



Jai Balaji Industries Limited

INSPIRED BY STEEL

21st Annual Report
2019-20

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.

Contents

Notice	1	Directors' Report	13	Corporate Governance Report	51	Management
Discussion and Analysis Report	73	Auditors' Report	77	Balance Sheet	86	
Statement of Profit & Loss	87	Cash Flow Statement	89	Notes to Financial		
Statements	91	Consolidated Accounts	129			



Notice to the Shareholders

Notice to the Shareholders

NOTICE IS HEREBY GIVEN THAT the Twenty First Annual General Meeting of the Members of Jai Balaji Industries Limited will be held through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM"), on Thursday, 29th October, 2020 at 11:00 a.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, 2020 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, 2020 and the Auditors' Report thereon.

Item No. 2

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

Item No. 3

To appoint a Director in place of Shri Gaurav Jajodia (DIN - 00028560), who retires by rotation and being eligible, offers himself for re-appointment.

Item No. 4

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

"RESOLVED THAT pursuant to the provisions of Section 139,142 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), M/s S. K. Agrawal & Co., Chartered Accountant having Firm Registration No. 306033E of Suite 606-08, The Chambers, 1865, Rajdanga Main Road, Kolkata- 700 107 be and are hereby appointed as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of 24th Annual General Meeting on such remuneration apart from reimbursement of out of pocket expenses and taxes as applicable, and terms and conditions as set out in the explanatory statement to this Notice."

SPECIAL BUSINESS

Item No. 5

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 15th September, 2020 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 2020-21, 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. 6

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("Act"), the Companies (Appointment and Qualifications of Directors) Rules, 2014, read with Schedule IV to the Act and Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as amended from time to time, Shri Ashim Kumar Mukherjee (DIN: 00047844), who is more than 75 years of age and who was appointed as Independent Director of the Company for a term of 5 years with effect from 2nd December, 2015 at the 17th Annual General Meeting of the Company held on 20th September, 2016 and who is eligible for re-appointment and who meets the criteria for independence as provided in Section 149(6) of the Act along with the rules framed thereunder and Regulation 16(1)(b) of SEBI Listing Regulations and who has submitted a declaration to that effect, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of five years commencing with effect from 2nd December, 2020.

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

Item No. 7

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

"RESOLVED THAT Shri Bimal Kumar Choudhary (holding DIN: 08879262), who was appointed as an Additional Director



Notice to the Shareholders (Contd.)

in the meeting of the Board of directors of the Company held on 15th September, 2020 pursuant to the provisions of Section 161(1) of the Companies Act, 2013 ("the Act") and the Articles of Association of the Company and who holds office upto the date of this Annual General Meeting and whose appointment has been recommended by the Nomination and Remuneration Committee and Board of Directors of the Company be and is here by appointed as a Director of the Company, liable to retire by rotation."

Item No. 8

To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as a **ORDINARY 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, 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 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 Bimal Kumar Choudhary (holding DIN: 08879262), as Executive Director of the Company for a period of three years with effect from 15th September, 2020 to 14th September, 2023 upon the terms and

conditions of appointment and remuneration as set out in the agreement of the appointment, 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 appointment and remuneration from time to time as may be mutually agreed to between the Board of Directors and Shri Bimal Kumar Choudhary subject to the limits contained in the Companies Act, 2013.

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 : 15th September, 2020

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

Sd/-
Ajay Kumar Tantia
Company Secretary

Notes:

1. In the view of the outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and Ministry of Corporate Affairs (MCA) has vide its General Circular No. 20/2020 dated 5th May, 2020, read with General Circular No. 14/2020 dated 8th April, 2020 and General Circular No. 17/2020 dated 13th April, 2020 (collectively referred to as "MCA circulars" permitted the holding of the Annual General meeting ("AGM") through VC/OAVM, without the physical presence of the shareholders at a common venue.

Accordingly, in compliance with the applicable provisions of the Companies Act, 2013 ("Act") read with the MCA Circulars and SEBI Listing Regulations, the Company has decided to convene its ensuing 21st AGM through VC/OAVM, and the shareholders can attend and participate in the ensuing AGM through VC/OAVM. The deemed venue for this AGM shall be the registered office of the Company.

2. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, setting out the material facts

concerning each item of Special Business under item no. 5 to 8 of the Notice to be transacted at the Twenty First Annual General Meeting ('the meeting') is annexed hereto and forms part of the Notice. The relevant details, pursuant to Regulation 26(4) and 36(3) of SEBI Listing Regulations and Secretarial Standards on General Meetings issued by the Institute of Company Secretaries of India, in respect of the Director seeking re-appointment / appointment at this AGM are also annexed.

3. Pursuant to Section 105 of the Companies Act, 2013 and rules made thereunder, any member of a company entitled to attend and vote at a meeting of the company shall be entitled to appoint another person as a proxy to attend and vote at the meeting on his behalf and the proxy need not be a Member of the Company. Since this AGM is being held through VC / OAVM pursuant to the MCA Circulars read with Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020 ("said circulars") issued by the Securities and Exchange Board of India ("SEBI"), physical attendance of Members has been dispensed with. Accordingly, **THE FACILITY TO APPOINT A PROXY TO ATTEND AND CAST VOTE**



Notice to the Shareholders (Contd.)

ON BEHALF OF THE SHAREHOLDER WILL NOT BE AVAILABLE FOR THIS AGM and hence the Proxy Form and Attendance Slip 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, 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 cssureshpal2010@yahoo.com with a copy marked to helpdesk.evoting@cdslindia.com on or before 28th October, 2020 till 5.00 P.M. without which the vote shall not be treated as valid.

4. Central Depository Services (India) Limited (CDSL) will be providing facility for voting through remote e-voting, for participation in the Twenty First AGM through VC/OAVM and e-voting during the AGM.
5. Pursuant to the provisions of Section 91 of the Companies Act, 2013, the Register of Members and Share Transfer Books of the Company will remain closed from Friday, 23rd October, 2020 to Thursday, 29th October, 2020 (both days inclusive).
6. Members may join the Twenty First AGM in VC/ OAVM mode from 10.45 a.m. i.e. 15 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.
7. 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 AGM without any restriction on account of first-come-first-served principle.
8. The attendance of the Shareholders attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
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.

To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holding should be obtained from Depository Participant and holding should be verified.

10. 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.
11. 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 MDPL, at their Corporate Office 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)
12. Members are requested to quote the Folio/Client ID & DP ID Nos. in all correspondences.
13. In view of the outbreak of the COVID-19 pandemic, resultant difficulties involved in dispatching of physical copies of the Annual Report and in line with the said Circulars, the Annual Report including Notice of the 21st 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.

Further, in terms of the applicable provisions of the Act, SEBI Listing Regulations read with the said MCA Circular No. 17/2020 dated April 13, 2020 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



Notice to the Shareholders (Contd.)

AGM Notice is also disseminated on the website of CDSL i.e. www.evotingindia.com.

14. Copies of the Annual Report for the financial year 2019-20 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.
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 form.
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 from the date of circulation of this Notice upto the conclusion of this Annual General Meeting.
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 3(three) days before the meeting through Email on jaibalaji@jaibalajigroup.com. The same will be replied by/on behalf of the Company suitably while conducting the AGM through VC/OAVM, if time permits.
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, at their Corporate Office 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



Notice to the Shareholders (Contd.)

www.jaibalajigroup.com under the head 'Investor Relations'.

23. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.

24. 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

25. a) In terms of the provisions of Section 108 of the Companies Act 2013, read with Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015 (as amended from time to time) and Regulation 44 of the SEBI Listing Regulations and the said Circulars, the Company is pleased to provide the facility of "e-voting" to its Shareholders, to enable them to cast their votes on the resolutions proposed to be passed at the AGM, by electronic means. **The instructions for remote 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 Monday, 26th October, 2020

End of remote e-voting: Up to 5:00 p.m. on Wednesday, 28th October, 2020

During this period, members holding shares either in physical or dematerialized mode as on the cut-off date viz., Thursday, 22nd October, 2020 may exercise their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter.

c) In case a person becomes a member of the Company after the dispatch of the Notice but on or before the cut-off date for e-voting i.e. **Thursday, 22nd October, 2020**, he/she may write to the Registrar requesting for user id and password or email at mdpldc@yahoo.com

- d) Once the vote on a resolution is cast by a member, the member shall not be allowed to change it subsequently.
- e) The voting rights of the members shall be one vote per paid up equity share, registered in the name of the shareholders/beneficial owners as on the cut-off date being **Thursday, 22nd October, 2020**.
- f) A person who is not a member as on cut-off date should treat this notice for the information purpose only.
- g) The Board of Directors has appointed Mr. Suresh Chandra Pal (Membership No: 9724, C.P. No.: 11952), Partner, M/s S C Pal & Associates, Practicing Company Secretaries (Address : 39, Surya Sen Street, 3rd Floor, Kolkata - 700 009), as the Scrutinizer to scrutinize the entire e-voting process in a fair and transparent manner.
- j) The scrutinizer shall within a period not exceeding 48 hours from the conclusion of the meeting submit a consolidated scrutinizer's report of total votes cast in favour or against it to the Chairman of the meeting or any person authorized by the Chairman. The Chairman of the meeting or any person authorized by the Chairman shall counter-sign the same and shall declare the results of voting forthwith.
- k) The results of e-voting will be communicated to the Stock Exchanges where equity shares of the Company are listed viz. BSE Limited and National Stock Exchange of India 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.

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

Place : Kolkata
Date : 15th September, 2020

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

Sd/-
Ajay Kumar Tantia
Company Secretary



Annexure to the Notice

Annexure to the Notice

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

Item No. 4

The members of the Company at the 16th Annual General Meeting ("AGM") held on 21st September, 2015 approved the appointment of M/s. S.K.Agrawal & Co., Chartered Accountants, as the Auditors of the Company for a period of 5 years from the conclusion of the said AGM till the conclusion of 21st AGM. M/s S. K. Agrawal & Co. would be completing 7 years as the Statutory Auditors of the Company on the conclusion of this AGM.

The Board of Directors of the Company on the recommendation of the Audit Committee, recommends the approval of members for the re-appointment of M/s. S. K. Agrawal & Co., Chartered Accountants, having Firm Registration No. 306033E of Suite 606-08, The Chambers, 1865, Rajdanga Main Road, Kolkata - 700 107, as the Statutory Auditors of the Company for their remaining period of 3 years from the conclusion of this AGM till the conclusion of 24th AGM. On the recommendation of the Audit Committee, the Board also recommends for the approval of the members, the remuneration of the Auditor (including limited review) as Rs. 15,50,000/- for the Financial year 2020-21. The proposed fees is in line with the industry benchmarks. The fees for any other professional work including certifications will be in addition to the audit fee as mentioned above and will be decided by the management in consultation with the Auditors. The Board of Directors are authorized to fix the remuneration for the remaining tenure of their appointment in consultation with the Audit Committee.

The Committee considered various parameters like capability to serve a diverse and complex business landscape as that of the Company, audit experience in the Company's operating segment, market standing of the firm, technical knowledge, expertise, etc. and found M/s. S. K. Agrawal & Co., as to be the best suited to handle the complexity associated with the audit of the financial statements of the Company.

M/s. S. K. Agrawal & Co., has given their consent to act as the Auditor of the Company and has confirmed that the said appointment, if made, will be in accordance with the conditions prescribed under Section 139 and 141 of the Act.

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

Item No. 5

On the basis of the recommendation of the Audit Committee, the Board of Directors of the Company at its meeting held on 15th September, 2020 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 2020-21, 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 2020-21.

The Board of Directors, therefore, recommend the Resolution under item no. 5 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. 6

As per Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'Listing Regulations'), with effect from 1st April, 2019, no listed Company shall appoint or continue the Directorship of a Non-Executive Director who has attained the age of 75 years, unless a special resolution is passed to that effect and justification thereof is indicated in the explanatory statement annexed to the Notice for such appointment.

Shri Ashim Kumar Mukherjee (DIN:00047844), who was appointed as an Independent Director of the Company at the 17th Annual General Meeting of the Company held on 20th September, 2016 for a term of 5 years with effect from 2nd December, 2015, is more than 75 years of age and his continuation was approved by the members at the 20th AGM for the remaining period of his existing term of directorship.

Shri Ashim Kumar Mukherjee, aged about 78 years, is a B.E (Mining) from Calcutta University and also the holder of First Class Mine Manager's Certificate of Competency to manage a Metalliferous Mine (Restricted). He possesses a rich experience of over 53 years in various capacities and areas in Mining of Ferrous Minerals. He is a member of Mining Engineering Association of India and Society of Geo-Science and Allied Technology, Bhubaneswar.



Annexure to the Notice (Contd.)

The Nomination and Remuneration Committee (NRC) of the Board of Directors, based on the report of performance evaluation of Independent Directors, has recommended the re-appointment of Shri Ashim Kumar Mukherjee as the Independent Director for a second term of 5 (Five) consecutive years on the Board of the Company from 2nd December, 2020 upto 1st December, 2025.

In view of the said provision of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Board, based on the performance evaluation of Independent Directors and as per the recommendation of the NRC, considers that, given the background and experience and contributions made by him during his tenure, the continued association of Shri Ashim Kumar Mukherjee would be beneficial to the Company and it is desirable to continue to avail his services as Independent Director. Accordingly, it is proposed to re-appoint Shri Ashim Kumar Mukherjee as the Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5 (Five) consecutive years on the Board of the Company in terms of Section 149 read with Schedule IV of the Companies Act, 2013 ('the Act'), and Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Section 149 of the Act and provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") inter alia prescribe that an independent director of a Company shall meet the criteria of Independence as provided in Section 149(6) of the Act. Section 149(10) of the Act provides that an independent director shall hold office for a term of upto five consecutive years on the Board and shall be eligible for re-appointment on passing a special resolution by the Company and disclosure of such appointment in its board's report. Section 149(11) provides that an Independent director may hold office for upto two consecutive terms.

Shri Ashim Kumar Mukherjee is not disqualified from being appointed as Directors in terms of Section 164 of the Act and have given his consent to act as Director. Also, a notice in writing under section 160 of the Companies Act, 2013 has been received from a member proposing the candidature of Shri Ashim Kumar Mukherjee for the office of Independent Director of the Company.

The Company has also received declaration from Shri Ashim Kumar Mukherjee that he meets the criteria of Independence as prescribed both under sub-section (6) of Section 149 of the Act and under SEBI Listing Regulations.

In the opinion of the Board, Shri Ashim Kumar Mukherjee fulfils the conditions for appointment as Independent Director as specified in the Act and the SEBI Listing Regulations and is independent of the management.

Further, Shri Ashim Kumar Mukherjee is not debarred or disqualified from being appointed or continuing as director

of company by the Securities and Exchange Board of India/Ministry of Corporate Affairs or any such statutory authority.

Additional information in respect of Shri Ashim Kumar Mukherjee, pursuant to the SEBI Listing Regulations 2015 and the Secretarial Standard on General Meetings, is appearing in the "Annexure" to the notice. Shri Ashim Kumar Mukherjee does not hold any share in the Company, either in his individual capacity or on a beneficial basis for any other person.

Shri Ashim Kumar Mukherjee, and his relatives, may be deemed to be concerned or interested in the Special Resolution relating to his own re-appointment. None of the other Directors and Key Managerial Personnel of the Company, or their relatives, are interested in this Special Resolution.

The Board recommends this Special Resolution for your approval.

Item No. 7

Shri Bimal Kumar Choudhary (DIN: 08879262) who was appointed as an Additional Director by the Board of Directors on 15.09.2020 pursuant to the provisions of Section 161(1) of the Companies Act, 2013 ("the Act") and the Articles of Association of the Company holds office up to the date of this Annual General Meeting. In the said meeting, the Board on the recommendation of the Nomination and Remuneration Committee (NRC), decided to place before the members of the company for their approval, a resolution for appointment of Shri Bimal Kumar Choudhary as a director of the company, liable to retire by rotation. Also, a notice in writing under section 160 of the Companies Act, 2013 has been received from a member proposing his candidature for the office of Independent Director of the Company. The NRC and Board also noted that Shri Bimal Kumar Choudhary was not debarred from holding the office of Director by virtue of any SEBI order or any such authority. Except Shri Bimal Kumar Choudhary, none of the other Directors, Key Managerial Personnel and their relatives are, in any way concerned or interested in the resolution. The ordinary resolution is accordingly recommended for approval of the members. The above may also be regarded as an appropriate disclosure under the Act and SEBI Listing Regulations.

Item No. 8

The Board of Directors of the Company ("the Board") at its meeting held on 15th September, 2020 has appointed Shri Bimal Kumar Choudhary (DIN: 08879262) as Executive 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



Annexure to the Notice (Contd.)

members and such other authorities as may be required, for a period of 3 (three) years with effect from 15th September, 2020 on the basis of recommendation of Nomination and Remuneration Committee. In view of the losses of the Company, Shri Bimal Kumar Choudhary has waived off his remuneration.

Shri Bimal Kumar Choudhary, aged about 68 years, is a B.E.(Mechanical) from Motilal Nehru Regional Engineering College(NIT), Allahabad and has also done diploma in Electrical and Metallurgical engineering from Jamshedpur Technical Institute, Jamshedpur.

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

The Board of your Company believe that his expertise and knowledge will help the company in long run and will add value to the organisation. The Board based on the recommendation of the Nomination and Remuneration Committee proposes to appoint Shri Bimal Kumar Choudhary, as an Executive director of the Company as per Section 196, 197, 198 and 203 and other applicable provisions, if any, of the Companies Act, 2013, read with Schedule V to the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof) and subject to the approval of such authorities as may be required, on such terms and conditions as set out in the Agreement dated 15th September, 2020 entered into between the Company and Shri Bimal Kumar Choudhary for a period of 3 (three) years from 15th September, 2020 for obtaining such services as may be beneficial for the working of the Company, including any advisory services.

The details pertaining to managerial remuneration as per Part B of Section II of Part II of Schedule V of the Companies Act, 2013 has not been provided since Shri Bimal Kumar Choudhary has waived off his remuneration.

An abstract of the terms and conditions of the appointment of Shri Bimal Kumar Choudhary, as the Executive Director of the Company and memorandum of concern or interest of the directors are given below:

Terms and Conditions of Appointment:

A. Salary: Not applicable since he has waived off his remuneration

B. Other terms and conditions:

- a) The Executive Director shall throughout the said term, devote his sufficient time, attention and abilities to the business of the Company and shall obey the orders, from time to time, of the Board and in all respects confirm to and comply with the directions and regulations made by the Board, and shall faithfully

serve the Company and use his utmost endeavours to promote the interests of the Company.

- b) The Executive Director shall not, during the continuance of his employment with the Company, divulge or disclose to any person, firm, company or body corporate whomsoever or make any use whatever for his own or for whatever purpose, of any confidential information or knowledge obtained by him during his employment as to the business or affairs of the company or its subsidiary or associate companies or customer or client as to any trade secrets or secret processes of the company.
- c) Any property of the Company or relating to the business of the Company, including memorandum, notes, records, reports, plates, sketches, plans or other documents which may be in possession of or under the control of the Executive Director or the Executive Director has, at any time access to, shall, at the time of termination of his employment be delivered by the Executive Director to the Company and the Executive Director shall not be entitled to the copyright in any such document which he hereby acknowledges to be vested in the Company or its assign and binds himself not to retain copies of any of them.

Except Shri Bimal Kumar Choudhary, none of the other Directors, Key Managerial Personnel and their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolution.

Shri B.K.Choudhary is not disqualified from being appointed as Directors in terms of Section 164 of the Act and have given his consent to act as Director.

Further, Shri B.K.Choudhary is not debarred or disqualified from being appointed or continuing as director of company by the Securities and Exchange Board of India/Ministry of Corporate Affairs or any such statutory authority.

Additional information in respect of Shri B.K.Choudhary, pursuant to the Listing Regulations 2015 and the Secretarial Standard on General Meetings, is appearing in the "Annexure" to the notice. Shri B.K.Choudhary does not hold any share in the Company, either in his individual capacity or on a beneficial basis for any other person.

The Board of Directors, therefore, recommend the Resolution under item no. 8 to be passed as an Ordinary Resolution by the Members.

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

Place : Kolkata
Date : 15th September, 2020

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

Sd/-
Ajay Kumar Tantia
Company Secretary