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CIN : L27101OR1984PLC001354

REF: BAL/SEC/2021

April 09, 2021

The Secretary,
The BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai 400 001

Dear Sir,

**Sub: Resignation of Mr Asish Kumar Bhattacharyya (DIN: 00799039),
Independent Director of the Company.**

This is in reference to our letter dated 3rd April, 2021 in regard to intimation under Regulation 30 read with Part A of Schedule III of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, in respect of the resignation of Mr Asish Kumar Bhattacharyya (DIN: 00799039) from the directorship of the Company with effect from 2nd April, 2021 vide his email dated 2nd April, 2021.

Further, in compliance of the requirements of requisite disclosure to be sent to the stock exchange pursuant to the clause (7B) i, ii, & iii of Para A of Part A of Schedule III of SEBI(LODR), we are enclosing herewith the resignation notices of Mr Asish Kumar Bhattacharyya (DIN: 00799039).

This is for your kind information and records.

Thanking you,

Yours faithfully,
For Balasore Alloys Ltd.

Priya Kedia
Priya Kedia
Asst. Company Secretary

Encl: as above

Asish K Bhattacharyya

Flat No. 708, Tower 6, Narmada
D 6, Vasant Kunj, New Delhi 110070,
April 2, 2021

The Managing Director,
Balasore Alloys Limited

Dear Sir,

Through this email I am resigning from the position of independent director in the board of directors (board) of Balasore Alloys Limited with immediate effect. I request you to kindly consider this email as my resignation letter. Kindly submit the full email to the BSE and regulatory authorities, as the law requires submission of reasons for resigning from the board.

I request you to kindly complete all the legal processes regarding informing the stock exchange (BSE) and filing required documents with regulatory authorities about my resignation with immediate effect. Kindly submit the full email to the BSE and regulatory authorities, as the law requires submission of reasons for resigning from the board.

My fellow independent directors – Mr. Kashi Khandelwal, Mr. Sushil K Pal, Prof. S.K. Majumdar and Ms. Rupanjana De, who resigned from the board in March 2021, have stated the current state of affairs very clearly while disclosing the reasons for their resigning from the board of directors. I endorse the correctness of the information provided by them.

I have taken the decision to resign from the board for the following reasons:

1. The board has become dysfunctional over more than the last eight months. The board approved the financial statements for the year 2019-2020 in July 2020 on the assumption that the company was a going concern. Our evaluation of the going concern assumption was based on the cash flow projection for the year 2020-2021 presented by the management. The main source of cash inflows in the cash flow statement were infusion of adequate funds by the promoter. Till date the promoter has not infused the fund promised by him in July 2021.
2. During this period, statutory non-compliances and outstanding compensation to employees have piled up, and due to non-payment of dues to NESCO, it disconnected power and the company was compelled to close down the plant. Outstanding salaries of the skeleton staff still working for the company is accumulating. Final settlement of the large number of employees who resigned from the employment is yet to be settled. The auditor's fees for the year 2019-2020 have remained outstanding. AGM could not be convened.
3. The promoter has failed time and again to honour its commitments to infuse funds.
4. The promoter presented feeble proposals for infusion of funds by investors, without strong support and due diligence report. We, independent directors, refused to consider the same in absence of complete details and due diligence report. I suspect that this was an effort to mislead

the independent directors about the availability of funds required by the company for resuming operation.

5. The trust level between the promoter and the independent directors has touched the bottom due to repeated failure to honour commitments regarding infusion of funds. The communication with the promoter has broken down. Mr. Pramod Mittal did not find enough motivation to engage with the independent directors for past four months when the company is moving towards disaster. Since July 2021 to January 2021, communication was limited to providing assurances about infusion of funds. The following was his last email:

“Board Meeting - 13th Jan 2021

Pramod Mittal <mittalpk56@gmail.com>

13 January 2021 at 17:30

To: "Asish K. Bhattacharyya" <asish.bhattacharyya@gmail.com>

Dear Mr. Bhattacharyya,

I am supposed to attend the Board Meeting today, but I am sorry, I am not feeling well as my lungs are not functioning properly. I am sorry for the disappointing affairs in the company. I am very sad about it. We have already talked to the investor and we will infuse Rs. 225 Cr. as per the schedule.

We will also subscribe to 10% share capital. Please give me 48 hours time to recover from my present health. I will have a meeting thereafter. I assure you that I will look into all the affairs of the company viz., SEBI, GST, Income tax and other regulatory issues and will come back to you soon.

Please communicate it to all the members of the Board.

With best regards

Pramod Mittal”

6. Unfortunately, Mr. Mittal did not communicate with me either verbally or in writing for the reasons best known to him. Earlier communication was limited to providing verbal assurances about his commitment to revive the company. I presume that he has compulsions which retrain him from doing what he wants to do.

7. The Managing Director and his team played the role of communicating to the board and independent directors promoter’s assurances and commitments as ‘His Master’s Voice’.

8. Over the past little more than two years, the board that includes independent directors, who enjoy high reputation in their respective fields, has been made an ornamental board and no advice by the independent directors were heeded by the management. This is a clear departure from the past practice.

9. I suspect that the promoter (Mr. Pramod Mittal) is running the company as the shadow Chairman and Managing Director (CMD) and it was by design that he and his family members

resigned from the board some time in 2017. Management lapses were visible after his withdrawal from the board. There are many instances of management failures, which might or might not have resulted from genuine errors of judgement. Mr. Mittal should be considered as an officer of the company under section 2 (59) of the Companies Act 2013, as the Managing Director is acting under his instructions. Section 2 (59) reads as follows: 2(59) "*officer*" includes any director, manager or key managerial personnel or any person in accordance with whose directions or instructions the Board of Directors or any one or more of the directors is or are accustomed to act,

10. The board assessed that the company's business model is sustainable and viable and the employment of a large number (around 2,100) of locals from Baleshwar and interest of minority shareholders can be protected if, required fund is infused in the company.

11. I and my colleagues relied heavily on the reputation of the Mittal family, as the company was promoted by sons of Mr. M. L. Mittal, a highly respected business leader. One of his sons (L.N. Mittal) is one of the top business leaders in the world. We thought that the fund, which is immediately required for the revival of the company, could be arranged by leveraging the family's reputation. We deferred our decision to resign on that expectation in order to protect the interest of employees and minority shareholders.

12. I do not see any point in continuing as the independent director of the company at this juncture, as I am unable to contribute in reviving the company.

I am resigning with heavy heart from a company that performed well and came out from crisis time and again and with which I am associated for more than a decade. Barring past (almost) three years, I was able to perform my job and was proud of my association with the company as an independent director.

I thank the management for providing me with full support in those days. Things changed after that. This made me and my colleague independent directors uncomfortable and jittery. Yet we continued for the reasons stated in points (10) and (11) above.

I wish well for the company and assure the management that I shall continue to support the management in future if the company survives, the promoter or his nominee joins the board and the governance structure is improved.

Thanking you,

Asish K Bhattacharyya

Mobile number: 8527300499