

SANJIV JAJODIA

**5, Bentinck Street
Kolkata-700001**

Date: 3rd October, 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

To
The Manager,
Dept. of Corporate Services
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai – 400 001

Dear Sir,

Sub: Disclosure of reason for encumbrance

I, Sanjiv Jajodia, being one of the promoters of M/s Jai Balaji Industries Limited, on my behalf and on behalf of each of the Promoters and Persons Acting in Concert (PAC), enclose herewith the disclosure on reason for encumbrance as on September 30, 2019 as per the format prescribed in SEBI circular no. SEBI/HO/CFD/DCR1/CIR/P/2019/90 dated August 07, 2019.

This is for your information and record.

Thanking You.

Yours faithfully,

For and on behalf of myself & Promoter/PAC


(SANJIV JAJODIA)

Encl.: as above

CC: **The Company Secretary
Jai Balaji Industries Limited**
5, Bentinck Street
Kolkata - 700 001

Annexure-II

Disclosure of reasons for encumbrance

Name of listed company	Jai Balaji Industries Limited
Name of the recognised stock exchanges where the shares of the company are listed	The National Stock Exchange of India Limited & the BSE Limited
Name of the promoter(s)/ PACs whose shares have been encumbered	Sanjiv Jajodia Aditya Jajodia Rajiv Jajodia Aashish Jajodia Hari Management Limited Enfield Suppliers limited Jai Salasar Balaji Industries Private Limited KD Jajodia Steel Industries Private Limited
Total promoter shareholding in the listed company	No. of shares-56,304,046 % of total share capital- 58.42%
Encumbered shares as a % of promoter shareholding	92.86%
Whether encumbered share is 50% or more of promoter shareholding	YES/NO
Whether encumbered share is 20% or more of total share capital	YES/NO

Signature of Authorised Signatory:

Place: Kolkata

Date: 03.10.2019



Details of all the existing events/agreements pertaining to encumbrance

Type of encumbrance (pledge, lien, negative lien, non-disposal undertaking etc. or any other covenant, transaction, condition or arrangement in the nature of encumbrance)	Encumbrance 1 (Date of creation of encumbrance: 16.02.2011)		Encumbrance 2 (Date of creation of encumbrance: 25.02.2011)		Encumbrance 3 (Date of creation of encumbrance: 24.08.2011)	
	Pledge	Pledge	Pledge	Pledge	Pledge	Pledge
No. and % of shares encumbered	No. of shares: 11,261,233 % of total share capital: 11.68%	No. of shares: 1,600,000 % of total share capital: 1.66%	No. of shares: 5,300,000 % of total share capital: 5.50%	No. of shares: 1,600,000 % of total share capital: 1.66%	No. of shares: 5,300,000 % of total share capital: 5.50%	No. of shares: 1,600,000 % of total share capital: 1.66%
Specific details about the encumbrance	IFCI Ltd (Subsequently the shares were released from pledge from IFCI Ltd & pledge was further created in favour of UCO Bank on 18.03.2013 & 25.03.2014 for 11,221,233 shares & 40,000 shares respectively as per the requirement of CDR Scheme)	IFCI Ltd (Subsequently the shares were released from pledge from IFCI Ltd & pledge was further created in favour of UCO Bank on 25.03.2014 as per the requirement of CDR Scheme)	IFCI Ltd (Subsequently 4,169,883 shares were released from pledge from IFCI Ltd & pledge was further created in favour of UCO Bank on 18.03.2013 & pledge of 1,130,117 shares were transferred to UCO Bank on 23.07.2014 as per the requirement of CDR Scheme)	IFCI Ltd (Subsequently the shares were released from pledge from IFCI Ltd & pledge was further created in favour of UCO Bank on 25.03.2014 as per the requirement of CDR Scheme)	IFCI Ltd (Subsequently 4,169,883 shares were released from pledge from IFCI Ltd & pledge was further created in favour of UCO Bank on 18.03.2013 & pledge of 1,130,117 shares were transferred to UCO Bank on 23.07.2014 as per the requirement of CDR Scheme)	IFCI Ltd (Subsequently the shares were released from pledge from IFCI Ltd & pledge was further created in favour of UCO Bank on 25.03.2014 as per the requirement of CDR Scheme)
Whether the entity X is a scheduled commercial bank, public financial institution, NBFC or housing finance company? If No, provide the nature of the business of the entity	YES/NO	YES/NO	YES/NO	YES/NO	YES/NO	YES/NO
Names of all other entities in the agreement	Listed company and its group companies (if any) - 1, 2, ... Other entities (if any) - 1, 2, ...	Listed company and its group companies (if any) - 1, 2, ... Other entities (if any) - 1, 2, ...	Listed company and its group companies (if any) - 1, 2, ... Other entities (if any) - 1, 2, ...	Listed company and its group companies (if any) - 1, 2, ... Other entities (if any) - 1, 2, ...	Listed company and its group companies (if any) - 1, 2, ... Other entities (if any) - 1, 2, ...	Listed company and its group companies (if any) - 1, 2, ... Other entities (if any) - 1, 2, ...
Whether the encumbrance is relating to any debt instruments viz. debenture, commercial paper, certificate of deposit etc.? If yes, provide details about the instrument, including credit rating	YES / NO — If yes, 1. Name of the issuer 2. Details of the debt instrument 3. Whether the debt instrument is listed on stock exchanges 4. Credit Rating of the debt instrument 5. ISIN of the instrument	YES / NO — If yes, 1. Name of the issuer 2. Details of the debt instrument 3. Whether the debt instrument is listed on stock exchanges 4. Credit Rating of the debt instrument 5. ISIN of the instrument	YES / NO — If yes, 1. Name of the issuer 2. Details of the debt instrument 3. Whether the debt instrument is listed on stock exchanges 4. Credit Rating of the debt instrument 5. ISIN of the instrument	YES / NO — If yes, 1. Name of the issuer 2. Details of the debt instrument 3. Whether the debt instrument is listed on stock exchanges 4. Credit Rating of the debt instrument 5. ISIN of the instrument	YES / NO — If yes, 1. Name of the issuer 2. Details of the debt instrument 3. Whether the debt instrument is listed on stock exchanges 4. Credit Rating of the debt instrument 5. ISIN of the instrument	YES / NO — If yes, 1. Name of the issuer 2. Details of the debt instrument 3. Whether the debt instrument is listed on stock exchanges 4. Credit Rating of the debt instrument 5. ISIN of the instrument
Security Cover/ Asset Cover	Value of shares on the date of event / agreement (A) (Rs.)	Rs. 32.86 cr.	Rs. 1.58 cr.	Rs. 14.97 cr.	Rs. 14.97 cr.	Rs. 14.97 cr.
	Amount involved (against which shares have been encumbered) (B)	Restructured amount of Rs. 2,521.02 cr. as per CDR scheme	Restructured amount of Rs. 2,521.02 cr. as per CDR scheme	Restructured amount of Rs. 2,521.02 cr. as per CDR scheme	Restructured amount of Rs. 2,521.02 cr. as per CDR scheme	Restructured amount of Rs. 2,521.02 cr. as per CDR scheme
	Ratio of A / B	0.013034407	0.00062673	0.005938073	0.005938073	0.005938073
End use of money	Borrowed amount to be utilized for what purpose — (a) Personal use by promoters and PACS(b) for the benefit of listed company; Provide details including amount, purpose of raising money by listed company, schedule for utilization of amount, repayment schedule etc. (a) Any other reason (please specify)	For the benefit of listed company as per the CDR approval letter no. BY.CDR (ATR) No./675/2012-13 dated September 20, 2012	For the benefit of listed company as per the CDR approval letter no. BY.CDR (ATR) No./675/2012-13 dated September 20, 2012	For the benefit of listed company as per the CDR approval letter no. BY.CDR (ATR) No./675/2012-13 dated September 20, 2012	For the benefit of listed company as per the CDR approval letter no. BY.CDR (ATR) No./675/2012-13 dated September 20, 2012	For the benefit of listed company as per the CDR approval letter no. BY.CDR (ATR) No./675/2012-13 dated September 20, 2012

Details of all the existing events/agreements pertaining to encumbrance

Type of encumbrance (pledge, lien, negative lien, non-disposal undertaking etc. or any other covenant, transaction, condition or arrangement in the nature of encumbrance)		Encumbrance 4 (Date of creation of encumbrance: 23.09.2011)	Encumbrance 5 (Date of creation of encumbrance: 26.09.2011)	Encumbrance 6 (Date of creation of encumbrance: 21.10.2011)	Encumbrance 7 (Date of creation of encumbrance: 24.10.2011)
No. and % of shares encumbered		No. of shares: 6,625,000 % of total share capital: 6.87%	No. of shares: 1,000,000 % of total share capital: 1.04%	No. of shares: 3,154,000 % of total share capital: 3.27%	No. of shares: 1,842,000 % of total share capital: 1.91%
Specific details about the encumbrance	(X) Name of the entity in whose favour shares encumbered IFCI Ltd (Subsequently 3,112,226 shares were released from pledge from IFCI Ltd & pledge was further created in favour of UCO Bank on 25.03.2014 & pledge of 2,550,000 shares & 962,774 shares were transferred to UCO Bank on 23.07.2014 & 19.08.2014 respectively as per the requirement of CDR Scheme)	IFCI Ltd (Subsequently 10,00,000 shares were released from pledge from IFCI Ltd & pledge was further created in favour of UCO Bank on 25.03.2014 as per the requirement of CDR Scheme)	IFCI Ltd (Subsequently 2,410,000 shares were released from pledge from IFCI Ltd & pledge was further created in favour of UCO Bank on 25.03.2014 & pledge of 744,000 shares were transferred to UCO Bank on 23.07.2014 as per the requirement of CDR Scheme)	IFCI Ltd (Subsequently 1,842,000 shares were released from pledge from IFCI Ltd & pledge was further created in favour of UCO Bank on 25.03.2014 as per the requirement of CDR Scheme)	
Whether the entity X is a scheduled commercial bank, public financial institution, NBFC or housing finance company? If No, provide the nature of the business of the entity	YES/NO	YES/NO	YES/NO	YES/NO	YES/NO
Names of all other entities in the agreement	Listed company and its group companies (if any) - 1.2. Other entities (if any) - 1.	Listed company and its group companies (if any) - 1.2. Other entities (if any) - 1.	Listed company and its group companies (if any) - 1.2. Other entities (if any) - 1.	Listed company and its group companies (if any) - 1.2. Other entities (if any) - 1.	Listed company and its group companies (if any) - 1.2. Other entities (if any) - 1.
Whether the encumbrance is relating to any debt instruments viz. debenture, commercial paper, certificate of deposit etc.? If yes, provide details about the instrument, including credit rating	YES / NO — If yes, 1. Name of the issuer 2. Details of the debt instrument 3. Whether the debt instrument is listed on stock exchanges 4. Credit Rating of the debt instrument 5. ISIN of the instrument	YES / NO — If yes, 1. Name of the issuer 2. Details of the debt instrument 3. Whether the debt instrument is listed on stock exchanges 4. Credit Rating of the debt instrument 5. ISIN of the instrument	YES / NO — If yes, 1. Name of the issuer 2. Details of the debt instrument 3. Whether the debt instrument is listed on stock exchanges 4. Credit Rating of the debt instrument 5. ISIN of the instrument	YES / NO — If yes, 1. Name of the issuer 2. Details of the debt instrument 3. Whether the debt instrument is listed on stock exchanges 4. Credit Rating of the debt instrument 5. ISIN of the instrument	YES / NO — If yes, 1. Name of the issuer 2. Details of the debt instrument 3. Whether the debt instrument is listed on stock exchanges 4. Credit Rating of the debt instrument 5. ISIN of the instrument
Value of shares on the date of event / agreement (A)/(Rs.)	Rs.11.84 cr.	Rs. 0.99 cr.	Rs. 4.21 cr.	Rs. 1.82 cr.	
Amount involved (against which shares have been encumbered) (B)	Restructured amount of Rs.2,521.02 cr. as per CDR scheme	Restructured amount of Rs.2,521.02 cr. as per CDR scheme	Restructured amount of Rs.2,521.02 cr. as per CDR scheme	Restructured amount of Rs.2,521.02 cr. as per CDR scheme	Restructured amount of Rs.2,521.02 cr. as per CDR scheme
Ratio of A / B	0.004696512	0.000392698	0.001669959	0.00072193	
End use of money	Borrowed amount to be utilized for what purpose - (a) Personal use by promoters and PACs (b) For the benefit of listed company: Provide details including amount, purpose of raising money by listed company, schedule for utilization of amount, repayment schedule etc. (a) Any other reason (please specify)	For the benefit of listed company as per the CDR approval letter no. BY/CDR (ATR) No./675/2012-13 dated September 20, 2012	For the benefit of listed company as per the CDR approval letter no. BY/CDR (ATR) No./675/2012-13 dated September 20, 2012	For the benefit of listed company as per the CDR approval letter no. BY/CDR (ATR) No./675/2012-13 dated September 20, 2012	For the benefit of listed company as per the CDR approval letter no. BY/CDR (ATR) No./675/2012-13 dated September 20, 2012

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Details of all the existing events/agreements pertaining to encumbrance

		Encumbrance 8 (Date of creation of encumbrance: 01.02.2018)	Encumbrance 9 (Date of creation of encumbrance: 16.02.2018)	Encumbrance 10 (Date of creation of encumbrance: 27.03.2019)
Type of encumbrance (pledge, lien, negative lien, non-disposal, undertaking etc. or any other covenant, transaction, condition or arrangement in the nature of encumbrance)		Pledge	Pledge	Pledge
No. and % of shares encumbered		No. of shares: 7,000,000 % of total share capital: 7.26%	No. of shares: 5,000,000 % of total share capital: 5.19%	No. of shares: 9,500,000 % of total share capital: 9.86%
Specific details about the encumbrance	Name of the entity in whose favour shares encumbered (X) Whether the entity X is a scheduled commercial bank, public financial institution, NBFC or housing finance company? If No, provide the nature of the business of the entity Names of all other entities in the agreement	Bhuwalka Alloys Private Limited YES/NO - Trading Company	Ushasree Tea Private Limited YES/NO - Trading Company	Ushasree Tea Private Limited YES/NO - Trading Company
	Whether the encumbrance is relating to any debt instruments viz. debenture, commercial paper, certificate of deposit etc.? If yes, provide details about the instrument, including credit rating	YES / NO — If yes, 1. Name of the issuer 2. Details of the debt instrument 3. Whether the debt instrument is listed on stock exchanges? 4. Credit Rating of the debt instrument 5. ISIN of the instrument	YES / NO — If yes, 1. Name of the issuer 2. Details of the debt instrument 3. Whether the debt instrument is listed on stock exchanges? 4. Credit Rating of the debt instrument 5. ISIN of the instrument	YES / NO — If yes, 1. Name of the issuer 2. Details of the debt instrument 3. Whether the debt instrument is listed on stock exchanges? 4. Credit Rating of the debt instrument 5. ISIN of the instrument
Security Cover/ Asset Cover	Value of shares on the date of event / agreement (A)(Rs.) Amount involved (against which shares have been encumbered) (B) Ratio of A / B	Rs.11.62 cr. Rs.4.00 cr. 2.905	Rs. 6.88 cr. Rs.3.00 cr. 2.293333333	Rs.26.32 cr. Rs.60.00 cr. 0.438666667
End use of money	Borrowed amount to be utilized for what purpose —(a) Personal use by promoters and PACs(b) For the benefit of listed company; Provide details including amount, purpose of raising money by listed company, schedule for utilization of amount, repayment schedule etc.(a) Any other reason (please specify)	For the benefit of listed company for their normal business purpose to be repaid by March, 2020.	For the benefit of the group company for their normal business purpose to be repaid by March, 2020.	Third party pledge. Borrowing to be repaid by October, 2020