



# JAI BALAJI INDUSTRIES LIMITED

Ref : JBIL/SE/2019-20  
Date: 14<sup>th</sup> November, 2019

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

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

Dear Sir,

**Sub: Outcome of Board Meeting**

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, this is to inform you that the Board of Directors of the Company at its meeting held on Thursday, 14<sup>th</sup> November, 2019, which commenced at 3:00 p.m. and concluded at 5:30 p.m., have, amongst other items of Agenda, considered, approved and taken on record:-


- a) The Standalone and Consolidated Unaudited Financial Results of the Company for the Quarter/Half-year ended 30<sup>th</sup> September, 2019, in compliance with Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015. We are enclosing herewith the following:
1. The Un-audited Financial Results for the second quarter/ half year ended 30<sup>th</sup> September, 2019.
  2. The Limited Review Report for the second quarter/ half year ended 30<sup>th</sup> September, 2019, issued by M/s. S.K. Agrawal & Co., Statutory Auditor of the Company.
- b) Resignation of Smt. Swati Agarwal (DIN: 07158355) from the Directorship (Category: Independent Director) of the Company w.e.f. 14<sup>th</sup> November, 2019 due to pre-occupation of work. It has been confirmed by Ms. Agarwal that there is no other material reason for resignation other than that provided by her.

This is for your information and record.

Thanking you.

Yours faithfully,

for **JAI BALAJI INDUSTRIES LIMITED**

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

Encl.: as above

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

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E-mail : info@jaibalajigroup.com, Website : www.jaibalajigroup.com

CIN - L27102WB1999PLC089755



# JAI BALAJI INDUSTRIES LIMITED

STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED 30<sup>th</sup> SEPTEMBER, 2019

(₹ In lacs)

Sl.No.	Particulars	Standalone					
		Quarter Ended			Six Months Ended		Year Ended
		30.09.2019 (UnAudited)	30.06.2019 (UnAudited)	30.09.2018 (UnAudited)	30.09.2019 (UnAudited)	30.09.2018 (UnAudited)	31.03.2019 (Audited)
1	<b>Income from Operations</b>						
	a) Revenue from Operations	64,631.36	81,479.08	73,052.21	146,110.44	149,184.81	307,746.76
	b) Other Income	2,361.41	259.83	844.15	2,621.24	883.72	3,996.22
	<b>Total Income from Operation (1a to 1b)</b>	<b>66,992.77</b>	<b>81,738.91</b>	<b>73,896.36</b>	<b>148,731.68</b>	<b>150,068.53</b>	<b>311,742.98</b>
2	<b>Expenses</b>						
	a) Cost of materials consumed	49,378.00	64,557.77	58,114.34	113,935.77	112,980.77	232,767.90
	b) Purchases of stock-in-trade	439.92	423.05	184.98	862.97	3,224.33	3,326.55
	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(401.88)	(934.65)	(47.51)	(1,336.53)	390.03	3,838.53
	d) Employee benefits expense	2,265.11	2,181.12	2,060.08	4,446.23	4,029.55	8,181.46
	e) Finance Cost	2,797.45	2,502.09	1,038.61	5,299.54	2,070.82	11,158.59
	f) Depreciation and amortisation expense	2,437.70	2,414.53	2,576.63	4,852.23	5,145.83	10,160.80
	g) Other Expenses	13,257.35	12,433.19	14,076.86	25,690.54	29,871.50	57,676.85
	<b>Total expenses (2a to 2g)</b>	<b>70,173.65</b>	<b>83,577.10</b>	<b>78,003.99</b>	<b>153,750.75</b>	<b>157,712.83</b>	<b>327,110.68</b>
3	<b>Profit / (Loss) before exceptional items and Tax (1-2)</b>	<b>(3,180.88)</b>	<b>(1,838.19)</b>	<b>(4,107.63)</b>	<b>(5,019.07)</b>	<b>(7,644.30)</b>	<b>(15,367.70)</b>
4	Exceptional Item	-	-	-	-	-	-
5	<b>Profit/ (Loss) before tax (3-4)</b>	<b>(3,180.88)</b>	<b>(1,838.19)</b>	<b>(4,107.63)</b>	<b>(5,019.07)</b>	<b>(7,644.30)</b>	<b>(15,367.70)</b>
6	Tax Expense						
	- Current tax	-	-	-	-	-	-
	- Deferred tax charge / (credit)	-	-	-	-	-	-
	<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
7	<b>Net Profit/ (Loss) after tax (5-6)</b>	<b>(3,180.88)</b>	<b>(1,838.19)</b>	<b>(4,107.63)</b>	<b>(5,019.07)</b>	<b>(7,644.30)</b>	<b>(15,367.70)</b>
8	Other Comprehensive Income	-	-	-	-	-	32.28
9	<b>Total Comprehensive Income (7+8)</b>	<b>(3,180.88)</b>	<b>(1,838.19)</b>	<b>(4,107.63)</b>	<b>(5,019.07)</b>	<b>(7,644.30)</b>	<b>(15,335.42)</b>
10	Paid-up Equity Share Capital (Equity Share of Rs10/- each)	9,637.88	9,638.26	9,638.26	9,637.88	9,638.26	9,638.26
11	Other equity	-	-	-	-	-	(167,625.41)
12	<b>Earnings per Equity Share</b>						
	-Basic (not annualised) (₹)	(3.30)	(1.91)	(4.26)	(5.21)	(7.93)	(15.94)
	-Diluted (not annualised) (₹)	(3.30)	(1.91)	(4.26)	(5.21)	(7.93)	(15.94)



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# JAI BALAJI INDUSTRIES LIMITED

STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED 30<sup>th</sup> SEPTEMBER, 2019

(₹ In lacs)

Sl.No.	Particulars	Consolidated					
		Quarter Ended			Six Months Ended		Year Ended
		30.09.2019 (UnAudited)	30.06.2019 (UnAudited)	30.09.2018 (UnAudited)	30.09.2019 (UnAudited)	30.09.2018 (UnAudited)	31.03.2019 (Audited)
1	<b>Income from Operations</b>						
	a) Revenue from Operations	64,631.36	81,479.08	73,052.21	146,110.44	149,184.81	307,746.76
	b) Other Income	2,361.41	259.83	844.15	2,621.24	883.72	3,996.22
	<b>Total Income from Operation (1a to 1b)</b>	<b>66,992.77</b>	<b>81,738.91</b>	<b>73,896.36</b>	<b>148,731.68</b>	<b>150,068.53</b>	<b>311,742.98</b>
2	<b>Expenses</b>						
	a) Cost of materials consumed	49,378.00	64,557.77	58,114.34	113,935.77	112,980.77	232,767.90
	b) Purchases of stock-in-trade	439.92	423.05	184.98	862.97	3,224.33	3,326.55
	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(401.88)	(934.65)	(47.51)	(1,336.53)	390.03	3,838.53
	d) Employee benefits expense	2,265.11	2,181.12	2,060.08	4,446.23	4,029.55	8,181.46
	e) Finance Cost	2,797.45	2,502.09	1,038.61	5,299.54	2,070.82	11,158.59
	f) Depreciation and amortisation expense	2,437.70	2,414.53	2,576.63	4,852.23	5,145.83	10,160.80
	g) Other Expenses	13,257.38	12,433.35	14,076.91	25,690.73	29,871.59	57,677.18
	<b>Total expenses (2a to 2g)</b>	<b>70,173.68</b>	<b>83,577.26</b>	<b>78,004.04</b>	<b>153,750.94</b>	<b>157,712.92</b>	<b>327,111.01</b>
3	<b>Profit / (Loss) before exceptional items and Tax(1-2)</b>	<b>(3,180.91)</b>	<b>(1,838.35)</b>	<b>(4,107.68)</b>	<b>(5,019.26)</b>	<b>(7,644.39)</b>	<b>(15,368.03)</b>
4	Exceptional Item	-	-	-	-	-	-
5	<b>Profit/ (Loss) before tax (3-4)</b>	<b>(3,180.91)</b>	<b>(1,838.35)</b>	<b>(4,107.68)</b>	<b>(5,019.26)</b>	<b>(7,644.39)</b>	<b>(15,368.03)</b>
6	Tax Expense						
	- Current tax	-	-	-	-	-	-
	- Deferred tax charge / (credit)	-	-	-	-	-	-
	<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
7	<b>Net Profit/ (Loss) after tax (5-6)</b>	<b>(3,180.91)</b>	<b>(1,838.35)</b>	<b>(4,107.68)</b>	<b>(5,019.26)</b>	<b>(7,644.39)</b>	<b>(15,368.03)</b>
8	Other Comprehensive Income	-	-	-	-	-	32.28
9	<b>Total Comprehensive Income (7+8)</b>	<b>(3,180.91)</b>	<b>(1,838.35)</b>	<b>(4,107.68)</b>	<b>(5,019.26)</b>	<b>(7,644.39)</b>	<b>(15,335.75)</b>
10	Paid-up Equity Share Capital (Equity Share of Rs10/- each)	9,637.88	9,638.26	9,638.26	9,637.88	9,638.26	9,638.26
11	Other equity	-	-	-	-	-	(167,632.91)
12	<b>Earnings per Equity Share</b>						
	-Basic (not annualised) (₹)	(3.30)	(1.91)	(4.26)	(5.21)	(7.93)	(15.94)
	-Diluted (not annualised) (₹)	(3.30)	(1.91)	(4.26)	(5.21)	(7.93)	(15.94)



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# JAI BALAJI INDUSTRIES LIMITED

## STATEMENT OF ASSETS AND LIABILITIES

(₹ in lacs)

SI.No.	Particulars	Standalone		Consolidated	
		As at 30.09.2019 (UnAudited)	As at 31.03.2019 (Audited)	As at 30.09.2019 (UnAudited)	As at 31.03.2019 (Audited)
<b>A</b>	<b>ASSETS</b>				
<b>1</b>	<b>Non Current Assets</b>				
	(a) Property, Plant and equipment	128,498.26	132,413.43	128,498.26	132,413.43
	(b) Capital Work in Progress and Pre-Operative Expenditure	8,057.12	7,897.13	8,057.12	7,897.13
	(c) Financial Assets				
	(i) Investments	116.45	116.45	106.45	106.45
	(ii) Loans	1,440.33	1,361.48	1,440.33	1,361.48
	(iii) Others	1,055.07	922.93	1,055.07	922.93
	(d) Deferred Tax Assets (Net)	29,085.14	29,085.14	29,085.14	29,085.14
	(e) Other Non Current Assets	9,008.07	8,913.30	9,008.07	8,913.30
		<b>177,260.44</b>	<b>180,709.86</b>	<b>177,250.44</b>	<b>180,699.86</b>
<b>2</b>	<b>Current Assets</b>				
	(a) Inventories	50,503.30	49,601.08	50,503.29	49,601.08
	(b) Financial Assets				
	(i) Trade Recivable	35,933.49	39,411.44	35,933.49	39,411.44
	(ii) Cash and cash equivalents	776.06	712.11	778.43	714.88
	(iii) Other Bank Balances	49.36	34.36	49.36	34.36
	(iv) Loans	7,861.44	10,607.56	7,861.44	10,607.56
	(v) Others	325.02	0.53	325.02	0.53
	(c) Other Current Assets	32,331.11	39,325.49	32,331.11	39,325.49
		<b>127,779.78</b>	<b>139,692.57</b>	<b>127,782.14</b>	<b>139,695.34</b>
	<b>TOTAL ASSETS</b>	<b>305,040.22</b>	<b>320,402.43</b>	<b>305,032.58</b>	<b>320,395.21</b>
<b>B</b>	<b>EQUITY AND LIABILITIES</b>				
<b>1</b>	<b>EQUITY</b>				
	(a) Equity Share Capital	9,637.88	9,638.26	9,637.88	9,638.26
	(b) Other Equity	(172,639.01)	(167,625.41)	(172,646.71)	(167,632.91)
		<b>(163,001.13)</b>	<b>(157,987.15)</b>	<b>(163,008.83)</b>	<b>(157,994.65)</b>
<b>2</b>	<b>LIABILITIES</b>				
	<b>Non Current Liabilities</b>				
	(a) Financial Liabilities				
	(i) Borrowings	69,960.53	161,385.58	69,960.53	161,385.58
		<b>69,960.53</b>	<b>161,385.58</b>	<b>69,960.53</b>	<b>161,385.58</b>
<b>3</b>	<b>Current Liabilities</b>				
	(a) Financial Liabilities				
	(i) Borrowings	284,035.39	202,444.84	284,035.39	202,444.84
	(ii) Trade Payables				
	(a) total outstanding dues of micro and small enterprises	800.71	1,169.76	800.71	1,169.76
	(b) total outstanding dues other than micro and small enterprises	64,895.25	65,847.57	64,895.32	65,847.74
	(iii) Others	21,610.23	22,046.86	21,610.22	22,046.88
	(b) Other Current Liabilities	25,870.14	24,614.14	25,870.14	24,614.23
	(c) Provisions	869.10	880.83	869.10	880.83
		<b>398,080.82</b>	<b>317,004.01</b>	<b>398,080.88</b>	<b>317,004.28</b>
	<b>TOTAL EQUITY AND LIABILITIES</b>	<b>305,040.22</b>	<b>320,402.43</b>	<b>305,032.58</b>	<b>320,395.21</b>



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# JAI BALAJI INDUSTRIES LIMITED

## STATEMENT OF CASH FLOWS

(₹ in lacs)

Particulars	Standalone		Consolidate	
	Six Months ended 30th September, 2019	Previous year ended 31st March, 2019	Six Months ended 30th September, 2019	Previous year ended 31st March, 2019
	(UnAudited)	(Audited)	(UnAudited)	(Audited)
<b>A: Cash Flow From Operating Activities</b>				
<b>Profit / (Loss) before Tax and after exceptional items</b>	(5,019.06)	(15,367.71)	(5,019.27)	(15,368.03)
Adjustments For :				
Depreciation / Amortisation (Net)	4,852.23	10,160.80	4,852.23	10,160.80
Loss on Sale of Property, Plant & Equipment	7.16	417.96	7.16	417.96
Irrecoverable Debts and Advances Written off	34.82	210.57	34.82	210.57
Liabilities no longer required written back	(2,215.59)	(2,176.18)	(2,215.59)	(2,176.18)
Interest on Term Loans and Others	5,233.75	11,043.14	5,233.75	11,043.14
Provision for doubtful debts/(written back)	-	(337.50)	-	(337.50)
Dividend from long term Non Trade Investments	-	(0.46)	-	(0.46)
Prior Period Expenditure (net)	(528.76)	57.24	(528.76)	57.24
Miscellaneous Expenditure w/off	1.80	-	1.80	-
Financial Lease Payment	5.07	10.14	5.07	10.14
Remeasurement (Gain)/Loss on net defined benefit Plans	-	32.28	-	32.28
(Profit) / Loss on Foreign Exchange Fluctuations (Net)	2.76	(7.44)	2.76	(7.44)
Interest Income	(377.28)	(823.13)	(377.28)	(823.13)
<b>Operating Profit / (Loss) Before Working Capital Changes</b>	<b>1,996.90</b>	<b>3,219.71</b>	<b>1,996.69</b>	<b>3,219.38</b>
Movements in Working Capital :				
Decrease / (Increase) in Trade Receivables	3,991.38	2,940.52	3,991.38	2,940.52
Increase in Loans and Advances and Other Current / Non Current Assets	10,142.10	(7,236.44)	10,142.10	(7,236.44)
Decrease / (Increase) in Inventories	(902.23)	(751.58)	(902.23)	(751.58)
Decrease in Trade Payables, Other Liabilities and Provisions	391.08	5,948.63	390.89	5,948.71
<b>Cash generated from Operating Activities</b>	<b>15,619.23</b>	<b>4,120.84</b>	<b>15,618.83</b>	<b>4,120.59</b>
Direct Taxes paid ( net of refunds)	(101.64)	(91.04)	(101.64)	(91.04)
<b>Net Cash generated from Operating Activities</b>	<b>15,517.59</b>	<b>4,029.80</b>	<b>15,517.19</b>	<b>4,029.55</b>
<b>B: Cash Flow From Investing Activities</b>				
Purchase of Property Plant and Equipment	(1,184.83)	620.56	(1,184.83)	620.56
Proceeds from Sale of Property, Plant and Equipment	12.99	136.37	12.99	136.37
Proceeds from maturity of fixed deposits	(143.00)	(857.92)	(143.00)	(857.92)
Dividend from long term Investments (other than Trade)	-	0.46	-	0.46
Interest received	48.66	842.65	48.66	842.65
<b>Net Cash generated from/(used in) Investing Activities</b>	<b>(1,266.18)</b>	<b>742.12</b>	<b>(1,266.18)</b>	<b>742.12</b>
<b>C: Cash Flow From Financing Activities</b>				
Proceeds from Non Current / Current Borrowings	6,121.94	13,570.99	6,121.94	13,570.99
Repayment of Non Current / Current Borrowings	(1,487.26)	-	(1,487.26)	-
Payment to Assets Reconstruction Companies	(14,720.00)	(1,222.00)	(14,720.00)	(1,222.00)
Financial Lease Payment	(5.07)	(10.14)	(5.07)	(10.14)
Interest Paid	(4,097.07)	(17,126.18)	(4,097.07)	(17,126.18)
Dividend Paid	-	(0.46)	-	(0.46)
<b>Net Cash generated (used in) Financing Activities</b>	<b>(14,187.46)</b>	<b>(4,787.79)</b>	<b>(14,187.46)</b>	<b>(4,787.80)</b>
<b>Net Increase / (Decrease) In Cash and Cash Equivalents (A+B+C)</b>	<b>63.95</b>	<b>(15.87)</b>	<b>63.55</b>	<b>(16.12)</b>
<b>Cash and Cash Equivalents as at the beginning of the year</b>	<b>712.11</b>	<b>727.98</b>	<b>714.88</b>	<b>731.00</b>
<b>Cash and Cash Equivalents as at the end of the year</b>	<b>776.06</b>	<b>712.11</b>	<b>778.43</b>	<b>714.88</b>



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## Notes:

- 1 Pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Regulation"), read with SEBI Circular No.CIR/CFD/CMD1/44/2019 dated March 29,2019, quarterly/six months consolidated financial results for the quarter and six months ended September 30, 2019 have been prepared. Impact of subsequent events in these consolidated financial results have been consolidated till the date of approval of quarterly/six months standalone financial results of the Parent Company. These standalone and consolidated financial results have been prepared in accordance with the Indian Accounting Standards ("Ind AS") as prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder.
- 2 The above standalone and consolidated financial results have been reviewed by the Audit Committee and subsequently approved and taken on record by the Board of Directors of the Company at the meetings held on 14<sup>th</sup> November, 2019 and have been reviewed by the Statutory Auditors of the Company.
- 3 During the quarter ended September 2019, the company has not provided for interest amounting to ₹ 6,642.41 lacs, (₹11,717.23 lacs) and half year ended amounting to ₹13,756.58 lacs (₹ 23,161.70 lacs) on various credit facilities/loans from Banks / FIs, of the accounts which have been classified as Non-Performing Assets. The accumulated interest not provided till 30<sup>th</sup> September 2019 is estimated to at ₹ 89,392.39 lacs. The Statutory Auditors have qualified their Review Report in respect of the said matter.
- 4 The Company has incurred net loss during the quarter and half year ended September 30, 2019. This has impacted the net worth of the company. However, the management is hopeful that the improvement in market scenario will help in improving the financial health of the company. The financial results for the quarter and six months ended September 30, 2019 have been prepared by the management on a going concern basis as the company is continuing its normal manufacturing operations.
- 5 While consolidating the accounts of the Company, the financials of its joint venture companies namely Andal East Coal Company Pvt Ltd.(AECPL) and Rohne Coal Company Pvt Ltd.(RCCPL) are not consolidated. The Hon'ble Supreme Court vide its Order dated 24<sup>th</sup> September, 2014 has cancelled number of coal blocks allotted to various companies. These include two coal blocks under development viz. AECPL 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 ₹ 1 per share. However, the Company had submitted claims w.r.t. the cancellation of coal blocks which are still pending.
- 6 The Company has forfeited 7,700 partly paid Equity shares of the Company on which allotment money was still unpaid.
- 7 In terms of the restructuring agreement entered with Edelweiss Asset Reconstruction Company Limited (EARC), 1,40,71,500 (One Crore Forty Lacs Seventy One Thousand Five Hundred) equity shares of the Company were to be allotted to EARC as part of unsustainable portion of debt to be converted into Equity. Accordingly, the Board of Directors of the company at their meeting held on 4<sup>th</sup> October, 2019 has allotted 1,40,71,500 equity shares to EARC, non-promoter, who holds such shares on behalf of various trusts, on a preferential basis in accordance with the provisions of Chapter V of SEBI (ICDR) Regulations, 2018. The listing application of said shares is pending with the Stock Exchange where the securities of the Company are listed.
- 8 The Company adopted Ind AS 116 "Leases" effective from 1<sup>st</sup> April, 2019. 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. Leases are classified as finance leases where the terms of the lease transfers substantially all the risk and rewards of ownership to the lessee. The adoption of this standard does not have any significant impact on the profit and loss and earnings per share of the current quarter/six months ended 30<sup>th</sup> September, 2019.
- 9 The company is in the business of manufacturing steel products and hence has only one reportable operating segment as per Ind AS 108- Operating Segments.
- 10 Figures for the previous period/year have been re-grouped/re-arranged wherever necessary to make them comparable.

Place: Kolkata  
Date :14<sup>th</sup> November, 2019



  
Aditya Jajodia  
Chairman & Managing Director  
DIN: 00045114

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

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

E-mail : info@jaibalajigroup.com, Website : www.jaibalajigroup.com

CIN - L27102WB1999PLC089755



# S K AGRAWAL AND CO

Chartered Accountants

Firm Registration No. 306033E

SUITE NOS : 606-608

THE CHAMBERS, OPP. GITANJALI STADIUM

1865, RAJDANGA MAIN ROAD, KASBA

KOLKATA - 700 107

PHONE : 033-4008 9902/9903/9904

FAX : 033-40089905, Website : www.skagrwal.co.in

**Independent Auditor's Report on Quarterly Unaudited Standalone Financial Results of JAI BALAJI INDUSTRIES LIMITED pursuant to regulation 33 of SEBI (Listing Obligation and Disclosure Requirement) Regulation 2015, as amended**

**REVIEW REPORT TO  
THE BOARD OF DIRECTORS OF  
JAI BALAJI INDUSTRIES LIMITED**

We have reviewed the accompanying statement of unaudited financial results of **JAI BALAJI INDUSTRIES LIMITED** ('the Company'), 5 Bentinck Street, Kolkata- 700001 ('the Company'), for the quarter ended 30th September, 2019 and year to date results for the period from 1<sup>st</sup> April, 2019 to 30<sup>th</sup> September, 2019 ('the Statement') attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ('the Listing Regulations).

This statement, which is the responsibility of the company's management and approved by the Board of Directors which has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with the relevant Rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on these financial statements based on our review.

We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

***Basis of Qualified Opinion***

*We draw attention to Note No.3 of the accompanying statement, with regard to non-recognition of interest expense on borrowings of the Company. The company has not provided for interest amounting to Rs. 6642.41 lacs and Rs.13,756.48 respectively during the quarter and half-year ended September 30<sup>th</sup>, 2019, which is not in accordance with the requirement of Ind AS 23: 'Borrowing Cost' read with Ind AS 109: 'Financial Instruments'. Due to this, loss for the quarter ended and half year ended September 30<sup>th</sup>, 2019 has been understated by Rs. 6,642.41 lacs and Rs.13,756.48 respectively. Therefore, the net loss after tax would have been Rs.9 823.29 lacs for the quarter and Rs.18,775.55 lacs for half-year ended. The accumulated interest not provided till September 30, 2019 stands at Rs. 89,392.39 lacs.*





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## Qualified Opinion

Based on our review conducted as above, except for the matter described in the Basis of Qualified paragraph, nothing has come to our attention that causes us to believe that the accompanying Statement of Unaudited Standalone Financial Results prepared in accordance with applicable Indian Accounting Standards and other recognized accounting practices and policies, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including the manner in which it is to be disclosed, or that it contains any material misstatement.

## Emphasis of Matter

1. We draw attention to Note No. 4 of the Unaudited Financial Results regarding the preparation of the Statement on going concern basis. The Company has accumulated losses and has also incurred losses in the quarter ended September 30, 2019. As a result, the Company's net worth has completely been eroded. These conditions indicate the existence of material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.
2. We draw attention to Note No. 7 of the Unaudited Financial Results regarding the allotment of 1,40,71,500 (One Crore Forty Lacs Seventy One Thousand Five Hundred) equity shares of the Company with respect to the restructuring agreement entered with Edelweiss Asset Reconstruction Company Limited (EARC) as part of unsustainable portion of debt to be converted into Equity.

Our report is not modified in respect of the above matter stated.



For S K AGRAWAL AND CO  
Chartered Accountants  
Firm Registration No:-306033E

J.K. Choudhury  
(Partner)

Membership No.009367

Place: Kolkata  
Dated: 14<sup>th</sup> November, 2019  
UDIN: 19009367AAAIO7391





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Firm Registration No. 306033E

SUITE NOS : 606-608  
THE CHAMBERS, OPP. GITANJALI STADIUM  
1865, RAJDANGA MAIN ROAD, KASBA  
KOLKATA - 700 107  
PHONE : 033-4008 9902 / 9903 / 9904  
FAX : 033-40089905, Website : www.skagrwal.co.in

**Independent Auditor's Review Report on Quarterly Unaudited Consolidated Financial Results of JAI BALAJI INDUSTRIES LIMITED pursuant to regulation 33 of SEBI (Listing Obligation and Disclosure Requirement) Regulation 2015, as amended**

**REVIEW REPORT TO  
THE BOARD OF DIRECTORS OF  
JAI BALAJI INDUSTRIES LIMITED**

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of **JAI BALAJI INDUSTRIES LIMITED** ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), for the quarter ended September 30<sup>th</sup>, 2019 and year to date results for the period from 1<sup>st</sup> April, 2019 to 30<sup>th</sup> September, 2019 ("the Statement"), being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulation").
2. This statement, which is the responsibility of the Parent's management and approved by the Parent's Board of Directors, has been prepared in accordance with recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" (Ind AS 34) prescribed under section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India read with the Circular. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the Circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

4. The Statement includes the results of the following entities:

S.No.	Name of Subsidiaries	Relationship
1.	Jai Balaji Energy (Purulia) Ltd.	Subsidiary
2.	Jai Balaji Steels (Purulia) Ltd.	Subsidiary





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KOLKATA - 700 107

PHONE : 033-4008 9902/9903/9904

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## 5. Basis of Qualified Opinion

We draw attention to Note No.3 of the accompanying statement, with regard to non-recognition of interest expense on borrowings of the Company. The company has not provided for interest amounting to Rs. 6642.41 lacs and Rs.13,756.48 respectively during the quarter and half-year ended September 30<sup>th</sup>, 2019, which is not in accordance with the requirement of Ind AS 23: 'Borrowing Cost' read with Ind AS 109: 'Financial Instruments'. Due to this, loss for the quarter ended and half year ended September 30<sup>th</sup>, 2019 has been understated by Rs. 6,642.41 lacs and Rs.13,756.48 respectively. Therefore, the net loss after tax would have been Rs.9 823.32 lacs for the quarter and Rs.18,775.74 lacs for half-year ended. The accumulated interest not provided till September 30, 2019 stands at Rs. 89,392.39 lacs.

## 6. Qualified Opinion

Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of the other auditors referred to in paragraph 7 below, except for the matter described in Basis of Qualified paragraph, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

## 7. Emphasis of Matter

1. We draw attention to Note No. 4 of the Unaudited Financial Results regarding the preparation of the Statement on going concern basis. The Company has accumulated losses and has also incurred losses in the quarter ended September 30, 2019. As a result, the Company's net worth has completely been eroded. These conditions indicate the existence of material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.
2. We draw attention to Note No. 7 of the Unaudited Financial Results regarding the allotment of 1,40,71,500 (One Crore Forty Lacs Seventy One Thousand Five Hundred) equity shares of the Company with respect to the restructuring agreement entered with Edelweiss Asset Reconstruction Company Limited (EARC) as part of unsustainable portion of debt to be converted into Equity.





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Firm Registration No. 306033E

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8. We did not review the interim financial results of 2 subsidiaries included in the unaudited consolidated financial results, whose interim financial results reflect total assets of Rs. 2,37,329 as at 30<sup>th</sup> September 2019 and total revenues of Rs NIL and Rs NIL, total net loss after tax of Rs. 3,474 and Rs. 19,431 and total comprehensive loss of Rs. 3,474 and Rs. 19,431 for the quarter ended 30<sup>th</sup> September, 2019 and for the period from 1<sup>st</sup> April, 2019 to 30<sup>th</sup> September, 2019 respectively and cash flows (net) of (Rs 40,655) for the period from 1<sup>st</sup> April, 2019 to 30<sup>th</sup> September, 2019 as considered in the unaudited consolidated financial results. These interim financial results have been reviewed by other auditors whose reports have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above.

Our conclusion on the statement is not modified in respect of the above matters.



For S K AGRAWAL AND CO  
Chartered Accountants  
Firm Registration No:-306033E

J.K. Choudhury  
(Partner)

Membership No.009367

Place: Kolkata  
Dated:14<sup>th</sup> November,2019  
UDIN: 19009367AAAAIP1793