



# JAI BALAJI INDUSTRIES LIMITED

Ref : JBIL/SE/2019-20  
Date: 14<sup>th</sup> August, 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: Submission of Standalone and Consolidated Unaudited Financial Results for the first quarter ended 30<sup>th</sup> June, 2019**

We are enclosing herewith the following:

1. The Standalone and Consolidated Unaudited Financial Results for the first quarter ended 30th June, 2019.
2. The Limited Review Report for the first quarter ended 30th June, 2019, issued by M/s. S.K. Agrawal & Co., Statutory Auditor of the Company.

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.

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

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

CIN - L27102WB1999PLC089755



# JAI BALAJI INDUSTRIES LIMITED

## STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30<sup>th</sup> JUNE, 2019

(₹ In lacs)

Sl.No.	Particulars	Standalone				Consolidated	
		Quarter Ended		Year Ended		Quarter Ended	Year Ended
		30.06.2019 (UnAudited)	31.03.2019 (Audited) (Note 3)	30.06.2018 (UnAudited)	31.03.2019 (Audited)	30.06.2019 (UnAudited)	31.03.2019 (Audited)
1	<b>Income from Operations</b>						
	a) Revenue from Operations	81,479.08	81,184.14	76,132.60	3,07,746.76	81,479.08	3,07,746.76
	b) Other Income	259.83	1,091.22	39.57	3,996.22	259.83	3,996.22
	<b>Total Income from Operation (1a to 1b)</b>	<b>81,738.91</b>	<b>82,275.36</b>	<b>76,172.17</b>	<b>3,11,742.98</b>	<b>81,738.91</b>	<b>3,11,742.98</b>
2	<b>Expenses</b>						
	a) Cost of materials consumed	64,557.77	59,213.30	54,866.43	2,32,767.90	64,557.77	2,32,767.90
	b) Purchases of stock-in-trade	423.05	102.22	3,039.35	3,326.55	423.05	3,326.55
	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(934.65)	3,789.74	437.54	3,838.53	(934.65)	3,838.53
	d) Employee benefits expense	2,181.12	2,140.29	1,969.47	8,181.46	2,181.12	8,181.46
	e) Finance Cost	2,502.09	8,152.37	1,032.21	11,158.59	2,502.09	11,158.59
	f) Depreciation and amortisation expense	2,414.53	2,478.96	2,569.20	10,160.80	2,414.53	10,160.80
	g) Other Expenses	12,433.19	14,160.29	15,794.64	57,676.85	12,433.35	57,677.18
	<b>Total expenses (2a to 2g)</b>	<b>83,577.10</b>	<b>90,037.17</b>	<b>79,708.84</b>	<b>3,27,110.68</b>	<b>83,577.26</b>	<b>3,27,111.01</b>
3	<b>Profit / (Loss) before exceptional items and Tax(1-2)</b>	<b>(1,838.19)</b>	<b>(7,761.81)</b>	<b>(3,536.67)</b>	<b>(15,367.70)</b>	<b>(1,838.35)</b>	<b>(15,368.03)</b>
4	Exceptional Item	-	-	-	-	-	-
5	<b>Profit/ (Loss) before tax (3-4)</b>	<b>(1,838.19)</b>	<b>(7,761.81)</b>	<b>(3,536.67)</b>	<b>(15,367.70)</b>	<b>(1,838.35)</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>(1,838.19)</b>	<b>(7,761.81)</b>	<b>(3,536.67)</b>	<b>(15,367.70)</b>	<b>(1,838.35)</b>	<b>(15,368.03)</b>
8	Other Comprehensive Income	-	32.28	-	32.28	-	32.28
9	<b>Total Comprehensive Income (7+8)</b>	<b>(1,838.19)</b>	<b>(7,729.53)</b>	<b>(3,536.67)</b>	<b>(15,335.42)</b>	<b>(1,838.35)</b>	<b>(15,335.75)</b>
10	Paid-up Equity Share Capital (Equity Share of Rs10/- each)	9,638.26	9,638.26	9,638.26	9,638.26	9,638.26	9,638.26
11	Other equity	-	-	-	(1,67,625.41)	-	(1,67,632.91)
12	<b>Earnings per Equity Share</b>						
	-Basic (not annualised) (₹)	(1.91)	(8.05)	(3.67)	(15.94)	(1.91)	(15.94)
	-Diluted (not annualised) (₹)	(1.91)	(8.05)	(3.67)	(15.94)	(1.91)	(15.94)



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# JAI BALAJI INDUSTRIES LIMITED

## 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 consolidated financial results for the quarter June 30,2019 have been prepared.Impact of subsequent events in these consolidated financial results have been consolidated till the date of approval of quarterly 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> August, 2019 and have been reviewed by the Statutory Auditors of the Company.
- 3 The standalone figures for the quarter ended March 31,2019 represents the derived figures between the audited figures in respect of the full financial year ended March 31,2019 and the unaudited published period to date figures upto December 31, 2018 being the date of the third quarter of the previous nine months period ended, which were adjusted to a limited review.
- 4 During the quarter ended June 2019, the company has not provided for interest amounting to ₹7,114.17 lacs,(₹11,444.47 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 30th June 2019 is estimated to at ₹ 82,749.98 lacs. The Statutory Auditors have qualified their Review Report in respect of the said matter.
- 5 The Company has incurred net loss during the quarter ended June 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 ended June 30, 2019 have been prepared by the management on a going concern basis as the company is continuing its normal manufacturing operations.
- 6 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 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. AECCL 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.
- 7 The Company adopted Ind AS 116 "Leases" effective from 1st 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 period.
- 8 The outstanding loan Accounts of IDBI and WBIDFCL has been assigned to Asset Reconstruction Company by the Bank and Financial Institution in the Current Quarter.
- 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> August, 2019



Aditya Jajodia  
*Aditya Jajodia*

Chairman & Managing Director

DIN: 00045114

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# S K AGRAWAL & 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.skagrawal.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 June, 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, read with SEBI Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 ('the Circular'). This statement is the responsibility of the Company's Management and has been approved by the Board of Directors. 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 provides 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.4 of the accompanying statement, with regard to non-recognition of interest expense on borrowings of the Company. During the quarter ended June 30<sup>th</sup>, 2019, the company has not provided for interest amounting to Rs.7,114.17 lacs 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 June 30<sup>th</sup>, 2019 has been understated by Rs. 7114.17 lacs. Therefore, the net loss after tax would have been Rs.8, 952.36 lacs for the quarter. The accumulated interest not provided till June 30, 2019 stands at Rs. 82,749.98 lacs.*

#### **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, read with the Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 ('the Circular'), including the manner in which it is to be disclosed, or that it contains any material misstatement.





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## Emphasis of Matter

1. We draw attention to Note No.8 regarding Loans from IDBI and WBIDFCL which had already turned into NPA has assigned their entire exposure in favour of Asset Reconstruction Company in the current quarter.
2. We draw attention to Note No. 5 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 June 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.

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

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



J.K. Choudhury  
(Partner)

Membership No.009367  
UDIN: 19009367AAAADJ1969

Place: Kolkata  
Dated:14<sup>th</sup> August, 2019



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## 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 June 30<sup>th</sup>, 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 Regulation"), read with SEBI Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 ("the Circular").
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

#### 5. Basis of Qualified Opinion

We draw attention to Note No.4 of the accompanying statement, with regard to non-recognition of interest expense on borrowings of the Company. During the quarter ended June 30<sup>th</sup>, 2019, the company has not provided for interest amounting to Rs.7,114.17 lacs 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 June 30<sup>th</sup>, 2019 has been understated by Rs. 7114.17 lacs. Therefore, the net loss after tax would have been Rs.8, 952.52 lacs for the quarter. The accumulated interest not provided till June 30, 2019 stands at Rs. 82,749.98 lacs.





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## 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.

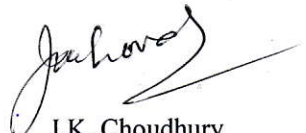
## 7. Emphasis of Matter

- a. We draw attention to Note No.8 regarding Loans from IDBI and WBIDFCL which had already turned into NPA has assigned their entire exposure in favour of Asset Reconstruction Company in the current quarter.
  - b. We draw attention to Note No. 5 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 June 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.
8. We did not review the interim financial results of 2 subsidiaries included in the consolidated unaudited financial results, whose interim financial results reflect total revenues of Rs .NIL, total net loss after tax of Rs. 15,957 and total comprehensive loss of Rs. 15,957, for the quarter ended June 30, 2019, as considered in the consolidated unaudited 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 & CO.  
Chartered Accountants  
Firm Registration No:-306033E



  
J.K. Choudhury  
(Partner)

Membership No.009367  
UDIN:19009367AAAADK1447

Place: Kolkata  
Dated:14<sup>th</sup>August,2019