



Jai Balaji Industries Limited



PAKKA HAI!

23rd Annual Report
2021-22

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 Third 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 Tuesday, 27th September, 2022 at 12:30 p.m. 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, 2022 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, 2022 together with the Report of the Auditors thereon.

Item No. 2

To appoint a Director in place of Shri Bimal Kumar Choudhary (DIN - 08879262), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

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 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. 1,20,000 (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 13th August, 2022 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 2022-23, 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. 4

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 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 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 Aditya Jajodia (holding DIN: 00045114), as Managing Director of the Company for a period of 5(five) years with effect from 22nd July, 2022 to 21st July, 2027, not liable to 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 Aditya Jajodia subject to the limits contained in the Companies Act, 2013.

"RESOLVED FURTHER THAT in case of losses or inadequate profits or for any other reasons as stated in Schedule V of the Companies Act, 2013, remuneration shall be paid to Shri Aditya Jajodia, Managing 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."

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 further to the resolution passed by the Members at the 18th Annual General Meeting of the Company according their consent to the re-appointment of Shri Aditya Jajodia (DIN: 00045114) as the Managing Director of the Company for a period of 5 years commencing from 22nd July, 2017 at a remuneration and on the terms & conditions mentioned therein, and pursuant to the provisions of Section 197 read with Section II of Part II of Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and such other approvals as may be necessary in this regard, and based on



Notice to the Shareholders (Contd.)

the recommendations of the Nomination and Remuneration Committee and approval of the Board of Directors of the Company, the remuneration paid to Shri. Aditya Jajodia (DIN: 00045114), Managing Director of the Company, on the terms and conditions as set out in the Explanatory Statement for the period from 1st April, 2022 to 21st July, 2022 be and is hereby approved.

"RESOLVED FURTHER THAT notwithstanding the profits in any financial year, the Company shall pay the remuneration as mentioned in explanatory statement as the minimum remuneration.

"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."

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 recommendation of the Nomination & Remuneration Committee, and approval of the Board 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 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 Sanjiv Jajodia (holding DIN: 00036339), as Whole-time Director of the Company for a period of 3 (three) years with effect from 30th June, 2023 to 29th June, 2026, liable to 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 Sanjiv Jajodia subject to the limits contained in the Companies Act, 2013.

RESOLVED FURTHER THAT in case of losses or inadequate profits or for any other reasons as stated in Schedule V of the Companies Act, 2013, remuneration shall be paid to Shri Sanjiv Jajodia, Wholetime 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."

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 further to the resolution passed by the Members at the 19th Annual General Meeting of the Company according their consent to the re-appointment of Shri Sanjiv Jajodia (DIN: 00036339) as the Whole-time Director of the Company for a period of 5 years commencing from 30th June, 2018 at a remuneration and on the terms & conditions mentioned therein, and pursuant to the provisions of Section 197 read with Section II of Part II of Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and such other approvals as may be necessary in this regard, and based on the recommendations of the Nomination and Remuneration Committee and approval of the Board of Directors of the Company, consent of the Members of the Company be and is hereby accorded for the payment of the remuneration to Shri. Sanjiv Jajodia (DIN: 00036339), Whole-time Director of the Company, on the terms and conditions as set out in the Explanatory Statement for the period from 1st April, 2022 to remaining tenure of his current appointment.

"RESOLVED FURTHER THAT notwithstanding the profits in any financial year, the Company shall pay the remuneration as mentioned in explanatory statement as the minimum remuneration.

"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."

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, 198, 203 read with 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-



Notice to the Shareholders (Contd.)

enactment thereof for the time being in force) 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 appointment of Shri Rajiv Jajodia (holding DIN: 00045192), as Whole-time Director of the Company for a period of 3(three) years with effect from 1st September, 2022 to 31st August, 2025, liable to 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 Rajiv Jajodia subject to the limits contained in the Companies Act, 2013.

RESOLVED FURTHER THAT in case of losses or inadequate profits or for any other reasons as stated in Schedule V of the Companies Act, 2013, remuneration shall be paid to Shri Rajiv Jajodia, Wholetime 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."

Item No. 9

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, 198, 203 read with 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 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 appointment of Shri Gaurav Jajodia (holding DIN: 00028560), as Whole-time Director of the Company for a period of 3(three) years with effect from 1st September, 2022 to 31st August, 2025, liable to 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 Gaurav Jajodia subject to the limits contained in the Companies Act, 2013.

RESOLVED FURTHER THAT in case of losses or inadequate profits or for any other reasons as stated in Schedule V of the Companies Act, 2013, remuneration shall be paid to Shri Gaurav Jajodia, Wholetime 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 : 13th August, 2022

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, setting out the material facts concerning item of Special Business under items no. 3 to 9 of the Notice to be transacted at the Twenty Third Annual General Meeting ('the meeting') is annexed hereto and forms part of the Notice. The relevant details, pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') in respect of the Director seeking re-appointment / appointment at this AGM are also annexed to this Notice.
2. In view of the continuing Covid-19 pandemic requiring social distancing norm to be followed, and pursuant to General Circular issued by the Ministry of Corporate Affairs ('MCA') vide 02/2022 dated May 05, 2022 read with General Circulars Nos. 14/2020, 17/2020, 20/2020, 2/2021, 10/2021, 20/2021 and 21/2021 dated April 08, 2020, April 13, 2020, May 05, 2020, January 13, 2021, June 23, 2021, December 08, 2021 and December 14, 2021 respectively (collectively referred to as 'MCA Circulars') and Circular no. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 read with SEBI/HO/CFD/CMD1/CIR/P/2020/79 and SEBI/HO/CFD/CMD2/CIR/P/2021/11 issued by the Securities and Exchange Board of India ('SEBI Circulars') and in compliance with the provisions of the Companies Act, 2013 ('the Act') and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), have allowed the Companies to conduct the Annual General Meeting ('AGM') through Video Conferencing ('VC') or Other Audio Visual Means ('OAVM'), without the physical presence of the members at a common venue.

In accordance with these aforementioned Circulars, provisions of the Act and the SEBI Circulars the 23rd AGM of the Company is being conducted through VC/OAVM facility on 27th September, 2022.

The deemed venue for the 23rd AGM shall be the Registered Office of the Company i.e 5, Bentinck Street, Kolkata- 700001 .
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/ Corporate Members are requested to send a scanned copy (PDF/JPG Format) of the relevant Board Resolution / Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote through e-mail to the Scrutinizer and the Company by e-mail at jaibalaji@jaibalajigroup.com with a copy marked to on or before 26th September, 2022 till 5.00 P.M. without which the vote shall not be treated as valid.

4. Attendance of the Members participating in the 23rd AGM through VC/OAVM facility shall be counted for the purpose of reckoning the quorum under 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 Wednesday, 21st September, 2022 to Tuesday, 27th September, 2022 (both days inclusive).
7. Members may join the Twenty Third 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 23rd 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 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 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.



Notice to the Shareholders (Contd.)

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, Address : 23, R. N. Mukherjee Road, 5th Floor, Kolkata - 700001, email id: mdpldc@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 23rd 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 23rd 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. The same can also be accessed from the websites of the Stock Exchanges

i.e BSE Limited at www.bseindia.com. and National Stock Exchange of India Limited at www.nseindia.com respectively. The AGM Notice is also disseminated on the website of CDSL i.e www.evotingindia.com.

- iii) Copies of the Annual Report for the financial year 2021-22 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 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 20th September, 2022 may obtain electronic copy of the Notice of the 23rd AGM by sending a request to the Company or Company's RTA i.e Maheshwari Datamatics Private Limited.
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.
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 to inspect such documents can send an e-mail to 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 atleast 7(Seven) days before the meeting through Email on jaibalaji@jaibalajigroup.com. The same will be replied by/on behalf of the Company suitably.



Notice to the Shareholders (Contd.)

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.

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 required 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.

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 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 23rd 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:

Commencement of remote e-voting: **From 10:00 a.m. on Saturday, 24th September, 2022.**

End of remote e-voting: **Up to 5:00 p.m. on Monday, 26th September, 2022.**

During this period, members holding share either in physical or dematerialized mode as on the cut-off date viz., Tuesday, 20th September, 2022 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



Notice to the Shareholders (Contd.)

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 **Tuesday, 20th September, 2022**, 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 20th September, 2022.
- 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 23rd 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 23rd 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 : 13th August, 2022

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

On the basis of the recommendation of the Audit Committee, the Board of Directors of the Company at its meeting held on 13th August, 2022 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 2022-23, that may be required to be prepared and submitted by the Cost Auditors under applicable statute at a consolidated remuneration of Rs 1,20,000 (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 2022-23.

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 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 27th May, 2022 has re-appointed Shri Aditya Jajodia (DIN: 00045114) as the Managing Director (Category: Executive Director) of the Company in accordance with the provisions of Sections 196, 197, 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 5 (five) years with effect from 22nd July, 2022 to 21st July, 2027 at a remuneration of Rs. 8,50,000 per month and on such terms and conditions as set out in the agreement entered into between the Company and Shri Aditya Jajodia for obtaining

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

Brief Profile

Shri Aditya Jajodia, aged about 51 years, is presently the Chairman & Managing Director of the flagship Company of our group, Jai Balaji Industries Limited. He is a Commerce graduate and is an expertise in Iron & Steel Industry. Shri Aditya Jajodia, son of Late Rajendra Prasad Jajodia is a Director of the Company since incorporation i.e from 1999. Working hand-on, Shri Aditya Jajodia led the group as one of the largest vertically integrated steel manufacturing houses in Eastern India. He is the spearhead of the entire expansion plans of the group and is recognized among industry circle as a highly successful entrepreneur.

Relevant details relating to the re - appointment of Shri Aditya Jajodia 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.

During his tenure as the Managing Director, Mr. Jajodia has delivered strong performance and has further propelled the Company's vision of evolving and continuous growth. He has been able to successfully navigate the Company through the uncertainties posed by the situation around COVID - 19 pandemic driven by the singular passion of delivering value to the customers.

Considering his expertise in the Company's businesses, exceptional leadership, experience and based on the recommendations of the Nomination and Remuneration Committee, the Board of Directors considered the re - appointment of Mr. Aditya Jajodia as the Managing Director in the interest of the Company and recommends the resolution as set out in Item No. 4 of this Notice for approval of the members.

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 Chairman & Managing Director shall be available for inspection through electronic mode in the manner as prescribed in note no 17 of this Notice.

Shri Aditya Jajodia 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 Managing Director of the Company. He is not disqualified from being

Annexure to the Notice (Contd.)

re-appointed as the Managing Director in terms of Section 164 of the Act.

Other than Mr. Aditya Jajodia 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. 4 of this Notice.

The Board of Directors recommends the Resolution as set out in Item No. 4 of this Notice for approval by the members of the Company.

Item No. 5

Shri Aditya Jajodia, Managing Director of the company has a rich and varied experience in the Steel Industry and has been involved in the operations of the Company since incorporation. He is Commerce Graduate and has expertise in iron & steel industry. He is Director of the Company since incorporation i.e. 1999. He was re-appointed as the Managing Director of the Company by the Board of Directors at its meeting held on 30th May, 2017 for a period of five years i.e. w.e.f. 22th July, 2017 to 21st July, 2022. At the time of his appointment his proposed remuneration was Rs. 7,50,000 per month with annual increment of Rs.1,50,000/- per month. In view of losses incurred by the Company, Mr. Aditya Jajodia has waived payment of remuneration to him till the company revives. Further by 1st April, 2022 the company has cleared all its default to Banks/ financial institutions. Accordingly the Board of Directors of the Company, on the recommendation of Nomination and Remuneration Committee and Audit Committee approved payment of remuneration to Mr. Aditya Jajodia with effect from 01.04.2022 for the remaining tenure of his appointment i.e. from 1st April, 2022 to 21st July, 2022.

The remuneration to be paid to him is same as what was approved by the shareholders in the 18th Annual General Meeting of the Company.

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.

Having regard to the above, the resolutions set out at item No. 5 have been proposed and recommended by the Board of Directors for your approval based on the recommendations of the Nomination & Remuneration Committee.

Other than Mr. Aditya Jajodia 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. 5 of this Notice.

Item No. 6

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 13th August, 2022 has re-appointed Shri Sanjiv Jajodia (DIN: 00036339) as the Wholtime Director (Category: 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 30th June, 2023 to 29th June, 2026 at a remuneration of Rs. 7,00,000 per month and on such terms and conditions as set out in the agreement entered into between the Company and Shri Sanjiv Jajodia for obtaining such services as may be beneficial for the working of the Company, including any advisory services.

BRIEF PROFILE

Shri Sanjiv Jajodia is presently on the Board of the flagship company of our group, Jai Balaji Industries Limited as a Whole-time Director. He is a Commerce Graduate and has more than three decades experience in Steel Industry. He has expertise in Corporate Finance, Accounts, Taxation, Corporate Governance, Statutory Compliance, Planning, System & Procedures, Audit, internal and Statutory Audit and Control. Apart from his contribution to core areas of business activities, his expert supervision of administration, especially in human resources, financial planning, and legal matters, 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. Shri Sanjiv Jajodia, son of Late Keshar Deo Jajodia joined Jai Balaji Industries Limited in 2002. He has been instrumental in shaping the corporate profile of the Company and in establishing the Company as a major Corporate House in the steel sector.

Relevant details relating to the re - appointment of Shri Sanjiv Jajodia 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.

During his tenure as a Whole-time Director, Mr. Jajodia has delivered commendable performance and has instrumental in shaping the corporate profile of the Company and in establishing the Company as a major Corporate House in the steel sector.

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 Sanjiv Jajodia, as a Whole-time director of the Company on such terms and conditions as set out in the Agreement entered into between the Company and Shri Sanjiv Jajodia for a period of 3 (three) years from 30th June, 2023 to 29th June, 2026 for obtaining

Annexure to the Notice (Contd.)

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 Whole-time Director shall be available for inspection through electronic mode in the manner as prescribed in note no. 17 of this Notice.

Shri Sanjiv Jajodia 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 Whole-time Director of the Company. He is not disqualified from being re-appointed as the Whole-time Director in terms of Section 164 of the Act.

Other than Mr. Sanjiv Jajodia 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. 6 of this Notice.

The Board of Directors recommends the Resolution as set out in Item No. 6 of this Notice for approval by the members of the Company.

Item No. 7

Shri Sanjiv Jajodia, Wholetime Director of the company has more than three decades of experience in Steel Industry and has been involved in the operations of the Company since incorporation. He is Commerce Graduate and has expertise in He has expertise in Corporate Finance, Accounts, Taxation, Corporate Governance, Statutory Compliance, Planning, System & Procedures, Audit, internal and Statutory Audit and Control. He is Director of the Company since 2002. He was re-appointed as the Wholetime of the Company by the Board of Directors at its meeting held on 30th June, 2018 for a period of five years i.e. w.e.f. 30th June, 2018 to 29th June, 2023. At the time of his appointment his proposed remuneration was Rs. 6,00,000 per month. In view of losses incurred by the Company, Mr. Sanjiv Jajodia has waived payment of remuneration to him till the company revives. Further by 1st April, 2022 the company has cleared all its default to Banks/ financial institutions. Accordingly the Board of Directors of the Company, on the recommendation of Nomination and Remuneration Committee and Audit Committee approved payment of remuneration to Mr. Sanjiv Jajodia with effect from 1st April, 2022 for the remaining tenure of his appointment i.e from 1st April, 2022 to 29th June, 2023.

The remuneration to be paid to him is same as what was approved by the shareholders in the 19th Annual General Meeting of the Company.

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.

Having regard to the above, the resolutions set out at item No. 7 have been proposed and recommended by the Board of Directors for your approval based on the recommendations of the Nomination & Remuneration Committee.

Other than Mr. Sanjiv Jajodia 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. 7 of this Notice.

Item No. 8

The Board of Directors of the Company ("the Board") at its meeting held on 13th August, 2022 has appointed Shri Rajiv Jajodia (DIN: 00045192) as the Whole-time Director of the Company in accordance with the provisions of Sections 196, 197, 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, and subject to approval of the members and such other authorities as may be required, for a period of 3 (three) years with effect from 1st September, 2022 to 31st August, 2025 on the basis of recommendation of Nomination and Remuneration Committee.

Brief profile

Shri Rajiv Jajodia is presently associated as a Director on the Board of the flagship company of our group, Jai Balaji Industries Limited. He is a visionary with more than three decades of experience in the steel sector. He helped the company tap it's potential and enabled it to grow and expand phenomenally to what we know it as today. His dedication has played a key role in improving logistical and operational efficiency, increasing cost competitiveness.

Relevant details relating to the appointment of Shri Rajiv Jajodia 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.

During his tenure as a Director, Mr. Jajodia has played a key role in improving logistical and operational efficiency of the Company and has instrumental in shaping the corporate profile of the Company and in establishing the Company as a major Corporate House in the steel sector.

The Board of your Company believes that his expertise and 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 appoint Shri Rajiv Jajodia, as a Whole-

Annexure to the Notice (Contd.)

time director of the Company on such terms and conditions as set out in the Agreement entered into between the Company and Shri Rajiv Jajodia for a period of 3 (three) years from 1st September, 2022 to 31st August, 2025 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 appointment as drafted in the agreement entered into with the Whole-time Director shall be available for inspection through electronic mode in the manner as prescribed in note no.17 of this Notice.

Other than Mr. Rajiv Jajodia 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 Board of Directors recommends the Resolution as set out in Item No. 8 of this Notice for approval by the members of the Company.

Item No. 9

The Board of Directors of the Company ("the Board") at its meeting held on 13th August, 2022 has appointed Shri Gaurav Jajodia (DIN: 00028560) as the Whole-time Director of the Company in accordance with the provisions of Sections 196, 197, 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, and subject to approval of the members and such other authorities as may be required, for a period of 3 (three) years with effect from 1st September, 2022 to 31st August, 2025 on the basis of recommendation of Nomination and Remuneration Committee.

Brief profile

Shri Gaurav Jajodia, aged about 42 years, is presently a Director of the flagship Company of our group, Jai Balaji

Industries Limited. He is a Commerce graduate and is an expertise in Iron & Steel Industry. Shri Gaurav Jajodia, son of Shri Devendra Prasad Jajodia is a Director of the Company since 2014. He being one of the younger members at the Board, has brought with him innovation and modernity of the youth, and integrated it seamlessly and implemented it practically and efficiently which empowered the company to not only meet its mission and objectives, but also surpass industrial benchmarks in most spheres.

Relevant details relating to the appointment of Shri Gaurav Jajodia 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.

The Board of your Company believes that his expertise and 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 appoint Shri Gaurav Jajodia, as a Whole-time director of the Company on such terms and conditions as set out in the Agreement entered into between the Company and Shri Gaurav Jajodia for a period of 3 (three) years from 1st September, 2022 to 31st August, 2025 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 appointment as drafted in the agreement entered into with the Whole-time Director shall be available for inspection through electronic mode in the manner as prescribed in note n. 17 of this Notice.

Other than Mr. Gaurav Jajodia 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. 9 of this Notice.

The Board of Directors recommends the Resolution as set out in Item No. 9 of this Notice for approval by the members of the Company.

Annexure to the Notice (Contd.)

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

I. General Information				
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, 2022	Financial Year ended 31st March, 2021	Financial Year ended 31st March, 2020
	Total Income	4,67,339.37	2,79,600.86	2,96,765.15
	Profit/(Loss) before	4,806.55	(7,581.88)	(11,433.59)
	Profit/(Loss) after tax	4,806.55	(7,581.88)	(11,433.59)
5) Foreign investments or collaborators	NIL			
II. INFORMATION ABOUT	SHRI ADITYA JAJODIA	SHRI SANJIV JAJODIA	SHRI RAJIV JAJODIA	SHRI GAURAV JAJODIA
1) Background details	Shri Aditya Jajodia, son of Late Rajendra Prasad Jajodia, is presently the Chairman & Director of the Company. He is a Commerce graduate and is an expertise in Iron & Steel Industry. He is a Director of the Company since incorporation i.e from 1999. He is the spearhead of the entire expansion plans of the group.	Shri Sanjiv Jajodia, son of Late Keshar Deo Jajodia, is presently the Whole-time Director and Chief Financial Officer of the company. He is a commerce graduate and has more than three decades of experience in steel industry. He joined Jai Balaji Industries Limited in 2002. He has been instrumental in shaping the corporate profile of the Company and in establishing the	Shri Rajiv Jajodia, son of Late Keshar Deo Jajodia, is presently the Director of the company. He is a commerce graduate and has more than three decades of experience in steel industry. He is associated with Jai Balaji Industries Limited since incorporation. He has helped the company tap it's potential and enabled it to grow and expand phenomenally.	Shri Gaurav Jajodia, son of Shri Devendra Prasad Jajodia, is presently a Director of the company. He is a commerce graduate and has more than a decade of experience in steel industry. He joined Jai Balaji Industries Limited in 2013. He being one of the younger members at the Board, has brought with him innovation and modernity of the youth, and integrated it seamlessly and implemented it

Annexure to the Notice (Contd.)

II. INFORMATION ABOUT	SHRI ADITYA JAJODIA	SHRI SANJIV JAJODIA	SHRI RAJIV JAJODIA	SHRI GAURAV JAJODIA
		Company as a major Corporate House in the steel sector.		practically and efficiently which empowered the company to not only meet it's mission and objectives, but also surpass industrial benchmarks in most spheres.
2) Past Remuneration	Rs. 8,50,000/- w.e.f 1st April, 2022.	7,50,000/- w.e.f. 1st April, 2022	NIL	NIL
3) Recognition or awards	Shri Aditya Jajodia is well known among industry circle as a highly successful entrepreneur.	Shri Sanjiv Jajodia is known among industry circle as a successful entrepreneur	Shri Rajiv Jajodia is well known among industry circle as a dynamic entrepreneur	Shri Gaurav Jajodia is well known among industry circle as a young successful entrepreneur
4) Job profile and his suitability	Shri Aditya Jajodia has an in-depth knowledge of iron & steel industry as whole. He as the Chairman & Managing Director manages the entire affairs of the Company and its projects including procurement strategies, production, planning, sales, working capital management, finance & general administration.	Shri Sanjiv Jajodia has expertise in Corporate Finance, Accounts, Taxation, Corporate Governance, Statutory Compliance, Planning, System & Procedures, Audit, Internal and Statutory Audit and Control. He has been instrumental in shaping the corporate profile of the Company and in establishing the Company as a major Corporate House in the steel sector.	Shri Rajiv Jajodia has expertise in the field of logistics, human resource and operation management and control. He helped the company tap it's potential and enabled it to grow and expand phenomenally to what we know it as today.	Shri Gaurav Jajodia has expertise in Strategic Planning and System & Procedures. He has been instrumental in shaping the corporate profile of the Company.
5) Remuneration proposed	Rs. 8,50,000 per month (more particularly described in the agreement dated 27th May, 2022.	Rs. 7,00,000 per month (more particularly described in the agreement dated 13th August, 2022.	Rs. 7,00,000 per month (more particularly described in the agreement dated 13th August, 2022.	Rs. 7,00,000 per month (more particularly described in the agreement dated 13th August, 2022.
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.			



Annexure to the Notice (Contd.)

3) Pecuniary relationship directly or indirectly with the Company or relationship with the Managerial Personnel	Shri Aditya Jajodia holds 35,44,576 equity shares of the Company.	Shri Sanjiv Jajodia holds 27,79,433 equity shares of the Company	Shri Rajiv Jajodia holds 15,68,333 equity shares of the Company	Shri Gaurav Jajodia holds 1,19,666 equity shares of the Company
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III. OTHER INFORMATION

1) Reasons of inadequate profits or loss	<ul style="list-style-type: none"> - Fall in demand in the steel product, - High cost of raw material and cost of production. - Rising imports from other countries at cheaper rates and other economic factors
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 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 Third Annual General Meeting

Name of Director	Shri Rajiv Jajodia	Shri Gaurav Jajodia
DIN	00045192	00028560
Date of Birth	03.04.1965	26.09.1980
Date of Appointment functional areas	01.07.1999	20.09.2013
Qualification	B. Com (Hons)	B. Com (Hons)
Expertise in Specific functional areas	Wide experience in Steel Industry.	Wide experience in Steel Industry.
Chairman/Member of the Committees of the Board of Directors of the Company	Nomination and Remuneration Committee - Member Corporate Social Responsibility Committee - Member	Stakeholder Relationship Committee - Member Risk Management Committee - Member
Directorship held in any other listed entity	NIL	NIL
Chairman/Member of the Committees of the Board of Directors of other Listed Entity in which he is a Director	NIL	NIL
No. of Equity Shares held in the Company	15,68,333	1,19,666
Inter-se Relation-ships between Director	Shri Rajiv Jajodia is the brother of Shri Sanjiv Jajodia. Shri Aditya Jajodia and Shri Gaurav Jajodia are his brother's son.	Shri Gaurav Jajodia is the Cousin Brother of Shri Aditya Jajodia and the Nephew of Shri Sanjiv Jajodia and Shri Rajiv Jajodia.



Annexure to the Notice (Contd.)

Name of Director	Shri Aditya Jajodia	Shri Sanjiv Jajodia
DIN	00045114	00036339
Date of Birth	07.09.1970	06.09.1963
Date of Appointment	01.07.1999	31.05.2002
Qualification	B. Com (Hons)	B. Com (Hons)
Expertise in Specific functional areas	Expertise in Iron & Steel Industry, Accounts and Finance, major decision making.	Corporate Finance, Accounts, Taxation, Corporate Governance, Statutory Compliance, Planning, Systems & Procedures.
Chairman/Member of the Committees of the Board of Directors of the Company	1. Audit Committee – Member 2. Management (Finance) Committee – Chairman 3. Stakeholder Relationship Committee – Member 4. Risk Management Committee – Member	Management (Finance) Committee – Member
Directorship held in other Listed Companies	NIL	NIL
Chairman/Member of the Committees of the Board of Directors of other Listed Companies in which he is a Director	NIL	NIL
No. of Equity Shares held in the Company	35,44,576	27,79,433
Inter-se Relationships between Director	Shri Aditya Jajodia is a nephew of Shri Rajiv Jajodia and Shri Sanjiv Jajodia and a Cousin brother of Shri Gaurav Jajodia.	Shri Sanjiv Jajodia is the brother of Shri Rajiv Jajodia; Shri Aditya Jajodia and Shri Gaurav Jajodia are his brother's Son.

Annexure to the Notice (Contd.)

Name of Director	Shri Bimal Kumar Choudhary
DIN	08879262
Date of Birth	30.12.1952
Date of Appointment	15.09.2020
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
Expertise in Specific functional areas	He has wide experience of more than 40 years in steel industry
Chairman/Member of the Committees of the Board of Directors of the Company	Corporate Social Responsibility Committee - Member
Directorship held in any other listed entity	NIL
Chairman/Member of the Committees of the Board of Directors of other Listed Entity in which he is a Director	NIL
No. of Equity Shares held in the Company	NIL
Inter-se Relation-ships between Director	None

THE INSTRUCTIONS 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 demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only

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

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	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 URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com . and click on Login icon and select New System Myeasi.

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Type of shareholders	Login Method
	<p>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</p> <p>3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration</p> <p>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>
Individual Shareholders holding securities in demat mode with NSDL Depository	<p>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: https://eservices.nsdl.com 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 & voting during the meeting.</p> <p>2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp Select "Register Online for IDeAS" Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider 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</p>
Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP)	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. 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.</p>

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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 helpdesk.evoting@cdslindia.com 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 evoting@nsdl.co.in 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.
- 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 and voted on an earlier e-voting of any company, then your existing password is to be used.

PAN	For Physical shareholders and other than individual shareholders holding shares in Demat.
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"> ● 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.
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"> ● 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.

- 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

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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.

- 1) Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to and register themselves in the "Corporates" module.
- 2) A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- 3) 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.
- 4) The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
- 5) 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.
- 6) Alternatively Non Individual shareholders are required mandatory to send the relevant Board

Resolution/ Authority letter etc. together with attested 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



Annexure to the Notice (Contd.)

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 toehlpdesk.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 Third Annual Report of your Company together with the Standalone and Consolidated Audited Financial Statements for the year ended 31st March, 2022.

FINANCIAL RESULTS

(₹ in lacs)

Particulars	Standalone		Consolidated	
	Financial Year ended 31 st March, 2022	Financial Year ended 31 st March, 2021	Financial Year ended 31 st March, 2022	Financial Year ended 31 st March, 2021
Revenue from Operations	4,64,352.61	2,78,518.18	4,64,352.61	2,78,518.18
Other Income	2,986.76	1,082.68	2,986.76	1,082.68
Total Revenue	4,67,339.37	2,79,600.86	4,67,339.37	2,79,600.86
Profit/Loss before Finance Cost, Depreciation and Amortization expenses and tax	23,809.34	10,621.38	23,809.05	10,621.06
Less: Finance Costs	9,870.33	8,803.77	9,870.33	8,803.77
Less: Depreciation and Amortization Expenses	9,132.46	9,399.49	9,132.46	9,399.49
Profit/(Loss) before exceptional items and Tax	4,806.55	(7,581.88)	4,806.26	(7,582.20)
Exceptional items	—	—	—	—
Profit/(Loss) before Tax	4,806.55	(7,581.88)	4,806.26	(7,582.20)
Less : Tax expense				
Current Tax	—	—	—	—
Deferred Tax	—	—	—	—
Profit/Loss after tax	4,806.55	(7,581.88)	4,806.26	(7,582.20)
Other Comprehensive Income	137.74	55.00	137.74	55.00
Total Comprehensive Income	4,944.29	(7,526.88)	4,944.00	(7,527.20)
Earnings per share (Nominal value per share Rs. 10/-) Basic and Diluted	4.35	(6.86)	4.35	(6.86)

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. 4,67,339.37 lacs as compared to Rs. 2,79,600.86 lacs during the previous financial year. The Consolidated net profit for the financial year under review was Rs. 4,806.26 lacs as compared to net loss of Rs. 7,582.20 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.

The COVID-19 pandemic has led to the unprecedented health crisis and has disrupted economic activities and global trade while weighing on consumer sentiments. During the year under review, the nation experienced high severity and mortality of citizens brought by the second wave of the ongoing COVID-19 pandemic. With intermittent nationwide lockdowns and disruption in regular economic activities, there was price volatility of raw materials and sluggish market demand during first half of the year under review. However, the Company dealt with the pandemic by continuing to focus on operational excellence, marketing strategies, and keeping its employees and community at the core of it.

OPERATIONS

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



Directors' Report (Contd.)

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

The actual production of Sponge Iron was 2,14,563 MT during the year 2021-22 as compared to 2,08,621 MT during the year 2020-21. For Pig Iron, the actual production was 4,38,461 MT and 3,62,551 MT during the year 2021-22 and 2020-21 respectively. The actual production of Steel Bars/Rods was 1,57,132 MT during the year 2021-22 as compared to 1,11,216 MT during the year 2020-21. For Billet/MS Ingot, the actual production was 1,01,778 MT and 1,03,708 MT during the year 2021-22 and 2020-21 respectively. The actual production of Ferro Alloys was 1,05,698 MT during the year 2021-22 as compared to 75,177 MT during the year 2020-21 (Ferro Alloy Included third party Conversion production of 13518 MT (18550 MT) HC Ferro Chrome). In case of Ductile Iron Pipe, the actual production was 1,53,839 MT and 1,24,968 MT during the year 2021-22 and 2020-21 respectively. For Sinter, the actual production was 6,12,443 MT and 5,13,120 MT during the year 2021-22 and 2020-21 respectively. The actual production of Coke was 2,96,523 MT during the year 2021-22 as compared to 2,96,523 MT during the year 2020-21.

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 1st November, 2010. It did not commence commercial production as on the date of reporting but has incurred miscellaneous expenditure of Rs.14,106/- during the year under review. The net loss for the year 2021-22 is Rs. 14,106/-.

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

A Wholly Owned Subsidiary of your Company since 1st November, 2010. It did not commence commercial production as on the date of reporting but has incurred miscellaneous expenditure of Rs.14,178/- during the year under review. The net loss for the year 2021-22 is Rs. 14,178/-.

Note: The Company vide its Board Meeting held on 22.07.2022 considered and approved, a scheme of amalgamation of both the subsidiaries of the Company, Jai Balaji Energy (Purulia) Limited & Jai Balaji Steels (Purulia) Limited with the Company, pursuant to Sections 230 to 232 of the Companies Act, 2013 ("Scheme"), subject to receipt of requisite statutory and regulatory approvals.

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, 2022.

■ **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 recommend a dividend for the financial year ended 31st March, 2022.

According to Regulation 43A of the Listing Regulations, the top 1000 listed entities based on market capitalization, calculated as on 31st March of every financial year are required to formulate a dividend distribution policy which shall be disclosed on the website of the listed entity and a web-link shall also be provided in their annual reports. Accordingly, the Dividend Policy of the Company can be accessed using the following link: https://jaibalajigroup.com/wp-content/uploads/2021/12/Dividend_Distribution_Policy.pdf

TRANSFER TO RESERVES

In view of the requirement of funds for business operations of the Company, no amount has been proposed to be transferred to Reserves. Further, the whole amount has been proposed to be retained in the Profit and Loss Account.

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.



Directors' Report (Contd.)

SHARE CAPITAL AND PREFERENTIAL ISSUE

The Authorized Share Capital of the Company as at 31st March, 2022 stands Rs. 1,25,00,00,000. The Company's paid up share capital as at 31st March, 2022 stands at Rs. 1,10,45,02,860.

The Company at its Extra-Ordinary General Meeting held on Wednesday, 18th May, 2022 have passed the following resolutions:

- 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.

The Board of Directors of Jai Balaji Industries Limited ('the Company') at its meeting held on 22nd July, 2022 considered and approved the conversion of 87,50,000 warrants into 87,50,000 Equity shares of face value of Rs.10/- each out of total 5,00,00,000 warrants allotted on 27th May, 2022 on preferential allotment basis. Consequent to the aforesaid allotment, 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. 1,19,20,02,860/- consisting of 11,92,00,286 Equity Shares of Rs.10/- each.

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, 2022. 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 Bimal Kumar Choudhary (DIN: 08879262) is liable to retire by rotation at the 23rd 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 Bimal Kumar Choudhary (DIN: 08879262) as director liable to retire by rotation.

Based on the recommendation of the Nomination and Remuneration Committee the Board of Directors of the Company at its meeting held on 27th May, 2022 has approved the re-appointment of Shri Aditya Jajodia (DIN 00045114) as Managing Director of the Company in accordance with the provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification or re-enactment thereof) and subject to approval of the members and such other authorities as may be required, for a further period of 5 (five) years commencing from 22nd day of July, 2022 and approved the terms and conditions of his re-appointment.

The Board of Directors of the Company at its meeting held on 13th August, 2022 has approved the following appointment/re-appointment based on



Directors' Report (Contd.)

the recommendation made by the Nomination and Remuneration Committee and in accordance with the provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification or re-enactment thereof)

- Appointment of Shri Rajiv Jajodia (DIN:00045192) and Shri Gaurav Jajodia (DIN:00028560) as Whole-time Directors of the Company w.e.f. 01.09.2022 for a period of 3 (three) years subject to approval of the members and such other authorities as may be required
- Re-appointment of Shri Sanjiv Jajodia as a Whole-time Director and Chief Financial Officer of the Company for a period of 3 (three) years with effect from 30th June, 2023.

The brief resume and other details as required under the Regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 of the Director(s) seeking approval of the members for the appointment/re-appointment at the ensuing Annual General Meeting have been incorporated in the notice of the Twenty Third Annual General Meeting of the Company along with brief details about them.

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 enrolled themselves on the independent directors databank and have undergone the online proficiency self-assessment test within the specified timeline unless exempted under the aforesaid rules.

During the year, there has been no other change in the Key Managerial Personnel of the Company. Details pertaining to their remuneration have been provided in the copy of Annual Return available on the website of the Company under the weblink: <https://www.jaibalajigroup.com/annual-return>

None of the directors including the Whole Time Director and the CFO received any remuneration or commission from any of the Company's subsidiaries during the previous year.

b. 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.

c. 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.

d. 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-imparted-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 Committees of the Board including the Audit Committee were accepted by the Board.

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, 5 (Five) meetings were convened and held on 29th May, 2021; 30th June, 2021; 14th August, 2021; 15th November, 2021; and 11th February, 2022, the details of which are given in the Corporate Governance Report. The intervening gap between the meetings was 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.



Directors' Report (Contd.)

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, 2022, 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, 2022 and of the loss 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, 2022, 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;
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 under the weblink <https://www.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://www.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.

Your Company has incurred losses during the immediately preceding three financial years; hence, 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 was not applicable to your Company for the financial year 2021-2022.

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. During the year under review the Company was involved in various social activities such as contribution of oxygen concentrators during the second wave of covid pandemic, contribution for developments of sports and contribution to organisation named "CRY Child Rights & You". 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.

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



Directors' Report (Contd.)

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 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 2021-2022 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.44 of the Notes to Financial Statements. There are no other transactions of the Company apart from those mentioned above in Note no. 44 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 www.jaibalajigroup.com under the weblink https://jaibalajigroup.com/wp-content/uploads/2022/05/Related_Party_Policy.pdf

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 was constituted during the Financial Year under review 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 REPORT

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 Report (BRR). As on 31st March, 2021, the Company is amongst the top 1000 listed entities based on market capitalization at NSE.

Directors' Report (Contd.)

Accordingly, the company has presented its Business Responsibility Report for the financial year 2021-22 as Annexure C.

The Company is committed to pursuing its business objectives ethically, transparently and with accountability to all its stakeholders. The Company believes in demonstrating responsible behaviour while adding value to the society and the community, as well as ensuring environmental well-being with a long-term perspective.

AUDITORS AND AUDITORS' REPORT

STATUTORY AUDITORS

M/s. S. K. Agrawal And Co. Chartered Accountants LLP (formerly known as M/s. S. K. Agrawal & Co.), Chartered Accountants have been appointed as the Statutory Auditors of the Company at the 21st AGM held on 29th October, 2020 to hold office from the conclusion of that AGM till the conclusion of the 24th AGM.

The reports given by the Auditors, M/s. S. K. Agrawal And Co. Chartered Accountants LLP, Chartered Accountants on the standalone and consolidated financial statements of the Company for the year ended 31st March, 2022 form part of this Annual Report and contains the following qualifications:

The Company has not provided for interest amounting to Rs. 1,57,680.94 Lacs of which Rs. 29,938.85 Lacs pertains to the current financial year on various loans and credit facilities availed from banks and financial institution on the ground that same is being treated as Non-Performing Assets by the lenders. Due to this reason, profit for the current financial year has been overstated by Rs. 29,938.85 Lacs and accordingly loss for the year ended 31st March, 2022 would have been Rs. 25,132.30 Lacs instead of the profit of Rs. 4,806.55 Lacs. Further, due to this, the reserve and surplus of the Company would have been at a negative balance of Rs. 3,35,001.18 Lacs.

The Board is of the view that the secured lenders of the Company have mostly assigned their debts to various ARC's or settled through one time settlement scheme. The debt acquired by Edelweiss Assets Reconstruction Company Limited has already been restructured and subsequent repayment has been started. The Company is in active discussion/ negotiation with Omkara Assets Reconstruction Private Limited for restructuring of debt which has been assigned to them. The rest of the debts have been settled through OTS. In view of the above. the Company has stopped providing interest in books but continues to accumulate separately. The accumulated interest not provided till 31st March, 2022 is estimated at Rs. 157,680.94 lacs.

The statement on impact of Audit Qualification is annexed to this report as Annexure-"D".

The Auditors in their report have stated five points in the para relating to "Emphasis of matter" of the Independent Auditors Report. The response of your director on them is as follows:

With respect to point 1 of the para Emphasis of Matter, the clarification/details of the same is provided in Note - 20 of the financial statement. With respect to point 2, the clarification/details of the same is provided in Note - 60 of the financial statement. With respect to point 3, the clarification/details of the same is provided in Note - 63 of the financial statement. With respect to point 4, the clarification/details of the same is provided in Note- 39A of the financial statement. With respect to point 5, the clarification/details of the same is provided in sub Note - 7 under note - 20 of the financial Statement. The management has credited the gain in Canara bank One Time Settlement through capital reserve based on the opinion given in the Supreme Court ruling in the case of Mahindra and Mahindra Ltd (TS-220-SC-2018) and similar decisions by various high courts subsequent to the above case.

Other observations made by the Statutory Auditors in their report for the Financial year ended 31st March, 2022 read with the explanatory notes to accounts are self-explanatory and therefore, do not call for any further elucidation.

The Auditors of the Company have not reported any fraud in terms of the second proviso to Section 143(12) 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. 2021-22. 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 2022-2023.

As required under the Companies Act, 2013, the remuneration payable to the Cost Auditors for the financial year 2022-23 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 2020-21 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 2021-2022. The Secretarial Audit Report for the financial year ending 31st March, 2022 forms part of the Board's Report as Annexure-"E".



Directors' Report (Contd.)

The Secretarial Auditors' Report to the shareholders for the year under review does not contain any qualification, reservation, adverse remark or disclaimer except a remark that the Unaudited Financial Results for the quarter ended 30th September, 2021 were not submitted to the Stock Exchanges within 45 days from the end of the quarter. The Board hereby submits that there had been a delay of just one day in placing the Unaudited Financial Results of the Company for the quarter ended 30th September, 2021 before the Board and consequently in submission to Stock Exchange due to some reasons beyond the control of the management. The Company was hopeful of finalizing the financial results within the stipulated time. However, due to resurgence of Covid-19 and the festive holidays in West Bengal had created difficulties in completion of the accounts work on time. Moreover, some of the key staffs from the accounts department of the Company had contracted the virus and have been in isolation due to which the Company was facing challenges in providing papers/documents/data and resolving queries raised in audit to complete the audit procedure. Subsequently, a meeting of the Board of Directors of the Company was duly held on 15th November, 2021 to consider, approve and take on record amongst other items of Agenda, the Unaudited Financial Results of the Company for the quarter ended 30th September, 2021 and the said Results was duly submitted to the respective Stock Exchanges. The observations, if any, made in the Secretarial Auditors' Report are self-explanatory and therefore, do not call for any further elucidation.

The Company has also undertaken an audit for the FY 2021-22 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, 2022.

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 weblink <https://www.jaibalajigroup.com/annual-return>

PARTICULARS OF LOANS GUARANTEES AND INVESTMENTS

Particulars of Loans, Guarantees and Investments as on the financial year ended 31st March, 2022 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, 16 and 44 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



Directors' Report (Contd.)

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 "F" 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 "G".

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.

Your Company does not have any other employee whose particulars are required to be furnished under Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

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.

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 4th December, 2021, 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 www.jaibalajigroup.com under the weblink <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 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 wish hereby to place on record their appreciation of the efficient and loyal services rendered by each and every employee, worker, staff and executive of the Company.

On behalf of the Board of Directors

Sd/-

Aditya Jajodia

Chairman & Managing Director
(DIN : 00045114)

Place: Kolkata

Date: 13th August, 2022



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 31.03.2022**

Part "A": Subsidiaries

(₹ in Lakhs except share data)

	Particulars	01	02
1.	Name of the subsidiary	Jai Balaji Energy (Purulia) Limited	Jai Balaji Steels (Purulia) Limited
2.	The date since when subsidiary was acquired	1 st November 2010	1 st 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	(4.21)	(4.24)
7.	Total Assets	0.91	0.88
8.	Total Liabilities (excluding Share Capital and Reserves and Surplus)	0.12	0.12
9.	Investments	—	—
10.	Turnover	—	—
11.	Profit/Loss before taxation	(0.14)	(0.14)
12.	Provision for taxation	—	—
13.	Profit/Loss after taxation	(0.14)	(0.14)
14.	Proposed Dividend	Nil	Nil
15.	% of shareholding	100	100

Note:

1. 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
Director
DIN : 00045192

Date : 27th May, 2022

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 which is enclosed as Annexure 'A' to this Policy.



- 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.

Business Responsibility Report

ANNEXURE - "C"

The Company believes in the core philosophy of 'Good Corporate Citizenship' staying committed to sustainability and the spirit of 'giving back to society'. The Company believes that sustainable business is founded on good Corporate Governance ('business principles'), with a triple bottom line focus i.e. economic, environmental and social performance creating value for all stakeholders, driven by robust business processes and continued growth. The Company focusses on efficient deployment of resources, including people, processes and materials for the production of safe products, with a view to create value for all its stakeholders. This ensures that the Company embeds balance in its engagement with all stakeholders, keeping the community at the core of whatever the Company does.

Now a days, business enterprises are increasingly seen as critical components of social system and they are considered accountable not merely to their shareholders from a revenue and profitability perspective but also to the larger society

which is also its stakeholder. Hence, adoption of responsible business practices in the interest of the social set-up and the environment are as vital as their financial and operational performance. The Business Responsibility Report (BRR) is one of the avenues to communicate the Company's obligations and performance to all its stakeholders. The Directors present the Business Responsibility Report of the Company for the financial year ended on 31st March, 2022, pursuant to SEBI Circular dated November 4, 2015 and Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The reporting framework is based on the 'National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs)' released by the Ministry of Corporate Affairs, Government of India, in July 2011, which contains 9(Nine) Principles and Core Elements for each of the those 9 Principles. Detailed Business Responsibility Report for 2021-22 (available at: www.jaibalajigroup.com/) is also based on the 9 Principles enshrined in the NVGs.

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1. Corporate Identity Number (CIN) of the Company :	L27102WB1999PLC089755
2. Name of the Company :	Jai Balaji Industries Limited
3. Registered address :	5, Bentinck Street, Kolkata-700001
4. Website :	www.jaibalajigroup.com
5. E-mail id :	jaibalaji@jaibalajigroup.com
6. Financial Year reported:	2021-22
7. Sector(s) that the Company is engaged in (industrial activity code-wise):	Manufacture of basic metals, NIC Code 241
8. List three key products/services that the Company manufactures/provides (as in balance sheet):	Pig Iron, Steel Bars/Rods, Ductile Iron Pipe
9. Total number of locations where business activity is undertaken by the Company (a) Number of International Locations (Provide details of major 5) : (b) Number of National Locations :	<p>None</p> <p>Registered Office 5, Bentinck Street, Kolkata-700001</p> <p>Plant Locations</p> <ul style="list-style-type: none"> ● Ranigunj G/1, Mangalpur Industrial Complex, Post-Baktarnagar, Dist.: Burdwan West Bengal- 713321 ● Durgapur Lenin Sarani, Dist.: Burdwan West Bengal- 713210 ● Durgapur Vill: Banskopa, P.O.: Rajbandh Dist.: Burdwan West Bengal- 713212 ● Durg Industrial Growth Centre, Borai Village & P.O.: Rasmada, Dist.: Durg, Chattisgarh- 491009
10. Markets served by the Company - Local/State/National/International	The Company continues to predominate the Indian markets as well as showcases its strong presence in International Market through exports.



SECTION B: FINANCIAL DETAILS OF THE COMPANY

1. Paid up Capital (INR) : 110.45 Crore
2. Total Turnover (INR) : 4,643.53 Crore
3. Total PAT (INR) : 48.07 Crore
4. Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%) : The requirement of spending at least two percent of the average net profits made during the three immediately preceding financial years towards CSR activities was not applicable to your Company for the financial year 2021-22 as the company had incurred losses during the three immediately preceding financial years.
5. List of activities in which expenditure in 4 above has been incurred: 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. Since the company has incurred losses during the three immediately preceding financial years the same is not applicable to the company at present.

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.

SECTION C: OTHER DETAILS

1. Does the Company have any Subsidiary Company/ Companies? Yes, the Company has 2 wholly-owned subsidiaries.
2. Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s): No. However, the company positively influences and encourages its subsidiaries to adopt Business Responsibility (BR) initiatives.
3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]: No

The Company does not mandate its suppliers/ distributors to participate in the Company's BR initiatives. However, they are encouraged to adopt such practices and follow the concept of being a responsible business.

SECTION D: BR INFORMATION

1. Details of Director/Directors responsible for BR
 - a) Details of the Director/Director responsible for implementation of the BR policy/policies:
The BR initiatives are normally led by Shri Sanjiv Jajodia, Whole-time Director in conjunction with CSR Committee.

b) Details of the BR head:

SL.NO.	PARTICULARS	DETAILS
1.	DIN Number (if applicable)	00036339
2.	Name	Sanjiv Jajodia
3.	Designation	Whole-time Director
4.	Telephone Number	033-2248 9808
5.	E-mail id	jaibalaji@jaibalajigroup.com

2. Principle-wise (as per NVGs) BR Policy/policies

The NVGs on social, environmental and economic responsibilities of business prescribed by the Ministry of Corporate Affairs advocates the nine principles (detailed below) as P1-P9 to be followed:

- P1** Businesses should conduct and govern themselves with Ethics, Transparency and Accountability
- P2** Businesses should provide goods and services that are safe and contribute to sustainability throughout their lifecycle
- P3** Businesses should promote the well-being of all employees
- P4** Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised
- P5** Businesses should respect and promote human rights
- P6** Businesses should respect, protect, and make efforts to restore the environment
- P7** Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner
- P8** Businesses should support inclusive growth and equitable development
- P9** Businesses should engage with and provide value to their customers and consumers in a responsible manner

a) Details of Compliance (Reply in Y/N)

Sl. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have a policy/ policies for BR	Yes, the Company has policies for Business Responsibility as mentioned below. Besides, the Company has formulated policies to provide clarity to its stakeholders / personnels at various operating level.								
2.	Has the policy being formulated in consultation with the relevant stakeholders?	The Company has formulated the policies and adopted practices by considering inputs, feedback and sensitivities of the Stakeholders, wherever practicable.								
3.	Does the policy conform to any national / international standards? If yes, specify	Yes, the policies/practices broadly conform to the National Voluntary Guidelines (NVGs) issued by the Ministry of Corporate Affairs, Government of India, in July 2011.								
4.	Has the policy being approved by the Board? Is yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Policies are designed to ensure employee feedback, industry norms and legal norms are met in true spirit. The policies have been developed as per the need and have been approved by the Board, wherever it is mandatorily required, and signed by the Managing Director, wherever applicable.								
5.	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	The BR initiatives are normally led by the Whole-time Director in conjunction with the CSR Committee and overall supervision of the Board of Directors.								
6.	Indicate the link for the policy to be viewed online?	During the year under review, the BR initiatives governed by various Policies (such as Code of conduct, Whistle blower policy, Corporate Social Responsibility Policy, Policy on Prevention of Sexual Harassment of Women at the Workplace, Code of Practices and Procedures for Fair Disclosure etc.). These policies can be viewed at: www.jaibalajigroup.com on the Company's website.								
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	The internal stakeholders have been made aware of the policies. Policies are distributed to all HODs for wide circulation. External Stakeholders are communicated to the extent applicable and relevant. The mandatory policies are also updated on the website of the Company.								
8.	Does the company have in-house structure to implement the policy/ policies.	Yes, the CSR Committee of the Board of Directors looks after the implementation of the policies.								
9.	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	The Whistle Blower Policy lays down guidelines for reporting of protected disclosures by employees, Directors & other stakeholders. An Investor grievance mechanism is in place to respond to investor grievance. Any grievance or feedback related to the policies can be sent to jaibalaji@jaibalajigroup.com . The CSR Committee of the Board of Directors is responsible for addressing stakeholder concerns related to BR policies.								
10.	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	The BR policy is evaluated internally. The policies and practices at the Company are subject to internal audit and/or review from time to time, wherever necessary.								

b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

Sl. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	The company has not understood the Principles	NOT APPLICABLE								
2.	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3.	The company does not have financial or manpower resources available for the task									
4.	It is planned to be done within next 6 Months									
5.	It is planned to be done within the next 1 year									
6.	Any other reason (please specify)									

3. Governance related to BR

- a) **Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year**

The CSR Committee of the board generally meets at such intervals as may be required on need-basis.

- b) **Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?**

The Company publishes Business Responsibility Report as a part of the Annual Report and is available on the Company's website: www.jaibalajigroup.com.

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1- Ethics, Transparency and Accountability

The company's corporate philosophy seeks to ensure truth, transparency, accountability and responsibility and is committed to meet the aspirations of all our stake holders. Corporate governance is not merely compliance but also a philosophy to be professed and its objective is to create and adhere to a corporate culture of transparency and openness and to develop capabilities and identified opportunities that best serves the goal of value creation, thereby creating an outperforming organization. The Company structure specifies the distribution of rights and responsibilities at various levels such as the board, managers, shareholders and other stakeholders, and spells out the systems, procedures and practices which ensure that the company is managed in the best interest of all corporate stakeholders and in a manner that is accountable and responsible to the shareholders. In a wider interpretation, corporate governance includes company's accountability to shareholders and other stakeholders such as employees, suppliers, customers and local community.

Ethics and integrity is at the very heart of the work culture at JBIL. Our philosophy is to conduct the business with high ethical standards in our dealings with all the stakeholders that include employees, customers, suppliers, government and the community.

To ensure accountability and monitoring, the Board has constituted various committees such as: Audit Committee, Nomination & Remuneration Committee, Corporate Social Responsibility (CSR) Committee and Stakeholders' Relationship Committee. The committees meet periodically during the year to supervise, review performance and advice on the necessary direction to be taken.

Code of Conduct: Jai Balaji has its Code of Conduct which extends to all its directors and senior employees and aims at maintaining highest standards of business conduct in line with the Ethics of the Company, provides guidance in difficult situations involving conflict of interest & moral dilemma and ensures compliance with all applicable laws. All senior employees have to read and understand this code and agree to abide by it. A well-defined policy showcases the tenets on ethical business conduct and the framework for reporting concerns. The Code applies to all Directors, officers and employees of the Company and its subsidiaries. The policy code of conduct is available on the company's website.

We follow a "Code of Conduct" with the underlying philosophy of conducting our business in an ethical manner as enshrined by our values and beliefs. This helps in creating a work environment that is conducive to our employees and our associates. The Code sets out the guidelines to be followed by each member of the group.

Our Company also has a Whistle Blower Policy which allows employees to bring to the attention of the Management, promptly and directly, any unethical behaviour, suspected fraud or irregularity in the Company practices. This policy provides a platform to the stakeholders for reporting suspected unethical behaviour, malpractices, wrongful conduct, fraud, violation of the Company's Policies including Code of Conduct, violation of law or questionable Accounting or Auditing matters by any employee/director in the company, leak of any unpublished price sensitive information (UPSI) or any suspected leak of UPSI without fear of reprisal and help in eliminating any kind of wrongful conduct in the system. The policy also includes wrongful conduct with respect to discrimination or sexual harassment.

The JBIL's Code of Conduct as well as the Vigil Mechanism and Whistle Blower Policy ensure that highest standards of



personal and professional integrity are maintained within the organisation.

The Company has set the highest standards in transparency to not just maintain but also grow the confidence of all its stakeholders.

The Company has a well-defined mechanism for receiving, dealing and expeditious redressal of the complaints received from Stakeholders like Customers, Employees, Suppliers, etc. With respect to employees, the Company has a mechanism as provided under the Whistle Blower Policy whereby employees can raise their concerns. The status of these cases including the manner in which they are dealt with, is periodically reported to the Audit Committee.

There were no stakeholder complaints received in the reporting period with regard to ethics, bribery and corruption.

Principle 2- Products Lifecycle Sustainability

Consumers increasingly prefer responsible brands and responsible businesses. Your Company's brands have integrated responsibility and sustainability into both their purpose and products. Jai Balaji's brand and position in the society, brings with it, both responsibilities and opportunities to make the world a better place. It gives us an encumbrance to create sustainable business models that are environment friendly and in compliance with the national laws and standards.

The Company has always focused on sustainable sourcing and reduced fuel consumption, which lead to design and development of newer and improved technologies. Creating sustainable products is a part of the Company's endeavour towards responsible product stewardship. The Company ensures to design its products in a manner which caters to social responsibility of creating safe and environment friendly products. It is the Company's diligent exertion to design or manufacture products taking cognizance of the environmental risks and concerns. The Company's motto is to establish a long term relationship with its external stakeholders including the customers, vendors, etc. and work towards building an inclusive growth environment.

The Company continuously strives to improve the sustainability performance of its product on life cycle basis. The Company places high premium on techno-commercial aspects and the Company's procedures about finalizing vendors, emphasis on safe working practices, technical certifications, prevention of child labour and general housekeeping, etc. The selection procedure of the Company's transport vendors involves scrutiny at various levels like age of vehicle, validity of papers / well laid out systems of mandatory inspections, safe driving procedures. It is also ensured that to the extent possible, the transporter dwells into the integrities of minimizing environmental pollution caused by its vehicles. During the present Covid pandemic, the regular temperature check, proper sanitization and social distancing norms are also being followed to ensure further safety. Raw materials, components, stores and packing materials are generally procured from vendors close to the

manufacturing units, wherever feasible. The Company has a zero tolerance policy on safety compromise.

The Company ensures that majority of the scrap materials generated during the process of manufacturing are recycled. Presently, the Company recycles more than 90% of its scrap materials. Adequate practices are adopted in order to mitigate the impact of other waste generations and these wastes are disposed off in due compliance with the local rules and regulations. All facilities are equipped with pollution control equipment.

We make all efforts to ensure that we produce, in a safe and environmental friendly responsible manner. Over the years, we have constantly improved our recoveries, reduced hazardous waste generation, recycling and reuse of waste, improved specific water and energy consumption and reduced our tailings to optimally use available natural resources.

While there is a limitation in being able to incorporate environmental and social design concerns in the composition of our products, we ensure that best-in-class practices are followed while designing and operating our processing facilities and transportation infrastructure.

The Company has crafted extensive strategies towards ensuring sustainable consumption of energy, water and other resources in its businesses. Further, there is intensive need for resources – water, energy and raw materials, in our operations. We therefore recognise the impact of our operations on the environment and adopt strategies to minimise our resource use in all our processes. To further channelise our endeavours, we consciously track usage of these resources – water, energy and raw materials, throughout our operations.

We are also in continuous need for fuel and electricity, which places us amongst the energy intensive industries. Conforming to the global challenge of combating Climate Change and Global Warming, we strengthen our Carbon Management processes and adopt efficient technologies.

In addition, using electricity in Office /factory buildings with more power saving equipment's resulted in power saving.

The Company strives to reduce environmental impact by employing sustainable procurement practices and limiting business travel, wherever possible. In the process of selecting suppliers for products/services required, suppliers are first evaluated through a set of pre-qualification criteria that includes business responsibility related aspects such as adherence to norms of compliance, ethics and Business Conduct.

Besides the environmental impacts during sourcing, transportation activities have also been assessed and adequate measures are taken to prevent dust emission during transit.

However, it would not be possible to ascertain the percentage of inputs that are sourced sustainably.

Our Company actively engages with local & small producers/suppliers for procuring inputs for its supply as well as global suppliers. This has also resulted in weeding out middlemen,

thereby ensuring higher monetary benefits for the communities. Purchases are driven by open and transparent non-discriminatory procurement policy.

The Company has embedded the principles of Circular Economy in its operations through Reduce-Reuse-Recover initiatives. The Company ensures that majority of the scrap materials generated during the process of manufacturing are recycled. Presently, the Company recycles more than 90% of its scrap materials. Adequate practices are adopted in order to mitigate the impact of other waste generations and these wastes are disposed off in due compliance with the local rules and regulations.

Principle 3- Employees' Well-being

Your Company's wellbeing strategy is central to employee experience and productivity. The Company is motivated towards creating a healthy work environment powered by work ethics and professionalism. Moreover, major emphasis is laid on up keeping the standards of Safety, Health and Environment.

With the aim of promoting and creating awareness about physical fitness and it's benefits, not only among the people but also especially for our employees, the first ever urban trail run- JBG Kolkata Trail Run by Sportiz- was flagged off 6 years ago on 12th January 2015, which has since become an annual tradition of health awareness as well as recreation among our employees.

JBIL has adequately insured all their employees under mediclaim and accidental insurance policy.

Our people are our biggest asset and protecting their lives and livelihoods is paramount to us during Covid-19. As the infection started spreading in second wave of Covid-19, we implemented strict safety protocols based on global best practices, WHO guidelines, and Government requirements.

Comprehending the importance of the role played by vaccines in our fight against the virus, the Company had organized the immunization drive for its employees and their family members and for the public at large. Employees who have contracted Covid-19 are allowed 14 days of additional paid leave to recuperate. Employee wellbeing checks are conducted frequently.

The details with respect to the employees of the Company as on 31st March 2022 have been mentioned hereunder:

Total number of employees	3183
Total number of employees hired on temporary/contractual/casual basis	4503
Number of permanent women employees	22
Number of permanent employees with disabilities	7

JBIL employees are not part of any employee association. No complaint related to child labour, forced labour, or involuntary labour was received in the reporting year.

The Company is committed to provide a work environment which ensures that every woman employee is treated with dignity, respect and equality. We have a mechanism in place to foster a positive work place environment free from harassment of any nature. We have Internal Complaints Committee constituted under the Prevention of Sexual Harassment at Workplace Act, through which we address complaints of sexual harassment at the work place. The Company has been able to create an environment which promotes the concept of respecting every employee, at all levels and henceforth, the Company has not received any complaints with regard to sexual harassment till date.

Safety being one of the core values for which the Company is committed to. Company's management believes that providing safe work place is their key responsibility. We make sure that our premises, operations and systems are safe.

Company provided safety & skill up-gradation training to concerned employees on need basis including casual employees.

Principle 4 - Stakeholder Engagement

Your Company actively engages with stakeholders in its own operations and beyond to bring transformational change. Internal and external stakeholder engagement and partnership is essential to grow your Company's business and to reach the ambitious targets set out in the Compass. The Company is responsive to the requirements of all its Stakeholders and this is enshrined in our Corporate Values & Beliefs of Integrity, Passion, Quality, Respect and Responsibility. These values require that the Company acts as a responsible corporate citizen and change lives for the better and this is to be done in a manner that reflects humility. These values require us to provide everyone equal opportunities to progress and grow. The Company fulfils its responsibility towards the stakeholders by giving greater emphasis on building long-term relationships with them. The stakeholders are one of the key drivers of business viability and long-term profitability. The Company engages with its stakeholders through formal and informal channels on various platforms. The Company's major stakeholders are as below:

- Government and regulatory authorities
- Employees
- Customers
- Local community
- Investors and Shareholders
- Suppliers
- And Society at large

As equal opportunity employers, JBIL ensures that there is no discrimination of any type against any socially disadvantaged sections in the workplace. All employees have the same opportunities for growth and development. Straightforward, honest communication with adequate feedback and transparent accountability are responsibly maintained between the Company and its Stakeholders.



The year 2021-22 has seen unprecedented challenges in the external environment. Your Company has consistently showed resilience and strength of purpose across different stakeholders in its pandemic response, prioritising safety and wellbeing while ensuring availability of your Company's products to consumers. While your Company had a strong start to the year, the onset of the second wave led to drops in both consumption and growth. However, the Company continued to follow a consistent strategy of driving flawless execution through the agile execution framework and building business models for future by innovating & adopting technology.

Your Company regularly interacts with its shareholders and investors through results announcements, annual report, Company's website and subject-specific communications. The Annual General Meeting gives the shareholders an opportunity to come in direct communication with the Board of Directors and the Management. During this meeting, the Board engages with shareholders and answers their queries on varied subjects.

The Company's website, www.jaibalajigroup.com contains comprehensive information about the Company. The Company also has designated an exclusive email-id for investor services jaibalaji@jaibalajigroup.com. The Company also promptly intimates the Stock Exchanges about all price-sensitive information or such other matters which in its opinion are material and of relevance to the stakeholders of the Company.

The Company identifies communities around our manufacturing facilities (with a focus on women and children from these communities) as disadvantaged, vulnerable & marginalized stakeholders.

We are committed towards proactively engaging with all our employees, communities, business associates and customers who may be disadvantaged, vulnerable or marginalized and take various initiatives for them.

Principle 5- Promoting Human Rights

Your Company seeks to uphold and promote human rights in its operations, in relationships with business and partners. The Company respects the rights and dignity of all individuals and believes that a sustainable organisation rests on a foundation of ethics and respect for human rights.

While the Company does not have stated policy on human rights, it has been practicing to respect human rights as a responsible corporate citizen, without any gender discrimination and exploitation. It believes in providing equal opportunity and to remunerate them in a fair manner commensurate with skills and competence. JBI is dedicated to upholding the human rights of all its internal and external stakeholders.

The essence of the Company's governance practices rests upon the key factors viz. environmental management, employee welfare, employee and community relations, standardized working conditions, social equity, gender balance, human rights, good governance, and anti-corruption measures.

The principles of human rights are followed in the same spirit within as well as outside the organisation when engaging with business partners. There were no complaints reported during the Financial Year 2021-22 from any stakeholder pertaining to the human rights.

Principle 6- Protecting the Environment

In line with Compass sustainability commitments, Company's aim is to grow the business whilst decoupling the environmental footprint from growth and increasing the positive social impact. As part of our Compass targets, we monitor climate change and are responding by ensuring that we reduce the environmental impact of our operations. We have a Safety, Health and Environment mechanism in place and initiative actions to protect environment in all our manufacturing facilities. This mechanism is applicable to all its manufacturing facilities. As responsible corporate entity, the Company on periodic basis assesses legal and environmental issues for its manufacturing facilities. The Company takes conscious efforts to reduce, reuse, recycle and reclaim vital resources.

The Company recognizes its moral and social responsibility to ensure safety, health and well-being of all staffs, clients and visitors at our workplaces. Your Company recognizes that environmental conservation is one of the important issues of our community. Hence, the importance of maintaining a high standard of environmental care in conducting our activities is well-observed. To achieve our environmental commitments, your Company is involved in:

- Setting objectives and targets that define the reduction of impacts on the environment through conducting risk assessment and hazard analysis;
- Managing the operations in compliance with all applicable laws, legislations, regulations, standards and code of practices that minimize any adverse impact on the environment;
- Conserving resources, minimizing waste and seeking continual improvement of processes to protect the environment;
- Monitoring and evaluation, to ensure the environmental compliance and obligations are achieved;
- Providing appropriate training for awareness and education for the employees on environmental issues and specifically to individuals with environmental responsibilities.

The Company continues to undertake initiatives on clean technology, energy efficiency and renewable energy. The Company is not directly associated with any project related to clean development mechanism. The following are some of the steps taken by the Company for conservation of energy:

- Replaced defective capacitors Filter Bank to maintain power factor as 0.997 for 24MVA power.
- Optimization of 24MVA Contracted Demand DVC power by increasing load factor upto 85%.



- Use of LED Lighting in place of Conventional Light.
- Introduced drives in various area.
- Implemented various measures as per energy audit report.

The emissions and waste generated by the Company are monitored at regular intervals and are within the permissible limits.

There were no pending or unresolved show cause/legal notices from CPCB/SPCB, as at 31st March 2022.

Principle 7- Policy Advocacy

Your Company's collaborations with industrial/commercial associations and academia demonstrates its approach towards addressing sustainability challenges faced by the society. Your Company aims to create an environment that encourages supportive deliberations made in a responsible way. The Company has its representation in several business and industrial associations/chambers such as Indian Chamber of Commerce, Bengal National Chamber of Commerce and Industry, Bharat Chamber of Commerce etc.

The Company is in touch with various trade organization/associations for improvement of various economic and social policies.

Principle 8 - Inclusive Growth

Your Company's inclusive growth approach focuses on improving the livelihoods of employees and their families, supporting small-scale retailers and helping young entrepreneurs. The Company is committed towards social inclusion and equitable development of communities. The initiative encompasses environment, health, education, sustainable livelihood etc. An entity has to work closely with its ecosystem to create a sustainable & inclusive growth for all.

The endeavour continues towards improving the Quality of Life of the employees and motivating them to deliver their best. The process of empowerment of employees includes learning and development, sharing of common goals and vision with the Management and real commitment to achieve the goals. The Company's philosophy focuses on acquisition of skills relating to international qualities of economic, political, and social development. In order to curb down the negative impacts of diversity of Human Resources Management, your Company has adopted practices and policies enabling its employees to face the challenges of fast paced industrialization and globalization of business.

The company has incurred losses during the three immediately preceding financial years, therefore expending on CSR activities is not applicable on the Company during the F.Y.2021-22. However, Corporate Social Responsibility (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 year for inclusive growth and equitable development of the community at large.

Principle 9- Customer Value

Understanding the customer needs is a key step in the Company's endeavour towards developing an efficient product stewardship programme. The Company ensures that utmost care is taken towards customer safety throughout the life cycle of the product.

The product quality is governed by the Bureau of Indian Standards (BIS) and the Company complies with all statutory requirements mandated by the Bureau of Indian Standards (BIS), Weights and Measures norms. The Company adheres to all compliance of product information.

There was no case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and /or anti-competitive behaviour during the last five years and hence, there were no pending cases as at the end of the Financial Year 31st March, 2022.

Customer satisfaction is your Company's goal, driving it to ensure its products deliver performance that continually meets customer requirements. To understand customers better, the Company follows several modes of engagement such as customer surveys, direct feedback, visits by managers /plant personnel etc. These modes help your Company to understand customer requirements, satisfaction levels and expectations. The Company also conducts one-to-one meetings with customers on need basis in order to enable efficient communication and redressal of customers' grievances, if any.

On behalf of the Board of Directors

Sd/-

Aditya Jajodia

Place: Kolkata

Chairman & Managing Director

Date: 13th August, 2022

DIN : 00045114



ANNEXURE - D

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2022 [See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]

I.	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications) (₹ In Lacs)	Audited Figures (as reported after adjusting for qualifications) (₹ In Lacs)
	1.	Turnover / Total income	467,339.37	469,409.48
	2.	Total Expenditure	462,532.82	492,471.67
	3.	Net Profit/(Loss)	4,806.55	(23,062.18)
	4.	Earnings Per Share (in Rs.)	4.35	(20.88)
	5.	Total Assets	296,922.81	296,922.81
	6.	Total Liabilities	463,198.02	620,878.96
	7.	Net Worth	(166,275.21)	(323,956.15)
	8.	Any other financial item(s) (as felt appropriate by the management)		
II.	Audit Qualification (each audit qualification separately):			
	a.	Details of Audit Qualification: As per Annexure - A		
	b.	Type of Audit Qualification : Qualified Opinion / Disclaimer of Opinion / Adverse Opinion		
	c.	Frequency of qualification: Whether appeared first time / repetitive / since how long continuing		
	d.	For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: As per Annexure - A		
	e.	For Audit Qualification(s) where the impact is not quantified by the auditor: N.A.		
		(i) Management's estimation on the impact of audit qualification:		
		(ii) If management is unable to estimate the impact, reasons for the same:		
		(iii) Auditors' Comments on (i) or (ii) above:		
III.	Signatories:			
	Managing Director		Sd/-	
	CFO		Sd/-	
	Audit Committee Chairman		Sd/-	
	Statutory Auditor		Sd/-	
	Place: Kolkata Date: 27 th May 2022			

Annexure - A

Details of Audit Qualification

- Attention is drawn to Note No. 8 (Eight) of the Audited Financial Statement, with regard to non-recognition of interest expense on borrowings of the Company. During the quarter ended and year ended March 31st, 2022, the company has not provided for interest amounting to Rs.7,514.82 lacs and Rs. 29,938.85 lacs respectively during the quarter and year ended March 31st, 2022, which is not in accordance with the requirement of Ind AS 23: 'Borrowing Cost' read with Ind AS 109: 'Financial Instruments'. Due to this, profit for the quarter ended and year ended March 31st, 2022 has been overstated by Rs. 7,514.82 lacs and Rs. 29,938.85 lacs respectively. Therefore, the net loss after tax would have been Rs. 6,852.31 lacs for the quarter and Rs. 25,132.30 lacs for year ended. The accumulated interest not provided till March 31st, 2022 stands at Rs. 1,57,680.94 lacs.
- Attention is drawn to Note No. 6 (Six) of Audited Financial Results which states that the company has entered into One Time Settlement with Canara Bank resulting in a gain of Rs 2,070.11 lacs which was credited to Capital Reserve.

Management's Views in seriatim

- The secured lenders of the Company have mostly assigned their debts to various ARC's or settled through one time settlement scheme. The debt acquired by Edelweiss Assets Reconstruction Company Limited has already been restructured and subsequent repayment has been started. The Company is in active discussion/negotiation with Omkara Assets Reconstruction Private Limited for restructuring of debt which has been assigned to them. The rest of the debts have been settled through OTS. In view of the above, the Company has stopped providing interest in books but continues to accumulate separately. The accumulated interest not provided till 31st March, 2022 is estimated at Rs. 1,57,680.94 lacs. The statutory auditors have qualified their Audit Report in respect of this matter.
- The management has credited the gain in Carana bank One Time Settlement through capital reserve based on the opinion given in the Supreme Court ruling in the case of Mahindra and Mahindra Ltd (TS-220-SC-2018) and similar decisions by various high courts subsequent to the above case.



ANNEXURE - "E"

Form No. MR - 3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2022

*[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.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 due to COVID-19 pandemic, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2022, 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, 2022, 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 Take over) 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, 2009
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and 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 Debt securities) Regulations, 2008
 - 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, 2009 and The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021
 - h) The Securities and Exchange Board of India (Buy back 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 except that *under Regulation 33(3)(a) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 the unaudited financial results for the quarter ended 30th September, 2021 was submitted to stock Exchanges on 15th November, 2021 with a delay of 1 (one) day.*

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.

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

Place: Kolkata
Date: 13 th August, 2022
UDIN: A017190D000791700

Membership No.: 17190
COP No.: 18428

ANNEXURE - 1

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

Place: Kolkata
Date: 13 th August, 2022
UDIN: A017190D000791700

Membership No.: 17190
COP No.: 18428



ANNEXURE "F"

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, 2022

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. Optimization of 24MVA Contracted Demand DVC power by increasing load factor upto 86%.
3. Use of LED Lighting in place of Conventional Light.
4. Replaced defective capacitors Filter Bank to maintain power factor as 0.997 for 24MVA power
5. Implemented various measures as per energy audit report.

Impact of the steps taken for conservation of energy:

1. Load factor increased up to 86% on contract demand of 24 MVA
2. Defective Capacitors replacement to maintain 0.997 Power Factor.
3. Energy saving by using LED light is up to 50%.
4. Drives will save up to 25% power in the replacement units.

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	2021-22	2020-21
Inflows	21,686.67	4,941.47
Outgo	5,623.00	3,612.54



ANNEXURE "G"

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, 2022

- 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	Nil
Shri Sanjiv Jajodia, Whole Time Director	Nil
Shri Bimal Kumar Choudhury, Executive Director	Nil

Note : None of the Executive Director of the Company has 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:**

There has been no increase in the remuneration of any Director, Chief Financial Officer, Chairman & Managing Director in the financial year 2021-22. The remuneration of the Company Secretary has been increased by 6.23 % 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 11.09%.

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

There were 3063 employees on the rolls of the Company as on 31st March, 2022.

- 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 23.96% whereas average increase in the managerial remuneration was 12.77%. 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 has been an integral part of the way we have been doing our business since inception. We believe that good Corporate Governance emerges from the application of the best and sound management practices and compliance with the laws coupled with adherence to the highest standards of transparency and business ethics. It is basically an approach of managing efficiently and prudently all the activities of a Company, in order to make the business stable and secure, growth-oriented and highly reputed and reliable among all its clients. Corporate Governance essentially involves balancing the interests of various stakeholders of the Company such as shareholders, management, customers, suppliers, financiers, government and the community. It entails managing business in a manner that is accountable and responsible to the shareholders.

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; and
- 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, 2022, the Board consists of 10 directors, comprising of:

- 2 Promoter Executive Directors;
- 2 Promoter Non-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, 2022 is tabled below:

Name of Directors	Category
Shri Aditya Jajodia	Promoter Executive Director (Chairman & Managing Director)
Shri Sanjiv Jajodia	Promoter Executive Director (Whole-time Director & Chief Financial Officer)
Shri Rajiv Jajodia	Promoter Non-Executive Director
Shri Gaurav Jajodia	Promoter Non-Executive Director
Shri Bimal Kumar Choudhary	Executive Director
Shri Shailendra Kumar Tamotia	Non-Executive Independent Director
Shri Ashim Kumar Mukherjee	Non-Executive Independent Director
Smt. Seema Chowdhury	Non-Executive Independent Woman Director
Smt. Rakhi Bajoria	Non-Executive Independent Woman Director
Smt. Swati Bajaj	Non-Executive Independent Woman Director

Shri Rajiv Jajodia (DIN: 0045192) and Shri Gaurav Jajodia (DIN: 00028560) have been appointed as Whole-time Directors of the Company w.e.f. 01.09.2022 for a period of 3 (three) years pursuant to the recommendation of Nomination and Remuneration Committee.

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.

All 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 weblink <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 2021-2022, 5 (Five) meetings of the Board were held viz., 29th May, 2021; 30th June, 2021; 14th August, 2021; 15th November, 2021 and 11th February, 2022. 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. In view of Covid-19 pandemic all these board meetings were held in video

Name of Directors	No. of Board Meeting Attended	Attendance at the last AGM
Shri Aditya Jajodia	5	Yes
Shri Sanjiv Jajodia	5	Yes
Shri Rajiv Jajodia	5	Yes
Shri Gaurav Jajodia	5	Yes
Shri Shailendra Kumar Tamotia	5	Yes
Smt. Seema Chowdhury	5	Yes
Smt. Rakhi Bajoria	5	Yes
Shri Ashim Kumar Mukherjee	5	Yes
Smt. Swati Bajaj	5	Yes
Shri Bimal Kumar Choudhary	5	Yes

The Company Secretary was present at all meetings of the Board of Directors and at the last Annual General Meeting. During FY 2021-2022, 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, 2022 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	5	4	—	1	—
Shri Gaurav Jajodia	2	1	1	—	—
Shri Bimal Kumar Choudhary	—	—	—	—	—
Shri Shailendra Kumar Tamotia	—	—	—	—	—
Smt. Seema Chowdhury	—	—	—	—	—
Smt. Rakhi Bajoria	1	—	—	1	Chandi Steel Industries Limited - Independent Director
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, 2022.

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.

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



Report of the Directors on Corporate Governance (Contd.)

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 Director

During the year 2021-22, 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 11th February, 2022 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 11th February, 2022.

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, 2022, the Company had following committees - Audit Committee, Nomination & Remuneration Committee (formerly Remuneration Committee), Stakeholders' Relationship Committee (formerly Share Transfer Cum Investors' Grievance Committee), Corporate Social Responsibility Committee, Management (Finance) Committee, Risk Management Committee and Internal Complaints Committee.

Pursuant to the recent amendment in SEBI (Listing Obligations and Disclosure Requirements) Regulations vide Circular No. SEBI/LAD-NRO/GN/2021/22 dated 5th May, 2021 the requirement of constituting a risk management committee and compliance of Regulation 21 of SEBI LODR becomes applicable on our

Report of the Directors on Corporate Governance (Contd.)

company. And therefore the Board has constituted the Risk Management Committee on 29th May, 2021.

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, 2022 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

Report of the Directors on Corporate Governance (Contd.)

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, 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, 2022, 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 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)

• Attendance of the Members at the meetings during the year

During the financial year 2021-22, the Committee met 5 times i.e. on 29th May, 2021; 30th June, 2021; 14th August, 2021; 15th November, 2021 and 11th February, 2022 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. In view of Covid-19 pandemic all these board meetings were held in video conferencing / other audio-visual mode.

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	5
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 the Audit Committee meeting when the Cost Audit Report is tabled for discussion.

Report of the Directors on Corporate Governance (Contd.)

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 Second Annual General Meeting of the Company held on 28th September, 2021.

■ NOMINATION & REMUNERATION COMMITTEE (FORMERLY 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, 2022:

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*	Promoter Non-Executive Director

*Shri Rajiv Jajodia resigned from the membership of the Committee w.e.f 13.08.2022 and Smt Rakhi Bajoria is inducted as a new member of the Committee w.e.f 13.08.2022.

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 weblink 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 once viz 14th August, 2021. The necessary quorum was present at all the meetings. In view of Covid-19 pandemic all these Committee meetings were held in video conferencing/other audio-visual mode.

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	1
Shri Shailendra Kumar Tamotia	1
Shri Rajiv Jajodia	1

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

● 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 and Shri Sanjiv 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 tenure of the office of Shri Aditya Jajodia is for a period of 5 years w.e.f. 22nd July, 2017 till 21st July, 2022. Accordingly the Board members at their meeting held on 27th May, 2022 has approved re-appointment of Shri Aditya Jajodia for further period of five years with effect from 22nd July, 2022 till 21st July, 2027, subject to approval of shareholders.

The tenure of the office of Shri Sanjiv Jajodia is for a period of 5(five) years with effect from 30th June, 2018 till 29th June, 2023. Accordingly, the Board members at their meeting held on 13th August, 2022 has approved re-appointment of Shri Sanjiv Jajodia for further period of three years w.e.f 30th June, 2023 till 29th June, 2026 subject to approval of the shareholders.

The Board has appointed Shri Bimal Kumar Choudhary as the Executive Director of the Company for a period of 3(three) years w.e.f 15th September, 2020 till 14th September, 2023 as per the terms and conditions that are mentioned in the Agreement which is entered between the Company and Shri Bimal Kumar Choudhary.

No remuneration was drawn by any Executive Director during the year 2021-22.

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 2021-22 are as follows:

(₹)

Particulars	Sitting Fees (including TDS)
Shri Rajiv Jajodia	20,000
Shri Gaurav Jajodia	20,000
Shri Shailendra Kumar Tamotia	20,000
Smt. Seema Chowdhury	20,000
Smt. Rakhi Bajoria	20,000
Shri Ashim Kumar Mukherjee	20,000
Smt. Swati Bajaj	20,000
Total	1,40,000

The Non-Executive Directors do not have any other pecuniary relationship or transactions with the Company. The number of equity shares of the company held by the Non-Executive Directors as on 31st March, 2022 is as follows:

Name	No. of Shares held in the Company
Shri Rajiv Jajodia	1,568,333
Shri Gaurav Jajodia	119,666

All other Non-Executive Directors excluding the above do not hold any shares or convertible instruments of the Company as on 31st March, 2022.

Report of the Directors on Corporate Governance (Contd.)

■ STAKEHOLDERS' RELATIONSHIP COMMITTEE (FORMERLY SHARE TRANSFER CUM INVESTORS' GRIEVANCE 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, 2022, 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 Non -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

Compliance Officer

Shri Ajay Kumar Tania, 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 2021-22, the Committee met 4 times i.e. on 30th June, 2021; 14th August, 2021; 15th November, 2021 and 11th February, 2022 and not more than one hundred and twenty days elapse between two meetings. In view of Covid-19 pandemic all these Committee meetings were held in video conferencing/other audio-visual mode.

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	4
Shri Aditya Jajodia	4
Shri Gaurav Jajodia	4

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 : NIL
pending as on 1st April, 2021

Number of shareholders complaints : NIL
received during the year ended
31st March, 2021

Number of shareholders complaints : NIL
not solved to the satisfaction of
the shareholders

Number of shareholders complaints : NIL
pending as on 31st March, 2022

It is confirmed that there was no request for registration of share transfers/ transmission lying pending as on 31st March, 2022 and that all request for issue of new certificates, sub-division or consolidation of shareholding, etc, received up to 31st March, 2022, 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).

Report of the Directors on Corporate Governance (Contd.)

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 framework 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 weblink <https://jaibalajigroup.com/wp-content/uploads/2021/02/risk-management-policy.pdf>

The Company already has a risk management system to inform Board Members about the risk assessment and minimization procedures. But the Statutory requirement to constitute a Risk Management Committee was not applicable on the Company at the beginning of the year under review. Pursuant to the recent amendment in SEBI (Listing Obligations and Disclosure Requirements) Regulations vide Circular No. SEBI/LAD-NRO/GN/2021/22 dated 5th May, 2021 the requirement of constituting a risk management committee and compliance of Regulation 21 of SEBI LODR becomes applicable on our company. And therefore the Board has constituted the Risk Management Committee on 29th May, 2021. The Committee comprises of 3(Three) members as on 31st March, 2022, 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 which 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.

● Compliance Officer

The Committee comprised of 3(Three) members as on 31st March, 2022, 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 Non -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

● 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 2021-22, the Committee met twice i.e. on 29th May, 2021 and 15th November, 2021 and not more than one hundred and eighty days elapse between two meetings. In view of Covid-19 pandemic all these Committee meetings were held in video conferencing /other audio-visual mode.

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 (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 2021-22.

● 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	4
Shri Sanjiv Jajodia	Promoter Executive Director	4
Shri Rajiv Jajodia	Promoter Non-Executive Director	4

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

During the year under review, the members of the committee met 4 times i.e. on 15th September, 2021; 13th December, 2021; 23rd December, 2021 and 19th February, 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. Since the company has incurred losses during the three immediately preceding financial years the same is not applicable to the company at present.

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. During the year under review the Company was involved in various social activities such as contribution of oxygen concentrators during the second wave of covid pandemic, contribution for developments of sports and contribution to organisation named "CRY Child Rights & You". 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 29th May, 2021 and on 11th February, 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	2
Shri Bimal Kumar Choudhary	Executive Director	2
Shri Rajiv Jajodia	Promoter Non-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

■ 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, 2022, out of which the Chairman of the Committee is the Presiding Officer. Details of members and their attendance at the meeting held are stated hereunder:

Name of the Members	Category	No. of meetings attended
Smt. Indira Agarwal	Presiding Officer	2
Smt. Priti Todi	Outside member	2
Shri Bivash Chakraborty	Member	2
Shri Raj Kumar Sharma*	Member	2

*Shri Ajay Kumar Tantia resigned from the membership of the Committee on 29th May, 2021 and Shri Raj Kumar Sharma has been appointed in his place w.e.f 30th May, 2021.

During the financial year under review the members of the Committee met twice i.e on 29th May, 2021 and 11th February, 2022 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 4th December, 2021.

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. 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
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 Means ("OAVM"))	Yes
2018-19	Thursday	19.09.2019	11:00 A.M.	Rotary Sadan (Shripati Singhanian Hall) 94/2, Chowringhee Road, Kolkata - 700 020	Yes

Report of the Directors on Corporate Governance (Contd.)

Special Resolutions passed in the previous three AGMs

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

• 2020-21

- ✦ In the AGM held during the 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.

• 2018-19

- ✦ Re-appointment of Smt. Seema Chowdhury (DIN: 07158338), as Independent Director of the Company for a period of 5 years.
- ✦ Re-appointment of Smt. Swati Agarwal (DIN: 07158355), as Independent Director of the Company for a period of 5 years.
- ✦ Re-appointment of Smt. Rakhi Bajoria (DIN: 07161473), as Independent Director of the Company for a period of 5 years.
- ✦ Alteration of Memorandum of Association by increasing the authorised share capital of the Company from Rs. 1,01,00,00,000/- (Rupees One Hundred and One Crore only) divided into 10,10,00,000 (Ten Crores Ten Lacs) equity shares of Rs. 10/- each (Rupees Ten only) to 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/- each by creation of 2,40,00,000 (Two Crores Forty Lacs) equity shares of Rs. 10/- (Rupees Ten only) each.
- ✦ Issue and allotment of 1,40,71,500 (One Crore Forty Lakhs Seventy One Thousand Five Hundred) Equity Shares of the Company of Face Value of Rs. 10/- to Edelweiss Asset Reconstruction Company Limited.

Postal Ballot

No special resolutions were passed through postal ballot in the last year and during the period under review. At present there is no special resolution proposed to be conducted through postal ballot.

Extra-ordinary General Meeting

No special resolution was passed through Extra-Ordinary General Meeting during the last three years under review. During the Financial Year an Extra-Ordinary General meeting was held on 18th May, 2022 at 12:30 P.M. and the following items were passed as special resolutions:

- ✦ Alteration of Memorandum of Association by increasing the Authorised Share Capital from 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.

- ✦ Issue and allotment, on preferential issue and private placement basis of 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 the following entities:

Sl. No.	Name of the Members	Category	No. of Warrants
1	Hariaksh Industries Private Limited	Promoter Group Company	2,00,00,000
2	Shri Mahatejas Vinimay Private Limited	Promoter Group Company	1,00,00,000
3	Shri Keshrinandan Trade Private Limited	Promoter Group Company	1,00,00,000
4	Mahananda Securities Limited	Non-promoter Company	1,00,00,000
Total			5,00,00,000

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.

Report of the Directors on Corporate Governance (Contd.)

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 related party transactions were entered into based on various business emergencies such as legal requirements, liquidity, long-term strategy and capital resources, etc.

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. 44 to the financial statements in the Annual Report.

The Board of Directors of the Company has adopted a Related Party Transaction Policy in place, pursuant to the requirements of Section 188 of the Companies Act, 2013 and Rules framed thereunder and Regulation 23 of the Listing Regulations. The Policy was revised on 11th February, 2022 pursuant to the amendments required under SEBI LODR regulations.

The Policy is available on the website of the company viz. www.jaibalajigroup.com under the weblink. 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 Company has not raised any funds through preferential allotment or qualified institutions placements during the year under review. Hence the disclosure for the same is not applicable.

However, Rs. 65 crores was raised by preferential allotment of 5 crore warrants on 27th May, 2022 and the same was utilised for the objective for which the preferential issue was approved by the members on 18th May, 2022 i.e to meet the funding requirements for the growth in the business of the company, working capital requirements, repayment of debt and/or for general corporate purposes.

♦ Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount: NIL

♦ 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

Report of the Directors on Corporate Governance (Contd.)

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 in listed 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 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 weblink <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 <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-subsidaries.pdf>

♦ 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



Report of the Directors on Corporate Governance (Contd.)

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/>

❖ 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 contains a qualification, the details of which are mentioned in the Directors report.

❖ Reporting of Internal Auditor

The Internal Auditor directly reports to the Audit Committee.

❖ Other Compliances

* The Board of Directors quarterly reviews the compliances 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 2021-22 was duly submitted to the Stock Exchanges within the stipulated time period.

1. 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) 22489808
E-mail: jaibalaji@jaibalajigroup.com

Report of the Directors on Corporate Governance (Contd.)

6. GENERAL SHAREHOLDER INFORMATION

Annual General Meeting Day, Date & time	:	Tuesday 27th, September, 2022, 12 :30 p.m.	
Venue	:	Through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM")	
Financial Calendar (tentative schedule) for the year 2022-23	:	1st April, 2022 to 31st March, 2023	
		The probable dates for submission of the Financial Results for the financial year 2022 - 23 :	
		1st Quarter Results	On or before 14th August, 2022
		2nd Quarter Results	On or before 14th November, 2022
		3rd Quarter Results	On or before 14th February, 2023
		Annual Results	On or before 30 May, 2023
Date of book closure	:	The Register of Members and Share Transfer Book shall remain closed from Wednesday 21st September, 2022 to Tuesday 27th September, 2022 (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 : National Stock Exchange of India Limited. "EXCHANGE PLAZA", 5th Floor, Plot no. C/1, G Block Bandra-Kurla Complex, Bandra (E), Mumbai – 400 051 Stock Code - JAIBALAJI BSE Limited 25, PhirozeJeejeebhoy Towers, Dalal Street, Mumbai – 400 001 Stock Code - 532976 Listing fees has been paid to the respective Stock Exchanges for the year 2022-23.	
Depositories		National Securities Depository Limited Trade world, 4th Floor, 'A' Wing Kamala Mills Compound Senapati Bapat Marg, Lower Parel Mumbai – 400 013 Central Depository Services (India) Limited 25th Floor, Marathon Futurex, N M Joshi Marg, Lower Parel (East), Mumbai – 400 013 Annual Custodial Fees pertaining to year 2022-23 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	

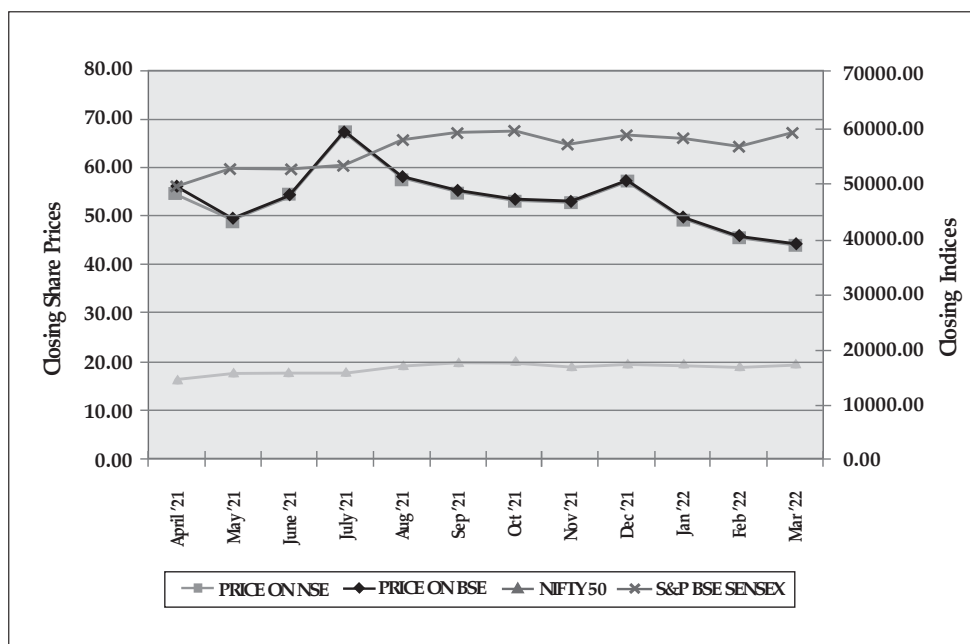
Report of the Directors on Corporate Governance (Contd.)

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 2021-22 were as under:

Month	Share Price (NSE)		Share Price (BSE)	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
April '21	54.80	35.00	55.40	35.25
May '21	60.35	42.35	61.05	42.80
June '21	56.90	44.20	57.45	44.60
July '21	69.45	49.10	69.55	49.00
August '21	71.05	56.95	70.35	56.15
September '21	59.35	49.05	59.80	47.85
October '21	60.60	48.30	62.50	48.05
November '21	69.40	59.55	70.00	51.45
December '21	63.45	50.00	63.15	51.30
January '22	67.35	45.60	65.00	46.10
February '22	53.50	41.00	56.00	41.75
March '22	51.50	37.60	51.80	42.45

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,
5th 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

As per Regulation 40(1) of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, as amended, Physical transfer of shares has been dispensed with and securities of listed companies can be transferred only in dematerialized form w.e.f. 1st April, 2019. Effective from 24th January, 2022, SEBI has mandated for Listed Companies to issue shares in demat form only, after processing the requests in prescribed Form ISR-4 received for issue of duplicate certificate, transmission, transposition, renewal/exchange of share certificate, endorsement, sub-division/splitting of certificate, consolidation of certificates, claim from Unclaimed Suspense Account, etc. 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. 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 31ST MARCH, 2022

	Category	No. of Shareholders	No. of shares held	As a % age of A+B+C
A.	Promoter and Promoter Group Holding			
	Indian	17	5,63,04,046	50.98
	Foreign	0	NIL	NIL
	Total Promoter Shareholding (A)	17	5,63,04,046	50.98
B.	Public Holding			
	Institutions	10	38,28,125	3.47
	Non-Institutions	12,028	5,03,18,115	45.56
	Total Public Shareholding (B)	12,038	5,41,46,240	49.03
C.	Shares held by Custodian & against which Depository receipts have been issued (C)	NIL	NIL	NIL
	Grand Total (A+B+C)	12,055	11,04,50,286	100.00

DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH, 2022

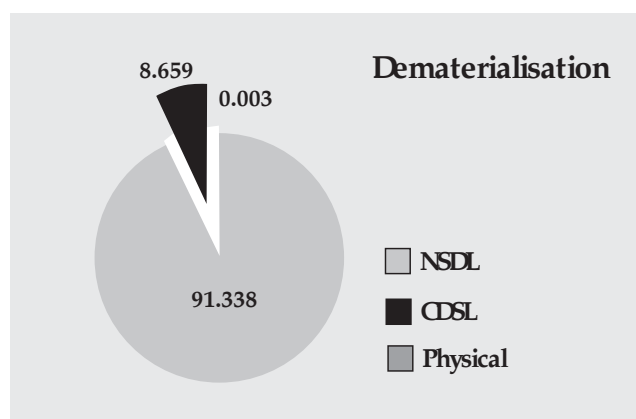
Range of ordinary shares held	No. of Shareholders	Percentage (%) to total shareholders	No. of Shares	Percentage (%) to share capital
Up to 500	10,151	84.2057	10,17,218	0.9210
501 to 1000	774	6.4206	6,43,796	0.5829
1001 to 2,000	449	3.7246	6,88,829	0.6237
2001 to 3000	158	1.3107	3,98,011	0.3604
3001 to 4000	73	0.6056	2,59,578	0.2350
4001 to 5000	59	0.4894	2,78,216	0.2519
5001 to 10000	139	1.1530	10,48,186	0.9490
10001 and above	252	2.0904	10,61,16,452	96.0762
Total	12,055	100.00	11,04,50,286	100.00

Report of the Directors on Corporate Governance (Contd.)

DEMATERIALIZATION OF SHARES AND LIQUIDITY AS ON 31ST MARCH, 2022

The Shares of the Company are tradable in dematerialized 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, 2022 a total of 11,04,47,679 equity shares of the Company, representing 99.997% of the Company's share capital were held in dematerialised form of which 10,08,83,515 representing 91.338% of the total paid-up equity share capital were held with NSDL and 95,64,164 representing 8.659% 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 not issued any GDRs/ADRs/Warrants or any convertible instruments which are yet to be converted. Therefore, the Company does not have any outstanding GDRs/ADRs/Warrants or any convertible instruments for the F.Y. ended 31st March, 2022.

However, the company has allotted 5 crore convertible warrants on 27th May, 2022. The warrant holders has the option of applying for and being allotted equity shares of the company at a face value of Rs. 10/- each within 18 months from the date of allotment of the warrants. Accordingly two warrant holders exercised the option of partial conversion of their holdings and out of the said 5 crore warrants, 87.5 lakhs warrants were converted in 87.5 lakhs equity shares on 22nd July, 2022, which increased the paid up share capital of the company from Rs. 1,10,45,02,860 to Rs. 1,19,20,02,860.

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.

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).

The voting rights of these shares shall remain frozen till the rightful owner claims the shares. Details of Unclaimed shares are as follows:

Particulars	Number of Shareholder	Aggregate Number of Shares
Aggregate number of shareholders and the outstanding shares in respect of unclaimed shares as at 1st April, 2018	9	764
Number of shareholders who approached issuer for transfer of shares during the year	0	0
Number of shareholders to whom shares were transferred during the year	0	0
Aggregate number of shareholders and the outstanding shares in respect of unclaimed shares lying	9	764

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.



Report of the Directors on Corporate Governance (Contd.)

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 31.03.2022	% to total holding of respective promoter in the company	% to total paid up equity share capital of the company
1.	Shri Aditya Jajodia	30,75,000	86.75%	2.78%
2.	Shri Sanjiv Jajodia	26,40,000	94.98%	2.39%
3.	Shri Rajiv Jajodia	15,50,000	98.83%	1.40%
4.	Shri Aashish Jajodia	3,23,000	40.66%	0.29%
5.	M/s. Enfield Suppliers Limited	1,12,21,233	100%	10.16%
6.	M/s. Hari Management Limited	70,44,000	100%	6.38%
7.	M/s. Jai Salasar Balaji Industries Private Limited	2,40,19,000	95.64%	21.75%
8.	M/s. K. D. Jajodia Steels Industries Private Limited.	24,10,000	99.99%	2.18%
	Total	5,22,82,233	—	47.33%

PLANT LOCATIONS

Unit I Ranigunj G/1, Mangalpur Industrial Complex, Post : Baktarnagar, Dist. : Burdwan West Bengal - 713 321	Unit II Durgapur, Lenin Sarani, Dist.: Burdwan West Bengal - 713 210
Unit III & IV Durgapur, Vill: Banskopa, P.O. : Rajbandh Dist.: Burdwan West Bengal - 713 212	Unit V Industrial Growth Centre, Borai Village & P.O. : Rasmada, Dist : Durg Chhattisgarh - 491 009

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

For and on behalf of the Board

Sd/-

Aditya Jajodia

Chairman & Managing Director
DIN: 00045114

Sd/-

Sanjiv Jajodia

Whole-time Director &
Chief Financial Officer
DIN: 00036339

Place : Kolkata

Date : 13th August, 2022



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 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 2022:

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	Non-Executive Director	01.07.1999
4.	00028560	Mr. Gaurav Jajodia	Non-Executive 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 2022 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 of 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

Place : Kolkata
Date : 13th August, 2022
UDIN: A017190D000791722

Membership No.: 17190
COP No.: 18428



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, 2022.

The said Code of Conduct is hosted on the website of the Company viz. www.jaibalajigroup.com.

Place : Kolkata

Date : 13th August, 2022

Sd/-

Aditya Jajodia

Chairman & Managing Director

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, 2022, 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 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 : 13th August, 2022

UDIN: A017190D000791744



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, 2022 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 : 27th May, 2022

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

Sd/-
Sanjiv Jajodia
Chief Financial Officer
DIN : 00036339

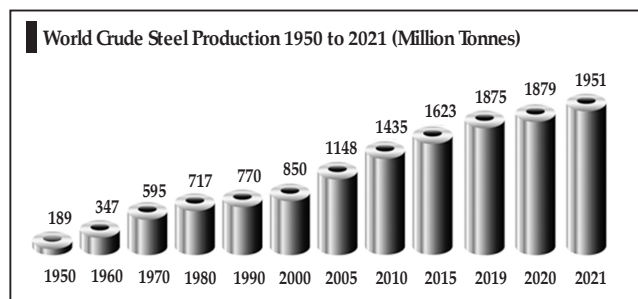
Management Discussion and Analysis

Global Overview

The global economy grew by 5.9% in 2021 following a contraction of 3.1% in 2020 (Source: IMF World Economic Outlook, January 2022). Countries across the globe focused on vaccination coverage and implemented various economic stimuli to minimize the impact of COVID-19 and hasten economic recovery.

The growth momentum started slowing towards the end of 2021, as the effects of fiscal and monetary stimuli dissipated. The global economy enters 2022 in a weaker position than previously expected. As the new Omicron COVID-19 variant spreads, countries have reimposed mobility restrictions. Rising energy prices and supply disruptions have resulted in higher and more broad-based inflation than anticipated, notably in the United States and many emerging market and developing economies.

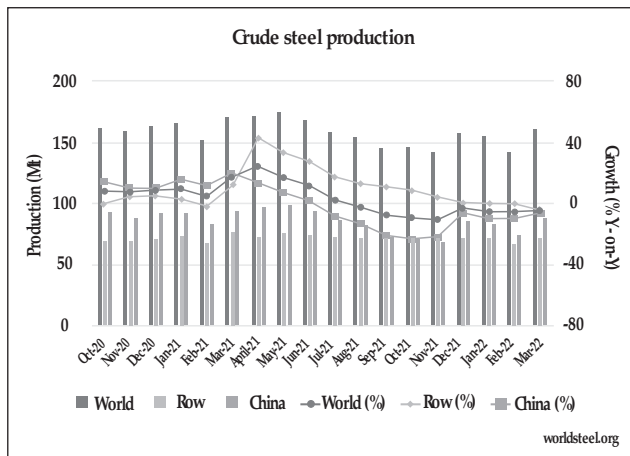
The global steel industry has partially recovered with increase in global steel production by 3.7% during 2021, compared to 2020. This is primarily due to economies opening up after wide scale vaccinations, gradual commencement of economic activity, and significant change in retail consumer behaviour mainly in automotive and construction sectors. Further, increase in raw material prices mainly concerning coking coal, iron ore and oil & fuel have pushed the market prices of steel.



www.worldsteel.org

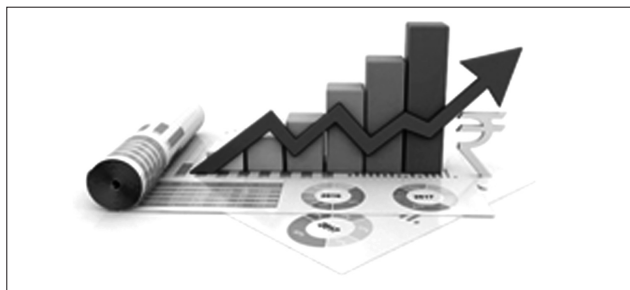
Global crude steel production reached at 1,951 million tonnes (Mt) in 2021, which was higher by around 70 Mt than 2020. While China continued to be the largest global crude steel producer, there were moderate growth in steel production in countries such as India, Japan, USA, Germany and Brazil, amongst others, signifying normalcy in operations during the pandemic.

World crude steel production for the 64 countries reporting to the World Steel Association (worldsteel) was 161.0 million tonnes (Mt) in March 2022, a 5.8% decrease compared to March 2021.



Indian Overview

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.



As per reports of India Brand Equity Foundation (IBEF), some of the recent economic developments in India are as follows:

- India is the third-largest unicorn base in the world with over 100 unicorns with a total valuation of US\$ 332.7 billion.
- According to data from the Department of Economic Affairs, as of January 28, 2022, foreign exchange reserves in India reached the US\$ 634.287 billion mark.
- With an improvement in the economic scenario, there have been investments across various sectors of the economy. The private equity - venture capital (PE-VC) sector recorded investments worth US\$ 5.8 billion across 117 deals in February 2022, 24% higher than in January 2022.
- According to the Department for Promotion of Industry and Internal Trade (DPIIT), FDI equity inflow in India stood at US\$ 572.80 billion between April 2000-December 2021.

Management Discussion and Analysis (contd.)

From the fledgling one million tonne capacity status at the time of independence, India has now risen to be the 2nd largest crude steel producer in the world and the largest producer of sponge iron. From a negligible global presence, the Indian steel industry is now globally acknowledged for its product quality. As it traversed its long history since independence, the Indian steel industry has responded to the challenges of the highs and lows of business cycles.

Crude Steel Production : Top 10 Countries (January-December, 2021)

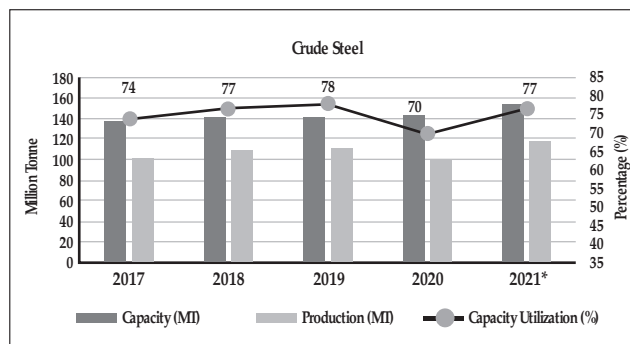
Rank	Country	Qty. (In Million Tonne)*	% Change over 2020
1.	China	1032.8	(-) 3.0
2.	India	118.1	17.8
3.	Japan	96.3	14.9
4.	United States	86.0	18.3
5.	Russia	76.0	6.1
6.	South Korea	70.6	5.2
7.	Turkey	40.4	12.7
8.	Germany	40.1	12.3
9.	Brazil	36.0	14.7
10.	Iran	28.5	(-) 1.8

Source: World Steel Association; *Provisional

Indian Steel Sector has brought a new hope in Indian economy considering production of steel product as well as employment generation. Data on crude steel production, capacity and capacity utilization during the last five years is given in the table below:-

Year	Crude Steel		
	Capacity (MT)	Production (MT)	Capacity Utilisation (%)
2017	137.975	101.455	74
2018	142.236	109.250	77
2019	142.299	111.344	78
2020	143.914	100.256	70
2021*	154.269	118.134	77

Source: JPC; *Provisional (January-December, 2021)



- Crude Steel production grew from 101.455 MT in 2017 to 118.134 MT in 2021.
- The growth in production was driven by capacity expansion, from 137.975 Million Tonnes (MT) in 2017 to 154.269 MT in 2021, during this five-year period.
- Domestic consumption of Total Finished Steel (alloy + non-alloy) was at 106.134 MT in 2021 as against 88.679 MT in 2017.
- Export of Total Finished Steel (alloy + non-alloy) during 2021 stood at 12.799 MT as compared to 10.871 MT in 2017; import of Total Finished Steel (alloy + non-alloy) during the same year stood at 5.001 MT as compared to 7.828 MT in 2017.
- India was a net exporter of Total Finished Steel in 2021.

Opportunities, threats, risks and concern

Opportunities

Steel is crucial in the development of the infrastructure of any economy. Steel is a commodity that is used in our day-to-day life. It is used in constructing homes we live in, the cars we drive, the utensils we eat in, etc. Steel finds usage in various sectors including construction and infrastructure, engineering, automobiles, etc. It is an important engineering and construction material. Steel is widely used all around the world because of its strength and it can be recycled over and over again without loss of its property.

The steel industry derives its demand from other important sectors like infrastructure, aviation, engineering, construction, automobile, etc.

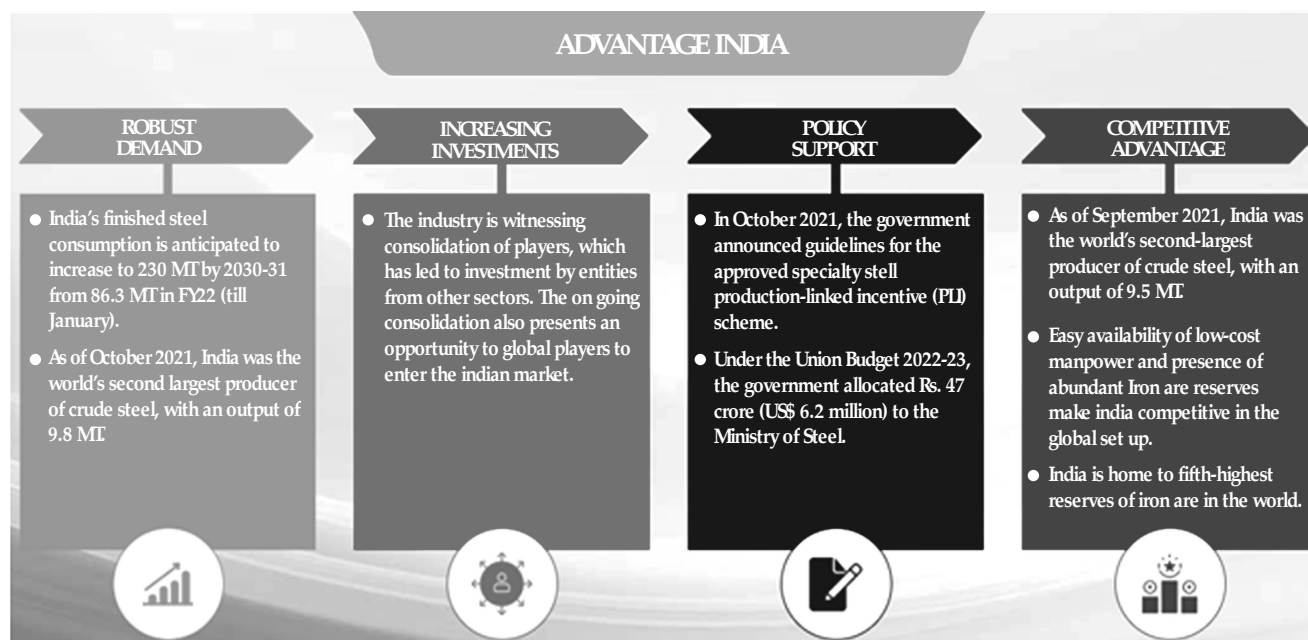
- **Capital Goods:-** The capital goods sector accounts for 11% of steel consumption and is expected to increase 14-15% by FY2025-26 and has the potential to increase in tonnage and market share.
- **Automotive Industry:-** The Automotive industry accounts for around 10% of demand of steel in India. It is forecasted to grow in size to US\$ 260-300 billion by 2026. Demand from the sector for steel is expected to be robust.

Management Discussion and Analysis (contd.)

- **Infrastructure sector:-** The Infrastructure sector accounts for 9% of steel consumption and expected to increase 11% by FY2025-26. Because of rising investments in infrastructure, the demand for long steel products would increase in the years ahead.
- **Railways:-** laying of tracks and construction of foot over

bridges, rail coaches, railway stations will also drive the steel demand.

- **Airport :-**The number of operational airports stood at 103 as on 31st March 2019. Under union budget 2020, Government is targeting 100 more airports by FY2024. Development of new airports in Tier-II city would sustain consumption growth.



Source :www.ibef.org

Threats, risks and concern

The industry operates in a dynamic environment which not only provides opportunities but also exposes the business to various risks.

The world economy continues to suffer from a series of destabilizing shocks. After more than two years of pandemic, the Russian Federation's invasion of Ukraine and its global effects on commodity markets, supply chains, inflation, and financial conditions have steepened the slowdown in global growth.

Elevated inflation is expected to persist longer, with ongoing supply chain disruptions and high energy prices continuing in 2022. Risks to the global baseline are tilted to the downside which is primarily brought by the new COVID-19 variant which may prolong the pandemic and induce renewed economic disruptions. Moreover, supply chain disruptions, energy price volatility, and localized wage pressures have enhanced the uncertainty around inflation and policy paths. Other global risks may crystallize with the surging geopolitical tensions, and the ongoing adverse climate conditions leading to the probability for natural disasters.

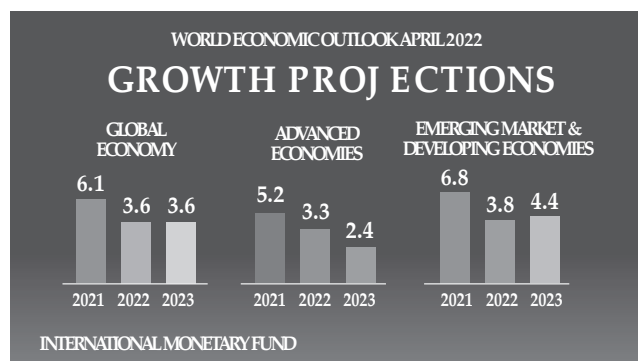
The export duty, imposed to check rising inflation in the country, has resulted in volatile steel prices in the domestic market. Most domestic steel makers are under margin pressure due to rise in input cost and are concerned with the availability of raw materials. Anticipated high interest rates might limit the growth in private demand. The industry still has huge dependence on imported coking coal, low production efficiency, inadequate infrastructure & technology. The steel industry is challenged by dwindling investments, turbulence in the financial market and geopolitical conflicts in many developing regions.

Outlook

Global growth is projected to slow-down from an estimated 6.1% in 2021 to 3.6% in 2022—0.8 percentage-point lower than what was envisioned in the last World Economic Outlook (WEO) of January 2022, largely reflecting forecast markdowns in USA and China. In USA, a revised assumption of removing the Build Back Better fiscal policy package from the baseline, earlier withdrawal of monetary accommodation, and continued supply shortages have induced a downgrade in the outlook by 1.2 percentage-points. In China, pandemic-induced disruptions related to the zero-tolerance COVID-19

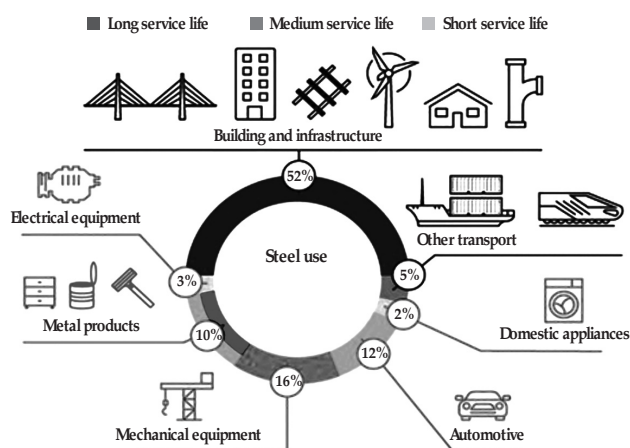
Management Discussion and Analysis (contd.)

policy and protracted financial stress among property developers have induced a 0.8 percentage-point downgrade. Global growth is expected to slow down to 3.6% in 2023.



As populations grow and nations around the world seek to improve their standards of living, it is inevitable that the demand for steel will increase. Steel is critical simply because no other material has the same unique combination of strength, formability and versatility. New generations of steel continue to be developed that make it possible for manufacturers and builders to implement durable, lightweight designs.

Without being aware of it, society now depends on steel. Humankind's future success in meeting challenges such as climate change, poverty, population growth, water distribution and energy limited by a lower carbon would depends on applications of steel.



As per world steel association, despite the sporadic COVID infection waves and the manufacturing sector's supply chain constraints, steel demand recovered strongly in 2021, especially in the EU and the US. However, the outlook for 2022 has weakened due to inflationary pressure, which is further reinforced by the events surrounding Ukraine. The impact of the war will be particularly pronounced in the EU due to

its high dependence on Russian energy and refugee inflows. Steel demand in the developed world is forecast to increase by 1.1% and 2.4% in 2022 and 2023 respectively, after recovering by 16.5% in 2021.

Worldsteel forecasts that steel demand will grow by 0.4% in 2022 to reach 1,840.2 Mt after increasing by 2.7% in 2021. In 2023 steel demand will see further growth of 2.2% to reach 1,881.4 Mt.

Product wise Performance Analysis

Jai Balaji is an integrated steel manufacturer with five units in three mineral-rich states of eastern India; Your Company's cumulative product wise actual production details are given hereunder:

The actual production of Sponge Iron was 2,14,563 MT during the year 2021-22 as compared to 2,08,621 MT during the year 2020-21. For Pig Iron, the actual production was 4,38,461 MT and 3,62,551 MT during the year 2021-22 and 2020-21 respectively. The actual production of Steel Bars/Rods was 1,57,132 MT during the year 2021-22 as compared to 1,11,216 MT during the year 2020-21. For Billet/MS Ingot, the actual production was 1,01,778 MT and 1,03,708 MT during the year 2021-22 and 2020-21 respectively. The actual production of Ferro Alloys was 1,05,698 MT during the year 2021-22 as compared to 75,177 MT during the year 2020-21 (Ferro Alloy Included third party Conversion production of 13518 MT (18550 MT) HC Ferro Chrome). In case of Ductile Iron Pipe, the actual production was 1,53,839 MT and 1,24,968 MT during the year 2021-22 and 2020-21 respectively. For Sinter, the actual production was 6,12,443 MT and 5,13,120 MT during the year 2021-22 and 2020-21 respectively. The actual production of Coke was 2,96,523 MT during the year 2021-22 as compared to 2,96,523 MT during the year 2020-21.

Financial Performance

The Standalone & Consolidated Revenue of the Company (comprising of sales and other income) for the financial year under review is Rs. 4,67,339.37 lacs as compared to Rs. 2,79,600.86 lacs during the previous financial year.

The Company has made net profit of Rs. 4,806.55 lacs during the F.Y. 2021-22 as compared to a net loss of Rs. 7,581.88 lacs during the F.Y. 2020-21.

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. 58 of the notes of Financial Statement provided in this Annual Report.

Internal Control Systems and their Adequacy

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



Management Discussion and Analysis (contd.)

the size, scale and complexity of its operations to ensure orderly and efficient conduct of its business including adherence to corporate policies, safeguarding of assets, prevention of frauds and errors, accuracy and completeness of accounting records and preparation of reliable financial information.

The Internal Audit functions serve to provide independent and objective assurance on the adequacy and effectiveness of the organisation's risk management, control and governance processes and assesses opportunities for improvement in business processes, systems and controls and provides recommendations designed to add value to the organisation and follows up on the implementation of the agreed audit committee recommendations.

The Company has an Audit Committee to continuously monitor the adequacy and effectiveness of the internal control environment across your company. The Audit Committee of your Company comprises of eminent professionals who are well versed with the financial management. The Internal Auditor submits detailed reports periodically to the management and the Audit Committee. The Management makes it a point that the Internal Control is brought under regular review and evaluations in consultation with the Internal Auditor. The Audit Committee actively reviews the adequacy and effectiveness of the internal audit functions of the 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.

Human Resource

Jai Balaji believes in the values of "human resources" and realises its significance in the business success. The Company is dedicated to have an optimum level of human resource and believes in the concept of right talent at the right job since it considers human capital to be the most valuable asset of your Company. We nurture our human resource and provide them a growth oriented and challenging work environment thereby achieving our organisational goals. Human Resources development practices in your company are guided by the principles of consistency and fairness in order to ensure a productive and innovative work place.

The Company is proud to have a talented pool of around 3183 employees as on 31st March, 2022 which comprises professionals from diverse backgrounds like finance, taxation, law, management, engineering etc. The industrial relations in your Company continue to be healthy and cordial.

The Company is encouraging them to discover and realize their true potential. Acquiring diverse experiences, accomplishing challenging tasks and continually learning and up skilling is enabling them to deliver their best. By identifying, developing and nurturing quality talent at every stage of the employee lifecycle, the company is empowering them to become future ready and build rewarding careers. Future ready trails of agility, digital mindset and customer centricity are being consciously imbibed, both in thought and action, at every level across the organization. Richer collaborations and stronger teamwork have accelerated our pursuit of excellence.

Despite the pandemic bringing new challenges before the Company, it continued to evolve its people practices in supporting its employees through the challenging times. The Company has undertaken vaccination of its workforce and their family members to ensure employee safety & wellbeing.

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 : 13th August, 2022

INDEPENDENT AUDITOR'S REPORT

To The Members of JAI BALAJI INDUSTRIES LIMITED

Report on the audit of the Standalone Financial Statements

Qualified 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, 2022, 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, "except for the effects of the matter described in the *Basis for Qualified Opinion section*" of our report, 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, 2022, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Qualified Opinion

The Company has not provided for interest amounting to Rs. 1,57,680.94 Lacs of which Rs. 29,938.85 Lacs pertains to the current financial year on various loans and credit facilities availed from banks and financial institution on the ground that same is being treated as Non-Performing Assets by the lenders. Due to this reason, Profit for the current financial year has been overstated by Rs. 29,938.85 Lacs and accordingly loss for the year ended 31st March, 2022 would have been Rs. 25,132.30 Lacs instead of the profit of Rs. 4,806.55 Lacs. Further, due to this, the Reserves and Surplus of the company would have been at a negative balance of Rs. 3,35,001.18 Lacs.

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.

Material uncertainty related to going concern

Based on the audit evidence obtained, we draw attention that as of that date, the company's current liabilities exceeded its current assets by Rs. 2,75,349.03 Lacs, which signifies that the wealth of the company has been completely eroded. Thus, this cast significant doubt on entity's ability to continue as a Going Concern. However, the financial statements of the Company have been prepared on a going concern basis because the management is confident that the improvement in market scenario will help in improving the financial health of the company and accordingly Deferred Tax Assets amounting to Rs. 29,085.14 Lacs created up to 31st March 2015 have been carried forward. Our opinion is not modified in respect of this matter.

Emphasis of Matter

1. We also draw attention to Note No.20 of the accompanying Standalone Financial Statements in respect of treatment in the books of accounts of the assignment /settlement of Debts of various Banks and the Financial Institutions. Our report is not modified in respect of this matter.
2. We draw attention to Note No. 60 to the 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. Our report is not modified in respect of this matter.
3. We draw attention to Note No. 63 to the financial statement which describes the uncertainties and potential impact of the Covid -19 pandemic on the Company's operations and results as assessed by the management, for which a definitive assessment of the impact in the subsequent period is highly dependent upon circumstances as they evolve. Our report is not modified in respect of this matter.
4. We draw attention to Note No. 39A to the financial statement in relation to provision of leave encashment which have not been evaluated by a certified and registered Actuarial Valuer as required under Ind AS 19 - "Employee Benefit". Our report is not modified in respect of this matter.
5. We draw attention to sub note 7 under Additional Disclosures to Note No. 20 to the financial statement in relation to One Time Settlement with Canara Bank resulting in a gain of Rs 2,070.11 lacs which was credited to Capital Reserve. Our report is not modified in respect of this matter



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.	LOAN classified as Non Performing Assets (NPA), transferred to ASSET RECONSTRUCTION COMPANIES (ARC)	OUR AUDIT PROCEDURES INCLUDE THE FOLLOWING:
	<p>(Refer Note 20 to the Standalone Financial Statements)</p> <p>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.</p> <p>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.</p> <p>iii) The Company has requested all lenders to allow a moratorium period for the payments or re-schedule/ restructure the payment of the instalments amount not paid and moratorium period or revised schedule is yet to be confirmed</p>	<p>We reviewed the correspondence of the company with the relevant Asset reconstruction companies and we have examined the agreement made with them.</p> <p>We reviewed the proposal of the company with the Bank.</p> <p>We obtained the understanding of these reconstruction schemes through meetings with management and review of the minutes of the Board of Directors.</p> <p>We reviewed the further correspondences of the Company with the relevant Banks/ ARC's.</p>
2.	THE COMPANY'S EXPOSURE TO LITIGATION RISK	OUR AUDIT PROCEDURES INCLUDE THE FOLLOWING:
	<p>(Refer Note 35A to the Standalone Financial Statements)</p> <p>The Company has ongoing litigations with various authorities and third parties which could have a significant impact on the results, if the potential exposures were to materialise.</p> <p>The amounts involved are significant, and the application of accounting standards to determine the amount, if any, to be provided as a liability or disclosed as a contingent liability, is inherently subjective.</p> <p>Claims against the Company not acknowledged as debts are disclosed in the Financial Statements by the Company after a careful evaluation of the facts and legal aspects of the matters involved. The outcome of such litigation is uncertain and the position taken by management involves significant judgment and estimation to determine the likelihood and/or timing of cash outflows and the interpretation of preliminary and pending court rulings.</p>	<p>Obtained and read the Company's accounting policies in respect of claims, provisions and contingent liabilities to assess compliance with accounting standards.</p> <p>Assessed the design and implementation of the Company's controls over the assessment of litigations and completeness of disclosures. Supporting documentation were tested for the positions taken by the management, meetings conducted with legal counsel and/or legal team and minutes of Board and sub-committee meetings were reviewed, to test the operating effectiveness of these controls.</p> <p>Involved our tax specialists to assess relevant historical and recent judgements passed by the appropriate authorities in order to challenge the basis used for the accounting treatment and resulting disclosures.</p> <p>Additionally, considered the effect of new information in respect of contingencies as at April 1, 2021 to evaluate whether any change was required in the management's position on these contingencies as at March 31, 2022.</p> <p>Assessed in accordance with accounting standards, the provisions in respect of litigations and assessed disclosures relating thereto, including those for contingencies.</p>



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 Board's Report including Annexures to Board's Report and Shareholder's Information but does not include the Standalone Financial Statements and our auditor's report thereon. The Board's report including annexures to the Board's report and Shareholder's Information 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.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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 Statement of Cash Flow 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.

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.

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:
 - i. 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.
 - ii. 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.
 - iii. 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.
 - iv. 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.
 - v. On the basis of the written representations received from the directors as on 31st March 2022 taken on record by the Board of Directors, none of these directors is disqualified as on 31st March 2022 from being appointed as a director in terms of Section 164(2) of the act.
 - vi. 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.
 - vii. 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 the Company has not paid any remuneration to its directors during the year and it is in accordance with the provisions of section 197 of the Act.
 - viii. 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, as amended, in our opinion and to the best of our information and according to the explanations given to us:

- a) The Company has disclosed the impact of pending litigations on its financial position in Note 35A of the Standalone Financial Statements.
- b) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- d) 1) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in 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 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 what soever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- 2) The Management has represented, that, to the best of its knowledge and belief, 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;
- 3) 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 representation under sub-clause (i) and (ii) of Rule 11(e), as provided under (1) and (2) above contain any material misstatement.
- e) No dividend has been paid or declared by the company during the year.

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: May 27, 2022

Membership No: 009367

UDIN : 22009367AJSVVH2556

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)

- | | |
|---|--|
| <p>(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.</p> <p>(B) The Company has maintained proper records showing full particulars of intangible assets.</p> <p>(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 program of physical verification of Property, Plant and Equipment and right-of-use assets so to cover all the assets once every three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.</p> <p>(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, 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 Note 3 of the financial statements included under Property, Plant and Equipment are held in the name of the Company as at the balance sheet date.</p> <p>(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.</p> <p>(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, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.</p> <p>(ii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, inventory, other than the Stock-in-</p> | <p>Transit, the physical verification 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. No discrepancy of 10% or more in the aggregate for each class of inventory was noticed during such physical verification.</p> <p>(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 any working capital limits. Accordingly, Clause ii(b) of Paragraph 3 is not applicable.</p> <p>(iii) 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 made investment in, provided any guarantee or security, or granted any loans, or advances in the nature of loans secured or unsecured, to companies, firms, and Limited liability partnership or other parties during the year. Accordingly, clause (v) of paragraph 3 of the Order is not applicable.</p> <p>(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, the requirement to report on clause 3(iv) of the Order is not applicable to the Company.</p> <p>(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 from the public during the year. Accordingly, clause (v) of paragraph 3 of the Order is not applicable.</p> <p>(vi) According to the information and explanations given to us and on the basis of our examination of the Books of Accounts of the Company, 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.</p> <p>(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</p> |
|---|--|



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, 2022 for a period of more than six months from the date of becoming payable.

(b) According to the information and explanations given to us, there are no dues of GST, Provident fund, Employees' State Insurance, Income-tax, Sales tax, Service tax, Duty of Customs, Value added tax, Cess or other statutory dues which have not been deposited by the Company on account of disputes, except for the following:

Nature of Statute	Nature of dues	Period to which the matter pertains	Forum where matter is pending	Amount Demanded (in lacs)	Pre-Deposit	Net Amount
The Central Excise Act, 1944	Excise Duty	2003-04, 2006-07 to 2017-18	Central Excise and Service Tax Appellate Tribunal, Commissioner	19,302.29	133.97	19,172.47
The Goods and Service Tax Act, 2017	GST	2017-18 to 2021-22	High Court (Kolkata, Bhilai), Commissioner (Appeal), West Bengal Appellate & Revisional Board	853.98	0.00	853.98
Customs Act, 1962	Custom Duty	2009-10 to 2012-13, 2017-18, 2018-19	Central Excise and Service Tax Appellate Tribunal, Commissioner	1,182.26	23.43	1,158.83
The Income Tax Act, 1961	Income Tax	2009-10	DCIT/CIT(A)	6.85	0.00	6.85
The Finance Act, 1994	Service Tax	2003-04 to 2017-18	Central Excise and Service Tax Appellate Tribunal, Commissioner, High Court (Kolkata)	1,142.03	21.55	1,120.48
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	1,126.38	36.53	1,089.85
Entry Tax Act, 1976	Entry Tax	2012-13 to 2017-18	W.B.C.T. Appellate & Revisional Board	4,204.34	15.33	4,189.01

(viii) According to the information and explanations given to us and on the basis of our examination of the Books of Accounts 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 Accounts 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 except the following where the repayment terms are not defined.

Nature of the Borrowing	Name of the Lender	Amount not paid on due date (in lacs)	Whether Principal or interest	No. of days delay or unpaid	Remarks, if any
Rupee Loan	Omkara Assets Reconstruction Pvt Ltd.	1,44,854	Principal	--	On account of non-finalization of repayment and restructuring terms, calculation of delay of days has not been considered
Rupee Loan	Atirath Commercial Pvt Ltd.	538	Principal	--	On account of non-finalization of repayment and restructuring terms, calculation of delay of days has not been considered

- (b) According to the information and explanations given to us and on the basis of our examination of the Books of Accounts 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 Accounts 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 Accounts of the Company, on an overall examination of the financial statements 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. Accordingly, clause 3(ix)(d) of the Order is not applicable.
- (e) According to the information and explanations given to us and on the basis of our examination of the Books of Accounts 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. Accordingly, clause 3(ix)(e) of the Order is not applicable.
- (f) According to the information and explanations given to us and on the basis of our examination of the Books of Accounts of the Company, the company has not raised loans during the year on the pledge of securities held in its subsidiaries as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(f) of the Order is not applicable.
- (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) According to the information and explanations given to us and on the basis of our examination of the Books of Accounts of the Company, the company has not made preferential allotment or private placement of optionally convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- (xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- (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.
- (c) We have taken into consideration the whistle blower complaints received by the Company during the year (and up to the date of this report), while determining the nature, timing and extent of our audit procedures.
- (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) In our opinion and according to the information and explanations given to 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. Accordingly, clause (xv) of paragraph 3 of the Order is not applicable.
- (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, it has come to our attention, which causes us to believe that material uncertainty, as mentioned in the "Material Uncertainty Related to Going Concern" paragraph of our report, 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 not get discharged by the Company as and when they fall due.

- (xx) In our opinion and according to the information and explanations given to us, there are no amount required to be spent towards Corporate Social Responsibility (CSR). Accordingly, reporting under clause 3(xx)(a) and 3(xx)(b) of the Order is not applicable for the year.

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: May 27, 2022

Membership No: 009367

UDIN : 22009367AJSVVH2556

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 ('the Company') as of 31st March 2022 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 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.

Auditors' 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 Standalone 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 Company.

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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the Standalone 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 31st March, 2022, 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: May 27, 2022

Membership No: 009367

UDIN : 22009367AJSVVH2556



Balance Sheet as at March 31, 2022

(₹ in lacs)

Particulars	Notes	As at March 31, 2022	As at March 31, 2021
A. ASSETS			
1. Non Current Assets			
(a) Property, Plant and equipment	3	116,006.03	117,657.66
(b) Right-of use asset	3A	456.01	464.68
(c) Capital Work in Progress	4	5,225.00	10,174.71
(d) Intangible Assets	4A	42.64	24.76
(e) Intangible Assets Under Development	5	--	20.80
(f) Financial Assets			
i) Investments	6	116.44	116.44
ii) Others Financial Assets	7	4,236.77	4,193.28
(g) Deferred Tax Assets (Net)	8	29,085.14	29,085.14
(h) Other Non Current Assets	9	12,572.73	8,808.24
Total Non-Current Assets		167,740.76	170,545.71
2. Current Assets			
(a) Inventories	10	75,802.74	69,916.49
(b) Financial Assets			
i) Trade Receivable	11	15,613.83	24,400.99
ii) Cash and cash equivalents	12	1,319.67	2,562.19
iii) Bank balance (other than Cash and cash equivalents)	13	889.63	15.50
iv) Loans	14	296.27	264.46
v) Others Financial Assets	15	2,819.68	2,660.23
(c) Other Current Assets	16	32,440.23	30,265.76
Total Current Assets		129,182.05	130,085.62
TOTAL ASSETS		296,922.81	300,631.33
B. EQUITY AND LIABILITIES			
1. Equity			
(a) Equity Share Capital	17	11,045.03	11,045.03
(b) Other Equity	18	(177,320.24)	(184,344.78)
Total Equity		(166,275.21)	(173,299.75)
2. Liabilities			
i) Non Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	19	58,608.06	57,811.73
(ia) Lease Liabilities	19A	58.88	58.89
Total Non-Current Liability		58,666.94	57,870.62
ii. Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	20	258,250.97	285,479.94
(ia) Lease Liabilities	19A	10.13	10.13
(ii) Trade Payables	21		
a) Total outstanding dues of micro and small enterprises		920.53	670.80
b) Total outstanding dues of creditors other than micro and small enterprises		80,948.89	74,362.06
iii) Others	22	18,520.42	21,884.41
(b) Other Current Liabilities	23	44,989.22	32,717.70
(c) Provision	24	890.92	935.42
Total Current Liability		404,531.08	416,060.46
TOTAL EQUITY AND LIABILITIES		296,922.81	300,631.33
Significant Accounting Policies	2		
The accompanying notes are an integral part of the financial statements.	3 - 66		

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 : 27th May, 2022

Sd/-

Aditya Jajodia

Chairman & Managing

Director

DIN : 00045114

Sd/-

Sanjiv Jajodia

Wholtime Director & Chief

Financial Officer

DIN : 00036339

Sd/-

Rajiv Jajodia

Director

DIN : 00045192

Sd/-

Ajay Kumar Tantia

Company Secretary

Statement of Profit and Loss for the year ended March 31, 2022

(₹ in lacs)

Particulars	Notes	Current year ended March 31, 2022	Previous year ended March 31, 2021
INCOME			
I. Revenue from Operations	25	4,64,352.61	278,518.18
II. Other Income	26	2,986.76	1,082.68
III. Total Income (I +II)		<u>4,67,339.37</u>	<u>279,600.86</u>
IV. EXPENSES			
Cost of Materials Consumed	27	333,010.27	208,550.29
Purchase of Stock in Trade	28	1,001.45	1,716.95
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	29	(1,561.24)	(3,332.79)
Employee Benefits Expense	30	10,885.62	8,869.69
Finance Cost	31	9,870.33	8,803.77
Depreciation and Amortisation Expense	32	9,132.46	9,399.49
Other Expenses	33	100,193.93	53,175.33
Total Expenses (IV)		<u>462,532.82</u>	<u>287,182.73</u>
Profit / (Loss) before Tax (III-IV)		<u>4,806.55</u>	<u>(7,581.88)</u>
Tax Expenses:			
Current Tax		—	—
Deferred tax charge / (credit)	8	—	—
Total tax expense / (credit)		<u>—</u>	<u>—</u>
Profit/(Loss) for the year		<u>4,806.55</u>	<u>(7,581.88)</u>
Other Comprehensive Income:	34		
Items that will not be reclassified subsequently to profit & Loss			
Remeasurement (Gain)/Loss on net defined benefit Plans		137.74	55.00
		<u>137.74</u>	<u>55.00</u>
Total Comprehensive income for the year		<u>4,944.29</u>	<u>(7,526.88)</u>
Earnings per Equity Share (Nominal Value per Share ₹10)			
Basic EPS		4.35	(6.86)
Diluted EPS		4.35	(6.86)
Significant Accounting Policies	2		
The accompanying notes are an integral part of the financial statements.	3 - 66		

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 : 27th May, 2022

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
Director
DIN : 00045192

Sd/-
Ajay Kumar Tantia
Company Secretary

Statement of changes in equity for the year ended March 31, 2022

A. Equity Share Capital

i) Current 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

ii) Previous Reporting Period

(₹in lacs)

Balance as at April 1, 2020	Change in equity share capital due to prior period errors	Restated balance as at April 1, 2020	Change in equity share capital during the year	Balance as at March 31, 2021
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	Total
	Capital Reserve	Amalgamation Reserve	Securities Premium Account	General Reserve	Retained Earnings	Remeasurement Benefits		
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
Other comprehensive income for the year	-	-	-	-	10.14	137.74	-	147.88
Total comprehensive income for the year	-	-	-	-	4,816.69	137.74	-	4,954.44
Transfer to Retained Earnings	-	-	-	-	137.74	(137.74)	-	-
Term loan written back and transfer to capital reserve a/c	2,070.11	-	-	-	-	-	-	2,070.11
Balance as at 31.03.2022	8,478.61	4,400.00	52,206.00	10,325.00	(2,52,872.86)	-	143.01	(1,77,320.24)

ii) Previous Reporting Period

(₹in lacs)

Particulars	Reserve & Surplus						Equity Instrument through OCI	Total
	Capital Reserve	Amalgamation Reserve	Securities Premium Account	General Reserve	Retained Earnings	Remeasurement Benefits		
Balance as at April 1, 2020	6,408.50	4,400.00	52,206.00	10,325.00	(2,50,310.56)	-	143.01	(1,76,825.04)
Profit/(Loss) for the year	-	-	-	-	(7,581.88)	-	-	(7,581.88)
Other comprehensive income for the year	-	-	-	-	10.14	55.00	-	65.14
Total comprehensive income for the year	-	-	-	-	(7,571.74)	55.00	-	(7,516.74)
Transfer to Retained Earnings	-	-	-	-	55.00	(55.00)	-	-
Term loan written back and transfer to capital reserve a/c	2,070.11	-	-	-	-	-	-	-
Balance as at 31.03.2021	8,478.61	4,400.00	52,206.00	10,325.00	(2,57,827.30)	-	143.01	(1,84,344.78)

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 : 27th May, 2022

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

Director

DIN : 00045192

Sd/-

Ajay Kumar Tantia

Company Secretary

Cash Flow Statement for the year ended March 31, 2022

Particulars	(₹ in lacs)	
	Current year ended March 31, 2022	Previous year ended March 31, 2021
A. Cash Flow From Operating Activities		
Profit / (Loss) before Tax	4,806.55	(7581.88)
Adjustments For :		
Depreciation / Amortisation (Net)	9,132.46	9,399.49
(Profit)/Loss on Sale of Property, Plant & Equipment	54.61	106.28
Irrecoverable Debts and Advances Written off	3,255.60	102.19
Capital WIP and Pre operative Expenses Written Off	6,729.19	–
Liabilities no longer required written back	(2,659.89)	(861.99)
Interest on Term Loans and Others	9,604.97	8,747.61
Provision for doubtful advances	44.65	–
Allowance for expected credit losses	11,956.19	802.32
Prior Period Expenditure (net)	722.99	635.13
Miscellaneous Expenditure w/off	3.60	3.60
Financial Lease Payment	10.14	10.13
Remeasurement (Gain)/Loss on net defined benefit Plans	137.74	55.00
(Profit) / Loss on Foreign Exchange Fluctuations (Net)	173.10	(4.42)
Interest Income	(214.84)	(198.46)
Operating Profit / (Loss) Before Working Capital Changes	43,757.06	11,215.00
Movements in Working Capital :		
Decrease / (Increase) in Trade Receivables	9,366.87	11,232.52
Increase in Loans and Advances and Other Current / Non Current Assets	(4,875.37)	1,582.77
Decrease / (Increase) in Inventories	(5,886.26)	(12,057.59)
Decrease in Trade Payables, Other Liabilities and Provisions	4,182.69	2,410.70
Cash generated from Operating Activities	46,544.99	14,383.40
Direct Taxes paid (net of refunds)	(270.54)	(37.26)
Net Cash generated from Operating Activities (A)	46,274.45	14,346.14
B. Cash Flow From Investing Activities		
Purchase of Property Plant and Equipment	(12,731.79)	(4,216.58)
Proceeds from Sale of Property, Plant and Equipment	9.99	58.43
Proceeds from maturity of fixed deposits	150.90	40.89
Interest received	135.30	164.53
Net Cash generated/(used in) Investing Activities (B)	(12,435.60)	(3,952.73)

Cash Flow Statement for the year ended March 31, 2022 (Contd.)

Particulars	(₹ in lacs)	
	Current year ended March 31, 2022	Previous year ended March 31, 2021
C. Cash Flow From Financing Activities		
Proceeds (Repayment) from Non Current/ Current Borrowings	(6,008.66)	2,808.91
Repayment of Non Current / Current Borrowings	(18,925.57)	(6,131.79)
Financial Lease Payment	(10.14)	(10.13)
Interest Paid	(10,137.00)	(5,603.59)
Net Cash generated (used in) Financing Activities (C)	(35,081.37)	(8,936.60)
Net Increase / (Decrease) In Cash and Cash Equivalents (A+B+C)	(1,242.52)	1,456.81
Cash and Cash Equivalents as at the beginning of the year	2,562.19	1,105.38
Cash and Cash Equivalents as at the end of the year	1,319.67	2,562.19
Components of cash and cash equivalents		
Cash on hand	68.48	74.75
Cheques in hand	--	181.46
Balance with Scheduled Banks on:		
Current Account	1,250.30	2,177.98
Fixed Deposit Account	0.89	128.00
Cash and Cash Equivalents as at 31st March, 2022 (Refer Note 12)	1,319.67	2,562.19

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 : 27th May, 2022

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
Director
DIN : 00045192

Sd/-
Ajay Kumar Tantia
Company Secretary



Significant Accounting Policies and Notes to financial statements for the year ended March 31, 2022

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, Bentinck 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, 2022 were approved for issue by the Company's board of directors on 27th May, 2022.

2. Significant Accounting Policies

a. Basis of Preparation of financial statements

a) Statement of Compliance

These 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, to the extent applicable.

The MCA vide notification dated 24th March, 2021 has amended Schedule III to the Companies Act, 2013 in respect of certain disclosures Amendments are applicable from 1st April, 2021. The Company has incorporated the changes as per the said amendment in these financial statement and has also changed comparative numbers wherever it is applicable.

The company's financial statements upto the year ended 31st March 2022 were prepared in accordance with Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act.

This Note provides a list of the significant accounting policies adopted in the preparation of these standalone financial statements. These policies have been consistently applied for the year ended 31st March, 2022.

b) Historical Cost Convention

Financial Statements have been prepared on historical cost basis except for the following items:

- i. Certain financial assets and liabilities (including derivatives instruments) - measured at fair value
- ii. Defined benefit plans - Plan assets are measured at fair value

b. 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 affects 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 in 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

Notes to financial statements for the year ended March 31, 2022 (Contd.)

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 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 Lease liabilities and Right of Use Asset (ROUA) Refer note "e". Estimation of Uncertainties relating to the global health pandemic from COVID-19**

The continuance of corona virus(COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. The Companies operations and revenue during the period were impacted due to COVID-19. However it has no further significant impact with respect to COVID-19 in preparation of the Audited Standalone Financial results.

c. 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.

d. 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 is measured at fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

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, dividend, income, gain/loss 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 and Merchandise Export from India Scheme(MEIS) are recognised on accrual basis.

C. Interest Income

Interest income is recognized using the effective interest rate(EIR) method.

e. Implementation of IND AS 116: Lease

The Company has adopted Ind AS 116-Leases effective

Notes to financial statements for the year ended March 31, 2022 (Contd.)

1st April, 2019, using the modified retrospective method. The Company has applied the standard to its leases with the cumulative impact recognized on the date of initial application (1st April, 2019). Accordingly, previous period information has not been restated.

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

- (i) The contract involves the use of an identified asset.
- (ii) The Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- (iii) The Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements. 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 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 the lease term and useful life of the underlying asset.

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. The 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.

f. 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. 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.

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: 15-25 years
- Computers: 3-6 years
- 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

Notes to financial statements for the year ended March 31, 2022 (Contd.)

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.

g. Intangible Assets

Purchase Software

Software licences are carried 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
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h. 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.

i. 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.
- 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.

j. 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.

k. 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. Chief operating decision making group consists of the Chairman & Managing Director and the CFO.

l. Cash and bank balances

Cash and bank balances consists of:

1. 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

Notes to financial statements for the year ended March 31, 2022 (Contd.)

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.

2. 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.

m. 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.

n. Leases

As a lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the company is classified as a finance lease.

Finance Leases

Assets held under finance leases are recognised as assets at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the statement of financial position 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 charged to the statement of financial performance.

Finance Leases-Lessee

Finance leases are recognised as assets and liabilities in the statement of financial position at amounts equal to the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation. The discount rate used in calculating the present value of the minimum lease payments is the interest rate implicit in the lease. Minimum lease payments are apportioned between the finance charge and reduction of the outstanding liability. The finance

charge is allocated to each period during the lease term so as to produce a constant periodic rate on the remaining balance of the liability. Any contingent rent is expensed in the period in which they are incurred.

o. 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.

p. Financial Instruments

Initial Recognition

The company 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 company commits to purchase or sell the asset.

Subsequent Measurement

a. 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

Notes to financial statements for the year ended March 31, 2022 (Contd.)

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 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 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 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 if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously. This legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business.

q. Impairment

- a. Financial assets

The company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL.

Notes to financial statements for the year ended March 31, 2022 (Contd.)

As a practical expedient, the company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed. Considering a provision discount rates for delay risk are as under:

Ageing Discount for Delay

0-6 months	5%
6-12 months	20%
12-24 months	40%
24-36 months	50%
Above 36 months	100%

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (Profit and Loss). This amount is reflected under the head 'other expenses' in the Profit and Loss.

ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the company does not reduce impairment allowance from the gross carrying amount.

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).

r. Foreign currencies

Items included in the financial statements are measured using the currency of the primary economic environment in which the company operates (the functional currency). The company's financial statements are presented in Indian rupee (INR), which is also the company's financial currency.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date.

Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined.

Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of transaction. Exchange differences are recognized in profit or loss, except exchange differences arising from the translation of the following items which are recognized in OCI:

- equity instruments at fair value through OCI (FVOCI);
 - a financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective; and
 - Qualifying cash flow hedges to the extent that the hedges are effective.
- a) Transactions in foreign exchange covered by forward contracts are accounted for at the contracted rates.
 - b) Transactions other than those covered by forward contracts are recognized at the exchange rates prevailing on the date of their occurrence.
 - c) Monetary assets and liabilities in foreign currency that are outstanding at the year end and not covered by forward contracts are translated at the year-end exchange rates.
 - d) The exchange differences arising from long term foreign currency monetary items relating to the acquisition of a depreciable asset are added to or deducted from the cost of the depreciable capital assets. Other exchange differences arising from long-term foreign currency monetary items are transferred to "Foreign currency monetary item translation difference account" to be amortized over the life of such monetary items but not beyond 31st March 2022. Other exchange differences are recognized as income or expense in the profit and loss account.

Notes to financial statements for the year ended March 31, 2022 (Contd.)

s. 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 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.

t. Employee benefits

i. Short term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employee's services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

ii. Post-employment obligations

The company operates the following post-employment schemes:

- (a) Defined benefit plans such as gratuity; and
- (b) Defined contribution plans such as provident fund

Gratuity obligations

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity 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 defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The benefits which are denominated in currency other than INR, the cash flows are discounted using market yields determined by reference to high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms approximating to the terms of the related obligation.

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. This cost is included in employee benefit expense in the statement of profit or loss.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Notes to financial statements for the year ended March 31, 2022 (Contd.)

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss as past service cost.

Defined contribution plans

The company pays provident fund contribution to publicly administered provident funds as per local regulations. The company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payment is available.

iii. Other long-term employee benefit obligations

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of 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 market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

iv. Bonus plans

The company recognizes a liability and an expense for bonuses. The company recognizes a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

v. Update on the Code on Social Security, 2020 ('Code')

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period when the Code becomes effective.

u. 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.

Notes to financial statements for the year ended March 31, 2022 (Contd.)

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

v. Recent accounting pronouncements

New and revised Indian Accounting Standards in issue but not yet effective:

Amendments to Ind AS 16 Property, Plant and Equipment.	Proceeds before Intended Use.
Amendments to Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets.	Determining costs to fulfil a contract.
Amendments to Ind AS 103 Business Combination.	Reference to the Conceptual Framework for Financial Reporting
Amendments to Ind AS 101 First - Time Adoption of Ind AS.	Subsidiary as a first-time adopter of Ind AS.
Amendments to Ind AS 109 Financial Instruments.	Fees in the '10 per cent' test for derecognition of financial liabilities.

Amendments to Ind AS 16 Property, Plant and Equipment:

On 23rd March, 2022 Ministry of Corporate Affairs (MCA) has issued amendments to Ind AS 16 Property, Plant and Equipment – Proceeds before Intended Use which amends that the excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment.

The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022, although early adoption is permitted. The Company has evaluated the amendment and the impact is not expected to be material.

Amendments to Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets:

On 23rd March, 2022 Ministry of Corporate Affairs (MCA) has issued amendments to Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets – Determining costs to fulfil a contract which clarifies the cost of fulfilling a contract comprises the costs that relate directly to the contract. Costs that relate directly to a contract consist of both-

- the incremental costs of fulfilling that contract – for example, direct labour and materials; and
- an allocation of other costs that relate directly to fulfilling contracts – for example, an allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling that contract among others.

It further amended that in Paragraph 69 the term 'dedicated to that contract' has been replaced to 'used in fulfilling the contract' which clarifies that the requirement to recognise any impairment loss before establishing on onerous contract provision applies to all the assets whose cost would be considered in assessing whether the contract is onerous.

The amendments apply for annual reporting periods beginning on or after 1st April, 2022 to contracts existing at the date when the amendments are first applied.

At the date of initial application, the cumulative effect of initially applying the amendments is recognised as an opening balance adjustment to retained earnings or other component of equity, as appropriate. The Company has evaluated the amendment and the impact is not expected to be material.

Amendments to Ind AS 103 Business Combination:

On 23rd March, 2022 Ministry of Corporate Affairs (MCA) has issued amendments to Ind AS 103 Business Combination which have substituted the reference to the Framework for Preparation and Presentation of Financial Statements with reference to the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework), without changing the accounting requirements for business combinations; wherein an exception has been added to the requirements of liabilities and contingent liabilities that would be within the scope of Ind AS 37 or Appendix C if incurred separately, and the requirements for contingent assets have been made explicit and clarify that replacing the reference to the Conceptual Framework does not change its principles.

The amendments apply for annual reporting periods beginning on or after 1st April, 2022 to contracts existing at the date when the amendments are first applied. The Company has evaluated the amendment and there is no impact on its condensed standalone financial statements.

Amendments to Ind AS 101 First - Time Adoption of Ind AS:

On 23rd March, 2022 Ministry of Corporate Affairs (MCA) has issued amendments to Ind AS 101 First - Time Adoption of Ind AS - Subsidiary as a first-time adopter of Ind AS that if a subsidiary, joint venture or associate

Notes to financial statements for the year ended March 31, 2022 (Contd.)

adopts Ind AS later than its parents and measure their assets and liabilities at the carrying amounts that would be included in the parent's consolidated financial statements, based on the parent's date of transition to Ind AS, then the subsidiary may elect to measure cumulative translation differences for all foreign operations at amounts included in the consolidated financial statements of the parent, based on the parent's date of transitions to Ind AS.

The amendments apply for annual reporting periods beginning on or after 1st April, 2022 to contracts existing at the date when the amendments are first applied. The Company has evaluated the amendment and there is no impact on its condensed standalone financial statements.

Amendments to Ind AS 109 Financial Instruments:

On 23rd March, 2022 Ministry of Corporate Affairs (MCA) has issued amendments to Ind AS 109 Financial Instruments - Fees in the '10 per cent' test for derecognition of financial liabilities which clarifies that for the purpose of performing the '10 per cent test' for derecognition of financial liabilities, in determining fees paid, the borrower includes amounts paid by the borrower to or on behalf of the lender, and fees received included amounts paid by the lender to or on behalf of the borrower.

The amendments apply for annual reporting periods beginning on or after 1st April, 2022 to contracts existing at the date when the amendments are first applied. The Company has evaluated the amendment and the impact is not expected to be material.

Notes to financial statements for the year ended March 31, 2022 (Contd.)

Note 3 : Property, plant and equipment

i) Current Reporting Period

Particulars	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	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	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
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	1,37,614.01
Depreciation for the period	—	1,171.45	323.62	7,054.63	472.44	5.60	88.01	0.05	9,115.80
Disposal/ Adjustment	—	—	—	129.62	26.84	—	—	—	156.46
Accumulated depreciation as on March 31, 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
Carrying value as on March 31, 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
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

ii) Previous Reporting Period

Particulars	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, 2020	4,103.89	40,592.62	4,354.18	1,77,161.80	24,283.63	132.87	1,127.06	120.38	2,51,876.42
Additions	—	186.73	—	3,444.53	153.65	11.39	90.53	—	3,886.83
Disposal/ Adjustments	—	—	—	434.69	56.89	—	—	—	491.58
Gross carrying value as on March 31, 2021	4,103.89	40,779.35	4,354.18	1,80,171.64	24,380.39	144.26	1,217.59	120.38	2,55,271.67
Accumulated depreciation as on April 1, 2020	—	12,846.64	3,083.74	90,417.81	21,049.57	108.02	937.68	114.12	1,28,557.58
Depreciation for the period	—	1,162.50	319.85	6,851.24	975.85	4.38	68.16	0.08	9,382.06
Disposal/ Adjustment	—	—	—	271.58	54.05	—	—	—	325.63
Accumulated depreciation as on March 31, 2021	—	14,009.14	3,403.59	96,997.47	21,971.37	112.40	1,005.84	114.20	1,37,614.01
Carrying value as on March 31, 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
Carrying value as on April 1, 2020	4,103.89	27,745.98	1,270.44	86,743.99	3,234.06	24.85	189.38	6.26	1,23,318.85

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 19 & 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 : 64 (g) for title deed disclosure.



Notes to financial statements for the year ended March 31, 2022 (Contd.)

Note 3A : The details of right-of use of assets held by the company is as follows:

		(₹ in lacs)
i) Current Reporting Period		
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
ii) Previous Reporting Period		(₹ in lacs)
Particulars		Leasehold Land
Gross carrying value as on April 1, 2020		871.86
Additions		-
Disposal		-
Gross carrying value as on March 31, 2021		871.86
Accumulated depreciation as on April 1, 2020		398.51
Depreciation for the period		8.67
Disposal/ Adjustment		-
Accumulated depreciation as on March 31, 2021		407.18
Carrying value as on March 31, 2021		464.68
Carrying value as on April 1, 2020		473.35

Net book value of leasehold land for the year ended March 31, 2022 were under finance lease

Note 4 : Capital Work-in-Progress and Pre-Operative Expenditure Pending Allocation

		(₹ in lacs)
Description	As at March 31, 2022	As at March 31, 2021
A. Capital Work-in-Progress		
Buildings	1,603.23	1,255.18
Road	50.52	193.00
Railway Siding	359.01	359.01
Plant and Machinery	10,179.66	5,780.42
Electrical Installations	913.06	617.16
Land	1,158.81	1,158.81
Sub Total	14,264.29	9,363.58
Less : Transferred to Fixed Assets	6,378.46	3,409.91
Less : Amount write off (Refer note below)	2,765.23	--
Total A :	5,120.60	5,953.67
B. Pre-operative Expenditure Pending Allocation		
Opening Balance	4,221.04	3,987.97
Additions		
Rent and Hire	4.29	2.30
Legal and Professional Charges	24.32	--
Miscellaneous Expenses	492.84	333.38
Sub Total	521.45	335.68
Less : Transferred to Fixed Assets	674.13	102.61
Less : Amount write off (Refer note below)	3,963.96	--
Total B :	104.40	4,221.04
Grand Total (A+B)	5,225.00	10,174.41

Notes to financial statements for the year ended March 31, 2022 (Contd.)

Ageing of Capital Work in Progress is as follows:

(₹ 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
Total	4,881.35	---	---	343.65	5,225.00

(₹ 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	1,888.25	962.59	109.32	6,870.90	9,891.06
Projects temporarily suspended	---	---	343.65	---	343.65
Total	1,888.25	962.59	452.97	6,870.90	10,174.71

Note: During the quarter and twelve months ended 31st March, 2022 the Company has written off Capital Work-in-Progress and Pre-operative expenses amounting to ₹ 6,729.19 lacs pertaining to abandoned and discontinued projects which is debited to Profit and Loss account.

Note 4A : Intangible Assets
i) Current Reporting Period

(₹ in lacs)

Particulars	Software
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

ii) Previous Reporting Period

(₹ in lacs)

Particulars	Software
Gross carrying value as on April 1, 2020	117.85
Additions	5.67
Disposal	—
Gross carrying value as on March 31, 2021	123.52
Accumulated depreciation as on April 1, 2020	90.00
Depreciation for the period	8.76
Disposal/Adjustment	—
Accumulated depreciation as on March 31, 2021	98.76
Carrying value as on March 31, 2021	24.76
Carrying value as on April 1, 2020	27.85

Notes to financial statements for the year ended March 31, 2022 (Contd.)

Note 5 : Intangible Assets Under Development

(₹ in lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Intangible Assets under development		
Software	20.80	20.80
Less : Amount write off	20.80	--
Total:	--	20.80

Ageing of Intangible Assets under development is as follows :

i) Current 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	--	--	--	--	--
Total	--	--	--	--	--

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	--	--	20.80	--	20.80
Total	--	--	20.80	--	20.80

Note 6 : Non Current Investment

(₹ in lacs)

Description	Face Value per Share	Number of Shares as at March, 2022	Number of Shares as at March, 2021	As at March 31, 2022	As at March 31, 2021
I Trade Investment					
Unquoted, Fully Paid up					
a Investment in Equity Shares					
i) In Subsidiary Companies					
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
ii) In Joint Venture Companies#					
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. Investment in Preference Shares					
i) In a Joint Venture Company#					
1% Redeemable Preference Shares of Rohne Coal Company Private Limited	10	2,363,914	2,363,914	23.64	23.64
				37.52	37.52
Aggregate Value of Investments					
- Quoted				-	-
- Unquoted				37.52	37.52

Refer note 50

(At Fair value through Other Comprehensive Income)


Notes to financial statements for the year ended March 31, 2022 (Contd.)

(₹ in lacs)					
Description	Face Value per Share	Number of Shares as at March, 2022	Number of Shares as at March, 2021	As at March 31, 2022	As at March 31, 2021
II Non Trade Investment					
Unquoted, Fully Paid up					
a. Investment in Equity Instruments					
Calcutta Stock Exchange Limited#	1	2,726	2,726	71.60	71.60
b. In Government Securities					
National Saving Certificate (Deposited with Third Parties)				7.32	7.32
				<u>78.92</u>	<u>78.92</u>
Aggregate Value of Investments					
- Quoted				-	-
- Unquoted				78.92	78.92
Market Price- Quoted				-	-
# 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, 2022	As at March 31, 2021
In Subsidiary Companies			
Jai Balaji Energy (Purulia) Limited	India	100%	100%
Jai Balaji Steels (Purulia) Limited	India	100%	100%
In Joint Venture Companies#			
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, 2022	As at March 31, 2021
Unsecured, considered good		
Security Deposits	3,668.79	2,636.95
[Net of Provision for Doubtful Advances of ₹ 34.65 lacs (₹ Nil)]		
Bank deposits with more than 12 months maturity	514.48	1,539.51
Interest Receivable on Deposits	53.50	16.82
Total	<u>4,236.77</u>	<u>4,193.28</u>

Notes

Fixed deposit amounting to **Rs. 514.48 Lacs** (₹ 1539.51 Lacs) are held as margin money

Notes to financial statements for the year ended March 31, 2022 (Contd.)

Note 8 : Deferred Tax Assets / (Liabilities) (Net)

(₹ in lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Deferred Tax Asset		
Unabsorbed Depreciation and carry forward Business Losses	69,276.81	74,956.37
Expenses Allowed On Payment Basis/Other Timing Differences	11,721.70	7,967.62
Sub Total (A)	80,998.51	82,923.99
Deferred Tax Liability		
Timing Difference on Depreciable assets	21,006.83	20,107.79
Sub Total (B)	21,006.83	20,107.79
Deferred Tax Assets / (Liabilities) (Net) (A-B)	59,991.68	62,816.20
Less: Deferred Tax Assets not recognised (refer note below)	(30,906.54)	(33,731.06)
Total	29,085.14	29,085.14

Note :

As the Company has made substantial losses for the past years as well as for this year, 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, 2022	As at March 31, 2021
Unsecured, considered good		
Capital Advances	7,855.82	4,087.73
Miscellaneous Expenditure	7.20	10.80
Mat Credit Entitlement	4,709.71	4,709.71
Total:	12,572.73	8,808.24

Note 10 : Inventories

(₹ in lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Raw Materials	51,943.99	48,647.23
[Including in transit ₹16,034.59 lacs (₹13,006.54 lacs)]		
Work - in - Process	1,088.96	1,299.62
Finished Goods	14,291.86	12,002.94
Stock-in-trade	110.79	21.49
Stores and Spares	6,663.40	5,635.15
[Including in transit ₹462.78 lacs (₹263.98 lacs)]		
By Products and Scrap	1,703.74	2,310.06
Total:	75,802.74	69,916.49

Note 11 : Trade Receivables

(₹ in lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Trade Receivables considered good (Unsecured)	15,613.83	24,400.99
Trade Receivable credit impaired	36,044.63	24,100.54
	51,658.46	48,501.53
Less: Allowance for credit Losses (Refer note below)	36,044.63	24,100.54
Total:	15,613.83	24,400.99

Notes to financial statements for the year ended March 31, 2022 (Contd.)

Ageing of Trade Receivables is as follows :

i) Current 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	—	—	—	—	—	—
Total	13,760.90	2,558.66	576.47	296.34	34,466.09	51,658.4

ii) Previous Reporting Period

(₹ in lacs)

Particulars	Outstanding for the year ended March 31, 2021 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)	9,419.90	534.54	1,019.61	13,426.94	—	24,400.99
(ii) Undisputed Trade receivables-credit impaired	—	—	—	—	24,100.54	24,100.54
(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	—	—	—	—	—	—
Total	9,419.90	534.54	1,019.61	13,426.94	24,100.54	48,501.53

Note:

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, 2022	As at March 31, 2021
Balance with Banks :-		
In Current Accounts	1,250.30	2,177.98
Bank Deposits with Original Maturity of Less than 3 months	0.89	128.00
Cash on hand	—	181.46
Cash in hand	68.48	74.75
Total:	1,319.67	2,562.19

Note 13 : Bank Balances (Other Than Cash and Cash Equivalents)

(₹ in lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Bank deposits with less than 12 months maturity	889.63	15.50
Total:	889.63	15.50

Notes : Fixed deposit amounting to ₹ 313.97 Lacs (₹ 15.50 Lacs) are held as margin money

Notes to financial statements for the year ended March 31, 2022 (Contd.)

Note 14 : Current Loans

(₹ in lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Loans receivable considered goods - Unsecured		
Advances recoverable in cash or in kind or for value to be received	296.27	264.46
[Net of Provision for Doubtful Advances of ₹ 10.00 lacs (₹ Nil)]		
Total:	<u>296.27</u>	<u>264.46</u>

Note 15 : Other Current Financial Assets

(₹ in lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Unsecured, considered good		
Security Deposits	2,781.92	2,639.94
Interest Receivable on Deposits	37.76	20.29
Total	<u>2,819.68</u>	<u>2,660.23</u>

Note 16 : Other Current Assets

(₹ in lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Advances recoverable in cash or kind		
Advances recoverable in cash or in kind or for value to be received	20,065.36	16,951.13
[Net of Provision for Doubtful Advances ₹764.38 lacs (₹764.38 lacs)]		
Other Loans and Advances		
Balance with Government Authorities	1,290.14	790.97
Advance income tax [Net of Provisions ₹ Nil (₹ Nil)]	685.81	389.88
Subsidies and Incentives Receivable	10,168.00	11,902.86
Sales Tax and Other Refunds Receivable	230.92	230.92
	<u>12,374.87</u>	<u>13,314.63</u>
Total:	<u>32,440.23</u>	<u>30,265.76</u>

Note 17 : Share Capital

(₹ in lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Authorised capital		
12,50,00,000 (12,50,00,000) Equity Shares of ₹ 10/- each	12,500.00	12,500.00
Issued, subscribed and fully paid-up capital		
11,04,50,286 (11,04,50,286) Equity Shares of ₹ 10/- each	11,045.03	11,045.03
Total:	<u>11,045.03</u>	<u>11,045.03</u>

Notes to financial statements for the year ended March 31, 2022 (Contd.)

Reconciliation of the number of shares

Equity Shares :

Particulars	As at March 31, 2022		As at March 31, 2021	
	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
At the end of the year	11,04,50,286	11,045.03	11,04,50,286	11,045.03

(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) Details of shareholders holding more than 5% shares in the Company

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	% holding in the class	No. of Shares	% holding in the class
Enfield Suppliers Ltd.	1,12,21,233	10.16	1,12,21,233	10.16
Hari Management Ltd.	70,44,000	6.38	70,44,000	6.38
Jai Salasar Balaji Industries (P) Ltd	2,51,15,157	22.74	2,51,15,157	22.74
Edelweiss Asset Reconstruction Co Ltd (for and on behalf of EARC trust SC 301)	80,05,706	7.25	80,05,706	7.25
Mahesh Kumar Keyal (HUF)	65,00,000	5.89	65,00,000	5.89
	<u>5,78,86,096</u>	<u>52.42</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.

(iii) Share holding of promoters

The details of the shares held by promoters are as follows:

	As at March, 31, 2022			As at March, 31, 2021		
	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	35,44,576	3.21	-	35,44,576	3.21	-
2 Sanjiv Jajodia	27,79,433	2.52	-	27,79,433	2.52	-
3 Rajiv Jajodia	15,68,333	1.42	-	15,68,333	1.42	-
4 Aashish Jajodia	7,94,366	0.72	-	7,94,366	0.72	-
5 Preeti Kankaria	4,35,301	0.39	-	4,35,301	0.39	-
6 Sangeeta Jajodia	2,93,333	0.27	-	2,93,333	0.27	-
7 Devendra Prasad Jajodia	2,60,000	0.24	-	2,60,000	0.24	-
8 Seema Jajodia	2,18,833	0.20	-	2,18,833	0.20	-
9 Rina Jajodia	1,63,666	0.15	-	1,63,666	0.15	-
10 Kanchan Jajodia	1,34,383	0.12	-	1,34,383	0.12	-
11 Gaurav Jajodia	1,19,666	0.11	-	1,19,666	0.11	-
12 Vedang Jajodia	1,05,550	0.10	-	1,05,550	0.10	-
13 Shashi Devi Jajodia	95,883	0.09	-	95,883	0.09	-
14 Jai Salasar Balaji Industries Pvt Ltd	2,51,15,157	22.74	-	2,51,15,157	22.74	-
15 Enfield Suppliers Ltd	1,12,21,233	10.16	-	1,12,21,233	10.16	-
16 Hari Mngement Ltd	70,44,000	6.38	-	70,44,000	6.38	-
17 K.D.Jajodia Steel Industries Pvt Ltd	24,10,333	2.18	-	24,10,333	2.18	-
	<u>5,63,04,046</u>	<u>50.98</u>	<u>-</u>	<u>5,63,04,046</u>	<u>50.98</u>	<u>-</u>

Notes to financial statements for the year ended March 31, 2022 (Contd.)

Note 18 : Other Equity

i) Current Reporting Period

(₹ in lacs)

Particulars	Reserve & Surplus						Equity Instrument through OCI	Total
	Capital Reserve	Amalgamation Reserve	Securities Premium Account	General Reserve	Retained Earnings	Remeasurements Benefits		
Balance at the beginning of the year	6,408.49	4,400.00	52,206.01	10325.00	(257,827.28)	-	143.01	(184,344.78)
Profit / (Loss) for the year	-	-	-	-	4,806.55	-	-	4,806.55
Remeasurements of the net defined benefit plans	-	-	-	-	-	137.74	-	137.74
Total comprehensive income for the year	-	-	-	-	4,806.55	137.74	-	4,944.30
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
	2,070.11	-	-	-	147.88	(137.74)	-	2,070.11
Balance at the end of the year	8,478.60	4,400.00	52,206.01	10,325.00	(252,872.85)	-	143.01	(177,320.24)

ii) Previous Reporting Period

(₹ in lacs)

Particulars	Reserve & Surplus						Equity Instrument through OCI	Total
	Capital Reserve	Amalgamation Reserve	Securities Premium Account	General Reserve	Retained Earnings	Remeasurements Benefits		
Balance at the beginning of the year	6,408.50	4,400.00	52,206.01	10325.00	(250,310.55)	-	143.01	(176,828.04)
Profit / (Loss) for the year	-	-	-	-	(7,581.88)	-	-	(7,581.88)
Remeasurements of the net defined benefit plans	-	-	-	-	-	55.00	-	55.00
Total comprehensive income for the year	-	-	-	-	(7,581.88)	55.00	-	(7,527.20)
Transfer to retained earnings	-	-	-	-	65.14	(55.00)	-	10.14
	-	-	-	-	65.14	(55.00)	-	10.14
Balance at the end of the year	6,408.50	4,400.00	52,206.01	10,325.00	(257,827.29)	-	143.01	(184,344.78)

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 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.

(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.


Notes to financial statements for the year ended March 31, 2022 (Contd.)
Note 19 : Non Current Borrowings
(₹ in lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
(Secured, unless otherwise stated)		
Rupee Loan ARC (Refer Note 20)	50,890.19	50,665.56
Unsecured Loan:		
Debentures	7,717.87	7,146.17
Zero Coupon Non Convertible Debentures (Refer Note below)		
Total:	58,608.06	57,811.73

Notes:

- 1) The Company has issued 87,39,685 Zero Coupon Unsecured Unlisted Non Convertible Debentures at a price of ₹100 each. The Debenture shall be redeemable at par within three months from the expiry of twelve years from the date of allotment i.e 14th November, 2015.
- 2) Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the statement of profit and loss over the period of the borrowings using the effective interest method.

Note 19A : Lease Liabilities
(₹ in lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current Lease Liability	58.88	58.89
Current Lease Liability (Refer Note 37)	10.13	10.13
Total:	69.01	69.02

Note 20 : Current Borrowings
(₹ in lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
(Secured, unless otherwise stated)		
Term Loans:		
Rupee Loan from Financial Institutions	537.16	537.16
Rupee Loan from Bodies Corporate (Unsecured)	797.25	797.25
Rupee Loan ARC	2,26,590.80	245,741.00
Loan Repayable on Demand		
From Banks		
- Demand loan/Cash Credits	20,068.76	29,997.53
- From Bodies Corporate (Unsecured)	10,257.00	8,407.00
Total:	258,250.97	285,479.94

Note:
1. Rupee Loan from Banks and Financial Institution and Assets Reconstruction Company

- a). Rupee Term Loan from Banks and ARC are secured by 1st charge over the entire fixed assets(both present and future) and 2nd 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.

Notes to financial statements for the year ended March 31, 2022 (Contd.)

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. Rupee Loan repayable on Demand

a. Secured Loan

On the approach of the company, rupee term loan from Union Bank of India (erstwhile Corporation Bank) and Punjab National Bank (erstwhile Oriental Bank of Commerce) has been settled through one time settlement scheme. On the approval of one time settlement, the entire liabilities of both banks is consider under the current maturity and the same has been classified under Loans Repayable on Demand from Banks.

The above facilities 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

b. Unsecured Loan

- 1 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 Axis 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, the Company entered into a restructuring agreement with Edelweiss Asset Reconstruction Company Limited (Edelweiss ARC) and agreed for the repayment of loan by September 2025. Hence, the Company has made regular payment to Edelweiss Asset Reconstruction Company Limited as per the repayment schedule. Up to the Balance Sheet date ₹ 26,822.00 lacs has been paid against the total outstanding loan liability.
- 2 Bank of India have assigned their debts to Edelweiss Asset Reconstruction Company Limited. For repayment of said debts, the Company entered into a restructuring agreement with Edelweiss Asset Reconstruction Company Limited (Edelweiss ARC). As per the restructuring terms, the Company has made payment on regular basis to Edelweiss Asset Reconstruction Company Limited.
- 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 along with all their rights, title and interest in the financing documents, all agreements, deeds and documents related thereto and all primary and collateral and underlying security interests and /or pledges created to secure and /or guarantees issued in respect of the repayment of the loans for valuable consideration to the Omkara Assets Reconstruction Private Limited (Omkara ARC). On account of non-finalization of repayment and restructuring terms, ₹32,326.74 lacs paid to the said ARC up to the balance sheet dates, has been reduced from the loan balance of the respective bank.
- 4 Punjab National Bank (erstwhile Oriental Bank of Commerce) has approved a One Time settlement offer to the company against their combined dues of Punjab National Bank and Oriental Bank Commerce entire dues. During the period under review, Company has paid ₹10,736.00 lacs as per the restructured repayment plan of the said OTS up to 31st March 2022.
- 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 Privated Limited. However, repayment, restructuring or settlement with Atirath Commercial Private Limited for said debt is still pending.
- 6 During the period under review, Union Bank of India (erstwhile Corporation Bank), has approved One Time settlement offer to the company against their entire dues to the company. Company has already paid ₹600.00 lacs as per the restructured repayment plan of the said OTS up to 31 st March 2022.
- 7 During the period under review, Canara Bank has approved one time settlement offer to the company against their entire dues and company has subsequently paid the entire OTS amount of ₹ 1,260.00 lacs up to 31 st March 2022. On completion of the OTS payment, Canara Bank issued no dues certificate to the company after which company has paid off and transferred the balance liability of ₹2,070.11 lacs to Capital Reserve.

Notes to financial statements for the year ended March 31, 2022 (Contd.)

- 8 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	Payment Upto	Status	Default
Edelweiss Asset Reconstruction Company Limited	1,49,933.00	26,822.00	Restructured	No Default
Edelweiss Asset Reconstruction Company Limited	12,720.00	4,070.00	Restructured	No Default
Omkara Assets Reconstruction Pvt. Ltd.	1,44,854.00	32,327.00		
Atirath Commercial Pvt. Ltd.	538.00	--	Not yet	Not Applicable
Punjab National Bank (Combined of Erstwhile Oriental Bank of Commerce & PNB)	28,944.00	10,736.00	Not yet	Not Applicable
Corporation Bank	2,152.00	600.00	OTS Restructured	No Default
Total	3,39,141.00	74,555.00	OTS Settled	No Default

9. In view of the above, pending finalization of any corrective action plan/restructure/settlement with those lenders/ ARCs, the Company has stopped providing interest accrued and unpaid with effect from 1st April, 2016 in its books. The amount of such accrued and unpaid interest not provided for the last year ended 31 st March, 2022 stands at ₹ 29,938.85 lacs (₹28,020.96 lacs). The accumulated interest not provided till 31st March, 2022 stands at ₹1,57,680.94 lacs. Accordingly, the same has not been considered for compilation of results of the said year ended 31st March, 2022. The Statutory Auditors have qualified their Audit Report in respect of this matter.

Note 21 : Trade Payable

(₹ in lacs)		
Particulars	As at March 31, 2022	As at March 31, 2021
Trade Payables		
-Dues to Micro enterprises and Small enterprises	920.53	670.80
-Other than Micro enterprises and Small enterprises	80,948.89	74,362.06
Total:	81,869.42	75,032.86

Ageing of Trade Payables is as follows :

i) Current 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	--	--	--	--	--
Total	63,160.56	2,306.61	3,099.93	13,302.31	81,869.42

Notes to financial statements for the year ended March 31, 2022 (Contd.)

ii) Previous Reporting Period

(₹ in lacs)

Particulars	Outstanding for the year ended March 31, 2021 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	663.07	6.39	1.27	0.08	670.80
ii) Others	51,624.92	4,561.18	10,162.34	8,013.62	74,362.06
iii) Outstanding dues to MSME - Disputed	--	--	--	--	--
iv) Others - Disputed	--	--	--	--	--
Total	52,287.98	4,567.57	10,163.61	8,013.70	75,032.86

Note:

Under the Micro, Small and Medium Enterprises Development(MSMED) Act,2006, certain disclosures are required to be made relating to Micro, Small and Medium Enterprises, In regard to this,the company has received intimation from various parties and details are given refer note no-40

Note 22 : Other Financial Liabilities

(₹ in lacs)

Particulars	Current year ended March 31, 2022	Previous year ended March 31, 2021
Interest Accrued and due on Borrowings	1,443.78	5,596.54
Temporary Book Overdraft	0.00	464.72
Capital Creditors	1,618.96	1,248.53
Due to Employees	1,507.15	2,000.57
Interest Others	13,406.50	12,316.46
Security Deposit	539.50	254.73
Unclaimed Amount	4.53	2.86
	<u>18,520.42</u>	<u>21,884.41</u>

Note 23 : Other Current Liabilities

(₹ in lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
- Advance from Customer	36,885.96	22,719.47
- Statutory Dues Payable	7,978.53	9,865.08
- Other Miscellaneous	124.73	133.15
Total:	<u>44,989.22</u>	<u>32,717.70</u>

Note 24 : Current Provisions

(₹ in lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for employee benefits:		
Gratuity (Refer Note 39)	738.41	863.04
Leave Salary	152.51	72.38
Total:	<u>890.92</u>	<u>935.42</u>



Notes to financial statements for the year ended March 31, 2022 (Contd.)

Note 25 : Revenue from Operations

(₹ in lacs)

Particulars	Current year ended March 31, 2022	Previous year ended March 31, 2021
Sales of products		
Finished Goods	433,904.66	245,140.19
Stock-in-trade	1,019.10	1,764.84
By Products and Scraps	12,573.89	10,723.10
Raw Materials	12,273.07	15,139.43
Other Operating Revenue		
Conversion Charges	4,321.72	5,538.73
Export Incentives	241.97	133.77
Service and other Charges	18.20	78.12
Revenue from Operations	464,352.61	2,78,518.18

Disaggregation of Revenue as per Ind AS-115

Sale of finished goods and Stock-in-trade goods comprise* :

(₹ in lacs)

Particulars	UOM	Current year ended March 31, 2022	Previous year ended March 31, 2021
Sponge Iron	MT	43,039.77	29,042.80
Pig Iron	MT	1,04,016.50	66,238.29
Steel Bars/Rods	MT	76,808.13	41,042.72
Billet/MS Ingots	MT	29,074.04	23,305.55
Ferro Alloys	MT	89,235.78	33,924.95
Ductile Iron Pipe	MT	84,757.15	51,352.30
Nut Coke	MT	12.82	233.58
Coal/Coke	MT	6,960.47	105.48
Managanese Ore (Import)	MT	489.73	404.66
TMT	MT	--	17.71
Silico Managanese	MT	529.38	--
M.S. Billet	MT	--	1,236.99
		434,923.76	246,905.03

*excludes goods transferred for further processing and used for self consumption in Fixed Assets/Trial Run.

Note 26 : Other Income

(₹ in lacs)

Particulars	Current year ended March 31, 2022	Previous year ended March 31, 2021
Interest on :		
(a) Fixed Deposits with Banks [Gross, Tax deducted at source ₹5.17 lacs (₹13.05lacs)]	59.31	95.55
(b) Loans and Advances [Gross, Tax deducted at source ₹8.84 lacs (₹2.16 lacs)]	130.14	92.92
(c) Refund from Income Tax Department [Gross, Tax deducted at source ₹Nil (₹Nil)]	25.39	10.00
Insurance Claims	37.75	3.32
Liabilities no longer required written back	2,659.89	861.99
Gain on Foreign Exchange Fluctuations (Net)	--	4.42
Miscellaneous Income	74.28	14.48
Total:	2,986.76	1,082.68


Notes to financial statements for the year ended March 31, 2022 (Contd.)
Note 27 : Cost of Materials Consumed
(₹ in lacs)

Particulars	Current year ended March 31, 2022	Previous year ended March 31, 2021
Opening Stock	48,647.23	40,146.11
Purchases	3,36,307.03	2,17,051.41
	3,84,954.26	2,57,197.52
Less: Closing Stock	51,943.99	48,647.23
Raw Materials Consumed	3,33,010.27	2,08,550.29

Consumption of Raw Material :
(₹ in lacs)

Particulars	UOM	Current year ended March 31, 2022	Previous year ended March 31, 2021
Iron Ore / Pellets / Sinter	MT	84,342.50	50,393.54
Manganese Ore	MT	14,739.77	4,755.05
Sponge Iron	MT	8,672.87	8,212.07
Billet/Ingot	MT	60,817.61	31,935.84
Coke/Coal	MT	1,26,225.30	87,892.26
Magnesium Metal	MT	1,782.32	597.28
Pig Iron	MT	433.72	1,307.70
Steel Scrap & Wastes	MT	6,146.35	5,660.94
Ferro Alloys	MT	15,129.32	7,304.45
Quartzite, Limestone and Dolomite	MT	14,720.51	10,491.16
		33,010.27	2,08,550.29

Note 28 : Purchase of Stock in Trade
(₹ in lacs)

Particulars	Current year ended March 31, 2022	Previous year ended March 31, 2021
Silico Managanese	589.45	--
TMT	--	17.23
Coke (Low Ash)	--	89.10
Manganese Ore (Imported)	412.00	387.47
M. S. Billet	--	1,223.15
	1,001.45	1,716.95


Notes to financial statements for the year ended March 31, 2022 (Contd.)
Note 29 : Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade
(₹ in lacs)

Particulars	Current year ended March 31, 2022	Previous year ended March 31, 2021
Opening Stocks :		
Finished Goods	12,002.94	7,937.20
Stock-in-Trade	21.49	26.37
Work-in-Process	1,299.62	872.49
By Products and Scrap	2,310.06	3,465.26
	<u>15,634.11</u>	<u>12,301.32</u>
Less:		
Closing Stocks		
Finished Goods	14,291.86	12,002.94
Stock-in-Trade	110.79	21.49
Work-in-Process	1,088.96	1,299.62
By Products and Scrap	1,703.74	2,310.06
	<u>17,195.35</u>	<u>15,634.11</u>
(Increase)/Decrease in Inventories	<u>(1,561.24)</u>	<u>(3,332.79)</u>

Stock of finished goods and Stock-in-trade goods comprises:
(₹ in lacs)

Particulars	Current year ended March 31, 2022	Previous year ended March 31, 2021
Opening Stock :		
Sponge Iron	367.57	345.64
Pig Iron	700.44	621.76
Steel Bars/Rods	1,960.82	473.86
Billet/MS Ingots	544.89	459.74
Ferro Alloys	1590.10	1008.80
Ductile Iron Pipe	4,471.04	3,172.87
Coke	2,389.58	1,880.92
Total:	<u>12,024.44</u>	<u>7,963.58</u>
Closing Stock :		
Sponge Iron	489.65	367.57
Pig Iron	1,373.27	700.44
Steel Bars/Rods	2,724.82	1,960.82
Billet/MS Ingot	508.84	544.89
Ferro Alloys	5,035.38	1,590.10
Ductile Iron Pipe	3,173.22	4,471.04
Coke	1,097.47	2,389.58
Total:	<u>14,402.65</u>	<u>12,024.44</u>

Note 30 : Employee Benefits Expense
(₹ in lacs)

Particulars	Current year ended March 31, 2022	Previous year ended March 31, 2021
Salaries, Wages, Bonus & Other Benefits	10,066.29	8,115.24
Contribution to Provident Fund & other fund	510.40	454.12
Staff Welfare Expenses	308.93	300.33
Total:	<u>10,885.62</u>	<u>8,869.69</u>



Notes to financial statements for the year ended March 31, 2022 (Contd.)

Note 31 : Finance Costs

(₹ in lacs)

Particulars	Current year ended March 31, 2022	Previous year ended March 31, 2021
Interest Expenses		
On Term loans	7.44	--
On ARC	5,705.49	5,734.14
On Others	3,892.04	3,013.47
Finance charges	265.36	56.16
Total:	<u>9,870.33</u>	<u>8,803.77</u>

Note 32 : Depreciation and Amortisations Expenses

(₹ in lacs)

Particulars	Current year ended March 31, 2022	Previous year ended March 31, 2021
Depreciation on property, plant and equipment	9,124.46	9,390.73
Amortisation of intangible assets	8.00	8.76
Total:	<u>9,132.46</u>	<u>9,399.49</u>

Note 33 : Other Expenses

(₹ in lacs)

Particulars	Current year ended March 31, 2022	Previous year ended March 31, 2021
Consumption of Stores and Spares	29,952.12	19,183.67
Labour Charges	8,259.39	6,816.09
Power and Fuel	17,733.43	14,278.00
Repairs and Maintenance:		
- Plant and Machinery	738.78	465.91
- Buildings	46.54	4.64
- Others	1,896.70	1,512.13
Water Charges	316.78	297.50
Equipment Hire Charges	4,415.01	3,864.15
Shifting Expenses	42.60	45.27
Freight and Transportation	5,066.04	2,182.99
Rent and Hire	186.39	112.81
Rates and Taxes	231.73	85.84
Insurance	433.82	357.66
Advertisement	518.24	130.79
Brokerage and Commission (Other than Sole Selling Agents)	455.18	358.00
Travelling and Conveyance	871.94	433.03
Telephone and Postage	78.90	59.54
Legal and Professional Charges (Refer Note 49)	496.73	327.32
Director's Fees	1.45	1.40
Allowances for Expected credit losses	11,956.19	802.32
Provision for Doubtful Advances	44.65	--
Irrecoverable Debts and Advances Written off	3,255.60	102.19
Loss on Foreign Exchange Fluctuations (Net)	173.10	--
Charity and Donations	23.76	8.27
Security and Service Charges	505.71	465.27
Loss on Sale of Property, Plant & Equipment	54.61	106.28
Miscellaneous Expenditure W/off	3.60	3.60
Capital WIP and Pre operative Expenses Written Off	6,729.19	--
Miscellaneous Expenses	4,982.76	535.53
Prior period expenses (Net)	722.99	635.13
Total:	<u>100,193.93</u>	<u>53,175.33</u>



Notes to financial statements for the year ended March 31, 2022 (Contd.)

Note 34 : Other Comprehensive Income

(₹ in lacs)

Particulars	Current year ended March 31, 2022	Previous year ended March 31, 2021
Other Comprehensive Income (Refer note 48)		
(A) Items that will not be reclassified to profit or loss	-	-
(I) Remeasurements of the defined benefit plans	137.74	55.00
Total:	137.74	55.00

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.

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.

(₹ in lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
a) Claims against the Company not acknowledged as debts		
i) Excise, Service Tax and GST Demands under dispute/appeal	21,298.30	24,285.68
ii) Custom Demand on imported Coal/Coke	1,182.26	555.60
iii) Sales Tax /VAT/Entry Tax matters under dispute/appeal	8,143.78	9,073.30
iv) Others	-	-
iv) Income Tax matters under dispute/appeal	6.85	6.85
v) Electricity duty demand	1,214.13	-
b) Bank Guarantees outstanding	519.57	2,399.67
c) Custom Duty on Import of Equipment and spare parts under EPCG Scheme	6,272.00	3,176.00
d) Guarantees and counter guarantees given by the Company for loans obtained by other companies		
e) Corporate gurantee given to third party		
f) Legal Case matters under dispute/appeal	489.08	1,529.74

35B. Capital and other commitments

Estimated amount of contracts remaining to be executed on Capital Account and not provided for

4,282.95 6,314.42

36 Due to unfavourable market conditions and other adverse industry scenario the company has made substantial losses in 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.

Notes to financial statements for the year ended March 31, 2022 (Contd.)

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.

(₹ in lacs)

Particulars	Current year ended March 31, 2022	Previous year ended March 31, 2021
Payments recognised as a expenses	10.14	10.13
Future Minimum Lease payments		
Not later than one year	10.14	10.14
Later than one year and not more than five years	50.68	50.68
Later than five years	614.63	634.90

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, 2022	Previous year ended March 31, 2021
a)	Industrial Promotion Assistance	Subsidy on Sales Tax / Value Added Tax under Sales & Service	Nil	Nil

39 Employee Benefits
A. Disclosures for defined benefit plans based on actuarial reports
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, 2022	Previous year ended March 31, 2021
Current service cost	181.90	168.45
Interest cost on benefit obligation	51.21	49.51
Expected return on plan assets	-	-
Net actuarial loss/(gain) recognised in the year	-	-
Past Service cost	-	-
Total Expenses	233.11	217.96

Notes to financial statements for the year ended March 31, 2022 (Contd.)
II. Net Liability/(Assets) recognized in the Balance Sheet are as follows: (₹ in lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Present value of Defined Benefits Obligation	(1,049.70)	(1009.38)
Fair value of plan assets	311.29	146.34
	(738.41)	(863.04)
Less: Unrecognised past service cost	—	—
Total Expenses	(738.41)	(863.04)

III. Change in the present value of the defined benefit obligation during the year are as follows: (₹ in lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Present value of Defined Benefits Obligation at the beginning of the year	1,009.38	902.84
Current Service Cost	181.90	168.45
Interest Cost	66.26	57.50
Settlement Cost	—	—
Benefits Paid	(70.08)	(63.24)
Actuarial Loss/(Gain)	(137.75)	(56.17)
Plan Amendments	—	—
Present value of Defined Benefits Obligation at the year end	1,049.71	1,009.38

IV. Change in the Fair Value of Plan Assets during the year ended are as follows: (₹ in lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Fair Value of Plan Assets at the beginning of the year	146.34	102.76
Expected Return	(0.01)	(1.17)
Interest Income	15.05	8.00
Contribution by Employer	220.00	100.00
Benefits paid	(70.08)	(63.24)
Actuarial Gains/(Losses)	—	—
Fair Value of Plan Assets at the year end	311.29	146.34

V. Expenses recognised in Other Comprehensive Income (OCI) for Current Year (₹ in lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Actuarial(Gain)/Losses due to DBO Assumption changes	(32.91)	(22.30)
Actuarial(Gain)/Losses due to DBO experience	(104.84)	(33.88)
Return on Plan Assets (Greater)/Less than Discount Rate	0.01	1.18
Net (Income)/Expense for the period recognized in OCI	(137.74)	(55.00)

Notes to financial statements for the year ended March 31, 2022 (Contd.)

VI. Balance Sheet Reconciliation

(₹ in lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Net defined benefit asset/(liability) at end of prior period	(863.04)	(800.08)
Service cost	(181.90)	(168.45)
Net interest on net defined benefit liability/(asset)	(51.21)	(49.51)
Amount recognised in OCI	137.74	55.00
Employer contribution	220.00	100.00
Amount recognised in Balance Sheet	(738.41)	(863.04)

VII. The principal actuarial assumptions as at the Balance Sheet date are set out as below :

(₹ in lacs)

Particulars	Current year ended March 31, 2022	Previous year ended March 31, 2021
Summary of Financial Assumptions		
Discount Rate	7.10%	6.60%
Salary Escalation Rate	7.00%	7.00%
Summary of Demographic Assumptions		
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, 2022	Gratuity year ended March 31, 2021
Sensitivity Analysis			
Changes in Defined Benefit Obligations			
Salary Escalation	1%	113.84	116.47
Salary Escalation	-1%	99.77	101.61
Discount Rates	1%	99.08	101.19
Discount Rates	-1%	116.23	119.34

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.

Charge to the Statement of Profit and Loss on contributions to Provident Fund

(₹ in lacs)

Particulars	Current year ended March 31, 2022	Previous year ended March 31, 2021
Contribution to Provident Fund and other Funds	666.67	577.52

39A The provision for leave encashment, which is required under IND AS 19 'Employee Benefits' is not done as per the evaluation of certified actuarial valuer but rather on actual basis.

Notes to financial statements for the year ended March 31, 2022 (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, 2022	Previous year ended March 31, 2021
a)	Principal Amount remaining unpaid to the suppliers as at the end of the period	920.53	670.80
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

- (i) Business Segment : The Company's business activity primarily falls within a single business segment i.e. Iron & Steel Business and hence there are no disclosures to be made under Ind AS-108, other than those already provided in the financial statements.
- (ii) Geographical Segment : The Company's business activity primarily operates in India and therefore the analysis of geographical segment is based on the areas in which customers of the Company are located.

On the Information for Secondary Geographical Segments
(₹ in lacs)

Particulars	Current year ended March 31, 2022	Previous year ended March 31, 2021
Domestic Revenues	4,40,394.98	2,73,183.37
Export Revenues (Including Export Benefits)	23,957.63	5,334.81
Total Net Revenue	4,64,352.61	2,78,518.18

(₹ in lacs)

Particulars	Current year ended March 31, 2022	Previous year ended March 31, 2021
Domestic Trade Receivables	13,489.58	24,063.22
Export Trade Receivables	2,124.25	337.77
Total	15,613.83	24,400.99

Notes to financial statements for the year ended March 31, 2022 (Contd.)
42. Unhedged Foreign Currency Exposures outstanding at the year end are as follows :

Particulars	Foreign Currency (FC)	As at March 31, 2022		As at March 31, 2021	
		in FC	₹ in lacs	in FC	₹ in lacs
Receivables					
(a) Trade Receivables	US\$	28,02,131	2,124.25	4,59,519	337.77
(b) Advances	US\$	5,39,825	398.12	2,64,297	192.62
Total			2,522.37		530.39
Payables					
(a) Trade Payables	US\$	5,60,254	424.71	6,50,401	478.08
	Euro	70,350	59.56	30,242	26.04
	GBP	--	--	1,025	0.83
(b) Advances	US\$	42,83,509	3,247.20	39,26,996	2,813.10
Total			3,731.47		3,318.05

43. 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, 2022	Previous year ended March 31, 2021
A.	Profit/(Loss) after Tax	₹ in lacs	4,806.55	(7,581.88)
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.	11,04,50,286	11,04,50,286
D.	Weighted average number of equity shares outstanding at the end of the year	Nos.	11,04,50,286	11,04,50,286
E.	Nominal Value of each Share	₹	10.00	10.00
F.	Basic Earning per Share	₹	4.35	(6.86)
G.	Diluted Earning per Share	₹	4.35	(6.86)

44. Related Party Disclosures (As per IND AS-24)

a) Name of related parties and related party relationship	
Subsidiary Companies	Jai Balaji Steels (Purulia) Limited (JBSP) Jai Balaji Energy (Purulia) Limited (JBEPL)
Joint Venture Companies	Rohne Coal Company Private Limited (RCCPL) Andal East Coal Company Private Limited (AECCPL)
Key Management Personnel	Mr. Aditya Jajodia, Chairman and Managing Director Mr. Sanjiv Jajodia, Wholtime Director and Chief Financial Officer Mr. Ajay Kumar Tantia, Company Secretary
Relatives of Key Management Personnel	Mr. Rajiv Jajodia, Brother of Wholtime Director Mr. Gaurav Jajodia, Nephew of Wholtime Director
Enterprises owned or significantly influenced by key management personnel or their relatives	Chandi Steel Industries Limited (CSIL) Jai Balaji Jyoti Steels Limited (JBJS) Jai Salasar Balaji Industries Private Limited (JSBIPL) Balaji Ispat Udyog (BIU) Enfield Suppliers Limited (ESL) Hari Management Limited (HML) Jajodia Estate Private Limited (JEPL)



Notes to financial statements for the year ended March 31, 2022 (Contd.)

b. Related Party Transactions:

Relationship	Party	Sales	Purchases	Rent paid	Interest Received	Director fee	Gross Salary & Perquisites#	Balance Receivable	Balance Payable	Guarantees Obtained ##
Key Management Personnel	Aditya Jajodia	-	-	-	-	-	-	-	-	3,67,968.00
	Jajodia	-	-	-	-	-	-	-	-	(3,71,357.00)
	Sanjiv Jajodia	-	-	-	-	-	-	-	-	3,67,968.00
	Jajodia	-	-	-	-	-	-	-	-	(3,71,357.00)
Relatives of Key Management Personnel	Ajay Kumar Tantia	-	-	-	-	-	45.01 (42.37)	-	-	-
	Rajiv Jajodia	-	-	-	-	0.20 (0.20)	-	-	-	3,67,968.00
	Gaurav Jajodia	-	-	-	-	0.20 (0.15)	-	-	-	(3,71,357.00)
	Jajodia	-	-	-	-	-	-	-	-	3,67,968.00
Enterprises owned or significantly influenced by key management personnel or their relatives	CSIL	12.24 (547.90)	251.58 (52.46)	-	-	-	-	-	1.74 (10.13)	-
	JB[SL]	6.63 (50.25)	526.70 (239.62)	-	-	-	-	-	1,748.16 (2.17)	-
	JSBIPPL	3,174.47 (304.88)	163.70 (12.08)	-	-	-	-	-	5,062.07 (243.79)	-
	JEPL	-	-	0.80 (0.80)	-	-	-	-	-	-
ESL	ESL	-	-	-	-	-	-	-	651.54 (651.54)	-
	HML	-	-	-	-	-	-	-	432.76 (432.76)	-
	Total	3,193.34 (903.03)	941.98 (304.16)	0.80 (0.80)	- (39.40)	0.40 (0.35)	45.01 (42.37)	- (12.30)	7,896.27 (1,328.09)	3,67,968.00 (3,71,357.00)

#The remuneration to the Key Managerial Personnel does not include the provisions made for gratuity 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

Notes to financial statements for the year ended March 31, 2022 (Contd.)

45. 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, 2022	As at 31st March, 2021
i)	Equity share capital	11,045.03	11,045.03
ii)	Other equity	(1,77,320.24)	(1,84,344.78)
	Total Equity (a)	(1,66,275.21)	(1,73,299.75)
i)	Borrowings	3,16,859.03	3,43,291.67
ii)	Interest accrued and due on borrowings	1,443.78	5,596.54
iii)	Current maturity of long term debt	—	—
	Total debt (b)	3,18,302.81	3,48,888.21
i)	Cash and cash equivalents	1,319.67	2,562.19
	Total cash	1,319.67	2,562.19
	Net debt (b-c)	3,16,983.15	3,46,326.02
	Total capital (equity + net debt)	1,50,707.94	1,73,026.27
	Net debt to equity ratio/Capital Gearing Ratio	(1.91)	(2.00)

46. Fair Value Measurements

a) Financial instruments by category

(₹ in lacs)

Particulars	As at March 31, 2022			As at March 31, 2021		
	Amortised Cost	FVTOCI	FVTPL	Amortised Cost	FVTOCI	FVTPL
Financial Assets						
Investments in Equity Instrument of Subsidiary	37.52	—	—	37.52	—	—
Investments in Equity Instrument (Others)	—	71.60	—	—	71.60	—
Investments in Government Securities	7.32	—	—	7.32	—	—
Trade receivables	15,613.83	—	—	24,400.99	—	—
Bank balance other than Cash and cash equivalents	889.63	—	—	15.50	—	—
Loans	296.27	—	—	264.46	—	—
Cash and cash equivalents	1,319.67	—	—	2,562.19	—	—
Other financial assets	7,056.45	—	—	6,853.51	—	—
Total Financial Assets	25,220.68	71.60	—	34,141.49	71.60	—
Financial Liabilities:						
Non Current Borrowings	58,608.06	—	—	57,811.73	—	—
Current Borrowings	2,58,250.97	—	—	2,85,479.94	—	—
Lease Liability	69.01	—	—	69.02	—	—
Other financial Liabilities	18,520.42	—	—	21,884.41	—	—
Trade payables	81,869.42	—	—	75,032.86	—	—
Total Financial Liabilities	4,17,317.88	—	—	4,40,277.96	—	—

Notes to financial statements for the year ended March 31, 2022 (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, 2022

(₹ in lacs)

Particulars	Level 1	Level 2	Level 3	Total
Financial Assets				
Financial Investment	71.60	—	7.32	78.92
Total	71.60	—	7.32	78.92

Financial Assets and Liabilities measured at fair value as at 31 March, 2021

Particulars	Level 1	Level 2	Level 3	Total
Financial Assets				
Financial Investment	71.60	—	7.32	78.92
Total	71.60	—	7.32	78.92

Notes

- Current financial assets and liabilities are stated at amortised cost which is approximately equal to their fair value
- Non Current financial assets and liabilities measured at amortised cost have same fair value as at 31 March 2022 and 31 March 2021 .

47 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, 2022 and 31st March, 2021. 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, 2022 (Contd.)

Particulars	Note	Carrying amount	Undiscounted Amount		Total
			Within 1 year	More than 1 year	
As at 31st March,2022					
Financial assets					
Investments in Equity Instruments (other than Subsidiary)	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	7,056.45	7056.45	-	7,056.45
Financial Liabilities					
Non Current Borrowings	19	58,608.06	-	58,608.06	58,608.06
Current Borrowings	20	2,58,250.97	2,58,250.97	-	2,58,250.97
Other financial Liabilities	19A & 22	18,520.42	18,461.54	58.88	18,520.42
Trade payables	21	81,869.42	81,869.42	-	81,869.42

Particulars	Note	Carrying amount	Undiscounted Amount		Total
			Within 1 year	More than 1 year	
As at 31st March,2021					
Financial assets					
Investments	6	78.92	0.00	78.92	78.92
Trade receivables	11	24,400.99	24,400.99	-	24,400.99
Bank balance other than Cash and cash equivalents	13	15.50	15.50	-	15.50
Loans	14	264.46	264.46	-	264.46
Cash and cash equivalents	12	2,562.19	2,562.19	-	2,562.19
Other financial assets	7& 15	6,853.51	6,853.51	-	6,853.51
Financial Liabilities					
Non Current Borrowings	19	57,811.73	0.00	57,811.73	57,811.73
Current Borrowings	20	2,85,479.94	2,85,479.94	-	2,85,479.94
Other financial Liabilities	19A & 22	21,884.41	21,825.52	58.89	21,884.41
Trade payables	21	75,032.86	75,032.86	-	75,032.86

(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.



Notes to financial statements for the year ended March 31, 2022 (Contd.)

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.

(Receivable)/Payable	As at March 31, 2022	As at March 31, 2021
USD		
Increase by 5% (31st March 2021-5%)	- 126.11	-26.52
Decrease by 5% (31st March 2021-5%)	183.60	164.56
EUR		
Decrease by 5% (31st March 2021-5%)	2.98	1.30
GBP		
Decrease by 5% (31st March 2021-5%)	--	0.04

(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 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 ₹25,292.28 lacs and ₹34,213.09 lacs as at March 31, 2022 and March 31, 2021 respectively, being the total carrying value of trade receivables, balances with bank, bank deposits, investments in debt securities and other financial assets.

48 Other Comprehensive Income:

Under Ind AS, all items of income and expense recognized in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognized in profit or loss but are shown in the statement of profit and loss as 'Other Comprehensive Income' includes remeasurements of defined benefit plans. The concept of other comprehensive income did not exist under previous GAAP".

49. Auditors Remuneration (included in Legal and Professional Charges)

(₹ in lacs)

Payment to Auditor	Current year ended March 31, 2022		Previous year ended March 31, 2021	
As auditor:				
Audit fee	12.00		6.00	
Limited Review	9.00		9.00	
Tax Audit	0.50	21.50	0.50	15.50
In other manner for Certification		0.02		0.05
Total		21.52		15.55

Out of above amount, paid to other auditor amounts to ₹0.50 lacs (₹ 0.50 lacs)

Notes to financial statements for the year ended March 31, 2022 (Contd.)
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 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 nominal value of ₹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).

52. 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 March 31, 2022	As at March 31, 2021
Total Number of Equity shares held by the promoter group	5,63,04,046	5,63,04,046
Total Number of Equity shares pledged by the promoter group	5,22,82,233	5,22,82,233
Percentage of total shares pledged to total shareholding of the promoter group	92.86%	92.86%
Percentage of total shares pledged to total outstanding shares of the Company	47.34%	47.34%

53. Value of Consumption of Imported and Indigenous raw materials and components, spare parts etc

Consumption	Raw Materials		Components, Spare Parts etc	
	₹ in lacs	% of total Consumption	₹ in lacs	% of total Consumption
Imported	93,959.98 (67,417.25)	28.22 (32.33)	1,863.93 (1,615.80)	6.22 (8.42)
Indigenous	2,39,050.29 (14,11,33.05)	71.78 (67.67)	28,088.19 (17,567.87)	93.78 (91.58)
Total	33,30,10.27 (20,85,50.30)	100.00 (100.00)	29,952.12 (19,183.67)	100.00 (100.00)

Figures in brackets denotes previous year amounts

Notes to financial statements for the year ended March 31, 2022 (Contd.)

54. Value of Imports (calculated on CIF basis)

(₹ in lacs)

Particulars	Current year ended March 31, 2022	Previous year ended March 31, 2021
Raw materials*	32,832.64	24,466.39
Components & Spare Parts	1,485.89	1,526.21
Capital Goods	3,040.67	1,000.72
Total	37,359.20	26,993.32

Including high sea purchase of ₹ 31,832.41 lacs (₹ 23,440.33 lacs)

55. Expenditure in Foreign Currency (on accrual basis)

(₹ in lacs)

Particulars	Current year ended March 31, 2022	Previous year ended March 31, 2021
Professional Consultation Fees	35.52	30.49
Interest	—	—
Others	60.69	29.06
Total	96.21	59.55

56. Earnings in Foreign Currency (on accrual basis)

(₹ in lacs)

Particulars	Current year ended March 31, 2022	Previous year ended March 31, 2021
Exports at FOB Value	21,686.67	4,941.47

57. Amount remitted in foreign currency on account of dividends

(₹ in lacs)

Particulars	Current year ended March 31, 2022	Previous year ended March 31, 2021
i) Financial Year to which the dividend relates	2020-21	2019-20
ii) No. of non-resident shareholders	99	64
iii) No. of Shares held	10,128,142	9,380,419
iv) Amount remitted as dividend (₹ in lacs)*	Nil	Nil

*No dividend was declared for the financial year 2021-22 and 2020-21

Notes to financial statements for the year ended March 31, 2022 (Contd.)

58. Ratios

The ratios for the year ended March 31, 2022 and March 31, 2021 are as follows :

Particular	Numerator	Denominator	As at March 2022	As at March 2021	Variance (in %)
1 Trade Receivable Turnover Ratio (Net Credit Sales/ Average Accounts Receivable) Net Sales= Revenue from operation	Net Credit Sales	Average Accounts Receivable	23.21	10.54	120.00
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	7.02	4.97	41.00
3 Inventory Turnover Ratio (Sales/ Average Inventory) Sales = Revenue from operation	Sales	Average Inventory	6.37	4.36	46.00
4 Debt Service Coverage Ratio (Earnings available for Debt Service/Debt Service) Debts Service = Interest and lease payments + Principal Repayments Earnings available for Debt Service = Profit After Tax + Finance Cost+depreciation+other adjustments	Earnings available for Debt Service	Debt Service	1.49	0.14	971.00
5 Current Ratio (Current Assets/Current Liabilities)	Current Assets	Current Liabilities	0.32	0.31	3.00
6 Debt - Equity Ratio* (Total Debts/ Shareholder's Equity) Shareholder's Equity = Share Capital + other equity (excluding amalgamation reserve)	Total Debt	Shareholders Equity	--	--	--
7 Operating Ratio (%) (Operating profit/Net Sales) Operating profit = Profit before tax + Finance Cost	Operating Profit	Net Sales	3.16	0.44	620.00
8 Net Profit Ratio (%) (Net profit/Net sales) Net sales= Revenue from operation	Net Profit	Net Sales	1.04	(2.72)	(138.00)
9 Total debts to total assets (Total debts/Total assets) Total debts = Long term borrowing + Short term borrowing + Lease Liabilities	Total Debts	Total Assets	1.07	1.14	(6.00)
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	-0.03	0.04	(162.00)
11 Return on Capital Employed* (Earnings before Interest and Tax/ Capital Employed) Earning before Interest and Tax = Profit before Tax + Finance Cost	Earning before Interest and Tax	Capital Employed	--	--	--
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	0.44	(0.69)	(1.63)
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 (%) Average Fixed Deposits = (Opening Balance + Closing Balance)/2	Interest received during the year	Average Fixed Deposits	2.72	3.81	(0.29)

Notes to financial statements for the year ended March 31, 2022 (Contd.)

Explanation:

The Variations of More than 25% in the Ratios is due to increase in Sales price and demand of the Steel during the Year. This dynamic change in the condition of the market has caused these variations during the Financial Year.

The continuance of corona virus(COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. The companies operations and revenue were impacted due to COVID-19. During the year ended March 31, 2022 there is no significant impact of COVID-19 on the operations of the company, and thus there is variation of more than 25% in the Ratios as compared to the Previous Year.

However, management is continuously taking corrective measures to improve the working of the company. Continuously taking corrective same is reflecting from the EBITA figure of the company which is improving year to year,

* Net working capital is negative.

* Capital employed is negative.

* Total Net worth is negative.

59. 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.

60. 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.

61. Disclosure for struck off companies

The following table depicts the details of balances outstanding in respect of transactions undertaken with a company struck-off under section 248 of the Companies Act, 2013:

(₹ in lacs)

Name of struck off company	Nature of transaction	Balance as at March 31, 2022	Balance as at March 31, 2021	Relationship with the struck off Company
G. R. Transport	Payables	4.53	2.02	Vendor
Maa Tara Enterprise	Payables	213.05	227.32	Vendor
S. K. Construction	Payables	3.26	5.26	Vendor

62 Corporate social responsibility (CSR)

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. Since the company has incurred losses during the three immediately preceding financial years the same is not applicable to the Company at present.

63 Impact of COVID-19 (Pandemic)

The Company has carried out this assessment based on available internal and external sources of information upto the date of approval of these standalone financial statements and believes that the impact of COVID-19 is not material to these standalone financial statements and expects to recover the carrying amount of its assets. The impact of COVID-19 on the the standalone financial statements may differ from the estimated as at the date of approval of these standalone financial statements owing to the nature and duration of COVID-19.

64 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 proceeding 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.



Notes to financial statements for the year ended March 31, 2022 (Contd.)

- (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 Crpto CURRENCY or Virtual Curraency 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 undisclosed income in the tax assessments under the Income Tax Act 1961 (Such as, search or survey or any other relevants 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 :** No borrowings that are being taken by the company are secured against the current assets. Thus, no 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.
- 65 Previous year figures have been reclassified/regrouped wherever necessary including those as required in keeping with revised Schedule III amendments.
- 66 The financial statements are approved by the audit committee at its meeting held on 27th May, 2022 and by the Board of Directors on the same date.

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 : 27th May, 2022

For and on behalf of the Board of Directors

Sd/-

Aditya Jajodia

Chairman & Managing

Director

DIN : 00045114

Sd/-

Sanjiv Jajodia

Wholesale Director & Chief

Financial Officer

DIN : 00036339

Sd/-

Rajiv Jajodia

Director

DIN : 00045192

Sd/-

Ajay Kumar Tania

Company Secretary

INDEPENDENT AUDITOR'S REPORT

To The Members of JAI BALAJI INDUSTRIES LIMITED

Report on the audit of Consolidated Financial Statements Qualified 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, 2022, 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 "except for the effects of the matter described in the Basis for Qualified Opinion section" 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, 2022, 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 Qualified Opinion

The Parent Company has not provided for interest amounting to Rs.157,680.94 Lacs of which Rs. 29,938.85 Lacs pertains to the current financial year on various loans and credit facilities availed from banks and financial institution on the ground that same is being treated as Non-Performing Assets by the lenders. Due to this reason, profit for the current financial year has been overstated by Rs.29,938.85 Lacs and accordingly group loss for the year ended 31st March, 2022 would've been Rs. 25,132.58 Lacs instead profit of Rs.4,806.26 Lacs.

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.

Material Uncertainty related to Going Concern

Based on the audit evidence obtained, we draw attention that as of that date, the Group current liabilities exceeded its current assets by Rs. 2,75,347.46 Lacs, which signifies that the wealth of the Group has been completely eroded. Thus, this cast significant doubt on entity's ability to continue as a Going Concern. However, the financial statements of the Group have been prepared on a going concern basis because the management is confident that the improvement in market scenario will help in improving the financial health of the Group and accordingly Deferred Tax Assets amounting to Rs. 29,085.14 Lacs created up to 31st March 2015 have been carried forward. Our opinion is not modified in respect of this matter.

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.	LOAN CLASSIFIED as Non Performing Assets (NPA), TRANSFERRED TO ASSET RECONSTRUCTION COMPANIES (ARC)	OUR AUDIT PROCEDURES INCLUDE THE FOLLOWING:
	(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,	We reviewed the correspondence of the company with the relevant Asset reconstruction companies and we have examined the agreement made with them.



S. NO.	THE KEY AUDIT MATTERS	HOW THE MATTER WAS ADRESSED IN OUR AUDIT
	<p>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.</p> <p>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.</p> <p>iii) The Company has requested all lenders to allow a moratorium period for the payments or re-schedule/restructure the payment of the instalments amount not paid and moratorium period or revised schedule is yet to be confirmed.</p>	<p>We reviewed the proposal of the company with the Bank.</p> <p>We obtained the understanding of these reconstruction schemes through meetings with management and review of the minutes of the Board of Directors.</p> <p>We reviewed the further correspondences of the Company with the relevant Banks/ARC's.</p>
2.	<p>THE COMPANY'S EXPOSURE TO LITIGATION RISK</p>	<p>OUR AUDIT PROCEDURES INCLUDE THE FOLLOWING:</p>
	<p><i>(Refer Note 35A to the Standalone Financial Statements)</i></p> <p>The Group has ongoing litigations with various authorities and third parties which could have a significant impact on the results, if the potential exposures were to materialise.</p> <p>The amounts involved are significant, and the application of accounting standards to determine the amount, if any, to be provided as a liability or disclosed as a contingent liability, is inherently subjective.</p> <p>Claims against the Company not acknowledged as debts are disclosed in the Financial Statements by the Company after a careful evaluation of the facts and legal aspects of the matters involved. The outcome of such litigation is uncertain and the position taken by management involves significant judgment and estimation to determine the likelihood and/or timing of cash outflows and the interpretation of preliminary and pending court rulings.</p>	<p>Obtained and read the Company's accounting policies in respect of claims, provisions and contingent liabilities to assess compliance with accounting standards.</p> <p>Assessed the design and implementation of the Company's controls over the assessment of litigations and completeness of disclosures. Supporting documentation were tested for the positions taken by the management, meetings conducted with legal counsel and/or legal team and minutes of Board and sub-committee meetings were reviewed, to test the operating effectiveness of these controls.</p> <p>Involved our tax specialists to assess relevant historical and recent judgements passed by the appropriate authorities in order to challenge the basis used for the accounting treatment and resulting disclosures.</p> <p>Additionally, considered the effect of new information in respect of contingencies as at April 1, 2021 to evaluate whether any change was required in the management's position on these contingencies as at March 31, 2022.</p> <p>Assessed in accordance with accounting standards, the provisions in respect of litigations and assessed disclosures relating thereto, including those for contingencies.</p>

Emphasis of Matter

- We also draw attention to Note No.20 of the accompanying Consolidated Financial Statements in respect of treatment in the books of accounts of the assignment / settlement of Debts of various Banks and the Financial Institutions
- We draw attention to Note No.53 to the 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.
- As explained in Note - 2(b)(vi) 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

4. We draw attention to Note No.56 to the financial statement which describes the uncertainties and potential impact of the Covid -19 pandemic on the Company's operations and results as assessed by the management, for which a definitive assessment of the impact in the subsequent period is highly dependent upon circumstances as they evolve. Our report is not modified in respect of this matter.
5. We draw attention to Note No. 39A to the financial statement in relation to provision of leave encashment which have not been evaluated by a certified and registered Actuarial Valuer.
6. We draw attention to sub note 7 under Additional Disclosures to Note No. 20 to the financial statement in relation to One Time Settlement with Canara Bank resulting in a gain of Rs 2,070.11 lacs which was credited to Capital Reserve. Our report is not modified in respect of this matter

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

The Group's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report and Shareholder's Information but does not include the Consolidated Financial Statements and our auditor's report thereon. The Board's report including annexures to the Board's report and Shareholder's Information 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 financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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 statements by the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated financial statements, 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 Ind AS 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 Ind AS Financial Statements, including the disclosures, and whether the Consolidated Ind AS 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 statements. We are also responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the Consolidated Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Consolidated Financial Statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify

during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matter

We did not audit the financial statements of two subsidiaries, whose financial statements reflect total assets of Rs. 1.79 lacs as at 31st March, 2022, total revenues of Rs. Nil and net cash outflows amounting to Rs. 0.28 lacs for the year ended on that date, 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 Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.
2. As required by section 143(3) of the Act, based on our audit we report that:
 - i. 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.
 - ii. 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.
 - iii. 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 Ind AS Financial Statements
 - iv. 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.
 - v. On the basis of the written representations received



from the directors as on 31st March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2022 from being appointed as a director in terms of Section 164(2) of the Act.

- vi. 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 Groups internal financial controls over financial reporting.
- vii. 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, no remuneration has been paid by the Parent Company to its directors during the year and the same is in accordance with the provisions of section 197 of the Act.
- viii. 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, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - a) The consolidated financial statements has disclosed the impact of pending litigations on its financial position in Note 35 of the Consolidated Financial Statements.
 - b) The consolidated financial statements did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group.
 - d) 1) The Management of the Parent has represented that, to the best of its knowledge and belief, 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 Group 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 Group ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- 2) The Management of the Parent has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Group from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Group 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;
- 3) 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 there presentations under sub-clause (i) and (ii) of Rule 11I, as provided under (1) and (2) above contain any material misstatement.
- e) No dividend has been paid or declared by the Parent during the year.

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: May 27, 2022

Membership No: 009367

UDIN : 22009367AJSXHA8876



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) 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

Place: Kolkata

Date: May 27, 2022

Membership No: 009367

UDIN : 22009367AJXHA8876



Annexure “B” To The Independent Auditor’s Report

(Referred to in paragraph 1(vi) 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 Parent Company”), its subsidiaries (the Parent Company and its subsidiaries together referred to as “the Group”) as of 31st March 2022 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 respective Board of Directors of the Parent Company and its subsidiary company, which is incorporated in India, are 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 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 and the audit evidence obtained by the other auditor of the subsidiary company, which is a company incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Parent and its subsidiary companies, which is a company incorporated in India.

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting of the Parent Company and its subsidiary which is incorporated in India in so far as it relates to separate financial statements of one subsidiary is based on the corresponding reports of the auditor of such subsidiary which is incorporated in 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 financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

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 and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditor referred to in the Other Matters paragraph, the Parent and its subsidiary companies, which is a company incorporated in India, 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 31st March, 2022, based on the criteria for internal financial control over financial reporting established by the

respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

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: May 27, 2022

Membership No: 009367

UDIN : 22009367AJSXHA8876



Consolidated Balance Sheet as at March 31, 2022

(₹ in lacs)

Particulars	Notes	As at March 31, 2022	As at March 31, 2021
A. ASSETS			
1. Non Current Assets			
(a) Property, plant and equipment	3	116,006.03	117,657.66
(b) Right-of use asset	3A	456.01	464.68
(c) Capital Work in Progress	4	5,225.00	10,174.71
(d) Intangible Assets	4A	42.64	24.76
(e) Intangible Assets Under Development	5	—	20.80
(f) Financial Assets			
(i) Investments	6	106.44	106.44
(ii) Others Financial Assets	7	4,236.77	4,193.28
(g) Deferred Tax Assets (Net)	8	29,085.14	29,085.14
(h) Other Non Current Assets	9	12,572.73	8,808.24
		167,730.76	170,535.71
2. Current Assets			
(a) Inventories	10	75,802.74	69,916.49
(b) Financial Assets			
(i) Trade Receivables	11	15,613.83	24,400.99
(ii) Cash and cash equivalents	12	1,321.47	2,564.15
(iii) Bank balances (other than Cash and cash equivalents)	13	889.63	15.50
(iv) Loans	14	296.27	264.46
(v) Other Financial Assets	15	2,819.68	2,660.23
(c) Other Current Assets	16	32,440.23	30,265.76
		129,183.85	130,087.58
TOTAL ASSETS		296,914.61	300,623.29
B. EQUITY AND LIABILITIES			
1. EQUITY			
(a) Equity Share Capital	17	11,045.03	11,045.03
(b) Other Equity	18	(177,328.67)	(184,352.93)
		(166,283.64)	(173,307.90)
2. LIABILITIES			
i) Non Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	19	58,608.06	57,811.73
(ia) Lease Liabilities	19A	58.88	58.89
		58,666.94	57,870.62
ii) Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	20	258,250.97	285,479.94
(ia) Lease Liabilities	19A	10.13	10.13
(ii) Trade Payables	21		
(a) Total outstanding dues of micro enterprises and small enterprises		920.53	670.80
(b) Total outstanding dues to creditors other than micro enterprises and small enterprises		80,949.12	74,362.17
(iii) Others	22	18,520.42	21,884.41
(b) Other Current Liabilities	23	44,989.22	32,717.70
(c) Provisions	24	890.92	935.42
		404,531.31	416,060.57
TOTAL EQUITY AND LIABILITIES		296,914.61	300,623.29

Significant Accounting Policies

2

The accompanying notes are an integral part of the consolidated 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 : 27th May, 2022

Sd/-

Aditya Jajodia

Chairman & Managing

Director

DIN : 00045114

Sd/-

Sanjiv Jajodia

Wholetime Director & Chief

Financial Officer

DIN : 00036339

Sd/-

Rajiv Jajodia

Director

DIN : 00045192

Sd/-

Ajay Kumar Tantia

Company Secretary

Consolidated Statement of Profit and Loss for the year ended March 31, 2022

(₹ in lacs)

Particulars	Notes	Current year ended March 31, 2022	Previous year ended March 31, 2021
INCOME			
I. Revenue from Operations	25	464,352.61	278,518.18
II. Other Income	26	2,986.76	1,082.68
III. Total Income (I + II)		467,339.37	279,600.86
IV. EXPENSES			
Cost of Materials Consumed	27	333,010.27	208,550.29
Purchases of Stock in Trade	28	1,001.45	1,716.95
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	29	(1,561.24)	(3,332.79)
Employee Benefits Expense	30	10,885.62	8,869.69
Finance Costs	31	9,870.33	8,803.77
Depreciation and Amortisation Expense	32	9,132.46	9,399.49
Other Expenses	33	100,194.22	53,175.66
Total Expenses (IV)		462,533.11	287,183.06
Profit / (Loss) before Tax (III - IV)		4,806.26	(7,582.20)
Tax Expense:			
Current Tax		—	—
Deferred tax charge / (credit)		—	—
Total tax expense / (credit)		—	—
Profit/(Loss) for the year		4,806.26	(7,582.20)
Other Comprehensive Income:	34		
Items that will not be reclassified subsequently to profit & Loss			
— Remeasurement (Gain)/Loss on net defined benefit Plans		137.74	55.00
Other Comprehensive income for the year		137.74	55.00
Total Comprehensive income for the year		4,944.00	(7,527.20)
Earnings per Equity Share (Nominal Value per Share ₹10)			
— Basic EPS	43	4.35	(6.86)
— Diluted EPS		4.35	(6.86)
Significant Accounting Policies	2		
The accompanying notes are an integral part of the consolidated financial statements.	3 - 59		

As per our report of even date

For S. K. Agrawal And Co. Chartered Accountants LLP

Chartered Accountants

Firm Regn. No. 306033E/E300272

Sd/-

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Rajiv Jajodia

Director

DIN : 00045192

Sd/-

Ajay Kumar Tantia

Company Secretary

Consolidated Statement of changes in equity for the year ended March 31, 2022

A. Equity Share Capital

i) Current 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

ii) Previous Reporting Period (₹in lacs)				
Balance as at April 1, 2020	Change in equity share capital due to prior period errors	Restated balance as at April 1, 2020	Change in equity share capital during the year	Balance as at March 31, 2021
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	Total
	Capital Reserve	Amalgamation Reserve	Securities Premium Account	General Reserve	Retained Earnings	Remeasurement Benefits		
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
Other comprehensive income for the year	--	--	--	--	10.14	137.74	--	147.88
Rounding off adjustment	--	--	--	--	0.01	--	--	0.01
Total comprehensive income for the year	--	--	--	--	4,816.41	137.74	--	4,954.15
Transfer to Retained Earnings	--	--	--	--	137.74	(137.74)	--	--
Term loan written back and transfer to capital reserve a/c	2,070.11	--	--	--	--	--	--	2,070.11
Balance as at 31.03.2022	8,478.61	4,400.00	52,206.01	10,325.00	(2,52,881.31)	--	143.01	(1,77,328.67)

ii) Previous Reporting Period (₹in lacs)								
Particulars	Reserve & Surplus						Equity Instrument through OCI	Total
	Capital Reserve	Amalgamation Reserve	Securities Premium Account	General Reserve	Retained Earnings	Remeasurement Benefits		
Balance as at April 1, 2020	6,408.50	4,400.00	52,206.01	10,325.00	(2,50,318.44)	--	143.01	(1,76,835.91)
Profit/(Loss) for the year	--	--	--	--	(7,582.20)	--	--	(7,582.20)
Other comprehensive income for the year	--	--	--	--	10.18	55.00	--	65.18
Total comprehensive income for the year	--	--	--	--	(7,571.02)	55.00	--	(7,517.02)
Transfer to Retained Earnings	--	--	--	--	55.00	(55.00)	--	--
Balance as at 31.03.2021	6,408.50	4,400.00	52,206.01	10,325.00	(2,57,835.46)	--	143.01	(1,84,352.92)

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 : 27th May, 2022

For and on behalf of the Board of Directors

Sd/-

Aditya Jajodia

Chairman & Managing

Director

DIN : 00045114

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Sanjiv Jajodia

Wholtime Director & Chief

Financial Officer

DIN : 00036339

Sd/-

Rajiv Jajodia

Director

DIN : 00045192

Sd/-

Ajay Kumar Tantia

Company Secretary

Consolidated Cash Flow Statement for the year ended March 31, 2022

Particulars	(₹ in lacs)	
	Current year ended March 31, 2022	Previous year ended March 31, 2021
A. Cash Flow From Operating Activities		
Profit / (Loss) before tax	4,806.26	(7,582.20)
Adjustments For :		
Depreciation / Amortization (Net)	9,132.46	9,399.49
(Profit)/Loss on Sale of Property, Plant & Equipment	54.61	106.28
Irrecoverable Debts and Advances Written off	3,255.60	102.19
Capital WIP and Pre operative Expenses Written Off	6,729.19	—
Liabilities no longer required written back	(2,659.89)	(861.99)
Interest on Term Loans and Others	9,604.97	8,747.61
Provision for doubtful advances	44.65	—
Allowance for expected credit losses	11,956.19	802.32
Prior Period Expenditure (net)	722.99	635.13
Miscellaneous Expenditure w/off	3.60	3.60
Financial Lease Payment	10.14	10.13
Remeasurement (Gain)/Loss on net defined benefit Plans	137.74	55.00
(Profit) / Loss on Foreign Exchange Fluctuations (Net)	173.10	(4.42)
Interest Income	(214.84)	(198.46)
Operating Profit / (Loss) Before Working Capital Changes	43,756.78	11,214.67
Movements in Working Capital :		
Decrease / (Increase) in Trade Receivables	9,366.87	11,232.52
Increase in Loans and Advances and Other		
Current / Non Current Assets	(4,875.37)	1,582.77
Decrease / (Increase) in Inventories	(5,886.28)	(12,057.59)
Decrease in Trade Payables, Other Liabilities and Provisions	4,182.83	2,410.70
Cash generated from Operating Activities	46,544.83	14,383.07
Direct Taxes paid (net of refunds)	(270.54)	(37.26)
Net Cash generated from Operating Activities (A)	46,274.29	14,345.81
B. Cash Flow From Investing Activities		
Purchase of Property, Plant and Equipment	(12,731.79)	(4,216.58)
Proceeds from Sale of Property, Plant and Equipment	9.99	58.43
Proceeds from maturity of fixed deposits	150.90	40.89
Interest received	135.30	164.53
Net Cash generated (used in) Investing Activities (B)	(12,435.60)	(3,952.73)

Consolidated Cash Flow Statement for the year ended March 31, 2022 (Contd.)

Particulars	(₹ in lacs)	
	Current year ended March 31, 2022	Previous year ended March 31, 2021
C. Cash Flow From Financing Activities		
Proceeds/(Repayment) from Non Current / Current Borrowings	(6,008.66)	2,808.91
Repayment of Non Current / Current Borrowings	(18,925.57)	(6,131.79)
Financial Lease Payment	(10.14)	(10.13)
Interest Paid	(10,137.00)	(5,603.59)
Net Cash generated (used in) Financing Activities (C)	(35,081.37)	(8,936.60)
Net Increase / (Decrease) In Cash and Cash Equivalents (A+B+C)	(1,242.68)	1,456.48
Cash and Cash Equivalents as at the beginning of the year	2,564.15	1,107.67
Cash and Cash Equivalents as at the end of the year	1,321.47	2,564.15
Components of cash and cash equivalents		
Cash in hand	68.67	74.91
Cheques in hand	—	181.46
Balance with Scheduled Banks:		
Current Account	1,251.91	2,179.78
Fixed Deposit Account	0.89	128.00
Cash and Cash Equivalents as at 31st March, 2022(Refer Note 12)	1,321.47	2,564.15

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 : 27th May, 2022

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

Director

DIN : 00045192

Sd/-

Ajay Kumar Tantia

Company Secretary

Significant Accounting Policies and Notes to Consolidated financial statements for the year ended March 31, 2022

1. Corporate Information

These consolidated financial statements comprise the company and its subsidiaries (referred to collectively as the 'Jai Balaji Group') and the group's interest in Joint Venture Companies. The Company is one of the largest steel producers in the private sector in Eastern India. JBIL is an Integrated Steel Plant 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, 2022 were approved for issue by the Company's board of directors on 27th May, 2022.

2 Significant Accounting Policies

a. Basis of Preparation of financial statements

a) Statement of Compliance

These 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 MCA vide notification dated 24th March, 2021 has amended Schedule III to the Companies Act, 2013 in respect of certain disclosures Amendments are applicable from 1st April, 2021. The Company has incorporated the changes as per the said amendment in these financial statement and has also changed comparative numbers wherever it is applicable.

This Note provides a list of the significant accounting policies adopted in the preparation of these consolidated financial statements. These policies have been consistently applied for the year ended March 31, 2022.

b) Basis of Consolidation

- The Consolidated Financial Statements which relate to Jai Balaji Industries Limited ("the Company") and its subsidiaries (collectively referred as "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, 2022	As at March 31, 2021
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, 2022	As at March 31, 2021
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)(vi) 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, 2022 (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.

- vii) 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.
- viii) 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, 2022

c) Historical Cost Convention

Financial Statements have been prepared on historical cost basis except for the following items:

- i. Certain financial assets and liabilities (including derivatives instruments) - measured at fair value
- ii. Defined benefit plans - Plan assets are measured at fair value

b. 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. 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 judgments

The areas involving critical estimates or judgments 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 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 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 company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

● Measurement of Lease liabilities and Right of Use Asset (ROUA) Refer note "e".

Estimation of Uncertainties relating to the global health pandemic from COVID-19 (COVID-19)

The continuance of corona virus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. The Companies operations and revenue during the period were impacted due to COVID-19. However it has no further significant impact with respect to COVID-19 in preparation of the Audited Consolidated Financial Results.

c. 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

Notes to Consolidated financial statements for the year ended March 31, 2022 (Contd.)

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.

d. IND AS 115: Revenue from Contracts with Customers

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, dividend income, gain/loss 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 and Merchandise Export from India Scheme (MEIS) are recognised on accrual basis.

C. Interest Income

Interest income is recognized using the effective interest rate (EIR) method.

e. IND AS 116: Lease

The Company has adopted Ind AS 116-Leases effective 1st April, 2019, using the modified retrospective method. The Company has applied the standard to its leases with the cumulative impact recognized on the date of initial application (1st April, 2019). Accordingly, previous period information has not been restated.

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

- i. The contract involves the use of an identified asset.
- ii. The Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- iii. The Company has the right to direct the use of the asset.

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

The lease liability is initially measured at 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.

Notes to Consolidated financial statements for the year ended March 31, 2022 (Contd.)

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. Remeasurement 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.

f. 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. When a major inspection is performed, its cost is not recognized 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 company 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: 5-60 years
- Office Equipments: 5 years
- Furniture and Fixtures: 10 years
- Vehicle: 8 years
- Plant and equipments: 15-25 years
- Computers: 3-6 years
- 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.

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.

g. Intangible Assets

Purchase Software

Software licences are carried 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

Notes to Consolidated financial statements for the year ended March 31, 2022 (Contd.)

h. Provisions

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.

i. 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.

j. 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.

k. Operating Segment

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. Chief operating decision making group consists of the Chairman & Managing Director, and the CFO.

l. Cash and bank balances

Cash and bank balances consist of:

1. 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.

2. 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.

m. 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.

n. Leases

As a lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the company is classified as a finance lease.

Finance Leases

Assets held under finance leases are recognised as assets at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the statement of financial position 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 charged to the statement of financial performance.

Notes to Consolidated financial statements for the year ended March 31, 2022 (Contd.)

Finance Leases-Lessee

Finance leases are recognised as assets and liabilities in the statement of financial position at amounts equal to the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation. The discount rate used in calculating the present value of the minimum lease payments is the interest rate implicit in the lease. Minimum lease payments are apportioned between the finance charge and reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate on the remaining balance of the liability. Any contingent rent is expensed in the period in which they are incurred

o. 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.

p. Financial Instruments

Initial Recognition

The company 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 company commits to purchase or sell the asset.

Subsequent Measurement

a. 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 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 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 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

Notes to Consolidated financial statements for the year ended March 31, 2022 (Contd.)

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 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 if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously. This legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business.

q. Impairment

a. Financial assets

The company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL.

As a practical expedient, the company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed. Considering a provision discount rates for delay risk are as under:

Ageing Discount for Delay

0-6 months	5%
6-12 months	20%
12-24 months	40%
24-36 months	50%
Above 36 months	100%

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/expense in the statement of profit and loss. This amount is reflected under the head 'other expenses' in the Profit and Loss.

ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the company does not reduce impairment allowance from the gross carrying amount.

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.

Notes to Consolidated financial statements for the year ended March 31, 2022 (Contd.)

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 been recognized for the asset in the current years which is shown under exceptional item.

r. Foreign currencies

Items included in the financial statements are measured using the currency of the primary economic environment in which the company operates (the functional currency). The company's financial statements are presented in Indian rupee (INR), which is also the company's financial currency.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date.

Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined.

Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of transaction. Exchange differences are recognized in profit or loss, except exchange differences arising from the translation of the following items which are recognized in OCI:

- equity instruments at fair value through OCI (FVOCI);
 - a financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective; and
 - Qualifying cash flow hedges to the extent that the hedges are effective.
- a) Transactions in foreign exchange covered by forward contracts are accounted for at the contracted rates.
 - b) Transactions other than those covered by forward contracts are recognized at the exchange rates prevailing on the date of their occurrence.
 - c) Monetary assets and liabilities in foreign currency that are outstanding at the year end and not covered by forward contracts are translated at the year-end exchange rates.

- d) The exchange differences arising from long term foreign currency monetary items relating to the acquisition of a depreciable asset are added to or deducted from the cost of the depreciable capital assets. Other exchange differences arising from long-term foreign currency monetary items are transferred to "Foreign currency monetary item translation difference account" to be amortized over the life of such monetary items but not beyond 31st March 2022. Other exchange differences are recognized as income or expense in the profit and loss account.

s. 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 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

Notes to Consolidated financial statements for the year ended March 31, 2022 (Contd.)

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.

t. Employee benefits

i. Short term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employee's services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

ii. Post-employment obligations

The company operates the following post-employment schemes:

- (a) Defined benefit plans such as gratuity; and
- (b) Defined contribution plans such as provident fund

Gratuity obligations

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity 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 defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The benefits which are denominated in currency other than INR, the cash flows are discounted using market yields determined by reference to high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms approximating to the terms of the related obligation.

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. This cost

is included in employee benefit expense in the statement of profit or loss.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss as past service cost.

Defined contribution plans

The company pays provident fund contribution to publicly administered provident funds as per local regulations. The company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payment is available.

iii. Other long-term employee benefit obligations

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of 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 market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

iv. Bonus plans

The company recognizes a liability and an expense for bonuses. The company recognizes a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

v. Update on the Code on Social Security, 2020 ('Code')

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-

Notes to Consolidated financial statements for the year ended March 31, 2022 (Contd.)

employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period when the Code becomes effective.

u. 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.

v. Recent accounting pronouncements

New and revised Indian Accounting Standards in issue but not yet effective:

Amendments to Ind AS 16 Property, Plant and Equipment.	Proceeds before Intended Use.
Amendments to Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets.	Determining costs to fulfil a contract.
Amendments to Ind AS 103 Business Combination.	Reference to the Conceptual Framework for Financial Reporting
Amendments to Ind AS 101 First - Time Adoption of Ind AS.	Subsidiary as a first-time adopter of Ind AS.
Amendments to Ind AS 109 Financial Instruments.	Fees in the '10 per cent' test for derecognition of financial liabilities.

Amendments to Ind AS 16 Property, Plant and Equipment:

On 23rd March, 2022 Ministry of Corporate Affairs (MCA) has issued amendments to Ind AS 16 Property, Plant and Equipment – Proceeds before Intended Use which amends that the excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment.

The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022,

Notes to Consolidated financial statements for the year ended March 31, 2022 (Contd.)

although early adoption is permitted. The Company has evaluated the amendment and the impact is not expected to be material.

Amendments to Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets:

On 23rd March, 2022 Ministry of Corporate Affairs (MCA) has issued amendments to Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets – Determining costs to fulfil a contract which clarifies the cost of fulfilling a contract comprises the costs that relate directly to the contract. Costs that relate directly to a contract consist of both-

- a) the incremental costs of fulfilling that contract – for example, direct labour and materials; and
- b) an allocation of other costs that relate directly to fulfilling contracts – for example, an allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling that contract among others.

It further amended that in Paragraph 69 the term 'dedicated to that contract' has been replaced to 'used in fulfilling the contract' which clarifies that the requirement to recognise any impairment loss before establishing on onerous contract provision applies to all the assets whose cost would be considered in assessing whether the contract is onerous.

The amendments apply for annual reporting periods beginning on or after 1st April, 2022 to contracts existing at the date when the amendments are first applied.

At the date of initial application, the cumulative effect of initially applying the amendments is recognised as an opening balance adjustment to retained earnings or other component of equity, as appropriate. The Company has evaluated the amendment and the impact is not expected to be material.

Amendments to Ind AS 103 Business Combination:

On 23rd March, 2022 Ministry of Corporate Affairs (MCA) has issued amendments to Ind AS 103 Business Combination which have substituted the reference to the Framework for Preparation and Presentation of Financial Statements with reference to the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework), without changing the accounting requirements for business combinations; wherein an exception has been added to the requirements of liabilities and contingent liabilities

that would be within the scope of Ind AS 37 or Appendix C if incurred separately, and the requirements for contingent assets have been made explicit and clarify that replacing the reference to the Conceptual Framework does not change its principles.

The amendments apply for annual reporting periods beginning on or after 1st April, 2022 to contracts existing at the date when the amendments are first applied. The Company has evaluated the amendment and there is no impact on its condensed consolidated financial statements.

Amendments to Ind AS 101 First – Time Adoption of Ind AS:

On 23rd March, 2022 Ministry of Corporate Affairs (MCA) has issued amendments to Ind AS 101 First – Time Adoption of Ind AS - Subsidiary as a first-time adopter of Ind AS that if a subsidiary, joint venture or associate adopts Ind AS later than its parents and measure their assets and liabilities at the carrying amounts that would be included in the parent's consolidated financial statements, based on the parent's date of transition to Ind AS, then the subsidiary may elect to measure cumulative translation differences for all foreign operations at amounts included in the consolidated financial statements of the parent, based on the parent's date of transitions to Ind AS.

The amendments apply for annual reporting periods beginning on or after 1st April, 2022 to contracts existing at the date when the amendments are first applied. The Company has evaluated the amendment and there is no impact on its condensed consolidated financial statements.

Amendments to Ind AS 109 Financial Instruments:

On 23rd March, 2022 Ministry of Corporate Affairs (MCA) has issued amendments to Ind AS 109 Financial Instruments - Fees in the '10 per cent' test for derecognition of financial liabilities which clarifies that for the purpose of performing the '10 per cent test' for derecognition of financial liabilities, in determining fees paid, the borrower includes amounts paid by the borrower to or on behalf of the lender, and fees received included amounts paid by the lender to or on behalf of the borrower.

The amendments apply for annual reporting periods beginning on or after 1st April, 2022 to contracts existing at the date when the amendments are first applied. The Company has evaluated the amendment and the impact is not expected to be material.

Notes to Consolidated financial statements for the year ended March 31, 2022 (Contd.)

Note 3 : Property, plant and equipment

i) Current Reporting Period

Particulars	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	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
Accumulated depreciation as on April 1, 2021	—	14,009.14	3,403.59	96,997.47	21,971.37	112.40	1,005.84	114.12	137,614.01
Depreciation for the period	—	1,171.45	323.62	7,054.63	472.44	5.60	88.01	0.05	9,115.80
Disposal/ Adjustment	—	—	—	129.62	26.84	—	—	—	156.46
Accumulated depreciation as on March 31, 2022	—	15,180.59	3,727.21	103,922.48	22,416.97	118.00	1,093.85	114.25	146,573.35
Carrying value as on March 31, 2022	4,103.89	25,908.01	856.06	82,643.81	2,123.65	99.46	265.02	6.13	116,006.03
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

ii) Previous Reporting Period

Particulars	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, 2020	4,103.89	40,592.62	4,354.18	177,161.80	24,283.63	132.87	1,127.06	120.38	251,876.42
Additions	—	186.73	—	3,444.53	153.65	11.39	90.53	—	3,886.83
Disposal/ Adjustments	—	—	—	434.69	56.89	—	—	—	491.58
Gross carrying value as on March 31, 2021	4,103.89	40,779.35	4,354.18	180,171.64	24,380.39	144.26	1,217.59	120.38	255,271.67
Accumulated depreciation as on April 1, 2020	—	12,846.64	3,083.74	90,417.81	21,049.57	108.02	937.68	114.12	128,557.58
Depreciation for the period	—	1,162.50	319.85	6,851.24	975.85	4.38	68.16	0.08	9,382.06
Disposal/ Adjustment	—	—	—	271.58	54.05	—	—	—	325.63
Accumulated depreciation as on March 31, 2021	—	14,009.14	3,403.59	96,997.47	21,971.37	112.40	1,005.84	114.20	137,614.01
Carrying value as on March 31, 2021	4,103.89	26,770.21	950.59	83,174.17	2,409.02	31.86	211.75	6.18	117,657.66
Carrying value as on April 1, 2020	4,103.89	27,745.98	1,270.44	86,743.99	3,234.06	24.85	189.38	6.26	123,318.85

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 19 & 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.



Notes to Consolidated financial statements for the year ended March 31, 2022 (Contd.)

Note 3A : The details of right-of use asset held by the company is as follows:

		(₹ in lacs)
i) Current Reporting Period		
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	
ii) Previous Reporting Period		(₹ in lacs)
Particulars	Leasehold Land	
Gross carrying value as on April 1, 2020	871.86	
Additions	-	
Disposal	-	
Gross carrying value as on March 31, 2021	871.86	
Accumulated depreciation as on April 1, 2020	398.51	
Depreciation for the period	8.67	
Disposal/ Adjustment	-	
Accumulated depreciation as on March 31, 2021	407.18	
Carrying value as on March 31, 2021	464.68	
Carrying value as on April 1, 2020	473.35	

Net book value of leasehold land for the year ended March 31, 2022 were under finance lease

Note 4 : Capital Work-in-Progress

		(₹ in lacs)
Description	As at March 31, 2022	As at March 31, 2021
A. Capital Work-in-Progress		
Buildings	1,603.23	1,255.18
Road	50.52	193.00
Railway Siding	359.01	359.01
Plant and Machinery	10,179.66	5,780.42
Electrical Installations	913.06	617.16
Land	1,158.81	1,158.81
Sub Total	14,264.29	9,363.58
Less : Transferred to Fixed Assets	6,378.46	3,409.91
Less : Amount write off (Refer note below)	2,765.23	--
Total A :	5,120.60	5,953.67
B. Pre-operative Expenditure Pending Allocation		
Opening Balance	4,221.04	3,987.97
Additions		
Rent and Hire	4.29	2.30
Legal and Professional Charges	24.32	--
Miscellaneous Expenses	492.84	333.38
	521.45	335.68
Less : Transferred to Fixed Assets	674.13	102.61
Less : Amount write off (Refer note below)	3,963.96	--
Total B :	104.40	4,221.04
Grand Total (A+B)	5,225.00	10,174.71



Notes to Consolidated financial statements for the year ended March 31, 2022 (Contd.)

Ageing of Capital Work in Progress :

i) Current 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
Total	4,881.35	—	—	343.65	5,225.00

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	1,888.25	962.59	109.32	6,870.90	9,831.06
Projects temporarily suspended	—	—	343.65	—	343.65
Total	1,888.25	962.59	452.97	6,870.90	10,174.71

Note: During the quarter and twelve months ended 31st March, 2022 the Company has written off Capital Work-in-Progress and Pre-operative expenses amounting to ₹ 6,729.19 lacs pertaining to abandoned and discontinued projects which is debited to Profit and Loss account.

Note 4A : Intangible Assets

i) Current Reporting Period

(₹ in lacs)

Particulars	Software
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

ii) Previous Reporting Period

(₹ in lacs)

Particulars	Software
Gross carrying value as on April 1, 2020	117.85
Additions	5.67
Disposal	—
Gross carrying value as on March 31, 2021	123.52
Accumulated depreciation as on April 1, 2020	90.00
Depreciation for the period	8.76
Disposal/Adjustment	—
Accumulated depreciation as on March 31, 2021	98.76
Carrying value as on March 31, 2021	24.76
Carrying value as on April 1, 2020	27.85

Notes to Consolidated financial statements for the year ended March 31, 2022 (Contd.)

Note 5 : Intangible Assets Under Development

(₹ in lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Intangible Assets under development		
Software	20.80	20.80
Less : Amount write off	20.80	—
Total:	—	20.80

Ageing of Intangible Assets under development :

i) Current 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	—	—	—	—	—
Total	—	—	—	—	—

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	—	—	20.80	—	20.80
Total	—	—	20.80	—	20.80

Note 6 : Non Current Investment

(₹ in lacs)

Description	Face Value per Share	Number of Shares as at March, 2022	Number of Shares as at March, 2021	As at March 31, 2022	As at March 31, 2021
I Trade Investment					
Unquoted, Fully Paid up					
a. Investment in Equity Shares					
i) In Joint Venture Companies#					
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. Investment in Preference Shares					
i) In a Joint Venture Company#					
1% Redeemable Preference Shares of Rohne Coal Company Private Limited	10	2,363,914	2,363,914	23.64	23.64
				27.52	27.52
Aggregate Value of Investments					
- Quoted				—	—
- Unquoted				27.52	27.52
# Refer note 50					
(At Fair value through Other Comprehensive Income)					

Notes to Consolidated financial statements for the year ended March 31, 2022 (Contd.)

(₹ in lacs)

Description	Face Value per Share	Number of Shares as at March, 2022	Number of Shares as at March, 2021	As at March 31, 2022	As at March 31, 2021
II Non Trade Investment					
Unquoted, Fully Paid up					
a. Investment in Equity Instruments					
Calcutta Stock Exchange Limited#	1	2,726	2,726	71.60	71.60
b. In Government Securities					
National Saving Certificate (Deposited with Third Parties)				7.32	7.32
				<u>78.92</u>	<u>78.92</u>
Aggregate Value of Investments					
- Quoted				—	—
- Unquoted				78.92	78.92
Market Price- Quoted				—	—
# Refer note 51					

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, 2022	As at March 31, 2021
In Subsidiary Companies			
Jai Balaji Energy (Purulia) Limited	India	100%	100%
Jai Balaji Steels (Purulia) Limited	India	100%	100%
In Joint Venture Companies#			
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, 2022	As at March 31, 2021
Unsecured, considered good		
Security Deposits	3,668.79	2,636.95
[Net of Provision for Doubtful Advances of ₹ 34.65 lacs (₹ Nil)]		
Bank deposits with more than 12 months maturity	514.48	1,539.51
Interest Receivable on Deposits	53.50	16.82
Advance to Others	—	—
Total	<u>4,236.77</u>	<u>4,193.28</u>

Note

 Fixed deposit amounting to **Rs. 514.48 Lacs** (₹ 1539.51 Lacs) are held as margin money

Notes to Consolidated financial statements for the year ended March 31, 2022 (Contd.)

Note 8 : Deferred Tax Assets / (Liabilities) (Net)

(₹ in lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Deferred Tax Asset		
Unabsorbed Depreciation and carry forward Business Losses	69,276.81	74,956.38
Expenses Allowed On Payment Basis/Other Timing Differences	11,721.70	7,967.62
Sub Total (A)	80,998.51	82,924.00
Deferred Tax Liability		
Timing Difference on Depreciable assets	21,006.83	20,107.79
Sub Total (B)	21,006.83	20,107.79
Deferred Tax Assets / (Liabilities) (Net) (A - B)	59,991.68	62,816.21
Less: Deferred Tax Assets not recognised (refer note below)	(30,906.54)	(33,731.06)
Total	29,085.14	29,085.14

Note :

As the Group 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, 2022	As at March 31, 2021
Unsecured, considered good		
Capital Advances	7,855.82	4,087.73
Miscellaneous Expenditure	7.20	10.80
Mat Credit Entitlement	4,709.71	4,709.71
Total:	12,572.73	8,808.24

Note 10 : Inventories

(₹ in lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Raw Materials	51,943.99	48,647.23
[Including in transit ₹16,034.59 lacs (₹13,006.54 lacs)]		
Work - in - Progress	1,088.96	1,299.62
Finished Goods	14,291.86	12,002.94
Stock-in-trade	110.79	21.49
Stores and Spares	6,663.40	5,635.15
[Including in transit ₹462.78 lacs (₹263.98 lacs)]		
By Products and Scrap	1,703.74	2,310.06
Total:	75,802.74	69,916.49

Note 11 : Trade Receivables

(₹ in lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Trade Receivables considered good (Unsecured)	15,613.83	24,400.99
Trade Receivable credit impaired	36,044.63	24,100.54
	51,658.46	48,501.53
Less: Allowance for credit Losses (Refer note below)	36,044.63	24,100.54
Total:	15,613.83	24,400.99

Notes to Consolidated financial statements for the year ended March 31, 2022 (Contd.)

Ageing of Trade Receivables is as follows :

i) Current 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	—	—	—	—	—	—
Total	13,760.90	2,558.66	576.47	296.34	34,466.09	51,658.46

ii) Previous Reporting Period

(₹ in lacs)

Particulars	Outstanding for the year ended March 31, 2021 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)	9,419.90	534.54	1,019.61	13,426.94	—	24,400.99
(ii) Undisputed Trade receivables - credit impaired	—	—	—	—	24,100.54	24,100.54
(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	—	—	—	—	—	—
Total	9,419.90	534.54	1,019.61	13,426.94	24,100.54	48,501.53

Note:

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, 2022	As at March 31, 2021
Balance with Banks :-		
On Current Accounts	1,251.91	2,179.78
Bank Deposits with Original Maturity of Less than 3 months	0.89	128.00
Cheques in hand	—	181.46
Cash on hand	68.67	74.91
Total:	1,321.47	2,564.15

Note 13 : Bank Balances (Other Than Cash and Cash Equivalents)

(₹ in lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Bank deposits with less than 12 months maturity	889.63	15.50
Total:	889.63	15.50

Notes : Fixed deposit amounting to ₹ 313.97 Lacs (₹ 15.50 Lacs) are held as margin money

Notes to financial statements for the year ended March 31, 2022 (Contd.)

Note 14 : Current Loans

(₹ in lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Loans receivable considered goods - Unsecured		
Advances recoverable in cash or in kind or for value to be received [Net of Provision for Doubtful Advances of ₹ 10.00 lacs (₹ Nil)]	296.27	264.46
Total:	<u>296.27</u>	<u>264.46</u>

Note 15 : Other Current Financial Assets

(₹ in lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Unsecured, considered good		
Security Deposits	2,781.92	2,639.94
Interest Receivable on Deposits	37.76	20.29
Total	<u>2,819.68</u>	<u>2,660.23</u>

Note 16 : Other Current Assets

(₹ in lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Advances recoverable in cash or kind		
Advances recoverable in cash or in kind or for value to be received [Net of Provision for Doubtful Advances ₹764.38 lacs (₹764.38 lacs)]	20,065.36	16,951.13
	<u>20,065.36</u>	<u>16,951.13</u>
Other Loans and Advances		
Balance with Government Authorities	1,290.14	790.97
Advance income tax [Net of Provisions ₹ Nil (₹ Nil)]	685.81	389.88
Subsidies and Incentives Receivable	10,168.00	11,902.86
Sales Tax and Other Refunds Receivable	230.92	230.92
	<u>12,374.87</u>	<u>13,314.63</u>
Total:	<u>32,440.23</u>	<u>30,265.76</u>

Note 17 : Share Capital

(₹ in lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Authorised capital		
125,000,000 (125,000,000) Equity Shares of ₹ 10/- each	12,500.00	12,500.00
Issued, subscribed and fully paid-up capital		
11,04,50,286 (11,04,50,286) Equity Shares of ₹ 10/- each	11,045.03	11,045.03
Total:	<u>11,045.03</u>	<u>11,045.03</u>



Notes to Consolidated financial statements for the year ended March 31, 2022 (Contd.)

Reconciliation of the number of shares

Equity Shares :

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	(₹ in lacs)	No. of Shares	(₹ in lacs)
Equity Shares of Rs 10/- each				
At the beginning of the year	11,04,57,986	11,045.03	11,04,57,986	11,045.03
At the end of the year	11,04,57,986	11,045.03	11,04,57,986	11,045.03

(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) Details of shareholders holding more than 5% shares in the Company

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	% holding in the class	No. of Shares	% holding in the class
Enfield Suppliers Ltd.	11,221,233	10.16	11,221,233	10.16
Hari Management Ltd.	7,044,000	6.38	7,044,000	6.38
Jai Salasar Balaji Industries (P) Ltd	25,115,157	22.74	25,115,157	22.74
Edelweiss Asset Reconstruction Co Ltd (for and on behalf of EARC trust SC 301)	8,005,706	7.25	8,005,706	7.25
Mahesh Kumar Keyal (HUF)	6,500,000	5.89	6,500,000	5.89
	<u>57,886,096</u>	<u>52.42</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.

(iii) Share holding of promoters

The details of the shares held by promoters are as follows:

Sl No.	Promoter Name	As at March, 31, 2022			As at March, 31, 2021		
		No of shares	% of total Shares holding	% change during the year	No of shares	% of total Shares holding	% change during the year
1.	Aditya Jajodia	35,44,576	3.21	-	35,44,576	3.21	-
2.	Sanjiv Jajodia	27,79,433	2.52	-	27,79,433	2.52	-
3.	Rajiv Jajodia	15,68,333	1.42	-	15,68,333	1.42	-
4.	Aashish Jajodia	7,94,366	0.72	-	7,94,366	0.72	-
5.	Preeti Kankaria	4,35,301	0.39	-	4,35,301	0.39	-
6.	Sangeeta Jajodia	2,93,333	0.27	-	2,93,333	0.27	-
7.	Devendra Prasad Jajodia	2,60,000	0.24	-	2,60,000	0.24	-
8.	Seema Jajodia	2,18,833	0.20	-	2,18,833	0.20	-
9.	Rina Jajodia	1,63,666	0.15	-	1,63,666	0.15	-
10.	Kanchan Jajodia	1,34,383	0.12	-	1,34,383	0.12	-
11.	Gaurav Jajodia	1,19,666	0.11	-	1,19,666	0.11	-
12.	Vedang Jajodia	1,05,550	0.10	-	1,05,550	0.10	-
13.	Shashi Devi Jajodia	95,883	0.09	-	95,883	0.09	-
14.	Jai Salasar Balaji Industries Pvt Ltd	2,51,15,157	22.74	-	2,51,15,157	22.74	-
15.	Enfield Suppliers Ltd	1,12,21,233	10.16	-	1,12,21,233	10.16	-
16.	Hari Mmanagement Ltd	70,44,000	6.38	-	70,44,000	6.38	-
17.	K.D.Jajodia Steel Industries Pvt Ltd	24,10,333	2.18	-	24,10,333	2.18	-
		<u>5,63,04,046</u>	<u>50.98</u>	-	<u>5,63,04,046</u>	<u>50.98</u>	-

Notes to Consolidated financial statements for the year ended March 31, 2022 (Contd.)

Note 18 : Other Equity

i) Current Reporting Period

(₹ in lacs)

Particulars	Reserve & Surplus						Equity Instrument through OCI	Total
	Capital Reserve	Amalgamation Reserve	Securities Premium Account	General Reserve	Retained Earnings	Remeasurement Benefits		
Balance at the beginning of the year	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
Remeasurements of the net defined benefit plans	-	-	-	-	-	137.74	-	137.74
Total comprehensive income for the year	-	-	-	-	4,806.26	137.74	-	4,944.00
Transfer to retained earnings	-	-	-	-	147.88	(137.74)	-	10.14
Term loan written back and Rounding off adjustment	2,070.11	-	-	-	-	-	-	2,070.11
Rounding off adjustment	-	-	-	-	0.01	-	-	0.01
	2,070.11	-	-	-	147.89	(137.74)	-	2,080.26
Balance at the end of the year	8,478.61	4,400.00	52,206.01	10,325.00	(2,52,881.31)	-	143.01	(1,77,328.67)

ii) Previous Reporting Period

(₹ in lacs)

Particulars	Reserve & Surplus						Equity Instrument through OCI	Total
	Capital Reserve	Amalgamation Reserve	Securities Premium Account	General Reserve	Retained Earnings	Remeasurement Benefits		
Balance at the beginning of the year	6,408.50	4,400.00	52,206.01	10,325.00	(2,50,318.44)	-	143.01	(1,76,835.91)
Profit / (Loss) for the year	-	-	-	-	(7,582.20)	-	-	(7,582.20)
Remeasurements of the net defined benefit plans	-	-	-	-	-	55.00	-	55.00
Total comprehensive income for the year	-	-	-	-	(7,582.20)	55.00	-	(7,527.20)
Transfer to retained earnings	-	-	-	-	65.18	(55.00)	-	10.18
Rounding off adjustment	-	-	-	-	-	-	-	0.00
	-	-	-	-	65.18	(55.00)	-	10.18
Balance at the end of the year	6,408.50	4,400.00	52,206.01	10,325.00	(2,57,835.46)	-	143.01	(1,84,352.94)

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 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.

(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.


Notes to Consolidated financial statements for the year ended March 31, 2022 (Contd.)
Note 19 : Non Current Borrowings
(₹ in lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
(Secured, unless otherwise stated)		
Rupee Loan ARC (Refer Note 20)	50,890.19	50,665.56
Unsecured Loan:		
Debentures	7,717.87	7,146.17
Zero Coupon Non Convertible Debentures (Refer Note below)		
Total:	<u>58,608.06</u>	<u>57,811.73</u>

Notes:

- The Company has issued 87,39,685 Zero Coupon Unsecured Unlisted Non Convertible Debentures at a price of ₹100 each. The Debenture shall be redeemable at par within three months from the expiry of twelve years from the date of allotment i.e 14th November, 2015.
- Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the statement of profit and loss over the period of the borrowings using the effective interest method.

Note 19A : Lease Liabilities
(₹ in lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current Lease Liability	58.88	58.89
Current Lease Liability (Refer Note 37)	10.13	10.13
Total:	<u>69.01</u>	<u>69.02</u>

Note 20 : Current Borrowings
(₹ in lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
(Secured, unless otherwise stated)		
Term Loans:		
Rupee Loan from Financial Institutions	537.16	537.16
Rupee Loan from Bodies Corporate (Unsecured)	797.25	797.25
Rupee Loan ARC	2,26,590.80	2,45,741.00
Loan Repayable on Demand		
From Banks		
- Demand loan/Cash Credits	20,068.76	29,997.53
- From Bodies Corporate (Unsecured)	10,257.00	8,407.00
Total:	<u>2,58,250.97</u>	<u>2,85,479.94</u>

Note:
1. Rupee Loan from Banks and Financial Institution and Assets Reconstruction Company

- Rupee Term Loan from Banks and ARC are secured by 1st charge over the entire fixed assets (both present and future) and 2nd 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.

Notes to Consolidated financial statements for the year ended March 31, 2022 (Contd.)

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. Rupee Loan repayable on Demand

a. Secured Loan

On the approach of the company, rupee term loan from Union Bank of India (Erstwhile Corporation Bank) and Punjab National Bank (Erstwhile Oriental Bank of Commerce) has been settled through one time settlement scheme. On the approval of one time settlement, the entire liabilities of both banks is consider under the current maturity and the same has been classified under Loans Repayable on Demand from Banks.

The above facilities 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

b. Unsecured Loan

1. 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 Axis 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. However, the company has made regular payment to Edelweiss Asset Reconstruction Company Limited as per the repayment schedule. Up to the Balance Sheet date ₹ 26,822.00 lacs has been paid against the total outstanding loan liability.
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.
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 along with all their rights, title and interest in the financing documents, all agreements, deeds and documents related thereto and all primary and collateral and underlying security interests and /or pledges created to secure and /or guarantees issued in respect of the repayment of the loans for valuable consideration to the Omkara Assets Reconstruction Private Limited (Omkara ARC). On account of non-finalization of repayment and restructuring terms, ₹32,326.74 lacs paid to the said ARC up to the balance sheet dates, has been reduced from the loan balance of the respective bank.
4. Punjab National Bank (Erstwhile Oriental Bank of Commerce) has approved a One Time settlement offer to the company against their combined dues of Punjab National Bank and Oriental Bank Commerce entire dues. During the period under review, Company has paid ₹ 10,736.00 lacs as per the restructured repayment plan of the said OTS up to 31st March 2022.
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, repayment, restructuring or settlement with Atirath Commercial Private Limited for said debt is still pending.
6. During the period under review, Union Bank of India (Erstwhile Corporation Bank), has approved One Time settlement offer to the company against their entire dues to the company. Company has already paid ₹600.00 lacs as per the restructured repayment plan of the said OTS up to 31st March 2022.
7. During the period under review, Canara Bank has approved one time settlement offer to the company against their entire dues and company has subsequently paid the entire OTS amount of ₹1,260.00 lacs up to 31st March 2022. On completion of the OTS payment, Canara Bank issued no dues certificate to the company after which company has paid off and transferred the balance liability of ₹ 2,070.11 lacs to Capital Reserve.

Notes to Consolidated financial statements for the year ended March 31, 2022 (Contd.)

8. 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	149,933.00	26,822.00	Restructured	No Default
Edelweiss Asset Reconstruction Company Limited	12,720.00	4,070.00	Restructured	No Default
Omkara Assets Reconstruction Pvt. Ltd.	144,854.00	32,327.00	Not yet restructured/ settled, hence payments made to respective ARC are directly considered as on account payment	Not Applicable
Atirath Commercial Pvt. Ltd.	538.00	--	Not yet restructured/ settled, hence repayment not yet started	Not Applicable
Punjab National Bank (Combined of Erstwhile Oriental Bank of Commerce & PNB)	28,944.00	10,736.00	OTS Restructured	No Default
Corporation Bank	2,152.00	600.00	OTS Settled	No Default
Total	339,141.00	74,555.00		

9. In view of the above, pending finalization of any corrective action plan/restructure/settlement with those lenders/ ARCs, the Company has stopped providing interest accrued and unpaid with effect from 1st April, 2016 in its books. The amount of such accrued and unpaid interest not provided for the last year ended 31st March, 2022 stands at ₹29,938.85 lacs (₹28,020.96 lacs). The accumulated interest not provided till 31st March, 2022 stands at ₹1,57,680.94 lacs. Accordingly, the same has not been considered for compilation of results of the said year ended 31st March, 2022. The Statutory Auditors have qualified their Audit Report in respect of this matter.

Note 21 : Trade Payables

(₹ in lacs)		
Particulars	As at March 31, 2022	As at March 31, 2021
Trade Payables		
-Dues to Micro enterprises and Small enterprises	920.53	670.80
-Other than Micro enterprises and Small enterprises	80,949.12	74,362.17
Total:	<u>81,869.65</u>	<u>75,032.97</u>

Notes to Consolidated financial statements for the year ended March 31, 2022 (Contd.)

Ageing of Trade Payables is as follows:

i) Current 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	80,949.12
iii) Outstanding dues to MSME - Disputed	--	--	--	--	--
iv) Others - Disputed	--	--	--	--	--
Total	63,160.80	2,306.61	3,099.93	13,302.30	81,869.65

ii) Previous Reporting Period

(₹ in lacs)

Particulars	Outstanding for the year ended March 31, 2021 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	663.07	6.39	1.27	0.08	670.80
ii) Others	51,625.03	4,561.18	10,162.34	8,013.62	74,362.17
iii) Outstanding dues to MSME - Disputed	--	--	--	--	--
iv) Others - Disputed	--	--	--	--	--
Total	52,288.09	4,567.57	10,163.61	8,013.70	75,032.97

Note:

Under the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006, certain disclosures are required to be made relating to Micro, Small and Medium Enterprises, In regard to this, the company has received intimation from various parties and details are given refer note no-40.

Note 22 : Other Financial Liabilities

(₹ in lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Interest Accrued and due on Borrowings	1,443.78	5,596.54
Temporary Book Overdraft	—	464.72
Capital Creditors	1,618.96	1,248.53
Due to Employees	1,507.15	2,000.57
Interest Others	13,406.50	12,316.46
Security Deposit	539.50	254.73
Unclaimed Amount	4.53	2.86
	<u>18,520.43</u>	<u>21,884.41</u>

Note 23 : Other Current Liabilities

(₹ in lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Advance from Customer	36,885.96	22,719.47
Statutory Dues Payable	7,978.53	9,865.08
Other Miscellaneous	124.73	133.15
Total:	<u>44,989.22</u>	<u>32,717.70</u>



Notes to Consolidated financial statements for the year ended March 31, 2022 (Contd.)

Note 24 : Current Provisions

(₹ in lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for employee benefits:		
Gratuity (Refer Note 39)	738.41	863.04
Leave Salary (Refer Note 39A)	152.51	72.38
Total:	<u>890.92</u>	<u>935.42</u>

Note 25 : Revenue from Operations

(₹ in lacs)

Particulars	Current year ended March 31, 2022	Previous year ended March 31, 2021
Sales of products		
Finished Goods	433,904.66	245,140.19
Stock-in-Trade	1,019.10	1,764.84
By Products and Scraps	12,573.89	10,723.10
Raw Materials	12,273.07	15,139.43
Other Operating Revenue		
Conversion Charges	4,321.72	5,538.73
Export Incentives	241.97	133.77
Service and other Charges	18.20	78.12
Revenue from Operations	<u>464,352.61</u>	<u>2,78,518.18</u>

Disaggregation of Revenue as per Ind AS-115

Sale of finished goods and Stock-in-trade goods comprise* :

(₹ in lacs)

Particulars	UOM	Current year ended March 31, 2022	Previous year ended March 31, 2021
Sponge Iron	MT	43,039.77	29,042.80
Pig Iron	MT	104,016.50	66,238.29
Steel Bars/Rods	MT	76,808.13	41,042.72
Billet/MS Ingots	MT	29,074.04	23,305.55
Ferro Alloys	MT	89,235.78	33,924.95
Ductile Iron Pipe	MT	84,757.15	51,352.30
Nut Coke	MT	12.82	233.58
Coal/Coke	MT	6,960.47	105.48
Managanese Ore (Import)	MT	489.73	404.66
TMT	MT	—	17.71
Silico Managanese	MT	529.38	—
M.S. Billet	MT	—	1,236.99
		<u>434,923.76</u>	<u>246,905.03</u>

*excludes goods transferred for further processing and used for self consumption in Fixed Assets/Trial Run.



Notes to Consolidated financial statements for the year ended March 31, 2022 (Contd.)

Note 26 : Other Income

(₹ in lacs)

Particulars	Current year ended March 31, 2022	Previous year ended March 31, 2021
Interest on :		
(a) Fixed Deposits with Banks [Gross, Tax deducted at source ₹5.17 lacs (₹13.05 lacs)]	59.31	95.55
(b) Loans and Advances [Gross, Tax deducted at source ₹8.84 lacs (₹2.16 lacs)]	130.14	92.92
(c) Refund from Income Tax Department	25.39	10.00
Insurance Claims	37.75	3.32
Liabilities no longer required written back	2,659.89	861.99
Gain on Foreign Exchange Fluctuations (Net)	—	4.42
Miscellaneous Income	74.28	14.48
Total:	2,986.76	1,082.68

Note 27 : Cost of Materials Consumed

(₹ in lacs)

Particulars	Current year ended March 31, 2022	Previous year ended March 31, 2021
Opening Stock	48,647.23	40,146.11
Purchases	336,307.03	217,051.41
	384,954.26	257,197.52
Less: Closing Stock	51,943.99	48,647.23
Raw Materials Consumed	333,010.27	208,550.29

Consumption of Raw Material :

(₹ in lacs)

Particulars	UOM	Current year ended March 31, 2022	Previous year ended March 31, 2021
Iron Ore / Pellets / Sinter	MT	84,342.50	50,393.54
Manganese Ore	MT	14,739.77	4,755.05
Sponge Iron	MT	8,672.87	8,212.07
Billet/Ingot	MT	60,817.61	31,935.84
Coke/Coal	MT	126,225.30	87,892.26
Magnesium Metal	MT	1,782.32	597.28
Pig Iron	MT	433.72	1,307.70
Steel Scrap & Wastes	MT	6,146.35	5,660.94
Ferro Alloys	MT	15,129.32	7,304.45
Quartzite, Limestone and Dolomite	MT	14,720.51	10,491.16
		3,33,010.27	2,08,550.29

Note 28 : Purchase of Stock in Trade

(₹ in lacs)

Particulars	Current year ended March 31, 2022	Previous year ended March 31, 2021
M. S. Billet	—	1,223.15
Coke (Low Ash)	—	89.10
Silico Manganese	589.45	—
TMT	—	17.23
Manganese Ore (Imported)	412.00	387.47
	1,001.45	1,716.95


Notes to Consolidated financial statements for the year ended March 31, 2022 (Contd.)
Note 29 : Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade
(₹ in lacs)

Particulars	Current year ended March 31, 2022	Previous year ended March 31, 2021
Opening Stocks		
Finished Goods	12,002.94	7,937.20
Stock-in-Trade	21.49	26.37
Work-in-Progress	1,299.62	872.49
By Products and Scrap	2,310.06	3,465.26
	<u>15,634.11</u>	<u>12,301.32</u>
Less :		
Closing Stocks		
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
	<u>17,195.35</u>	<u>15,634.11</u>
(Increase)/Decrease in Inventories	<u>(1,561.24)</u>	<u>(3,332.79)</u>

Stock of finished goods and Stock-in-trade goods comprises :
(₹ in lacs)

Particulars	UOM	Current year ended March 31, 2022	Previous year ended March 31, 2021
Opening Stock :			
Sponge Iron	MT	367.57	345.64
Pig Iron	MT	700.44	621.76
Steel Bars/Rods	MT	1,960.82	473.86
Billet/MS Ingots	MT	544.89	459.74
Ferro Alloys	MT	1,590.10	1,008.80
Ductile Iron Pipe	MT	4,471.04	3,172.87
Coke	MT	2,389.58	1,880.91
Total		<u>12,024.43</u>	<u>7,963.58</u>
Closing Stock :			
Sponge Iron	MT	489.65	367.57
Pig Iron	MT	1,373.27	700.44
Steel Bars/Rods	MT	2,724.82	1,960.82
Billet/MS Ingots	MT	508.84	544.89
Ferro Alloys	MT	5,035.38	1,590.10
Ductile Iron Pipe	MT	3,173.22	4,471.04
Coke	MT	1,097.47	2,389.58
Total		<u>14,402.65</u>	<u>12,024.43</u>

Note 30 : Employee Benefits Expense
(₹ in lacs)

Particulars	Current year ended March 31, 2022	Previous year ended March 31, 2021
Salaries, Wages, Bonus & Other Benefits	10,066.29	8,115.24
Contribution to Provident Fund & other fund	510.40	454.12
Staff Welfare Expenses	308.93	300.33
Total:	<u>10,885.62</u>	<u>8,869.69</u>



Notes to Consolidated financial statements for the year ended March 31, 2022 (Contd.)

Note 31 : Finance Costs

(₹ in lacs)

Particulars	Current year ended March 31, 2022	Previous year ended March 31, 2021
Interest Expenses		
On Term loans	7.44	--
On ARC	5,705.49	5,734.14
On Others	3,892.04	3,013.47
Finance charges	<u>265.36</u>	<u>56.16</u>
Total:	<u>9,870.33</u>	<u>8,803.77</u>

Note 32 : Depreciation and Amortisation Expenses

(₹ in lacs)

Particulars	Current year ended March 31, 2022	Previous year ended March 31, 2021
Depreciation on property, plant and equipment	9,124.46	9,390.73
Amortisation of intangible assets	8.00	8.76
Total:	<u>9,132.46</u>	<u>9,399.49</u>

Note 33 : Other Expenses

(₹ in lacs)

Particulars	Current year ended March 31, 2022	Previous year ended March 31, 2021
Consumption of Stores and Spares	29,952.12	19,183.67
Labour Charges	8,259.39	6,816.09
Power and Fuel	17,733.43	14,278.00
Repairs and Maintenance:		
- Plant and Machinery	738.78	465.91
- Buildings	46.54	4.64
- Others	1,896.70	1,512.13
Water Charges	316.78	297.50
Equipment Hire Charges	4,415.01	3,864.15
Shifting Expenses	42.60	45.27
Freight and Transportation	5,066.04	2,182.99
Rent and Hire	186.39	112.81
Rates and Taxes	231.78	85.89
Insurance	433.82	357.66
Advertisement	518.24	130.79
Brokerage and Commission (Other than Sole Selling Agents)	455.18	358.00
Travelling and Conveyance	871.94	433.03
Telephone and Postage	78.90	59.54
Legal and Professional Charges (Refer Note 49)	496.94	327.58
Director's Fees	1.45	1.40
Allowances for Expected credit loss	11,956.19	802.32
Provision for Doubtful Advances	44.65	--
Irrecoverable Debts and Advances Written off	3,255.60	102.19
Loss on Foreign Exchange Fluctuations (Net)	173.10	--
Charity and Donations	23.76	8.27
Security and Service Charges	505.71	465.27
Loss on Sale of Property, Plant & Equipment	54.61	106.28
Capital WIP and Pre operative Expenses Written Off	6,729.19	--
Miscellaneous Expenditure W/off	3.60	3.60
Miscellaneous Expenses	4,982.79	535.55
Prior period expenses (Net)	722.99	635.13
Total:	<u>100,194.22</u>	<u>53,175.66</u>



Notes to Consolidated financial statements for the year ended March 31, 2022 (Contd.)

Note 34 : Other Comprehensive Income

(₹ in lacs)

Particulars	Current year ended March 31, 2022	Previous year ended March 31, 2021
Other Comprehensive Income (Refer note 48)		
(A) Items that will not be reclassified to profit or loss	-	-
(I) Remeasurements of the defined benefit plans	137.74	55.00
Total:	137.74	55.00

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.

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.

(₹ in lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
a) Claims against the Company not acknowledged as debts		
i) Excise and Service Tax Demands under dispute/appeal	21,298.30	24,285.68
ii) Custom Demand on imported Coal/Coke	1,182.26	555.60
iii) Sales Tax /VAT Tax matters under dispute/appeal	8,143.78	9,073.30
iv) Others	-	-
v) Income Tax matters under dispute/appeal	6.85	6.85
vi) Electricity duty demand	1,214.13	-
b) Bank Guarantees outstanding	519.57	2,399.67
c) Custom Duty on Import of Equipment and spare parts under EPCG Scheme	6,272.00	3,176.00
d) Guarantees and counter guarantees given by the Company for loans obtained by other companies		
e) Corporate guarantee given to third party		
f) Legal Case matters under dispute/appeal	489.08	1,529.74

35B. Capital and other commitments

Estimated amount of contracts remaining to be executed on Capital Account and not provided for

4,282.95 6,314.42

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.

Notes to Consolidated financial statements for the year ended March 31, 2022 (Contd.)

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.

(₹ in lacs)

Particulars	Current year ended March 31, 2022	Previous year ended March 31, 2021
Payments recognised as a expenses	10.14	10.13
Future Minimum Lease payments		
Not later than one year	10.14	10.14
Later than one year and not more than five years	50.68	50.68
Later than five years	614.63	634.90

- 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, 2022	Previous year ended March 31, 2021
a)	Industrial Promotion Assistance	Subsidy on Sales Tax / Value Added Tax under Sales & Service	Nil	Nil

39 Employee Benefits
A. Disclosures for defined benefit plans based on actuarial reports

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, 2022	Previous year ended March 31, 2021
Current service cost	181.90	168.45
Interest cost on benefit obligation	51.21	49.51
Expected return on plan assets	-	-
Net actuarial loss/(gain) recognised in the year	-	-
Past Service cost	-	-
Total Expenses	233.11	217.96

Notes to Consolidated financial statements for the year ended March 31, 2022 (Contd.)

II. Net Liability/(Assets) recognized in the Balance Sheet are as follows: (₹ in lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Present value of Defined Benefits Obligation	(1,049.70)	(1009.38)
Fair value of plan assets	311.29	146.34
	(738.41)	(863.04)
Less: Unrecognised past service cost	—	—
Total Expenses	(738.41)	(863.04)

III. Change in the present value of the defined benefit obligation during the year are as follows: (₹ in lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Present value of Defined Benefits Obligation at the beginning of the year	1,009.38	902.84
Current Service Cost	181.90	168.45
Interest Cost	66.26	57.50
Settlement Cost	—	—
Benefits Paid	(70.08)	(63.24)
Actuarial Loss/(Gain)	(137.75)	(56.17)
Plan Amendments	—	—
Present value of Defined Benefits Obligation at the year end	1,049.71	1,009.38

IV. Change in the Fair Value of Plan Assets during the year ended are as follows: (₹ in lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Fair Value of Plan Assets at the beginning of the year	146.34	102.76
Expected Return	(0.01)	(1.17)
Interest Income	15.05	8.00
Contribution by Employer	220.00	100.00
Benefits paid	(70.08)	(63.24)
Actuarial Gains/(Losses)	—	—
Fair Value of Plan Assets at the year end	311.29	146.34

V. Expenses recognised in Other Comprehensive Income (OCI) for Current Year (₹ in lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Actuarial(Gain)/Losses due to DBO Assumption changes	(32.91)	(22.30)
Actuarial(Gain)/Losses due to DBO experience	(104.84)	(33.88)
Return on Plan Assets (Greater)/Less than Discount Rate	0.01	1.18
Net (Income)/Expense for the period recognized in OCI	(137.74)	(55.00)

Notes to Consolidated financial statements for the year ended March 31, 2022 (Contd.)

VI. Balance Sheet Reconciliation

(₹ in lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Net defined benefit asset/(liability) at end of prior period	(863.04)	(800.08)
Service cost	(181.90)	(168.45)
Net interest on net defined benefit liability/(asset)	(51.21)	(49.51)
Amount recognised in OCI	137.74	55.00
Employer contribution	220.00	100.00
Amount recognised in Balance Sheet	(738.41)	(863.04)

VII. The principal actuarial assumptions as at the Balance Sheet date are set out as below :

(₹ in lacs)

Particulars	Current year ended March 31, 2022	Previous year ended March 31, 2021
Summary of Financial Assumptions		
Discount Rate	7.10%	6.80%
Salary Escalation Rate	7.00%	7.00%
Summary of Demographic Assumptions		
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, 2022	Gratuity year ended March 31, 2021
Sensitivity Analysis			
Changes in Defined Benefit Obligations			
Salary Escalation	1%	113.84	116.47
Salary Escalation	-1%	99.77	101.61
Discount Rates	1%	99.08	101.19
Discount Rates	-1%	116.23	119.34

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.

B. Charge to the Statement of Profit and Loss on contributions

(₹ in lacs)

Particulars	Current year ended March 31, 2022	Previous year ended March 31, 2021
Contribution to Provident Fund and other Funds	666.67	577.52

39A The provision for leave encashment, which is required under IND AS 19 'Employee Benefits' is not done as per the evaluation of certified actuarial valuer but rather on actual basis.


Notes to Consolidated financial statements for the year ended March 31, 2022 (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, 2022	Previous year ended March 31, 2021
a)	Principal Amount remaining unpaid to the suppliers as at the end of the period	920.53	670.80
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

- (i) Business Segment : The Company's business activity primarily falls within a single business segment i.e. Iron & Steel Business and hence there are no disclosures to be made under Ind AS-108, other than those already provided in the financial statements.
- (ii) Geographical Segment : The Company's business activity primarily operates in India and therefore the analysis of geographical segment is based on the areas in which customers of the company are located.

Information for Secondary Geographical Segments:
(₹ in lacs)

Particulars	Current year ended March 31, 2022	Previous year ended March 31, 2021
Domestic Revenues	440,394.98	273,183.37
Export Revenues (Including Export Benefits)	23,957.63	5,334.81
Total Net Revenue	464,352.61	278,518.18

(₹ in lacs)

Particulars	Current year ended March 31, 2022	Previous year ended March 31, 2021
Domestic Trade Receivables	13,489.58	24,063.22
Export Trade Receivables	2,124.25	337.77
Total	15,613.83	24,400.99

Notes to Consolidated financial statements for the year ended March 31, 2022 (Contd.)

42. Unhedged Foreign Currency Exposures outstanding at the year end are as follows :

Particulars	Foreign Currency (FC)	As at March 31, 2022		As at March 31, 2021	
		in FC	₹ in lacs	in FC	₹ in lacs
Receivables					
(a) Trade Receivables	US\$	2,802,131	2,124.25	459,519	337.77
(b) Advances	US\$	539,825	398.12	264,297	192.62
Total			2,522.37		530.39
Payables					
(a) Trade Payables	US\$	560,254	424.71	650,401	478.08
	Euro	70,350	59.56	30,242	26.04
	GBP	--	--	1,025	0.83
(b) Advances	US\$	4,283,509	3,247.20	3,926,996	2,813.10
Total			3,731.47		3,318.05

43. 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, 2022	Previous year ended March 31, 2021
A.	Profit/(Loss) after Tax	₹ in lacs	4,806.26	(7,582.20)
B.	Number of shares at the beginning of the year	Nos.	110,450,286	110,450,286
C.	Total equity shares outstanding at the end of the year	Nos.	110,450,286	110,450,286
D.	Weighted average number of equity shares outstanding at the end of the year	Nos.	110,450,286	110,450,286
E.	Nominal Value of each Share	₹	10.00	10.00
F.	Basic Earning per Share	₹	4.35	(6.86)
G.	Diluted Earning per Share	₹	4.35	(6.86)

44. Related Party Disclosures

a) Name of related parties and related party relationship

Key Management Personnel	Mr. Aditya Jajodia, Chairman and Managing Director Mr. Sanjiv Jajodia, Wholetime Director and Chief Financial Officer Mr Ajay Kumar Tantia, Company Secretary
Relatives of Key Management Personnel	Mr. Rajiv Jajodia, Brother of Wholetime Director Mr. Gaurav Jajodia, Nephew of Wholetime Director
Enterprises owned or significantly influenced by key management personnel or their relatives	Chandi Steel Industries Limited (CSIL) Jai Balaji Jyoti Steels Limited (JBJSI) Jai Salasar Balaji Industries Private Limited (JSBIPL) Balaji Ispat Udyog (BIU) Enfield Suppliers Limited (ESL) Hari Management Limited (HML) Jajodia Estate Private Limited (JEPL)



Notes to Consolidated financial statements for the year ended March 31, 2022 (Contd.)

b. Related Party Transactions:

Relationship	Party	Sales	Purchases	Rent paid	Interest Received	Director fee	Gross Salary & Perquisites#	Balance Receivable	Balance Payable	Guarantees Obtained ##
Key Management Personnel	Aditya Jajodia	-	-	-	-	-	-	-	-	367,968.00 (371,357.00)
	Sanjiv Jajodia	-	-	-	-	-	-	-	-	367,969.00 (371,357.00)
	Ajay Kumar	-	-	-	-	-	45.01 (42.37)	-	-	-
	Tantia	-	-	-	-	-	-	-	-	-
Relatives of Key Management Personnel	Rajiv Jajodia	-	-	-	-	0.20 (0.20)	-	-	-	367,968.00 (371,357.00)
	Gaurav Jajodia	-	-	-	-	0.20 (0.15)	-	-	-	367,968.00 (371,357.00)
Enterprises owned or significantly influenced by key management personnel or their relatives	CSIL	12.24 (547.90)	251.58 (52.46)	-	-	-	-	-	1.74 (10.13)	-
	JBJSI	6.63 (50.25)	526.70 (239.62)	-	-	-	-	-	1,748.16 (2.17)	-
	JSBIPL	3,174.47 (304.88)	163.70 (12.08)	-	-	-	-	-	5,062.07 (243.79)	-
	JEPL	-	-	0.80 (0.80)	-	-	-	-	-	-
	ESL	-	-	-	-	-	-	-	-	-
	HML	-	-	-	-	-	-	-	(651.54)	-
Total		3,193.34 (903.03)	941.98 (304.16)	0.80 (0.80)	- (39.40)	0.40 (0.35)	45.01 (42.37)	- (12.30)	6,811.97 (1,328.09)	367,968.00 (371,357.00)

#The remuneration to the Key Managerial Personnel does not include the provisions made for gratuity 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

Notes to Consolidated financial statements for the year ended March 31, 2022 (Contd.)

45. 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, 2022	As at 31st March, 2021
i)	Equity share capital	11,045.03	11,045.03
ii)	Other equity	(177,328.67)	(184,352.93)
	Total Equity (a)	(166,283.64)	(173,307.90)
i)	Borrowings	316,859.03	343,350.56
ii)	Interest accrued and due on borrowings	1,443.78	5,596.54
iii)	Current maturity of long term debt	—	—
	Total debt (b)	318,302.81	348,947.10
i)	Cash and cash equivalents	1,321.47	2,564.15
	Total cash	1,321.47	2,564.15
	Net debt (b-c)	316,981.34	346,382.95
	Total capital (equity + net debt)	150,697.70	173,075.05
	Net debt to equity ratio/Capital Gearing Ratio	(1.91)	(2.00)

46. Fair Value Measurements

a) Financial instruments by category

(₹ in lacs)

Particulars	As at March 31, 2022			As at March 31, 2021		
	Amortised Cost	FVTOCI	FVTPL	Amortised Cost	FVTOCI	FVTPL
Financial Assets						
Investments in Equity Instrument	27.52	71.60	—	27.52	71.60	—
Investments in Government Securities	7.32	—	—	7.32	—	—
Trade receivables	15,613.83	—	—	24,400.99	—	—
Bank balance other than Cash and cash equivalents	889.63	—	—	15.50	—	—
Loans	296.27	—	—	264.46	—	—
Cash and cash equivalents	1,321.47	—	—	2,564.15	—	—
Other financial assets	7,056.45	—	—	6,853.51	—	—
Total Financial Assets	25,212.49	71.60	—	34,105.93	71.60	—
Financial Liabilities:						
Non Current Borrowings	58,608.06	—	—	57,811.73	—	—
Current Borrowings	258,250.97	—	—	285,479.94	—	—
Other financial Liabilities	18,589.43	—	—	21,953.43	—	—
Trade payables	81,869.65	—	—	75,032.97	—	—
Total Financial Liabilities	417,318.11	—	—	440,278.07	—	—

Notes to Consolidated financial statements for the year ended March 31, 2022 (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, 2022

(₹ in lacs)

Particulars	Level 1	Level 2	Level 3	Total
Financial Assets				
Financial Investment	71.60	—	7.32	78.92
Total	71.60	—	7.32	78.92

Financial Assets and Liabilities measured at fair value as at 31 March, 2021

Particulars	Level 1	Level 2	Level 3	Total
Financial Assets				
Financial Investment	71.60	—	7.32	78.92
Total	71.60	—	7.32	78.92

Notes

- Current financial assets and liabilities are stated at amortised cost which is approximately equal to their fair value
- Non Current financial assets and liabilities measured at amortised cost have same fair value as at 31 March 2022 and 31 March 2021 .

47 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, 2022 and 31st March, 2021. 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, 2022 (Contd.)

Particulars	Note	Carrying amount	Undiscounted Amount		Total
			Within 1 year	More than 1 year	
As at 31st March, 2022					
Financial assets					
Investments	6	106.44	-	106.44	106.44
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
Financial Liabilities					
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

Particulars	Undiscounted Amount				
	Note	Carrying amount	Within 1 year	More than 1 year	Total
As at 31st March, 2021					
Financial assets					
Investments	6	78.92	0.00	78.92	78.92
Trade receivables	11	24,400.99	24,400.99	-	24,400.99
Bank balance other than Cash and cash equivalents	13	15.50	15.50	-	15.50
Loans	14	264.46	264.46	-	264.46
Cash and cash equivalents	12	2,564.15	2,564.15	-	2,564.15
Other financial assets	7& 15	6,853.51	6,853.51	-	6,853.51
Financial Liabilities					
Non Current Borrowings	19	57,811.73	0.00	57,811.73	57,811.73
Current Borrowings	20	285,479.94	285,479.94	-	285,479.94
Other financial Liabilities	19A & 22	21,953.43	21,894.54	58.89	21,953.43
Trade payables	21	75,032.97	75,032.97	-	75,032.97

(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.

Notes to Consolidated financial statements for the year ended March 31, 2022 (Contd.)

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.

(Receivable)/Payable	As at March 31, 2022	As at March 31, 2021
USD		
Increase by 5% (31st March 2021-5%)	(126.11)	(26.52)
Decrease by 5% (31st March 2021-5%)	183.60	164.56
EUR		
Decrease by 5% (31st March 2021-5%)	2.98	1.30
GBP		
Decrease by 5% (31st March 2021-5%)	--	0.04

(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 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 ₹ 25,284.09 lacs and ₹ 34,205.05 lacs as at March 31, 2022 and March 31, 2021 respectively, being the total carrying value of trade receivables, balances with bank, bank deposits, investments in debt securities and other financial assets.

48 Other Comprehensive Income:

Under Ind AS, all items of income and expense recognized in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognized in profit or loss but are shown in the statement of profit and loss as 'Other Comprehensive Income' includes remeasurements of defined benefit plans. The concept of other comprehensive income did not exist under previous GAAP.

49. Auditors Remuneration (included in Legal and Professional Charges)
(₹ in lacs)

Payment to Auditor	Current year ended March 31, 2022		Previous year ended March 31, 2021	
Holding Company				
As auditor:				
Audit fee	12.00		6.00	
Limited Review	9.00		9.00	
Tax Audit	0.50		0.50	
Out-of-pocket expenses	--	21.50	-	15.50
In other manner for Certification		0.02		0.05
Total*		21.52		15.55
Subsidiary Companies				
As auditor:				
Audit fee	0.12		0.12	
Limited Review	-		-	
Tax Audit	-		-	
Out-of-pocket expenses	-	0.12	-	0.12
In other manner for Certification		-		-
Total*		0.12		0.12

Out of above amount, paid to other auditor amounts to ₹ 0.50 lacs (₹ 0.50 lacs)

Notes to Consolidated financial statements for the year ended March 31, 2022 (Contd.)

50. Additional Information on the entities included in consolidated financial statement

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 Other Comprehensive Income	Amount
Parent Company								
-Jai Balaji Industries Limited	100.00%	296,922.82	100.01%	4806.55	100.00%	137.74	100.01%	4,944.28
Subsidiary Companies								
-Jai Balaji Steels (Purulia) Ltd	0.00%	0.88	-0.003%	(0.14)	0.00%	-	-0.003%	(0.14)
-Jai Balaji Energy (Purulia) Ltd	0.00%	0.91	-0.003%	(0.14)	0.00%	-	-0.003%	(0.14)
Total	100.00%	296,924.61	100.00%	4,806.26	100.00%	137.74	100.00%	4,944.00

50A. 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 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 nominal value of ₹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).

- 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.

Notes to Consolidated financial statements for the year ended March 31, 2022 (Contd.)

54. Disclosure for struck off companies

The following table depicts the details of balances outstanding in respect of transactions undertaken with a company struck-off under section 248 of the Companies Act, 2013:

(₹ in lacs)

Name of struck off company	Nature of transaction	Balance as at March 31, 2022	Balance as at March 31, 2021	Relationship with the struck off Company
G. R. Transport	Payable	4.53	2.02	Vendor
Maa Tara Enterprise	Payable	213.05	227.32	Vendor
S. K. Construction	Payable	3.26	5.26	Vendor

55 Corporate social responsibility (CSR)

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. Since the company has incurred losses during the three immediately preceding financial years the same is not applicable to the company at present.

56. Impact of COVID-19(Pandemic)

The Company has carried out this assessment based on available internal and external sources of information upto the date of approval of these consolidated financial statements and believes that the impact of COVID-19 is not material to these consolidated financial statements and expects to recover the carrying amount of its assets. The impact of COVID-19 on the consolidated financial statements may differ from the estimated as at the date of approval of these consolidated financial statements owing to the nature and duration of COVID-19.

57. Other disclosure requirements as notified by MCA pursuant to amended Schedule III:

- Details of Benami Property held:** The company does not hold any Benami property, hence there were no proceeding 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.
- 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.
- 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.
- 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.
- Details of Crypto Currency or Virtual Currency:** The company has not traded or invested in Crpto Currency or Virtual Currency during the Financial Year, hence no disclosure is required for the same.
- 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 relevants provisions of the Income Tax Act 1961). Accordingly, there are no transactions which are not recorded in the books of accounts
- 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).
- Borrowing against current assets :** No borrowings that are being taken by the company are secured against the current assets. Thus, no disclosures are required.



Notes to Consolidated financial statements for the year ended March 31, 2022 (Contd.)

- (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 Previous year figures have been reclassified/regrouped wherever necessary including those as required in keeping with revised Schedule III amendments.
- 59 The financial statements are approved by the audit committee at its meeting held on 27 th May, 2022 and by the Board of Directors on the same date.

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 : 27th May, 2022

For and on behalf of the Board of Directors

Sd/-

Aditya Jajodia

Chairman & Managing

Director

DIN : 00045114

Sd/-

Sanjiv Jajodia

Wholesale Director & Chief

Financial Officer

DIN : 00036339

Sd/-

Rajiv Jajodia

Director

DIN : 00045192

Sd/-

Ajay Kumar Tania

Company Secretary

This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.

Corporate Information

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

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Registrar and Share Transfer Agent

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Plant Locations

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Post– Baktarnagar

Dist.: Burdwan

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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

Bankers and Assets Reconstruction Company

Atirath Commercial Pvt. Ltd.

Union Bank of India

Edelweiss Asset Reconstruction
Company Limited

Omkara Assets Reconstruction
Private Limited

Punjab National Bank

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