverable in cash or in kind or for value to be received [Net of Provision for Doubtful Advances of ₹ Nil (₹ 10.00 lacs)]	312.04	296.27
<b>Total:</b>	<u>312.04</u>	<u>296.27</u>

#### Note 15 : Other Current Financial Assets

(₹ in lacs)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Unsecured, considered good</b>		
Security Deposits	2,606.28	2,781.92
Interest Receivable on Deposits	146.81	37.76
<b>Total</b>	<u>2,753.09</u>	<u>2,819.68</u>

#### Note 16 : Other Current Assets

(₹ in lacs)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Advances recoverable in cash or kind</b>		
Advances recoverable in cash or in kind or for value to be received [Net of Provision for Doubtful Advances ₹8309.30 lacs (₹764.38 lacs lacs)]	21,766.45	20,065.36
	<u>21,766.45</u>	<u>20,065.36</u>
<b>Other Loans and Advances</b>		
Balance with Government Authorities*	686.70	1,290.14
Advance income tax	1,225.66	685.81
Mat credit entitlement**	—	4,709.71
Subsidies and Incentives Receivable***	—	10,168.00
Sales Tax and Other Refunds Receivable	191.08	230.92
	<u>2,103.44</u>	<u>17,084.58</u>
<b>Total:</b>	<u>23,869.89</u>	<u>37,149.94</u>

\* Including cenvat amount paid under protest amounting to ₹115.00 lacs (₹115.00 lacs) and electricity duty demand paid under protest amounting to ₹120.95 lacs (₹Nil).

\*\* During the year, the company has written off MAT Credit entitlement of ₹4,709.71 lacs on the expiry of periods available for carrying forward and utilisation of the MAT credit under Income Tax Act and also due to the fact that the Company is opting to the new tax regime under the Income Tax Act from the next financial year.

\*\*\* During the year the Company has assessed the recoverability of Industrial Promotion Assistance (IPA) subsidy receivables of ₹10,168.00 lacs. In the opinion of the management, there is a remote possibility of recovery of the same and therefore the entire receivable amount has been written off during the year by charging to the statement of Profit and Loss.

#### Note 17 : Share Capital

(₹ in lacs)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Authorised capital</b>		
185,000,000 (125,000,000) Equity Shares of ₹ 10/- each	18,500.00	12,500.00
<b>Issued, subscribed and fully paid-up capital</b>		
14,54,50,286 (11,04,50,286) Equity Shares of ₹ 10/- each	14,545.03	11,045.03
<b>Total:</b>	<u>14,545.03</u>	<u>11,045.03</u>





### Notes to Consolidated financial statements for the year ended March 31, 2023 (Contd.)

#### Reconciliation of the number of shares

##### Equity Shares

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	(₹ in lacs)	No. of Shares	(₹ in lacs)
Equity Shares of Rs 10/- each				
At the beginning of the year	11,04,50,286	11,045.03	11,04,50,286	11,045.03
Issued during the period*	3,50,00,000	3,500.00	—	—
At the end of the year	<u>145,450,286</u>	<u>14,545.03</u>	<u>11,04,50,286</u>	<u>11,045.03</u>

\*The shares were issued in conversion of the share warrants

#### (i) Terms/rights attached to equity shares

The Company has only one class of ordinary shares (equity shares) having at par value of ₹10/- each. Each shareholder of ordinary shares (equity shareholders) is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to approval of the share holders in the ensuing annual general meeting except in the case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distributions of all preferential amounts, in the proportions to their share holdings.

#### (ii) Lock-in-of-Shares

The Equity Shares allotted to companies falling under the promoter group and others pursuant to conversion of warrants issued on preferential basis are under lock-in as follows:

Sl. No.	Particulars	Date of Allotment	No of Equity Shares	Lock in till
1.	Promoter group	22.07.2022	6,250,000	29.04.2024
	Non-Promoter Group	22.07.2022	2,500,000	29.04.2023
2.	Promoter group	27.08.2022	6,250,000	30.04.2024
	Non-Promoter Group	27.08.2022	2,500,000	30.04.2023
3.	Promoter group	17.10.2022	6,250,000	31.05.2024
	Non-Promoter Group	17.10.2022	2,500,000	31.05.2023
4.	Promoter group	21.11.2022	6,250,000	30.06.2024
	Non-Promoter Group	21.11.2022	2,500,000	30.06.2023

#### (iii) Details of shareholders holding more than 5% shares in the Company

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	% holding in the class	No. of Shares	% holding in the class
Enfield Suppliers Ltd.	11,221,233	7.71	11,221,233	10.16
Hari Management Ltd.	7,044,000	4.84	7,044,000	6.38
Jai Salasar Balaji Industries (P) Ltd.	25,115,157	17.27	25,115,157	22.74
Hariaksh Industries Pvt. Ltd.	10,000,000	6.88	—	—
Shri Keshrinandhan Trade Pvt. Ltd.	10,000,000	6.88	—	—
Edelweiss Asset Reconstruction Co Ltd. (for and on behalf of EARC trust SC 301)	7,755,706	5.33	8,005,706	7.25
Mahananda Securities Ltd.	10,000,000	6.88	—	—
Mahesh Kumar Keyal	6,498,000	4.47	6,500,000	5.89
	<u>87,634,096</u>	<u>60.27</u>	<u>57,886,096</u>	<u>52.42</u>

As per records of the Company, including its register of share holders/members, the above share holdings represents legal ownership of shares.



### Notes to Consolidated financial statements for the year ended March 31, 2023 (Contd.)

#### (iv) Share holding of promoters

The details of the shares held by promoters are as follows:

Particulars	As at March, 31, 2023			As at March, 31, 2022		
	No of shares	% of total shares	% change in Share holding during the year	No of shares	% of total shares	% change in Share holding during the year
1 Aditya Jajodia	3,544,576	2.44	(0.77)	3,544,576	3.21	-
2 Sanjiv Jajodia	2,779,433	1.91	(0.61)	2,779,433	2.52	-
3 Rajiv Jajodia	1,568,333	1.08	(0.34)	1,568,333	1.42	-
4 Gaurav Jajodia	119,666	0.08	(0.03)	119,666	0.11	-
<b>Promoter Group Name</b>						
5 Aashish Jajodia	794,366	0.55	(0.17)	794,366	0.72	-
6 Sangeeta Jajodia	293,333	0.20	(0.07)	293,333	0.27	-
7 Devendra Prasad Jajodia	260,000	0.18	(0.06)	260,000	0.24	-
8 Seema Jajodia	218,833	0.15	(0.05)	218,833	0.20	-
9 Rina Jajodia	163,666	0.11	(0.04)	163,666	0.15	-
10 Kanchan Jajodia	134,383	0.09	(0.03)	134,383	0.12	-
11 Vedang Jajodia	105,550	0.07	(0.03)	105,550	0.10	-
12 Shashi Devi Jajodia	95,883	0.07	(0.02)	95,883	0.09	-
13 Preeti Kankaria	435,301	0.30	(0.09)	435,301	0.39	-
14 Jai Salasar Balaji Industries Pvt Ltd	25,115,157	17.27	(5.47)	25,115,157	22.74	-
15 Enfield Suppliers Ltd	11,221,233	7.71	(2.45)	11,221,233	10.16	-
16 Hari Mngement Ltd	7,044,000	4.84	(1.54)	7,044,000	6.38	-
17 K.D. Jajodia Steel Industries Pvt Ltd	2,410,333	1.66	(0.52)	2,410,333	2.18	-
18 Hariaksh Industries Pvt Ltd	10,000,000	6.88	6.88	-	-	-
19 Shri Keshrinandhan Trade Pvt Ltd	10,000,000	6.88	6.88	-	-	-
20 Shri Mahatejas Vinimay Pvt Ltd	5,000,000	3.44	3.44	-	-	-

#### Note 18 : Other Equity

##### i) Current Reporting Period

(₹ in lacs)

Particulars	Reserve & Surplus						Equity Instrument through OCI	Money received against share warrant	Total
	Capital Reserve	Amalgama-tion Reserve	Securities Premium Account	General Reserve	Retained Earnings	Remeasurement of the net defined benefit plans			
Balance at the beginning of the year	8,478.61	4,400.00	52,206.01	10,325.00	(252,881.30)	-	143.01	-	(1,77,328.67)
Profit / (Loss) for the year	-	-	-	-	5,783.02	-	-	-	5,783.02
Remeasurements of the net defined benefit plans	-	-	-	-	-	(38.26)	-	-	(38.26)
<b>Total comprehensive income for the year</b>	-	-	-	-	<b>5,783.02</b>	<b>(38.26)</b>	-	-	<b>5,744.76</b>
Security Premium Received	-	-	14,700	-	-	-	-	-	14,700.00
Transfer to retained earnings	-	-	-	-	(28.13)	38.26	-	-	10.13
Term loan written back and transfer to capital reserve account (Refer note 57)	1,93,510.90	-	-	-	-	-	-	-	1,93,510.90
	<b>1,93,510.90</b>	-	<b>14,700</b>	-	<b>(28.13)</b>	<b>38.26</b>	-	-	<b>2,08,221.03</b>
Amount received against share warrants	-	-	-	-	-	-	-	22,625.00	22,625.00
Allotment to Equity Share Capital	-	-	-	-	-	-	-	(18,200.00)	(18,200.00)
Transactions with owners	-	-	-	-	-	-	-	4,425.00	4,425.00
<b>Balance at the end of the year</b>	<b>2,01,989.51</b>	<b>4,400.00</b>	<b>66,906.01</b>	<b>10,325.00</b>	<b>(247,126.41)</b>	-	<b>143.01</b>	<b>4,425.00</b>	<b>41,062.12</b>

(Contd.)

### Notes to Consolidated financial statements for the year ended March 31, 2023 (Contd.)

#### Note 18 : Other Equity

##### i) Previous Reporting Period

(₹ in lacs)

Particulars	Reserve & Surplus						Equity Instrument through OCI	Money received against share warrant	Total
	Capital Reserve	Amalgamation Reserve	Securities Premium Account	General Reserve	Retained Earnings	Remeasurement of the net defined benefit plans			
Balance at the beginning of the year	6,408.50	4,400.00	52,206.01	10,325.00	(257,835.46)	-	143.01	-	(1,84,352.93)
Profit / (Loss) for the year	-	-	-	-	4,806.26	-	-	-	4,806.26
Remeasurements of the net defined benefit plans	-	-	-	-	-	137.74	-	-	137.74
<b>Total comprehensive income for the year</b>	-	-	-	-	<b>4,806.26</b>	<b>137.74</b>	-	-	<b>4,944.00</b>
Security Premium Received	-	-	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	147.88	(137.74)	-	-	10.14
Term loan written back and transfer to capital reserve account	2,070.11	-	-	-	-	-	-	-	2,070.11
Rounding off adjustment	-	-	-	-	0.01	-	-	-	0.01
	<b>2,070.11</b>	-	-	-	<b>147.89</b>	<b>(137.74)</b>	-	-	<b>2,080.26</b>
Amount received against share warrants	-	-	-	-	-	-	-	-	-
Allotment to Equity Share Capital	-	-	-	-	-	-	-	-	-
Transactions with owners	-	-	-	-	-	-	-	-	-
<b>Balance at the end of the year</b>	<b>8,478.61</b>	<b>4,400.00</b>	<b>52,206.01</b>	<b>10,325.00</b>	<b>(2,52,881.31)</b>	<b>-</b>	<b>143.01</b>	<b>-</b>	<b>(1,77,328.67)</b>

#### Nature and purpose of reserves:

- (a) **Capital Reserve :** Capital Reserve represents amount received from West Bengal Industrial Development Corporation as a Capital Subsidy, amount forfeited against equity warrant application money and term loan amount written back .
- (b) **Amalgamation Reserve :** Amalgamation Reserve represents amount arisen on Amalgamation of erstwhile Shri Ramrupai Balaji Steels Limited.
- (c) **Securities Premium Account :** Securities Premium represents the amount received in excess of face value of securities and forfeited of shares.
- (d) **General Reserve :** The Company has transferred a portion of the net profit of the company before declaring dividend to general reserve pursuant to the earlier provisions of Companies Act, 1956. Mandatory transfer to general reserve is not required under the Companies Act, 2013.
- (e) **Retained Earnings :** Retained earnings generally represents the undistributed profit/amount of accumulated earnings of the Company.
- (f) **Equity Instrument through Other Comprehensive Income :** The fair value change of the equity instrument measured at fair value through other comprehensive income is recognised in Equity instruments through Other Comprehensive Income.
- (g) **Remeasurements of Net Defined Benefit Plans :** Differences between the interest income on plan assets and the return actually received and any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans are recognised in 'Other comprehensive income' and subsequently not reclassified to the Statement of Profit and Loss.
- (h) **Money Received against Share Warrant:**

The Company had issued and allotted 5,00,00,000 warrants on Preferential allotment basis to companies falling under Promoter group and others carrying a right to convert each warrant into an Equity Share of Rs 10/- each within a period of 18 months from the date of allotment i.e. 27th May,2022. The warrant holders had paid Rs 52/- per warrant amounting to ₹ 20,150.00 lacs as application money against the above warrant. Further The Company had issued and allotted 2,20,00,000 warrants on Preferential allotment basis to companies falling under Promoter group carrying a right to convert each warrant into a Equity Share of Rs 10/ each within a period of 18 months from the date of allotment i.e 20th January, 2023. The warrant holders had paid 25% of the total consideration of Rs 45/- per warrant amounting to ₹ 2,475.00 lacs as application money against the above warrants.

Out of total allotted 5,00,00,000 warrants the company had converted 3,50,00,000 warrants into Equity Shares during the year ended 31st March, 2023.

**Notes to Consolidated financial statements for the year ended March 31, 2023 (Contd.)**

**Note 19 : Non Current Borrowings**

Particulars	(₹ in lacs)	
	As at March 31, 2023	As at March 31, 2022
<b>(Secured, unless otherwise stated)</b>		
Rupee Loan from Asset Reconstruction Companies (Refer Note 20)	54,264.88	50,890.19
<b>Unsecured Loan:</b>		
Debtentures	8,335.30	7,717.87
- Zero Coupon Non Convertible Debtentures (Refer Note below)		
<b>Total:</b>	<u>62,600.18</u>	<u>58,608.06</u>

**Notes:**

The Company has issued 87,39,685 Zero Coupon Unsecured Unlisted Non Convertible Debtentures at a price of ₹100 each. The Debtenture shall be redeemable at par within three months from the expiry of twelve years from the date of allotment i.e 14th November, 2015.

**Note 19A : Lease Liabilities**

Particulars	(₹ in lacs)	
	As at March 31, 2023	As at March 31, 2022
Non-current Lease Liability	58.88	58.88
Current Lease Liability (Refer Note 37)	10.13	10.13
<b>Total:</b>	<u>69.01</u>	<u>69.01</u>

**Note 19B : Other Non Current Liabilities**

Particulars	(₹ in lacs)	
	As at March 31, 2023	As at March 31, 2022
Deferred Income on loan measured at amortised cost	2,922.12	--
<b>Total:</b>	<u>2,922.12</u>	<u>--</u>

**Note 20 : Current Borrowings**

Particulars	(₹ in lacs)	
	As at March 31, 2023	As at March 31, 2022
<b>(Secured, unless otherwise stated)</b>		
Rupee Loan from Financial Institutions	--	537.16
Rupee Loan from Bodies Corporate (Unsecured)*	797.25	797.25
Rupee Loan from Asset Reconstruction Companies	17,600.09	226,590.80
<b>Loan Repayable on Demand</b>		
From Banks		
- Demand loan/Cash Credits	--	20,068.76
- From Bodies Corporate (Unsecured)	4,970.00	10,257.00
<b>Total:</b>	<u>23,367.34</u>	<u>258,250.97</u>

\* Payable to related parties (Refer note 43b)



### Notes to Consolidated financial statements for the year ended March 31, 2023 (Contd.)

#### Note:

#### 1. Rupee Loan from Assets Reconstruction Company

- a). Rupee Loan from ARC are secured by 1st charge over the entire fixed assets (both present and future) and 1st charge over the entire current assets (both present and future) of the Company's units at Ranigunge and Durgapur in the state of West Bengal and Durg in the state of Chattisgarh.

The above loans are further secured as follows.

- i) Personal Guarantees of Promoter Directors of the Company.
- ii) Pledge of equity shares of the Company held by the promoters.

#### 2. Unsecured Loan

Unsecured Loan from bodies corporate has been received from a promoter group company and unsecured loan from others are interest bearing which is repayable on demand.

#### Additional Disclosure

#### Default in Repayment of Loans, its assignment/settlement terms and conditions and its Accounting Treatment :

- 1 The entire exposure of Axix Bank, UCO Bank (lead bank), Allahabad Bank and Union Bank of India was already assigned to Edelweiss Asset Reconstruction Company Limited. For repayment of said debts, company entered into a restructuring agreement with Edelweiss Asset Reconstruction Company Limited (Edelweiss ARC) and agreed for the repayment of loan by September 2025. The company has made regular payment to Edelweiss Asset Reconstruction Company Limited as per the restructured repayment schedule. However, the differential amount of the pending restructured liability and books balance has been transferred to capital reserve during the year ended 31st March, 2023 according to the terms of settlement.
- 2 Bank of India have assigned their debts to Edelweiss Asset Reconstruction Company Limited. For repayment of said debts, company entered into a restructuring agreement with Edelweiss Asset Reconstruction Company Limited (Edelweiss ARC). As per the restructuring terms company has made the payment on regular basis to Edelweiss Asset Reconstruction Company Limited. However, the differential amount of the pending restructured liability and books balance has been transferred to capital reserve during the year ended 31 st March, 2023 according to the terms of settlement.
- 3 United Bank of India, State Bank of India, West Bengal Infrastructure Development Finance Corporation Ltd, IDBI Bank, Indian Overseas Bank and Vijaya Bank (Bank of Baroda) have also assigned their entire exposure to the Omkara Assets Reconstruction Private Limited (Omkara ARC). On the approach of the company, Omkara ARC has restructured the dues of each bank separately. As per the restructuring terms of each agreement, the company has made the payment without any delay or default. However, during the financial year company payoff the entire restructured dues pertaining to West Bengal Infrastructure Development Finance Corporation Ltd, IDBI Bank and Vijaya Bank (Bank of Baroda). The Omkara ARC has subsequently issue no dues certificate for the same. The balance books liabilities of these three banks are settled to the Capital Reserve according to the terms of settlement.  
  
Further, the differential amount of the pending restructured liability and books balance pertaining to the restructuring of United Bank of India, State Bank of India and Indian Overseas Bank has been transferred to capital reserve during the year ended 31st March, 2023, according to the terms of settlement. In compliance of the IND AS policy, the company has provided compulsory interest provision in the outstanding amount of Omkara ARC pertaining to dues of these three banks.
- 4 The Punjab National Bank has settled/restructured the combined dues of Punjab National Bank and erstwhile Oriental Bank Commerce under the One time Settlement scheme. During the year the Company has paid the entire settlement amount to the bank. Accordingly the Punjab National Bank has already issued the No dues certificate for the same. After which, the company has transferred the balance books liabilities of PNB and OBC to the Capital Reserve.
- 5 J.M. Financial Assets Reconstruction Company Limited have assigned their debts along with all its rights, title and interest in the financing documents, all agreements, deeds and documents related thereto and all primary and collateral and underlying security interest and / or pledges created to secure and /or guarantees issued in respect of the repayment of the loans for valuable consideration to Atirath Commercial Private Limited. However, Company has approached settled and paid off the said debt with Atirath Commercial Private Limited and subsequently received no dues certificate from them. The remaining books liability of Atirath Commercial Private Limited has settled to the Capital Reserve.
- 6 During the period under review, the company has paid the entire dues of the one-time settlement offer of Union Bank of India (Erstwhile Corporation Bank). The bank has also issued no dues certificate to the company for the same. The remaining books liability of Union Bank of India (Erstwhile Corporation Bank) has settled to the Capital Reserve.



### Notes to Consolidated financial statements for the year ended March 31, 2023 (Contd.)

7 The details of liability outstanding/ Debt assigned to/from various lenders and their status as on the end of the current year are as follows :

(₹ in lacs)

Name of the ARC	Liability Outstanding/ Debt Assigned	Payment Upto 31.03.23	Status	Default
Edelweiss Asset Reconstruction Company Limited	68,400.00	18,360.00	Restructured	No Default
Edelweiss Asset Reconstruction Company Limited	5,036.00	4,186.00	Restructured	No Default
Omikara Assets Reconstruction Pvt. Ltd.	30,628.00	4,950.00	Restructured	No Default
<b>Total</b>	<b>104,064.00</b>	<b>27,496.00</b>		

#### Note 21 : Trade Payable

(₹ in lacs)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Trade Payables</b>		
-Dues to Micro enterprises and Small enterprises	1,222.14	920.53
-Dues to Other than Micro enterprises and Small enterprises	88,672.99	80,949.12
<b>Total:</b>	<b>89,895.13</b>	<b>81,869.65</b>

Ageing of Trade Payables is as follows :

#### i) Current Reporting Period

(₹ in lacs)

Particulars	Outstanding for the year ended March 31, 2023 from due date of payment				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
i) Outstanding dues to MSME	1,124.47	69.01	22.35	6.31	1,222.14
ii) Others	73,376.76	1,174.91	2,264.35	11,856.97	88,672.99
iii) Outstanding dues to MSME - Disputed	--	--	--	--	--
iv) Others - Disputed	--	--	--	--	--
<b>Total</b>	<b>74,501.23</b>	<b>1,243.92</b>	<b>2,286.70</b>	<b>11,863.28</b>	<b>89,895.13</b>

#### ii) Previous Reporting Period

(₹ in lacs)

Particulars	Outstanding for the year ended March 31, 2022 from due date of payment				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
i) Outstanding dues to MSME	904.62	9.27	6.28	0.36	920.53
ii) Others	62,256.18	2,297.34	3,093.66	13,301.94	80,949.42
iii) Outstanding dues to MSME - Disputed	--	--	--	--	--
iv) Others - Disputed	--	--	--	--	--
<b>Total</b>	<b>63,160.80</b>	<b>2,306.61</b>	<b>3,099.94</b>	<b>13,302.30</b>	<b>81,869.65</b>

#### Note:

Based on the intimation received from supplier regarding their status under the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006, the required disclosure is given refer note no - 40



### Notes to Consolidated financial statements for the year ended March 31, 2023 (Contd.)

#### Note 22 : Other Financial Liabilities

(₹ in lacs)

Particulars	Current year ended March 31, 2023	Previous year ended March 31, 2022
Interest Accrued and due on Borrowings*	1,184.94	1,443.78
Capital Creditors	2,806.49	1,618.96
Due to Employees	1,409.46	1,507.15
Interest Others	13,282.09	13,406.51
Security Deposit received*	620.41	539.50
Unclaimed Amount	8.19	4.53
	<u>19,311.58</u>	<u>18,520.42</u>

\*Net of TDS payable of ₹ 4.88 lacs (₹ 3.88 lacs)

\*\*Including payable to related parties amounting to 287.05 lacs (₹ 287.05 lacs) [Refer note 43b]

#### Note 23 : Other Current Liabilities

(₹ in lacs)

Particulars	As at March 31, 2023	As at March 31, 2022
- Advance from Customer	28,840.54	36,885.96
- Statutory Dues Payable	10,290.62	7,978.53
- Deferred Income on settlement of outstanding with Asset Reconstruction Company	1,781.11	-
- Other miscellaneous	123.54	124.73
<b>Total:</b>	<u>41,035.81</u>	<u>44,989.22</u>

#### Note 24 : Current Provisions

(₹ in lacs)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Provision for employee benefits:</b>		
Gratuity (Refer Note 39)	931.30	738.41
Leave Salary	250.05	152.51
<b>Total:</b>	<u>1,181.35</u>	<u>890.92</u>

#### Note 25 : Revenue from Operations

(₹ in lacs)

Particulars	Current year ended March 31, 2023	Previous year ended March 31, 2022
<b>Operating Revenue</b>		
Sale of Finished Goods	563,520.48	433,904.66
Sale of Traded Goods	4,151.01	1,019.10
Sale of By Products and Scraps	16,375.10	12,573.89
Sale of Raw Materials	19,784.41	12,273.07
	<u>603,831.00</u>	<u>459,770.72</u>
<b>Other Operating Revenue</b>		
Conversion Charges	--	4,321.72
Export Incentive received	429.57	241.97
Freight Charges	7,730.64	4,685.70
Third party inspection charges	478.23	212.08
Service and other Charges	38.03	18.20
<b>Revenue from Operations</b>	<u>612,507.47</u>	<u>469,250.39</u>

The disaggregation of the company's revenue from contracts with customers is as under :



### Notes to Consolidated financial statements for the year ended March 31, 2023 (Contd.)

#### (i) Revenue as per Geography

(₹ in lacs)

Particulars	Current year ended March 31, 2023	Previous year ended March 31, 2022
Domestic	570,784.55	445,292.76
Exports	41,722.92	23,957.63
<b>Total</b>	<b>612,507.47</b>	<b>469,250.39</b>

#### (ii) The following table provides information about receivables, contract asset and contract liabilities from contract with customers:

(₹ in lacs)

Particulars	Current year ended March 31, 2023	Previous year ended March 31, 2022
Contract assets - Trade receivables	22,931.05	15,613.83
Contract liabilities - Advance from customers	28,840.54	36,885.96

#### (iii) Performance Obligation

The company recognises revenue from sale of goods at the point in time when control of the goods is transferred to the customers, generally on delivery of the goods and the performance obligation of the company is satisfied upon delivery of goods to the customers.

#### (iv) Reconciliation of Revenue from operations with contract price

(₹ in lacs)

Particulars	Current year ended March 31, 2023	Previous year ended March 31, 2022
Contract Price	616,676.59	471,089.48
Less		
Sales returns	1,729.88	1,584.01
Discounts, rebate, commission etc.	2,439.24	255.08
<b>Net revenue recognised from contracts with customers</b>	<b>612,507.47</b>	<b>469,250.39</b>

#### Note 26 : Other Income

(₹ in lacs)

Particulars	Current year ended March 31, 2023	Previous year ended March 31, 2022
<b>Interest Income :</b>		
(a) On Fixed deposits with banks	190.71	59.31
(b) On Loans and advances	317.85	130.14
(c) On Refund from Income Tax Department	--	25.39
Insurance claims received	49.53	37.75
Liabilities no longer required written back	1,909.98	2,659.89
Profit on sale of property, plant and equipment	25.54	--
Deferred income on Asset Reconstruction Company loan amortised	983.16	--
Profit on forward contract	13.11	--
Miscellaneous Income	59.06	74.28
<b>Total</b>	<b>3,548.94</b>	<b>2,986.76</b>



### Notes to Consolidated financial statements for the year ended March 31, 2023 (Contd.)

#### Note 27 : Cost of Materials Consumed

(₹ in lacs)

Particulars	Current year ended March 31, 2023	Previous year ended March 31, 2022
Opening Stock	51,943.99	48,647.23
Purchases	428,284.58	336,307.03
	480,228.57	384,954.26
Less: Closing Stock	49,830.68	51,943.99
<b>Raw Materials Consumed</b>	<b>430,397.89</b>	<b>333,010.27</b>

#### Note 28 : Purchase of Stock-in-Trade

(₹ in lacs)

Particulars	Current year ended March 31, 2023	Previous year ended March 31, 2022
M. S. Billet	632.28	-
Silico Manganese	300.34	589.45
M. S. Round	53.03	-
Ferro Chrome High Carbon	52.27	-
TMT	175.69	-
Manganese Ore (Imported)	2,796.46	412.00
Manganese Ore	476.80	-
Cement	2.36	-
Structural Steel Items	116.01	-
<b>Total</b>	<b>4,605.24</b>	<b>1,001.45</b>

#### Note 29 : Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade

(₹ in lacs)

Particulars	Current year ended March 31, 2023	Previous year ended March 31, 2022
<b>Opening Stocks :</b>		
Finished Goods	14,291.86	12,002.94
Stock-in-Trade	110.79	21.49
Work-in-Progress	1,088.96	1,299.62
By Products and Scrap	1,703.74	2,310.06
	17,195.35	15,634.11
<b>Less:</b>		
<b>Closing Stocks</b>		
Finished Goods	18,589.61	14,291.86
Stock-in-Trade	137.63	110.79
Work-in-Progress	1,962.30	1,088.96
By Products and Scrap	1,551.01	1,703.74
	22,240.55	17,195.35
<b>(Increase)/Decrease in Inventories</b>	<b>(5,045.20)</b>	<b>(1,561.24)</b>



### Notes to Consolidated financial statements for the year ended March 31, 2023 (Contd.)

#### Note 30 : Employee Benefits Expense

(₹ in lacs)

Particulars	Current year ended March 31, 2023	Previous year ended March 31, 2022
Salaries, Wages and Other Benefits*	12,039.37	10,066.29
Contribution to Provident Fund & other fund	558.92	510.40
Staff Welfare Expenses	279.97	308.93
Directors remuneration**	284.00	--
<b>Total:</b>	<b>13,162.26</b>	<b>10,885.62</b>

\* Including as remuneration to key Managerial Personnel of ₹ 48.61 lacs (₹ 45.01 lacs) (Refer note 43b)

\*\* Refer note 43b

#### Note 31 : Finance Costs

(₹ in lacs)

Particulars	Current year ended March 31, 2023	Previous year ended March 31, 2022
<b>Interest Expenses</b>		
On Term loans	--	7.44
On Loan Asset Reconstruction Companies	6,246.29	5,705.49
On Others	2,514.38	3,892.04
Interest on Finance Lease liability	10.13	10.13
Finance charges	117.62	265.36
<b>Total:</b>	<b>8,888.42</b>	<b>9,880.46</b>

#### Note 32 : Depreciation and Amortisations Expenses

(₹ in lacs)

Particulars	Current year ended March 31, 2023	Previous year ended March 31, 2022
Depreciation on property, plant and equipment	9,772.03	9,115.79
Depreciation on Right to use assets	8.67	8.67
Amortisation of intangible assets	12.04	8.00
<b>Total:</b>	<b>9,792.74</b>	<b>9,132.46</b>

#### Note 33 : Other Expenses

(₹ in lacs)

Particulars	Current year ended March 31, 2023	Previous year ended March 31, 2022
Consumption of Stores and Spares	40,201.78	29,952.12
Labour Charges	9,024.25	8,259.39
Power and Fuel	27,489.63	17,733.43
<b>Repairs and Maintenance:</b>		
- Plant and Machinery	542.63	738.78
- Buildings	34.03	46.54
- Others	2,416.19	1,896.70
Water Charges	422.86	316.78
Equipment Hire Charges	4,253.44	4,415.01
Shifting Expenses	25.79	42.60

(Contd.)





### Notes to Consolidated financial statements for the year ended March 31, 2023 (Contd.)

#### Note 33 : Other Expenses

(₹ in lacs)

Particulars	Current year ended March 31, 2023	Previous year ended March 31, 2022
Freight and Transportation	14,884.52	9,751.74
Rent and Hire*	192.19	186.39
Rates and Taxes	280.33	221.60
Insurance	527.65	433.82
Advertisement	810.21	518.24
Brokerage and Commission (Other than Sole Selling Agents)	671.20	455.18
Travelling and Conveyance	1,061.88	871.94
Telephone and Postage	124.74	78.90
Legal and Professional Charges	811.08	475.80
Auditors' fees (Refer note 48)	22.12	21.14
Director's Sitting Fees	1.50	1.45
Allowances for Expected credit losses	2,017.11	11,956.19
Provision for Doubtful Advances	11,225.49	44.65
Provision for Diminution in the Value of Investments	--	--
Irrecoverable Debts and Advances Written off	10,659.72	3,255.60
Loss on Foreign Exchange Fluctuations	1,070.84	173.10
Charity and Donations	25.01	23.76
Corporate Social Responsibility (Refer note 55)	50.00	--
Security and Service Charges	575.54	505.71
Loss on Sale of Property, Plant & Equipment	--	54.61
Discard of property, plant & equipment	7,380.77	--
Provision for diminution value of assets	116.88	--
Capital WIP and Pre operative Expenses Written Off	--	6,729.19
Miscellaneous Expenditure written off	10.36	3.60
Miscellaneous Expenses	6,832.60	5,917.86
<b>Total:</b>	<b>143,762.33</b>	<b>105,081.87</b>

\*including rent paid to related party (refer note 43b)

#### Note 34 : Other Comprehensive Income

(₹ in lacs)

Particulars	Current year ended March 31, 2023	Previous year ended March 31, 2022
<b>Other Comprehensive Income</b>		
Items that will not be reclassified to profit or loss		
Remeasurements of the defined benefit plans	(38.26)	137.74
<b>Total:</b>	<b>(38.26)</b>	<b>137.74</b>

#### 35A Contingent liabilities

In the ordinary course of business, the Company faces claims and assertions by various parties. The Company assesses such claims and assertions and monitors the legal environment on an on-going basis with the assistance of external legal counsel, wherever necessary. The Company records a liability for any claims where a potential loss is probable and capable of being estimated and discloses such matters in its financial statements, if material. For potential losses that are considered possible, but not probable, the Company provides disclosure in the financial statements but does not record a liability in its accounts unless the loss becomes probable.



### Notes to Consolidated financial statements for the year ended March 31, 2023 (Contd.)

The following is a description of claims and assertions where a potential loss is possible, but not probable. The Company believes that none of the contingencies described below would have a material adverse effect on the Company's financial condition, results of operations or cash flows.

Particulars	(₹ in lacs)	
	As at March 31, 2023	As at March 31, 2022
a) Claims against the Company not acknowledged as debts		
i) Excise, Service Tax Demands under dispute/appeal	24,525.19	21,298.30
ii) Custom Demand on imported Coal/Coke	362.32	1,182.26
iii) Sales Tax /VAT matters under dispute/appeal	8,121.57	8,143.78
iv) Income tax matters under dispute/appeal	5.70	6.85
v) Electricity duty demand	-	1,214.13
vi) Settlement of loan with Assets Reconstruction Company	169,290.05	-
b) Custom Duty on Import of Equipment and spare parts under EPCG Scheme	16,669.00	6,272.00
c) Legal Case matters under dispute/appeal	493.98	489.08

#### 35B. Capital and other commitments

Estimated amount of contracts remaining to be executed on Capital Account and not provided for

7,376.18	4,282.95
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36 Due to unfavourable market conditions and other adverse industry scenario the company has made substantial losses for the past years. This has impacted the net worth of the company. However, the management is confident that the improvement in market scenario will help in improving the financial health of the company. The financial statement for the year have been prepared by the management of the Company on a going concern basis as the company is continuing its normal manufacturing during the current year and has not written off Deferred tax Assets amounting to ₹ 29,085.14 lacs provided upto 31 st March, 2015.

#### 37 Leases

The Company determines whether an arrangement contains a lease by assessing whether the fulfillment of a transaction is dependent on the use of a specific asset and whether the transaction conveys the right to use that asset to the Company in return for payment. Where this occurs, the arrangement is deemed to include a lease and is accounted for either as finance or operating lease.

Leases are classified as finance leases where the terms of the lease transfers substantially all the risks and rewards of ownership to the lessee, because of the lease period of land 90 or more years then the fair value computation for finance lease will have no material difference comparing to its carrying value, so that the company considered as finance lease.

#### The Company as lessee

##### Finance Lease:

Finance Leases are capitalised at the commencement of lease, at the lower of the fair value of the property or the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in the statement of profit and loss over the period of the lease.

Particulars	(₹ in lacs)	
	Current year ended March 31, 2023	Previous year ended March 31, 2022
Payments recognised as a expenses	10.13	10.13
Future Minimum Lease payments		
- Not later than one year	10.13	10.13
- Later than one year and not more than five years	50.68	50.68
- Later than five years	604.19	614.63



### Notes to Consolidated financial statements for the year ended March 31, 2023 (Contd.)

38 During the year, the Company has not recognised any income under the scheme for the following subsidies / incentives receivable from the Government of West Bengal under West Bengal Incentive Scheme aggregating to ₹ Nil (₹ Nil): Pre Goods & Service Tax (GST), the company was enjoying certain benefits under Industrial Promotion Scheme of State Government Post GST, pending notifications by the State Government on prudent basis.

(₹ in lacs)

Sl. No.	Particulars	Account to which credited	Current year ended March 31, 2023	Previous year ended March 31, 2022
a)	Industrial Promotion Assistance	Subsidy on Sales Tax / Value Added Tax under Sales & Service	Nil	Nil

### 39 Employee Benefit Obligations

#### Defined contribution plans

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

The amount recognised as an expense for the Defined Contribution Plans as under:

(₹ in lacs)

Particulars	Current year ended March 31, 2023	Previous year ended March 31, 2022
Contribution to Provident Fund and other Funds	711.64	666.67

#### Defined benefit plans

##### Gratuity

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service is entitled to gratuity on terms not less favourable than The Provisions of Payment of Gratuity Act, 1972. The scheme is funded with an insurance company in the form of a qualifying insurance policy.

The disclosures required under Indian Accounting Standard 19 'Employee Benefits' notified in the Companies (Accounting Standards) Rules 2006 are given below:

#### I. Expenses recognized in the Statement of Profit & Loss Account are as follows :

(₹ in lacs)

Particulars	Current year ended March 31, 2023	Previous year ended March 31, 2022
Current service cost	185.04	181.90
Interest cost on benefit obligation	49.59	51.21
Expected return on plan assets	-	-
Net actuarial loss/(gain) recognised in the year	-	-
Past Service cost	-	-
<b>Total Expenses</b>	<b>234.63</b>	<b>233.11</b>



### Notes to Consolidated financial statements for the year ended March 31, 2023 (Contd.)

#### II. Net Liability/(Assets) recognized in the Balance Sheet are as follows : (₹ in lacs)

Particulars	As at March 31, 2023	As at March 31, 2022
Present value of Defined Benefits Obligation	(1,285.25)	(1,049.70)
Fair value of plan assets	353.95	311.29
	<u>(931.30)</u>	<u>(738.41)</u>
Less Unrecognised past service cost	-	-
<b>Net Assets / (Liability) recognized in the Balance Sheet :</b>	<b>(931.30)</b>	<b>(738.41)</b>

#### III. Change in the present value of the defined benefit obligation during the year are as follows: (₹ in lacs)

Particulars	As at March 31, 2023	As at March 31, 2022
Present value of Defined Benefits Obligation at the beginning of the year	1,049.71	1,009.38
Current Service Cost	185.04	181.90
Interest Cost	72.32	66.26
Settlement Cost	-	-
Benefits Paid	(62.21)	(70.08)
Actuarial Loss/(Gain)	40.39	(137.75)
Plan Amendments	-	-
<b>Present value of Defined Benefits Obligation at the year end</b>	<b>1,285.25</b>	<b>1,049.71</b>

#### IV. Change in the Fair Value of Plan Assets during the year ended are as follows: (₹ in lacs)

Particulars	As at March 31, 2023	As at March 31, 2022
Fair Value of Plan Assets at the beginning of the year	311.29	146.34
Expected Return	2.14	(0.01)
Interest Income	22.73	15.05
Contribution by Employer	80.00	220.00
Benefits paid	(62.21)	(70.08)
Actuarial Gains/(Losses)	-	-
<b>Fair Value of Plan Assets at the year end</b>	<b>353.95</b>	<b>311.29</b>

#### V. Expenses recognised in Other Comprehensive Income (OCI) for Current Year (₹ in lacs)

Particulars	As at March 31, 2023	As at March 31, 2022
Actuarial (Gain)/Losses due to DBO Assumption changes	(12.65)	(32.91)
Actuarial (Gain)/Losses due to DBO experience	53.06	(104.84)
Return on Plan Assets (Greater)/Less than Discount Rate	(2.14)	0.01
<b>Net (Income)/Expense for the period recognized in OCI</b>	<b>38.26</b>	<b>(137.74)</b>



Notes to Consolidated financial statements for the year ended March 31, 2023 (Contd.)

VI. Balance Sheet Reconciliation

(₹ in lacs)

Particulars	As at March 31, 2023	As at March 31, 2022
Balance at the begning of the year	(738.41)	(863.04)
Service cost	(185.04)	(181.90)
Net interest on net defined benefit liability/(asset)	(49.59)	(51.21)
Amount recognised in OCI	(38.26)	137.74
Employer contribution	80.00	220.00
<b>Balance at the end of the year</b>	<b>(931.30)</b>	<b>(738.41)</b>

VII. The principal actuarial assumptions as at the Balance Sheet date are set out as below :

(₹ in lacs)

Particulars	Current year ended March 31, 2023	Previous year ended March 31, 2022
<b>Summary of Financial Assumptions</b>		
Discount Rate	7.20%	7.10%
Salary Escalation Rate	7.00%	7.00%
<b>Summary of Demographic Assumptions</b>		
Mortality Table	Indian Assured Life Mortality (2006-08) (modified) Ultimate	Indian Assured Life Mortality (2006-08) (modified) Ultimate
Withdrawal Rate	1.80% to 6.20%	1.80% to 6.20%
Retirement Age	60 Years	60 Years

Particulars	Change in Assumption	Gratuity year ended March 31, 2023	Gratuity year ended March 31, 2022
<b>Sensitivity Analysis</b>			
Changes in Defined Benefit Obligations			
Salary Escalation	1%	131.27	113.84
Salary Escalation	(1%)	(114.75)	99.77
Discount Rates	1%	(116.40)	99.08
Discount Rates	(1%)	136.01	116.23

Note:

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.





### Notes to Consolidated financial statements for the year ended March 31, 2023 (Contd.)

40. Trade payables includes amount due to Micro and Small Enterprises in terms of Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) as under: (₹ in lacs)

SL. No.	Particulars	Current year ended March 31, 2023	Previous year ended March 31, 2022
a)	Principal Amount remaining unpaid to the suppliers as at the end of the period	1,222.14	920.53
b)	Interest due on above remaining unpaid to the suppliers as at the end of the period	-	-
c)	Amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006	-	-
d)	Amount of interest due and payable for the period of delay in making payment (which have been paid beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.	-	-
e)	Amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
f)	Amount of further interest remaining due and payable even in the succeeding years.	-	-

#### 41 Segment Information

As per Ind AS 108 "operating segments", specified under section 133 of the Companies Act, 2013, the Company is predominantly engaged in a single reportable segment of Iron and Steel.

#### 42. Earnings per share (EPS) :

The following reflects the profit and share data used in the basic and diluted EPS computations :

Sl No.	Particulars		Current year ended March 31, 2023	Previous year ended March 31, 2022
A.	Profit/(Loss) after Tax	₹ in lacs	5,783.02	4,806.26
B.	Number of shares at the beginning of the year	Nos.	11,04,50,286	11,04,50,286
C.	Total equity shares outstanding at the end of the year	Nos.	14,54,50,286	11,04,50,286
D.	Weighted average number of equity shares outstanding prior to conversion into equity shares on account of	Nos.	12,88,37,272	11,04,50,286
	(i) Equity Share Warrants	Nos.	1,17,89,041	-
E.	Potential weighted average number of Equity Shares	Nos.	14,06,26,313	-
F.	Nominal Value of each Share	₹	10.00	10.00
G.	Basic Earning per Share	₹	4.49	4.35
H.	Diluted Earning per Share	₹	4.11	4.35



### Notes to Consolidated financial statements for the year ended March 31, 2023 (Contd.)

#### 43. Related Party Disclosures (As per IND AS-24 - Related Party Disclosures)

a) Name of related parties and related party relationship	
<b>Key Management Personnel</b>	Mr. Aditya Jajodia, Chairman and Managing Director Mr. Sanjiv Jajodia, Wholetime Director and Chief Financial Officer Mr. Rajiv Jajodia, Wholetime Director (Non Executive Director till 31.8.2022) Mr. Gaurav Jajodia, Wholetime Director (Non Executive Director till 31.8.2022) Mr. Ajay Kumar Tantia, Company Secretary Mr. Shailendra Kumar Tamotia-Director Mrs. Seema Chowdhary-Director Mrs. Rakhi Bajoria-Director Mr. Ashim Kr. Mukherjee-Director Mrs Swati Bajaj-Director Mr. Bimal Kr. Choudhary-Director
<b>Enterprises owned or significantly influenced by key management personnel or their relatives</b>	Chandi Steel Industries Limited Jai Balaji Jyoti Steels Limited Jai Salasar Balaji Industries Private Limited Balaji Ispat Udyog Enfield Suppliers Limited Hari Management Limited Jajodia Estate Private Limited

Notes to Consolidated financial statements for the year ended March 31, 2023 (Contd.)

Relationship	Particulars	Sale of Goods	Purchase of Goods	Rent paid	Remunerations, Perquisites & Others #	Balance Receivable	Balance Payable	₹ in lacs)	
								Guarantees Obtained	#
Key Management Personnel	Aditya Jajodia	-	-	-	-	-	-	339,924.00	(367,968.00)
	Sanjiv Jajodia	-	-	-	-	-	-	339,924.00	(367,968.00)
	Rajiv Jajodia	-	-	-	334.06	-	-	339,924.00	(367,968.00)
	Gaurav Jajodia	-	-	-	(46.41)	-	-	339,924.00	(367,968.00)
	Other non executive Directors and Company Secretary	-	-	-	-	-	-	-	-
	Chandi Steel Industries Limited	60.87 (12.24)	135.30 (251.58)	-	-	-	-	-	-
Enterprises owned or significantly influenced by key management personnel or their relatives	Jai Balaji Jyoti Steels Limited	13.09 (6.63)	542.81 (526.70)	-	-	-	-	-	-
	Jai Salasar Balaji Industries Private Limited	1,300.66 (3,174.47)	915.07 (163.70)	-	-	1,505.60	-	-	-
	Jajodia Estate Private Limited	-	-	0.81 (0.80)	-	-	-	-	-
	Enfield Suppliers Limited	-	-	-	-	-	651.54 (651.54)	-	-
	Hari Management Limited	-	-	-	-	-	432.76 (432.76)	-	-
	Total	1,374.62 (3,193.34)	1,593.18 (941.98)	0.81 (0.80)	344.06 (46.41)	1,505.60	1,084.30 (7,896.27)	339,924.00 (367,968.00)	-

# Key Management Personnel Compensation:

Nature of payments	2022-23	2021-22
Short term employee benefits	332.61	45.01
Sitting Fees	1.45	1.40
<b>Total</b>	<b>334.06</b>	<b>46.41</b>

The remuneration to the Key managerial personnel does not include the provisions made for gratuity and leave as they are determined on an actuarial basis for the Company as a whole.

## Guarantees were jointly obtained from Aditya Jajodia, Sanjiv Jajodia, Rajiv Jajodia & Gaurav Jajodia.

Figures in brackets denotes previous year amounts.

c) Terms and conditions of transactions with related parties

All Related Party Transactions entered during the the year were in ordinary course of the business and on arm's length basis. Outstanding balances at the year end are unsecured. For the year ended 31st March, 2023, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (31st March, 2022 NIL)



### Notes to Consolidated financial statements for the year ended March 31, 2023 (Contd.)

#### 44 Capital Management

The Company's capital management is intended to create value for shareholders by facilitating the meeting of long-term and short-term goals of the Company.

The Company determines the amount of capital required on the basis of annual operating plans and long-term product and other strategic investment plans. The funding requirements are met through equity and other long-term/short-term borrowings. The Company's policy is aimed at combination of short-term and long-term borrowings.

The Company monitors the capital structure on the basis of total debt to equity ratio and maturity profile of the overall debt portfolio of the Company.

(₹ in lacs)

Sl No.	Particulars	As at 31st March, 2023	As at 31st March, 2022
i)	Equity share capital	14,545.03	11,045.03
ii)	Other equity	41,062.12	(177,328.67)
	<b>Total Equity (a)</b>	<b>55,607.15</b>	<b>(166,283.64)</b>
i)	Borrowings	85,967.52	316,859.03
ii)	Interest accrued and due on borrowings	1,184.94	1,443.78
iii)	Current maturity of long term debt	–	–
	<b>Total debt (b)</b>	<b>87,152.46</b>	<b>318,302.81</b>
i)	Cash and cash equivalents	2,448.54	1,321.47
	<b>Total cash (c)</b>	<b>2,448.54</b>	<b>1,321.47</b>
	Net debt (b-c)	84,703.92	316,981.34
	Total capital (equity + net debt)	140,311.07	150,697.70
	Net debt to equity ratio/Capital Gearing Ratio	<b>1.52</b>	<b>(1.91)</b>

#### 45. Fair Value Measurements

##### a) Financial instruments by category

(₹ in lacs)

Particulars	As at March 31, 2023			As at March 31, 2022		
	Amortised Cost	FVTOCI	FVTPL	Amortised Cost	FVTOCI	FVTPL
<b>Financial Assets</b>						
Investments in Equity Instrument of Joint Venture Companies	3.88	–	–	3.88	–	–
Investments in Preference Shares of Joint Venture Company	23.64	–	–	23.64	–	–
Investments in Equity Instrument (Others)	–	71.60	–	–	71.60	–
Investments in Government Securities	7.32	–	–	7.32	–	–
Trade receivables	22,931.05	–	–	15,613.83	–	–
Bank balance other than Cash and cash equivalents	2,700.30	–	–	889.63	–	–
Loans	312.04	–	–	296.27	–	–
Cash and cash equivalents	2,448.54	–	–	1,321.47	–	–
Other financial assets	9,646.35	–	–	7,056.45	–	–
<b>Total Financial Assets</b>	<b>38,073.12</b>	<b>71.60</b>	<b>–</b>	<b>25,212.49</b>	<b>71.60</b>	<b>–</b>
<b>Financial Liabilities:</b>						
Non Current Borrowings	62,600.18	–	–	58,608.06	–	–
Current Borrowings	23,367.34	–	–	258,250.97	–	–
Other financial Liabilities	19,380.59	–	–	18,589.43	–	–
Trade payables	89,895.13	–	–	81,869.65	–	–
<b>Total Financial Liabilities</b>	<b>195,243.24</b>	<b>–</b>	<b>–</b>	<b>417,318.11</b>	<b>–</b>	<b>–</b>



### Notes to Consolidated financial statements for the year ended March 31, 2023 (Contd.)

#### b) Fair value hierarchy

The table shown below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined below:

**-Level 1:** Level 1 hierarchy includes Financial Instruments measured using Quoted prices. This include listed equity instruments, mutual funds that have quoted price. The Fair Value of all equity instruments which are traded in stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

**-Level 2:** The fair value of Financial Instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

**-Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in Level 3.

#### Financial Assets and Liabilities measured at fair value as at 31st March, 2023 (₹ in lacs)

Particulars	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>				
Unlisted equity instrument	–	–	71.60	71.60
Amortised cost Financial Investments :				
Investment in Government Securities	–	7.32	–	7.32
<b>Total</b>	<b>–</b>	<b>7.32</b>	<b>71.60</b>	<b>78.92</b>

#### Financial Assets and Liabilities measured at fair value as at 31 March, 2022

Particulars	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>				
Unlisted equity instrument	–	–	71.60	71.60
Amortised cost Financial Investments :				
Investment in Government Securities	–	7.32	–	7.32
<b>Total</b>	<b>–</b>	<b>7.32</b>	<b>71.60</b>	<b>78.92</b>

#### 46 Financial Risk Management Objectives And Policies

The Company is exposed to liquidity risk, market risk, credit risk. The company's senior management oversees the management of these risks. The Company's senior management is supported by a financial risk committee that advises on financial risks and the appropriate financial risk governance framework for the Company. The financial risk committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedure and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each risk, which are summarised as below:

##### (A) Liquidity Risk

Liquidity risk is the risk that the company will face in meeting its obligations associated with its financial liabilities. The Company's approach in managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions.

The Company maintained a cautious liquidity strategy, with a positive cash balance throughout the year ended 31st March, 2023 and 31st March, 2022. Cash flow from operating activities provides the funds to service the financial liabilities on a day-to-day basis.

The following table shows the maturity analysis of the Company's financial assets and financial liabilities based on contractually agreed undiscounted cash flows along with its carrying value as at the Balance Sheet date.



**Notes to Consolidated financial statements for the year ended March 31, 2023 (Contd.)**

Particulars	Note	Carrying amount	Undiscounted Amount		Total
			Within 1 year	More than 1 year	
<b>As at 31st March, 2023</b>					
<b>Financial assets</b>					
Investments in Equity Instruments (others)	6	71.60	-	71.60	71.60
Investments in Government Securities	6	7.32	-	7.32	7.32
Trade receivables	11	22,931.05	22,931.05	-	22,931.05
Bank balance other than Cash and cash equivalents	13	2,700.30	2,700.30	-	2,700.30
Loans	14	312.04	312.04	-	312.04
Cash and cash equivalents	12	2,448.54	2,448.54	-	2,448.54
Other financial assets	7 & 15	9,646.35	9,646.35	-	9,646.35
<b>Financial Liabilities</b>					
Non Current Borrowings	19	62,600.18	-	62,600.18	62,600.18
Current Borrowings	20	23,367.34	23,367.34	-	23,367.34
Other financial Liabilities	19A & 22	19,380.59	19,321.71	58.88	19,380.59
Trade payables	21	89,895.13	89,895.13	-	89,895.13

Particulars	Note	Carrying amount	Undiscounted Amount		Total
			Within 1 year	More than 1 year	
<b>As at 31st March, 2022</b>					
<b>Financial assets</b>					
Investments in Equity Instruments (others)	6	71.60	-	71.60	71.60
Investments in Government Securities	6	7.32	-	7.32	7.32
Trade receivables	11	15,613.83	15,613.83	-	15,613.83
Bank balance other than Cash and cash equivalents	13	889.63	889.63	-	889.63
Loans	14	296.27	296.27	-	296.27
Cash and cash equivalents	12	1,321.47	1,321.47	-	1,321.47
Other financial assets	7 & 15	7,056.45	7,056.45	-	7,056.45
<b>Financial Liabilities</b>					
Non Current Borrowings	19	58,608.06	-	58,608.06	58,608.06
Current Borrowings	20	258,250.97	258,250.97	-	258,250.97
Other financial Liabilities	19A & 22	18,589.43	18,530.55	58.88	18,589.43
Trade payables	21	81,869.65	81,869.65	-	81,869.65

**(B) Market Risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises interest risk and currency risk.

**a) Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long term debt obligations with floating interest rates. The Company is not carrying its borrowings primarily at variable rate.

**b) Currency risk**

The Company is subject to the risk that changes in foreign currency values impact the company's export revenue and imports of raw material and property, plant and equipment.

The following table demonstrate the sensitivity to a reasonable possible change in USD and EUR exchange rates, with all other variables held constant. The impact on the Company's profit/(loss) is due to changes in the fair value of monetary assets and liabilities.



### Notes to Consolidated financial statements for the year ended March 31, 2023 (Contd.)

(Receivable)/Payable	As at March 31, 2023	As at March 31, 2022
USD		
Increase by 5% (31st March 2021-5%)	(204.54)	(126.11)
Decrease by 5% (31st March 2021-5%)	245.13	183.60
EUR		
Increase by 5% (31st March 2021-5%)	(33.92)	-
Decrease by 5% (31st March 2021-5%)	6.60	2.98
AUD		
Decrease by 5% (31st March 2021-5%)	(2.31)	-

#### (C) Credit Risk

Credit risk is the risk of financial loss arising from counter party failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses both the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks.

The Company has a policy of dealing only with credit worthy counter parties and obtaining sufficient collateral, where appropriate as a means of mitigating the risk of financial loss from defaults. Financial instruments that are subject to credit risk and concentration thereof principally consist of trade receivables, loans, receivables, investments, cash and cash equivalents, derivatives and financial guarantees provided by the company. None of the financial instruments of the company result in material concentration of credit risk.

The carrying value of financial assets represents the maximum credit risk. The maximum exposure to the credit risk was ₹ 38,117.20 lacs and ₹ 25,236.57 lacs as at March 31, 2023 and March 31, 2022 respectively, being the total carrying value of trade receivables, balances with bank, bank deposits, investments in debt securities and other financial assets.

#### 47 Foreign Currency risk

##### a) Hedged Foreign Currency Exposures :

Derivative instruments used by the Company include forward exchange contracts. These financial instruments are utilised to hedge future transactions and cash flows. The Company does not hold or issue derivative financial instruments for trading purposes. All transactions in derivative financial instruments are undertaken to manage risks arising from underlying business activities.

As at the end of the reporting period, total amount of outstanding foreign currency forward contracts is as below:

Particulars	Foreign Currency (FC)	As at March 31, 2023		As at March 31, 2022	
		in FC	(₹ in lacs)	in FC	(₹ in lacs)
Foreign currency forwards contracts	US\$	2,300,000	1,904.68	-	-
<b>Total</b>	-	-	<b>1,904.68</b>	-	-

##### b) Unhedged Foreign Currency Exposures :

Particulars	Foreign Currency (FC)	As at March 31, 2023		As at March 31, 2022	
		in FC	(₹ in lacs)	in FC	(₹ in lacs)
<b>Receivables</b>					
(a) Trade Receivables	US\$	4,070,372	3,346.41	2,802,131	2,124.25
	Euro	169,141	151.56	-	-
(b) Advances	US\$	905,341	744.34	539,825	398.12
	Euro	588,000	526.89	-	-
	AUD	84,147	46.25	-	-
<b>Total</b>			<b>4,815.45</b>		<b>2,522.37</b>
<b>Payables</b>					
(a) Trade Payables	US\$	1,129,083	928.30	560,254	424.71
	Euro	147,210	131.91	70,350	59.56
(b) Advances	US\$	4,833,858	3,974.25	4,283,509	3,247.20
<b>Total</b>			<b>5,034.46</b>		<b>3,731.47</b>



### Notes to Consolidated financial statements for the year ended March 31, 2023 (Contd.)

#### 48 Statutory Auditors' Remuneration (excluding goods and service tax) and expenses :

(₹ in lacs)

Payment to Auditor	Current year ended March 31, 2023		Previous year ended March 31, 2022	
<b>Holding Company</b>				
Statutory Audit fee	21.00		21.00	
Fees for other Services	1.00	22.00	0.02	21.02
<b>Total</b>		<b>22.00</b>		<b>21.02</b>
<b>Subsidiary Companies</b>				
Statutory Audit fee	0.12		0.12	
Fees for other Services	--	0.12	--	0.12
<b>Total</b>		<b>22.12</b>		<b>21.14</b>

#### 49 Additional Information on the entities included in Consolidated Financial Statement

(₹ in lacs)

Name of the Entity of the Group	Net Assets (i.e. Total Assets minus Total Liabilities)		Share in Profit and Loss		Share in other Comprehensive Income		Share in total Comprehensive Income	
	As a % of Consolidated Net Assets	Amount	As a % of Consolidated Profit & Loss	Amount	As a % of Consolidated Other Comprehensive Income	Amount	As a % of Consolidated Total Comprehensive Income	Amount
<b>Parent Company</b>								
Jai Balaji Industries Limited	100.00%	295,998.57	100.01%	5,783.59	100.00%	-38.26	100.01%	5,745.33
<b>Subsidiary Companies</b>								
Jai Balaji Steels (Purulia) Ltd.	0.00%	0.60	-0.004%	(0.21)	0.00%	--	-0.004%	(0.21)
Jai Balaji Energy (Purulia) Ltd.	0.00%	0.49	-0.006%	(0.36)	0.00%	--	-0.006%	(0.36)
<b>Total</b>	<b>100.00%</b>	<b>295,999.66</b>	<b>100.00%</b>	<b>5,783.02</b>	<b>100.00%</b>	<b>(38.26)</b>	<b>100.00%</b>	<b>5,744.76</b>

#### 50. Interest in Joint Venture:

The Company has interest in following Joint Venture Companies which are in the process of setting up coal mining facilities at respective Coal blocks which they have been allotted.

Name of the Joint Venture Company	Andal East Coal Company Pvt. Ltd.*		Rohne Coal Company Pvt Ltd.*	
Company's share in Joint Venture	32.79%	32.79%	6.90%	6.90%
Country of Incorporation	India	India	India	India

\*The Hon'ble Supreme Court vide its Order dated 24 th September, 2014 has cancelled number of coal blocks allotted to various companies. These include two coal blocks under development viz. Andal East in West Bengal and Rohne in Jharkhand allocated to the Company jointly with other parties. The company has prudently brought down the value of investment in joint venture companies to ₹ 1 per share. However the company had submitted claims w.r.t the cancellation of coal blocks which are still pending.

#### 51 Fair Valuation of Investments:

Ind AS 101 provides an option on transition date to consider fair value of the investment in subsidiaries or joint venture as on the date of transition as the deemed cost as cost for the purpose of Para 10 of Ind AS 27. Accordingly the Company has valued as a deemed cost. The company has prudently brought down the value of its investments in two of its joint ventures viz Andal East Coal Co Pvt Ltd and Rohne Coal Co Pvt Ltd as on 1st April, 2016 with a corresponding impact on Other Equity (Retained earnings) and also fair valued its investment of equity shares calcutta stock exchange as on 1st April 2016 to arrive at the book value with a corresponding impact on Other Equity (retained earnings).



### Notes to Consolidated financial statements for the year ended March 31, 2023 (Contd.)

52 The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment had released draft rules for the Code on Social Security, 2020 on November 13, 2020. The Company will assess the impact and its evaluation once the subject rules are notified. The Company will give appropriate impact in its financial statements in the period in which the Code becomes effective and the related rules to determine the financial impact are published.

53 Balances of some parties (including of Trade receivables and Trade payables) and loans and advances are subject to reconciliation/confirmations from the respective parties. The management does not expect any material differences affecting the financial statement for the year.

#### 54 Disclosure of Transactions with struck off companies

The Company did not have any material transactions with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 1956 during the financial year.

#### 55 Corporate social responsibility (CSR)

As per Section 135 of the Companies Act, 2013 a Company, meeting the applicability threshold needs to spend at least 2% percent of its average net profits for immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are eligible under rural development project. A CSR committee has been formed by the company as per the Act. The funds were primarily utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013.

	As at 31st March, 2023	As at 31st March, 2022
i) Amount required to be spent by the company during the year	48.78	-
ii) Amount of expenditure incurred	50.00	-
iii) Shortfall at the end of the year	-	-
iv) Total of previous years shortfall (cumulative)	-	-
v) Reason for shortfall	NA	NA
vi) Amount of CSR expenditure carried forward for set off	-	-
vii) Nature of CSR activities	Rural Development Project	-
viii) Details of related party transactions, e.g. contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard	-	-
ix) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision	NA	NA

#### 56 Other disclosure requirements as notified by MCA pursuant to amended Schedule III :

(a) **Details of Benami Property held:** The company does not hold any Benami property, hence there were no proceedings initiated or pending against the company for holding any benami property under The Benami Transactions (Prohibitions) Act, 1988 and the Rules made thereunder, hence no disclosure is required to be given as such.

(b) **Wilful defaulter :** The company has not been declared as wilful defaulter as at the date of the Balance Sheet or on the date of approval of the Financial Statements, hence no disclosure is required as such.

(c) **Registration of Charges or Satisfaction with Registrar of Companies (ROC) :** There were no charges against the company which are yet to be registered or satisfaction yet to be registered with ROC beyond the Statutory period, hence no disclosures is required as such.

(d) **Compliance with Number of Layers of Companies:** The company, if applicable, has complied with the number of layers prescribed under clause 87 of Section 2 of the Companies Act, 2013 read with Companies (Restriction on Number of Layers) Rules, 2017, hence no disclosure is required as such.

(e) **Details of Crypto Currency or Virtual Currency:** The company has not traded or invested in Crypto Currency or Virtual Currency during the Financial Year, hence no disclosure is required for the same.



### Notes to Consolidated financial statements for the year ended March 31, 2023 (Contd.)

- (f) **Disclosure in Relation to Undisclosed Income** : During the year the Company has not surrendered or disclosed any income 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). Accordingly, there are no transactions which are not recorded in the books of accounts
- (g) **Property Plant & Equipment** : Title deeds of immovable properties in the case of freehold land, (for description refer note no 3) are held in the name of the Company. In case of leasehold land (refer note no 3) where the company is the lessee, the lease agreements are duly executed in favour of the Company (being a lessee).
- (h) **Borrowing against current assets** : Rupee Term Loans from ARCs are also secured against the Current Assets of the Company. However, since the Company has not been availing any working capital limits against the current assets, no separate disclosures are required.
- (i) **Utilisation of borrowed funds** : All the borrowed funds have been utilised for the purpose they are sanctioned for. There is no diversion in the utilisation of such funds. Thus no disclosures are required.
- 57 The company has restructured/ settled its outstanding loans with Assets Reconstruction Companies(ARC) and Banks. The difference between the outstanding amount and settlement amount of ₹ 1,93,510.90 lacs has been credited to the Capital Reserve during the year.
- 58 Figures of previous years have been regrouped/ rarranged/ rectified wherever necessary.

As per our report of even date

For and on behalf of the Board of Directors

For S. K. Agrawal And Co. Chartered Accountants LLP  
Chartered Accountants  
Firm Regn. No. 306033E/E300272

Sd/-  
**CA J. K. Choudhury**  
Partner

Membership No. : 009367

Place : Kolkata  
Date : 30.05.2023

Sd/-  
**Aditya Jajodia**  
Chairman & Managing  
Director  
DIN : 00045114

Sd/-  
**Sanjiv Jajodia**  
Wholetime Director & Chief  
Financial Officer  
DIN : 00036339

Sd/-  
**Rajiv Jajodia**  
Wholetime  
Director  
DIN : 00045192

Sd/-  
**Ajay Kumar Tantia**  
Company Secretary







## Corporate Information

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### Board of Directors

**Shri Aditya Jajodia**  
*Chairman & Managing Director*

**Shri Sanjiv Jajodia**  
*Whole-time Director &  
Chief Financial Officer*

**Shri Rajiv Jajodia**

**Shri Gaurav Jajodia**

**Shri Bimal Kumar Choudhary**

**Shri Ashim Kumar Mukherjee**

**Shri Shailendra Kumar Tamotia**

**Ms. Seema Chowdhury**

**Ms. Rakhi Bajoria**

**Ms. Swati Bajaj**

### Company Secretary & Compliance Officer

**Shri Ajay Kumar Tantia**

### Statutory Auditors

**S. K. Agrawal & Co.**  
**Chartered Accountants LLP**  
**(Formerly: M/s. S. K. Agrawal & Co.)**  
*Chartered Accountants*  
Suite - 606-08, The Chambers  
1865, Rajdanga Main Road  
Kolkata - 700 107

### Internal Auditor

**Agrawal Tondon & Co.**  
*Chartered Accountants*  
Room No - 7, 1st Floor  
59, Bentinck Street  
Kolkata - 700 069

### Cost Auditor

**M/s. Mondal & Associates**  
*Mr. Amiya Mondal, Proprietor*  
*Cost Accountants*  
45, Akhil Mistry Lane  
Kolkata - 700 009

### Registered Office

5, Bentinck Street  
Kolkata – 700 001  
West Bengal, India  
Phone: 91-33-2248 9808  
Fax: 91-33-2243 0021  
E-mail: [jaibalaji@jaibalajigroup.com](mailto:jaibalaji@jaibalajigroup.com)  
Website: [www.jaibalajigroup.com](http://www.jaibalajigroup.com)

### Registrar and Share Transfer Agent

M/s. Maheshwari Datamatics Pvt. Ltd.  
23, R. N. Mukherjee Road  
5th Floor,  
Kolkata – 700 001  
West Bengal, India  
Phone: 91-33-2243 5029  
E-mail: [mdpldc@yahoo.com](mailto:mdpldc@yahoo.com)

### Plant Locations

**Ranigunj**  
G/1, Mangalpur Industrial Complex,  
Post– Baktarnagar  
Dist.: Burdwan  
West Bengal – 713 321, India

**Durgapur**  
Lenin Sarani,  
Dist.: Burdwan  
West Bengal – 713 210, India

**Durgapur**  
Vill: Banskopa,  
P.O.: Rajbandh  
Dist.: Burdwan  
West Bengal – 713 212, India

**Durg**  
Industrial Growth Centre, Borai  
Village & P.O.: Rasmada,  
Dist.: Durg  
Chhattisgarh–491 009, India

### Lenders (Assets Reconstruction Company)

Edelweiss Asset Reconstruction  
Company Limited

Omkara Assets Reconstruction  
Private Limited

### Banking Partners

ICICI Bank

Yes Bank

State Bank of India

### Website

[www.jaibalajigroup.com](http://www.jaibalajigroup.com)

### Investors' E-mail id

[jaibalaji@jaibalajigroup.com](mailto:jaibalaji@jaibalajigroup.com)





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